

# Chapter 2

WORKING WITH THE END IN MIND: 2014 TO 2017

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## Sooner Rather Than Later

*The S. D. Bechtel, Jr. Foundation Spend-down Journey*



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This chapter describes the evolution of the Foundation's major program investments and initiatives during the central spend-down years. It follows a prologue to the Foundation spend-down decision, as well as a first chapter chronicling the activation of the spend-down model. It precedes a third chapter that will report on the Foundation's conclusion.





## Chapter 2 | Peak investment and progress in the spend-down years

**The S. D. Bechtel, Jr. Foundation entered 2014 with a finite set of strategies formed in response to timely opportunities in the fields where it worked.**

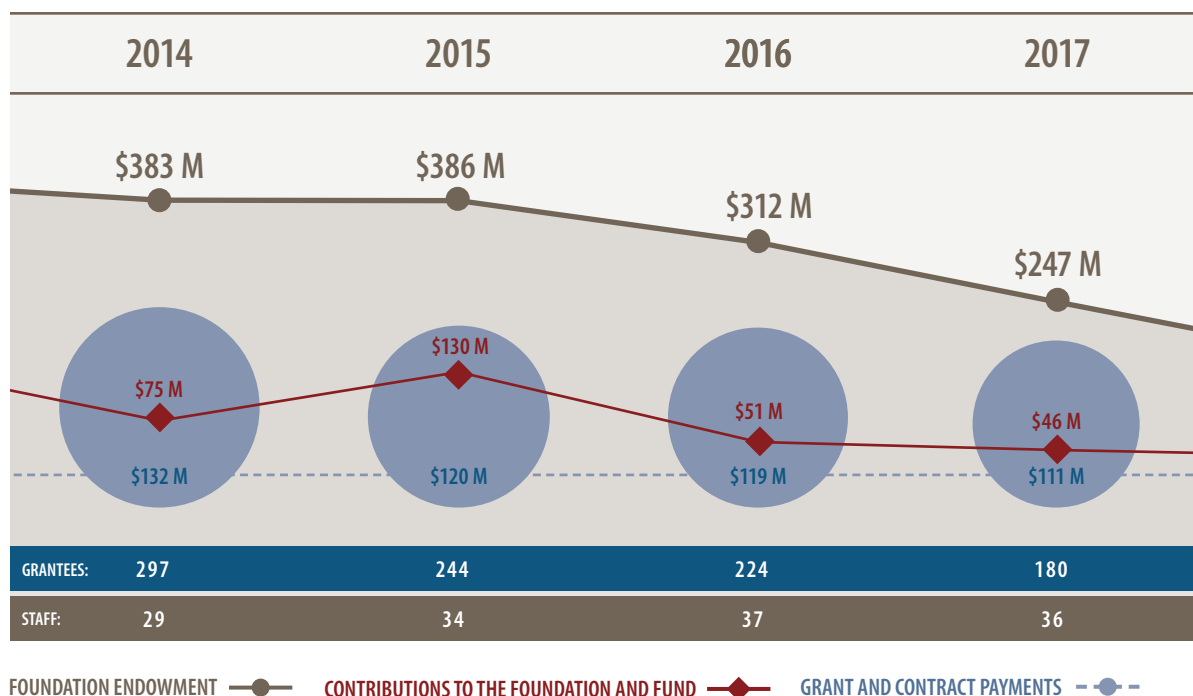
Foundation staff and its Board of Directors had completed, in 2013, an intensive process of analysis and direction setting, known internally as the “strategic refresh.” Adoption of the spend-down model as well as continued contributions from Stephen D. Bechtel, Jr. dramatically increased the pool of grantmaking dollars available, enabling the design and funding of major, multi-year initiatives. Staff size had expanded in light of the Foundation’s aspirations. The organization was energized and aligned regarding the potential to advance large-scale, sustainable impact in the years leading to its conclusion in 2020.

Writing about the Foundation’s focus early in 2014, President Lauren B. Dachs explained that, “our strategic lines of work are grounded in the mission, goals, and values of the Foundation. Over the next seven years, our team will collaborate with grantees and funding partners to accomplish ambitious goals.”

This era would be defined by progress along the paths charted in 2013, in tandem with learning and adaptation as the Foundation deepened its investments in the primary fields where it was at work: STEM education, character development, and stewardship of land and water resources.

## Greater resources and sharper focus

The Foundation's ambitions entering this era were fueled by increased financial assets as well as growth in staff size and operations.



In the four-year period spanning 2014 through 2017, the organization invested \$482 million in grant and contract payments, representing the height of its program expenditures. This total reflected an increase of 40% over the prior four-year period 2010 through 2013, which involved \$344 million in grant and contract payments.

A staff sized at seven full-time positions in 2008, the year before the spend-down decision was made, had grown to 29 positions by 2014, and would continue to expand to its zenith of 37 positions in 2016. In tandem with adding staff, the Foundation upgraded its software, systems, and procedures to enhance its ability to manage larger, multi-faceted program investments.

The Foundation's focus on achieving greater impact in a select number of program areas was accompanied by a reduction in the number of grantees receiving dollars each year. In 2014, the Foundation made final grants of one to two years to more than 100 organizations whose work was not well aligned to the Foundation's spend-down priorities, with a goal of positioning these grantees to succeed without future Foundation support. The total number of organizations receiving grant funds went from a high of 421 in 2012 to 180 by 2017.

## **Supporting greater impact: Evolving structures and practices**

This period featured the elevation of institutional capabilities essential to maximizing Foundation impact during – and beyond – the spend-down years. Chief among these were financial management, human resources, and organizational effectiveness, including learning and evaluation as well as strategic communications.

### **Financial management**

In 2016, staff conducted a thorough financial analysis and forecasting of Foundation economic resources through conclusion in 2020. This scenario planning yielded a baseline projection that was recalibrated annually during the spend down.

2016 was also the year that the Foundation's overall assets began to shrink. In each year following the 2009 spend-down decision, the Foundation's endowment had grown significantly as new contributions from Stephen D. Bechtel, Jr. outpaced grant and operating expenses. The Foundation also needed to determine how best to ramp up processes, refresh grant strategies, and increase staff. The trajectory shifted in 2016 – Foundation assets were less at the end of the year than at the beginning, and the organization was on course to meet its interim annual spending targets over the next four years.

That year, the Foundation liquidated the majority of its investment portfolio to maximize a stable and accessible financial base for grantmaking.

### **Human resources**

Total staff size had grown from nine full-time positions in 2009 to 29 in 2014; this number would top out at 37 by 2016 as the Foundation expanded its bandwidth for spend-down activities. Even as the Foundation added internal positions, it viewed the use of consultants as a means to leverage the capabilities of staff as well as secure expertise that was not resident in house. This practice would continue in subsequent years.

While most contracted consulting services were directly related to program work, the Foundation also engaged outside providers to support communications, human resources, and other functions.

In 2016, the Foundation developed a Transition Assistance Fund to support staff after their spend-down work was finished. Establishing this fund enabled each employee to understand and plan for the financial implications of concluding their tenure at the Foundation. The Foundation sought to balance the need for staff to complete program implementation and handle essential operations with the desire to ensure that staff members would have sufficient time to transition to rewarding new employment.

Establishing the Transition Assistance Fund also fueled creation of multi-faceted professional development and career supports that would be implemented in the Foundation's final years.

## Organizational Effectiveness

By 2014, its second year, the Organizational Effectiveness (OE) group was fielding a variety of tasks as an in-house service provider to the Foundation. OE staff engaged with program teams to assist with a refresh of the Foundation's strategy, evaluation design and sourcing, and grantee capacity-building and field-building approaches. This team handled the work of managing some concluding grants with nonprofits whose multi-year relationships with the Foundation were drawing to a close, and led special projects and grants emanating from the president's office. By 2016, it was also charged with managing the Foundation's growing strategic communication effort.

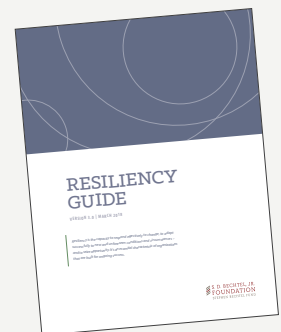
"The work of the Organizational Effectiveness team was grounded in dual purposes," recalled Barbara Kibbe, director of the OE program. "First and foremost was a commitment to the effectiveness of the Foundation, and second, a commitment to the effectiveness of philanthropy writ large."

While nonprofit capacity building and evaluation were twin areas of expertise with constant application, the day-to-day roster of OE services adapted to the Foundation's circumstances. "Each stage of the spend down presented different needs and opportunities," said Laurie Dachs. "For example, an initial focus on supporting the Foundation's staff gave way to a focus on capturing and sharing the Foundation's growing body of knowledge. The OE team was nimble, and the combination of capability and flexibility was an asset as we moved through the peak years of the spend down."

### NURTURING RESILIENCE IN NONPROFIT ORGANIZATIONS

While Foundation program teams had long considered organizational capacity in their grantmaking decisions, the decision to spend down brought new focus and urgency to the need for strong, sustainable nonprofit organizations. The Foundation chose to address challenges that would persist long after its doors closed, and needed to do all it could to make sure the organizations leading that work could sustain their efforts at a high level. This included having the ability to navigate the new challenges that come with inevitable change.

The OE team and program staff developed a Resiliency Guide and related tools to meet this need. They drew on the experience of the Foundation's program staff and external experts as well as feedback from grantees and other users to generate this guide. Once it had been tested in the context of Foundation relationships with grantees, this material was packaged and made available to funders nationally in 2016.





## Learning and evaluation

The Foundation’s commitment to assessing its work and developing knowledge that could improve practice grew throughout this period. In the Education Program, major evaluation efforts were launched or refined for STEM education initiatives. An approach to supporting grantee-led evaluation in the National Character Initiative was designed and ramped up; it included Foundation investments to elevate grantee abilities to apply evaluation to improve programs.

Similarly, the Environment Program employed a variety of approaches to evaluation that were grounded in the unique aspects of significant water and land grants. This included supporting grantees to design and implement monitoring and learning plans as well as conduct third-party evaluations of specific projects and initiatives.

In this era, the Foundation also increased attention to evaluation practice, investing in efforts to help nonprofits and funders use evaluation more effectively. Important outputs during this period included an evaluation toolkit emanating from years of investment in environmental education and a vision for the future of philanthropy evaluation developed through a field-wide research and innovation process.

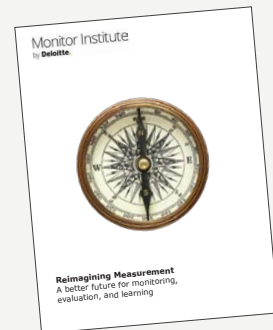
### IMPROVING EVALUATION IN ENVIRONMENTAL EDUCATION

A 2017 toolkit published by Learning for Action (LFA), with Foundation funding, was based on the knowledge that environmental education programs grow stronger when their leaders and staff use data to learn and improve. The toolkit was drawn from the practical experience of nearly 20 organizations engaged by LFA in substantive efforts to improve their program designs and outcomes.



### REIMAGINING MEASUREMENT IN PHILANTHROPY

In 2016–2017, the Foundation joined several other funders in supporting the Re-imagining Measurement Initiative. Led by Monitor Institute by Deloitte, this research and innovation process took stock of evaluation in philanthropy and identified three priorities for improving practice: better connecting evaluation to decision-making, centering equity, and aligning work across organizations to support learning at scale.



## Strategic communications

In 2014, the Foundation asked for advice and feedback from more than 20 advisors, including long-time grantees, consultants, and colleagues in the funding community. This group offered insights into how the Foundation was viewed, and shared thoughtful advice about how to improve its value to grantees and the fields where it worked. Specifically, advisors recommended that the Foundation communicate more about its plans as well as lessons learned in its spend-down years. They encouraged the Foundation to convey its intended trajectory, and to report in real time about the progress and lessons it was gaining alongside its grantees and its funding partners.

Foundation leaders took this advice to heart, moving an organization that for decades had preferred to stand out of the limelight and point attention to its grantees into a stance of more frequent and more open communication.

The Foundation website was modernized in 2014, and featured steadily expanded content in subsequent years, helping all audiences stay informed regarding major program strategies, grantee spotlights, and new resources that could support nonprofits and funders. This included publishing and updating, annually, overviews of each of the Foundation's major lines of program activity.

An overarching Foundation timeline was launched to chronicle the spend-down years, with annual updates reflecting endowment size, total grantmaking dollars, staff size, and other markers that conveyed the Foundation's trajectory. Foundation President Laurie Dachs began publishing periodic updates in 2014 as well; these communiques appeared on the Foundation website and were also transmitted to Foundation audiences through digital campaigns.



*External communication took on heightened importance as the Foundation moved through its spend-down years.*

## HELPING FUNDERS EXIT WELL

Throughout 2016 and 2017, the Foundation management team earnestly grappled with the question of, “What will we leave behind?” Major program initiatives were examined in light of the knowledge they could yield to enhance the strategies and practices of others. In these years, the Foundation also ramped up its desire to document and share salient content from its own journey.

“The work (of spending down) is both challenging and exhilarating,” Laurie Dachs wrote early in 2016. “But there is no map or handbook to guide us. We are striving to learn from the experience and views of others every step along the way. We are also making a commitment to share what we learn from our own experience, and to build knowledge for the field of philanthropy more generally concerning exits and spend downs.”

OE staff facilitated multiple endeavors to bring Foundation knowledge to the fore, and to advance field-wide efforts to improve practice related to concluding initiatives and grantee relationships. An early example featured Foundation participation in a study by Grantmakers for Effective Organizations (GEO). Interviews with funders who were spending down resulted in a 2016 paper titled, “What Does it Take to Spend Down Successfully.” Foundation leaders also participated in panel discussions and presentations on the topic of spending down at a range of philanthropy-serving organizations.

Foundation leaders shared reflections through a case study published in 2017 by the Center for Effective Philanthropy. The S. D. Bechtel, Jr. Foundation example was accompanied by cases from the Lenfest Foundation and Brainerd Foundation in a publication titled, “A Date Certain: Lessons from Limited Life Foundations.”

The Foundation underwrote a special edition of *The Foundation Review*, philanthropy’s only peer-reviewed journal, on the topic of “Exit Strategies.” This 2017 publication attracted entries from The Atlantic Philanthropies and other funders with deep experience in concluding lines of program activities. OE staff contributed two articles to the special issue.





## Program approaches in the prime spend-down years

The spend-down decision and its implementation led the Foundation to adopt a systems lens and shift to outcomes-oriented grantmaking, deepen its partnerships with key grantees, enter the policy arena,\* elevate the importance of nonprofit capacity building, increase commitment to learning and evaluation, and activate program communications to amplify results.

These attributes came to the fore during the years 2014 to 2017.

The Foundation's process for honing priorities and program approaches in these spend-down years was dynamic – informed by context, propelled by the discovery of windows of opportunity that were ripe for philanthropic investment, and ever adapting to the experiences and needs of grantees and funding partners.

The summary table on the following page characterizes principles that animated the Foundation's program approach. It is followed by descriptions of the Education and Environment Program strategies and activities between 2014 and 2017.

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\* The Foundation believes that policy plays an important role in systemic change and that advocacy is a key strategic tool for influencing policy. To this end, the Foundation supports organizations that engage in issue-based policy and advocacy efforts, including raising awareness, building networks and coalitions, nurturing champions, conducting research, etc.

The Foundation does not earmark funds for lobbying activities as defined by the Internal Revenue Code and applicable Treasury Regulations, nor for reportable lobbying activities as defined by the California Political Reform Act or the federal Lobbying Disclosure Act.



Courtesy of the Golden Gate National Parks Conservancy

## Principles animating the spend down

Through conversation in 2017, Foundation leaders (President Laurie Dachs, Education Director Susan Harvey, Environment Program Director Allison Harvey Turner, and Organizational Effectiveness Program Director Barbara Kibbe) reflected on elements and themes central to the Foundation's programmatic approach.

*In its concluding years, the Foundation's program approach is...*

CONTEXTUAL	<i>"We don't just notice context, we study it."</i>	The Foundation is intentional in designing and adapting its approaches based on the ever-evolving external landscape for each of its priority areas.
RELATIONAL	<i>"We engage with people and organizations; we don't work from the top down."</i>	The Foundation views its relationships with key grantees and colleague funders and partners as essential to progress – and to sustaining results. It interacts with others as critical stakeholders in its work, and encourages co-design of solutions.
OPTIMISTIC	<i>"Believing problems can be addressed is in our DNA."</i>	The Foundation is willing to tackle issues that are complex, and approaches challenges with confidence that deep understanding, thoughtful strategies, and effective implementation can produce results.
FLEXIBLE	<i>"We'll change course when we see there is a better way."</i>	The Foundation adapts as it learns in any initiative area, and is willing to make significant change when new information or external events call for adjustment in goals and/or approaches.
DATA DRIVEN	<i>"We want our work to be driven by research."</i>	The Foundation brings rigor to its grantmaking, commissions research in areas where data and knowledge are lacking, and values evaluation as a vital and integrated component of program strategy.
RISK TOLERANT	<i>"We don't mind being the first funder in."</i>	The Foundation is unafraid to initiate new ventures and to enter arenas where other grantmakers may be reluctant to go.
SUPPORTIVE OF INSTITUTIONS	<i>"That's where the public dollars and scale of impact are."</i>	The Foundation is more likely to invest in, rather than ignore, existing public institutions as a vital means to affect significant and enduring change.
OPPORTUNISTIC	<i>"We will double down when we catch a break."</i>	The Foundation responds to shifts in context that open windows of opportunity for accelerating or amplifying its strategies, and will rapidly bring added resources to capitalize on these shifts.

## **Education Program: STEM and character development**

By 2014, the Foundation was underway with major initiatives focused on enhancing Science, Technology, Environment, and Math (STEM) education. With multi-year commitments, Foundation grantees were working to support current teachers in shifting to new academic standards as well as transform the ways new teachers were prepared to enter the classroom.

In parallel, Foundation grantees involved with young people outside of school settings were working to improve character development.

Both lines of work sought to advance adult practice. In and out of the classroom, adults serve as important mentors and role models who foster positive decision-making and character strengths in youth. The Education Program invested in adult practice as the means to achieve and sustain large-scale impact on young people.

These investments were supplemented by grants supporting education policy and advocacy. Through these means, the Foundation and its partners sought to encourage a comprehensive approach to K–12 learning that recognized the importance of teachers, teaching practices, standards, and out-of-school programs.

To enable these directions, and align internal structure with external priorities, the Education Program reorganized in 2014. The staff group now comprised positions dedicated to program activities in STEM education and character development, with a policy and advocacy team supporting both these domains.

### **STEM education: Preparing young people for the future**

In the classroom, students develop the STEM skills they need to participate fully in economic and community life in the 21<sup>st</sup> century. Teachers are routinely cited as the single most important contributor to student achievement.

California's current math and science standards emphasize critical thinking and require new problem-solving approaches to teaching. The adoption of these standards as well as updated credentialing requirements for teachers presented opportunities to ensure that both current and future educators are prepared to provide students with the knowledge and skills needed for success. The Foundation took significant action through three signature initiatives: Math in Common®, Next Generation Science Standards (NGSS) Early Implementers, and New Generation of Educators.

## Math in Common®: Building capacity for new math instruction

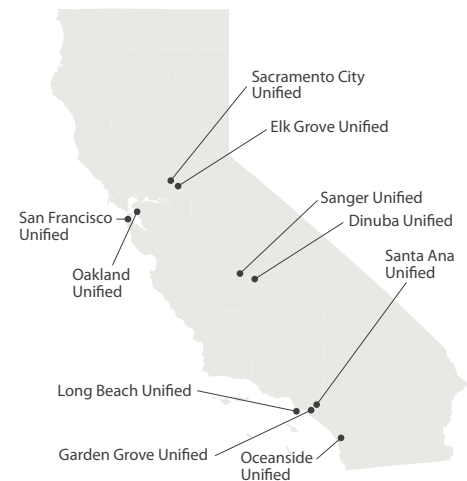
Common Core State Standards for Mathematics, adopted by California in 2010, demanded deep and broad shifts in classroom instruction. Teachers needed to move from the historic practice of schooling students in formulas and shortcuts to helping young people build their conceptual knowledge as well as the ability to explain their thinking. This required teachers to deepen their own understanding of core math concepts as the basis for evolving their practice and facilitating more meaningful student engagement.

In 2013, the Foundation announced the \$57 million Math in Common Initiative, committing support that would ultimately span seven years and involve ten school districts as they implemented instructional practices aligned to the Common Core State Standards for Mathematics. The Initiative's focus was on K–8 classrooms. The Foundation expected that the progress, experiences, and lessons gained by grantees could inform other educators and districts statewide.

Math in Common grants were awarded to public school districts across California: Dinuba, Elk Grove, Garden Grove, Long Beach, Oakland, Oceanside, Sacramento City, San Francisco, Sanger, and Santa Ana. Collectively, these districts serve almost 300,000 K–8 schoolchildren, and 9% more low-income students and 6% more English learner students than the average for schools statewide.

The Initiative engaged experts who provided districts with technical assistance as each developed and implemented a unique strategy for providing instruction aligned with the new standards. Services were tailored to district-specific needs and included analysis of California Smarter Balanced test results by school and by student population groups to inform district plans for instructional improvement.

A community of practice was central to each district's efforts to continually improve instructional practice. It included two-day convenings held three times each year, with involvement from a core team of Initiative leaders from each district, workshops led by outside experts as well as district participants, and summer sessions focused on developing the instructional leadership capacity of teachers and principals.



*Initiative participants convened several times over the course of the Initiative to learn from peers as well as field experts.*



Evaluation services were included to help each district identify key lessons regarding effective practice and implementation of instruction aligned to the math standards. Evaluators also produced reports, beginning in 2014, to transfer knowledge from the experience of Math in Common grantees to the broader field of California educators. Topics included teacher supports that enhance shifts to new instructional practice, the role of administrators in successful implementation of new classroom practices, and effective instructional materials.

### ***An adaptive, grantee-centric program strategy***

As this Initiative unfolded, the Foundation learned and adapted its supports. For example, Lisa Lomenzo, senior program officer, noted that, “We were overly ambitious in thinking that districts could engage all teachers in improved math instruction in the first year of the Initiative. We set out with this intent because the state was going to begin testing based on the new math standards in our second year. The reality was that the structures and systems in the districts simply didn’t have the capacity to effectively reach and support all teachers in just one year.”

Technical assistance providers directed efforts to overcoming challenges encountered by districts, including:

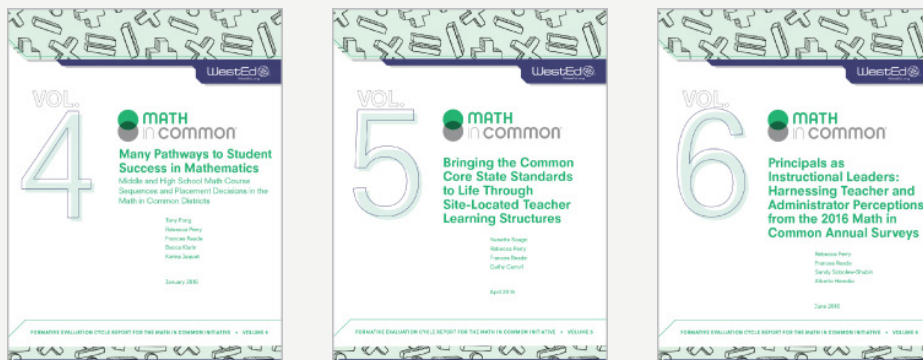
- **Embedding supports for ongoing professional development of teachers.** This included delivering trainings in the school building, and bringing coaching and group observations to the classroom. These embedded supports were designed and timed to be highly relevant to teacher’s instructional needs, and helped deepen teachers’ mastery of math content and their understanding of instructional tactics that promote learning in a powerful way.
- **Increasing attention and resources to support principals and math coaches.** Principals were central agents in promoting and supporting the changes required to implement the math standards. Coaches were also critical drivers of success – they could augment principals’ leadership, support teachers in improving instruction, and help establish expectations for results.
- **Dialing up communication with district and school-site stakeholders to facilitate progress.** Senior district administrators needed to be kept aware of the overarching significance, multiple work streams, and results from math implementation, since these leaders contend with competing priorities. Communications became especially important when district superintendents changed; this transition point carried the potential to disrupt or set back math implementation efforts. Collective bargaining could also play a decisive role in mandatory teacher professional development and planning teacher collaboration time, and conflict between districts and teachers’ unions could negatively affect implementation plans.

### ***Commitment to learning, focus on systems***

As districts gained experience with new instructional practices, and increased their interaction with others in the Initiative, they evolved to become a learning cohort. “By year two there was quite a strong relationship among the districts,” recalled Lisa Lomenzo. “By year three there was complete transparency, and a belief that all districts, from the largest to the smallest, urban and rural, had valuable knowledge and experience to share.”

Grantees increasingly brought a systems lens to their work, recognizing that teachers need a coherent system of supports in order to enact the deep shifts demanded by California math standards. That system of supports could include professional development for teachers and principals, coaching programs, supports for special populations of students (such as English learners), and curriculum. The Foundation responded to this systemic focus, for example, supporting deeper engagement of principals beginning in 2016 as district teams gained appreciation for the role of these administrators in advancing new instructional practices.

Grantees also demonstrated progress in building a culture of learning and improvement. Their efforts to strengthen systems tapped into the talents of teachers, principals, and district administrators – leading to increased confidence and engagement in ongoing learning. In their improvement work, districts tested theories of change, used data to inform decision-making, examined relationships between district programs and policies and student outcomes, and captured and applied learning across schools.



*Nine reports were released through 2017, and grantees were actively involved in sharing their lessons learned and successful practices with other school districts as well as policymakers.*

## Next Generation Science Standards

### Early Implementers: Bringing science to life as a core subject

California ushered in a fundamental shift to science instruction with the 2013 adoption of Next Generation Science Standards (NGSS). The new standards recognized that the practice of science and engineering requires much more than content-specific knowledge. Science learning therefore cannot be based on memorization or learning interesting facts. NGSS called for students to learn by *doing* science, engaging with real-world phenomena to activate their curiosity and lead to deeper understanding.

#### THE NGSS THREE-DIMENSIONAL FRAMEWORK

The Next Generation Science Standards are based on students learning:

**Core ideas in the science discipline.** This is the essential content that is drawn from physical, life, and earth sciences as well as engineering. Young people need to have this knowledge to participate in STEM learning and applications.

**Cross-cutting concepts.** These concepts apply across all domains of science and include, for example, understanding patterns, similarity, and diversity; cause and effect; scale, proportion, and quantity; systems and system models; and stability and change. Young people need these concepts to organize and interrelate scientific knowledge, and generate a coherent and scientifically-based view of the world.

**Science and engineering practices.** These behaviors are used to answer questions and solve problems in the real world. For example, young people need to know how to plan and carry out investigations, analyze and interpret data, and create and present arguments based on evidence.

*Text drawn from the Next Generation Science Standards website, [nextgenscience.org](http://nextgenscience.org).*

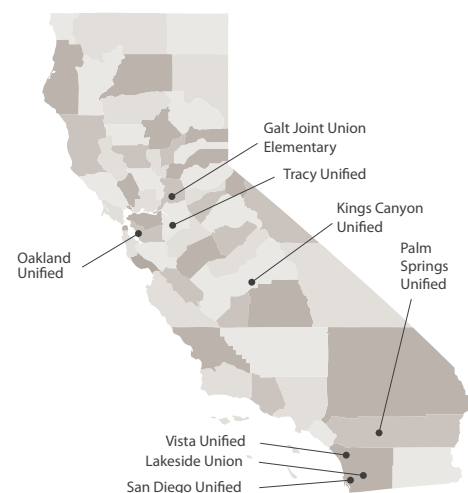


*Using science notebooks, questioning strategies, and other approaches, students conduct investigations, construct arguments, analyze text, practice descriptive skills, articulate ideas, and assess their own understanding of science content and concepts.*

The new science standards represent dramatic changes for students, teachers, and administrators in California. The transformation is especially significant in middle school, as the California State Board of Education stated that an “integrated model” of science instruction was preferred – upending the traditional model of teaching one science discipline per year. Rather than focusing on earth sciences in the 6th grade, life sciences in the 7th grade, and physical sciences in the 8th grade, students would now experience learning that drew on all these subjects at each grade level. As with Common Core State Standards for Mathematics, the Next Generation Science Standards also required teachers to embrace inquiry-based, student-centered studies as central to learning.

In 2014, the Foundation began implementation of the NGSS Early Implementers Initiative, committing \$25 million over six years to help a cadre of public school districts pilot implementation of instruction aligned to the new science standards, with an intent to share lessons and successful practices gleaned from their efforts. Through this Initiative, the sizable effort to help all California districts and classrooms shift to the new standards could be enhanced. And there was a window of opportunity to significantly influence effective implementation, as many districts were not moving to immediate adoption of the standards (the state had announced that the first California Science Test based on the standards would take place in 2019).

Foundation investments focused on K–8 classrooms in a diverse cohort of eight California school districts. Each district chose the integrated model of science instruction for middle school.



### ***A centralized program approach, informed through experience***

While the aims of the NGSS Early Implementers and the Math in Common® Initiatives were similar, the Foundation employed a different approach in each case. The math approach was relatively decentralized: districts developed their own unique plans consistent with their local contexts and cultures.

The approach taken with science was more centralized. As challenging as the math standards were, the science standards were considered even more daunting. In addition, teaching science had been on the back burner for many years, as the focus of the No Child Left Behind era was on math and English language arts. For that reason, the Foundation engaged the K–12 Alliance at WestEd, a professional development provider for school systems, to lead the science initiative. The role of the Alliance, which is respected for its work in science and knowledge of California educational systems, helped make the Initiative attractive to prospective district participants. Alliance staff provided a unified approach and technical assistance to all participating districts, including significant, ongoing professional learning for core teams of administrators and teacher leaders. The Foundation contracted a separate group at WestEd, the STEM evaluation unit, to study the Initiative and disseminate lessons and effective practices statewide. Despite the different approaches to standards implementation for math and science, in both cases Foundation funding enabled districts to move faster and more deeply than would have been possible otherwise.



Given the ambitions of the NGSS Early Implementers Initiative, the K–12 Alliance and Foundation worked closely with the California Department of Education, the California State Board of Education, and Achieve (a national nonprofit focused on college and career readiness) in forming and implementing the Initiative’s approach.

Teachers participated in science lesson studies twice each year, using a collaborative model that involved co-creating lesson plans that a teacher would then implement followed by collaborative reflection, assessment, and improvement. The Initiative was guided by a core leadership team of teacher leaders and administrators in each district who participated in additional professional learning and coaching activities. Together, this core team and a group of teacher leaders were the means for scaling NGSS implementation throughout each district. The K–12 Alliance focus included actively nurturing the emergence of new teacher leaders, as well as providing specialized supports for administrators – a group whose own understanding of effective science instruction, and of how to assess teachers providing instruction, needed to shift in momentous ways. “This approach enabled a select group of committed champions to catalyze interest in NGSS-aligned instruction among their colleagues,” recalled Lisa Lomenzo.

### ***Evident progress***

As the Initiative moved through its early years, it was evident that participating schools were making strides to establish science as a core subject. WestEd’s evaluation supported K–12 Alliance reporting that Next Generation Science Standards have positive effects:



**NGSS taps into the natural curiosity and energy of every child.** Science instruction kindles and expands this curiosity when it incorporates phenomena and connects to the life experiences of young people.



**NGSS helps students learn *all* subjects.** When students engage with these science concepts and content, it broadens their knowledge base and heightens their interest in reading and writing. It can benefit even reluctant readers and writers, and English language learners as well as native speakers.

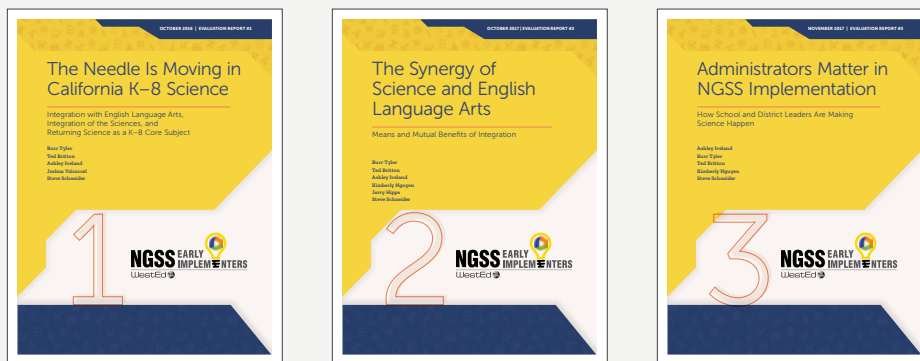


**NGSS helps teachers improve *all* instruction.** Teachers like this approach to science too. It facilitates active learning, providing students with rich content they can read, debate, and write about in English language arts (ELA) classes, use to solve math problems, and more. Science knowledge fuels self-driven learning across a continuum of subjects and skills.

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Equally important, the experience of districts funded through the Foundation and supported by the K–12 Alliance was demonstrating that educators could make the shift to instruction aligned with the new standards. As written by the K–12 Alliance in 2017, the Initiative proved that “instructing with NGSS is doable – regardless of experience level. The experience of Early Implementers shows that teachers, schools, and districts, regardless of their relative experience with science, can instruct to the new standards. Approaches to improving science learning have been designed and tested in classrooms and schools within districts of differing sizes and demographics, and with teachers and administrators who have minimal or extensive prior experience.”

The key to successful implementation was professional learning, and the Initiative team continued to dedicate its attention and resources to helping ensure that district curricula leaders, principals, and the teachers providing classroom instruction all had relevant opportunities to gain the content and skills they needed to help young people learn in ways that met the promise of the new standards.



*Three reports were released through 2017, and the K–12 Alliance and participating districts began actively sharing findings and practices with other districts and education support organizations across California.*

## New Generation of Educators Initiative: Transforming teacher preparation

The Foundation's commitment to STEM education led to a desire to ensure that new teachers entered the classroom ready to provide instruction aligned with California's state standards for mathematics and science. This interest was predicated on the belief that quality instruction in K–12 public school classrooms is vital to the future of the state. Teachers must be experts in helping all students learn based on the demanding new academic standards – while also being effective conduits for social-emotional learning, and champions for equity in a diverse and growing state.

In the early spend-down years, the Foundation's Education team set about gathering information on how other funders approached teacher preparation. "It was really hard to figure out what had even taken place in this space," recalled Macy Parker, senior program officer. "So, we did a lot of reading, listening, calling people, asking them what they knew about funding teacher preparation, and asking them who else we should be talking with. We were trying to put together a picture of who was out there in the field with knowledge about how to help university-based programs improve. We found grantmakers who were funding small, boutique alternative certification programs, but not many were funding the kind of large-scale initiative that we were interested in."

The Foundation made an intentional decision to work with traditional university based teacher preparation, mirrored by the decision to work with public school districts. This was part of a larger Foundation philosophy to invest in existing public systems, and to help strengthen and protect these systems given their reach and significance.

The Foundation was attracted to the California State University (CSU) due to its scale and potential to elevate teacher preparation practice. The CSU system prepares more teachers for California public schools than all other institutions combined. The CSU also influences practice nationally.



“The CSU system is an incredible resource built to serve the public,” stated Macy Parker. “Many of the campuses in that system were launched as teachers’ colleges and were designed to provide workforce development for one of the biggest workforces in the state. About 50% of California’s teachers and almost 10% of America’s teachers will get their credential from a California State University, so what they do really matters.”

Conversations with CSU leaders were encouraging. “It was clear the Chancellor’s Office had a plan,” said Macy. Susan Harvey added, “They wanted to be preparing their teachers for the new state standards, and as we learned more about their interests, we were thinking, ‘We can support this. This is something we’ve been wanting to do.’”

An initial round of grantmaking to the Chancellor’s Office informed a multi-year effort whereby the Foundation funded schools or colleges of education on 11 CSU campuses. These sites in turn partnered with local K–12 public school districts to transform how teaching candidates are prepared for the classroom. The Chancellor’s Office remained a vital party in what became the “New Generation of Educators Initiative.”

#### INITIATIVE PARTICIPANTS

The following institutions received multi-year funding through the New Generation of Educators Initiative. Grants were awarded to CSU campuses as the program leads; each partnered with one or more K–12 public school district.

- CSU Bakersfield with Bakersfield City School District
- CSU Channel Islands with University Preparation Charter School and Ocean View School District
- CSU Chico with Chico Unified School District
- CSU Dominguez Hills with LAUSD Local District South
- CSU Fresno with Fresno Unified School District, Sanger Unified School District, and Central Unified School District
- CSU Fullerton with Anaheim Union High School District, Orange Unified School District, and Placentia-Yorba Linda Unified School District
- CSU Long Beach with Long Beach Unified School District
- CSU Monterey Bay with Monterey Peninsula Unified School District
- CSU Sacramento with Sacramento City Unified School District
- CSU Poly San Luis Obispo with Lucia Mar Unified School District
- CSU Stanislaus with Ceres Unified School District and Turlock Unified School District



Each partnership is focused on goals and strategies that fit its local contexts. For example, partners worked to enrich or expand teacher residency programs, create pathways for candidates to gain relevant experience and ultimately join the faculty in schools facing teacher shortages, create curricula that integrate STEM into K–8 learning and teacher preparation, and redesign instruction of methods courses to improve candidate development of instructional practices – including practices that advance equity in education.



***Supporting success on day one***

Foundation investments in the New Generation of Educators Initiative, which started in 2014, would ultimately total \$27 million (culminating in 2019). The overarching goal was to demonstrate improved practices that prepare new teachers for success on their first day in the classroom, to scale and sustain these improvements across the CSU system, and to inform and influence the approaches used by other teacher preparation program providers as well as funders and policymakers.

The strategy emphasized rigorous teacher preparation that is relevant to the unique needs and contexts of local public school districts. It therefore focused on strengthening partnerships between CSU colleges and schools of education and school districts in their respective geographies. From the outset, the Initiative supported the collection and use of data to fuel improvement in teacher preparation and involved robust technical assistance from experts in clinical preparation of teacher candidates, as well as formative evaluation services. It included an active learning community, anchored in cohort-wide convenings with facilitated peer-to-peer exchange of knowledge.

The multi-year nature of the Initiative proved important to progress. While each of the above pillars of the Initiative design would bear fruit, they collectively represented significant change and time commitment for resource-limited faculty and administrators, and often required redevelopment of structures and systems supporting teacher preparation. Year one of the grants was especially difficult for many of the campuses – most underspent their grant budgets and faced barriers to integrating the services of technical assistance providers. Over time, all campuses found ways to evolve their operations and synchronize Initiative supports and funding to advance teacher preparation.

CSU and district partners demonstrated high interest in improvement science as the Initiative unfolded, and the Foundation strategy evolved to include specialized technical assistance in this arena. As the vital intent to advance equity in education through teacher preparation became increasingly central to the work of partners, the Foundation added technical assistance resources qualified to help teacher preparation program faculty prepare candidates to enter public schools with the knowledge and skills needed to disrupt historic patterns of inequity in the classroom.

## INVESTING IN PUBLIC EDUCATION INSTITUTIONS

*While some funders were reticent to engage with public school districts, the Foundation saw these local educational systems as the best place to invest in large-scale change that could affect K–8 students across California. And the introduction of new math and science standards opened the door for the Foundation to help those districts.*

– SUSAN HARVEY, PROGRAM DIRECTOR

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*I think we were confident but humble overseers and designers of this work. We always give a lot of discretion to the people on the ground in the various locales for knowing best what’s right for them and what they can achieve. We will push them if we think they may be stuck in the stasis that can affect any public system, but we really want to follow their lead. I think this is why, even though we are a funder, we are welcome in their planning and in conversations about addressing the realities of their challenges.*

– LISA LOMENZO, SENIOR PROGRAM OFFICER

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*Across the field of philanthropy, we often see efforts to try to disrupt public systems. In this case, we placed a lot of trust in the California State University and the state’s public school districts.*

*We said to leaders in CSU campuses and their district partners, ‘We are here because you say you care about equity and about kids’ outcomes. You are a large public system that offers access to a teaching career for a lot of candidates who themselves are first-generation college students and who may be going back to serve communities where they grew up.’*

– MACY PARKER, SENIOR PROGRAM OFFICER

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## National Character Initiative: Improving adult practice with young people outside of school

Stephen D. Bechtel, Jr. and the Foundation had long invested in youth development and civic education. In 2013, staff responded to Mr. Bechtel's interest in creating a significant initiative that would elevate character in young people across the United States as a signature element in the Foundation's spend-down years. The resulting National Character Initiative launched in 2014 with a commitment of \$126 million over six years.

The Initiative strategy was grounded in the use of research to drive improvements in the practices of adult volunteers and staff who work with young people in out-of-school settings. This approach, combined with a nationwide footprint to be achieved through investing in capable organizations already serving large numbers of young people, held promise to affect change at scale in the Foundation's remaining time horizon. The design of this approach represented a significant shift for staff, as the preponderance of Foundation youth development grants had been directed to support individual programs for youth in Northern California.

"It was a significant amount of money and we knew we had to try to get this right because there would not be time for a major change in approach," recalled Susan Harvey. "We wondered, 'How are we going to figure out which organizations can put this money to the best use? Are they going to be ready and willing to shift practices?'"

In 2013, staff and consultants began research to identify potential grantees. In some cases, these organizations were new to the Foundation; in other cases, the Foundation had experience working with a chapter or affiliate of a national organization but not with its headquarters or full network. New possibilities were explored through short-term introductory grants that supported "shovel-ready" projects. These investments allowed Foundation staff to get to know each grantee organization through its national office – visiting with its management team, assessing its financial health and organizational resiliency, and understanding the nature of its relationship with its local affiliates/programs.

Based on grantee performance with these introductory grants, and further due diligence, the Foundation invited proposals for multi-year support focused on adult practice to enhance young people's character development. The Foundation collaborated with grantees to identify promising adult practices that build youth character and supported each grantee organization as it translated this knowledge into practice through training and professional development for staff and volunteers.



*The National Character Initiative is grounded in research indicating that staff training, skills, and relationships with youth are the strongest predictors of social-emotional learning developmental outcomes.*

## A research-based design

The Initiative was shaped by research on social-emotional learning that points to adult training, skills, and relationships with youth as vital to developmental outcomes. The Foundation approach involved youth ages five to 18, the years when young people acquire the cognitive abilities for character development. The Foundation engaged with youth development partners to identify “what works” with respect to adult practices that build youth character and helped these organizations translate this knowledge into practice through training and professional development for adult staff and volunteers. The use of data and learning to inform improvement grew in importance for all grantees over the course of the Initiative.

Foundation investments took two forms:

- **Continuous improvement grants** supported high quality adult practice. For example, these grants were used by organizations to strengthen data collection and application, conduct research, and enhance training and professional development systems.
- **Transformational grants** supported organizations ready to go to the next level in their reach and impact. These grants were used by organizations to scale proven models to serve more youth, build internal infrastructure and capacity to enable effective growth, and manage internal culture change related to new directions.

## National cohorts: Leadership, Sports and Play, Nature

To reach tens of millions of youth across the country, the Foundation selected a set of national organizations that fell into one of three thematic cohorts. The leadership cohort was comprised of household-name organizations that have served generations of young people. Because youth typically spend more time in sports activities than any other, the Foundation also developed a sports and play cohort focused on developing the skills of coaches to support character development and social-emotional learning. Finally, nature also provides a unique opportunity for youth to explore their interests and be introduced to new possibilities; therefore, the Foundation included organizations that use nature as a classroom and encourage environmental stewardship.

## A California after-school coalition

In addition, the Foundation funded a fourth cohort of California-based grantees because after-school programs in California serve just as many young people on a daily basis as many of the largest organizations in the national portfolio. These grantees collaborated to support the California Department of Education’s efforts, through its Expanded Learning Office, to improve the quality of publicly funded after-school programs and to infuse character-building practices into those programs.

### LEADERSHIP COHORT



### SPORTS AND PLAY COHORT



### NATURE COHORT



### CALIFORNIA COHORT





## ***Commitment to partnership and learning***

The Foundation strategy depended on partnering with youth development organizations that were genuinely interested in elevating adult practice. It required recognizing the specific circumstances and starting point for each grantee, and providing the supports they needed to drive change.

The process of implementing introductory grants surfaced information regarding the capacity and readiness of each organization. It also highlighted any difficulties faced by individual grantees – across the cohort there were instances of financial crisis, complex organizational consolidations, leadership transitions, and public controversy regarding policies. Through the first round of grants, Foundation staff built candid relationships that ultimately supported productive, trusted collaboration with grantees.

“Because we had done such in-depth analysis on these organizations, they knew there were no secrets anymore, so they could be forthcoming about their realities,” recalled Rebecca Goldberg, senior program officer. “And I think that created a very transparent relationship, where they really saw us as a partner, and we proved that we were in it with them. We were investing significantly, and we weren’t afraid of difficult moments they had dealt with in their history. Because of that, they were never afraid to share the challenges and bumps along the road.”

The Foundation convened all grantees for a seminal 2016 workshop delivered by the National Academy of Sciences National Research Council. It illuminated challenges and opportunities for measuring character, and for assessing the efficacy of character development programs. This experience brought organizations together to reflect on research findings, and sparked their exchange of lessons and experiences with planning, implementing, and assessing relevant programs.

More structured peer learning supports evolved organically from the value grantees gleaned from this experience. Staff were eager for continued peer learning, and the Foundation responded with support for communities of practice. Peers met for facilitated knowledge sharing in three specific arenas: programming and practice, research and evaluation, and policy.



*Youth character development programming and practice were a focus of peer learning among Initiative grantees.*

Photo courtesy of NatureBridge

In addition, chief executives appreciated time with each other at the 2016 gathering and expressed desire to stay connected. The Foundation supported a series of recurring convenings for the leaders of all 13 national youth development organizations involved in the Initiative. The Foundation provided space and a facilitator for meetings twice each year, and executives embraced these sessions as opportunities for collegial conversation on topics members identified as important to their work. Foundation staff noted that the energy CEOs had for these events carried over to their staffs, setting the tone for open dialogue and partnerships across organizations.

The Foundation supported evaluation efforts as defined and implemented by individual grantees to fit their organizational contexts and serve their learning priorities. These investments were central to the Character grantmaking strategy, especially for continuous improvement grants. Foundation staff offered suggestions and funds to help grantees grow their own capacity to manage and use data to support improved practice. An emphasis on helping youth-serving organizations build their evaluation capacity corresponded with the Foundation's belief in the importance of evaluation as a tool for impact, and its recognition that a highly contextualized rather than Initiative-wide approach would be most useful, given the relatively short lifespan of the Initiative and wide variation in grantees' program environments and evaluation goals.

#### GAINING VALUE FROM INTRODUCTORY GRANTS

*We had really big numbers in mind, and we were considering investing tens of millions of dollars in some of these organizations. But we really needed to know: Could they effectively absorb that much money? Could they do something productive and sustainable with it? Would we be putting them at risk by investing so heavily in a short period of time? The introductory grants allowed us to take smaller steps before making the big jump.*

– REBECCA GOLDBERG, SENIOR PROGRAM OFFICER

*While we had strong relationships with some of the organizations' affiliates in the Bay Area, we had never worked with their national offices. How could we build relationships with those offices and be influential partners? How could we provide them capacity-building support? And what did it mean to work with federated structures – how would our support reach across their national networks? We were able to use the experience of introductory grants to right-size our larger grant investments – we could make better decisions based on what we learned about the unique characteristics of each organization.*

– ALEX HOOKER, SENIOR PROGRAM OFFICER

## Policy and Advocacy

The Foundation Education Program strategy took form amidst a shifting policy landscape in California. Elected officials and agencies were advancing the redesign of school accountability systems, teacher credentialing requirements, state and school facilities bond issuance, and district budgeting reform.

In 2010 and 2013, respectively, they had established new academic standards in math and science, leading to curriculum and assessment revisions.

Between 2014 and 2017, the Foundation supported meaningful and lasting change in youth education, particularly STEM education, and character development. Knowing that California's new policies would shape both what students would learn and how they would learn it, the Foundation wanted to help ensure that those policies would best meet the needs of young people and the adults from whom they learn.

### STEM POLICY AND ADVOCACY CONSIDERATIONS

Each area of the Foundation's STEM portfolio was analyzed to identify the most promising areas for policy improvements. Arron Jiron, associate director for the Education Program, recalled strategic considerations as major initiatives were unfolding:

"In teacher preparation, how could we support a policy agenda around the use of data to improve preparation? What were the opportunities as we began to increase investment in the clinical preparation of teacher candidates? How could we support stronger partnerships between public schools and California State Universities that prepare teachers?

"For mathematics, we were trying to take what we were learning in public school districts and help districts figure out what they should be doing to succeed with the new math standards. This was really about understanding the kinds of work that kids were doing in the classroom and looking at the instructional supports they were getting, or needed to get, in the classroom. So the data and policy questions here were all about student work and teacher practice, and about how the knowledge we were gaining with districts should inform teacher professional development.

"On the science side, we saw that this discipline had much further to go. Unlike mathematics, science was not a core subject. The field was starting with one hour of science instruction per week at best, and we were looking at, 'How can we get that to two? Can we get to four? Can we get it integrated into other core subjects? What would make a high-quality assessment for science? Can we integrate environmental literacy as kind of a norm for how students might experience science? What about professional development? What are the systems of support? And who's doing the evangelizing with superintendents and others who are thinking about the curriculum, and how can we get them to prioritize science in ways that are equal to math and English language arts as our aspirational goal?'"

The Foundation invested in local policy networks, advocates, and organizations. It supported:

- **Research and analysis.** Generating data and insights regarding existing or potential policy that could advance the Foundation's focus areas.
- **Network convenings.** Supporting peer networking and convenings to align advocacy positions across stakeholder groups (superintendents, parents, businesses, etc.).
- **Stakeholder education.** Helping advocates and education groups inform stakeholders on critical issues and approaches.
- **Tracking policy implementation.** Monitoring the adoption of new policy measures and encouraging actions that accelerate progress where necessary.
- **Systems development.** Providing technical assistance and access to experts who aid public institutions in implementing policy.

"Our job was to consider how policy and systems of policy implementation could support what seems to be working in practice," stated Arron Jiron. "We wanted to enhance, not get in the way of, the effective work that our grantees were doing."

The Foundation engaged several grantee partners in its policy and advocacy work, including: Children Now, a leading advocate for the well-being of all young people in California and a proponent of high quality STEM education and social-emotional learning; Achieve, a national entity whose influence in advancing Next Generation Science Standards could benefit adoption and practice in California; and Education Trust-West, a respected resource to help identify how new math and science instructional models could best support English learners.

As the Foundation looked to improve K–12 public education and successful adoption of math and science standards across California, it encountered a paucity of potential partners able to work at that scale. A multi-year relationship with the California County Superintendents Educational Services Association (CCSESA) was born out of this need. CCSESA exists to support the superintendents of the state's 68 County Offices of Education, helping them improve their abilities to serve local students, schools, districts, and communities. "These County Offices are charged with playing so many roles," said Arron Jiron. "We wondered if we could really help them build from within and increase their capacity to serve school districts? We ended up asking them, 'What is your vision for standards implementation? How can we help?'"

A deeper relationship with CCSESA led to better understanding of the limitations of California's structures for knowledge sharing and instructional development that could aid statewide implementation of new standards and practice improvements. The Instructional Leadership Corps (ILC) emerged from this analysis. With Foundation support, the ILC launched in 2014 as a collaboration between the California Teachers Association, the Stanford Center for Opportunity Policy in Education (SCOPE), and the National Board Resource Center at Stanford University. The ILC was formed to support educator-driven professional development that benefits all California schools and students. It established a network of accomplished classroom teachers, site leaders, administrators, and higher education professionals who could create and sustain professional learning for educators. The ILC provided something no other organization could – the means to reach and serve instructors and administrators in a majority of California school districts.



### ***A balanced approach, supporting grantee leadership***

Balanced advocacy was always important to the Foundation’s approach. By incorporating voices from business, higher education, education reform, teachers’ unions, equity advocates, civil rights groups, community organizers – any group with real interest in a policy outcome – the Foundation could help move the state forward in ways that were more likely to matter and last.

An additional tenet of the Foundation strategy involved respecting the perspective and preferred approaches of its grantees working on policy change. “We’d make sure there was alignment with grantees around the issues that mattered most to the Foundation, then we would encourage them to use their experience, networks, and insights to figure out the best way to affect change,” recalled Susan Harvey.



*Foundation grantees pursued California educational policies that shape both what and how students learn.*

## Environment Program: Caring for California's natural resources

The Foundation envisioned a California that manages, stewards, and conserves its water and land to support a resilient environment and healthy communities. By 2014, the Environment Program was heavily invested in the experience and networks developed across more than a decade to set a course in two arenas that would define its concluding years: Improving water policy and management, and advancing effective models for long-term land stewardship. “Pursuing both of these goals in tandem was the driving force for our work,” said Allison Harvey Turner, director of the Environment Program through 2019. “And we recognized that complexity was intrinsic to our program efforts. Influencing water and land systems requires considering ecosystem needs alongside the needs of vibrant communities.” This direction also required continued investments in building the capacity of leaders, institutions, and fields that were vital to these systems.

The Environment Program had been active with capacity supports over several years. For the land portfolio, this included making significant grants to the Migratory Bird Conservation Partnership (a collaboration between Audubon California, Point Blue Conservation Science, and The Nature Conservancy), the Land Trust Alliance, Audubon California, Sustainable Conservation, the UC Davis Center for Watershed Sciences, and the Sustainability Land Cohort – which included more than 20 land trusts operating in California. For the water portfolio, efforts included launching an initiative that would become the Water Foundation and supporting policy-oriented research at the UC Davis Center for Watershed Sciences, Stanford University's Water in the West program, and the Public Policy Institute of California. As a result, these organizations were well positioned to catalyze important change as the Foundation moved through 2014 to 2017, the prime years in its spend down.

The capacity of these organizations proved to be critical during this timeframe. From 2012 to 2016, California experienced the driest four-year stretch in 120 years of recordkeeping. 2014 and 2015 were also the hottest years on record, which made coping with water shortages even more difficult. The drought resulted in severe impacts to California agriculture, degraded habitat for native fishes, loss of fall and winter habitat for waterbirds, tree mortality, and more intense wildfires. It brought unprecedented attention to the state's water management deficiencies, with policymakers, nonprofits, and funders working overtime to meet requests for media coverage, policy analysis, and technical information.



*Foundation investments aimed to help California steward its remarkable resources to enhance both human and natural communities.*

As Foundation partners responded to the drought, they simultaneously advanced solutions that would help California prepare for the next drought or wildfire, developed innovative tools to help the state adapt to stressors like climate change and sprawl, and broadened and deepened partnerships with other funders and government agencies.

“We were fortunate to have partners who could advance our ambitious water and land goals,” said Allison. In this timeframe, the Environment Program strategy focused on collaborating with and investing deeply in a relatively small number of grantees. This was a significant shift away from its traditional practice of making a large number of small grants involving many nonprofits.

This work continued to represent the Environment team’s commitment to pursuing enduring, large-scale change with an openness to marshaling resources as windows for progress opened. The approach recognized that the water and land arenas were rife with dynamic forces.

### EMBRACING EMERGENT OPPORTUNITIES

“Basically, we were doing scenario planning as a way of testing our own assumptions,” recalled Allison Harvey Turner. “That thinking helped us get clear, for example, on the way we’d like to see the state’s water system be managed. Then we asked ourselves, ‘What’s the Foundation’s role in moving the state toward that scenario?’”

“We had a North Star, we always had a plan,” said Marselle Alexander-Ozinskas, senior program officer. “But we had to hold the specifics of our plan lightly, because there are so many dynamics and forces at work in environment programming.”

“It was about finding the strategic program opportunities that fit the Foundation’s lifespan, the political dynamic of the time, field capacity, all of those things,” Allison said. “It’s all those filters coming together. And it’s being alert and willing to act when we find there are openings.”

“Instead of having a fixed, rigid strategy, we identified the things we’re trying to accomplish and the spaces we’re trying to work in,” according to Gary Knoblock, senior program officer. “We understood the biggest needs, and looked for the kinds of opportunities that could make a difference. As a team we wanted to be really disciplined but flexible, and when the right opportunity surfaced, we said, ‘Well, here’s where we can have a big impact.’”

“We tried to give our partners a certain amount of flexibility to track toward the topics that might break through as high public interest – whether that’s infrastructure, fires, floods, carbon, or another issue,” added Joya Banerjee, senior program officer (Joya would become Environment Program Director in 2019). “The strategy was built to move and adapt to the political context.”

## Water portfolio: Supporting science to inform decision-making, advancing integrated solutions, and engaging funders

Water resources are essential to a thriving California. The state's water system supports over 30 million people, diverse natural ecosystems, and a major economy that includes one of the most productive agricultural regions in the world. This critical system faced significant stress and challenges based on climate change as well as steady population growth.

The Foundation's water program was developed based on the core belief that California *can* manage its water to meet the needs of people and nature, but that success would require a fundamentally different approach. The Foundation encouraged comprehensive strategies that jointly address surface water, groundwater, water quality, and flood protection challenges. While promising solutions were emerging, the speed and scale of change were often limited due to lack of cohesion in practices across institutions, complex technical challenges, or the lack of political will.

The need for new thinking became readily apparent in 2014 to 2017. During this period, California was pulling out of the most extreme drought in its history – groundwater wells and rivers went dry, impacting drinking water, ecosystems, and economies. In 2015, Californians saw water and drought as the most important issue facing the state. On the national stage, residents of Flint, Michigan, lost access to safe drinking water, and Hurricane Harvey devastated Houston and the Gulf Coast. The totality of these events led to unprecedented attention on water issues and created a political window for major reform.

In this context, California passed the Sustainable Groundwater Management Act of 2014. Before 2014, California water law addressed the management of surface water, including rivers, lakes, and reservoirs. But it did not regulate the management of groundwater – water that seeps underground and is stored in aquifers. Groundwater represents up to 60% of California's water supply, and without regulation users were over-pumping this resource, depleting rivers and streams, drying up domestic wells that support rural communities, and degrading water quality.

The Sustainable Groundwater Management Act requires that local governments bring key drainage basins into a balanced state with their watersheds in order to ensure that groundwater not be overly depleted, and it is described as the most important water legislation in California in a century. In 2018, *Water Deeply* described the new law: "The Sustainable Groundwater Management Act (SGMA), adopted in 2014, will change more than groundwater. The requirement to end overdraft will also transform land use, a massive side effect yet to be widely recognized. Parts of California will literally look different once the law takes full effect."

This new law represented a major milestone for the Environment Program – one that Foundation staff did not think would happen for another ten years. Joya Banerjee reflected: "I now find myself saying, 'You've got to go slow to go fast.' For groundwater, there were years during which we supported a lot of talking among stakeholder and policy groups. Frankly, it was hard to know if we were making any progress – and then the drought hit. The Foundation's investments in capacity building allowed key organizations like the Water Foundation to engage at this pivotal moment, giving the field a fighting chance at getting the legislation passed in 2014. We saw how the Foundation's early support enabled these organizations to work across sectors and build trust."



### ***Promoting integrated solutions***

The Foundation invested in pursuing policies and projects that promoted integrated water management and demonstrated solutions at a regional scale. This work recognized the inherent challenges of working across municipal jurisdictions and sectors. Through its grantees, the water portfolio focused on:

- Demonstrating the effectiveness of integrated water management solutions that promote the holistic management of water alongside land and other related resources.
- Pursuing state policies and incentives supporting sustainable water management solutions.
- Strengthening the water field through investments in leadership development, organizational capacity, and strategic partnerships and collaborations.

Once the Sustainable Groundwater Management Act of 2014 passed, the Foundation and its grantees shifted their lens to successful implementation of its regulations. This required new governance structures, extensive community engagement, new technical information, and additional incentives for change. “Securing policy change is just the first step,” recalled Allison Harvey Turner. “Support for successful implementation is critical to ensure that the impacts promised by new policy are fully secured, and to defend reforms from rollbacks as decision makers transition in and out of office.” The Foundation and its grantees also started to emphasize other important water reform areas – access to safe and affordable drinking water with a focus on the Central Valley, and stormwater management with a focus on Los Angeles County – all while strengthening field capacity to engage on other important water issues.

During these years, the Foundation continued to work closely with the Pisces Foundation and the Resources Legacy Fund to launch the Water Foundation as an independent organization. Efforts included building a board of directors featuring respected leaders from the water and philanthropy fields, and recruiting Wade Crowfoot as the first chief executive officer.

Foundation staff recognized that this period, which saw the state taking important steps toward more sustainable water management, was very challenging for the field. Grantees were working to stave off the impacts of the drought while using the moment to prepare California for future droughts. They were engaging in policy forums and providing guidance to the many journalists trying to effectively cover the complex world of water. All the while they were working to improve the effectiveness of their own organizations. Foundation staff worked closely with grantees to help them think through the opportunity costs associated with competing requests and new possibilities. As Joya Banerjee recalled, “This just underscored the need to invest in adaptive field capacity early and resist the urge to fund project by project, or issue by issue.”



*The Foundation collaborated with funders and field leaders to help make water systems more balanced, resilient, and sustainable.*

### ***Building knowledge and information systems***

The Foundation invested in accelerating the creation and transfer of knowledge among researchers, policymakers, and practitioners. With an overarching intent to ensure that science informs water management, the Environment Program supported grantee organizations that:

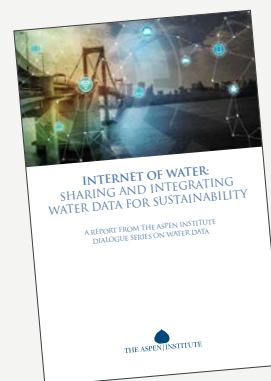
- **Mobilized leading researchers** to produce relevant and high-quality research, synthesize existing knowledge, and contribute to policy decisions.
- **Elevated data as a priority for water management**, establishing data norms, and advancing information systems that promote a comprehensive understanding of water supplies, uses, and management options.

These approaches were intended to bolster a set of interconnected outcomes: Well-informed policy audiences could champion sound water policy and water management decisions. A broad, multi-disciplinary network of researchers could increasingly be called on by policymakers and funders to supply needed data and insight. The water management community in California, and across the American West, could adopt more useful, transparent, and complete water information systems.

Specifically, between 2014 and 2017, the Foundation continued to invest deeply in research organizations. Based on an extensive, inclusive planning process – involving 142 individuals from 66 institutions – the Public Policy Institute of California launched its Water Policy Center in 2015. The Center was unique in its ability to work with policymakers and diverse stakeholder groups to identify California’s most pressing water challenges, support a dynamic network of water policy researchers, and engage this research community to develop solutions to those challenges.

California’s drought also highlighted serious gaps and fragmentation in water data and information systems. In 2015, the Foundation began collaborations across the water community to tackle a nationwide barrier to effective water management. In 2016, as part of a White House Water Summit held on World Water Day, the Foundation helped secure an important commitment from influential entities including the Association of California Water Agencies, the Metropolitan Water District of Southern California, the City of Los Angeles, and the State and Federal Contractors Water Agency. These parties agreed to publicly highlight the need for open, integrated water data to support better decision-making. Complementing this progress, the Foundation supported the Aspen Institute to host a dialogue series and ultimately publish the “Internet of Water: Sharing and Integrating Water Data for Sustainability.”

The principles developed through these efforts informed new data policy and practice efforts in California and other western states. They were also incorporated into a broader set of commitments made at the 2016 White House Water Summit, where the Water Funder Initiative (described later in this section) endorsed the launch of Project Water Data. This effort proved significant to engaging federal, state, and local governments, as well as private- and social-sector partners, to modernize data systems that support healthy communities, thriving agricultural systems, and clean waterways for our wildlife.



*This publication carried core principles and recommendations supporting timely transmission and sharing of water-related data.*

## ADDRESSING THE BIGGEST DATA GAP IN WATER MANAGEMENT

In 2017, the Foundation partnered with NASA, Google, and the Environmental Defense Fund – along with a set of influential partners in agriculture and state government – to begin a project intended to make information about agricultural water use affordable, credible, accessible, and useful.

Agricultural decision makers need information about their watershed and their land as they continually determine how to best use water to irrigate and manage crops, when and how to trade water, and how to manage groundwater in sustainable ways.

“Access to timely, relevant data is expensive, of variable quality, limited in scope, and not very accessible,” stated Joya Banerjee. “Growers face challenges obtaining the information they need to make management decisions, and they instead spend considerable time and money determining how much water is actually being used.”

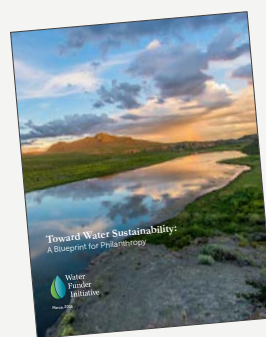
With Foundation support, the scientific community built a methodology that uses satellite imagery and other data inputs to yield more precise and timely estimates. This technology, named OpenET, was developed in a period of dramatic advances in computing power that created new possibilities for impact. (OpenET technology is scheduled to become publicly available to the field in 2020.)

## Engaging funders

The Foundation worked to mobilize new sources of funding to pursue the most promising water solutions in California and across the West.

**Water Funder Initiative.** The centerpiece of this resource mobilization effort involved collaboration with other philanthropies to form the Water Funder Initiative. Early partners in the Initiative included the Walton Family Foundation, the Pisces Foundation, and the Water Foundation. The Initiative grew to include the William and Flora Hewlett Foundation, the Cynthia and George Mitchell Foundation, the Rockefeller Foundation, the Gordon and Betty Moore Foundation, and others. Through the Initiative, funders could coordinate efforts and bring significant resources to address water challenges at scale.

In 2016, the Water Funder Initiative released “Toward Water Sustainability: A Blueprint for Philanthropy.”



*This comprehensive document was created to guide and inspire efforts by funders in and beyond California who seek to make water systems more balanced, resilient, and sustainable.*

This blueprint led the Foundation to partner with funders that worked outside of California and on “water-adjacent” issues like climate and health. California remained the focus of the Foundation’s work on water, but where possible, the Foundation sought to support its funder partners’ goals and objectives. Support ranged from offering guidance on grant programs to participating in broad, public commitments. For example, in 2015, Foundation staff worked with partners in Colorado and Texas to ensure that investments in water data would benefit communities outside California. In 2016, the Foundation partnered with the Walton Family Foundation, the Rockefeller Foundation, and others to provide \$10 million over five years to support public health, drought resilience, renewable energy, and restoration efforts at the Salton Sea. Joya Banerjee remarked that, in addition to bringing new funders to water, “collaboration made the work stronger.”

**Community Foundation Water Initiative.** In 2015, the Foundation entered a unique partnership with a cohort of community foundations in California. Improved statewide policy was essential to equitable and lasting improvement in water management; however, the effects of policy, as well as the effects of severe weather, were felt differently across California’s distinct regions. That reality was the basis for the Community Foundation Water Initiative. Community foundations have credibility and capability to help their regions adopt localized approaches to address their water circumstances and challenges. The S. D. Bechtel, Jr. Foundation supported local efforts by the California Community Foundation (Los Angeles), Central Valley Community Foundation, San Diego Foundation, San Francisco Foundation, and Silicon Valley Community Foundation.

In 2017, the Foundation supported these partners in engaging Smart Growth California to facilitate their efforts to identify and implement high value collective activity. Initiative partners identified opportunities for shared investment. Topics included advancing integrated water and land use planning at the regional level, investing in regional leadership and structures that enhance water management across multiple communities, addressing equity in water policy, and conducting communication campaigns that increase awareness of water challenges and solutions.



*Community foundation partners assessed opportunities and activated efforts to advance water management in their distinct contexts, with areas of focus that spanned climate change to agriculture, land use, and housing.*

### DECENTRALIZED APPROACHES SUPPORT SUSTAINABILITY

During this era, the Environment staff was purposeful in designing water programs that would endure beyond the life of the Foundation.

*We wanted to delegate decision-making as much as possible to the field, relying heavily on the guidance and deliberations of advisory councils and boards to set priorities and budgets. For the Water Foundation, the PPIC Water Policy Center, the Water Solutions Network, the Community Foundation Water Initiative, and others, so much of the Foundation's time was focused on getting the governance right, rather than dictating activities. There's some loss of control in working this way, and that can make some funders uncomfortable. But we believe that the approach leads to better, more durable results.*

– JOYA BANERJEE, SENIOR PROGRAM OFFICER

*Trying to be too central and trying to drive things can have negative consequences. I think the special sauce, the place where the Foundation is most impactful, is when we design for the field to be able to live on without us. That means supporting where our grantees want to go and helping them get there.*

– ALLISON HARVEY TURNER, PROGRAM DIRECTOR



## **Land portfolio: Fostering large-scale conservation and supporting effective policies, systems, and organizations**

“The Foundation’s land portfolio was designed to improve land stewardship,” reported Gary Knoblock, senior program officer. “We wanted to strengthen management and conservation systems to ensure the long-term vitality of California’s wildlife and ecosystems.”

The Foundation recognized that public and private lands were each essential to any solutions that promised large-scale results. The land portfolio therefore sought to improve conservation on both types of property. It pursued two goals:

- Increasing the durability and public benefit of California’s protected lands network, including state parks and national parks.
- Developing new tools and innovations to enhance conservation on California’s private lands – the farms, ranches, and working forests that collectively comprise about 50 million acres, or half of the state’s total land mass.

“We saw that there would be no ‘silver bullet’ for conservation,” recalled Marselle Alexander-Ozinskas, senior program officer. “Instead, what the land field needed was to achieve conservation at a larger scale and with a wide range of landowners. This requires a variety of innovative tools and practices.”

Gary added to this perspective: “Given the resources we had available to invest and a tolerance for risk, we decided that the best role the Foundation could play would be to help the field develop new approaches and innovation.”

## **Advancing durable and relevant protected lands**

### ***Revitalizing state parks***

The Foundation saw the need – and the opportunity – to invest in protected park systems to improve stewardship of public lands. A crisis in California state parks opened a window for transformation of that system.

A total of 280 park units are managed by the California Department of Parks and Recreation. Visited by more than 70 million people each year, these parks offer the public access to unique outdoor spaces, recreational opportunities, and cultural experiences. A combination of financial challenges and public concerns about a lack of transparency in reporting on uses of financial assets led to a low point for the state park system in 2009. That year, 70 parks faced closure and the California Department of Parks and Recreation was in the eye of a high-visibility storm. Ensuing attention surfaced challenges that went beyond financial constraints – the Department had outdated technology, cumbersome systems, internal work culture challenges, and the accrued effects of unmet maintenance and operational needs. Its top leaders and their decisions were criticized, adding to wide public concern for the future of California’s state parks.

The Foundation recognized that attention on state parks provided impetus to broadly rethink how the Department could bring its mission into the new century. Opportunity was ripe to serve more diverse audiences and adopt innovative approaches to stewarding natural and cultural resources across all park boundaries – be they state, national, or county. A drive was born from inside the Department and its external partners to foster networks, examine current approaches, and bring about improvements that would strengthen the state’s overall system of protected lands management.

In 2014, the Parks Forward Commission, empaneled by the California Secretary of Natural Resources, brought forward a sweeping set of recommendations in its report, “A New Vision for California State Parks.”

The Commission’s recommendations were finalized in 2015 and spelled out major changes to ensure the parks system’s long-term sustainability, including a rededication to working with park partners drawn from all sectors, and an expansion of park access to reach all Californians.

The Foundation invested \$4 million, through multiple grants, to support the formation of the Parks Forward Commission and the subsequent implementation of its recommendations. After a century of operations, the Department of Parks and Recreation revamped its leadership structure and style, infrastructure, programs, and relationship with communities to gain new relevance and abilities to meet 21st century challenges. By March 2017, the Department had:

- Modernized financial and operations systems to better resource its strategic priorities.
- Expanded access to leadership positions for candidates from broader and more diverse professional backgrounds.
- Established a staff Leadership Development Program developed in partnership with California State University of Sacramento.
- Improved relations with community groups and organizations through a new Partnership Office.
- Conducted multiple community liaison projects to improve parks based on the needs and preferences of local audiences.
- Adopted new methods to showcase California’s public outdoor places, including use of popular media and approaches intended to engage youth, teachers, and all community members.



*This report provided a blueprint for the future of California's state parks system, featuring collaboration with park partners drawn from all sectors and a focus on expanding park access to serve all Californians.*

### ***Expanding and improving large-landscape management***

“While good stewardship of parks is essential, we knew it wasn’t enough,” said Gary Knoblock. “So, the land portfolio supported cross-jurisdictional partnerships that use state as well as national parks as anchors. Additional partners would be built out around these parks and all parties would collaborate to manage large landscapes more effectively.”

Stewarding the natural resources and wildlife of any individual land requires an integrated strategy that encompasses its overarching ecosystem. In California, as with other states, contiguous protected landscapes are often under the purview of several agencies – each with its own missions and goals, plans and timelines, and sources and levels of funding. Traditionally, these vast landscapes were managed as discrete, but large, parcels, with each lead agency stopping work at its jurisdictional borders. This practice resulted in the widely acknowledged problem of managing parcels as individual units, like separate postage stamps, across the landscape. That approach is not conducive to the well-being of the ecosystems that span the jurisdictional boundaries of these properties. Stewarding the natural resources and wildlife of any individual land requires an integrated strategy that addresses each jurisdiction in relationship to its overarching ecosystem.

Several multi-jurisdictional collaborations had been established in the latter decades of the 1900s. The new century brought a broader appreciation and sense of urgency to the importance of large-landscape management. This interest in turn presented opportunity for the Foundation to spark new and stronger partnerships in regions across the state by working with grantees that could demonstrate collaborative approaches for enhancing the durability and relevance of landscapes.

To advance large-landscape collaboratives across the state, the Foundation seeded four cross-jurisdictional partnerships:

- The Santa Cruz Mountain Stewardship Network, coordinating stewardship efforts among landowners and managers in the Santa Cruz Mountains.
- Tam Lands Collaborative, addressing land management on Mount Tamalpais.
- Peninsula Working Group, convening a Cross-Jurisdictional Management Planning effort in San Mateo and Santa Cruz counties.
- Redwoods Rising, launching a North Coast partnership among Save the Redwoods League, state parks, national parks, and Native American tribes.

Significant momentum and energy emerged from these pilots, leading to the formation of new state and national networks, and helping catalyze a field of actors involved with large-landscape stewardship.

Foundation investment enabled partners to improve their regional efforts, while strengthening statewide networks and knowledge through land manager communities of practice. These partnership grants worked synergistically with Foundation investments in California state parks and also connected to Foundation efforts to develop innovative stewardship strategies through support for organizations such as Sustainable Conservation and Point Blue Conservation Science.

The number of important collaborations continued to grow, and each one represented an experiment in developing new and innovative approaches to large landscape-scale stewardship throughout California and nationwide. In 2016, the Foundation provided startup support for the California Large Landscape Stewardship Network (CA Network) and the national Practitioners' Network for Large Landscape Conservation. The grants complemented support for the four cross-jurisdictional partnerships listed above, and seeded an enduring community of practice that builds and shares knowledge around how partnerships can improve stewardship through technological tools and effective social practices. Findings from this collective knowledge sharing yielded tools such as the Foundation-funded Partnership Impact Model from the [Tam Lands Collaborative](#). This resource demonstrates practical approaches for collaboratives and funders struggling to identify ways to understand, describe, and optimize partnership impact.

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***Investments in California land trusts, California state parks, and in U.S. National Parks were designed to advance and sustain improvements in the major systems in place to steward protected lands.***

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### ***Strengthening fields and anchor organizations***

The Foundation built on its long-term relationship with land trusts and invested in building the capacity of these key stewardship organizations that are vital to conserving land in their regions.

During this time, the Foundation was actively facilitating a Sustainability Cohort of key land trusts across California, with an intent to ensure that this field had capable, technologically advanced, future-focused organizations. Over five years, participants received support to enhance their effectiveness, addressing priorities each defined as important to its respective capacity needs and organizational goals. Simultaneously, the Foundation was supporting the capacity of state and national organizations strengthening the land trust movement, including the California Council of Land Trusts and the national Land Trust Alliance.

In 2017, the Foundation provided support to the National Park Foundation for work with the National Park Service. This grant focused on designing and implementing a stronger, more integrated network of partnerships between National Parks and entities from across the nonprofit, government, and private sectors. These investments were intended to improve National Parks in California, and influence National Parks in other states, through partnerships that made these public resources more accessible and welcoming, strengthening their offerings and benefits for diverse visitors, and helping them attract sustainable sources of financial support.

## **Aligning incentives and removing barriers to conservation**

While recognizing that effective stewardship on parks and protected lands is fundamental, Environment staff also saw that conservation needed to go further. To achieve impact at a large scale, California needed new tools and approaches to advance conservation broadly, especially on the 50 million acres of California farm and ranch land, as well as working forests. “Engaging private landowners means that far greater areas can be included in conservation at far less expense to the public,” Gary Knoblock reported.

Between 2014 and 2017, the Foundation approached this opportunity in two synergistic ways. It invested in innovative programs that would incent farmers, ranchers, and other landowners to protect wildlife and create habitat on their lands even as they kept those lands in production. It also supported improved public policies and more effective public agencies charged with conservation that can promote statewide solutions. Core to these strategies was the Environment Program’s longstanding interest in supporting migratory bird populations – which demonstrated how tools and policies could help protect a globally important conservation target while also advancing the field of conservation innovation.

### ***Promoting regional conservation strategies***

The Foundation sought inventive approaches that could catalyze large-scale, statewide conservation. Together with a core group of partners, in 2016 it helped create Regional Conservation Investment Strategies, a major program at the California Department of Fish and Wildlife. The intent was to improve conservation by putting in place regional strategies that guide resources to conservation priorities. These strategies were designed to help infrastructure agencies such as Caltrans, responsible for California highways, conduct projects that avoided negative impacts on the environment and created incentives for private landowners to participate in solutions.

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#### **STRATEGY IN ACTION: A REGIONAL SOLUTION**

The Foundation funded an experiment in response to a dilemma affecting the region around Colusa County in the northern Central Valley of California. The local irrigation district needed to conduct seasonal levee maintenance to prevent flooding from the Sacramento River. However, it couldn’t secure necessary permits from wildlife agencies to do this work because of the presence of giant garter snakes and other endangered species.

Partners began developing a Regional Conservation Investment Strategy with the idea that it would eventually allow farm owners to earn credits for creating seasonal giant garter snake habitat on their properties, and then sell the credits to the irrigation district. In effect, that local agency could pay farmers to grow habitat to replace the habitat that might be impacted during levee maintenance. In return, the irrigation district could earn habitat credits to obtain permits from the California Department of Fish and Wildlife to conduct levee maintenance. As a result, the region and its communities would gain flood protection while maintaining wildlife habitat.

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“By 2016, our land work had coalesced around the Regional Conservation Investment Strategies,” recalled Gary Knoblock. “That vehicle provided a real opportunity for change and we started to implement some large grants. This turned into the land portfolio’s big opportunity to meaningfully improve conservation systems.”

### ***Strengthening ecosystems through incentive programs and policy improvements***

The combination of incentives and policy became central to the Foundation’s conservation efforts across its spend-down years. The Migratory Bird Conservation Partnership – launched in 2008 and comprising Audubon California, The Nature Conservancy, and Point Blue Conservation Science – was making meaningful progress using a combination of incentives for private landowners and policy improvements. By the end of 2013, the partnership had harnessed U.S. Farm Bill funding and developed innovative programs to ensure that more than 100,000 acres of habitat were available for migratory birds in California annually. The Foundation continued its active investment in this partnership throughout 2014 to 2017.

#### **INCENTIVES PROVE VITAL TO BIRD HABITATS**

The drought years 2013 to 2015 were the most severe in recorded history for California’s Central Valley, significantly shrinking the habitat used by waterbirds. Without environmental groups, landowners, and state agencies working together through incentive programs, the harm would have been much worse.



Research scientists from Point Blue Conservation Science and The Nature Conservancy, two Foundation grantees, used satellite imagery to show that the drought reduced the amount of waterbird habitat on flooded agricultural lands and wetlands by 30% to 80%, with the greatest losses in the southern Central Valley.

They also documented how incentives proved vital during this period. Through BirdReturns, the Waterbird Habitat Enhancement Program, and other incentive programs supported by the Foundation, farmers are paid to flood rice or other crop fields that provide birds with temporary habitat when and where they need it, essentially creating pop-up wetlands.

The two programs named above accounted for up to 61% of habitat available to waterbirds on fall days during 2013 to 2015. On some winter days, up to 100% of available habitat came from these programs. This study demonstrated that the ability to flood fields and create habitats at key moments provides a much-needed means to sustain waterbirds in times of severe drought, a phenomenon that climate scientists project may become more frequent over the next century.

Another Foundation-funded partner, Sustainable Conservation, sponsored California's Habitat Restoration and Enhancement Act. Adopted in 2014, this legislation simplified the permitting process for projects that improve habitats, watersheds, and water quality. Sustainable Conservation led other important efforts in the 2014 to 2017 timeframe, joining with federal and state agencies to make it easier to enhance and restore California's natural ecosystems.

Throughout this timeframe, the Foundation was instrumental in demonstrating innovative conservation tools, including bird-friendly land management approaches, and launching promising models for aligning incentives and removing barriers to conservation. The Foundation played a pivotal role in building the capacity of the California conservation field through investments in leadership development, organizational resiliency, and strategic partnerships.

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#### GROWING IMPACT THROUGH PARTNERSHIP

*You can't help but grow by virtue of working with a group of funders that have many different perspectives. For example, by working with other funders we realized we probably over-emphasized water supply alone. We evolved to think about water quality and equity, to think about all of it together, the whole system including supply. Our interactions with other funders helped us become better at what we wanted to do, which was work at a systems level.*

– ALLISON HARVEY TURNER, PROGRAM DIRECTOR

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*We developed a closer relationship with government over the years as well as the private sector. We brokered a partnership with Google Earth Engine, NASA, EDF, a network of research institutions as well as state and local government entities. Together, we were able to activate a range of assets: philanthropic and public capital, significant advances in cloud computing, new collaborative research models, and relationships with agricultural water users. The work was complex – but it was worth moving through that complexity to achieve durable impact.*

– JOYA BANERJEE, SENIOR PROGRAM OFFICER

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*People were wanting to partner in new ways and build stronger networks that could really have impact. We tried to support that desire with our grantmaking and by helping people in the field, including the Foundation, embrace different approaches.*

– GARY KNOBLOCK, SENIOR PROGRAM OFFICER

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## Capacity-building portfolio: Building fields, institutions, and leaders

“The Environment Program capacity-building portfolio was designed to support and amplify the objectives of the land and water portfolios,” according to Marselle Alexander-Ozinskas, senior program officer. “Equally important, we wanted it to enhance the durability of our investments.”

Well-connected and well-resourced fields, strong institutions, and capable leaders could increase the likelihood of continued success beyond 2020. As reported throughout this description of the Environment Program in the years 2014 through 2017, the land and water portfolios integrated significant capacity-building investments. Two specific dimensions are highlighted here. One features work to strengthen the field of Resource Conservation Districts in California. The other involves launch of the Water Solutions Network to connect and elevate the abilities of California leaders who could contribute to water management solutions.

### *Resource Conservation Districts*

The 97 Resource Conservation Districts (RCDs) in California are accountable to their communities and serve as hubs for voluntary land and water conservation on private land. They help meet specific needs such as fire protection, open space, or flood control by connecting land managers with technical, financial, and educational assistance. However, California’s RCDs vary considerably in terms of size, sophistication, and bandwidth. “The RCD network was inconsistent in its ability to respond to demand for voluntary conservation needs across the state,” recalled Marselle. “For years, Foundation grantees and partners had noted that the ability to rely on a stronger, consistent RCD network would help them achieve their goals for engaging private landowners in conservation.”

In 2015, the Foundation and partners including Sustainable Conservation, California Department of Conservation, and the U.S. Department of Agriculture began providing support to make Resource Conservation Districts more relevant, impactful, and visible in California. This work entailed both improving the capacity of individual RCDs through activities such as strategic planning and organizational assessments, and increasing the reach and influence of the statewide network of RCDs through strategic communications and coordinated advocacy efforts.

By 2017, “RCDs around the state were better connected to one another, were coordinating and sharing resources and lessons learned, and were growing operationally into more professional and impactful organizations,” according to Marselle. “The success of this initiative garnered interest from other states who began learning about and considered replicating it.”

### **Water Solutions Network**

The Foundation's flagship investment in leadership was the Water Solutions Network, which launched in 2017 through a partnership of Coro Northern California, DIG IN, and Water Education for Latino Leaders. It was created to build connections across the severely siloed and fragmented water field in California.

The goal was to construct a network to help transform how California prepares for and manages water extremes – both hydrological and ideological. “Our strategy was to recruit and activate an influential and deeply connected network of cross-sector leaders,” said Marselle Alexander-Ozinskas. “By equipping them with interdisciplinary water knowledge, skills in conflict resolution and collaboration, and a broader system perspective, the network could create enduring value throughout California’s water system.”

The Foundation recruited a roster of 17 renowned water experts to become the inaugural Advisory Council for the Water Solutions Network. Council members brought their knowledge, reputations, and networks to enhance the program's quality, visibility, and potential for impact. By the end of 2017, partners were recruiting the first cohort of leaders, whose active participation was slated to begin in spring of 2018. They represented diverse disciplines, sectors, and geographies across California, and included leaders from conservation nonprofits, public agencies, agriculture, and Resource Conservation Districts.

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*We were able to take a broad view of how Foundation resources could build the water and land fields. We made investments that had less tangible outcomes, including grantmaking to support relationship- and trust-building, leadership development, and network infrastructure. The impact of these outcomes was hard to measure in the near-term but was essential for progress. At times, we anticipated a need for infrastructure before we could pinpoint how it would be fully used. The Foundation understood the importance of investing in the core capacity of a field alongside supporting program work.*

– MARSELLE ALEXANDER-OZINSKAS, SENIOR PROGRAM OFFICER

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## 2017 PERSPECTIVE ON THE JOURNEY AHEAD

*The following content paints a picture of the Foundation's status and intent for its final years. It is excerpted from an update published in March 2017 by Laurie Dachs.*

The S. D. Bechtel, Jr. Foundation is now working with the end in mind. While the Foundation is in many ways more vibrant than ever – engaged in deep collaboration with grantees and other partners to pursue crucial goals in Education and Environment – we are also marking major milestones toward our conclusion in four years.

A final roster of strategic initiatives and cadre of core grantees are in place. The Foundation has issued end grants to more than 100 other grantee partners – in many cases offering flexible funding and capacity-building support to aid the transition for these vital nonprofits.

The Foundation team is focused on guiding active initiatives to achieve impact in the years that remain – staying attentive to shifting contexts and adapting to emerging pressures and opportunities. At the same time, we are expanding external communications to make lessons and resources from our experience readily available. Our pipeline of content is growing: The Foundation has committed more than \$40 million to research and evaluation since the spend-down decision was made in 2009. These investments will yield knowledge about effective practice and policy across our program areas.

With 36 talented professionals, we expect to hold this level as we sprint to the finish line and attend to the crucial work ahead. Our agenda includes monitoring grants, evaluating initiatives, building grantee capacity, strengthening fields, and disseminating lessons learned. Plans are in place to serve the remarkable Foundation team along the way. In addition to ongoing training and professional development, a Transition Assistance Fund will offer financial support so that staff members will have time to search for their next opportunity after the Foundation closes.

Work is also underway related to the somewhat arduous legal requirements that accompany dissolution of the Foundation. Planning and filings are proceeding, and we have put the mechanics of document retention and other compliance steps in motion.

Finally, the Foundation is managing the financial realities of spending down. Last year, 2016, saw the endowment decline for the first time; this trend will continue until the last dollar is granted in 2020.

In 2009, our Board of Directors chose to invest the Foundation's entire assets because of urgent challenges requiring significant resources and creative solutions. We thank everyone – past, present, and through 2020 – who is a colleague in our journey toward a more productive, vibrant, and sustainable California.

Sincerely,

**Lauren B. Dachs**  
President





## ABOUT THIS SERIES

# Sooner Rather Than Later: The S. D. Bechtel, Jr. Foundation Spend-down Journey

In 2009, following five decades of Foundation growth and impact, the Board of Directors for this family philanthropy chose to spend down all assets. In the words of its founder, this decision reflected a commitment to finding lasting solutions to California's critical challenges "sooner rather than later." The spend-down horizon was initially set for eight years and then adjusted to establish 2020 as the Foundation's end date. The Foundation is documenting its journey to inform the interests and practices of other philanthropies that are considering or conducting a spend down.

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## PROLOGUE | GROWING A FAMILY PHILANTHROPY: 1957 TO 2008

An overview of the Foundation and its program activities prior to the spend-down decision, including the factors and process leading to that decision.

## CHAPTER 1 | SETTING THE COURSE: 2009 TO 2013

A chronicle of the activation of spend-down practices, including the "strategic refresh" that would guide Foundation program investments through its conclusion.

## CHAPTER 2 | WORKING WITH THE END IN MIND: 2014 TO 2017

A description of the ramp up and adaption of the Foundation's major program investments and initiatives during its spend-down years.

## CHAPTER 3 | REACHING CONCLUSION: 2018 TO 2020

A narrative of the decisions and approaches to securing gains from Foundation programs and amplifying impact in the Foundation's final years.

Access the series, and other resources about spend downs and exits, at [sdbjrfoundation.org](https://sdbjrfoundation.org).

## A VISION FOR CALIFORNIA

The S. D. Bechtel, Jr. Foundation envisions a productive, vibrant, and sustainable California that is a model of success and a source of innovation.

## A COMMITMENT TO NOW

California faces many critical challenges, which require resources and imaginative solutions.

In response to this reality, the Board of Directors decided to invest all the Foundation's assets by 2020. This decision reflects a commitment to identifying lasting solutions for education and the environment sooner, rather than later. The Foundation also invests in building the capacity and resiliency of grantee organizations to leave them positioned to carry on the work of furthering a successful California for decades to come.

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