

PRESS ROOM

PRESS RELEASES AND STATEMENTS

Investment to Accelerate Creation of Strong Charter Schools

Philanthropies team up to raise achievement among disadvantaged youth

Julie Landry
NewSchools Venture Fund
Phone: 415.615.6863
Email: jlandry@newschools.org

SAN FRANCISCO -- The Bill & Melinda Gates Foundation today announced a \$22 million investment in the NewSchools Venture Fund to increase the number of high-quality charter schools around the country by creating systems of charter schools through nonprofit charter management

Bill & Melinda Gates Foundation
206-709-3400
media@gatesfoundation.org
follow [@gatesfoundation](https://twitter.com/gatesfoundation)

organizations. These organizations will give thousands of disadvantaged youth access to a rigorous, personalized education by making it easier and more cost-effective to start and run good charter schools.

This grant will develop at least five charter management organizations that together will create 20 new schools serving about 8,000 students within the first two years of operations. By their tenth year, each organization will have launched 20 schools for a total of 100 new schools serving 40,000 students. The grant focuses on creating schools and serving students in New York, California, and other high-need regions.

“It doesn’t make sense to reinvent the wheel every time a new charter school opens,” said Kim Smith, co-founder and CEO of NewSchools Venture Fund. “These organizations will demonstrate the power of aligned, performance-based systems and will leverage their collective experience and efficiencies to make each school better.”

At a time when a high school diploma is more important than ever for lifetime success, nearly one-fourth of all American high school students do not graduate. The picture is even worse for poor and minority students: Nearly one-half of all African-American and Hispanic students will not earn a diploma. According to the Organisation for Economic Co-Operation and Development, while our

international competitors have improved their high school completion rates, ours have remained the same for nearly 30 years. Once first, the U.S. now ranks ninth among industrialized nations in graduation rates.

As communities around the country seek to more effectively address the educational needs of high school students, they are increasingly turning to charter schools as part of the solution. Forty states now support charter schools. Typically much smaller than traditional public schools and freed from bureaucratic constraints, many charters allow for a level of innovation and personalization needed to help students being left behind. Many of the more than 2,700 charter schools across the country serve minority and low-income students and provide them with rigorous coursework and the personal attention and support they need to achieve.

Charter schools are an important vehicle in creating high quality public education options for our nation's most disadvantaged students. That said, charter schools to date have had a mixed track record. But supporting the growth of charter management organizations will increase the effectiveness and accountability of these schools. Charter management organizations offer proven school designs, and a menu of other support services - thereby ensuring a level of quality that may not be present in an independently operated charter school.

"Strong, effective charter schools all around the country are giving young people a solid education and hope for the future," said Tom Vander Ark, executive director of education for the Bill & Melinda Gates Foundation. "But charter schools are not automatically strong and effective. Startup schools need nurturing and ongoing support in order to succeed. Organizations like the NewSchools Venture Fund are crucial to improving the quality and sustainability of charter schools and the organizations that operate them."

This investment from the Bill & Melinda Gates Foundation builds upon prior investments by The Broad Foundation and the Walton Family Foundation and will bring NewSchools' Charter Accelerator Fund to more than \$40 million. NewSchools has nearly five years of direct experience in selecting entrepreneurs and incubating scalable school management organizations. Most notable is their work in building and supporting Aspire Public Schools, a charter management organization that operates seven schools in Northern California and is demonstrating promising early results.

For example, Aspire's East Palo Alto High School has shown remarkable success in its first two years: Not one student has dropped out, despite an 80 percent poverty rate. The school serves a diverse population that is 54 percent Hispanic, 33 percent African American and 11 percent Asian.

In all, the Bill & Melinda Gates Foundation has invested more than \$475 million to create more than 1,200 small high schools around the country to help communities provide educational options tailored to individual student needs. With this grant, the foundation has invested over \$100 million in charter schools as part of its ongoing effort to raise graduation rates and give all students access to an

array of high-quality educational options.

NewSchools Venture Fund is a venture philanthropy fund founded in 1998 that is working to transform public education by investing in education entrepreneurs who create high-quality ventures focused on results-oriented, systemic change. Through its first fund, NewSchools invested over \$20 million in 10 ventures, all of which are making a measurable difference in the lives of students across the country. Its current fund consists of both the Charter Accelerator Fund—accelerating the growth of nonprofit charter school systems—and the Performance Accelerator Fund – enhancing the capacity of school districts to produce high levels of student achievement.

On the Internet:

Bill & Melinda Gates Foundation, www.gatesfoundation.org

NewSchools Venture Fund www.newschools.org

VISITOR CENTER

At the Bill & Melinda Gates Foundation Visitor Center, you'll find stories of work that is improving lives, from Seattle to South Africa.

PLAN A VISIT

| | |
|-------------------------|------------------|
| 440 5th Ave N. | Open: Tues - Sat |
| Seattle, WA 98109 | 10 a.m. – 5 p.m. |
| (206) 709-3100 ext.7100 | Admission: Free |

SIGN UP TO RECEIVE UPDATES FROM THE GATES FOUNDATION

Your email address

SIGN UP

IMPATIENT OPTIMISTS BLOG →

© 1999-2015 Bill & Melinda Gates Foundation. All Rights Reserved.

[Privacy Policy](#) [Terms of Service](#)