

THE EVOLUTION OF VICTORIA FOUNDATION FROM 1924 TO 2003
WITH A SPECIAL FOCUS ON THE NEWARK YEARS FROM 1964 TO 2003

by

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A Dissertation submitted to the Graduate School-Newark
Rutgers, The State University of New Jersey & New Jersey Institute of Technology
in partial fulfillment of the requirements for the degree of

Doctor of Philosophy

Joint Graduate Program in Urban Systems-Education Policy

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May, 2014

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ABSTRACT OF THE DISSERTATION

The Evolution of Victoria Foundation From 1924 to 2003

With a Special Focus on the Newark Years From 1964 to 2003

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This dissertation examines the history of Victoria Foundation from its inception in 1924 through 2003, with a special emphasis on its place-based urban grantmaking in Newark, New Jersey from 1964 through 2003. Insights into Victoria's role and impact in Newark, particularly those connected to its extensive preK-12 education grantmaking, were gleaned through an analyses of the evolution of Newark, the history of education in Newark, and the history of foundations in America. Several themes emerged from the research, an examination of the archives, and 28 oral history interviews including: charity vs. philanthropy, risk-taking, scattershot grantmaking, self-reflection, issues of race, and evaluation.

Victoria awarded more than 4,000 grants totaling \$136.5 million to nonprofit organizations working to improve the quality of life for children and families in Newark. The vast majority of Victoria's grantmaking supported direct programs targeting youth, as well as capacity-building grants to strengthen the nonprofit sector. The dissertation delves into six long-term Victoria-funded initiatives to better understand the Foundation's impact in its target city, including: the Newark-Victoria Plan at the Cleveland School, the Chad Schools, the Newark Collaboration Group, New Community Corporation, New Jersey Performing Arts Center, and Bank Street Project New Beginnings. Only two of

these efforts engaged independent evaluators to assess outcomes. In the absence of reliable empirical evidence to determine impact, the researcher relied heavily on the perceptions of key stakeholders and anecdotal information to conclude whether the projects accomplished their respective goals.

Among its findings, the dissertation concludes that Victoria evolved from a small foundation governed by family and friends in 1924 to a mid-sized philanthropy valued at \$200 million in 2003, overseen by a hybrid board composed of both family and community members with a professional staff of seven. The overwhelming perception from trustees, staff, grantee executives, and community leaders is that Victoria made a profound difference in the lives of thousands of children and families residing in Newark. Former Mayor Sharpe James said, “Many of the programs that Victoria Foundation aided, gave mouth-to-mouth resuscitation, they’re still alive today because of Victoria. If you were to take all those out of Newark, I’d move tomorrow.”

Dedication

I dedicate this dissertation to my father, Howard Cooper, who has always believed in me and has loved me unconditionally.

Acknowledgements

I feel so blessed to work for such a caring and generous foundation. Victoria trustees have supported my doctoral journey over 10 years. I hope this dissertation enriches the ongoing and important work of the Foundation for generations to come.

I have such gratitude for my faculty advisor, Professor Alan Sadovnik, who inspired me in the classroom, encouraged me to persist, and provided guidance at every stage of this adventure.

My dear friend Bill Coury walked alongside me through the daunting proposal defense phase. I certainly wouldn't be crafting these acknowledgements without him. And Bill Millard was brave enough to read through a near final draft and give me astute feedback with great humor.

I am also grateful to many friends for their faith, good cheer, and assistance, including Brenda Pepper, Diane Klein, Ruth Muzzin, Tom Heinzen, and Eileen Frances.

Finally, I am especially beholden to my family for allowing me the time and space to earn this Ph.D. In particular, I'm so grateful for the support and proofreading skills of my husband, Norm. It is my wish that witnessing this adventure inspires my beautiful and talented children, Aaron and Carrie.

Table of Contents

Abstract	ii
Dedication	iv
Acknowledgments.....	v
List of Tables	xi
List of Figures	xii
Chapter 1	
Introduction.....	1
Organization of Dissertation	11
Methodology	13
Participant Researcher-Practical Concerns	18
Chapter 2	
Literature Review and Essential Background Information.....	21
Overview of Foundation Sector	21
History of Foundations	23
Foundations Focused on PreK-12 Education.....	29
Theory of Change	34
Evaluating Success.....	35
Chapter 3	
Brief History of Newark, New Jersey.....	44
Framework for the Evolution of Newark.....	44

The Puritans	46
Newark’s Industrial Revolution	48
Newark’s Decline.....	51
Post Riots	55
Newark’s Emerging Renaissance	57
History of Education in Newark	59
The Early Years	60
Impact of Immigration on Newark Schools.....	65
The 1942 Survey Report	68
Education of African American Children	71
Teacher Strikes.....	73
Federal Government Involvement in Education	75
State Takeover, Charter Schools, and <i>Abbott v. Burke</i>	77
Chapter 4	
The Governance of Victoria Foundation	84
The People Behind Victoria Foundation.....	85
Hendon Chubb: The Founding Father	90
Corinne Chubb: The Longest-Serving Trustee	101
Other Key Trustees	105

Presidents Percy Chubb 2 nd ¹ and Percy Chubb III	107
Executive Officers Howard Quirk and Catherine McFarland	110
Conclusions.....	118
The Journey From “Mom and Pop” to Professional Foundation.....	119
Tax Reform Act of 1969	122
Volunteer Trustees and Paid Staff	128
Chapter 5	
Victoria Foundation Grantmaking	132
The Early Years From 1924 to 1963.....	132
Children’s Heart Unit.....	134
Becoming a Place-Based Foundation	140
The Newark Years From 1964 to 2003.....	148
The First Newark Grants.....	151
Newark Grants in the Aftermath of the Riots	152
Alternatives to Public Education	155
CDCs/Multi-Service Neighborhood-Based Organizations.....	158
Grants Serving the Hispanic Community	161
Support for the Arts and Major Community Institutions.....	163
Major Community Initiatives.....	165

¹ Hendon Chubb’s son Percy always used the Arabic numeral when writing his name, Percy Chubb 2nd, as opposed to using the Roman numeral, Percy Chubb II. This dissertation follows this preference throughout.

Back to the Newark Public Schools.....	167
Chapter 6	
Findings—The Question of Impact	171
The Newark-Victoria Plan	176
Black Youth Organization/The Chad Schools	194
Newark Collaboration Group.....	209
New Community Corporation.....	216
New Jersey Performing Arts Center	226
Bank Street Project New Beginnings.....	236
Conclusions.....	250
Chapter 7	
Discussion of Themes	254
Charity versus Philanthropy.....	254
Risk-Taking.....	256
Scattershot Grantmaking, Too Many Small Grants & Ongoing Giving.....	258
Self-Reflection	261
Connecting the Dots and Thought Leadership.....	262
Issues of Race	264
Evaluation	269
Size of Resources and Perception of Impact.....	272

Conclusions	275
Limitations and Recommendations for Future Research	279
Epilogue	283
Internal Changes	286
Victoria Grantmaking and External Events	292
Recent Education Reforms	298
Where Does Victoria Go From Here?	311
References	315
Appendices	
Appendix A Primary Sources	324
Appendix B Newark Grants Listing From 1964 to 2003	325
Appendix C Sample Interview Questions	336
Appendix D Victoria Foundation Trustees and Dates of Service	338
Appendix E Victoria Foundation Financials 1924 to 2013	339
Appendix F Map of Newark, New Jersey	342
Appendix G Curriculum Vitae	343

List of Tables

Table 4.1 VF Trustees With More than 40 Years of Service.....	89
Table 4.2 Grantmaking During the Tenure of VF Presidents	110
Table 4.3 Hendon Chubb’s Gifts to Victoria Foundation.....	120
Table 5.1 VF Grants Focused on Newark From 1960 to 1964.....	140
Table 5.2 VF Grant Totals From 1960 to 1969 With Newark Percentages.....	143
Table 5.3 Grantmaking By Decade, Annual Endowment Values, and Annual Grants ..	149
Table 5.4 The Value of VF Corpus From 1964 to 2003	151
Table 5.5 List of VF-Funded Religious Schools and Grant Totals.....	158
Table 5.6 List of VF-Funded CDCs and Grant Totals.....	160
Table 5.7 List of VF-Funded Hispanic Organizations and Grant Totals	161
Table 5.8 List of VF-Funded Arts Organizations and Grant Totals	164
Table 5.9 Value of VF Portfolio From 1988 to 1999	166
Table 6.1 Top 12 VF Grantees From 1964 to 2003	173
Table 6.2 The Status of VF-Funded Agencies in 1980.....	175
Table 6.3 Annual Grants of the Newark-Victoria Plan From 1964 to 1983	177
Table 6.4 Annual Grants to the Chad Schools From 1968 to 2005	196
Table 6.5 Direct and Indirect Support to the Newark Collaboration Group.....	214
Table 6.6 VF Grants to New Community Corporation and its Affiliates	221
Table 6.7 VF Grants to NJPAC and Renaissance Newark	228
Table 6.8 Scope of Bank Street Project From 1996 to 2007	241

List of Figures

Figure 3.1 Diagram of the Ideal-Type of City	45
Figure 3.2 Population of Newark From 1830 to 2003	51
Figure 4.1 Percy Chubb 2 nd (standing) and Hendon Chubb	86
Figure 4.2 Chubb Family Tree With VF Board Service Dates	87
Figure 4.3 Victoria Eddis Chubb	90
Figure 4.4 Corinne Chubb.....	101
Figure 4.5 Robert Curvin	106
Figure 4.6 Percy Chubb III and Mayor Cory Booker	110
Figure 4.7 Howard Quirk and Margaret Parker	112
Figure 4.8 Catherine McFarland	115
Figure 5.1 Grantmaking By Decade and Value of Corpus From 1924 to 1963	134
Figure 5.2 Children Convalescing at the Children’s Heart Unit.....	136
Figure 5.3. National Guardsman Patrolling a Street in Newark During 1967 Riots	146
Figure 5.4 Comparison of Foundation Support for Education in Newark in 2003.....	169
Figure 6.1 The Newark-Victoria Plan at the Cleveland School.....	180
Figure 6.2 Photo From 1992 Chad Newsletter	199
Figure 6.3 Monsignor William Linder	217
Figure 6.4 Lawrence Goldman (left) With Percy and Sally Chubb.....	231
Figure 6.5 Early Construction of New Jersey Performing Arts Center	233
Figure 6.6 Superintendent Visits Bank Street Project New Beginnings Classroom.....	239
Figure E.1 Results of Education Ad Hoc Committee Process	289

CHAPTER 1

Introduction

A Democratic mayor, a Republican governor, and a 20-something billionaire appear on *The Oprah Winfrey Show*... While it may sound like the opening of a classic joke, on September 24, 2010, an unprecedented philanthropic social experiment was announced. To millions of television viewers, Mark Zuckerberg, the co-founder of Facebook, said,

Running a company, the main thing that I have to do is find people who are going to be really great leaders and invest in them, and that's what we're doing here. We're setting up a \$100 million challenge grant so that Mayor Booker and Governor Christie can have the flexibility that they need to implement new programs in Newark and really make a difference and turn Newark into a symbol of educational excellence for the whole nation. (Winfrey, 2010)

For his part, Republican Governor Chris Christie of New Jersey told Oprah,

Mayor Booker is going to be the point person, our lead guy in Newark in helping to develop this entirely new plan of how to reform the education system in Newark and create a national model. I'm empowering him to do that. I'm in charge of the public schools in the city of Newark as governor, and I'm going to empower Mayor Booker to develop that plan and to implement it with a superintendent of schools that we are going to pick together. (Winfrey, 2010)

Explaining to Oprah that this was meant to be a nonpartisan, nonpolitical maneuver, the Democratic mayor of Newark, Cory Booker, said, "If we as a nation pull left and right, we will never move forward" (Winfrey, 2010).

The ambitious goals of the Zuckerberg challenge are to raise the \$100 million match and transform the poorly performing public schools in the city of Newark, New Jersey into a high-quality system of schools by investing \$40 million a year in flexible private aid over five years. This brings to mind an earlier private funding experiment in the public schools arena. In 1993, the Annenberg Foundation announced an

unprecedented \$500 million investment that was to be matched by local funders to improve the nation's schools. At the end of this 5-year experiment, the funds supported a cornucopia of interventions at 2,400 schools in 300 districts across 35 states. An examination of the results from the Annenberg challenge in three urban districts—New York City, Chicago, and Philadelphia—revealed discouraging results. The conclusion was that while some students in some schools derived benefits from the grant support, the systems as a whole were not affected (Domanico, Innerst, & Russo, 2000).

Of course, the Zuckerberg challenge is different from the Annenberg challenge because the money is intended to focus on just one urban school system, with the hope that if these funds can make a difference in Newark's 72 schools, lessons learned will then be applicable to other underperforming districts across the country. Is it reasonable to expect that an infusion of private philanthropic cash that is less than 5% of the overall annual budget of the Newark Public Schools (NPS) could turn around an urban district that has been failing children for generations?

The story of the Zuckerberg donation to Newark illustrates what appear to be the good intentions behind private philanthropy, particularly philanthropy that is focused on a specific place. It will be several years before it becomes apparent how this significant infusion of new private money will have affected an education system that receives nearly a billion dollars a year in public support. In the meantime, it is worth taking a look back on past philanthropic initiatives to help inform the ongoing discourse of grantmaking in Newark. The time is therefore ripe to take a historical look at Victoria Foundation, a mid-sized private philanthropy that has focused most of its resources on

Newark, to determine what difference its grantmaking has made over the past half-century.

Like the big, well-known foundations started by Ford, Carnegie, and Rockefeller, Victoria Foundation was conceived and founded by a wealthy strong-minded businessman, though one whose wealth was of a smaller scale. In 1924, this 50-year-old insurance executive started a private foundation with an initial personal contribution of \$20,000.² Hendon Chubb was the CEO of Chubb & Son, a profitable firm established by his father and older brother in 1882, which began as a marine underwriting business in the seaport district of New York City. Chubb named the fund Victoria Foundation to honor his mother, Victoria Eddis Chubb. It was governed by a broad charter, “To aid in charitable activities of a general character, including all those matters which come under the head of social services or relief work...limited to the County of Essex³ in the State of New Jersey” (VF Articles of Incorporation, 1924). Over the next 36 years, Chubb periodically donated additional cash, shares of stock, and real estate, with a total book value of roughly \$3.6 million. When Chubb died in 1960, the Foundation was worth \$17 million and had paid out \$3 million in grants.

Over the 79 years under review, Victoria’s grantmaking evolved from awarding small grants to needy individuals to overseeing the day-to-day operations of a children’s hospital to becoming a place-based foundation focused on Newark. In its first 39 years, Victoria trustees approved \$4.5 million in grants. This dissertation focuses special attention on the Foundation’s second 40-year period from 1964 to 2003, when it

² All figures cited throughout the dissertation come through a cross-checking of various archival documents, including audits, IRS Form 990s, board minutes, annual reports, and grant files.

³ The Foundation’s charter was amended in 1934 to broaden the geographic boundary from just Essex County to the entire United States.

earmarked \$165.2 million in grants largely to support education-related efforts in Newark. Grants awarded to support ventures connected to elementary and secondary education have represented the largest share of Victoria's giving in Newark; other grants supported community development and youth-serving organizations.

This dissertation construes the concept of education broadly. Among many who have defined this simple and important term, American education historian Lawrence Cremin (1977) was expansive, describing education as “the deliberate, systematic and sustained effort to transmit, evoke or acquire knowledge, attitudes, values, skills or sensibilities” (p. viii). Through this wide lens, the attainment of education is not confined to schools. The education of an individual is also influenced by family, church, mass media, and external institutions such as museums, libraries, historical societies, and even performing arts centers. At the core of Victoria's grantmaking in Newark was trustees' fundamental belief that a solid education would lift individuals and families out of poverty. Adopting the concept of education writ large, this dissertation explores how and why a small foundation providing basic charity to individuals in need evolved into a place-based mid-sized philanthropy attempting to improve the lives of vulnerable children and families residing in Newark with education as its primary focus.

With good intentions similar to Zuckerberg's, Victoria's trustees hoped to improve the quality of life of children and families struggling to thrive in Newark. Though private philanthropy is more flexible than government funding, is it plausible to expect that Victoria's investment of less than 1% of all the other resources poured into a particular city will lead to positive measurable results?

Many books have been written about the societal impact of large national foundations such as Rockefeller, Ford, Annenberg, and Carnegie (Wall, 1970; Macdonald, 1989; Parmar, 2012). It is worth noting, however, the significant differences between Victoria Foundation, a mid-sized philanthropy with an endowment of \$200 million in 2003, and these much larger national funders with assets over \$1 billion. There is very little in the literature about mid-sized foundations, which tend to focus their more modest resources in their own backyard. Are there lessons we can learn about such mid-sized foundations and their influence on place? The story of Victoria Foundation and its connection to Newark, which took root in the mid-1960s, serves as a case study to better understand this unique dynamic.

This dissertation explores the progression of Victoria Foundation, which was founded at the start of the private philanthropic movement in the early 1900s, and the evolution of Newark, the third oldest metropolis in America. Using Victoria Foundation and Newark as the subjects of this case study makes good sense from a couple of standpoints. First, Victoria's founding and structural changes through the decades mirror those of many older mid-sized foundations established by wealthy individuals. Second, Newark is in many ways the archetypal American "every city." A once-thriving urban center during the industrial age, it took a journey into poverty and neglect, triggering the infamous riots of 1967, reflecting the course of similar mid-sized older industrial cities⁴. As Kenneth Gibson, who in 1970 became the first African American mayor of any major

⁴ According to the U.S. Census, there were 276 American cities with populations over 100,000 in 2009. The average population of the most populated 100 cities was 604,270. Newark ranked 68th with a population of 278,154, which placed it squarely in the ranks of mid-sized American cities.

Northeastern U.S. city, is credited with saying: “Wherever American cities are going, Newark will get there first⁵.”

In 1924, when Hendon Chubb started Victoria Foundation, there were only 127 such entities in the entire country (Walton & Lewis, 1964). These private institutions were completely unregulated by government until Congress passed the Tax Reform Act of 1969. The increased grantmaking, excise taxes, paperwork, and public reporting required by the Act compelled many foundations, including Victoria, to hire professional staffs⁶. The roles and responsibilities of Victoria’s trustees shifted dramatically in 1969 from conducting the day-to-day operations to providing overall strategic direction and setting broad policies. This dissertation explores how these changes in governance and “professionalization” affected the work of Victoria Foundation. The overarching goals of this research are to determine the challenges and opportunities that have taken place over eight decades of grantmaking, to assess the impact that Victoria Foundation has had on its intended beneficiaries, and to add to the literature on place-based, mid-sized foundations. The majority of the research is concentrated on the Foundation’s giving in Newark from 1964 to 2003, when 97% of the grant dollars were expended. The dissertation includes brief historical overviews related to the histories of foundations, the city of Newark, and K-12 education in Newark, in order to provide a broader context for understanding the evolution of Victoria. It is important to note, however, that this dissertation does not provide a fully developed history of Newark, nor does it delve into the giving patterns and approaches of other mid-sized place-based foundations.

⁵ When asked about this famous quote, Gibson said, “I stole it from Don Malafonte. He was an assistant in Addonizio’s administration. That was a phrase that he used when he wrote the Model Cities application. I give him credit. There’s no such thing as original. All these guys that take credit for things, if you go back into the history it’s been done” (K. Gibson, Personal Communication, August 12, 2013).

⁶ Chapter 4 includes a detailed review of the Tax Reform Act of 1969.

While it is fortunate that most of Victoria's archival data are intact, few evaluation studies have been conducted on the work of the Foundation's grantees. In the absence of empirical data that might elucidate the impact of Victoria's grantmaking, this study delves into the perception of impact from trustees, staff, grantee leaders, and local stakeholders. Can it be determined whether the grantmaking was strategic? Did the funding leverage other private or public money? Did the Foundation staff and trustees have a clear vision of what they wanted to change and how to go about making that change? Even though the grantmaking was relatively modest, were the grants riskier and/or more flexible than public-sector grants and contracts? Did the Foundation invest in research, advocacy, community organizing, or public policy improvement in order to make systemic changes or address structural problems? If noteworthy progress was made, during the Newark years in particular, is it possible to credit Victoria Foundation for any of it?

In considering the impact of the Foundation's grantmaking on Newark, Chapter 6 gives special attention to six important initiatives that illustrate the unique types of investments trustees made from 1964 to 2003. In chronological order they are:

1. The Newark-Victoria Plan: This partnership between the Foundation and the Newark Board of Education took place from 1964 to 1983 and marked Victoria's first major investment in Newark. The Foundation adopted the Cleveland Elementary School, dispensing substantial amounts of resources into a single public school to see if innovative experimental practices could dramatically improve the educational outcomes of its students.

2. The Chad Schools: In the immediate aftermath of the Newark riots, several Black community leaders started a private school aimed at improving the education of African American children. Victoria Foundation provided the seed funding in 1968, and then invested more than \$4 million in grants before the Chad Schools closed in 2005.
3. New Community Corporation (NCC): In the late 1960s, residents of the Central Ward of Newark organized to create a neighborhood-based nonprofit to rebuild their community on their own terms. Victoria became a loyal funder of NCC, which would evolve to become the largest and most successful multi-service anchor institution in the city of Newark.
4. Newark Collaboration Group (NCG): Victoria provided seed funding to NCG in 1984. The ambitious goal of NCG was to spark a revitalization effort in Newark. Victoria's second director, Catherine McFarland, served on the executive committee of this project, which brought together a cross-section of leaders, including representation from the neighborhoods. Using a consensus approach, NCG sought to improve the image of Newark and to jumpstart housing construction.
5. New Jersey Performing Arts Center (NJPAC): NJPAC became Victoria's largest grantee. Trustees saw their investment in the Newark-based arts center as the catalyst that would measurably improve the economic conditions of the city as well as a vehicle to provide high-quality arts education to Newark youth.
6. Bank Street Project New Beginnings: After the state took over control of NPS in 1995 (discussed in Chapter 3, see pp. 77-79), state-appointed Superintendent

Beverly Hall asked the Foundation to support Bank Street College of Education to overhaul early-grades education across the district.

Based on the research conducted for this dissertation, several themes emerged and are explored further in Chapter 7:

1. Charity versus Philanthropy. Victoria staff and trustees debated the relative value of using its grantmaking resources as *charity* to address basic necessities like food and shelter, versus expending funds strategically as *philanthropy* aimed at changing attitudes, behaviors, policies, and systems.

2. Risk-Taking. Staff and trustees wrestled with determining the appropriate amount of acceptable risk in determining the allocation of grants. There was a direct link between the question of risk-taking and the founder's vocation in the insurance industry.

3. Scattershot Grantmaking, Too Many Small Grants, and Ongoing Giving. Trustees worried that the grantmaking was too diffuse, addressing too many challenges all at once, and often questioned whether fewer, larger grant awards might produce better outcomes. They were also concerned that the provision of ongoing operating support to a cohort of agencies would limit the Foundation's flexibility because insufficient funding would be available for larger more strategic opportunities.

4. Self-Reflection. From its inception, Victoria's trustees engaged in self-reflection at the board meetings in an effort to be effective grantmakers. In the 1960s, a third board meeting was added to the calendar specifically to reflect on past practices and to develop policies for continuous improvement.

5. Connecting the Dots and Thought Leadership. One of the advantages of place-based giving relates to “connecting the dots.” By awarding many grants in one city, Victoria staff members were able to bring grantee leaders and other stakeholders together to share lessons learned and help one another resolve challenges. Victoria staff also served on task forces, committees, and boards bringing deep knowledge of Newark issues to those various tables.

6. Issues of Race. Given the prevalence of issues related to race and racism in Newark during the years under investigation, it is noteworthy how little explicit information about the Foundation’s attitudes and practices associated with race exist in the archives or surfaced during the interviews. The dissertation analyzes what does emerge because race has been such a prominent factor in Newark and other post-industrial American cities, and place-based philanthropies focused on these troubled urban communities inevitably brushes up against race and racism.

7. Evaluation. Trustees cared about evaluation and wanted their grant investments to be effective, but they were frustrated with the lack of empirical evidence to demonstrate impact. Despite this absence of objective data, there appeared to be a strong perception from within the Foundation and among Newark leaders that the city would be in much worse condition if Victoria did not exist.

8. Size of Resources and Perception of Impact. Despite its relatively modest resources, Victoria’s trustees were confident its grants could improve the quality of life for Newark’s children and families. In the absence of quantitative proof that the Foundation’s grantmaking in Newark achieved its mission, the perception of success from community leaders was unequivocal.

Ultimately, this dissertation juxtaposes a slice of Victoria Foundation with a slice of Newark to gain insights into the interconnections between a mid-sized, place-based private foundation and a troubled American city. During the 40-year period from 1964 to 2003 receiving special consideration, the Foundation directed \$146.6 million in grants to improve the outcomes of children and families living in Newark, representing 86% of its 79-year grantmaking total of \$170 million. Assessing Victoria's singular commitment to a distressed metropolis may help grantmakers, scholars studying urban conditions, and public officials better determine the role and capabilities of the private philanthropic sector.

Organization of Dissertation

The heart of the dissertation comprises the chapters related to the evolution of Victoria Foundation's grantmaking. These are preceded by three chapters. Chapter 1 includes the Introduction, Organization of the Dissertation, and Methodology. The Introduction outlines the nature of the study and identifies the research questions and themes. The Methodology section explains the various research tactics used throughout the report and provides commentary on the pros and cons of participant research. Chapter 2 includes the Literature Review, which provides an overview of scholarly research related to foundations, with an emphasis on foundations focused on preK-12 education. In addition, the Essential Background Information section explores the notions theory of change and evaluating success in the context of private philanthropy focused on education reform. Two frameworks are provided that foundations can use to assess the effectiveness of their education grantmaking. Chapter 3 provides a historic context to enable the reader to better understand the grantmaking story of Victoria Foundation,

including a brief history of Newark and how the preK-12 education sector developed in Newark.

Chapters 4 through 7 constitute the core of the dissertation. While the emphasis of the research is on the years that Victoria was primarily a place-based philanthropy (1964 to 2003), this chronicle also records the story of the early years from 1924 to 1963, with the full evolution of Victoria's grantmaking divided into four chapters. Chapter 4 delves into the backgrounds of the people behind the Foundation, with special attention given to its founder, Hendon Chubb, and the founder's daughter-in-law, Corinne Chubb. This segment also includes an account of how the Foundation changed from a "mom and pop" to a professional operation, largely driven by the Tax Reform Act of 1969. Chapter 5 provides a broad overview of the Foundation's early years, the transition to place-based philanthropy, and the essential Newark years. Chapter 6 looks at six major Newark-based grantmaking initiatives, providing insight into the Foundation's role and how each affected the city. Chapter 7, the final formal section of the dissertation, discusses themes that emerged from the research, along with limitations and suggestions for future research.

Following the formal dissertation is an Epilogue written in the first person, which provides a narrative account of the last 10 years, 2003 to 2013, when the researcher was employed at Victoria Foundation. Here the author takes off her researcher hat and recounts what has taken place at Victoria, first viewing these events as a program officer, and then as the Foundation's third executive officer. As with the body of the dissertation, the Epilogue highlights issues related to governance, staffing, grantmaking, and conditions in Newark. This section gives special attention to leadership changes and

reforms in public education, as the Foundation over the past decade continued its practice of contributing the bulk of its grantmaking to improve student outcomes.

Six appendices follow the Reference section including

- a list of primary archival sources and interviewees;
- a list of Newark grantees from 1964 to 2003, in order of total grant size;
- sample interview questions;
- a lists of all trustees from 1924 to 2013 and the years they served;
- a financial data chart from 1924 to 2013 that contains year-to-year endowment values, grant totals, administrative expenses, and percentage of grants focused on Newark; and
- a map of Newark indicating the boundaries of its five wards.

Methodology

This dissertation uses a case study approach to analyze the role and impact of a mid-sized, place-based private foundation that has focused the lion's share of its resources to improve the lives of residents in a distressed urban community over a span of 40 years. In his discussion of case studies, Robson (1996) observed that some scholars criticized case studies as soft research, but that a qualitative and historical inquiry into a singular situation can lead to nuanced and profound understanding as to what, how, and why something has occurred. Data and conclusions gleaned from case studies can pave the way for additional research. Case studies are also more flexible than experiments or surveys and employ a range of techniques, including analysis of documents, interviewing, and observation. One of the motivating forces behind this dissertation was the dearth of information about mid-sized private foundations in the United States (McKersie, 1999).

While one cannot generalize about mid-sized foundations from a case study of one, one can hope that this research will spur more studies of this often-overlooked segment of the philanthropic sector. It is also the researcher's aspiration that reporting on Victoria's evolution and its relationship to Newark in the latter part of the 20th century will inspire dialogue, critical thinking, and more research on the many issues raised.

Founded in 1924, Victoria began its sharp focus on Newark in 1964, just a few years before that city exploded into five days of civil unrest, looting, and violence. The researcher sets the ensuing 40-year relationship into a broader historical context, chronicling the annals of the Foundation and describing how the city evolved. A section on the history of education in Newark is included because preK-12 education was a major focus of the Foundation's grantmaking from 1964 to 2003.

This is essentially a qualitative historical dissertation. One of the methods used for the historical research involved a deep analysis of archival data. Victoria Foundation has an extensive archive, which dates back to 1924, and includes annual reports, docket books with grant write-ups, original board minutes and materials, grant progress reports, executive officer notes, and audit and financial reports. These data were retrieved, reviewed, and coded to determine themes, trends, and anomalies. These materials allowed the researcher to probe into the inner workings of the Foundation in order to better understand how and why it made particular funding decisions, how it evaluated success, how effective it saw itself, and why it used a particular theory of change. In addition, to relate the history of Newark and NPS, the researcher drew on the voluminous archives held by the Newark Public Library in the Charles F. Cummings New Jersey Information Center.

In order to validate and strengthen the data from the Foundation's archives, a second method of this qualitative study was the use of oral histories through one-on-one interviews, each lasting between 45 minutes and two hours. Conducting a successful in-depth interview requires a skilled investigator. The study's researcher worked as a program officer for over 15 years and interviewed over 1,000 potential grantees. In the course of that work, the researcher developed interviewing skills, including adaptiveness and flexibility, asking probing questions, active listening, and an openness to new ideas. Another strength the researcher brought to the interviews was a thorough knowledge of Victoria Foundation and the city of Newark.

A diverse array of stakeholders was interviewed for this study. Current and former Foundation trustees and staff were asked to share their recollections concerning foundation operations, with an emphasis on the Foundation's place-based giving in Newark. Commentators also included current and former grantee leaders, community activists, and elected officials, who shared their perceptions about the role and impact that Victoria had on Newark during the 40 years under investigation. All interviews were recorded, transcribed, and coded for key words and specific content areas. One limitation of these interviews was that many of the interviewees were elderly⁷. They were asked to share their perceptions of events that took place as far back as 60 years ago. These retrospective interviews are limited by the potential for unclear or mistaken recollections (Henry, MacLeod, Phillips & Crawford, 2004). It was therefore very important to use the data gleaned from the archives to corroborate and validate the insights and information assembled from the interviews.

⁷ Former Victoria trustee Haliburton Fales was 94 years old.

Chapter 4 describes the people behind the Foundation, including the life history of its founder Hendon Chubb. This research is premised on the proposition that a clearer understanding of Chubb's motivation for creating the Foundation, along with insights into key trustees and staff, provide the necessary context for the case study. Information about Chubb's life was drawn from Foundation archives, a personal memoir, and interviews with four individuals who knew him personally.

A list of persons interviewed for this study along with their affiliation follows⁸:

- Eugene Campbell, former superintendent of the NPS;
- Richard Cammerieri, community activist in Newark;
- Percy Chubb III, president of Victoria Foundation;
- Sally Chubb, Victoria Foundation trustee;
- Beatrice Collymore, former deputy superintendent of NPS;
- Robert Curvin, former Victoria Foundation trustee and community activist;
- Rebecca Doggett, community activist in Newark;
- Haliburton Fales, former Victoria Foundation trustee;
- Kenneth Gibson, former mayor of Newark;
- Lawrence Goldman, founding CEO of New Jersey Performing Arts Center;
- Beverly Hall, former superintendent of NPS;
- Margot Hammond, Bank Street College staff developer in Newark;
- Sharpe James, former mayor of Newark;
- Thomy Joyner, founding plan coordinator of the Newark-Victoria Plan;
- William Linder, founder of New Community Corporation;
- Catherine McFarland, former executive officer of Victoria Foundation;

⁸ Examples of the questions asked during the one-on-one interviews are provided under Appendix E.

- Khadijah Olumbe, parent at the Chad Schools;
- Margaret Parker, Victoria Foundation trustee;
- Alex Plinio, former president of Prudential Foundation;
- Robert Rudin, former board president of the Chad Schools;
- Ewart Williams, former headmaster of the Chad Schools; and
- Junius Williams, community activist in Newark.

In addition to the qualitative methods, the researcher gathered and analyzed quantitative data, such as grant totals by year, annual endowment market values, and giving patterns and trends, especially in the Newark years. The quantitative analyses also considered the type and amount of grants allocated in years when the financial markets were up as well as those years in which the markets were down. A key consideration affecting grant levels at Victoria and all private foundations is the IRS guideline mandating an annual expenditure for charitable purposes of at least 5% of their average 12-month corpus value. The 5% includes both grantmaking and administrative payments; therefore, the Foundation's operating expenses from year to year were also tracked and examined in this study.

Participant Researcher—Practical Concerns

The researcher and dissertation author is currently employed by Victoria Foundation. She was hired as a program officer in March 2003, and promoted to executive officer in June 2006. The 79-year time span of the dissertation has an end date of 2003, which was intentionally selected to coincide with the year in which the author began her tenure at the Foundation.

There are advantages and disadvantages to being a participant researcher. Denzin & Lincoln (1994) did not mince words in their critique of the participant researcher:

It is not wise for an investigator to conduct a qualitative study in a setting in which he or she is already employed and has a work role. The dual roles of investigator and employee are incompatible, and they may place the researcher in an untenable position...The researcher may learn confidential information that should be reported by a loyal employee but that should be kept confidential by an ethical researcher. (p. 222)

In addition, the question of truthfulness of respondents, particularly grantees, is important to raise, given that the researcher asking the questions exercises significant authority over current grantmaking recommendations. That is why it was essential to validate the data gathered from interviews with the archival findings.

However, a researcher with an intimate relationship with the subject of the case study affords certain benefits, such as easy access to archival materials and hands-on experience with the inner workings of the organization under investigation. In his book, *Investigative Social Research*, Jack Douglas (1976) argues that despite problems of researcher bias, the participant researcher, through careful and continuous self-reflection, can overcome the lack of neutrality and in doing so gain important insights that would be impossible under other, less-involved circumstances. Historian Susan Semel (1992) wrote a history of The Dalton School after being a student, teacher, and parent of a student at the school. Throughout her 25-year connection to the school, she witnessed and participated in many of the historical events she wrote about in the book. Semel explained,

I constantly had to examine my own perceptions of the history of the school as a participant in that history and compare it to other evidence, such as archival documents and interviews...As an historian I had to treat my own perceptions as just another piece of evidence and then I had to make sense of any contradictions.

This required a type of psychoanalytic journey... Suffice it to say that at times this was difficult. (p. xvi)

Although this type of research as participant is complex to navigate, it remains a legitimate form of inquiry. The researcher of this dissertation has 10 years of experience as an employee of Victoria Foundation. It has been critically important for the participant researcher to remain as objective as possible throughout the data gathering and writing phases. It was also necessary to separate the data and knowledge gleaned prior to starting the dissertation work from the information gathered thereafter. This was particularly important with the interviewing process, since the researcher has had a professional relationship with most of the interviewees for up to 10 years.

A related concern involved members of the Victoria board of trustees. As executive officer of the Foundation, the researcher serves at the pleasure of the board, several of whom are related to the founder. In crafting the chapters, the investigator needed to feel completely free to address any topic that emerged from the research, without worrying whether a trustee or family member might disapprove or be insulted by what was written. The fact that the Foundation has a generous tuition reimbursement policy for relevant higher education opportunities, of which the researcher availed herself, compounded these issues.

As a senior-level employee of Victoria, the participant researcher also must acknowledge the possible bias, however subtle, associated with Rutgers University-Newark and members of the dissertation committee. As a place-based foundation, Victoria has awarded dozens of grants in support of mission-aligned efforts operated by Rutgers University-Newark. In a handful of cases, these grant awards were directly connected to members of the dissertation committee who are employees of Rutgers. The

policy of Victoria Foundation is for staff and trustees to explicitly disclose the organizations and institutions with whom they are affiliated. The researcher's conflict of interest form clearly indicates that she is a Ph.D. student at Rutgers University-Newark. With this procedure in place, the researcher was not permitted to serve as the program officer charged with reviewing grant requests from Rutgers University-Newark, nor could she offer comments when such requests came up for consideration at board meetings.

CHAPTER 2

Literature Review and Essential Background Information

Overview of Foundation Sector

The literature on the role of private foundations in society at large is limited. The scholarly research that does exist is focused almost exclusively on the work of large national foundations, such as those started by Carnegie, Ford, Rockefeller, and Sage. In his essay, *Local Philanthropy Matters: Pressing Issues for Research and Practice*, William McKersie (1999) bemoaned the fact that smaller, local foundations, which represent an important segment of the philanthropic sector, have rarely been the subject of rigorous research and study. Ellen Condliffe Lagemann (1999) also reflected on the lack of research on private foundations historically, which she attributed to a dearth of social theories that might have facilitated such early research and the reality that foundations themselves have discouraged scholarly examination of their practices.

Several national commissions have emerged in the past decade to consider the future of private philanthropy, especially in light of decreasing government funding, but their membership is almost exclusively composed of leaders from the largest foundations. Although the National Commission on Philanthropy and Civic Renewal understood the advantages of local philanthropy and encouraged donors to direct more grant support to grassroots organizations, its field research and data were drawn chiefly from the large national foundations (Alexander, 1997). Lessons learned from the work of large national foundations can be helpful to smaller foundations, but there are significant differences in the geographic scope, type, and amount of grantmaking that warrant further research.

In order to calculate what constitutes a “mid-sized” foundation, this dissertation uses the industry standard developed by the Council on Foundations (COF), the sector’s pre-eminent membership association. According to COF (2010), large-sized foundations have assets of \$500 million or more, those with assets in the \$50 million to \$499.9 million range are deemed mid-sized foundations, and those with assets less than \$50 million are regarded as small foundations. With assets of \$200 million in 2003, Victoria Foundation falls squarely in the middle range of mid-sized foundations.

COF (2013) recognizes six different types of foundations, which operate under varying regulations and governance strictures while still enjoying tax-exempt status. Victoria Foundation is part of the largest group of the philanthropic sector, known as *independent foundations*. Like most private independent foundations, Victoria’s assets were derived from one donor, it uses its endowment to support charitable organizations, and its trustees currently comprise both family members and community members. The federal government requires independent foundations to disburse a minimum of 5% of total assets each year via grants and administrative expenses. The next largest group of grantmaking entities is *family foundations*. These are very similar to independent foundations; however, the original donor and/or the donor’s relatives govern all grantmaking and investment decisions. There are a smaller number of *public foundations*, which engage in both fundraising and grantmaking activities. Public foundations raise the money they give away from individuals, organizations, and other foundations. While their primary focus is on grantmaking, public foundations often engage in direct charitable program activities. *Community foundations* represent a collection of individual donors concerned about a particular region or state. In order for the donors to enjoy tax

benefits, the community foundation must pass a “public support” test to prove that it has broad support and is not controlled by a small number of contributors. Corporations have two types of grantmaking mechanisms: *corporate foundations* operate like independent foundations, with governing boards composed of corporate employees, and *corporate giving programs* make grants directly to nonprofit organizations from funds budgeted by the parent company.

It is important to differentiate between funders based upon where their grants are awarded geographically. The term *place-based* is used in the philanthropic sector to connote a foundation that focuses exclusively or primarily on a local community or region. This is in contrast to those foundations that have a national, international, or broadly-defined geographical scope. Victoria Foundation is considered a place-based foundation because it has focused the vast majority of its grantmaking on nonprofit organizations whose efforts benefit children and families residing in Newark.

According to the Foundation Center (2011), which provides a clearinghouse of data for the sector, there were 81,777 U.S. foundations in 2011 (up from 65,000 in 2003), with total assets of \$622 billion, making \$49 billion in grants. To put this scope of giving into perspective, foundations represent a mere 16% of all private giving in the U.S., with 80% coming from individuals and 4% from corporations (excluding corporate foundations).

History of Foundations

This brief history focuses on large foundations, which have by and large attracted the attention of historians and social scientists. While the lessons derived from the handful of independent foundations with assets over \$500 million cannot necessarily be

generalized to mid-sized foundations, it is useful to understand their evolution, giving histories, and impact. This section also emphasizes foundations that target preK-12 education, since this dissertation concentrates on the education grantmaking of Victoria Foundation.

It was during the industrial age that the number of exceedingly wealthy men in America proliferated. While personal and religious-related charity to assist the poor existed in America long before the industrial revolution, the establishment of organizations by these newly minted captains of industry to systematically give away large amounts of money to improve society emerged around 1900. The sudden appearance of large philanthropic institutions between 1900 and 1930 was unique to the United States. In 1907, when the Russell Sage Foundation was launched, there were only eight such institutions in existence (Walton & Lewis, 1964).

Andrew Carnegie (1889), who amassed a great fortune from the steel industry, sought to give away his accumulated wealth in his lifetime. He wrote a manifesto on philanthropy entitled *The Gospel of Wealth*, in which he implored his fellow millionaires to give away their wealth for the benefit of society after they had provided for their loved ones⁹. Although Carnegie understood this directive as a moral obligation, he firmly believed that funds should be given away strategically. Wall (1970) explained that Carnegie derided “palliative” charity as a waste of money, quoting Carnegie’s philosophy that “neither the individual nor the race is improved by alms giving” (p. 139). From 1919 to 1982, the Carnegie Corporation of New York spent more than half a billion dollars on

⁹ In a gesture that harkens back to Carnegie’s *The Gospel of Wealth*, Bill Gates and Warren Buffet started the Giving Pledge (2013), which commits those who sign it to give away at least half their fortune during their lifetime or in their will. To date, 69 billionaires have officially signed onto the Giving Pledge, including Julian Robertson, Eli Broad, Michael Bloomberg, and Mark Zuckerberg.

grants. As its founding president, Carnegie wanted his foundation to create many new independent institutions, including libraries, which would increase opportunities for education and self-improvement. The resources were also used to influence public policy. Lagemann (1989) described how the Carnegie Corporation supported and exercised significant control over who was selected to serve on various blue ribbon commissions charged with developing policy papers to guide high-level government decisions.

A younger contemporary of Carnegie's, John D. Rockefeller, was inspired to write a letter to him after reading *The Gospel of Wealth*. Chernow (2004) quotes Rockefeller: "I would that more men of wealth were doing as you are doing with your money, but, be assured, your example will bear fruits, and the time will come when men of wealth will more generally be willing to use it for the good of others" (p. 313). Following suit, Rockefeller started the General Education Board in 1903, primarily to integrate K-12 public schools in the South. By the time the General Education Board ceased operations in 1964, it had allocated \$324.6 million in grants (The Rockefeller Foundation, 2013, para. 15). The more broadly-focused Rockefeller Foundation was initiated in 1913, and is currently valued at over \$3 billion. Like Carnegie, Rockefeller believed that charity without effort on the recipients' part reinforced the weakness of character that led one to become poor in the first place. He wanted his philanthropic investments to be as sound as his business transactions (Jonas, 1989).

Although most of these large-sized foundations awarded grants nationally, the importance of place-based giving was clear to banker and lawyer Frederick Goff, who inaugurated the country's first community foundation in Cleveland, Ohio, in 1914. He envisioned a community trust that would pool charitable resources from a range of

donors who believed in the common goal of improving their community. In its first six years of operation, the Cleveland Foundation sponsored progressive studies that led to improved recreational open space in the city, a revamped justice system, and broad reforms in public education, including equal education for girls. The Cleveland Foundation has a current endowment valued at \$1.8 billion and has paid out over \$1 billion in grants since its inception. Currently, there are more than 700 community foundations in the United States (The Cleveland Foundation, 2013, para. 1-9).

Early critics of the foundation sector (Hammack & Anheier, 2010) argued that these new entities would subvert the democratic process, buying outsized influence related to public policies with their generous checkbooks. Philanthropy scholar David Nasaw (2006) discussed a general criticism ascribed to the “mega-foundations” that their outsized wealth was socially unjust: “One doesn’t have to be a Socialist to wonder whether a more equitable distribution of wealth might be better for society than the idiosyncrasies of large-scale philanthropy” (para. 2). Nasaw (2006) pointed to the many skeptics at the time who questioned the means of how men like Carnegie and Rockefeller earned their millions. He recounted the story of a bloody 1892 strike at Carnegie’s Homestead Steel Works outside of Pittsburgh. The Amalgamated Association of Iron and Steel Workers represented the employees of this highly profitable factory and engaged in an industrial lockout, fighting for higher wages and improved working conditions such as an eight-hour workday as opposed to 12. Three hundred armed private detectives could not quell the strike. It took 8,000 state militiamen to finally end the 95-day occupation. Carnegie claimed that he needed to keep wages low in order to remain competitive,

...and that even had it been possible for him to share some of his profits with his workers, it would have been neither “justifiable or wise” to do so. “Trifling sums

given to each every week...would be frittered away, nine times out of ten, in things which pertain to the body and not to the spirit; upon richer food and drink, better clothing, more extravagant living, which are beneficial to neither rich nor poor.” (para. 3)

According to Nasaw (2006), Carnegie’s rationale for low wages and higher profits was the ability to aggregate wealth and return it to the community through a foundation that paid for public libraries and other useful programs.

The tide of public opinion changed after World War I, partly because foundations had supported relief efforts in Europe and were also credited with helping to eliminate typhoid, yellow fever, and malaria in the U.S. The growth of charitable foundations dropped off in the 1930s and 1940s, at the same time that the federal government initiated New Deal entitlement programs and services to the poor in response to the Great Depression. There was a growth spurt in the 1950s and 1960s, especially in the area of small- and mid-sized foundations. By 1964, there were 6,000 private foundations (Walton & Lewis, 1964). This escalation came to an abrupt halt in the late 1960s when Congress held a series of heated hearings in which some overly zealous committee members portrayed foundations as tax-evading criminals. The hearings led to the Tax Reform Act of 1969, which imposed many government regulations on private foundations, including the mandated payment of excise taxes. The Act was a pivotal moment in the history of foundations and is examined in greater detail in Chapter 4 in the context of its impact on Victoria Foundation.

In the midst of new government oversight of the sector in 1972, a small-sized foundation conducting limited grantmaking in New Brunswick, New Jersey became the country’s second largest foundation. The Robert Wood Johnson Foundation (RWJF) was the beneficiary of a bequest from the Johnson estate of 10 million shares of Johnson &

Johnson common stock worth \$1.2 billion. With an endowment today of over \$9 billion, RWJF emerged with a broad mission to improve the health and health care services for all Americans. It began to narrow its focus in the 1990s to tobacco control, and in the last decade it turned its attention to childhood obesity (Anheier & Hammack, 2010).

Foundations rarely publicize failed grants, but RWJF was the rare exception. It posts all grant reports and program evaluations, including the unsuccessful ones, on the research center section of its website. Warren Wood, former vice president and general counsel of RWJF, expressed his concerns about the lack of accountability within the sector: “Venture capitalists learn from their failures, scientists almost always learn from their failures, society sometimes learns from its failures. Why not foundations?” (Fleishman, 2007, p. 261).

Foundations focused on preK-12 education.

Notwithstanding Victoria’s involvement with public schools in Newark starting in 1964, few foundations were working in this sphere prior to the 1983 government report, *A Nation at Risk* (National Commission, 1983). Commissioned by President Ronald Regan, the report was a scathing critique of America’s public schools:

About 13% of all 17-year-olds in the United States can be considered functionally illiterate. Functional illiteracy among minority youth may run as high as 40%. . . More and more young people emerge from high school ready neither for college nor for work. This predicament becomes more acute as the knowledge base continues its rapid expansion, the number of traditional jobs shrinks, and new jobs demand greater sophistication and preparation. (pp. 11-12)

As indicated in the *Education Week* article (Sommerfeld, 1993) below, the report sounded the alarm in the private foundation sector, which significantly increased its support of public schools after 1983:

While educators may debate what affect the landmark 1983 report *A Nation at Risk* has had on American schools, one area where its role in jump-starting the school-reform movement is highly visible is education philanthropy. In the decade since the release of the report, foundations have poured larger sums into efforts to improve elementary and secondary education...Before the National Commission on Excellence in Education released *A Nation at Risk*, most foundation education giving went to higher education, and gifts for K-12 education were limited primarily to private schools, typically the alma mater of a philanthropy's founder, according to Mary Leonard, the director of the Council on Foundation's precollegiate program. But as the nation turned its attention to the report's charge that a “rising tide of mediocrity” was eroding American public schools, so, too, did the philanthropy world. (para. 1-6)

It is likely that the 1983 report influenced the Annenberg Foundation to make one of the largest gifts in philanthropic history—the \$500 million Annenberg Challenge for School Reform. Walter Annenberg had endowed the Annenberg Foundation in 1989 with \$1.2 billion, which represented one-third of the assets he received from the sale of Triangle Publications, the publisher of *TV Guide* and *Seventeen* magazines. Much has been written about the Annenberg Challenge. Local foundations were required to match Annenberg funds on a one-to-one basis, leveraging the investment into \$1 billion. Most critics, including the Annenberg Foundation itself, concluded that the money did little to improve academic outcomes for the nation’s neediest children. According to Domanico, Innerst, & Russo (2000), the primary reason given for the lack of positive results was that the theory of change employed by the Foundation was erroneous. The Annenberg Challenge was based on the premise that what was most lacking in these dysfunctional urban public schools was innate expertise, and that this situation could be corrected by attracting highly capable and motivated individuals from the outside to work for a period of time inside the system. In actual practice, the systems weren’t flexible or cooperative enough to allow the outsiders the agency needed to affect significant change.

Jay Greene (2005) from the Manhattan Institute for Policy Research contends that money from the private sector can do little to affect change in public education because of the limited financial resources available to address the challenges. He uses a metaphor to explain his position:

Trying to reshape education with private philanthropy is like trying to reshape the ocean with buckets of water. Unloading buckets into the sea won't raise the water level, won't change the ebb and flow of the tides, and won't purify the salt water. The reason is simple: there's just too much water in the ocean and not enough water in the buckets. Philanthropic efforts to reform education simply by pouring private dollars into the ocean of K-12 spending are doomed to failure for the same reason. Even high-profile philanthropic efforts that may seem very large are simply too small to significantly raise the level of resources available to schools, change the ebb and flow of incentives that hinder progress, or purify dysfunctional systems. Philanthropic spending is just too tiny compared to the enormous size of public education expenditures for the buckets-into-the-ocean strategy to be effective. (p. 2)

A new brand of foundations sprang up in the late 1990s, started by high-net-worth individuals, many of whom owned technology companies or managed hedge funds. The approach of these new foundations is referred to as *venture philanthropy*, and involves hands-on foundation staff members facilitating significant investment of resources with strings attached. Unlike the Annenberg example cited above, which employed a relatively passive "let a thousand flowers bloom" approach, these new funders actively targeted huge sums of money on a narrow set of issues.

The largest by far of this new breed is the Bill and Melinda Gates Foundation, which was established in 1997, and was valued at \$34 billion in 2011. In its first 10 years of operation, the Gates Foundation spent about \$2 billion in an attempt to reach its stated goal of having 80% of minority and low-income students graduate from high school college-ready. A large part of this grantmaking supported the small schools initiative. The Gates Foundation's theory of change was that if education leaders broke up large

comprehensive low-performing high schools serving poor children into 400-student blocks, the students would feel like they were part of a caring community and would stay in school and work harder to improve their academic performance. In his own words, Bill Gates (2008) expressed disappointment over this expensive experiment:

In the first four years of our work with new, small schools, most of the schools had achievement scores below district averages on reading and math assessments. In one set of schools we supported, graduation rates were no better than the statewide average, and reading and math scores were consistently below the average. The percentage of students attending college the year after graduating high school was up only 2.5 percentage points after five years. Simply breaking up existing schools into smaller units often did not generate the gains we were hoping for. (para. 5)

A more typical example of venture philanthropy comes from Julian Robertson, who made his fortune from Tiger Management LLC, a hedge fund he started in 1980 with \$8 million in capital, which grew to \$7.2 billion by 1996. He established the Robertson Foundation in 1996, which is currently valued at just over \$1 billion. In the area of education, the Foundation focuses on charter schools and voucher programs and was a major sponsor of the Newark Charter School Fund. Its website is explicit in describing its venture capital approach:

The Robertson Foundation takes a targeted, businesslike, results-oriented approach that is modeled more closely on private equity investing than on traditional philanthropic grant making. As a result, before the Foundation considers specific grants, its program staff, assisted by relevant experts, regularly conducts a data-driven scan of the area of interest...In every grant the Foundation makes, the implementation of the agreed-upon plan is monitored and the corresponding results are reviewed on a regular basis by the Foundation's program staff. (Robertson Foundation, 2013, para. 1)

Writing for *Grantmakers for Education* (2003a), Ralph Smith, vice president of the Annie E. Casey Foundation, described the notion of *muscular philanthropy*, a growing trend among foundations to become more hands on and heavy handed. As an

example, he discussed how in 2002 three large foundations in Pittsburgh—the Grable Foundation, the Heinz Endowment, and the Pittsburgh Foundation—explained in a public letter to the superintendent and members of the Pittsburgh Board of Public Education that they were pulling their collective financial support of the district until measurable improvements were made to governance, management, and financial controls.

Given the sheer magnitude of these new foundations' giving in preK-12 education, it is not surprising that the old criticism that foundations exert too much influence in society has resurfaced (Barkan, 2013). Another critique concerns whether any amount of money can improve outcomes for low-income children struggling in urban communities. Peter Temes (2001), former president of Antioch University New England, questioned whether there was any value in private support for school reform:

The Edna McConnell Clark Foundation is about to stop giving grants to support school reform. Why? Because the foundation has come to the reluctant conclusion that large-scale school reform might not work... We have spent billions on school reform programs in this country in the past decade to answer the question, "Can our schools be made great?" And the answer has been a resounding "maybe." (para. 2)

Education scholar Frederick Hess (2004) also questions philanthropic investment in education reform:

The foundations long at the center of education reform, like Carnegie, Ford, and Annenberg, have tended to invest in enhancing curriculum and instruction, professional development, and tweaking school-site governance or the school schedule. This kind of capacity building presumes that the stumbling blocks to education improvement stem from a lack of expertise or resources. The lessons of recent decades, especially the Annenberg experience, highlights the limits of this giving strategy in a field where foundation efforts are only a tiny fraction of spending in troubled stagnant systems. (para. 14)

While the results to date regarding major investments in education reform are not terribly encouraging, that has not seemed to stem the tide of private foundation giving, as

witnessed by the recent \$100 million Zuckerberg challenge grant targeting Newark's public schools, a relatively small urban district. Current preK-12 education philanthropy appears to bifurcate along the same lines as the contemporary social debate on how best to improve the public schools. Leading education figures, like former Washington D.C. public schools chancellor, Michelle Rhee; Teach for America founder, Wendy Kopp; and Knowledge Is Power Program (KIPP) founder, David Levin, believe that a creative disruption of the status quo is needed. Rhee (2013) advocates for merit pay and the elimination of seniority as the key rationale for making personnel decisions. Several large-sized foundations, like the Walton Family Foundation and the Eli and Edythe Broad Foundation, are pouring huge sums of money into policies and programs intended to disrupt the traditional public schools, such as voucher programs and charter schools.

On the other side of the debate are veteran education scholars like Diane Ravitch and the late Jean Anyon. Ravitch (2011) decries the privatization movement and the intense focus on test taking, which she believes leads to "cheating, teaching to bad tests, institutionalized fraud, dumbing down of tests, and a narrowed curriculum" (para. 11). In her influential book, *Ghetto Schooling*, Anyon (1997) contends that it is impossible to fix low-performing urban public schools without seriously addressing issues of poverty:

Attempting to fix inner-city schools without fixing the city in which they are embedded is like trying to clean the air on one side of a screen door... We are aware—and over 30 years of research has consistently demonstrated—that academic achievement in U.S. schools is closely correlated with student socioeconomic status. To really improve ghetto children's chances, then, in school and out, we must (in addition to pursuing school-based reforms) increase their social and economic well-being and status before and while they are students. We must ultimately, therefore, eliminate poverty; we must eliminate the ghetto schools by eliminating the underlying causes of ghettoization. (p. 170)

Although foundations, especially mid-sized foundations like Victoria, do not have the resources to make the type of societal changes Anyon recommends, they have accomplished notable feats since the sector's golden age of the early 1900s.

Theory of Change

The notion of charity in America changed dramatically at the turn of the 20th century when men such as Andrew Carnegie and John D. Rockefeller began acquiring great personal wealth and chose to give it away. These men did not follow in the footsteps of the settlement houses, which sought to aid the poor by providing direct financial aid, medical care, and social services. This new breed of donors applied business practices to solve societal problems, spending their money in an attempt to remove the root causes of poverty and to promote self help, which included support for research, influencing public policies, and educational institutions intended to improve access to knowledge. This new type of giving was known as *scientific philanthropy* (Frumkin, 2006).

Embedded in this more strategic grantmaking was the belief that behaviors, policies, and society itself could be changed for the better with the right kinds of investments. In order to determine how to allocate finite resources for a particular result, many foundations engage in a thought process to develop a theory of change. Frederick Hess (2005b) quotes philanthropy scholar Peter Frumkin's definition of *theory of change*:

Theories of change are causal claims rendered into more explicit form. They begin with the specification of inputs into a system. In the case of philanthropy, these inputs often take the form of grants designed to support nonprofit initiatives. Philanthropic inputs fund activities and services, which can range from simple small-scale efforts to broad and ambitious programs. Change theories connect funded programs to the production of outputs or units of service, which allow donors to count and track efforts. These outputs are connected to the intended outcomes or end states that the donor is focused on achieving on behalf of others.

Outcomes represent the targets of philanthropic activity. They are the achievements realized by clients or users that allow the donor to claim mission fulfillment. (pp. 276-277)

While it is helpful for private foundations to think through and employ a theory of change, it is very difficult to prove a direct causal link between a funded intervention and outcomes when working in complex realms, such as preK-12 public education, due to the myriad of variables in the system. It is virtually impossible to isolate the potentially positive effects of one activity in the midst of hundreds of interrelated variables. For example, applying the theory of change that children who are reading at grade level by the third grade are more likely to graduate from high school, Victoria funded Children's Literacy Initiative (CLI) to train classroom teachers in the early grades in Newark to improve their instructional practices related to literacy. If one could successfully track greater numbers of third graders reading at grade level and actually follow this cohort through to high school graduation and beyond, one would need to control for competing variables, such as other programmatic interventions along the way, the quality of participating teachers, and the socioeconomic status of the children, in order to say with any degree of confidence that Victoria's investment in CLI led to improved outcomes such as higher graduation rates.

Evaluating Success

Evaluating the success of a foundation over time is difficult. This is partly because foundations spend most of their time upfront attempting to make sound grantmaking decisions, without taking the necessary time at the end of the grant period to determine whether and how their support made a difference. There is a co-dependent relationship between the foundation and grantee; both depend upon the other to fulfill

their respective missions. At the grassroots local level, few community-based organizations have the capacity or resources to collect baseline data prior to the delivery of a program or service. Without this baseline information, it is impossible to determine how a situation has improved or worsened over time. While some organizations develop pre- and post-surveys to measure the immediate impact of a particular intervention, few of these groups implement follow-up surveys to understand the impact of that intervention six months or a year later. Funders also contribute to the problem because few foundations provide the funding necessary to help grantees develop the in-house capacity to self-assess their programs or to hire independent evaluators for specific grant-funded projects, preferring to put all their money into direct programming.

Ultimately, the success of a foundation is predicated upon the success of its individual grantees. These points are well illustrated in the history of the Stern Fund (Austermiller, 1992), a small family foundation that was founded with an explicit 50-year lifespan. The focus of its giving in the first 30 years centered almost exclusively on civil rights, community organizing, and education reform in New Orleans. In the next 20 years, the foundation awarded small national grants at an average size of \$22,000 to a wide array of progressive causes. Philip Stern, the son of the founder and a trustee for nearly 30 years, described the Fund's inability to evaluate its grants after their completion as its most conspicuous failure. Stern stated,

We never did as good a job as we should have in taking a backward evaluative look at the grants we had made...I pressed [executive director] David Hunter to include, as part of his written summary and recommendation of each docket item, his hopes/expectations for each item. It was an uphill fight, and as time went on, the hope/expectations grew increasingly amorphous, for example, "heightened public awareness of the need for peace"—a poor measuring stick for an evaluator. (p. 136)

Some grant-funded efforts are easier to assess than others. For example, Saint Vincent's Academy, an all girls' parochial high school in Newark and a long-time grantee of Victoria Foundation, reports the growth in SAT scores over time, and tracks its student body beyond graduation. The school is able to report that 99% of its graduates continue onto an institution of higher education. It is much more difficult to measure the impact of the Boys and Girls Clubs of Newark, another long-term Victoria grantee. Different children attend various recreational activities, participate in academic enrichment programs, and/or receive homework help on different days and with different frequency. A foundation program officer may stop by and witness several girls participating in a Double Dutch jump roping activity, but it is nearly impossible to know whether the Foundation's grant support is making a significant difference in the life of a particular child or in the neighborhood where the Club is located. The neighborhood surrounding the Club may continue to experience drug activities and shootings. Even if improved outcomes for a child or the neighborhood were documented, it would be impossible, without empirical data, to attribute that progress to the efforts of the Boys and Girls Club.

The trend in the philanthropic sector is greater demand for evaluation data from grantees. But without the in-house capacity to develop, implement, and analyze the data gleaned from authentic evaluation tools, agencies are hard pressed to comply. Grantees will more often than not provide funders with grant reports that describe *outputs* (e.g. 12 training sessions were held; 2,000 third graders participated in weekly master classes in mathematics), as opposed to *outcomes* (e.g. teachers' knowledge of strategies to infuse critical thinking skills into the curricula improved; 80% of participants are working at

living-wage jobs one year past placement). Receiving an accurate account of the outputs does not satisfactorily respond to the “so what” question, which ultimately determines what difference the funded intervention made on its intended beneficiaries.

In their book, *Give Smart: Philanthropy that Gets Results*, Tierney and Fleishman (2011) comment on the movement for better data:

The challenge is that the growing focus on results has also generated a certain amount of confusion and inconsistency about what to measure, when, and how. Social impact can be defiantly difficult to quantify, and beleaguered nonprofit leaders have dozens if not hundreds of tools competing for their attention. For their part, many donors compound the confusion by aggressively imposing their own specific measures on grantees, without stopping to ask exactly how the resulting data would add value. (p. 196)

One of the strongest and most respected national membership groups in the philanthropic sector is Grantmakers for Education (GFE). In 2005, leadership from GFE developed and widely disseminated the report, *Principles for Effective Education Grantmaking* (Grantmakers for Education, 2005). Its intention was to provide a set of standards for foundations to reflect upon and apply to their grantmaking practices in order to make grants that lead to improved outcomes. While these standards were developed in the context of preK-12 education grantmaking, they can be applied to many types of grantmaking. The following eight principles provide a conceptual framework for measuring overall foundation success:

1. “Discipline and Focus: In education, where public dollars dwarf private investments, a funder has greater impact when contributions are carefully planned and targeted” (p. 1).
2. “Knowledge: Information, ideas and advice from diverse sources can help a funder make wise choices” (p. 2).

3. “Resources Linked to Results: A logic-driven theory of change helps a donor think clearly about how specific actions will lead to desired outcomes, thus linking resources with results” (p. 3).

4. “Effective Grantees: A funder is effective only when its grantees are effective. Especially in education, schools and systems lack capacity and extra resources and may require deep support—a consideration especially consequential for smaller funders” (p. 4).

5. “Engaged Partners: A funder succeeds by actively engaging its partners—the individuals, institutions and communities connected with an issue” (p. 5).

6. “Leverage, Influence and Collaboration: The depth and range of problems in education make it difficult to achieve meaningful change in isolation or by funding programs without changing public policies or opinions. A funder is more effective when working with others to mobilize and deploy as many resources as possible in order to advance solutions” (p. 6).

7. “Persistence: The most important problems in education are often the most complex and intractable, and will take time to solve” (p. 7).

8. “Innovation and Constant Learning: Even while acting on the best available information, a funder can create new knowledge about ways to promote educational success. Tracking outcomes, understanding costs and identifying what works—and what doesn’t—are essential to helping funders and their partners achieve results” (p. 7).

Stanley Litow (2003), vice president of Corporate Community Relations at IBM Corporation, believes that certain philanthropic investments are more strategic than

others and will ultimately lead to greater impact. Rather than act as a venture capitalist and fund only safe initiatives, Litow suggests that private funders consider supporting evaluation of particular interventions so that those initiatives can prove their value and be sustained. He also strongly supports community engagement and advocacy, including projects aimed at influencing how public funds are distributed. Litow offers five lessons for philanthropy to improve education that differ somewhat from those of GFE—again, these lessons can be applied widely:

1. “You can’t change anything without being prepared to understand it” (p. 5).

Litow does not believe that supporting small pilot or model school initiatives will lead to systemic reform. Rather, he encourages private foundations to fund efforts that will help education leaders, parents, politicians, and other key stakeholders to have a greater depth of knowledge about school governance, school finance, and school personnel. It is difficult for educators to address a problem that they do not fully understand.

2. “Large complex systems are just that, and as such are not easy to change and eschew simple silver bullet solutions” (p. 5). As examples of this lesson, Litow explains that afterschool programs do not work well unless they are wholly coordinated with the school day, and adopting a first-grade class and promising to pay for college, as in the *I Have a Dream*¹⁰ program, does not work unless one provides ongoing support services, such as counseling and academic tutoring.

¹⁰ The national *I Have a Dream* program works with cohorts of students in under-resourced public schools from early elementary school through high school. Upon high school graduation, each “Dreamer” receives guaranteed tuition assistance for higher education.

3. “Systemic change can’t be instituted in minutes, hours, or days” (p. 6). Change in entrenched bureaucratic systems takes time. Foundations need to be patient and stay the course, sometimes for many years, before they see the results of their efforts. Litow implores foundations to support independent evaluation of particular programs in order to make the necessary mid-course corrections and to better understand the impact of the effort over several years.

4. “Complicated systemic change can’t be instituted externally; you must engage the internal key players and participants and they must be part of the change strategy” (p. 6). Litow accuses private philanthropy of sometimes imposing solutions from the outside without securing the critical buy-in from the teachers and administrators who must carry out the initiatives.

5. “Money alone cannot stimulate long lasting and systemic change; you need to be prepared to put on the line more than mere checkbook philanthropy” (p. 6).

Litow urges foundations to use their resources beyond the funding to push education reforms. In the case of corporate foundations, he suggests they lend employees, offer technical talent, and/or provide goods and services. Private foundations are encouraged to use their clout to convene decision makers and build other philanthropic support.

For the purpose of this dissertation, evaluating success or impact refers to measurable or perceptual changes, if any, that occurred as a result of the investments made by Victoria Foundation during 40 years of grantmaking activities in Newark. However, given the paucity of empirical evidence on impact, the majority of the evidence is on perceptions of impact. These perceptions are based on the statements in the board

minutes, correspondence in grant files, and the interviews with key stakeholders. Based on the evidence gathered, evaluating success depends on determining how the lives of children and families living in Newark from 1964 to 2003 improved, worsened, or stayed the same as a result of Victoria's investments. It will also be important to factor in the actual amount of funding Victoria awarded and compare those figures to the total public and private investments in Newark. How much impact can one foundation have in a community when its dollars dwarf those of the total amount spent (both privately and publicly) in a given year?

The example of public education is instructive. In the year 2000, the top 50 private foundations' support for preK-12 education in the United States totaled \$862 million—less than 0.25% of the \$400 billion that taxpayers contributed towards educating America's 46 million children attending 80,000 public schools operating in 14,500 separate school districts (Finn & Amis, 2001). Janice Petrovich, Director of Education at the Ford Foundation, stated, "Like all foundations, we struggle to have an impact...People say, 'Gee, Ford has so much money.' But our entire endowment is around \$9 billion, which is the operating budget for the New York City public schools for one year. What foundations have is a drop in the bucket" (Grantmakers for Education, 2003b, p. 9).

Even with this disparity in funding between private and public sources, New York Schools Chancellor Joel Klein hired Caroline Kennedy, the daughter of the late President John F. Kennedy, to direct the Office of Strategic Partnerships in an effort to attract more private philanthropy into the New York City public schools. Despite the seemingly paltry sum that accounts for private funding in public education, these investments can have an

outsized effect. This is because virtually all of the public dollars are needed to cover salaries, benefits, special education services, supplies, transportation, security, facilities maintenance, etc., with very little remaining to implement innovative programs or to support structural changes. Hess (2005a) concurs:

Due to the particulars of state and district budgeting and to preexisting commitments enshrined in statute and contract, the amount of money available for research and development, reinvention and reform, is often vanishingly small... Until this situation changes, external sources of money loom large. That is why philanthropic dollars, while sparse, are so central to executing ambitious school reform. (p. 132)

The Foundation's trustees believed that its grantmaking in Newark, particularly its support of preK-12 education efforts, had the potential to improve outcomes for children and families. In terms of learning and applying lessons from earlier foundation experiences, the literature focuses primarily on the large national foundations, which do not necessarily apply to mid-sized, place-based philanthropies. Understanding the sector's history, however, is helpful in placing Victoria into the larger foundation context. The next chapter provides brief historical overviews of Newark and preK-12 education in Newark. These narratives provide the critical context for understanding Victoria's grantmaking in Newark, which was informed by those histories.

CHAPTER 3

Brief History of Newark, New Jersey

In order to appreciate the effects of Victoria's grantmaking in Newark from 1964 to 2003, it is important to consider the broader historical context of this city. How did Newark evolve from a Puritan theocracy to an inner city riddled with poverty, violence, and a broken public education system? This section chronicles the history of Newark from 1666 to 2003. While the 1967 riots¹¹ created the spark that led Victoria trustees to firmly focus the Foundation's grantmaking on Newark, the deterioration of older industrial cities like Newark started decades earlier. Understanding the reasons so many challenges plagued Newark in the 1960s helps to explain Victoria trustees' decision to become a place-based philanthropy.

Framework for the Evolution of Newark

In its 345-year history, Newark evolved from an agrarian society to a major industrial city to a service and knowledge-based economy. Its evolution largely followed the theory of urban development crafted by University of Chicago sociologists Robert Ezra Park and Ernest Burgess (1925) in the early part of the twentieth century. The University of Chicago, which opened in 1892, established the first sociology department in the United States, and is credited with the creation of a framework for the systematic study of urban areas. Using the city of Chicago as its basis for research, Park and Burgess developed a theory of urban evolution that drew on the principles of social Darwinism. They considered the evolution of cities as if they were a species found in nature. The

¹¹ Use of the term *riots* is emotionally charged in Newark today in part because it can be interpreted as blaming the rioters more than the police or National Guard. Other terms are sometimes used instead, such as *civil unrest*, *civil disturbances*, or even *rebellion*, though this latter term is also emotionally charged. Notwithstanding the terminology concerns, this dissertation uses *riots* for the sake of clarity.

primary force governing growth or change, according to these early researchers, was competition for scarce urban resources, including the land itself. In a city, as in nature, it was the survival of the fittest—the strongest group was bound to occupy the most advantageous space, and as the conditions of certain populations of people improved, this group would move into a better area to be replaced by less fortunate people. Park and Burgess referred to this phenomenon as *succession*, a term used in plant ecology. According to this same principle, the most disenfranchised individuals resided in the most distressed neighborhoods.

Park and Burgess (1925) developed a diagram of the “Ideal-Type of City” as seen in Figure 3.1 below, which they visualized as a series of concentric circles. Known as the “Concentric Zone Theory,” this scheme broke down the American city spatially, with the major business enterprises located in the center core, called “The Loop.” The second circle, the “Zone in Transition,” was considered unattractive to higher-income individuals because of the industries and pollution that were so close by. Those with means were able to live farther away from the core in “Residential” and “Commuter” zones.



Figure 3.1. Diagram of the Ideal-Type of City (Park & Burgess, 1925, p. 51)

Many of the theories developed by these early urban sociologists can be applied to Newark. Newark's progression into a major industrial city fits nicely into Burgess' and Park's social-Darwinist theories. Immigrant communities were initially drawn to Newark from Northern Europe and subsequently from Southern and Eastern Europe. People were pushed out of their native lands due to discrimination and/or poor conditions at home and pulled into Newark by the growing number of transportation and factory jobs. As one immigrant community prospered and moved into better neighborhoods, another group arrived to take over the poorer neighborhoods. In its heyday from the late 1800s to the 1940s, Newark resembled the Concentric Zones' spatial arrangement of the American metropolis. There was a bustling hub of industry and commerce at the center and poorer individuals lived nearby in the midst of the commotion and factory fumes. Although wealthy factory owners initially lived near their enterprises, after the advent of automobiles and paved roads, these individuals moved out to the first-ring suburbs in the Residential and Commuter Zones (Park and Burgess, 1925).

The Puritans

Newark is the third oldest American metropolis, behind New York City and Boston. Prior to 1666, when Robert Treat and a small group of Puritans arrived in what is now called Newark, the Hackensack Indians of the Lenni Lenape tribe used this land seasonally to hunt and fish. Looking to start a Puritan theocracy, Robert Treat arranged a deal to purchase Newark and most of what is now Essex and Union counties from these Native Americans in exchange for miscellaneous goods (e.g., gunpowder, lead, axes, coats, blankets, breeches, and beer) valued at the paltry sum of \$750.

The original Newark colonists consisted of 30 Puritan families from Milford, Connecticut, who named the place, New Milford—though it was sometimes referred to as Paseyak Town because of the adjacent Passaic River. They built their homes and farms at the crossroads of Broad and Market streets, which came to be known as “Four Corners.” Each original family was allotted six acres of land to start a new life. The town was renamed Newark to honor the community’s first spiritual leader, Reverend Abraham Pierson¹², who had previously preached in Newark-on-Trent in England. Newark may have started as a theocracy, but its advantageous proximity to New York City, along with the presence of the pristine Passaic River and the Orange Mountains, enticed others of different faiths to settle there. By the time of the American Revolution, there were many religions represented in Newark, all enjoying a relatively high degree of religious freedom (Cunningham, 2002).

The population in Newark grew slowly in its first hundred years, with an estimated 200 inhabitants in 1666, increasing to only 1,000 people in 1776. The city evolved gradually and prosperously with its resourceful original settlers. Early Newarkers enjoyed a reputation for making first-rate apple cider from the plentiful wild apple trees. Other Newarkers took advantage of the abundant tamarack trees, whose bark was rich in tannin, to practice leather tanning. Newark was successful in retaining its isolated-village status in the first 100 years partly because it was surrounded by salt marshes on three sides, limiting access to and from the town. Occasionally, visitors traveling between Philadelphia (80 miles away) and New York City (eight miles away) would stop and rest in Newark (Cunningham, 2002).

¹² Reverend Pierson’s son succeeded his father as the Reverend of Old First Church and went on to become the first president of the College of Connecticut, which eventually became known as Yale University.

Newark's Industrial Revolution

The story of Newark's stunning transformation into a major American metropolis can be traced back to 1800, when Newark had an estimated 6,000 residents. By the year 1890, there were 180,000 people living in Newark. The presence of leather tanneries in Newark—there were three in 1792—lured Massachusetts inventor Seth Boyden to Newark in 1813 to open a leather-splitting business. Boyden invented patent leather in 1819, and by 1837 there were 155 patent leather manufacturers in Newark. Boyden almost single-handedly spurred Newark's industrial revolution with his various inventions, which included malleable iron castings, nail-making machines, and improved steam locomotives¹³ (Tuttle, 2009).

Immigrants willing to work for low but still living wages were needed to fill the numerous jobs arising from Newark's industrial boom. The first wave of immigrants came from Ireland in the 1820s to help construct the Morris Canal and then the railroad. Completed in 1831, the Morris Canal connected the Passaic River to the Delaware River, turning Newark into an import/export center. Though the Irish were needed to build the canal, these immigrants were not welcomed with open arms. Their Catholic religion and boisterous manner clashed with the dominant Protestant culture of Newark. The Irish mainly settled "Down Neck," in the East Ward of Newark, living in overcrowded and poor sanitary conditions. The cholera epidemic of 1832 resulted in 60 deaths, hitting the Irish community particularly hard (Cunningham, 1953).

The city of Newark was officially incorporated in 1836. The 1840s and 1850s witnessed the rise of Newark's banking and insurance industries. The manufacturing

¹³ It is interesting to note that Seth Boyden did not profit from his inventions; he preferred to share his discoveries with the general public rather than apply for the patents.

sector continued to grow, however, leading to the next major wave of immigration from Germany in the 1840s. Germans found jobs in Newark's various industries: breweries, quarries, coach manufacturers, jewelry, leather, trunks, chemicals, rubber, soap, varnish, glue, tobacco, shoes, cider, and clothing. German immigrants, including Gottfried Krueger and Christian Feigenspan, brought the secrets of producing fine quality beer and ale with them and established Newark's famous breweries. The new German immigrants settled in the South Ward of Newark, initially living in squalor like the Irish. These new inhabitants, with their strange language, culture, and religion, also faced harsh discrimination. The availability of so much poor immigrant labor led to a growing leisure class, which in turn fueled an extensive supply of retail specialty stores and services. German Jews arrived in the mid-1800s and also settled in an enclave in the South Ward. They assimilated quickly and went from being peddlers on the street corners to owning many of Newark's dry goods stores in fewer than 15 years (Helmreich, 1999).

The rapid and meteoric growth in Newark was unplanned and poorly executed. Galishoff (1975) declared the city of Newark to be the unhealthiest in the nation from 1832 to 1885. He blamed the lack of civic infrastructure to address the filth and poor living conditions of immigrant neighborhoods on "businessman-politicians," who were focused on promoting business and neglected essential public services. Communicable diseases were rampant during this period. For example, cholera struck Newark three times in the year preceding the Civil War. Galishoff (1975) also references the conflict between native-born Americans and immigrants from Europe, which sometimes escalated into physical violence. He noted an 1854 parade in Newark staged by the American

Protestant Association Lodge of New Jersey, which resulted in the shooting death of an Irish onlooker and extensive vandalism of St. Mary's Catholic Church.

A majority of Newarkers voted against Abraham Lincoln in the 1860 presidential election. This was largely because Newark shipped 65% of its various manufactured goods to the South. However, Newarkers fought for the North during the Civil War and benefited hugely from the establishment of war-related factories. By 1870, Newark was a leading American industrial city with more than 200 different types of manufacturers. Factories employed 30,000 residents (73% of the total labor force) at an average yearly living wage of \$500 per person. The growing number of factories led to another immigration spurt from 1880 to 1890, when the population increased from 136,508 to 181,830. This time, families came from impoverished communities in Southern and Eastern Europe, including Italy, Poland, Hungary, Russia, Lithuania, and Greece. These new immigrants lived in the former neighborhoods of the earlier Irish and German immigrants, who were comparatively well off and beginning to leave the city for the suburbs (Cunningham, 2002). Newark historian and scholar Clement Price (2009) writes about the "passage from being ethnic White to White" as a journey undertaken by the various Ellis Island immigrant groups landing in Newark who experienced harsh discrimination from the dominant Protestant White population. One by one, the Irish, German, Italian, and other ethnic White groups fought hard to move up the socio-economic ladder and transform into full White status.

Electric trolleys replaced horse-drawn streetcars by the late 1800s. The advent of faster travel in and out of Newark led many wealthy inhabitants to purchase homes outside the city where land was more plentiful and the air was less polluted. For those

who were not poor and living in substandard housing, the early 1900s were glorious years in Newark. This was the period that included the creation of the Newark Public Library, the Newark Museum, Frederick Law Olmsted-designed parks, stately skyscrapers, block-long department stores, and high-speed trains to New York City. It was also during this time that visionary Newarkers began to dredge up the Meadowlands to build Port Newark, which opened in 1915. The advent of the automobile led to the creation of numerous roads and highways, subsidized in large part by the federal government. Newark's population increased from 246,070 in 1900 to 347,469 in 1910, soaring to 414,524 by 1920. During World War I, Newark received many contracts to produce war supplies, including shipbuilding. The Morris Canal was abandoned in 1924 to make way for an underground subway and the Newark Airport opened in 1929. The original "four corners" intersection of Market and Broad was considered the busiest traffic center in the world (Cunningham, 2002).

Newark's Decline

Figure 3.2 below indicates the dramatic growth in population from the early 1800s to the middle of the 1900s, followed by the precipitous decline starting in 1950.

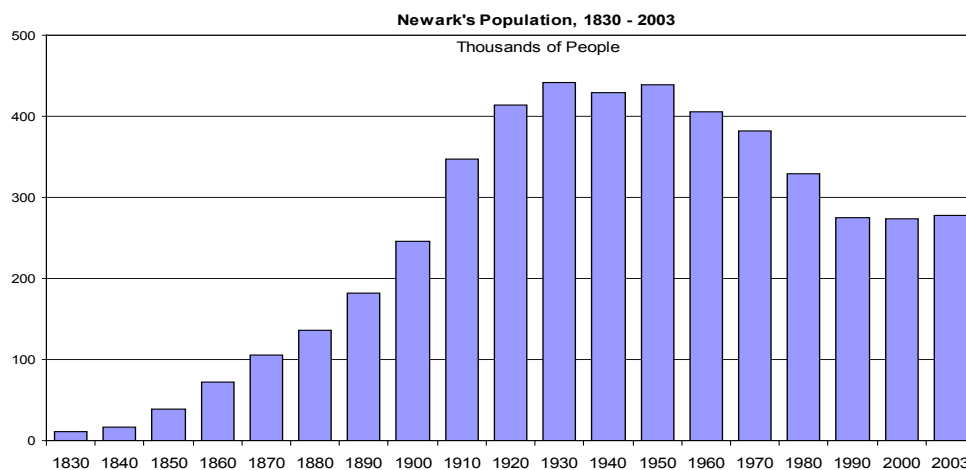


Figure 3.2. Population of Newark from 1830 to 2003 (U.S. Bureau of the Census, 2013)

In 1910, there were only 6,700 African Americans living in Newark. In the Great Migration from about 1915 to 1930, 1.3 million African Americans left the Southern United States and headed north and west. This in-migration was largely fueled by racism and unemployment. By 1930, there were 38,880 African Americans in Newark. The depression hit Newark hard, but it hit the growing Black population hardest. Racial tensions were mounting and hundreds of factories closed. During the Second World War, Newark's manufacturing sector experienced some relief by again supplying war-related necessities, such as shipbuilding. Despite this brief uptick, Newark's economy continued to decline. Rather than upgrade their factories in Newark, many owners abandoned them altogether and relocated to the suburbs, where they had access to large amounts of cheap land. The federal government's Urban Renewal policies of the 1950s actually did more harm than good in terms of revitalizing distressed neighborhoods in Newark. Government funds were used to build superhighways that decimated entire communities and eased the out-migration of affluent White Newarkers into suburban developments (Tuttle, 2009).

The New Deal's Home Owners' Loan Corporation (HOLC) issued government-subsidized home mortgages almost exclusively to White families. HOLC used a systematized appraisal method, which included the development of a four-category rating system. The color green or the letter *A* denoted the highest rating, referring to new, homogeneous residential neighborhoods in high demand. The second rating of *B* or blue meant that the area had reached its peak, but was still desirable and expected to remain stable for many years. The third rating of *C* or yellow was used for neighborhoods that were "definitely declining." And the final rating of *D* or red connoted "hazardous" areas that were densely populated and characterized by poor maintenance or vandalism. With

the cooperation of banks and realtors, HOLC assigned ratings to every block in every city. The term *redlining* evolved out of secret Residential Security Maps that HOLC created indicating each neighborhood by its designated color code. The 1939 Residential Security Map of Newark did not include any area worthy of an *A* rating, not even the more affluent Forest Hill section in the North Ward. All neighborhoods considered Black, even those with just a few Black residents, were written off as *D* or red zones (Jackson, 1985). This racist public policy resulted in a mass exodus of middle-class White families from Newark into the surrounding suburbs. From 1950 to 1990, Newark's population declined by 160,000 residents.

As middle-class people and many industries left Newark, the tax base plummeted and municipal services declined. The growing concentration of poverty and its resulting slums increased. Newark officials secured millions of dollars in federal funds in the 1950s to build high rise public housing, which did not take long to fall into disrepair and become dangerous places. Newark was home to more public housing units per capita than any other city in the country, attracting and concentrating a very large proportion of poor people into its midst (Jackson, 1985).

This was also the period of the second Great Migration of rural Southern Blacks to northern cities to try and find jobs. From 1950 to 1960, about 100,000 Whites left Newark while 55,000 Blacks and 9,000 Hispanics arrived. By 1966, half the residents of Newark were Black, but virtually all the police officers and decision makers in City Hall were White. This huge influx of new immigrants, including Black in-migration, naturally led to intense competition for scarce resources. There were not enough living-wage jobs and decent places to live. Newark was quickly changing from a manufacturing economy

to a service- and knowledge-based economy, with thousands of low-skilled, but living wage jobs drying up. From 1969 to 1991, Newark lost over 85,000 private sector jobs, primarily related to manufacturing (Barr, 2013, p. 25).

The rise in racial and ethnic tensions, coupled with the neighborhood degradation resulting from racist federal policies such as redlining, eventually led to the 1967 riots¹⁴. Under Burgess' and Park's (1925) theory of natural evolution, if competition for scarce resources became too intense, something as acute as riots was inevitable. The Newark riots were sparked by the arrest, beating, and rumored death of a Black taxicab driver by White police officers, but the underlying conditions for those devastating five days in July 1967 that left 26 people dead began many decades earlier. That seminal event brought Newark to its bleakest point. Most anyone who was in a position to leave the city moved out (Cunningham, 2002).

In the 1960s, Newark was not alone with its experience of racially-charged civil unrest. Within New Jersey, rioting also occurred in Plainfield and Englewood. Across the country, violence broke out in Harlem, Philadelphia, Los Angeles, Chicago, Baltimore and Washington, DC. One of the deadliest riots during this period occurred in Detroit, leaving 43 people dead. Urban sociologist Max Herman (2005) noted the similarities between the Newark and Detroit riots, including brutal and corrupt police, political powerlessness of a rapidly growing Black population, substandard housing, the loss of manufacturing jobs, and a growing sense of social injustice spurred by the Civil Rights Movement.

¹⁴ While other American cities suffered racial tension and riots in the 1960s and managed to move past those painful events, Newark continues to be defined by its riots. Newark's unique connection to the civil disturbances of 1967 is manifested by an annual rally for peace. There was also a curated museum exhibition commemorating the 40th anniversary in 2007.

Post Riots

Ironically, the riots spurred some positive trends. As noted by Herman (2005), there was a sense of empowerment in the Black community that led to new political movements and the election of the first Black mayor. In addition, many more Blacks were recruited to serve as policemen, fire fighters, and teachers. Although countless corporations abandoned Newark after the riots, Prudential Financial Company kept its international headquarters in downtown Newark. On the nonprofit side, local neighborhood organizations like New Community Corporation (NCC) emerged from the ashes to rebuild their war-torn neighborhoods. Newark City Hall was virtually giving away city-owned land lots to organizations like NCC that promised to renovate or redevelop the sites.

In 1970, just three years after the riots, the citizens of Newark elected Kenneth Gibson as the city's first African American mayor. Gibson was the first Black mayor of any major Northeastern U.S. city. He had served as Chief Engineer for the Newark Housing Authority from 1960 to 1966 and was the Chief Structural Engineer for Newark from 1966 to 1970. He ran as a reformer promising to root out corruption and help Newark re-emerge as a thriving city. Unfortunately, Gibson became mayor during a time of declining tax revenues and increased poverty. In 1975, *Harper's Magazine* (Louis, 1975) named Newark the worst city in the nation among the 50 largest cities based on 24 indicators connected to crime, public health, housing, education, and amenities. This scathing assessment brought unwelcome national attention to Newark:

The city of Newark stands without serious challenge as the worst of all. It ranked among the worst five cities in no fewer than 19 of the 24 categories, and it was dead last in nine of them. Adding one, two, or even three tables couldn't possibly jar Newark from last place, and there is every reason to suppose that more

comparisons would simply bury it deeper. Newark is a city that desperately needs help. (p. 71)

When Gibson left office after serving as mayor for 16 years, unemployment and crime were on the rise and the schools were in serious decline. In 1986, Councilman and former physical education teacher Sharpe James was elected as Gibson's successor serving as mayor for the next 20 years. Although Newark began to turn the corner during James' tenure, the last half of his administration was mired in political patronage, corruption, and other misdeeds. After leaving office, James was found guilty of abusing his powers and sentenced to 27 months in prison. Corruption of public officials was nothing new for Newark. Hugh Addonizio, who was mayor during the race riots, was convicted of extortion and conspiracy, and Gibson was indicted but not convicted on conspiracy and misconduct charges, though he pleaded guilty to tax fraud in 2002.

Racism and discrimination over housing and jobs continued into the 1980s. Rising violence, the AIDS epidemic, and poor public schooling contributed to increased drug abuse. Victoria Executive Officer Catherine McFarland expressed her opinion of those grim times:

The advent of crack cocaine in the 1980s took a terrible toll on the city. Poor families that had previously been able to stay together, often with the help of grandparents, could no longer do so. The sense of despair became overwhelming, and more and more children seemed to be raising themselves. (Lippman, 2003a, p. 39)

As the population of Newark declined from 382,000 in 1970 to 273,500 in 2000, the concentration of poverty increased and the ethnic and racial demographics shifted. Newark was 54% Black in 1970 and peaked at 58% in 1980 and 1990, dropping to 53% in 2000; while the percentage of Hispanics increased from approximately 19% in 1980 (the first year the U.S. Census officially recognized as a race or ethnicity) to 29.5% in

2000 (New Jersey State Data Center, 2001). With the changing demographics in Newark, more Hispanics have been elected to the Newark City Council¹⁵.

Newark's Emerging Renaissance

On January 23, 1990, Mayor Sharpe James (1990) delivered his fourth State of the City address threading the theme of Newark's emerging renaissance throughout the speech:

The renaissance being experienced by our city is the result of the mayor and city council working together for the betterment of Newark...Our future is brighter than ever before. We see major changes physically, attitudinally, and morally in every neighborhood of our city...Here are examples of our success for "a Sharpe Change:" the Newark Legal Center, a new Seton Hall Law School, four brand new hotels, New Communities' Pathmark shopping mall, a new West Ward firehouse, a new municipal welfare building, a new St. Benedict's Prep School annex, a \$20 million renovation of the Newark Museum, and a proposed \$200 million New Jersey Center for the Performing Arts...Citizens from all over the city are now participating in our revitalization efforts. With your continued help, Newark is well on its way to a full recovery. (pp. 2-9)

The situation on the ground was more challenging than James described.

According to the 2000 census, Newark ranked 63rd among the 100 largest cities in the U.S. in terms of population, which stood at 273,546; however, Newark's median household income decreased from \$29,088 in 1990 to \$26,913 in 2000, making it the 96th poorest city. In addition, Newark had the ninth-highest level of racial and ethnic segregation in terms of where groups lived and attended public school. The Hispanic population was marginally better off than the African American community, but the concentration of poverty and its related ills were pervasive (Living Cities, 2003).

Like many American cities in the post-industrial era, Newark was forced to reinvent itself in an attempt to emerge once again as a viable and thriving metropolis.

¹⁵ In 2010, the Hispanic population increased again to 34%. The growing number of Hispanics in Newark led Councilman Anibal Ramos to join the 2014 mayor's race, but he recently withdrew due to polling numbers that indicated it was still too soon for a popularly-elected Hispanic mayor.

Newark was more fortunate than many other cities due to its location and its advantageous transportation hub, complete with an airport, seaport, extensive railroad system, and major highways. At the turn of the 21st century, this strong infrastructure facilitated the coming and going of 40,000 students enrolled in the city's five institutions of higher education, which included a medical school and two law schools. Newark's post-secondary institutions played a significant role in raising the prospects of Newark through major building expansions and the construction of new dormitories. Another 50,000 men and women commuted into Newark each day to work. Development was concentrated in the downtown section, but some new housing and commercial development was located in every ward of the city. Perhaps nothing symbolized Newark's emerging renaissance more than the construction of the New Jersey Performing Arts Center (NJPAC), completed in 1997.

One of the major challenges to the revitalization of Newark was that almost 70% of the city's property was tax-exempt because it was occupied by schools, hospitals, churches, government structures, the airport, and the seaport. The remaining home owners and commercial enterprises were heavily taxed, but those revenues did not sufficiently cover the costs associated with operating a mid-sized urban municipality. The city struggled to deliver basic services such as garbage collection, healthcare for the poor, youth recreation, and fire and police protection. Despite its many assets and recent improvements, the so-called renaissance was not taking hold in Newark. The city continued to suffer from high rates of poverty, a poor education system, substandard housing, high unemployment, and untenable rates of crime and violence. Together, those

factors deterred businesses and middle-class families from moving into Newark and creating a balanced and healthy community to live, work, and raise a family¹⁶.

History of Education in Newark

From 1964 to 2003, Victoria Foundation awarded \$57.4 million in grants to support preK-12 education efforts, representing 42% of the Foundation's grantmaking focused on Newark. Knowledge of the history of education in Newark informs a critical perspective of Victoria's education grantmaking. This history sheds light on the complexities of a school system whose quality declined precipitously in the latter half of the 20th century. An illuminating illustration of this deterioration involves one of Newark's oldest, most venerable comprehensive high schools, Weequahic High School in the South Ward.

The striking art deco school was built in 1933 and is home to the New Deal-era Works Progress Administration mural "Enlightenment of Man," painted by Michael Lenson. During its first 35 years, Weequahic was predominantly populated by the children of Eastern European Jews who settled in the ward. A recent *New York Times* article (Smothers, 2006) highlighted the stories of Weequahic alumni volunteering time and contributing scholarship support to aid the current student body. The article mentioned some remarkable past accomplishments, including how the Commission of Secondary Schools repeatedly cited Weequahic as one of the most outstanding high schools in the country in the 1950s and 1960s. It also noted that in 1963 the school ranked first in New Jersey in the number of graduates who had earned Ph.D.s in the previous five years. Author Philip Roth and art historian David Shapiro are among the

¹⁶ As indicated in the Introduction, the formal dissertation timeframe ends in 2003. More recent Newark events, including the election of Mayor Cory Booker in 2006, are found in the Epilogue section.

school's notable graduates. By the year 2003, however, only a quarter of Weequahic graduates were able to pass the state's High School Proficiency Assessment exit exam, which required students to answer 50% of eighth-grade-level questions correctly.

The following section explores education in Newark from its earliest years when the Puritans settled there in 1666, to the years when Victoria focused its attention on Newark from 1964 to 2003. This history helps make sense of how Newark's education system descended into the chaos and failure that led to the academic decline of Weequahic High School discussed above and provides the context for Victoria's education grantmaking.

The Early Years

When Newark was inhabited by the Puritans in 1666, education was a top priority. One of the earliest settlers, Reverend Abraham Pierson, became the first pastor of Old First Church. Pierson brought his 450-volume library to Newark and emphasized reading from biblical texts. At an early town hall meeting in 1676, John Catlin accepted the position of school master for the children of the 30 families who traveled with Treat to create a Puritan theocracy (Cunningham, 2002). The links between religion and education were strong. In 1747, Reverend Aaron Burr¹⁷ succeeded Pierson as pastor of Old First Church and established the private boys' Latin Grammar School. Burr published a Latin grammar book, the first textbook in New Jersey. In 1774, Newark identified a parcel of land from its common holdings to construct a building for the Latin

¹⁷ Reverend Aaron Burr became the second president of the College of New Jersey in Newark before it moved to Princeton and changed its name to Princeton University.

Grammar School, which evolved into the Newark Academy¹⁸, the second oldest day school in New Jersey (Turp, 1966).

With its access to the unspoiled Passaic River and its advantageous location, Newark was destined to become one of the great early industrial cities of America. What started as an agrarian, homogeneous Puritan society in 1666, grew into a remarkably diverse ethnic and religious metropolis by 1900, with 11 different religious groups organized into 117 congregations (Jacewich, 1993). At the time of Newark's official incorporation in 1836, education of the city's children continued to be a primary concern for its citizens. The escalation of manufacturing in Newark led to the astronomical growth of its population throughout the 19th century. There were 6,000 residents in 1800, rising to 246,070 in 1900, and, just 20 years later, swelled to 414,524. Unfortunately, Newark's early attention to and innovation in education could not keep pace with its population boom. Wealthier residents opposed using public tax dollars to construct all the facilities needed to educate the ever-growing number of immigrant students or to pay for an expanding teaching force (Cunningham, 2002).

Throughout the 18th and 19th centuries, well-to-do families in Newark sent their children to private schools. Modest funds were set aside as early as 1758 to support "charity" or "pauper" schools for poor children, with additional support coming from philanthropists. The City Charter of 1836 included a provision for public education, with the first Council setting aside \$3,000 to support free education provided in "common" schools (Cunningham, 2002). It took another decade to convince the more affluent families that it was reasonable to send their own children to the free public schools.

¹⁸ Still named Newark Academy, this International Baccalaureate private middle and high school is now located in Livingston, New Jersey, and charged \$33,300 a year tuition to attend in 2013.

Newark's first City Charter called for the creation of five schools, which were housed in rented facilities and included four co-ed primary schools and one high school for boys. It also authorized the formation of a school committee to govern these public schools. The school committee was composed of board members, known as *commissioners*, with two elected from each ward of Newark. Those elected were typically men of means, such as doctors, lawyers, corporate executives, and merchants (Raichle, 1976). The education of African American children was completely separate from that of White children. Two "Negro" schools were opened in 1839, which were only partially supported by public taxes. The first true public school for African Americans in Newark opened in rented space in the African Presbyterian Church in 1851, with fewer than 100 children enrolled (Turp, 1966).

In 1853, New Jersey adopted the Act to Incorporate the Public Schools of Newark, with all the rights and responsibilities previously accorded to the School Committee subsequently vested in a Board of Education. By the end of the 19th century, the "large board" in the ward-centered governance system of Newark comprised 30 elected commissioners, representing the 15 wards of Newark. The two people elected in each ward had veto power over every decision affecting schools located in their respective ward, including the hiring, firing, and transfer of teachers; student expulsions; and selection of curricular materials (Turp, 1966). The Board of Education was still dependent upon the municipality's Common Council to approve the schools' budget, which totaled \$7,000 in 1850 and grew to \$44,000 just five years later (Raichle, 1976).

It was not unusual for physicians and other professionals to volunteer or take on paid part-time educational leadership roles in the early years of public education in New

Jersey. The first two state superintendents in New Jersey from 1846 to 1860 were physicians who were paid \$500 a year. Stephen Congar, a medical doctor, was elected to the Newark School Committee in 1838, becoming its chair in 1848. As a New Jersey State Senator, Congar was the legislator who introduced the 1853 bill to convert Newark's School Committee into a Board of Education with expanded powers, including hiring a city superintendent for the first time in the state. Congar served as president of the Newark Board of Education while simultaneously holding the part-time post of city superintendent from 1853 to 1859. Thereafter, the superintendent position was required to be full-time and George Sears, Newark's first professional educator in this administrative post, succeeded Congar (Raichle, 1976).

Congar is credited with creating a system of education that served as a model for municipalities around the country, earning him the moniker "Father of the Newark Public School System." Under Congar's leadership, the Newark Board of Education greatly expanded public schooling. By 1855, the board operated 16 public schools, including four evening schools to serve children working full-time; two industrial schools for indigent children, who were also fed and housed (initially operated by the Children's Aid Society); and a Saturday public "normal" school to ensure a steady stream of teachers to educate the growing number of schoolchildren. Congar required all Newark teachers and principals to attend monthly institutes to promote ongoing professional development (Turp, 1966). Congar was passionate about creating a sustainable system of public education in Newark that in his words "reflected the old Jeffersonian Republican ideal of encouraging and rewarding merit" (Raichle, 1976, p. 74), and he sought to attract both rich and poor to the common school system. He attempted unsuccessfully to convince his

peers on the board to start a college for those high school graduates who were capable of higher education. He was, however, decidedly not an advocate for integrating the public schools, believing that if African American children came into the mainstream schools, then White children, particularly those from more affluent families, would depart.

Congar developed a system of grades and school types in 1855, which tracked students according to ability. He established three types of schools: (a) primary schools intended for the lowest-performing children, enrolling students up to the fourth grade, who were taught solely by female teachers; (b) advanced grammar schools offering classes through eighth grade, requiring entrance exams; and (c) high schools, which accepted children from the grammar schools as young as 10 who passed an entrance exam. Kindergarten did not emerge in Newark until 1891. The high schools, which admitted less than 5% of the total school population, were separated by gender and did not initially break students down by grade. High schools in Newark did not meet college entrance requirements until 1872.

Male high school teachers also trained future teachers at the normal school on Saturdays. While the State Normal School in Trenton accepted students with an eighth-grade certificate, the Newark Normal School required a high school diploma. After two years of attendance at the normal school, teachers received a certificate to teach in the primary schools; after three years, they could teach in the grammar schools; and after the full four-year course, graduates received a principal's certification and could teach in the high schools. In the 1850s, Newark schools operated year round, with 60 to 70 students per class. Evening schools were necessary because it was not until 1903 that child labor

under age 14 was banned. Corporal punishment throughout the entire system was routine (Turp, 1966).

In addition to the basic curriculum of reading, writing, and arithmetic, Newark's early public schools included lessons in religious, moral, and civic values. In the early 1840s, one-third of Newark's public school children attended classes in rooms rented from Protestant churches, where reading from scriptures was a common occurrence (Jacewich, 1993). In 1857, nearly two-thirds of Newark's children attended the public schools at some point during the school year. Although more than 14,000 children registered, only 3,500 students showed up on a typical day, with rates of attendance lowest in the upper grades (Raichle, 1976).

Impact of Immigration on Newark Schools

A variety of push and pull factors led to enormous immigration in Newark, primarily from Europe, during the 19th and early 20th centuries. There was tremendous need for men to construct Newark's transportation infrastructure and to work in the factories. By 1890, one out of every three people living in Newark was either foreign born or had at least one foreign-born parent. As the population in Newark exploded in the second half of the 19th century, space for housing and schools was at a premium. There were not enough schools to educate the large numbers of immigrant children seeking free public education. In 1880, Newark's third city superintendent, William Barringer, reported that out of 41,498 school-age children, 18,458 were enrolled in the public schools as follows: 12,893 in the primary schools, 4,473 in the grammar schools, 445 in the high schools, 424 in the industrial schools, 190 in the "colored" school, and 33 in the normal school (Jacewich, 1993).

In order to preserve their religious and cultural heritage, the Irish Catholics in Newark established an extensive parochial school system as an alternative to the free public schools operated by the dominant Protestant group. It was not until 1860 that the first Irish Catholic was elected to the school board. Upon election, he immediately issued a formal complaint, noting that the Board of Education had not yet hired a Catholic teacher. In the early 1900s, Protestant domination of the school board and the teaching force finally ended. German Catholics also opened some parochial schools, but to a lesser extent than the Irish. In 1880, of the 12 Catholic parishes in Newark operating schools, only four were German. The largest Catholic immigration group arriving in Newark after 1890 was Italian, but these immigrants were not very financially supportive of their parishes and most sent their children to the free public schools. By 1930, there were 27 Catholic parishes operating schools, serving 14,108 Newark children. By comparison, the regular public schools enrolled more than 70,000 youths (Jacewich, 1993).

The position of Superintendent of Parish Schools was initiated in 1910, when the Archdiocese of Newark counted 116 parish schools in the greater Newark region. Before 1910, no centralized leadership or supervision existed for these schools. After 1910, there were systematic inspections, a uniform curriculum, and annual exams. The Archdiocese identified religious members to serve as community inspectors, who reported back on conditions and educational practices at their assigned schools. Whereas the various parochial schools were essentially homogenous, many of the free public schools in Newark were ethnically diverse. An immigration commission in 1908 reported that 58.9% of Newark public school children had at least one foreign-born parent. The report indicated that of the total school enrollment, 20.7% were Jewish (half had Russian

parents), 14.6% were German, and 12.6% were Italian. In 1917, new courses of study were introduced into the Newark Public Schools (NPS) to address growing tensions among the diverse student body, including classes in democracy, patriotism, language, and health. The Board of Education started some separate classrooms for children with very poor English language skills and offered teachers a \$50 annual salary bonus for working with these students (Jacewich, 1993).

With the number of children wanting to attend the public schools growing exponentially in the second half of the 19th century through the early decades of the 20th century, many problems surfaced. The Newark Board of Education could not keep up with demand. Class sizes rose as high as 80 children in one class, and hundreds of children were left out entirely. Many schools in Newark were operating in double and triple shifts in an effort to serve the greatest number of children. Trying to operate the school system with 30 commissioners in a ward-centered governance system was becoming untenable. The powerful board members continued to have control over employment and school curriculum issues, refusing to give the city superintendent either tenure or a term of office. In an effort to maintain its full control, the Board of Education created the positions of board secretary in 1877 and business manager in 1914, requiring these senior administrators to report directly to the board, not to the city superintendent. In the 1890s, the commissioners started a practice of holding secret caucus meetings based on political affiliations. Accusations of discriminatory and unethical practices related to hiring and firing teachers and awarding vendor contracts abounded. The commissioners supported school improvements for buildings in their own wards at the expense of overarching critical needs. At the end of the 19th century, a movement to

move to a small board type of school governance emerged. In 1900, following a public referendum, the state legislature passed a statute enabling cities of the First Class (Newark and Jersey City) to establish a small board of 10 members. The Newark Board of Education simply ignored the statute. In 1903, the Newark Teachers Association published a report on the advantages of a small board comprised of at-large members, which was becoming more common in other large cities. An editorial from the *Newark Sunday Call* (1904) declared:

Thirty men who try to do executive business make a bad fist (sic) of it...The result in the present board is that political manipulation is used to give an irresponsible few control of the patronage and contracts and that control is their main object and not the welfare of the schools...Patronage is divided among wards. (p. 6)

A public referendum to move to a small Board of Education was finally passed in 1907, giving the mayor responsibility to appoint a new nine-member board to govern a system that employed 1,500 teachers, with a budget of \$3 million. Despite the change in governance, the operation of Newark's public schools continued to be plagued by controversy and political patronage (Turp, 1966). Mayoral control over the selection of school board members ended in 1983, when the citizenry approved a referendum for the popular election of members, electing three at-large school board members for the first time in 76 years¹⁹.

The 1942 Survey Report

In 1942, NPS was the subject of an exhaustive study undertaken to provide an assessment and offer recommendations on every significant aspect of the school system. It is noteworthy that George Strayer was selected to oversee the study. Strayer hailed

¹⁹ This governance model of a popularly-elected school board would only last 12 years until 1995 when the state took control over the district due to mismanagement and poor student outcomes.

from Teachers College at Columbia and was considered the ultimate progressive administrator. He developed a method of systematic training for school administrators. Prior to getting involved in public education, Strayer was a professor of natural science. His research involved examining the technologies of production and management that were transforming the corporate economy in the early decades of the 20th century and translating those lessons for use in school systems. Tyack and Hansot (1982) discussed the powerful position Strayer held in the reform movement of his day:

Strayer was one of a small group of influential pioneers in applied research in educational administration. He believed that research should find practical answers to practical problems: how to standardize reports of “child accounting,” how to create uniform statistical reporting for school systems, how to equalize state-school finance, how to plan buildings to accommodate anticipated increases in the student population...Joined by a small band of fiscal experts, he directed the major 1921-24 school-finance inquiry sponsored by the General Education Board, the Carnegie Corporation, and the Commonwealth Fund. Strayer not only did studies, he also conferred with people who had the power to put his recommendations into practice...Strayer employed dozens of students in the many surveys of state and local school systems. Surveys were systematic studies usually based on a blueprint of what good schools should look like. (p. 134)

Strayer and his colleague Nickolaus Engelhardt (1942) served respectively as the director and associate director of the *1942 Survey of the Newark Public Schools*. They worked with a survey staff of 56 professors, 10 research assistants, and 72 field workers. The insightful and far-reaching final report of over 600 pages covered every important aspect of the system, “...from organization, administration and governance, to the school building program, to early childhood education, to the education of youth, to adult education, to pupil guidance, to procedures for improving the curriculum and teaching” (p. i). The Survey report provided a unique glimpse into the inner workings of the Newark public school system at the start of World War II, when the average daily attendance was 63,000 students and the operating budget was \$10 million.

Many of the criticisms and recommendations emanating from the Survey (Strayer and Engelhardt, 1942) were instructive and prophetic. For example, the Survey criticized the governance structure and strongly recommended that members of the Board of Education be elected by popular vote as opposed to mayoral appointment. The report also criticized the board for not taking advantage of the city superintendent's specialized knowledge, recommended that the business manager report directly to the superintendent, and that the board abolish all existing standing committees. It condemned the board for improperly interfering with the system stating, "In the judgment of the survey staff, the Board of Education in Newark spends too large a part of its time in the consideration of details of administration which it should leave entirely in the hands of the Superintendent of Schools and his colleagues" (p. 11).

The Survey was particularly critical of the reliance of the schools' budget on local tax revenues, foreshadowing a time when the financial burden would fall much more on the state. Noting that the population of Newark had grown tremendously in recent decades, the Survey nevertheless gave the school business administration a failing grade (448 points out of a 1,000 point scale). Finally, the Survey admonished the administration's poor internal accounting procedures and commented that "there has not been sufficient adaptation to economic and social changes as Newark has grown, and there has been too much reliance upon traditional procedures and past patterns" (p. 55). Among its many recommendations, the final report suggested that the board lift the ban on nonresident teacher applicants and begin aggressively recruiting talented educators from wherever they could be found. One of the more insightful comments in the Survey alluded to how the general public regarded education:

From the standpoint of the educational expenditure level, the Newark schools should be among the fine schools in America, but there are factors operating to keep them from realizing this status. The psychology of the public is perhaps the greatest factor in keeping the schools in Newark from achieving their full potentialities. In common with other large cities, the people of Newark do not understand modern education and accordingly expect from the schools much less than the schools can give. The property tax load under which the people of the city of Newark live is so high, relatively, as to provide a handicap on school officials and public alike in facing educational problems squarely. (p. 53)

The 1942 Survey report was a remarkable document that anticipated many of the troubles the Newark schools would face in the decades that followed, including antiquated systems, underfunding, administrative disorganization, corruption, and weak community participation.

Education of African American Children

The lowest teacher salaries were paid to African American educators working in the “Negro” school. The best-known advocate for the improvement of the education of Black children in Newark was James Baxter, a Black teacher who was hired in 1864 at age 19 to teach in Newark’s separate school for Black students. He fought discrimination in NPS for the next 45 years until his death, serving for many years as the principal of the Market Street Colored School. Baxter’s efforts resulted in the first Black student being accepted into the mainstream high school in 1870. By 1908, nearly 1,000 Black children were attending formerly White-only schools in Newark (Cunningham, 2002).

During the Great Migration, the Black population in Newark increased from 3% in 1910 (6,700) to 9% in 1930 (38,880). By 1940, the percentage grew to 11% (47,273), yet there were only 10 African American teachers employed by the Newark Board of Education. Black leaders complained that too few African Americans were hired as teachers or administrators. The competitive qualifying exam administered by the Board

of Examiners to promote teachers to vice principals or principals was changed in 1943, creating more barriers for Black educators. It was decided that the written and oral sections of the test would no longer be of equal weight. Instead, the written section would now count for 30% of the final grade while the more subjective oral exam would count for 70%. Those who passed both sections of the exam were placed on an eligibility list based on their overall score. In 1959, six Black teachers passed both sections and were placed on the eligibility list, but they were too far down on the list based on their oral exam scores to secure promotions (Turp, 1966).

With the second wave of rural southern Black migration in the 1950s, many African Americans were concentrated in dangerous high rise public housing in the Central Ward. By 1964, when Victoria Foundation started its involvement in Newark, 50% of the residents were Black and they constituted 70% of the public school population, yet there were only two Blacks (along with seven Whites) elected to both the City Council and the Board of Education.

It is widely acknowledged that one of the root causes of the 1967 Newark riots was racism. To Black people in Newark, racism manifested itself on a daily basis in the form of substandard housing, high unemployment, police corruption, lack of political power, and failing schools. There were two education-related incidents with racial overtones that exacerbated tensions just before the riots. Mayor Hugh Addonizio selected Councilman James T. Callahan, an Irish high school graduate, over Wilbur Parker, the first African American certified public accountant in New Jersey, to succeed the retiring White secretary of the school board. The second event involved a plan to locate a new state medical and dental school on a 150-acre plot in Newark's Central Ward, which

would uproot hundreds of poor Black families and dilute Black voting power in the ward. Although the 1967 riots were set in motion by the rumor that White police officers had killed a Black taxi driver, decades of humiliation and disenfranchisement suffered by Black residents laid the foundation for the violence (Brown, 1975).

Lillian Burke (2003), an African American woman who grew up in Newark and was a product of its public schools, had just started her teaching career in Newark in 1967, the year of the riots. Before the riots, Burke noted that the vast majority of teachers, especially in the upper grades, were White. After the riots, many White middle class educators fled Newark, fearing for their safety. Both actual violence and the perception of violence made it difficult to retain and recruit talent into Newark. In addition, the community wanted its teaching force to reflect its demographics. According to Burke,

A real attempt was made to include more African Americans in administrative and teaching positions. As part of this effort some of the standards for entry-level teachers were eliminated. First they abolished the panel interview and then the national teacher's examination requirements were lowered. In the end, the new teachers coming into Newark didn't go through the same screening process as I had and the schools were allowed to erode even further. (p. 16)

Teacher Strikes

Another contentious period for NPS following the 1967 riots was the teachers' fight for better working conditions and collective bargaining (Golin, 2002). In November 1969, the Newark Teachers Union (NTU) won an important voting victory over its two primary rivals—the Newark Teachers Association and the Organization of Negro Educators—to represent teachers in negotiations for a new contract. The Board of Education had never before had to deal with collective bargaining and refused to enter into negotiations with the NTU. The situation within the Newark schools was difficult for both students and teachers. The children were grappling with textbook shortages,

overcrowded classrooms, and unsanitary, unsafe building environments. The teachers had long suffered through capricious hiring and firing procedures, race and gender discrimination, low wages, and overall poor working conditions. NTU membership voted a policy of “No Contract – No Work,” and made good on this threat when the Newark Board of Education refused to engage with NTU leadership to negotiate a new contract. For three weeks in 1970 and 11 weeks in 1971, the teachers in Newark went on strike (Fiorito, 1970).

The strikes were highly divisive, not just between the teachers and the school board, but also between teachers and parents, between striking teachers and those crossing the picket lines, and between White and Black teachers (Golin, 2002). Although Carole Graves, an African American woman, served as president of the NTU, many Black teachers were against the strike. Black parents were concerned about their children staying at home and not getting educated. Parents were especially angry during the second, longer strike, partly because the NTU was fighting for teachers to be released from non-instructional duties, such as lunchroom and recess supervision. Parents felt betrayed by teachers, who they believed did not wish to interact with their children outside of the classroom. The animosity between teachers on different sides of the fence was palpable, especially during the second strike, when vandalism of teachers’ cars and acts of violence were widespread. Though these strikes produced some positive outcomes, such as higher pay for teachers and binding arbitration for disputes, their viciousness left many feeling demoralized and defeated. In several schools, parents and teachers refused to let striking teachers back in after the strikes ended, forcing dozens of

teachers to transfer to other schools or leave the district entirely. More than 170 rank and file teachers spent up to three months in jail (Golin, 2002).

Federal Government Involvement in Education

The Newark Board of Education began receiving increased federal support for its schools starting in 1965 when President Lyndon B. Johnson signed the Elementary and Secondary Education Act (ESEA) into law, thus ending the long-standing debate between Republicans' notion of reduced federal involvement in states' affairs and Democrats' interest in utilizing federal policies to fight racism through Johnson's War on Poverty. In order to construct a "Great Society," Johnson believed that "Poverty must not be a bar to learning, and learning must offer an escape from poverty" (Public Papers, 1965).

The original ESEA of 1965 was comprised of six sections or Titles aimed at improving outcomes for poor children and other children at risk of school failure. Title 1 was the centerpiece of the bill, providing a total of \$1 billion to poor districts to support a range of programs intended to raise the academic achievement of low-income K-12 public schoolchildren. Funds were disbursed to state departments of education and allocated to districts based on the number of poor students enrolled in their schools. Nearly all of Newark's public schools were eligible for federal Title 1 funding due to the city's high concentration of poverty (McCluskey, 2007).

ESEA has been amended and reauthorized eight times since its inception (a further amendment has stalled under the Obama Administration), but it didn't change significantly until after the release of the 1983 government report, *A Nation At Risk: The Imperative for Educational Reform*, which bluntly noted the mediocrity and sometimes deplorable condition of education for the nation's schoolchildren (National Commission,

1983). Although President Ronald Reagan authorized the commission which issued the report, he was opposed to increased federal involvement in education, and the 1984 ESEA reauthorization did little to incorporate its findings. A 1987 Gallup poll, however, indicated that 87% of Americans believed that the federal government should require districts to meet minimum national standards. The 1988 ESEA reauthorization, signed into law by President George H.W. Bush, included the first insertion of language related to standards and accountability, a recommendation of the 1983 report. Under the first Bush Administration, federal funds to support education increased from \$23 billion in 1989 to \$32 billion in 1993 (National Education Association, 2006).

Each state was permitted to develop its own curriculum standards and core subject exams. It was not until 1993 when the Clinton Administration authorized the National Assessment of Educational Progress (NAEP) assessments that the comparison of student outcomes among the states was possible by using these uniform exams (Kirst, 1991). In October, 1994 the Clinton Administration reauthorized ESEA, strengthening accountability and entreating states to align their curriculum, instruction, and professional development with their respective standards. States that did not comply with the 1994 law were threatened with sanctions, including loss of federal funds; however, the stronger accountability provisions were rarely enforced. By the time George W. Bush came into office in 2001, New Jersey was one of only 17 states that complied with the more robust stipulations (Kafer, 2004).

The next revision of ESEA was signed into law by President George W. Bush in 2002, who named it the No Child Left Behind Act (NCLB). The new law required annual testing in reading and math in grades three through eight, and at least once in high school.

NCLB broke new ground in requiring states not only to test students more frequently, but to disaggregate and publicly post the results of subgroups of students by race, gender, poverty level, second-language use, and disability. Each state continued to have the flexibility to develop its own standards and to set annual proficiency targets to make progress toward NCLB's ambitious goal that 100% of public education students, including limited English speakers and students with disabilities, would become proficient in tested subjects by the 2013-14 academic year. In addition, NCLB required that districts allow parents whose children were in failing schools to enroll their children in afterschool tutoring programs or to transfer them to successful schools. For the first time, ESEA had actual consequences. Federal funds, which accounted for approximately 7 to 10 percent of a poor district's budget, would be withheld unless the state and districts complied with all NCLB provisions (Fruchter, 2007).

Education scholar Diane Ravitch was initially a champion of NCLB, but changed her mind after she determined that the changes to ESEA did not lead to higher standards or improved and aligned curricula, but rather the opposite. Many states and districts were actually narrowing the curriculum, lowering the standards, and lowering the cut points for *proficiency* in order to avoid costly federal sanctions. The Newark public school system was not immune from participating in the pitfalls Ravitch noted in classrooms across the country that replaced months of potentially high-quality instruction with teaching to the test (Ravitch, 2010).

State Takeover, Charter Schools, and *Abbott v. Burke*

Starting in 1984, the New Jersey Department of Education (NJDOE) embarked on an effort to gather evidence of public school improprieties taking place in Newark that

could lead to state control of the district. Despite the growing data showing that the Newark schools were corrupt and were failing the majority of its students, under the powerful political leadership of Mayor Sharpe James, it was difficult for the state to move forward with its takeover plan. Ironically, after returning from a two-year federal prison sentence for fraud, James said,

The Board of Education became an issue. It was political, not academic. Nepotism. People became principals and administrators who were not qualified. Even Ken [Gibson] got involved when he took his business administrator and made him the superintendent. "I'll make him qualified!" Ken Gibson went down to the State Board of Education and said, "Well here, he's qualified cause I say so!" And they wrote it up. The state had to take it over. They had to take it over. (S. James, Personal Communication, August 21, 2013)

1995 was a watershed year for NPS. After 11 years of gathering evidence, the state finally took control over the Newark school district. It was the third time the state had embarked upon such a drastic measure, having taken over Jersey City in 1989 and Paterson in 1991. In a state with 566 municipalities and a home rule culture, the state-imposed takeovers were not well received by their respective communities. A 14-month independent investigation of the Newark schools, sponsored by NJDOE (1994) just prior to takeover, resulted in a scathing public report:

The CCI [Comprehensive Compliance Investigation] Team found two worlds during its investigation of the Newark School District: the world of the schools themselves, with misdirected instruction, badly neglected buildings, inefficient practices, and inequitable distribution of even the most basic resources; and the world of comfortable offices and important-sounding titles in the district central office, detached from the everyday reality of the schools. The activities that take place in the district central office accomplish little of value and drain needed resources from students. (p. 8)

The takeover resulted in the removal of Newark's executive superintendent, Eugene Campbell, and his entire senior management team, as well as the complete dissolution of the Newark Board of Education. The State Department of Education

installed Dr. Beverly Hall, the former deputy chancellor for instruction for the New York City Public Schools, as the new state district superintendent in Newark. The nine-member Newark Board of Education was replaced by a 15-member state-appointed “advisory” board, which no longer had the authority to overturn decisions of the superintendent. Hall brought in Beatrice Collymore, another outsider from NYC, to serve as her deputy superintendent. Collymore provided many examples of irregularities taking place in the public schools, including the case of a blind security guard who had worked for several years at an elementary school. She shared her views of the district in 1995:

It was a third-world country... There were no teaching materials in the classrooms. Very little money had been spent on books and supplies. It had been redirected to salaries. Graft was everywhere. In one building there were no bathroom doors. The contractors assigned to fix them had actually taken them down and sold them... The unions posed the greatest challenge. They were very resistant to meetings, to having conversations about student achievement, things we might work together on. So many of their leaders were tied to the mayor, it was virtually impossible to break through that. They were so afraid that it would break down their authority. Prior to takeover, the unions could manipulate the system to their advantage. Now they weren't sure how their powers would be affected. They were expert at bilking funds to buy staff positions. (B. Collymore, Personal Communication, July 13, 2005)

Superintendent Hall was frank in her response to what she considered to be the most pressing issues facing Newark schoolchildren when she started her new position:

Low academic standards. Even good, well-intended members of the community revealed to me their utter lack of faith in students' ability to learn. One member of the business community pledged his support but privately told me that Newark was a lost cause, that we were rearranging chairs on the deck of the *Titanic*. Statistics indicated that the longer students stayed in the system the greater their deficiencies became. I was keenly aware that reversing chronic failure required new attitudes and a new repertoire of instructional practice. (B. Hall, Personal Communication, June 10, 2005)

A year after the state took over NPS, the New Jersey State Legislature approved the Charter School Program Act. In New Jersey, a charter school was defined as a public

school open to all students in a district, with selection of students based upon a lottery system. State funding for these schools was filtered through the corresponding district, but charter schools operated independently of the district's Board of Education under charters granted by the State Commissioner of Education. The first cohort of New Jersey charter schools opened in 1997 under a four-year renewable charter.

In theory, charters could be revoked or not renewed for a variety of reasons, such as poor academic outcomes or financial mismanagement. Charter schools were entitled to receive 90% of the per-pupil spending of regular district schools; however, they were not eligible to receive any funds related to facilities, transportation, or equitable funding (mandated by the *Abbott v. Burke* ruling discussed below). Ironically, while charter schools received less funding per student than traditional public schools, they were not burdened with bloated overhead expenses, bureaucratic regulations, and ancient crumbling facilities and were thus able to direct more resources into the classroom. Most New Jersey charter schools were also free from union contract regulations, which enabled them to fire ineffective educators more easily.

A key goal of the Act was to create a group of schools that were free from constraining regulations and could experiment with a range of innovative educational practices that traditional schools could replicate. This turned out to be an unrealistic goal, since charter schools worked under very different rules than traditional public schools. For example, many charter schools offered extended school days and school years, which was not feasible for regular public schools due to insufficient funding and resistance from teachers' unions. In 1999, there were two charter schools in Newark: North Star

Academy and Discovery Charter School. By 2003, there were 10 charter schools serving 2,500 Newark students.

The final seminal event of the 1990s that had the potential to transform NPS related to school funding equity. A long history of litigation over adequate funding to educate poor children attending New Jersey public schools was finally coming to fruition with the implementation of “*Abbott remedies*” in 1999. The *Abbott v. Burke* lawsuit argued that New Jersey’s poorest children were not getting a “thorough and efficient” education as promised in the state’s constitution. The Newark-based Education Law Center (ELC) served as attorney for the plaintiff-class of over 300,000 school-age children and 60,000 preschoolers in this New Jersey Supreme Court case. These low-income and mostly Black and Hispanic students attended public schools in 30 urban communities across New Jersey, including Newark. The *Abbott v. Burke* case, filed in 1981, actually challenged an earlier school finance case, *Robinson v. Cahill* (filed in 1970), which sought to end New Jersey's discriminatory practice of using local property taxes to fund suburban schools at much higher levels than urban schools. The *Robinson* case resulted in a new state funding formula for public schools, but lawmakers refused to raise taxes to pay for it. In 1976, the New Jersey Supreme Court shut down public schools for eight days, forcing the state to enact an income tax to provide additional education support. The *Abbott* case argued that the funding remedy under *Robinson* was inadequate (Goertz, 1983).

Abbott came to trial in 1986. In 1988, the Supreme Court found in favor of the plaintiff and recommended a complete overhaul of the state’s system of providing urban education. NJDOE ignored the decision, and in 1990 the Court ordered the state to

provide the 30 *Abbott* “special needs” districts with additional funding. Governor James Florio introduced the Quality Education Act, increasing state taxes in 1990, but then diverted \$360 million of the new income to property tax relief. ELC reactivated the *Abbott* case in 1992, charging that the Act failed to comply with the Court’s ruling. The court agreed, declaring the Act unconstitutional and gave the state until 1997 to fully comply with equalizing funding between poor and affluent districts.

In 1997, ELC again returned to the Supreme Court arguing that Governor Christine Todd Whitman’s law, the Comprehensive Education Improvement and Financing Act (CEIFA), was grossly inadequate. Again, the court agreed with ELC, declaring CEIFA unconstitutional. After several more months of hearings before Superior Court Judge Michael Patrick King, the resulting landmark *Abbott V* decision demanded that the state provide Newark and the other *Abbott* districts with funding at “parity” with affluent suburban schools. In addition, the Supreme Court decision mandated evidence-based whole school reform, full-day preschool for 3- and 4-year-olds, and the replacement or renovation of dilapidated school buildings. The state was also required to provide additional supplemental aid to those poor school districts that could document “particularized needs” to ensure that the basic human needs of their underserved children were met. The Court’s ruling stated:

We also considered the special needs of the children in the special needs districts (SND), needs that palpably undercut their capacity to learn; we found those needs to be vastly greater than any extra-educational needs of the students in the [non-SND] districts. The difference is monumental, no matter how it is measured. Those needs go beyond educational needs, they include food, clothing and shelter, and extend to lack of close family and community ties and support, and lack of helpful role models. They include the needs that arise from a life led in an environment of violence, poverty, and despair. Urban youth are often isolated from the mainstream of society. The goal is to motivate them, to wipe out their

disadvantages as much as a school district can. (New Jersey Supreme Court, *Abbott v. Burke*, 119 N.J. 287, 1990)

While the supplemental aid to address health and other social needs never materialized, starting in 1999, the Newark public school system received tens of millions of dollars in additional state aid to put the core *Abbott* remedies into practice. In 2003, the NPS budget was \$812 million, with \$666 million coming from the state, which included \$233 million of additional parity aid under *Abbott*.

Darling-Hammond (2010) believed that although it took three decades of litigation, New Jersey's perseverance in the funding equity lawsuit paid off. She credited parity funding and major investments in preschool with contributing to significant increases in New Jersey's 2007 NAEP (National Assessment of Educational Progress) scores. She also indicated that New Jersey was one of four states that made the most progress in closing the achievement gap between White and Black students from 2003 to 2007 in both fourth- and eighth-grade reading and mathematics.

The implementation of the *Abbott* remedies was the last major public education intervention in Newark prior to 2003. The Epilogue that follows the formal dissertation narrative describes the more recent education reform efforts that have taken place in Newark from 2003 to 2013.

This historical overview of Newark—the rise, fall, and gradual recovery—sets the stage for the central part of the dissertation composed of Chapters 4 to 7, which examine how Victoria's governance, operations, and grantmaking evolved since its inception in 1924.

CHAPTER 4

The Governance of Victoria Foundation

The year was 1968. The location was a middle-class living room in Montclair, New Jersey. Thirteen people at various stages of life were engaged in a heated discussion. This was most unusual because Victoria board meetings were nearly always social and upbeat affairs. But the Foundation had recently redirected its resources into the troubled city of Newark, and trustees were arguing about a \$15,000 seed grant to the Black Youth Organization (BYO). Victoria's trustees simply wanted to do what was right and the conflict before them, with its racial overtones, made them uncomfortable.

BYO wanted to start a private school that was strictly for Black children. Howard Quirk, the recently hired paid administrator, expressed how he had urged BYO leaders to remove the exclusionary language from its charter, but they refused, explaining that “the inculcating of Black pride was the goal and this could best be accomplished with a unified Black student body” (Quirk Personnel File, 1968). Quirk advocated for the grant pointing out his rationale that “when things have been fundamentally wrong for so many decades, an ‘interim ethic’ should be permissible until the larger situation is fairer” (Quirk Personnel File, 1968). This did not convince several trustees, who feared that a racially-exclusive school would “give aid and comfort to those who wanted to keep our society divided” (Quirk Personnel File, 1968). Everyone agreed that Victoria Foundation was committed to equal opportunity and an integrated society.

After substantial discussion, President Percy Chubb 2nd asked everyone around the table to weigh in. It was heading toward an even split among the 12 trustees until Marion Garrison Chubb, who was then 95, turned the tide. She said, “I’m not sure how

Hendon would feel about this, but I will vote for it” (Quirk Personnel File, 1968). The final vote was seven in favor and five against, the only non-unanimous vote in 44 years of operation.

The People Behind Victoria Foundation

The preceding vignette describes Victoria trustees engaged in the business of grantmaking. Whereas the most visible aspect of a private foundation is the money it expends to address societal needs, it is the people and personalities behind the foundation that dictate the philosophy and manner of giving. In the course of extensive research and interviews, the researcher gleaned insights about Hendon Chubb, who founded Victoria Foundation in 1924, and about his family members who subsequently charted the course of the Foundation. The story and personalities of these people not only provides needed context and interesting background, but also a “DNA snapshot” that sheds light on the Foundation’s decision making and strategic direction over the past 90 years.

In the course of research and interviews concerning Chubb family members, certain prevailing themes and personality traits emerged:

- The Chubb family descended from England and brought with them the classic qualities that are commonly (if not always accurately) associated with White Anglo-Saxon Protestants, including a strong work ethic, a sense of duty to family first and then community, a “can-do” attitude tempered by pragmatism, and the importance of playing by the rules.
- Hendon Chubb and his family members held many of the attitudes and prejudices of their time and class; however, they were able to transcend them on many occasions.

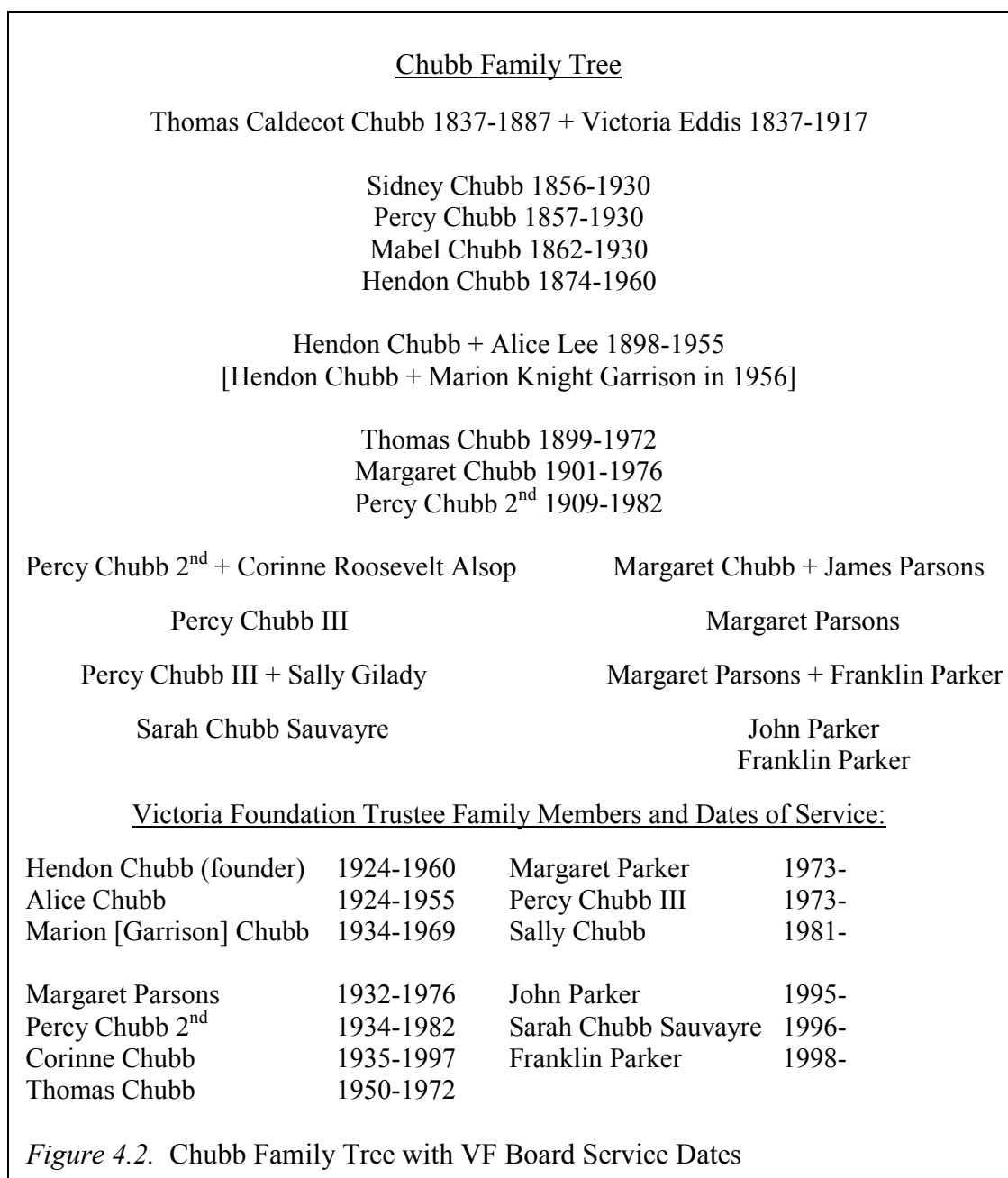
- Hendon Chubb was born into a family characterized by grit and determination. His father was very much a self-made man, and the family was strong-minded and independent. These character traits were passed down through the generations.
- The Chubbs were “square” people in multiple senses: square in the sense of fair (“square deal”), in their lack of pretension or eschewing the latest fashion, in their fondness for old-fashioned values, and in their plain-spokenness. Nonetheless, the Chubb family has been notably adept at changing with the times; indeed, in many ways they have proven to be ahead of their time.
- Family was an exceptionally strong force for the Chubbs. It was Hendon’s brother Percy who brought him into the family underwriting business, at which he would make his fortune. This is a family that worked together, played together, stuck together, and looked after one another.
- The Chubbs were (and are) by nature trusting people. In most of their dealings, others have lived up to that trust, but on occasion less than scrupulous people have betrayed that trust.



Figure 4.1. Percy Chubb 2nd (left) and Hendon Chubb (VF Historical Photos²⁰)

²⁰ All VF historical photos posted in this dissertation are reprinted with permission.

The section that follows provides specific recollections and stories from written family histories and interviews that illustrate the themes outlined above, occasionally in somewhat colorful detail. Figure 4.2 below provides an abbreviated Chubb family tree with the years of service that participating family members have given to the Victoria Foundation board.



The story of Victoria Foundation starts with Hendon Chubb, who established the Foundation when he was 50 years old, at a time when it was unusual to formally set aside a portion of one's accumulated wealth into a private entity intended to help those less fortunate (Walton & Lewis, 1964). When the Foundation was incorporated, there were just three trustees: Hendon Chubb (president), his wife Alice (secretary), and their friend and neighbor from Llewellyn Park, Albert Wall (treasurer). Hendon Chubb eventually recruited all three of his children to the board: his daughter Margaret Parsons in 1932 (the fourth trustee elected), his youngest son Percy Chubb 2nd in 1934, and his oldest son, Thomas Chubb, in 1950. Marion Garrison, Hendon and Alice's friend and neighbor from Llewellyn Park, was voted onto the board in 1934. Marion married Hendon Chubb after Alice died in 1955.

Percy Chubb III and Margaret Parker, the children of Percy Chubb 2nd and Margaret Parsons respectively, were elected to the Foundation on the same day in 1973. Now in their 50s, the fourth generation of the founder's lineal descendants was elected to the board in the mid-1990s: Margaret Parker's two sons, John and Franklin, and one of Percy Chubb III's daughters, Sarah. This was (and still is) very much a family operation.

During Hendon Chubb's lifetime, seven elected trustees were family members, related to the founder by blood or marriage, and 11 were "insiders," very close business associates or friends. The first "outsider" to be elected to the board was Robert Lilley, President of the Newark-based New Jersey Bell Telephone Company, in 1967—six years following the death of the founder. By 2003, a total of 40 trustees had been elected to serve on the Victoria board, with no more than 15 members at any given time. It is important to note that Victoria trustees are strictly volunteers; they have never received

any financial remuneration for their services. Table 4.1 below indicates Victoria trustees with 40 years of service or more²¹:

Table 4.1

VF Trustees with More than 40 Years of Service

Victoria Foundation Trustee	Span of Years Served	Total Number of Years
William Turnbull	1952-2002	50
Percy Chubb 2 nd	1934-1982	48
Bernard Shanley	1947-1992	45
Margaret Parsons	1932-1976	44
Corinne Chubb ²²	1955-1997	42
Percy Chubb III	1973-2014	41
Margaret Parker	1973-2014	41

In the 79 years under review, there were just three presidents of the Foundation: Hendon Chubb from 1924 to 1960, Hendon's son Percy Chubb 2nd from 1960 to 1982, and Hendon's grandson Percy Chubb III starting in 1982²³. The wives of all three Victoria Foundation presidents were elected to the board of trustees. In addition to the board, there were two paid directors starting in 1968, holding the title of executive officer. The leadership style of the director had an enormous impact on the work in the community. Howard Quirk was hired by the board to become the first paid executive officer, followed by Catherine McFarland in 1989.

This chapter deals with the people who governed and administered Victoria Foundation, particularly Hendon Chubb and his daughter-in-law, Corinne Chubb. Given

²¹ A complete listing of Victoria trustees and their board service dates is provided as Appendix D.

²² Corinne Chubb started attending board meetings regularly in 1935, resulting in 62 years of active service.

²³ Breaking with tradition, Percy Chubb III proactively stepped down as president in June 2012 and handed the reigns to Kevin Shanley, the first non-family member to lead the Foundation in its 89-year history. To honor Percy Chubb III's 30 years of service, Mayor Cory Booker presented Chubb with a key to the city, noting that he had only conferred such an honor four times in the past.

the enormously influential role that Corinne Chubb played over 62 years of engagement with the Foundation, a keener understanding of her background and personality is useful.

Hendon Chubb: the founding father.

Born in 1874, Hendon Chubb was the fourth and youngest child of Thomas and Victoria Chubb. Thomas Caldecot Chubb was the grandson of a prosperous merchant in England; however, his father was shiftless and spent his entire inheritance during his lifetime, leaving nothing for Thomas and his siblings. In his late teens, Thomas Chubb developed a lung disorder and was dispatched on a ship traveling around the world in the hopes it would help him recover. During a stop in Australia, he met and quickly married Victoria Eddis, a young English girl visiting her sister-in-law. He remained in Australia

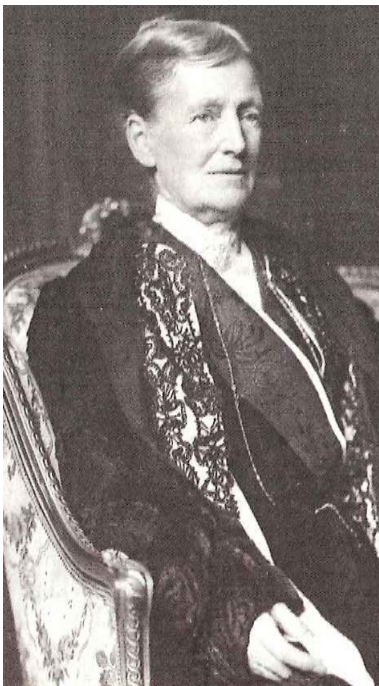


Figure 4.3. Victoria Eddis Chubb (VF Fifty Year Report, 1975, p. 3)

with his wife, with whom he had three children. However, after a failed business venture, Thomas Chubb left his family in 1864 to seek his fortune in San Francisco. Victoria

Chubb was able to secure a teaching position that enabled her to support herself and her children, aged two, seven and nine. Two years later, Thomas Chubb found suitable work in accounting and insurance and sent for his family²⁴. He left his family once again, this time for New York, and sent for them a year later when he was well established in an insurance firm. In the 1870s, Thomas Chubb established his own marine insurance underwriting firm named Wreaks and Chubb.

During this time, the Chubb household had moved to Brooklyn and was financially constrained; it could only afford to send one son to college. The oldest son, Sidney, graduated with honors from McGill University, followed by law school at Columbia. In 1874, when the youngest son Hendon was born, Sidney was away at college; Mabel, his 12-year-old sister, was enrolled in a girls' private school; and Percy, his 17-year-old brother, had graduated from high school and was clerking at the Sea Insurance Company of England based in New York City.

As a child, Hendon Chubb traveled extensively with his parents, including trips to the Bahamas, where he mixed with the local Black children, and the south of France, where he learned to speak French. By the time Hendon turned seven years old, the family's fortune had improved and they moved to a four-story brownstone on Madison Avenue at 67th Street in Manhattan. Travel was by horse car or the elevated rail lines. Hendon attended a series of private schools, and spent several summers with his parents at the beach town of Sea Bright, New Jersey.

²⁴ According to family legend, Victoria Chubb traveled with her three children from Australia to San Francisco in a coal ship that was stuck for some days on Pitcairn Island due to lack of wind. The inhabitants of the island were the descendants of the *Bounty* mutineers. Victoria Chubb claimed she was the first English woman to set foot on the Island, which in 1866 had a population of 60.

In the summer of 1887, when Hendon Chubb was 13 years old, the family moved to Long Island. That August, his father died suddenly. Hendon claimed to have few memories of his father, but his mother was a tremendous influence on him. He described her as “a woman of strong personality with good looks and very great ability, of which father had high regard, for no important business move was made without consulting her” (Chubb, 1958, p. 8). Shortly after his father died, Hendon’s health began to falter and the doctor recommended a move to “the country.” He and his mother moved to Orange, New Jersey, which at that time qualified as the country. Hendon Chubb was sent to the private Dearborn Morgan School, a mile and a half away, for his high school years. It was at Dearborn that he fell in love with, and later married, Alice Lee. Hendon did not want to go to college, much to his mother’s displeasure. In the end, he chose the Sheffield School at Yale because it was only a three-year program and did not require much Latin. By his own account, he hung with an idle crowd at Yale. He did not drink or smoke, but he admitted to playing a lot of poker and regretted not paying much attention to his academics. On the positive side, he excelled on the track team, and he managed to pass his final examinations, graduating with his class.

After graduation and a brief stint at the Marine Insurance Company in England, Hendon joined his brother Percy at the family underwriting business in 1895 at \$12.00 per week, starting in the bookkeeping department. When Hendon married Alice Lee four years later at age 24, he was earning \$2,500 a year but had only managed to save \$250 for the wedding trip, which consisted of train travel to Nova Scotia. The newlyweds spent their first year with Hendon’s mother, Victoria, at the house in Orange, until Victoria decided to sell the house to her son and daughter-in-law and move back to New York

City to be near her daughter Mabel. It was then that Hendon was invited to become an official member of Chubb & Son with a salary of \$4,000, plus 2% of the earnings.

Though there was a 17-year gap in age, Hendon and Percy Chubb grew very close after Hendon joined the family firm. They were brothers, business partners, and best friends. Whenever separated by travels, they would write to each other every day. Percy Chubb and his wife Helen did not have children, so Hendon honored his brother by naming his second son Percy 2nd.

Hendon and Percy Chubb worked long hours, but they also took time out for family and leisure. Percy had complete trust in Hendon's ability to run the firm in his absence, and often took extended holidays. After their first two children Tom and Margaret were born, Hendon and Alice took up residence in Llewellyn Park, an exclusive gated community in West Orange, New Jersey²⁵.

Occasionally, Hendon Chubb was able to take a full Saturday off to socialize with his neighbors in Llewellyn Park, especially the Garrisons, who formed the Llewellyn Skating Club. Each year, Hendon received two weeks vacation, as did everyone in the firm except the senior member. Summers were spent in Seagate, yacht racing most weekends, and winters found the Chubbs and their frequent house guests in Central Valley, New York, at the "Chubb Cottage." Hendon Chubb was an avid outdoorsman and sportsman, with a particular fondness for sailing, tennis, hunting, and river fishing. In 1900, Hendon Chubb purchased a one-cylinder, eight-horsepower Cadillac for \$800²⁶.

In 1914, Percy Chubb went to London and left Hendon in charge for the next five years. During World War I, Hendon made frequent trips to Washington, DC, providing

²⁵ Llewellyn Park excluded Blacks and Jews until the 1960s (Helmreich, 1999).

²⁶ In 1900, there were no license requirements. Hendon learned how to drive by taking a trip from Jersey City to Newark where the dealer said, "Okay," and got out of the car (Chubb, 1958, p. 21).

services to the War Risk Bureau in the Treasury Department and serving as the Director of Insurance for the U.S. Shipping Board until 1919. The elder Thomas Chubb never became a U.S. citizen, but his son Hendon was active in politics. Hendon Chubb identified as a Democrat in college “probably because my father was a free trade man (Chubb, 1958, p. 40),” but upon entering the business world changed his allegiance to the Republican Party. Before the war, Hendon engaged in some public speaking to support a friend leading a campaign against the boss system in Essex County. In 1920, Hendon was recruited to run in the Republican primary for the State Assembly, but narrowly lost to Arthur Vanderbilt, who had the backing of the Anti-Saloon League²⁷. Afterwards, Hendon attributed his defeat to his stance against the Anti-Saloon League (even though he personally observed Prohibition). A few years later, he participated in a dinner meeting in Newark, composed of men interested in Republican politics. Hendon was drafted to raise money for a campaign promoting clean government. For his service he was made a delegate to the Cleveland Convention of 1936. In 1942, Vanderbilt tried to convince Hendon to run unopposed as the Republican nominee for State Senator, but he turned down the request. During the Second World War, Hendon again volunteered to serve in the War Risk Bureau. His distinguished record of public service appears to have motivated a deep sense of civic duty, but he also confessed to having taken great pleasure in becoming acquainted with famous people in the course of his foray into politics. He noted in his memoir meeting the following notable men: General Grant, Grover Cleveland, President Taft, Justice Louis Brandeis, Lord Haig, and Herbert Hoover.

²⁷ Arthur Vanderbilt served as Chief Justice of the New Jersey Supreme Court from 1948 to 1957.

In his early twenties, Hendon Chubb's concern for the poor heightened. Around the turn of the century, he helped to establish the Welfare Federation of the Oranges²⁸, serving as chairman of the Finance Committee for eight years. Still active with the organization in 1928, he was elected president of the board and served a three-year term. Hendon was socially conscious and found meaningful ways to volunteer throughout his life. He served as vice president of the board of Memorial Hospital in Orange, and was very active with the Annandale Reformatory for Boys, a model correctional facility in Sussex, New Jersey. In 1936, he endowed the Chubb Fellowships at Yale University (his alma mater), which brought national policy makers to campus to engage and debate the issues of the day with students.

In his youth, Hendon Chubb experienced many serious health issues. As a youngster, his health was fragile, to the point that his parents barred his participation in sports—though he surreptitiously entered long-distance bicycle races and played on the YMCA football team in Orange. Hendon also suffered from debilitating migraine headaches starting at age eight. He considered these headaches, which continued to plague him every three weeks until he was in his sixties, as a “great handicap” (Chubb, 1958, p. 55). At age 14, shortly after the sudden death of his father, Hendon's frail health was complicated by ear abscesses and tonsillitis, and the family doctor advised his mother to move him to a healthier environment. In October 1898, four months after marrying Alice Lee, Hendon developed typhoid and nearly died. The fever lasted three weeks and he subsisted on prepared milk because the doctors believed that until the fever broke any solid food would make his situation worse. Under this restricted diet, Hendon

²⁸ In 1946, this organization became known as the Community Chest of the Oranges & Maplewood; in 1961, it was called the United Community Fund of the Oranges & Maplewood. It eventually morphed into the United Way of Essex & West Hudson in 1967.

lost 40 pounds, and it took three months of convalescence before he was able to return to work. It is likely that these serious illnesses battled in his youth profoundly influenced his health-related philanthropy later in life.

Hendon and Alice Chubb were married for 56 years. In the last years of their life together, Alice suffered from dementia and Hendon served as her primary caregiver until she died in 1955. At age 81, Hendon Chubb married Llewellyn Park neighbor Marion Knight Garrison, a long-time Victoria trustee, who had been widowed for 40 years.

When Hendon Chubb was 50 years old, he established a private philanthropy and named it Victoria Foundation after his mother, who had passed away seven years earlier. He served as its president until his death 36 years later. In the early years of the Foundation, the board was composed of his wife, their three children, and a handful of close friends. A published 30th anniversary report written by Hendon's son Thomas documenting the Foundation's grantmaking efforts from 1924 to 1953, gave the following rationale for its existence:

It came into being because of the Founder's desire to provide assistance and help for human needs and misfortunes. He did not have any preconceived idea as to the exact way in which its funds should be used in the realization of that general objective, but he did have a clear appreciation that not only existing organizations would require assistance, but that there were certain areas not covered by these organizations that could to some extent be met by a broad policy of the Foundation. (Report of the Victoria Foundation, Inc., 1924-1953, p. 1)

Four people interviewed for this study knew Hendon Chubb personally, and all served as Victoria trustees. They include Hendon's grandson Percy Chubb III and his wife Sally, Hendon's granddaughter Margaret Parker, and family friend Haliburton Fales. Fales served on the board from 1965 to 1993. As a close friend of Hendon's son Percy, Fales knew Hendon quite well, frequently dining at the Chubb home and occasionally

sailing with him. When interviewed and asked why he thought Hendon started Victoria Foundation, Fales replied, “Hendon felt it was his duty as a good citizen to give 10% of your income away. He felt it was appropriate, indeed more or less mandatory, to tithe because he was Unitarian” (H. Fales, Personal Communication, March 29, 2013). This theory of tithing was refuted by Percy Chubb III, who jokingly suggested that the only time “Grandpa Chubb” went to church was to place an angel on top of the Christmas tree because he was tall. But Percy Chubb III did concur with Fales’ notion of duty:

He was a very moral man and he believed that you should give back to your community. He made a lot of money in a very decent way and he just felt that he had taken care of his kids and his grandchildren, his first wife and his second wife. He did it because he thought he ought to do it. (P. Chubb, Personal Communication, February 1, 2013)

Hendon’s granddaughter Margaret offered a different theory: “I was told he started the Foundation because my mother had rheumatic fever when she was about 10 or 12 and he got interested in that whole thing. That’s where the money went” (M. Parker, Personal Communication, February 27, 2013).

In his own words, Hendon expressed his rationale very simply: “About 1924, I decided to form a Foundation where I could put some of my surplus earnings and income that could be devoted entirely to charitable purposes and formed Victoria Foundation, Inc.” (Chubb, 1958, p. 35).

Percy Chubb III’s recollections about his time spent on his grandfather’s estate in Georgia sheds interesting light on Hendon Chubb’s personality traits and his ambiguous attitudes on race:

Hendon Chubb was a great man. Amazing. He liked his grandsons better than his granddaughters. They were given hundreds of gifts from Grandpa Chubb. He was absolutely my hero. Always polite. Always kind. A lot of fun to be around... Grandpa Chubb would give me, as a 25-year-old, one ounce of whiskey a night.

And you better not ask for anymore, or else you didn't get any the next day...In the company, everyone admired him tremendously...He had about 12,000 acres in Thomasville. It was run by a guy named Stringer, who was the ugliest racist you'll ever meet in your life. He would run the quail operation, yell and scream at the Blacks "You nigger!" in front of us, in front of everybody. I could never understand why Grandpa Chubb didn't fire him. Then when he started the Victoria Heart Hospital he made it a point that it was open to girls and to members of all other races. This was unusual in 1940...And no tuitions. "I'm paying for it all." But if you look at how he ran the plantation, he didn't take that race-blind philosophy down to his plantation in Georgia. (P. Chubb, Personal Communication, February 1, 2013)

Haliburton Fales shared a light-hearted anecdote about a dinner party at the home of Hendon and Alice Chubb. Towards the end of the dinner, the guests were served coffee with gold coffee spoons. Soon afterwards, the maid came in and whispered something in Hendon's ear, prompting him to say to his visitors in a stern voice, "Mary says that one of the coffee spoons is missing!" According to Fales, this prearranged ruse was Hendon's idea of an excellent joke (H. Fales, Personal Communication, March 29, 2013).

Sally Chubb recalled the strong yet tender sides of her father-in-law:

I knew Hendon very well. I got to know him when he was in his 80s. He was a fascinating man. Very rigid. Huge fun. He did things his way. You talk to Baba [Margaret Parker] and me and you'll get a totally different picture. He was tough, but Grandpa Chubb took care of people...Mr. Holmes had been one of his best friends, and after he died, Hendon took care of Mrs. Holmes. Mrs. Holmes came for Sunday lunch every week. Sunday lunch was always the same. Roast beef, Yorkshire pudding, and eggplant, so thin I still dream about it. And when Mrs. Holmes needed a new car, Grandpa Chubb bought her a new car. That was the really wonderful Hendon Chubb. (S. Chubb, Personal Communication, February 25, 2013)

Hendon's granddaughter, Margaret Parker recalled that he was a complex man:

He had a very stern, controlling presence. If you didn't get to dinner at exactly the moment you were told to get there you were scared to death. He was also charming and obviously very smart. He was a very loving grandfather in his own way too. He adored my mother. But I don't think he was very nice to his sons. It was always interesting to watch him with my mother, who he just worshipped.

Plus she was a spitfire, who would put him in his place. Grandpa Chubb was an amazing man. Totally straight and honest, with total integrity. (M. Parker, Personal Communication, February 27, 2013)

In his memoir, written two years before he died, Hendon Chubb candidly summed up his life as follows:

Looking back, as one does for their own satisfaction, I can feel that I have been very lucky in life, not only in a material way, but in the affectionate relationships I have had in my own family, as well as certain very close and intimate friends, some of whom are and were my business partners. I can recall no lasting estrangement or indeed even moderately serious tension with any of them during the whole period of our association... While I cannot get much satisfaction from reviewing my life before I was 20, from then on it seemed to grow in fullness. Want of self-confidence was a great handicap in my early days, and while when older I concealed this from others and soon gained a great measure of it myself, it still lurks in the background. My self-confidence was always at its least when things went well, but seemed to grow in times of trouble and I do not think I have failed to show to those around me calmness in times of crisis. Acknowledging many weaknesses I still take pride in the fact, or what I believe to be the fact, that competitors, brokers and others including employees have always given me credit for complete honesty and integrity. I cannot claim to be one of those who created "opportunities," but I think I have been, on the whole, alive to use them when they came. I believe I have always been inclined to recognize that there are two sides of most questions, and I feel that I instinctively consider others and hate to hurt them. (Chubb, 1958, p. 55)

Hendon Chubb died on September 3, 1960. His last official act connected to Victoria Foundation was to bequeath 22,000 shares of Federal Insurance Company stock, then valued at \$1,570,000. A Board Resolution to honor the memory of Hendon Chubb was passed at the October 10, 1960 trustees' meeting:

Because we have watched him translate his generosity into deeds and his love for his fellow man into actions which made the lives of those who turned to him better and happier, we dedicate ourselves to an endeavor to carry on [Victoria Foundation's] purposes with as much of his charity and wisdom as is given us. We know of no more appropriate memorial. (VF Board Minutes, 1960)

Hendon Chubb was widely recognized by his peers as a highly-effective businessman. After he joined his brother Percy at Chubb & Son in 1895, the corporation

grew from one office, two partners, and five employees at its founding in 1882 to 15 offices, 12 partners, and 1,538 employees in 1957 (“If There Were No Losses,” 1957, p. 7). He was politically active and served his country during two world wars in the Department of the Treasury. As a young man, he began a lifelong commitment to social causes and anti-poverty programs. Through it all, he always made time for active recreation and extensive travel with family and friends. He lived a full, prosperous, and purposeful life.

What made Hendon Chubb’s legacy particularly enduring was his impulse to start a charitable foundation funded by his personal income. It is clear from his own account that for 36 years he derived great pleasure and satisfaction from the work related to Victoria. He was able to name the foundation after his beloved mother and involve his wife and all three of his children as well as close friends and associates. Since he and Alice Chubb hosted most of its meetings at their home in Llewellyn Park, there was a fine line between business and pleasure. While a primary motivation for many benefactors to start a foundation stems from a desire to bring family members together, for Hendon Chubb, the key motivating factor in creating Victoria Foundation appeared to be philanthropy in and of itself—an altruistic impulse. During his lifetime, Victoria awarded \$3 million in grants. Could Hendon have dreamed that another \$167 million would be granted to support charitable causes in the next 43 years? Could he have imagined that the trustees would target the city of Newark for the bulk of its philanthropy? Ultimately, Hendon Chubb simply wanted to help those who were less fortunate than he was. The creation of Victoria Foundation proved to be an effective vehicle to realize this objective.

Corinne Chubb: the longest-serving trustee.



Figure 4.4. Corinne Chubb (VF Historical Photos, 1995)

The longest-serving and perhaps most influential trustee of Victoria Foundation to date was Corinne Roosevelt Alsop, who married the Foundation's second president, Percy Chubb 2nd, in 1932. Corinne Chubb regularly attended trustee meetings and was very active with the Foundation beginning in 1935, a year following the election of her husband to the board. However, she was not formally elected to the board until 1955. Thereafter, her tenure as a Victoria trustee lasted until shortly before her death in 1997, resulting in 62 years of vital service to the Foundation.

Corinne Chubb was born in 1912 to a family of wealth and prestige in Avon, Connecticut. Her father was a prosperous farmer who traced his roots back to the Mayflower. Her mother was a leader in the Republican Party and was elected to the Connecticut House of Representatives in 1924, serving two consecutive terms. Corinne Chubb's grandmother was Theodore Roosevelt's sister. Two of her three brothers, Stewart and Joseph Alsop, were famous syndicated newspaper columnists. Corinne Chubb spent one year at Bryn Mawr College in Pennsylvania, followed by a brief period

at Barnard College. She subsequently abandoned college for a tour of Europe. Shortly after her return, she married Percy Chubb 2nd, with whom she raised six children on their farm in Chester, New Jersey.

From this position of privilege, Corinne Chubb devoted herself to the public good. She arranged to have land donated for a municipal library and “Chubb Park” in her home town of Chester. Though she never sent any of her own children to public schools, she served as president of the Chester School Board in 1957. Over time she was best known for her charitable work in Newark through Victoria Foundation.

According to her obituary in the *Star-Ledger*, “Newark lost one of its best and oldest friends Tuesday when the 85-year-old philanthropist died in her Chester Township home” (Kleinknecht, 1997, para. 3). Corinne Chubb was known for her no nonsense approach to all matters. The *Star-Ledger* obituary described her as “a diminutive woman, not more than five feet tall, but she is remembered by colleagues as an aggressive and gregarious woman who was not afraid to confront anyone who she felt was not spending the foundation’s money wisely” (Kleinknecht, 1997, para. 5). She was very much a hands-on member of Victoria Foundation. Long before there was paid staff charged to find funding opportunities, Corinne played a leading role in determining how the Foundation’s resources were allocated. The depictions of Corinne’s leadership style and personality offered by those who knew her best paint a picture of an eccentric, yet intelligent and self-assured woman. In a personal memoir, Corinne Chubb’s brother Stewart Alsop (1997) shared a childhood memory:

To her brothers, my sister has always been “Sis,” and she seems to us to have changed less than we have. As a child, she was given to a disconcerting candor and fanciful ideas—a curious combination—and she still is. When we were children, Sis used an interesting device to dominate her brothers. She invented a

rodential regent called Helen Ratty, who presided over “Helen Ratty’s Kingdom,” a saucer-shaped depression in the woods above our house in Avon, CT. Whenever she wanted her way, Sis would solemnly say, “Helen Ratty wants...” Whatever Helen Ratty wanted was, of course, the word of law to the rest of us. (p. 33)

Trustee Margaret Parker remembered another time when Corinne said what was on her mind:

I remember going down to Newark to meet the superintendent with Aunt Corinne. I think it was Columbus Salley. This great big man. And she sat there and she said, “The trouble with the whole school system is you!” And I was quite young and I was sitting there absolutely astounded. She was probably quite right. (M. Parker, Personal Communication, February 27, 2013)

Although Corinne Chubb could be a tough and discerning person, she was susceptible to charm and would occasionally be taken in by unscrupulous characters. One notorious example involved an NPS employee, Paul Smartt, who headed up the Montgomery Victoria Project in the 1980s. The program took place inside Montgomery Street School, a magnet school for troubled teenagers. Smartt designed a program and supervised a team of social workers to provide intensive counseling, mentoring, and support services to the 50 toughest youths at the school. Corinne Chubb’s daughter-in-law, Sally Chubb, recounted the unfortunate situation that ensued:

And there was Paul Smartt. Paul Smartt was tragic. And it was tragic for my mother-in-law. And this is probably a good way to explain how she wrapped herself up in things. I mean, her intentions were wonderful. Paul Smartt was evil, truly. I wouldn’t have said that at the time but in retrospect, with what we know now it was really bad. And he ingratiated himself to my mother-in-law. And she would make friends with some of these people...My mother-in-law latched onto this friendship. He had said he was a Ph.D. and he had all these credentials. It was all a lie. She’d have him out to lunch, to the farm. She’d send her man, Lonny. Now Lonny wasn’t exactly a livery chauffeur. He was a country guy, gray haired and sweet. He was scared of Newark, and he’d be sent to pick Paul up for lunch and take him back. The thing that I remember vividly is that Baba [Margaret Parker] and I and Cathy McFarland were on a street somewhere in the heart of Newark, I can’t remember where, but a vibrant place. And there was a man and he was in drag. It was Paul. And the three of us just stood there. He turned around and walked away...He was into drugs, and when he died he threw himself out of a

glass window. It was horrible, just horrible. And my mother-in-law believed every word he said. She was totally inexperienced...And poor Lonny, the driver, he just shook his head. The only thing he ever said to me about Paul was, "At least it's over." He knew, because he was driving this guy back and forth and he was scared to death. I never heard her mention his name again. It was a personal loss because it had been a friendship. (S. Chubb, Personal Communication, February 25, 2013)

A *Star-Ledger* article at the time of Smartt's death explained that he had been arrested six days earlier in Branch Brook Park and charged with soliciting prostitution from three male juveniles. Within days, Smartt resigned as director of the Montgomery Victoria Project. He committed suicide by jumping out of the 21st floor window of his Newark apartment in front of police officers, who were there to bring an additional charge of attempted sexual assault on one of the juveniles (Leusner, 1985). Several people interviewed for the dissertation shared versions of the Smartt story in the context of Corinne Chubb being misled by grantee recipients now and then.

Despite an occasional lapse in judgment, however, Corinne Chubb was an imposing figure with a keen mind. Longtime Victoria employee and second paid Executive Officer Catherine McFarland spoke of Corinne Chubb's power as a trustee:

Corinne had the most influence at the Foundation. When she wanted something, she pushed for it. I had a good relationship with Corinne. I was afraid of her. I think everybody was. She was very opinionated and if you said something she didn't like she just blurted out what she thought of you. (C. McFarland, Personal Communication, July 18, 2013)

Lawrence Goldman, the founding CEO of the New Jersey Performing Arts Center, recounted a highly charged meeting with Victoria trustees at which he pitched a multi-million-dollar grant request to support the proposed state arts center in Newark:

I was trying to be as persuasive and charming as I could possibly be. And Pi's²⁹ mother [Corinne] was there without any expression on her face at all. At one point in the presentation I said this will not be just an arts center, but it will stimulate

²⁹ Percy Chubb III was affectionately called Pi by family and friends.

development in the neighborhood, it would attract other activities, and there will be restaurants where the waiters will be singing opera. And I looked at her and she was scowling at me. And I said, “Mrs. Chubb, what would you have the waiters sing?” And she looked at me and said, “I’d have them be quiet.” And the whole place broke up. It broke the tension like that. And all of a sudden, I felt we had a really good shot. (L. Goldman, Personal Communication, July 24, 2013)

In a Board Resolution written to honor Corinne Chubb’s 62 years of service, trustees wrote, “Good ideas and effective people excited her. Unmet promises evoked forthright comment. She visited grantees and their programs. There was vision, caring, expectations of results, and a love of the joy of giving” (VF Board Minutes, 1997).

Other key trustees.

Of the 40 trustees elected between 1924 and 2003, eight were community leaders recruited from outside the circle of the presidents’ family and friends. Robert Lilley was the first such community leader and he served as a trustee from 1967 to 1987. A corporate CEO in Newark, Lilley was appointed by Governor Hughes to chair the Select Commission on Civil Disorders, a blue-ribbon committee convened in the wake of New Jersey’s riots of the 1960s. His participation on the Victoria board influenced trustees’ decision to focus its resources in Newark.

The first person of color elected to the Foundation board was Matthew Carter in 1972, 48 years after the Foundation’s inception. A Baptist pastor, businessman, and politician, Carter was the first African American mayor of Montclair when he was elected in 1968. While mayor, he established a fair housing ordinance, which prohibited housing decisions based on national origin or race. He was appointed by Governor Hughes to serve as chairman of the New Jersey State Commission on Civil Rights. Carter served as a Victoria trustee for 19 years and chaired the Victoria Community Account, a small pool of discretionary funds set aside to provide modest support to local groups. For example,

in May 1983, Carter allocated \$2,000 to support the Coalition of 100 Black Women and \$1,000 to the Black United Fund.

The most influential person of color to serve on the board, and the only trustee in the Foundation's history who actually resided in Newark, was Robert Curvin, elected in 1977. As a leader of the Newark chapter of CORE (Congress of Racial Equality), Curvin was a civil rights activist who played a central role in trying to diffuse the rage during the 1967 riots. He also helped to elect Gibson as Newark's first Black mayor in 1970, and went on to complete his Ph.D. in politics at Princeton University. He served as vice president of the Ford Foundation's Urban Poverty Program and president of the Greentree Foundation, and was a founding member of New Community Corporation.



Figure 4.5. Robert Curvin (VF Historical Photos)

In May 1983, Curvin was appointed to chair the Foundation's Neighborhood Development and Urban Activities grants committee, a position he held until he retired from the board in 2005. Looking back at his 28 years of service, Curvin noted:

They were good years. You really got to know the family. There was really a very interesting level of concern that they all shared about the city. Getting to know Corinne was very very special. They are really wonderful people. They've done a

lot with what they have...It was clear that they were looking for someone that they could feel comfortable with. As part of the process, Howard [Quirk] asked me if I would take the trustees on a tour of Newark and I did. That was the first time I got to meet them, before I went on the board. I walked them around. We actually even stopped by the 4th Precinct where the riot had started. We had a chance to chat during the process. And soon after that I was invited to join the board. (R. Curvin, Personal Communication, July 17, 2013)

Presidents Percy Chubb 2nd and Percy Chubb III.

In most foundations, including Victoria, the president or chair wields disproportionate power relative to other trustees. Hendon Chubb was succeeded by his son Percy Chubb 2nd following the founder's death in 1960. There was no formal succession planning for this transition. It seemed to be understood by all involved who the heir apparent was. The Foundation's corpus was growing rapidly. In just one year, it increased from a value of \$17 million in 1960 to \$24 million in 1961³⁰. Percy Chubb 2nd lost no time in transforming the culture of the Foundation from that of relaxed and somewhat haphazard to organized and professional. At his first board meeting as president on October 10, 1960, Percy Chubb 2nd stated the following in his President's Report: "In the past the work of the Foundation was so close to HC's [Hendon Chubb's] heart and mind that it dealt with situations as they arose. It is suggested that beginning with 1961 a somewhat different approach is called for" (VF Board Minutes, 1960). He proposed the appointment of a five-member Program Committee that would have the responsibility to develop a grants budget for the upcoming year based upon projected income. Further, he mandated that the Program Committee send out in advance to the trustees a list of continuing grant commitments and suggestions on how to use the remaining funds. During his 22 years as president, the foundation sector became much

³⁰ The 1961 total of \$23.5M includes the inheritance of \$1.5M worth of Federal Insurance Company stock from Hendon Chubb's estate.

more complex and regulated, largely due to the federal Tax Reform Act of 1969. The major legacy of Percy Chubb 2nd is that he carefully steered Victoria Foundation from a small volunteer operation to a solid professional institution with a clear focus. He hired the first full-time paid executive and facilitated Victoria's transition into a place-based philanthropy focused on Newark.

Several Foundation associates shared their recollections of Percy Chubb 2nd. In 1965, he recruited his good friend Haliburton Fales to the board. Fales described his friend's leadership style as follows:

Percy took a good deal more control. After Percy took over he began to think about the Foundation growing. Chubb stock was growing by leaps and bounds. The Foundation I think was in 100% Chubb stock and it was Percy who said it ought to function more efficiently. Percy said we really should channel our money...At first they were doing it in a kind of mom-and-pop way. In my generation, when Percy took over, they began to do it in a more organized way. (H. Fales, Personal Communication, March 29, 2013)

Trustee Robert Curvin shared an interesting anecdote about Percy Chubb 2nd wearing a whistle around his neck at board meetings. According to Curvin, Chubb would blow the whistle at any point during the meeting when he deemed that a particular topic was finished and it was time to move onto the next agenda item (R. Curvin, Personal Communication, July 17, 2013).

Catherine McFarland worked at Victoria for 20 years before she became the Foundation's second paid director in 1989, overlapping with Percy Chubb 2nd for 13 years. She described him as:

...the personification of corporate leadership in the 40s. He was stiff-upper-lip, highly ethical, highly principled. Percy 2nd gave freely of his own resources...To their peers and their Republican colleagues, both the Chubbs—senior and junior—were way-out liberals. They weren't, but they followed an ethos of diversity and empowerment of others. They didn't play golf every day. (C. McFarland, Personal Communication, July 18, 2013)

On October 8, 1982, at age 73, Percy Chubb 2nd died unexpectedly during a hospital visit to treat a heart ailment. Again, there was no evidence of formal succession planning among trustees. On December 2, 1982, Percy Chubb III was elected as the third president of Victoria Foundation. Percy Chubb III built on the strong internal infrastructure and grant committee system developed during the years his father served as president. His mother Corinne, however, continued to be a formidable presence at all trustee meetings for the next 15 years. This was noted by Catherine McFarland, who was promoted to executive officer in 1989. As the only living staff member who worked under both father and son, her perspective on Percy Chubb III's leadership is instructive:

It really didn't change right away. Corinne was still around. He was a young corporate executive at Chubb and he couldn't give as much time. But he went down to Newark to visit programs several times a year. He was a good steward. After Corinne died, Percy became the most influential board member. (C. McFarland, Personal Communication, July 18, 2013)

Vice President Margaret Parker also contrasted her cousin with her uncle:

[Compared to Percy Chubb 2nd], he's been a good leader of the Foundation. I think Percy [III]'s much more aware of other people and how they look and feel. I don't think he ever tried to do something single-handedly without consulting other people. I think he really cares about helping people and the issues we've been involved in...I think Percy has been a good leader, despite my complaint that we didn't do anything to change systems. (M. Parker, Personal Communication, February 27, 2013)

Former Mayor Sharpe James remembered Percy Chubb III as a committed and charming leader of Victoria Foundation:

I used to always marvel at him because he was so debonair. He always dressed like he was about to play golf. Colorful pants, colorful shoes, colorful socks. The debonair Percy Chubb [III] would wear these colorful clothes at NJPAC board meetings. I kept thinking that at any moment he would take out a golf club and tee off. (S. James, Personal Communication, August 21, 2013)



Figure 4.6. Percy Chubb III and Mayor Cory Booker (VF Historical Photos, 2012)

Table 4.2 below shows the grantmaking that took place during the tenures of the three Victoria Foundation presidents from 1924 to 2003. While the shift to place-based giving in Newark started soon after Percy Chubb 2nd took over as president, the vast majority of grantmaking expenditures in Newark occurred during the reign of his son, Percy Chubb III. This is due principally to the steep rise of the stock market during that period, which multiplied the value of the Foundation's endowment more than five-fold between 1982 (\$37.3 million) and 2003 (\$199.9 million).

Table 4.2

Grantmaking During the Tenure of VF Presidents

Victoria Foundation Presidents	Years Served	Total Grants Awarded	% of Grant \$\$ that Benefited Newark	Total Amount of Newark Grants
Hendon Chubb	1924-1960	\$3,021,800	3%	\$87,600
Percy Chubb 2 nd	1961-1982	\$26,582,400	75%	\$19,936,800
Percy Chubb III	1983-2003	\$140,064,500	90%	\$126,615,600
Totals		\$169,668,700	86%	\$146,640,000

Executive officers: Howard Quirk and Catherine McFarland.

In its early years, the Foundation employed a handful of part-time people to provide secretarial and bookkeeping assistance. It was not until 1968, 44 years after its

inception, that the Foundation hired Howard Quirk as its first paid director. With a Master's of Divinity from Bangor Theological College, Quirk served as a congregational minister at parishes in Maine and New York. He was an administrator at Cornell University in Ithaca before he joined the Foundation. The unusual manner in which Quirk was recruited and hired offers insight into the idiosyncratic nature of both Quirk and the Foundation at that time. On January 14, 1968, Quirk paid \$255 (an amount he later referred to as "a king's ransom") to place the following classified ad in the business section of the *New York Times*:

DO YOU NEED A MAN WHO HAS an advanced degree, several years in business/financial administration, several years as a college executive, and several years of leadership in philanthropic work? Science writing, ghost writing, and the preparation of quality brochures are ancillary talents which he has developed along the way. This man would readily leave suburban comfort and current job security for a cause in which he could thoroughly believe and into which he could pour his total energies and his 25 remaining productive years. It might be as executive secretary in a small foundation, or as aide-de-camp to a major humanitarian. It might be some other assignment beyond the range of his present thinking. But it has to be worthwhile. DO YOU NEED THIS MAN? (Quirk Personnel File, 1968)

Luckily, Quirk did not try to save money by limiting the ad to the Metropolitan Edition; otherwise, it would never have been seen by a guest visiting Percy and Corinne Chubb in the British Virgin Islands, who brought it to the attention of his hosts.

During the first eight months of his tenure, Quirk operated the Foundation out of the Chubb & Son offices in Short Hills, New Jersey, while living at the Orange YMCA during the week and commuting back and forth to his family in Ithaca on weekends. Of those early days, Quirk noted, "Life at the Y was monastic and forlorn, but this led to my spending a maximum amount of time calling on donees and applicants, even in the evenings. It was a good way to get the whole picture quickly" (Quirk Personnel File,

1968). In February 1969, he moved with his family to Montclair, and his residence served as the Foundation's headquarters for the next dozen years. Hendon Chubb's daughter, trustee Margaret Parsons, was particularly close to Quirk and his family.

Recollections from trustees and community stakeholders, who knew Quirk personally, provide keen insights into his personality and leadership style. Haliburton Fales, the only Victoria trustee still alive who was a member of the board when Quirk was first hired, recalled, "Howard was an imaginative person. He really was a first-rate administrator. He took members of the board when he went to visit the places that the Foundation was giving money to" (H. Fales, Personal Communication, March 29, 2013). Margaret Parker acknowledged Quirk's close connection to her mother and also shared, "He was such an eccentric, fabulous, funny guy. He was totally dedicated to giving money the right way. He was totally dedicated to the idea of charitable giving where he thought it should be given. He was an adorable man. Everybody loved him" (M. Parker, Personal Communication, February 27, 2013).



Figure 4.7. Howard Quirk and Margaret Parker (VF Historical Photos)

President Percy Chubb III concurred but added,

He was a delightful man. Nuts. And very sensitive. You never wanted to go after him. Howard did not like to be told that anything he was doing didn't make sense. You couldn't imply that anything he was doing wasn't right. He was sensitive that way. (P. Chubb, Personal Communication, February 1, 2013)

Percy also gave Quirk considerable credit: "Howard was with Victoria for 21 years. With all due credit to the others involved, the Foundation has been in a very real sense his creation" (P. Chubb, Personal Communication, February 1, 2013).

Quirk was instrumental in attracting Robert Curvin to the board. Curvin recalled, "In some ways I was surprised to get recruited onto the Victoria board. But it was very much Howard Quirk's thing. He was such a progressive, new thinker" (R. Curvin, Personal Communication, July 17, 2013). Sally Chubb corroborated the process of how Curvin was recruited:

Howard was fearless in getting to know people in Newark. He really put his finger on some really superb people. Bob [Curvin] was one of them. I'm certain that Howard recruited him to the board. I can't imagine how my father-in-law would have ever found him. (S. Chubb, Personal Communication, February 25, 2013)

Sally also shared her memories of Quirk's more playful side:

I just adored Howard Quirk. It was hard not to. He was such a character. Some of the things he did were loony. We had to pull him back down to earth on occasion. Howard was ebullient, and fun-loving, and very funny. He was a minister you know, and he saw things in people. But he didn't just want to be a minister. That was too confining for Howard. So Victoria was really the most wonderful thing that ever happened to him. And he was the most wonderful thing that ever happened to Victoria. (S. Chubb, Personal Communication, February 25, 2013)

Quirk infused his exuberant personality and marvelous sense of humor into his workday at Victoria Foundation. For example, he was apt to surprise trustees at a board meeting with a live performance from an Irish tenor or a short lecture from a maker of geodesic domes. These qualities also came through in the many letters he wrote on behalf

of the Foundation, which often included cartoons and humorous quotes. In a letter to Robert Parsons, president of the Hyde Foundation, encouraging him to consider a grant to the Chad School, Quirk added the following post-script:

It has occurred to me that I haven't seen you since your marriage. Congratulations. I shall be alert to any metamorphoses which this event may have wrought in your behavior: Love beads? Shoulder length hair? Grants to the Timothy Leary Foundation? Marriage can be a very traumatic experience. (Chad Grant File, 1971)

When Quirk joined Victoria in the late 1960s, he was given a great deal of latitude to identify up-and-coming leaders and grantmaking opportunities in Newark. Several Newark-based organizational leaders reminisced about Quirk. Rebecca Doggett, an activist and early pioneer in the community development sector, founded Tri-City Peoples Corporation in Newark in 1966 to assist residents with affordable housing and jobs. Noting Quirk's leadership style, Doggett said,

He came looking for us at Tri-Cities. He was looking at what was happening in Newark and brought national experts in to provide technical support. He was very significant for my own personal development. It was really Howard that helped me realize we were part of a national movement. His skill was the combination of bringing Newark to the attention of the outside world and getting Victoria trustees involved in the grantmaking. He set that precedent. Howard was a fascinating guy, a happy warrior. (R. Doggett, Personal Communication, July 16, 2013)

Another longtime activist and Newark resident, Richard Cammarieri, spoke of Quirk's deep connection to the work:

He always seemed to get it in terms of Newark and the neighborhoods. He was consistently supportive. He didn't force the issues. He didn't try to pretend that he knew everything about Newark and the neighborhoods, but he certainly conveyed a very sincere level of concern. "So what are the problems? What are you guys going through?" And I always admired him for that. (R. Cammarieri, Personal Communication, July 8, 2013)

In his letter of resignation submitted to trustees in 1989, Quirk wrote:

I have remained two months beyond my 65th birthday because spring is the Foundation's busiest season. My grandfather, a farmer, said that any hired hand who quit during haying season wasn't worth his salt. The years with Victoria have given me much more than a livelihood. Being a foundation executive confers instant status, especially when the foundation is known and respected. (Quirk Personnel File, 1989)

Quirk's resignation was deemed worthy of a newspaper article in the *Star-Ledger*, which included this perceptive observation: "To the grant recipients, Howard Quirk and the foundation are one and the same" (Phipps, 1989, para. 1).

Howard Quirk was succeeded by Catherine McFarland who had worked closely with him during the previous 19 years. McFarland served as executive officer for the next 17 years, making her the longest-serving employee of Victoria Foundation. McFarland's passion for the Foundation's mission extended to her personal life: she moved into Newark for several years once her children graduated from high school. She also served as a trustee for many community-based organizations that benefited children and families residing in Newark, including Newark Emergency Services for Families, St. James Episcopal Housing, Episcopal Community Development, Frost Valley YMCA, Community FoodBank of New Jersey, and the Newark affiliate of LISC (Local Initiatives Support Corporation).



Figure 4.8. Catherine McFarland (VF Historical Photos)

During the first 10 years of McFarland's tenure as executive officer, the corpus more than doubled, from \$104 million in 1989 to \$228 million in 1999. This led to significant growth in grantmaking and the addition of more paid employees to facilitate the day-to-day work.

Newark resident Clement Price, Professor of History at Rutgers University-Newark, summed up McFarland's accomplishments at a public gathering at the Newark Museum celebrating her retirement:

Should a civic ethnographic study be launched about Newark over the past generation, Cathy would have to be a primary source. She has been an eyewitness, a source of inspiration for many, and a change agent...Cathy McFarland has been courageous...Cathy has also shown an uncanny understanding of how a foundation can help connect the dots that enable real progress to take root in Newark's civic realm...But what I find to be most remarkable about Cathy's work amongst us is how she consistently comported herself as a vehicle for the high ideals and philanthropic conscientiousness of the Victoria Foundation...the Victoria trustees gave her what was the broadest possible opportunity to do only good work. The Foundation could not be in a better place than it is now...She has navigated Newark as one of the state's foremost philanthropic leaders and strategists. (McFarland Personnel file, 2006)

Some trustees and grantees, however, were somewhat critical of McFarland's management style, which appeared related to a high degree of staff turnover throughout McFarland's tenure. When asked why he resigned after 28 years of service, Victoria trustee Robert Curvin mentioned that one of the reasons was his frustration with the Foundation's inability to retain staff members of color (R. Curvin, Personal Communication, July 17, 2013).

Richard Cammarieri compared the management approaches of the two executive officers:

Cathy's leadership style was much more intrusive, in some ways missionary, than Howard's was. I think the problem with Cathy is that she thought she knew things. One of the worst things that happened was when she moved to Newark. It

really made her unbearable. She thought she knew more than she knew. (R. Cammarieri, Personal Communication, July 8, 2013)

However, another Newark activist, Rebecca Doggett, saw McFarland in a more favorable light:

Cathy was mentored by Howard all along. She was more of an insider person. She was very engaged with what was going on within the city itself. She was a key leader of the Newark Collaboration Group and with the school takeover. She was there during the investigation period. Cathy was essential in helping Beverly³¹ to connect with the Newark corporate leaders and to talk with State education officials to support her. She was willing to take on some of the political battles. (R. Doggett, Personal Communication, July 16, 2013)

Former Mayor Sharpe James honored McFarland at her retirement party with a key to the city. He recently reminisced about her, saying,

Anytime you talked about education, anytime you talked about social issues, when you talked about elevating the community, you always heard, “Go to the Victoria Foundation. Go to Cathy McFarland.” It was easy to fall in love with Cathy McFarland. Every board you had it seemed like she was there. (S. James, Personal Communication, August 21, 2013)

McFarland had a more forceful personality than Quirk, and her passion for direct engagement did not sit well with everyone. Although she was never able to persuade trustees to support statewide efforts that had the potential to improve conditions in Newark, as the corpus grew, McFarland convinced trustees to earmark significant grant dollars to a new category of giving called “Major Community Institutions,” setting the stage for large capital and endowment contributions. The consensus that emerged on McFarland’s period of leadership at Victoria was that her accomplishments were genuine, significant, and enduring, far overshadowing issues of personality and management style.

³¹ Dr. Beverly Hall was the first state-appointed superintendent to lead the Newark Public Schools when the state took over the district in 1995.

Conclusions.

The preceding portraits of key trustees and the two executive officers are intended to provide some insights into the people and personalities that influenced Victoria Foundation. At the core is Hendon Chubb, who had the humanistic impulse to start a foundation. He purposefully constructed a broad charter for Victoria, with instructions to future trustees to spend the money as they saw fit, and not to be swayed by the perceived interests of the founder. During his lifetime, Hendon remained faithful to this charter and only exerted his authority on allocating the resources within the established framework.

When he died, his son Percy Chubb 2nd professionalized the Foundation, establishing a committee system still intact five decades later. Under the leadership of Percy Chubb 2nd and his wife Corinne, the Foundation moved headlong into the preK-12 education sector, which continues to account for the largest share of giving each year. The shift to place-based philanthropy in Newark occurred during Percy's tenure as president, apparently driven by a serendipitous combination of factors, most notably the 1967 riots. This transition is explored fully in Chapter 5.

The first executive officer, Howard Quirk, should be credited for building the reputation of Victoria as a caring and loyal partner in addressing the ills of Newark. Quirk deepened the Foundation's giving to neighborhood-based organizations, especially those that developed out of the Black self-determination movement. Quirk's personal passion for the environment and sustainable development influenced trustees to direct some of its resources into this area beginning in the 1970s.

Percy Chubb III led the Foundation when its resources increased from \$100 million to over \$200 million, but he remained true to the focus areas that had been near and dear to his father. He took the responsibilities of the presidency very seriously,

wishing to be a worthy steward of his grandfather's legacy. He periodically reminded fellow trustees that Hendon Chubb crafted a broad charter for Victoria Foundation, which included the possibility of "spending down" the assets as opposed to grantmaking in perpetuity.

Under Catherine McFarland, the second executive officer, Victoria shifted from primarily a grantmaking institution to a foundation with the dual mission of making funds available to the nonprofit sector and playing a direct role in local policy and decision making. During her 35-year employment with Victoria, McFarland served on dozens of boards, committees, task forces, and panels, eventually becoming a resident of Newark.

Mid-sized and large private foundations comprise multiple trustees and program staff members, but the leader of the board and the most senior executive typically wield the most power and influence. With the exception of Corinne Chubb, this has generally been the case at Victoria Foundation.

The Journey from "Mom and Pop" to Professional Foundation

When Hendon Chubb established Victoria in 1924, there were very few private grantmaking institutions in New Jersey (Walton & Lewis, 1964). It is likely that these institutions were inspired by the existence of large national foundations started by men of means, like Andrew Carnegie and John D. Rockefeller. There was very little government oversight of foundations in the first half of the 20th century. For the first 45 years, Victoria trustees enjoyed a regulation-free and tax-free environment. They followed a general principle of making grants to nonprofit organizations each year in an amount that equaled the realized income from investments for that particular year.

Initially, Hendon Chubb donated cash to establish the Foundation: \$20,000 in 1924, \$5,000 in 1929, and another \$3,000 in 1931. Beginning in 1934, Chubb switched his gifting mechanism to shares of stock, with an initial donation of 2,470 shares of U.S. Guarantee stock valued at \$92,600, and 1,000 shares of Federal Insurance Company stock valued at \$60,000. These two companies were subsidiaries of the Chubb & Son family business. As noted in Table 4.3 below, from 1934 to 1952, Chubb donated additional shares of these stock holdings to Victoria on 12 separate occasions, plus 500 shares of Kennecott Copper and real estate in downtown New York City.

Table 4.3

Hendon Chubb's Gifts to Victoria Foundation

Year	Type of Contribution	Book Value
1924	Cash \$20,000	\$20,000
1929	Cash \$5,000	\$5,000
1931	Cash \$3,000	\$3,000
1934	Shares of US Guarantee: 2,470	\$92,600
1934	Shares of Federal Insurance Co: 1,000	\$60,000
1935	Shares of Federal Insurance Co: 2,000	\$120,000
1936	[Stock split of Federal Insurance Company and US Guarantee]	
1937	Shares of Federal Insurance Co: 6,179	\$268,800
1937	Shares of Kennecott Copper: 500	\$17,100
1937	Shares of Federal Insurance Co: 7,000	\$210,500
1938	Shares of Federal Insurance Co: 6,000	\$180,400
1939	Shares of Federal Insurance Co: 5,000	\$150,300
1940	Shares of Federal Insurance Co: 5,000	\$160,000
1941	Shares of US Guarantee: 2,560	\$179,200
1942	Shares of Federal Insurance Co: 3,000	\$120,000
1943	Shares of Federal Insurance Co: 2,500	\$100,000
1945	5 & 7 South William Street property	\$65,000
1947	Shares of US Guarantee: 1,500	\$108,000
1947	Shares of Federal Insurance Co: 4,000	\$216,000
1953	[260,750 shares common Federal stock after merger w/US Guarantee]	
1960	Shares of Federal Insurance Co: 22,000	\$1,570,300
Book value at time of contribution to VF		\$3,646,200
Market value of VF investments on Dec. 31, 1960		\$18,466,600
Total Federal Insurance Co. stock owned by VF on Dec. 31, 1960		11.13%
Total VF Grantmaking from 1924 to 1960		\$3,021,800

Throughout the founder's lifetime, the Chubb & Son insurance company and its subsidiaries expanded, and the value of the shares of stock substantially increased. In 1953, U.S. Guarantee Company consolidated with Federal Insurance Company. This resulted in Victoria owning a total of 260,750 shares of Federal Insurance Company stock valued at \$6.5 million. The last time the Foundation received a contribution intended to increase the value of the endowment was in 1960 when Hendon Chubb died, leaving 22,000 shares of Federal Insurance Company stock valued at \$1,570,000 to the Foundation in his will³². At the October 1967 board meeting, Percy Chubb 2nd announced that a newly formed corporation entitled the Chubb Corporation proposed to "make a tender for the shares of Federal Insurance Company" (VF Board Minutes, 1967). The exchange occurred the following month on the basis of 1.075 shares of Chubb Corporation stock for each share of Federal Insurance Company stock, leaving the Foundation with 361,549 shares of Chubb Corporation stock. When Hendon Chubb died in 1960, his total personal contribution to Victoria Foundation of \$3.6 million had grown in value to nearly \$18 million, inclusive of \$3 million paid out in grant awards during his lifetime. From 1961 through 2003, Victoria's corpus grew to a value of \$200 million, and \$167 million was disbursed in grant awards.

Over the years, trustees of Victoria have grappled with the question of the appropriate percentage of Chubb company stock holdings in relation to the total value of the endowment portfolio. In May 1964, President Percy Chubb 2nd appointed a special committee to formally take up this question. The following November, the Investment

³² In 2004, Victoria Foundation received a \$1 million contribution from the estate of Elizabeth E. Fosbinder. This gift came as a complete surprise to Foundation leaders. Apparently, Fosbinder was concerned about making a bequest to a community-based organization that might not use her donation appropriately, and she admired the work of Victoria.

Policy Committee reported back to the full board with the finding that although the vast majority of the Foundation's total portfolio consisted of Federal Insurance Company stock, its holding did not exceed 10% of the value of the company and therefore would not raise a red flag with the government. The committee admitted that while there were those who felt strongly about the diversification of investments, others felt that equal weight should be given to the substantial appreciation of the stock, which had a current market value in excess of \$25 million. The committee expressed its view that

...while not bound by intentions of the founder in the matter of investment portfolio policy, it was appropriate that consideration be given to his wishes. The basic philosophy of the founder in establishing the foundation was to devote to public interest a portion of the material fortune which he had achieved and which was embodied in Federal Insurance Company. (VF Board Minutes, 1964)

Consequently, the final recommendation was that no change to the investment policy should be made at that time. The issue of diversifying the portfolio was taken up again in November 1972, when the Investment Committee recommended the sale of approximately 10% of Chubb Corporation stock, noting that "national foundation leaders have been urging that such a procedure be seriously considered by individual family foundations" (VF Board Minutes, 1972). For the next 20 years, more shares of Chubb Corporation stock were sold and reinvested. In 1993, the Foundation's endowment was comprised of 67% Chubb stock. In 1998, just five years later, the portfolio consisted of only 23% Chubb stock.

Tax Reform Act of 1969.

The most significant event to affect the philanthropic sector in the United States was the Tax Reform Act of 1969, which largely came about as a result of the determined efforts of Congressman Wright Patman, a Democrat from Texas. Before the Act, the

investment income of private foundations was not subject to any tax. They were only taxed on unrelated business income, if they had any. A new tax on any realized investment income, along with many other provisions of the Tax Reform Act of 1969, constituted a watershed moment for the foundation sector.

On August 14, 1961, Victoria Foundation received a letter from Patman requesting copies of the following information: the Foundation's charter; articles of incorporation; by-laws; exemption application; Form 990 filings since 1951; annual reports since 1951; list of securities; names and addresses of trustees and finance committee members; and the names and addresses of its banks, investment counsel, advisors, and investment brokers. The letter threatened the use of subpoena in the event of refusal to remit the requested documents. A similar letter was sent to 499 other private foundations across the country.

Patman served as chairman of the Select Committee on Small Business, and he was on a mission. He believed that the existing laws, which permitted the establishment of tax-exempt foundations, led to "legal tax dodging" and the buildup of great wealth by relatively small groups ("Patman Asks Moratorium," 1962, p. 4). A note from Bernard Shanley, a lawyer and longtime Victoria trustee, to Percy Chubb 2nd, advised that the Foundation should voluntarily comply with the request with the hope that the data received from the sector would prove to Congress that the activities and transactions of the vast majority of foundations operated aboveboard. Shanley attributed Patman's zeal to the story of a small grocer who claimed to have been ruined by A&P Supermarkets, which Patman contended was controlled by the Hartford Foundation, a private foundation that received its revenues from A&P profits. An article in the *New York World-Telegram*

(1962) reported on Patman's complaint that the number of U.S. foundations had skyrocketed to more than 45,000, a figure that was four times greater than a decade earlier. In the article, Patman suggested that many private foundations were wasteful and were used as vehicles for dodging taxes.

During Patman's crusade, many foundations were targeted for IRS audits. Victoria Foundation's tax returns for 1960, 1961, 1962 and 1965 were audited by the IRS; however, there were no findings of misconduct. In a letter to Victoria trustee S. Whitney Landon on August 13, 1962, Percy Chubb 2nd expressed his distress that one of Patman's published reports listed Victoria as having failed to indicate ownership of 10% or more of Federal Insurance Company stock in certain years. Follow-up letters from Congressman Patman were sent to all Victoria trustees asking for the names and addresses of any businesses, nonprofit organizations, charitable trusts, or other institutions in which the recipient served as a director, trustee, officer, or committee member. Starting in 1962, Congress began a series of hearings, known as "the Patman hearings." The foundation sector hired the public relations firm Campaigns USA to help those testifying to prepare for the hearings. Victoria Foundation was in communication with Campaigns USA but was never formally asked to testify in front of Congress. By the end of the 1960s, Patman was winning the publicity battle against foundations. A *Wall Street Journal* article at the time stated:

Congress has suddenly turned against private, tax-exempt foundations...most members of the House Ways and Means Committee now appear ready to recommend much tighter Government curbs on foundation operations...There is a strong feeling within the committee that foundations should no longer be permitted to escape taxation no matter how public-spirited they may be. "I don't believe a foundation has a halo over it just because it's a foundation," the committee's senior Republican, John Byrnes of Wisconsin, told Ford Foundation President McGeorge Bundy. (Zimmerman, 1969, p. 1)

Tighter government regulations appeared inevitable. Members of the House Ways and Means Committee were contemplating several major changes, including limiting the size of foundations eligible for preferential tax treatment by setting a cap on the total value of assets; restricting the scope of grantmaking by setting tighter guidelines for how a foundation could spend its money; establishing a government office to oversee foundation activities; requiring detailed reports on all aspects of foundation operations, including where the money comes from and how it is invested; and requiring foundations to pay some type of federal tax.

On August 18, 1969, the House of Representatives passed its version of the Tax Reform Act of 1969, prepared by the Joint Committee on Internal Revenue Taxation and the Committee on Finance. Many of the more extreme recommendations did not make it into the final Act, but several provisions were included that would dramatically alter the operations of the sector. Foundations that did not comply with the new regulations would jeopardize their nonprofit tax-exempt status. The first major change was a new tax on investment income. The bill imposed a tax of 7.5% on a private foundation's realized income from investments, such as interest, dividends, and capital gains, though it could subtract expenses paid for banking, financial advisors, and other investment-related services. The rationale for this tax was that "since private foundations enjoy the benefits of Government as do other entities and individuals, they should bear some portion of the costs of Government, just as do other organizations and individuals" (Tax Reform Act, 1969, p. 11).

Supporters of the bill also argued that with greater government oversight of foundations, the sector should help pay for the newly incurred federal administrative

expenses. By the time the provisions in the Tax Reform Act passed the Senate and went into effect in 1970, lobbying efforts from foundations managed to reduce the excise tax imposed on realized investment income to 4%. When it was determined in 1978 that the tax collected from private foundations was much greater than the cost the government incurred to examine and provide appropriate oversight of the sector, the tax was reduced to 2%. It was reduced again in 1984 to 1% for those foundations that gave out a higher percentage in grants in a given year than was mandated via a complex formula³³. As the proposed bill was working its way through Congress, Victoria engaged the law firm of Pitney, Hardin and Kipp to get an independent opinion and to receive advice about how the Foundation might advocate for the removal of certain more oppressive regulations. Once the law passed, Percy Chubb 2nd appointed an ad hoc committee to study the new regulations and guide the Foundation's compliance efforts. From 1970 to 2003, Victoria paid \$5.4 million in excise taxes to the federal government, with an average annual payment of \$163,000³⁴.

The second major change to the sector resulting from the Tax Reform Act of 1969 related to a new requirement to distribute a minimum amount of funds for charitable purposes each year. Until 1970, Victoria's grantmaking policy was to expend in any given year the amount of realized investment income that had accrued in that particular year. The new government requirement mandated foundations to pay out no less than 5% of the value of the corpus each year, regardless of what the total investment income was during the year. This meant that in some years the Foundation would need to sell shares of stock in order to have ample funds to cover the grant payments. For example, in 1972,

³³ In recent years, the Council on Foundations has been advocating the federal government for the elimination of the 1% or 2% excise tax in favor of a revenue-neutral fixed rate of 1.32%.

³⁴ The amounts of excise taxes paid from year-to-year are listed in Appendix E.

the Foundation was required to make \$1.4 million in grants, but the net investment income during that year was only \$780,000, compelling trustees to raise \$600,000 from the sale of Chubb stock, and consequently paying additional excise tax on the ensuing realized gains. The 5% payout requirement included both grantmaking and the administrative expenses necessary to operate the Foundation. The Tax Reform Act built in some flexibility with this provision, allowing foundations to take a five-year average of its charitable expenditures to fulfill the 5% requirement. It also allowed a foundation to take a credit in a future year (up to five years later) when it paid out more than the 5% in a particular year.

In addition to the new tax and the required annual payout, the Act included another provision limiting the percentage of a corporation's voting stock held by a foundation to 20%. The inclusion of this regulation related specifically to Patman's grievance against the Hartford Foundation and its relationship to A&P Supermarkets. At Victoria's annual meeting in 1954, Hendon Chubb announced to fellow trustees that he was bestowing yet another gift of Federal Insurance Company stock. He explained that this latest donation of 25,000 shares, valued at \$787,500, would increase the Foundation's holdings to 285,750 shares, making Victoria the largest single stockholder of the company. It is reasonable to suppose that this provision of the Act contributed to trustees' decision in 1973 to reduce its holdings of Chubb Corporation stock by 10%, resulting in a 4% excise tax bill that year of over \$200,000.

The Act also placed restrictions on foundations using their assets to influence political campaigns and legislation. In addition, foundations were required to provide far greater transparency about finances, grantees, and application processes through public

annual reporting. Congress believed that “No private foundation should be permitted to use the tax laws to carve out a perpetual role in society without having to justify its continued existence to the contributing general public” (Tax Reform Act, 1969, p. 14).

Volunteer trustees and paid staff.

Victoria Foundation began the practice of engaging professional program staff in the late 1960s. For the first 44 years of operation, the volunteer trustees assumed the vast majority of programmatic and administrative tasks, including the development and execution of grantmaking opportunities. Until 1950, Victoria never awarded more than 11 grants in a single year, with a grants budget well under \$100,000. For the next 18 years, until just before the first executive officer was hired, the average number of grants approved each year grew to 25, with a typical grants budget of approximately \$300,000. By 1978, however, the Foundation was making over 100 grants a year, with a budget of nearly \$2 million.

As the corpus grew and the administrative work became more intensive, the shift from volunteer trustees to paid staff was inevitable. Hendon Chubb, his wife, his children, and his close friends and associates who served as trustees handled most of the work during the first 44 years. They developed by-laws, visited potential grantee sites, managed the investments, followed up on past grant awards, disbursed funds, prepared tax returns, serviced IRS audits, published annual reports, and even governed a 24-bed children’s hospital for 16 years. Victoria Foundation was Hendon Chubb’s legacy. He gave a great deal of money and time to it, and at the end of his life expressed that he had “derived a great satisfaction from the Foundation’s work over the years” (Chubb, 1958, p. 36).

When the next generation took over in 1960, the work became even more demanding. Victoria's assets were growing, consuming even more attention and time. And while Percy Chubb 2nd was clearly committed to his father's foundation, he also had responsibilities of his own at Chubb & Son insurance company. The events of the decade from 1960 to 1970 were pivotal in transforming Victoria into a professional and strategically focused foundation. By the late 1960s, the time was ripe for the board of trustees to hand over daily operations of the Foundation to a full-time paid administrator³⁵. Over the next several years, the majority of power, which had rested squarely in the hands of a volunteer board, for the most part migrated to the hired professionals.

In 1968, when Executive Officer Howard Quirk was hired, the Foundation was worth \$21 million and awarded 45 grants totaling \$662,200. Its administrative expenses increased dramatically with Quirk's starting salary of \$19,000. The salary of the executive officer has always been the single largest administrative expenditure, hovering around 20% of total expenses each year. Quirk hired Catherine McFarland as a secretary in 1971 at a starting rate of \$5.00 an hour. He promoted her to administrative assistant in 1974 at a salary of \$8,000 a year, with another promotion in 1979 to program officer at \$17,000 a year. For 16 years, until they hired a secretary in 1985, Quirk and McFarland ably handled the daily operations of Victoria Foundation. McFarland had a great opportunity to prove herself in 1975 when trustees granted Quirk permission to take a yearlong sabbatical in England, returning home for a month during the two grant cycles.

³⁵ Before Howard Quirk was hired, the Foundation employed a few people to provide part-time assistance. Anne Bain served as secretary of the board from 1934 to 1963, Margaret Kenneally was the part-time bookkeeper from 1936 to 1961, and Jean Lippman was the superintendent of the Children's Heart Unit starting in 1942. Lippman became the full-time Assistant to the President in 1955 when the hospital closed. She was earning \$6,600 per year when she retired in 1969.

Over time, staffing levels and administrative costs began to rise closer to industry norms. When Quirk resigned in 1989, he was earning \$77,000 a year. After an extensive national search, trustees selected McFarland to succeed Quirk as executive officer, adding a second program officer to staff in 1992, and a third program officer in 1997. By 2003, there were seven full-time employees: the executive officer, three program officers, a grants manager, an executive assistant, and a receptionist, plus two part-time consultants to assist with bookkeeping and computer technology. The administrative expenses in 2003 were \$949,500, with the executive officer earning \$171,200 or 18% of the total. Until an executive officer was hired, the annual administrative expenses of the Foundation were well under 5% of the total annual grantmaking. Over the next three decades, administrative expenses grew steadily from 5% to 11%. Compared to foundations with similar-sized endowments, however, Victoria's administrative expenses have remained well below the average.

The year Percy Chubb III took over as president in 1982, Victoria awarded 115 grants totaling \$3.8 million. It is hard to imagine volunteer trustees undertaking the work involved in making those grants and complying with all the government regulations during this period. Like his father, Percy Chubb III was also in his prime working years at the Chubb Corporation when he assumed the role of president of the Foundation. By the time Corinne Chubb passed away in 1997, the transition of power from committed volunteers to paid staff was complete. The president of the board worked closely with the executive officer, the treasurer was responsible for monitoring expenditures and investment policies, and a handful of trustees joined staff at occasional site visits. Trustees came together twice a year in May and November to attend program committee

meetings and full board meetings to discuss high-level policies, and to vote on a slate of grants, which had been rigorously vetted and recommended by staff. Only on rare occasions did trustees not approve all the grants presented by staff. A third annual board meeting was added to the schedule by Percy Chubb 2nd in 1977. Known as the “unstructured meeting,” this was a time for board members to discuss broad policies, strategic program direction, grantee effectiveness, and anything else that was on the mind of a particular trustee, without the distraction of approving grants or conducting other Foundation business.

The next chapter examines in detail Victoria’s grantmaking from its inception in 1924, with special attention given to the years its grantmaking focused on the city of Newark from 1964 to 2003.

CHAPTER 5

Victoria Foundation Grantmaking

The Early Years from 1924 to 1963

Under the leadership of Hendon Chubb, the early years of Victoria Foundation's grantmaking were eclectic and closely aligned with the founder's interests and personality. The Foundation's original Certificate of Incorporation was filed with the New Jersey Secretary of State on December 29, 1924, with the following charter:

The purposes for which said corporation is formed are: To carry on, institute or aid in charitable activities of a general character, including all those matters which come under the head of social services or relief work, whether in connection with hospitals or otherwise, and also to aid in the betterment of the housing problem by the erection, maintenance and operation of model tenements or other dwellings, and to devote the avails of any or all of the activities of the corporation to charitable purposes... This corporation is organized and operated solely and exclusively for charitable purposes and no part of its net income shall enure [sic] to the benefit of any individual having a personal and private interest in the activities of the corporation. (VF Certificate of Incorporation, 1924)

In its first 15 years, trustees approved 26 grants totaling \$104,400. This period covered the Great Depression years, and many grants supported emergency relief or convalescent care services for individuals residing in Essex County. Trustees made these grant recommendations in a reactive manner based on the profile of an individual's circumstances and request for help that were submitted to the Foundation from local community-based organizations. These early grants, typically a few hundred dollars each, covered expenses for miscellaneous needs such as coal, dentures, or rent and were characterized as loans to preserve the recipient's dignity with no expectation of repayment. Trustees instituted the Convalescent and Relief Fund in 1925 to support these types of emergency requests, until the regulations included in the Tax Reform Act of 1969 made it difficult to award such intimate grants to individuals. This type of early

charity was very personal and fulfilled Hendon Chubb's fundamental impulse to help those less fortunate.

Chubb was committed to the township of Orange, where he spent his adolescent years, and initially limited all Victoria grantmaking to Essex County where Orange is located. The first charitable expense of Victoria Foundation was \$2,000 in 1925 to pay for a survey of the housing situation in Orange. The original charter included a commitment to address the housing problem; however, the survey data did not lead to any housing-related grants. It was not until the 1970s that the Foundation began to support the construction of affordable housing for low-income residents of Newark.

In 1927, the first official grant of \$5,000 was approved to support capital improvements to the headquarters of the local Girl Scouts. Also in 1927, the Foundation made its first grant that would become an annual tradition: \$1,500 to the Welfare Federation of the Oranges, the social service organization that Hendon Chubb had helped found 20 years earlier. Victoria trustees approved the Foundation's first education grant in 1934, awarding \$1,500 to support a character-building program known as Knighthood of Youth in several local public schools. An ad hoc committee, which included Corinne Chubb, was formed to investigate that opportunity and make a recommendation. The committee also visited the program once it was in operation and recommended a second and final grant of \$3,300 in 1936. Unbeknownst to the trustees at the time, preK-12 education would become the Foundation's largest grantmaking focus area, with a total investment of \$57 million from 1964 to 2003.

The annual grantmaking from 1924 to 1963 depended primarily upon the income generated from the Foundation's stock holdings. As alluded to in Chapter 4, Chubb &

Son was expanding into new insurance ventures and its stock value increased significantly. Figure 5.1 below lists the grantmaking totals by decade and includes a graph that illustrates the dramatic growth in Victoria's endowment from \$1 million in the late-1930s to more than \$20 million in the early 1960s.

	Total Grants Paid by Decade	Total # Grants by Decade	Total Expenses by Decade
1924 – 1933	\$16,500	6	\$42
1934 – 1943	\$325,500	50	\$2,430
1944 – 1953	\$911,000	98	\$15,100
1954 – 1963	\$3,200,100	255	\$79,100
1924 – 1963 Totals	\$4,453,100	409	\$96,672

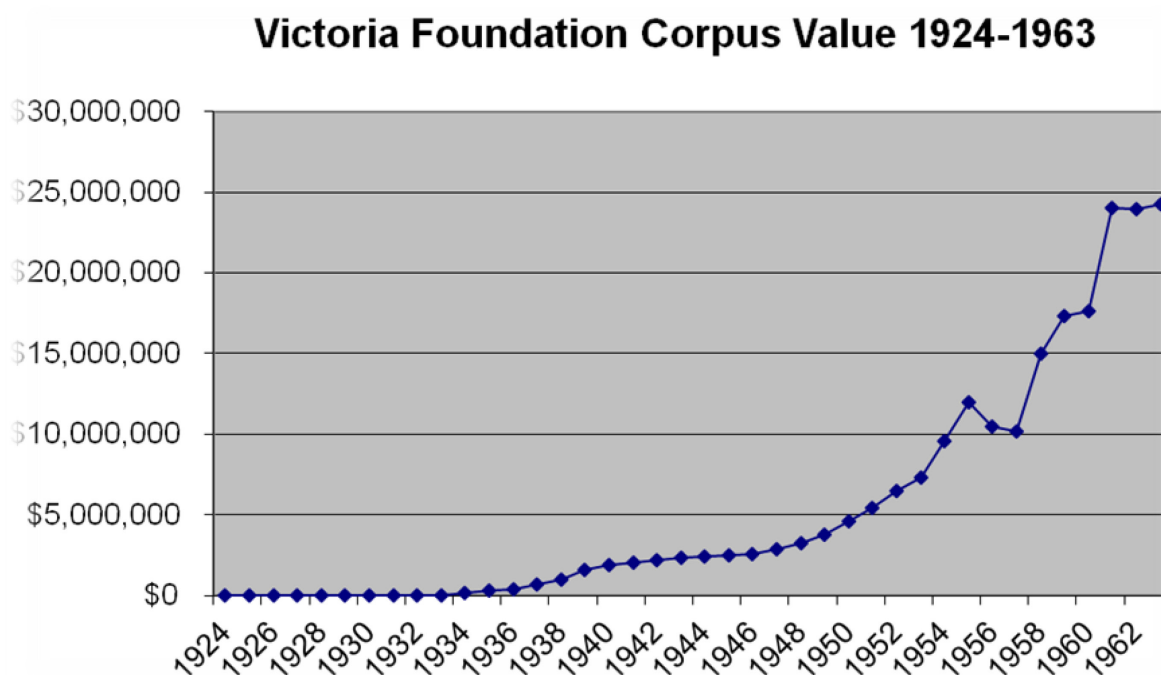


Figure 5.1. Grantmaking By Decade and Value of Corpus From 1924 to 1963

Children's Heart Unit.

When Hendon Chubb's daughter Margaret was 12 years old, she was bedridden for two years with rheumatic fever. In his day, rheumatic fever was the leading cause of

death among children in the United States. Armed with a vehicle to address this disease, Chubb engaged a cardiac physician to look into establishing a heart convalescent institution. The doctor investigated several hospitals in Boston and Philadelphia and recommended a model focused on the needs of children suffering from rheumatic heart disease.

At the October 1938 trustees' meeting, a grant of \$20,000 was approved to renovate and furnish a building in Morris Plains, New Jersey, to serve as a sanatorium for children suffering from rheumatic fever. The facility was owned by Aldernay Dairy Company, which charged the Foundation \$1 a year rent, plus taxes and repairs. In November 1939, the Foundation entered a new phase of operations, running the Children's Heart Unit (CHU), a 24-bed hospital. Trustees continued to make a handful of annual grants to individuals and nonprofits, including grants totaling \$95,000 to the American Red Cross to support the War Relief Effort from 1941 to 1946, but the children's hospital was the principal recipient. The CHU provided diagnosis, treatment, convalescence care, and follow-up services. Foundation trustees were extraordinarily hands-on, dividing themselves up into several new CHU committees, including professional services, finance, education and entertainment, social services, executive, and the medical board. The Foundation's charter was amended in 1939: "to establish, maintain, and operate a sanatorium or sanatoria for treatment and care of all the various manifestations of rheumatic and cardiac diseases" (VF Articles of Incorporation, 1939).

Victoria's shift in 1939 to design and operate a hospital for children with rheumatic fever was especially personal to Hendon Chubb. By today's standards, managing the CHU would be the purview of an operating foundation, which would carry

certain tax and other regulatory implications. In the 1940s and 1950s, however, there was virtually no government oversight of how private foundations operated, and Victoria trustees were thinking out of the box and being innovative with their resources.

In September 1940, \$53,000 was appropriated for the CHU, which included \$38,000 for medical equipment. From 1939 to 1955, the Foundation spent \$814,600 on CHU operations³⁶, representing 60% of the total charitable expenditures of \$1,355,400.



Figure 5.2. Children Convalescing at the Children's Heart Unit (VF Historical Photos)

Percy Chubb III spent 11 months as a patient in the CHU in 1949 when he was 12 years old. He recently reminisced about this experience:

³⁶ When converted into 2012 dollars using the consumer price index inflation calculation, the \$814,600 invested in the CHU grows to more than \$8 million.

The first time I knew that there was a Victoria Foundation was when they took care of me for a year. I knew it was my Grandpa's hospital. I can even sing you the hospital song, [singing] "Greetings to Mr. and Mrs. Chubb who come to join us now and then!" There were about 30 kids. Mother of course originally put me to bed in the house in Chester. It was horrible. I sat there all alone, sitting in my bed. Everyone else did what they did. She finally said "You're getting too fat. Maybe you should go to the Victoria place." And I was "Hey! I can get out of here?" They had teachers that came in. It was a bit rudimentary. I was so far ahead, they weren't ready to handle me... They took blood three times a week and I had horrible scars. When Grandpa Chubb started the Victoria Heart Hospital he made it a point that anyone was admitted, ages eight to 14, and no money was necessary. [Hendon] would come by and shake everyone's hands. It was open to girls and to members of all other races, all in the hospital together. It was very unusual what Grandpa did in 1940, having a sex-blind and race-blind group like that. (P. Chubb, Personal Communication, August 13, 2013)

Despite Percy Chubb III's reference to "race-blind" admissions policies and photographs of the CHU showing children of different races arranged on single beds on the front lawn (see Figure 5.2, p. 136), the minutes from the April 1941 board meeting raised the question of a separate hospital to serve African American patients:

Miss Walton and Marion Garrison presented for consideration the question of a convalescent home specifically for colored people saying that no such place existed at the present time and was much needed. The President felt that it was quite out of the question for the Foundation to undertake such a project but that it might be interested in helping out with such a proposition if started by others. (VF Board Minutes, 1940)

No other mention of racial issues in connection to the CHU appears in the historical minutes.

The CHU operated for 16 years until the advent of antibiotics led to a dramatic decline in rheumatic fever-related deaths. While it was active, it served as a national model of excellence. The Crippled Children's Commission gave it a very favorable report. The average length of stay for its young patients was half that of similar facilities (five months versus a year or more), and healthcare professionals from around the country visited the facility to better understand the high standard of care offered. When

the CHU closed in 1955, more than 500 children had been served, with follow-up services often lasting many years. The Foundation made special arrangements with Morristown Memorial Hospital to continue to provide any necessary follow-up care to CHU patients. Hendon Chubb was proud of the CHU, stating, “I consider the contribution we have made to be a great contribution toward human good... Trustees should be gratified by the evidence that a large number of children who have been treated have been given a lasting foundation for living a useful and happy life” (VF Board Minutes, 1955).

When rheumatic fever was essentially eradicated in the mid-1950s, the Foundation entered a new chapter, turning its attention to institutional giving. It still made a handful of small grants to individuals for hardship cases, but the corpus was growing rapidly while requests for such assistance were declining as economic conditions in the country improved. In 1953, Hendon Chubb initiated a bold 15-year partnership with Yale Medical School, allocating more than \$1 million in total grant support. It is likely that this school was selected because Chubb had graduated from Yale at Sheffield. The goal behind this investment was to have a greater impact on the treatment of children with cardiac illness, beyond what was possible with the CHU. The grants to Yale Medical School helped to establish a special unit for the care of young people suffering from heart disease and for research to advance methods of diagnosis and treatment. Specifically, the grants covered two salaried positions—the Victoria Fund Associate Professor of Surgery and the Victoria Fund Assistant Professor of Pediatrics—as well as technician services and laboratory equipment. The Foundation’s 1962 annual report referenced the country’s first successful operation, performed by Dr. Michael Hume, in which a heart-lung

machine was substituted for a woman's own heart and lungs while her injured aorta was being repaired. Vernon Lippard, dean of Yale Medical School, stated:

Grants from the Victoria Foundation have paid part of the salary of Dr. Hume for several years. The operation was performed in the Victoria Foundation Cardiovascular Surgical Operating Suite. The Foundation played a very large part in the dramatic recovery of this mother who certainly would have died if she had not been so fortunate as to have been brought to a medical center where both skills and equipment were available. (VF Annual Report, 1962, p. 3)

Victoria's endowment grew from \$1 million in 1938 to \$24 million in 1963. In just one remarkable year, between 1957 and 1958, the corpus of the Foundation increased in value from \$10 million to \$15 million. The increased endowment led to a greater number of annual grants. By the mid-1950s, the Foundation was approving 20 to 30 grants a year in the following funding categories: Health and Medicine, Higher Education, Children and Youth, Rehabilitation, and Social Welfare. In 1958, trustees reviewed their grantmaking strategies and determined that with a handful of exceptions, the primary policy should be to restrict grants to one-time specific purposes and not to make contributions to the annual budgets of nonprofit organizations. Trustees did not want to create a dependency on Victoria funding, and they wanted to ensure that grant funds would be available to address initiatives as they surfaced. The theme of avoiding the trap of committing most of the Foundation's resources to the ongoing operating expenses of nonprofit organizations was a recurring theme in the historical minutes. In the 1959 annual report, trustees noted their continued commitment to provide emergency aid to individuals in need through the Foundation's Special Relief Fund, but made it clear that "in no case is this assistance extended until after a full report by some qualified community organization" (VF Annual Reports, 1959, p. 1).

When Hendon Chubb died, he left the following instructions concerning the ongoing operations of Victoria Foundation:

I want the work of the Foundation to be carried on as seems best in the judgment of the Trustees and every decision to be made on the basis of how can the best use be made of the money and not limited in any way by the thought this is what HC [Hendon Chubb] would have wished. I only want it used for human benefit without directions from a dead hand. (VF Board Minutes, 1960)

With the changing of the guard from father to son in 1960, Victoria was poised to start a new chapter, taking a dramatic turn as it entered its next 40-year period.

Becoming a place-based foundation.

From the mid-1950s to 1961, an occasional grant was awarded to a community-based organization situated in Newark. For example, in 1955, trustees approved a grant of \$500 to the Welfare Federation of Newark. The shift toward increased giving in Newark began incrementally in the early 1960s, though the minutes do not reveal any intentional redirection of resources. Both the percentage of grants connected to Newark institutions and the total amount of funds focused on Newark grew considerably from 1960 to 1964, as seen in Table 5.1 that follows.

Table 5.1

VF Grants Focused on Newark from 1960 to 1964

Year	Total Grants Awarded	% Newark	Total Newark Grants	Total # Grants Overall	Total # Newark Grants
1960	\$298,900	1.8%	\$5,000	17	1
1961	\$322,300	3.9%	\$12,600	23	3
1962	\$703,000	12.8%	\$90,000	32	5
1963	\$406,000	28.3%	\$114,900	30	9
1964	\$397,600	38.4%	\$152,700	31	5

The total grants for 1962 of \$703,000 included the release of funds that had been previously set aside in a Building Fund Reserve³⁷. The Foundation approved 30 grants in 1963, totaling \$406,000. These grants ranged broadly from healthcare to higher education to children and youth to general social welfare. Most grants supported one-time capital needs or equipment because the trustees continued to insist that they did not want to commit to the ongoing annual budgets of nonprofit organizations. Half the grants supported agencies and institutions outside of Essex County, including six outside of New Jersey. Nine grants totaling \$114,900 were directed to Newark agencies.

The change in leadership at Victoria from father to son in 1960 coincided with a period of significant endowment growth and facilitated the transition to place-based philanthropy. Percy Chubb 2nd created a Program Committee, which quickly developed a long-range plan calling for trustees to allocate at least half of the available funds each year to a single Victoria-initiated project, with the remaining funds apportioned to smaller miscellaneous efforts. One early suggestion offered by the Program Committee for consideration of a major Victoria initiative was to support students from third world countries studying in the United States, who intended to return to their countries of origin. While this program idea did not take root, the notion of spending several hundred thousand dollars each year on a single long-range signature project was on the minds of all Victoria trustees in the early 1960s. The Program Committee developed an important principle for trustees to consider when choosing what major effort to fund next, urging

³⁷ In the early 1950s, the Foundation set aside \$300,000 in a Building Fund Reserve intended to replace the CHU facility in Morris Plains. The building was made of wood and was deemed to be a fire hazard, and it was getting more and more difficult to secure the proper licenses to operate the program. When the incidence of rheumatic fever plummeted, trustees terminated the CHU. In 1962, trustees allocated the remaining balance of \$210,000 from the Building Fund Reserve to support capital projects at: Yale Medical School (\$100,000), Morristown Memorial Hospital (\$100,000), and St. Barnabas Hospital in Livingston (\$10,000). The release of this reserve fund significantly increased the grants budget in 1962; it would not be surpassed until 1970.

trustees to select “a project where Victoria’s flexibility and freedom from red tape can make it effective despite the limited size of its resources as compared with the giant foundations” (VF Board Minutes, 1963).

The Program Committee was vetting several ideas when Percy Chubb 2nd disclosed his interest in the problem of educating children living in poverty. He was very specific about his intention for the Foundation’s next major investment in his May 1964 President’s Report:

What I am raising is the broader question as to whether the Foundation should seek out an opportunity, on a pilot-plant basis, to work with a selected public school in New Jersey in an effort to determine over a, say, three-year period what results could be obtained by intensive education of a group of children from underprivileged backgrounds, enabling them to bridge the gap created by their home environment and to move forward throughout their educational career on a parity with children whose homes are more fortunately situated. What I have in mind would be a grant of reasonably substantial proportions which could be utilized to supplement the teaching skills available to the school in question, and to study the results on a controlled basis. (VF Board Minutes, 1964)

Percy Chubb 2nd established a Study Committee to analyze the problem of improving the education of children living in poverty, charging it with the development of a pilot project. He appointed Corinne Chubb (his wife) to chair this new committee, which was provided with an appropriation of \$10,000 to support its planning efforts. The results of the Study Committee’s recommendations would fundamentally alter the future strategic direction and focus of the Foundation.

The Study Committee worked diligently from May to November 1964 to develop a strategy that would realize the president’s vision. Corinne Chubb and her sister-in-law Margaret Parsons talked to a range of experts from the Urban Studies Center at Rutgers, the Ford Foundation, and the New Jersey State Superintendent’s Office. Corinne Chubb and Parsons tried to involve the Newark school district during the summer of 1964,

meeting with its superintendent, Dr. Edward Kennelly, and the president of the Newark Board of Education, Dr. Harold Ashby. Corinne Chubb was discouraged by the lack of interest shown by Newark and expressed the possibility of changing to Jersey City. The winds shifted back toward Newark in September, however, when Dr. Paul Van Ness, the district's assistant superintendent in charge of elementary education, strongly embraced the Victoria Foundation initiative. At the November 2, 1964, Victoria board meeting, trustees approved a grant of \$130,000 to support "A Call to Learning: The Newark-Victoria Plan"³⁸—A Plan for an Experimental Pilot Project to Develop a More Productive Educational Program for Young Children Living in Culturally Disadvantaged Areas." Trustees envisioned this as a four-year initiative, with Victoria covering 100% of expenses in year one, shifting the financial burden by 25% each year to the Newark Board of Education. By 1964, the Foundation's grant support to Newark was increasing, especially with the launch of the Newark-Victoria Plan (NVP), but there was still no explicit intention on the part of trustees to make Newark its primary focus.

The figures in Table 5.2 below illustrate the growth in the percentage of the Foundation's grant support focused on Newark throughout the 1960s. More than one-third of the grant total in 1964 benefited residents of Newark. Five years later, 78.2% of the grant total supported Newark causes.

Table 5.2

VF Grant Totals From 1960 to 1969 With Newark Percentages

Year	Grant Total	% Newark
1960	\$298,900	1.8%
1961	\$322,300	3.9%
1962	\$703,000	12.8%

³⁸ The Newark-Victoria Plan is explored in detail in Chapter 6 of the dissertation.

Year	Grant Total	% Newark
1963	\$406,000	28.3%
1964	\$397,600	38.4%
1965	\$401,900	35.7%
1966	\$452,500	55.3%
1967	\$486,400	68.5%
1968	\$562,800	69.5%
1969	\$662,200	78.2%

NVP was initially conceived as a four-year partnership with the Newark Board of Education, but it lasted 19 years, with a total Foundation investment of \$2.5 million. Of the 31 grants approved by trustees in 1964, only five were focused on Newark; however, the grant of \$130,000 to initiate NVP represented one-third of the total. By landing a major Victoria-driven education project in the city of Newark, the Foundation was positioned to grow its philanthropy there. A confluence of factors led to trustees' decision to become a place-based foundation focused on Newark, an urban municipality located within 10 miles of most Victoria trustees.

A year following the launch of NVP, the forward-thinking Percy Chubb 2nd appointed a Long Range Committee to develop program ideas for the next major investment area. In 1966, the Long Range Committee crafted several guidelines related to the “how” of future major initiatives, including setting an annual limit of \$250,000, reserving ample funds to support a range of community organizations concurrently. The Committee also stipulated that the next signature project should be construed as a pilot, with no expectation of long-term annual support. Although the Committee did not specify what or where the next big project would be, it developed a roadmap to steer trustees toward an initiative based on the sharp disparity of wealth at that time:

It would be most appropriate if this program could be directed at some phase of “The Poverty Gap,” in an area where Victoria’s flexibility could make a unique contribution not available from federal funds or from grants from the giant foundations. As used in this report, “The Poverty Gap” refers to the broad complex of social problems arising from the increasing disparity in wealth and opportunity between the generally high level enjoyed in the United States and that which exists in poverty centers. Phases of this gap which might be considered include, but are not limited to, education, employment (including training, placement and motivation), housing, health (including the narcotics problem) and social services. (VF Board Minutes, 1966)

Another factor in the transformation of Victoria into a full-fledged, place-based philanthropy was the recruitment of Robert Lilley as a trustee in May 1967, less than a month before rioting broke out in Newark. Percy Chubb 2nd immediately appointed Lilley to the Long Range Committee.

The seminal event that pushed Victoria Foundation to commit the lion’s share of its financial resources into addressing poverty-related challenges in Newark was the 1967 riots, sometimes referred to as a rebellion (on local terminologic preferences, see p. 44, note 11). On July 12, 1967, riots broke out in the Central Ward of Newark on the heels of a rumor that several White police officers had beaten a Black taxicab driver to death. The state police and National Guard were called in to restore peace, but they only served to exacerbate an already volatile situation. After five days of burning and looting, 26 people were dead, 725 were injured, 1,500 were arrested, and millions of dollars of property damage was inflicted (Cunningham, 2002).

Victoria trustee Robert Lilley chaired the Governor’s Select Commission on Civil Disorder and produced *Report for Action*, a landmark study with 99 recommendations that evolved out of information gleaned from 65 public meetings, and interviews with 106 witnesses, including the taxicab driver, John Smith, whose arrest and treatment sparked the riots (“Governor’s Select Commission,” 1968). Figure 5.3 is a photograph of

a National Guardsman patrolling a street in Newark in front of a retail establishment with “Soul Brother” inscribed on the window indicating that it was owned by an African American and therefore should not be looted.



Figure 5.3. National Guardsman Patrolling a Street in Newark During the 1967 Riots (New Jersey Historical Society photo reprinted with permission)

In its Findings, the “Lilley Commission” determined that:

There is evidence of prejudice against Negroes during the riot on the part of various police and National Guard elements. This resulted in the use of excessive and unjustified force and other abuses against Negro citizens. The damage caused to a large number of stores marked with “Soul” signs to depict non-White ownership reflects a pattern of police action for which there is no possible justification... These raids resulted in personal suffering and economic damage to innocent small businessmen and property owners who had not participated in any unlawful act. It embittered the Negro community as a whole at a time when the disorders had begun to ebb. (“Governor’s Select Commission,” 1968, pp. 143-144)

The Newark riots and Lilley's experience on the Commission strongly influenced Victoria's core work and future course.

Three months following the riots, Percy Chubb 2nd called an emergency joint meeting of the Program Committee and the Long Range Committee. He asked Lilley to present his analysis of the situation in Newark. Based on Lilley's assessment, the two committees agreed to explore several Newark-based proposals, including the creation of an information and referral organization to be located in the Central Ward, the epicenter of the riots. At the first full board meeting following the Newark riots on October 24, 1967, Percy Chubb 2nd pronounced to the full board that, "The Program Committee, at their joint meeting with the Long Range Committee on October 10th, decided to recommend that a significant portion of Victoria funds be utilized in connection with the urban crisis, particularly as it relates to the city of Newark" (VF Board Minutes, 1967). Of the \$486,400 in grants approved by Victoria trustees in 1967, 68.5% were focused on Newark.

A second joint meeting of the committees was held on January 16, 1968 to further discuss the establishment of a referral center in Newark. Trustee Margaret Parsons reported on a lengthy discussion she had with Whitney Young, executive director of the National Urban League, on the concept of an information and referral center. According to Parsons, Young believed that "it would not be difficult to find a young Negro as director, but felt a salary of \$15,000 would be necessary to attract the proper person" (VF Board Minutes, 1968). Victoria trustees were once again in entrepreneurial mode as they developed preliminary plans for the new center, agreeing to commit at least \$100,000 to

cover three years of support³⁹. Percy Chubb 2nd asked trustees for the authority to approach specific people in Newark who might ultimately serve as trustees of this new organization and invite them to draw up concrete plans. As Victoria trustees immersed themselves more and more into addressing the ills of Newark, Percy expressed his intention to terminate the Foundation's long-term relationship with Yale Medical School to shift resources to these new place-based strategies. Thus, the final grant of \$50,000 to Yale Medical School to promote improved treatment of heart diseases in children was awarded in 1968, ending a 15-year partnership with grants totaling \$1,053,500. Shortly thereafter, in June 1968, Victoria hired its first paid executive officer, Howard Quirk, whose first assignment was to investigate unmet needs in Newark that the Foundation might reasonably respond to.

The Newark Years from 1964 to 2003

For the purpose of this dissertation, the Newark years begin in 1964 when the Foundation initiated its long-term partnership with the Newark Board of Education. Absent that signature endeavor, which immersed trustees into Newark's urban affairs and cemented key relationships, it is uncertain whether Victoria would have become as Newark-centric as it has.

In its first four decades, Victoria granted \$4.5 million, a pittance compared to its grantmaking of \$165.2 million during the Newark years. Table 5.3 on the next two pages lists the grant totals, administrative expenses, and excise taxes paid by decade from 1964 to 2003, followed by two graphs indicating the annual endowment values and annual grant totals. While there were 10 times as many grants awarded in the second four

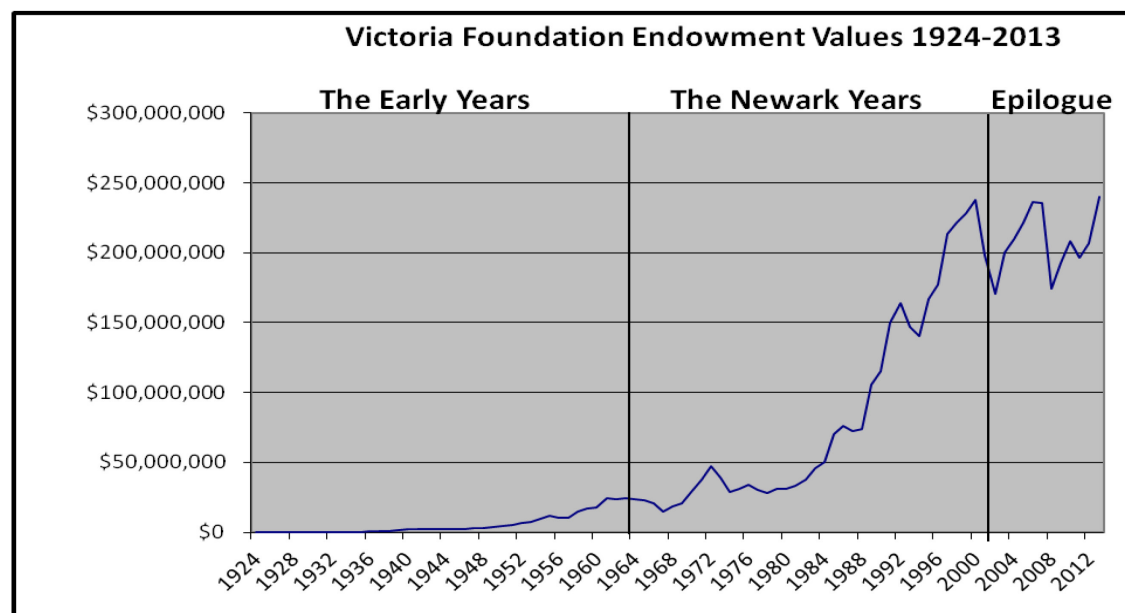
³⁹ From 1968 to 1970, the Foundation awarded \$188,000 to the newly established Community Information and Referral Center located in the heart of the Central Ward of Newark.

decades (4,151 grants versus 409), the total amount of grant dollars expended was 36 times greater. The primary reason why the endowment values and grantmaking was so much larger during the Newark years, as evidenced in the two graphs that follow, was because the Foundation's endowment comprised the Chubb stock that Hendon Chubb donated and the Chubb Corporation expanded mightily starting in the 1960s, resulting in huge increases to the value of its shares of stock.

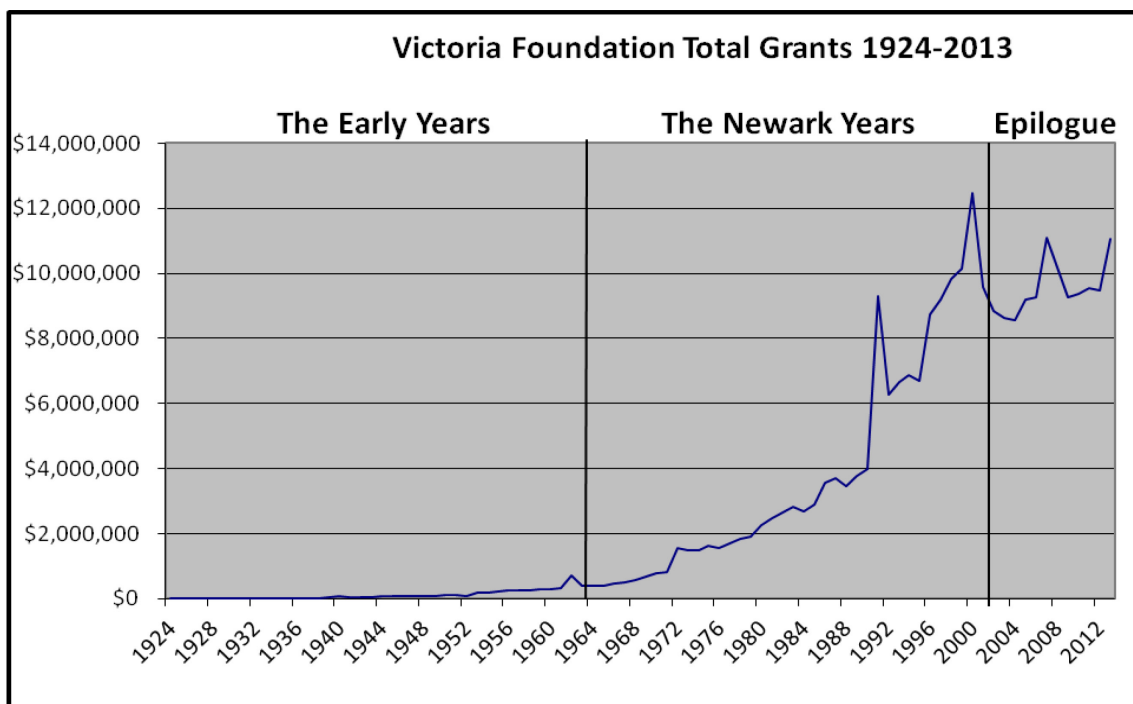
Table 5.3

Grantmaking By Decade, Annual Endowment Values, and Annual Grants

	Total Grants Paid by Decade	Total # Grants by Decade	Total Expenses by Decade	Total Excise Tax by Decade
1964 – 1973	\$7,603,800	434	\$278,800	⁴⁰ \$342,400
1974 – 1983	\$20,363,200	1,029	\$1,086,500	\$691,300
1984 – 1993	\$46,324,500	1,353	\$3,504,600	\$1,171,800
1994 – 2003	\$90,924,100	1,335	\$10,647,100	\$3,214,700
1964 – 2003 Total	\$165,215,600	4,151	\$15,517,000	\$5,420,200



⁴⁰ As a consequence of the Tax Reform Act of 1969, Victoria Foundation paid federal excise taxes for the first time in 1970.



Victoria Foundation is considered a place-based philanthropy because the vast majority of its giving is focused on one local geographic region. This section describes the Newark-specific grantmaking practices of Victoria from 1964 to 2003, when more than 4,000 grants totaling \$146.6 million were approved to improve the quality of life for Newark children and families. Another \$18.6 million in grants were approved from 1970 to 2003 to support environmental causes and open space preservation, primarily in the New Jersey Highlands and the Pine Barrens.

Fortuitously, as the grantmaking centered increasingly on Newark beginning in 1964, the Foundation's endowment was significantly increasing in value. Increased payout requirements stemming from the Tax Reform Act of 1969 led to some extraordinary increases in grants paid from one year to the next. For example, the total grantmaking in 1972 (\$1,557,600) was nearly double that of 1971 (\$806,300). Table 5.4 on the next page indicates the remarkable growth in the value of the Foundation's corpus

by decade starting in 1964. The Foundation was worth \$200 million in 2003, more than eight times what it was worth in 1964, with the biggest jump between 1984 (\$50M) and 1994 (\$140M). The growth in value stems from the increase in the share price of its Chubb stock as well as gains in other investment holdings over 40 years.

Table 5.4

The Value of VF Corpus From 1964 to 2003

Year	VF Corpus	Total Grants	Newark Grants	% Newark
1964	\$24,033,800	\$397,600	\$152,700	38 %
1974	\$31,013,300	\$1,491,900	\$995,100	67 %
1984	\$50,234,000	\$2,676,800	\$1,975,500	74 %
1994	\$140,112,900	\$6,878,000	\$5,887,600	86 %
2003	\$199,944,900	\$8,619,400	\$7,076,500	82 %

The first Newark grants.

Prior to the “official” Newark years, Victoria made a handful of grants to Newark-based nonprofit organizations including a 1949 grant of \$1,000 to the Youth Consultation Service, which provided counseling to troubled youngsters throughout Essex County, and a 1955 grant of \$17,500 to the Hospital of Saint Barnabas for its cleft palate, cleft lip, and hearing clinic. The first grant intended to specifically benefit poor Newark residents was a 1957 grant of \$5,000 to Fuld Neighborhood House, a settlement house named in honor of Caroline Bamberger Fuld, whose family founded the Bamberger and Co. department stores. In 1959, the Foundation began its longest association with a Newark-based organization, when it approved a grant of \$10,000 to the Essex County Committee of Planned Parenthood⁴¹. Marion Garrison, a longtime Victoria trustee and a staunch advocate of family planning, prompted her fellow trustees to fund this controversial agency (see further discussion on p. 262).

⁴¹ Victoria has awarded continuous grants to Planned Parenthood from 1959 to 2013 totaling \$1.9 million.

Launched in 1964, NVP was the Foundation's first major investment in Newark and involved the adoption of the Cleveland School in the Central Ward. Over 19 years, Victoria provided substantial resources to create a model school that was intended to dramatically improve the academic outcomes of its pre-K through sixth-grade students. The Foundation invested nearly \$2.5 million on NVP, paying the salaries of 10 to 12 supplemental educators each year and supporting three community-based agencies that provided counseling services and crisis intervention to the children and families connected to the school. The Foundation hoped that the experiment would be so successful that the Newark Board of Education would implement the model in other low-performing schools. Although that ambitious goal was not realized, NVP was credited for operating the district's first pre-K classrooms and developing an early-childhood curriculum that was adopted by the other elementary schools in Newark.

Corinne Chubb served as chair of the NVP Committee. She frequently volunteered at the Cleveland School and regularly reported her impressions at Victoria board meetings. The first grant approved to launch NVP was \$130,000, the largest expenditure for a single initiative at that point in the Foundation's history. Throughout the 19-year partnership with the Newark Board of Education, the Foundation spent approximately 10% of its grantmaking budget on this initiative.

Newark grants in the aftermath of the riots.

NPV was starting to take root when the 1967 riots occurred, spurring Foundation trustees to commit the bulk of its giving to New Jersey's largest city. Trustees took a broad, holistic view to determine which organizations to support that might lead to improved quality of life for Newark residents, making grants related to education,

behavioral rehabilitation, children and youth, neighborhood development, social welfare, and culture. To make room for increased Newark giving, general grants related to health and medicine were phased out. At least two trustees were persuaded to join the Foundation's board 10 years after the riots because of Victoria's commitment to Newark, as noted in the board minutes:

Trustees Sandy Millspaugh and Bob Curvin, the most recent to join the Board, noted that it was Victoria's deep commitment to the problems and aspirations of Newark which had persuaded them to serve the Foundation. Curvin added that Victoria's image in Newark is one of personal involvement in which trustees as well as staff are in constant touch with agencies and needs. (VF Board Minutes, 1977)

There was one grantmaking area not specifically focused on Newark that emerged in the early 1970s, when the Foundation invested about 10% of its grants on statewide environmental issues. Victoria trustees attempted to make a connection between the urban struggles of Newark and its environmental grantmaking. The Foundation's 1974 annual report included the following comments:

Along with scientific exploration and the preservation of land for permanent public availability and use, Victoria has sought to promote greater cooperation and recognition of shared objectives between environmentalists and persons dedicated to urban revival. The guiding assumption in this quest is that the failure of either cause will ultimately bring disaster to the other as well. (VF Annual Reports, 1974, p. 15)

From 1970 to 2003, trustees approved \$18.6 million in environment-related grants, with the most substantial funding allocated to the conservation of open space. During this period, Victoria helped to permanently conserve more than 30,000 acres in the most environmentally-sensitive areas of the state. Staff and trustees treated environment-related grants separately from the rest of the Newark-focused docket areas.

Like the phoenix emerging from the ashes, several important Newark organizations came into existence within a few years of the riots. In many cases, Victoria awarded these agencies their first grant, and in some cases, Foundation trustees spearheaded the creation of organizations to address critical unmet needs. Two notable examples of Victoria-initiated projects include Community Information and Referral Services, an organization that helped indigent Central Ward residents access resources, and Victory House⁴², a halfway home for youth returning from incarceration with no other place to go (named to acknowledge support from the Foundation). Two instances where Victoria helped launch an institution by awarding seed funding included the Chad School, a Black-operated private elementary school envisioned as an alternative to the failing public schools, and New Community Corporation, a multi-service neighborhood-based organization that specifically targeted the Central Ward, the area that bore the brunt of the destruction connected to the Newark riots.

In 1968, newly hired Executive Officer Howard Quirk was charged with identifying worthy grantees in Newark, with an emphasis on “grassroots, crisis-oriented organizations, operating under Black leadership in predominantly Black areas and addressing themselves to Black problems” (VF Annual Report, 1968, p. 2). At a time when many families, workers, and institutions were fleeing Newark, Victoria Foundation was jumping in headfirst. From 1967 to 2003, nearly 90% of all grantmaking benefited children and families residing in Newark. Quirk spent much of his time meeting with leaders from all walks of life to determine what the most pressing issues were. The

⁴² After a few years of Victoria funding, the New Jersey Bureau of Children’s Services awarded Victory House a contract covering 80% of ongoing operations.

Foundation's annual reports made many references to the Newark riots. For example, the 1969 report stated:

The Newark riots in July 1967 called attention to the summer as a period of unique circumstances and need. The Foundation began to focus on the unusual problems and opportunities which arise when 85,000 schoolchildren—a bulk of them from substandard economic circumstances—are released onto the hot pavement. Consequently in 1968, two summer programs were launched and by 1969 the number had grown to seven. (VF Annual Report, 1969, p. 3)

Interestingly, there is no direct reference in the historical board minutes to the Newark *riots*, though other terms such as *urban crisis* are used.

Another early focus of Victoria's place-based grantmaking related to the growing problem of drug abuse among juveniles, and the rehabilitation of youthful law offenders. Throughout the 1970s and early 1980s, the Foundation allocated about \$3 million in grants to fund an array of programs that attempted to decrease the recidivism rates of juvenile criminals and drug abusers. The results of this grantmaking were mixed. While several of the model halfway homes Victoria helped launch were taken over and paid for with government contracts, efforts to treat substance abuse were less successful, as openly acknowledged in the 1980 annual report:

Candid disclosure also requires mention of Foundation goals which have proved unsuccessful. The presumption that drug treatment programs were the best antidote to addiction flourished in the late 1960s and early 1970s. However, a preponderance of such centers, including most of those supported by Victoria, disappointed their backers. The old adage that "an ounce of prevention is worth a pound of cure" was underscored and became an influence in re-direction of some of the Foundation's efforts in this area. Similarly, the notion that residential treatment centers for delinquent youth should exist within the surroundings from which the miscreants came has thus far proved quixotic. (VF Annual Report, 1980, p. 10)

Alternatives to public education.

By the early 1980s, it was becoming apparent to Victoria staff and trustees that the Foundation's resources and good intentions were insufficient to effectively address

Newark's dysfunctional public school system. When the Newark Board of Education decided to terminate NVP at the Cleveland School in 1983, the Foundation discontinued all direct support of the district. Foundation leaders continued to believe strongly that a high-quality education was a ticket out of poverty and they unanimously agreed to ratchet up their support of alternative options for Newark parents.

Several private schools were launched in Newark shortly after the 1967 riots and enjoyed grant support from Victoria, including Link Community School, United Academy, Newark Boys Chorus School, and Chad. One of the most heart-wrenching grantor/grantee relationships in the history of Victoria was related to its long-term support of the Chad Schools⁴³ (a private elementary and high school), which were founded by Black community activists who were troubled by the poor quality of education provided by the public schools. From 1968 until their closure in 2005, Victoria invested more than \$4 million in grant support to the Chad Schools.

Victoria began its support of Roman Catholic parochial schools serving Newark children in 1964 with its support of Queen of Angels, the parish school of the first African American Catholic church in Newark⁴⁴. From 1964 to 2003, Victoria awarded \$13.7 million in grants to support more than a dozen parochial and other religious schools in Newark. This support represented 8.2% of all Newark grantmaking during those years. These schools were viewed as safe and nurturing by Victoria trustees, who also appreciated the concept of a values-based education. The number of parochial schools receiving Victoria support peaked in the mid-1980s after the Foundation ceased its direct

⁴³ The close association between the Foundation and the Chad Schools illustrates the personal nature of Victoria's grantmaking and is explored fully in Chapter 6.

⁴⁴ Queen of Angels School shuttered in 2012 and the Newark Archdiocese closed the once-thriving Queen of Angels Church in 2013 due to declining membership.

grant support to the public schools. In 1985, the Foundation awarded grants to 15 religious schools totaling \$435,700.

In the 1990s, many of these parochial schools closed because of reduced support from the Newark Archdiocese and declining enrollment, due in part to the availability of free public charter schools. As an example, at its peak in 1970, Bishop Francis Essex Catholic High School served 2,500 children. The Archdiocese closed the school in 2003 at a point when it was serving just 270 children. Archbishop John Myers arrived in Newark in 2001 and immediately announced his decision to discontinue the Diocese's support of operational deficits at its parish schools, intending to close down those schools that were not self-sustaining. One rationale for his course of action was that very few students attending the parochial schools were actually Catholic. Even prior to the closures, however, Victoria was severely curtailing its support of these institutions, frustrated by the mediocre quality of education most students were receiving. When Our Lady Help of Christians School closed in 2003, the Foundation was supporting just four parochial schools: Saint Mary School, Queen of Angels, St. Benedict's Preparatory, and St. Vincent Academy. The two success stories among the Foundation's support of these religious schools were St. Benedict's Prep, an all-boys high school, and St. Vincent Academy, an all-girls high school. Victoria trustees have always admired these two institutions, which provided a holistic education to hundreds of Newark youth and sent nearly all their graduates onto college. Together, these two schools received about \$6 million in grant support from 1973 to 2003. Table 5.5 on the next page is an inventory of all the private religious schools that Victoria supported from 1964 to 2003 in alphabetical order, along with the total amount of grants received.

Table 5.5

List of VF-Funded Religious Schools and Grant Totals

Benedictine Academy	1991	\$30,000
Bethel Christian Academy	1988-1990	\$30,000
Bishop Francis Essex Catholic High School	1994-2001	\$310,000
Blessed Sacrament School	1981-2002	\$504,000
Calvary Christian School	1985-1988	\$31,000
Children's Scholarship Fund	1999-2009	\$485,000
Community Church of Faith	1992-1999	\$77,000
Faith Temple New Hope Christian School	1987	\$1,000
House of Prayer Episcopal Church	1985-1994	\$80,500
Our Lady Help of Christians School	1979-2003	\$765,600
Our Lady of Good Council Elementary School	1987-2001	\$398,200
Our Lady of Good Council High School	1983-2001	\$358,500
Queen of Angels School	1964-2003	\$748,200
Sacred Heart Cathedral School	1981-1997	\$40,000
Saint Ann School	1974-1987	\$310,200
Saint Benedict's Preparatory School	1973-2003	\$2,873,500
Saint Columba School	1975-1999	\$853,900
Saint Mary School	1979-2003	\$679,300
Saint Michael School	1981-1999	\$373,500
Saint Rose of Lima School	1975-1993	\$251,800
Saint Rocco School	1973-2002	\$1,325,600
Saint Vincent Academy	1976-2003	\$2,930,000
Sister Clara Muhammad School	1981-1991	\$217,400
		\$13,674,200

CDCs/multi-service neighborhood-based organizations.

Many moderate-income Newark residents fled the city after the riots. The remaining families were living in neighborhoods with higher concentrations of poverty. The federal War on Poverty's Community Action Program, with its then radical notion that poor people could best determine and address their particular needs, energized the Black self-determination movement. In the 1960s and 1970s in Newark and other older industrial cities, leaders emerged who were able to successfully organize local residents and establish nonprofit agencies that would address the challenges of their respective

neighborhoods. Those that focused primarily on transforming the physical landscape of their neighborhoods were known as community development corporations (CDCs). Using the term *corporation* gave the sector an air of professionalism and credibility.

Community activists were empowered to shift from simply holding elected officials and bureaucrats accountable for improving outcomes for the poor to taking control over their own lives by creating institutions that would make changes for the better. These grassroots organizations worked with local residents to revitalize distressed communities by constructing affordable housing, producing commercial development, conducting job training and placement, addressing issues of security, and developing other programs deemed necessary to stabilize the neighborhood.

The Ford Foundation is credited with spearheading the American CDC movement in the mid-1960s through its early support of these entities, including the Bedford Stuyvesant Renewal and Rehabilitation Corporation. Ford facilitated the remarkable growth of the sector in the late 1970s by helping to create LISC (Local Initiatives Support Corporation), a national capacity-building agency, which was launched with a \$10 million loan and grant pool to assist CDCs with construction-related financing. Notably, the first president of LISC was Victoria trustee Robert Lilley, who had recently retired as president of AT&T.

As early as 1968, CDCs and other neighborhood-based multi-service agencies sprung up in each ward of Newark, and Victoria provided essential start-up and/or ongoing operating support. From 1964 to 2003, the Foundation granted a total of \$23 million to these organizations, representing 14% of total Newark giving. All but seven of the 22 Victoria grantees listed in Table 5.6 on the following page continue to thrive in

Newark today. Three of the groups—La Casa de don Pedro, FOCUS, and El Club del Barrio—targeted neighborhoods that were predominantly Hispanic while the others targeted areas mostly inhabited by African Americans. The largest and most successful of these agencies was New Community Corporation⁴⁵, one of the first CDCs in Newark, which focused primarily on the Central Ward.

Table 5.6

List of VF-Funded CDCs and Grant Totals

CDC/Multi-Service Neighborhood-Based Agencies	Years Funded	Total Grants
New Community Corporation	1973 - 2003	\$6,528,000
La Casa de Don Pedro	1974 - 2003	\$3,030,500
Unified Vailsburg Services Organization	1973 - 2003	\$2,673,300
Urban League of Essex County	1964 - 2003	\$2,160,200
Ironbound Community Corporation	1972 - 2003	\$1,372,000
Tri-Cities Peoples Corporation	1972 - 1999	\$1,274,200
FOCUS Hispanic Center for Community Development	1969 - 2003	\$1,063,000
Greater Newark LISC	1985 - 2003	\$935,000
El Club del Barrio	1980 - 2003	\$863,000
Corinthian Housing Development Corporation	1992 - 2000	\$590,000
North Ward Center	1972 - 2003	\$586,500
St. James Community Development Corporation	1994 - 2003	\$445,000
Episcopal Community Development	1992 - 2003	\$405,000
Community Information & Referral Services	1968 - 1975	\$302,500
Habitat for Humanity Newark	1987 - 2003	\$275,000
Donald Jackson Neighborhood Corporation	1998 - 1993	\$265,600
Crest Community Development Corporation	1999 - 2003	\$97,000
Lincoln Park/Coast Cultural District	2002 - 2003	\$65,000
Newark Housing Development & Rehab Corporation	1978 - 1979	\$57,500
Union Development Corporation	1974	\$28,200
Mount Pleasant Community Development Corporation	1980 - 1982	\$25,000
United Community Corporation	1974	\$17,200
		\$23,058,700

⁴⁵ New Community Corporation is examined further in Chapter 6.

Grants serving the Hispanic community.

In 1969, Victoria awarded a grant of \$10,000 to FOCUS, its first to a social service agency that specifically targeted Spanish-speaking residents. This was the beginning of increased investment of nonprofit organizations focused on the needs of the Hispanic community, a rapidly growing segment of Newark. The number of Hispanic residents in Newark grew from 37,000 in 1970 to over 80,000 in 2000. In addition to the Black/White tensions that led to the 1967 riots, rising tensions related to the Hispanic community led to a smaller scale riot in 1974, a two-day violent confrontation between Puerto Ricans and police (Mumford, 2007).

From 1969 to 2003, Victoria awarded approximately \$8 million to agencies working predominantly with Hispanic residents, as illustrated in Table 5.7 below. This equates to approximately 5% of all grantmaking during these years.

Table 5.7

List of VF-Funded Hispanic Organizations and Grant Totals

Hispanic Organizations	Span of Years	# Grants	Grand Total
La Casa de Don Pedro	1974 - 2003	34	\$3,125,500
Aspira, Inc. of New Jersey	1970 - 2003	35	\$1,277,000
FOCUS Hispanic Center for Community Dev.	1969 - 2003	31	\$1,063,000
El Club del Barrio	1975 - 2003	22	\$863,000
Saint Columba School	1975 - 1999	17	\$853,900
North Ward Center ⁴⁶	1972 - 2003	21	\$586,500
Rutgers MSW Program for Hispanic Leaders	1985 - 1990	6	\$110,000
St. Columba Family Life Center	1993 - 1994	2	\$35,000
Puerto Rican/Latin American Scholarship Fund	1982 - 1986	2	\$25,000
YMWCA of Newark (targeted Hispanic youths)	1970	1	\$20,000
Puerto Rican Institute	1985 - 1986	2	\$15,000
St. Ann's Bilingual Learning Center	1986	1	\$10,000
Totals		174	\$7,983,900

⁴⁶ The North Ward Center initially served the Italian-American community but evolved quickly into an agency focused on the Hispanic community as the neighborhood demographics shifted.

The Foundation's expansion to the Hispanic community can be credited in part to Victoria trustee Robert Lilley, who in 1968 expressed to his fellow trustees this observation: "I think we must also start paying attention to the Spanish-speaking population in Newark. They are growing in number, and in many respects their plight is even worse than that of the Blacks" (VF Board Minutes, 1968). A report issued by the U.S. Department of Education in 1980 entitled "Responsiveness of U.S. Foundations to Hispanic Needs and Causes," listed Victoria Foundation as 11th among the nation's foundations in total dollars granted specifically to serve this community (VF Annual Report, 1981, p. 9).

Victoria's 1981 annual report included a special section "Newark's Hispanic Face," which highlighted the stories of five Hispanic leaders, including Ramon Rivera, the founding director of La Casa de don Pedro. Prior to starting La Casa, Rivera ran OYE, an advocacy organization designed to engage Puerto Rican youth in the civic arena. A Victoria grant of \$5,000 was awarded to OYE in 1972, but before the check was issued, the Foundation learned that OYE was openly campaigning on behalf of a candidate for local government. Executive Officer Howard Quirk called Rivera to explain that the Foundation could not support organizations engaged in political campaigning and that he would either have to discontinue those activities or the grant would be rescinded. In response, Rivera said "that the right to stand up and be counted often carried a price and that he would sooner forego our grant than to be silent about issues which affected his community" (VF Annual Report, 1981, p. 11). This stance earned him the respect of Victoria trustees and when Rivera formed the non-political service organization La Casa de don Pedro two years later, the Foundation provided start-up support. With a total

investment of \$3.1 million from 1974 to 2003, La Casa de don Pedro was the Foundation's eighth largest receiving grantee.

Support for the arts and major community institutions.

Trustee Corinne Chubb was a strong proponent of the arts and she made sure that staffing for NVP at the Cleveland School included teachers specializing in fine arts and vocal music. The Foundation's commitment to the arts fluctuated through the years. In the 1975 annual report, trustees expressed qualified support for arts and culture:

Trustees felt that if the city deteriorated much further, a symphony or a museum would become irrelevant. Therefore, the support of cultural institutions had been left to others. But certain institutions have emerged as vital oases which are part of the city's rebirth and deserve to be exceptions to Victoria Foundation's granting pattern. (VF Annual Report, 1975, p. 5)

The debate concerning the arts continued at the 1986 annual unstructured meeting, with Corinne Chubb continuing to defend the need to support arts experiences for Newark residents. Trustees were discussing the value of "culture in the ghetto," when an unidentified trustee said, "If a person is hungry, don't give him a cello" (VF Board Minutes, 1986). Corinne Chubb retorted "that music, dance, arts, and crafts constitute a substantial and valuable portion of human history and experience and should not be hastily removed from our contributions to the lives of inner city residents" (VF Board Minutes, 1986). Howard Quirk echoed this sentiment in the 1987 annual report when he wrote: "A holistic approach to improving the quality of life in Newark virtually demands attention to culture" (VF Annual Report, 1987, p. 2). Quirk pointed out that the delivery of arts training to youth is not necessarily intended to lead to a profession in the arts. In describing the Foundation's support of the Newark Boys Chorus School, a middle school that includes rigorous training in vocal music, Quirk stated, "Experience has shown that

even these highly-trained youth seldom become professional musicians as adults. But the ability to exert self-discipline and apply themselves is transferable to any vocation” (VF Annual Report, 1987, p. 6). Trustees announced a shift in their approach to arts-related grantmaking in the 1989 annual report: “Victoria phased out its general arts funding in 1989 and approved funding guidelines whereby proposals from arts organizations will be considered only if they directly bear on education, or if the organization is a major cultural institution in Newark whose presence in the city enhances the lives of all its citizens” (VF Annual Report, 1989, p. 14). Six years later, the policy shifted even further when trustees required all arts and culture funding to connect directly to education, favoring those requests that were aligned with official New Jersey academic standards.

As indicated in Table 5.8 on the next page, from 1967 to 2003, Victoria approved 418 grants to 41 arts-related organizations totaling \$22.5 million, or 13% of overall grantmaking in Newark. The vast majority of these grants supported arts education programs benefitted young people. Grants to the top five arts agencies on the list, including \$7.7 million to the New Jersey Performing Arts Center, account for 80% of all Victoria arts funding.

Table 5.8

List of VF-Funded Arts Organizations and Grant Totals

Arts Organizations	Span of Years	# Grants	Grand Total
New Jersey Performing Arts Center	1989 - 2003	8	\$7,702,600
Newark Museum Association	1972 - 2003	41	\$6,071,100
New Jersey Symphony Orchestra	1969 - 2003	35	\$1,787,000
Newark School of the Arts	1968 - 2003	43	\$1,707,000
Jersey Explorers Children's Museum	1982 - 2003	19	\$835,000
Newark Boys Chorus School	1972 - 2003	34	\$825,700
New Jersey Historical Society	1980 - 2003	16	\$571,400
School of the Garden State Ballet	1979 - 2003	24	\$460,000
New School for the Arts	1979 - 1991	14	\$361,500

Arts Organizations	Span of Years	# Grants	Grand Total
Montclair Grass Roots	1973 - 2002	30	\$310,000
Newark MediaWorks	1982 - 1989	10	\$229,300
Playwrights Theatre of New Jersey	1992 - 2003	12	\$215,000
Arts Council of the Essex Area	1985 - 2001	11	\$186,000
Whole Theatre	1976 - 1988	13	\$171,500
The Hudson School	1994 - 1997	4	\$130,000
Carter G. Woodson Foundation	1987 - 1995	11	\$118,500
New Jersey Chamber Music Society	1983 - 1990	7	\$104,000
African Globe Performing Arts Organization	2000 - 2003	5	\$65,000
Arts Foundation of New Jersey	1985 - 1988	5	\$60,000
Montclair Art Museum	1986 - 2001	6	\$52,500
Ironbound Educational & Cultural Center	1982 - 1987	4	\$50,000
Special Audiences New Jersey Inc.	1980 - 1996	5	\$50,000
Aljira	1988 - 2001	8	\$46,400
The Institute of Cultural Affairs	1990	2	\$46,000
Yard School of Art	1967 - 1988	16	\$40,000
City Without Walls	1977 - 1987	7	\$33,500
Pushcart Players	1984 - 1987	3	\$30,000
TheatreWorks	1987 - 1989	3	\$30,000
Educational Broadcasting Corporation	1981 - 2002	3	\$27,000
New Jersey Ballet Company	1979 - 1981	2	\$25,000
New Jersey State Museum	1991	1	\$25,000
Newark Symphony Hall	1979	1	\$25,000
Pratt Institute Center	1992	1	\$25,000
Newark Arts Council	1989 - 2000	2	\$21,000
Brooklyn Museum	1976	1	\$20,000
Ensemble Theatre Company	1991 - 1993	2	\$20,000
Theatre Without Bars	1982	1	\$17,500
Colonial Symphony	1992 - 1994	3	\$14,000
Theatre of Universal Images	1983 - 1986	3	\$14,000
Film Arts Foundation	2000	1	\$12,000
Harambee Productions	1987	1	\$10,000
TOTALS		418	\$22,544,500

Major community initiatives.

As previously mentioned, McFarland's promotion to executive officer in 1989 coincided with a period of steep growth in the Foundation's endowment. In the first 10 years of McFarland's tenure, annual grantmaking increased from \$3,785,800 to \$10,128,400. Table 5.9 on the next page reveals a threefold increase in Victoria's assets

from 1988 to 1992, attributable to the continued appreciation of the Chubb Corporation stock. Chubb stock holdings represented 67% of the total portfolio in 1989, but by 1999, the endowment was composed of just 19.5% Chubb stock, as trustees sought to diversify the portfolio.

Table 5.9

Value of VF Portfolio from 1988 to 1999

Year	Chubb Stock	Other Investments	Total Value of VF Corpus	VF Grants Paid
1988	\$45,066,000	\$29,140,300	\$74,206,300	\$3,457,800
1989	\$70,675,500	\$34,871,600	\$105,547,100	\$3,785,800
1990	\$80,507,000	\$34,688,000	\$115,195,000	\$3,971,000
1991	\$105,313,100	\$44,597,300	\$149,910,400	\$6,436,600
1992	\$116,915,700	\$46,777,500	\$163,693,200	\$6,280,800
1999	\$44,537,300	\$184,036,700	\$228,574,000	\$10,128,400

McFarland's response to the financial windfall was to create a new category of giving in 1990 known as Major Community Initiatives (MCI). Rather than increasing the number of grantees receiving ongoing operating support, each program committee of the board had the opportunity to review proposals for one-time capital projects, endowment campaigns, or capacity-building efforts from select Newark organizations that were considered critical to the life of the community. From 1989 to 2002, grants totaling more than \$27 million were awarded to 23 organizations in the MCI category. For example, in 1991, the Chad Schools received an MCI award of \$850,000 to establish a science-focused high school and to launch a scholarship endowment fund. NJPAC⁴⁷ received five MCI grants totaling \$10.7 million to support construction of the arts center and to develop and implement an arts education program.

⁴⁷ A deeper exploration of Victoria's support of NJPAC can be found in Chapter 6.

Back to the Newark Public Schools.

Three decisive events took place in the 1990s that would forever change the public schools in Newark as well as Victoria's grantmaking policies related to education: (a) the state takeover of NPS in 1995, (b) the enactment of the Charter School Program Act in 1996, and (c) implementation of the *Abbott* lawsuit remedies in 1999. When the Foundation finally extricated itself from NPS in 1983 following the termination of NVP, it was hard to imagine how conditions might change that would lead Victoria back into that dysfunctional and underperforming system. But in 1995, the State Department of Education took the drastic step of taking over the district, firing Superintendent Eugene Campbell and his senior management team and dissolving the popularly elected Newark Board of Education. Victoria President Percy Chubb III was very pleased by this turn of events and wrote the following in the 1995 annual report:

The lesson to be learned is that in this uncertain world the individual's skills and ability in the workplace more than ever will determine his or her prosperity and even survival. Tragically and shamefully many urban school systems, Newark's in particular, have been producing young people entirely unprepared to show competence at work. For this and related reasons, Victoria has given most of its education grants in Newark to private institutions...After too many years of delay, New Jersey has replaced the former school board and administration. A competent and dedicated team is now fighting to remedy decades of bad performance...The future of the city is tied to their success. (VF Annual Report, 1995, p. 2)

After a 12-year hiatus, Victoria Foundation returned its attention to the Newark Public Schools (NPS). According to Executive Officer Catherine McFarland, "There was no question in our minds that the quality of Newark's public education and the revitalization of the city were intertwined" (Lippman, 2003, p. 35). McFarland and Chubb developed a close working relationship with the new state-appointed superintendent, Dr. Beverly Hall. Trustees agreed to contribute up to \$1 million a year to

support district initiatives under Hall's leadership. In 1996, Foundation trustees approved grants totaling \$1,320,000 to fund four of Hall's priority initiatives: \$400,000 toward a Parent Volunteer Academy, \$200,000 for a Principals Leadership Institute, \$185,000 to the Community Training and Assistance Center (CTAC) to help the district develop a systemwide reform agenda, and \$535,000 to Bank Street College of Education⁴⁸ to transform early grades education. The district's partnership with Bank Street College lasted 12 years, with Victoria approving grants totaling \$6.3 million.

Victoria provided additional support to CTAC in 2000 to conduct a study to determine the impact of state takeover after five years. The CTAC report identified several positive developments related to academic focus, atmosphere for teaching and learning, parent involvement, student attendance, and the availability of educational resources, with most of the improvements taking place in the district's elementary schools. The report also pointed out several ongoing challenges, including the district's lack of capacity to obtain student-level data, poor performance of the comprehensive high schools, persistent confusion concerning the rationale and purpose of state takeover, and a "lack of clarity regarding the process that will be implemented to return to accreditation and local control" (Slotnik, 2000, p. 4).

In addition to state takeover, two other developments had a profound impact on NPS: the initiation of charter schools in Newark and the culmination of the *Abbott v. Burke* funding-equity lawsuit, which resulted in huge increases in state aid. These events are described in detail in the "History of Education in Newark" section (see pp. 77-83), but they had modest effect on Victoria's education grantmaking. The Foundation awarded grant support totaling \$140,000 to the emerging charter schools in Newark from

⁴⁸ The district's partnership with Bank Street College of Education is explored further in Chapter 6.

1997 to 2003, and the fact that NPS was receiving a huge influx of new money from the state as a result of the *Abbott* lawsuit did not dampen private sector support. State funds connected to *Abbott* were earmarked to very specific expenditures, such as universal pre-K, Whole School Reform, parent liaisons, attendance officers, and additional security personnel. Foundation support was still needed to fund any educational innovations outside of those prescribed under *Abbott*.

From 1996 to 2003, the Foundation invested \$33.4 million (50% of all Newark grantmaking) in education, with the lion's share directed to NPS projects. Many foundations located in northern New Jersey were also supporting preK-12 education efforts in Newark, but Victoria's annual grant totals typically surpassed those of its sister foundations⁴⁹. For example, Figure 5.4 below compares Victoria's 2003 education grantmaking in Newark to six other foundations. Victoria allocated \$3.6 million, while the next highest education funder (Prudential Foundation) allocated \$2.2 million.

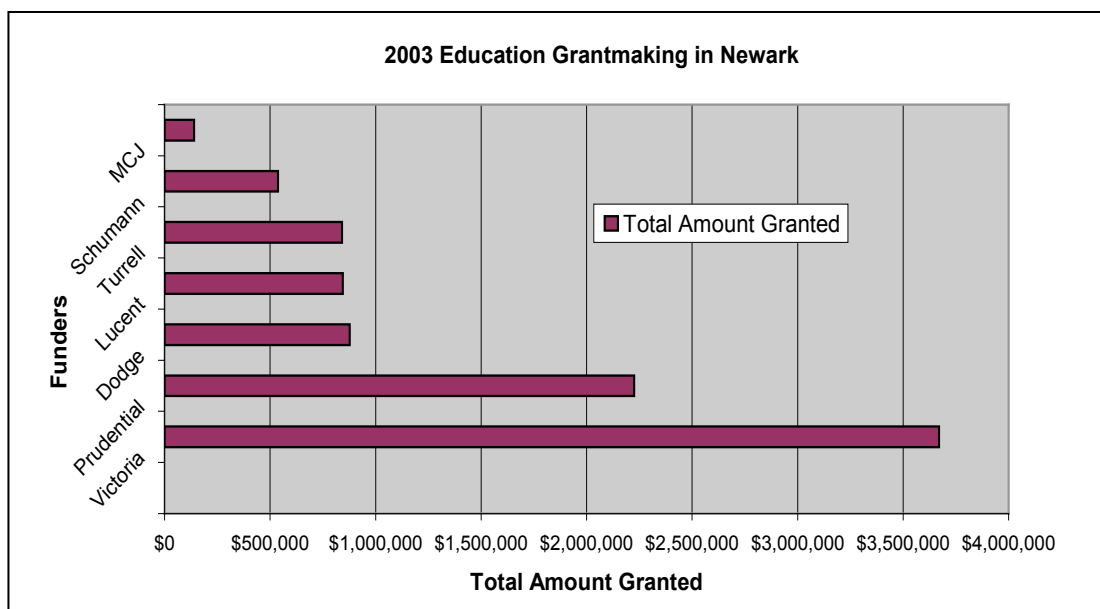


Figure 5.4. Comparison of Foundation Support for Education in Newark in 2003

⁴⁹ In 2010, when the Foundation for Newark's Future emerged in connection to the \$100M Zuckerberg challenge, Victoria was no longer the largest education funder in Newark.

Chapter 6 examines the question of the impact of Victoria's grantmaking in Newark by deeply exploring six major initiatives that represented various types of Foundation support. The grant initiatives selected represented longer-term efforts, and although all of them had a connection to education, three of them specifically funded school-based efforts.

CHAPTER 6

Findings—The Question of Impact

This chapter focuses on the impact of six projects that took place during the Newark years; however, Victoria has been concerned about the effect of its grantmaking from its inception. Trustee Thomas Chubb, one of the founder's sons, served as chair of the Publicity Committee and wrote all of the annual reports until he passed away in 1972. In the 30th anniversary report, he commented on the impact of the Foundation's early grants to individuals that were awarded until the Tax Reform Act of 1969 prohibited this type of grantmaking:

This type of assistance was particularly important during the depression years of the early thirties...The problems were often personal, such as an illness to be paid for, or the possible loss of a home. Each was considered on its own merits. Sometimes an outright grant was made, but often assistance came in form of a loan with no interest charged and with the realization that in most cases there was a slight chance of repayment. Yet when the crisis had passed—and sometimes years afterwards—these loans were often repaid, and the repayment was frequently accompanied with expressions of appreciation that indicated that the help had been constructive indeed. (Report of the Victoria Foundation, Inc., 1924-1953, p. 1)

Victoria trustees also spent considerable time ensuring that two other early grant initiatives were having an impact on their intended beneficiaries: the Children's Heart Unit (CHU) from 1940 to 1955, and Yale Medical School from 1953 to 1968. Trustees were very proud of both ventures. Even though the CHU closed down when rheumatic fever was no longer a deadly threat to children, the hospital was touted by many independent groups as a model institution, which succeeded in cutting the time of convalescence in half. According to board minutes, many physicians and hospital administrators visited the CHU to observe the high standard of care delivered (see pp. 135-139 for further discussion). Though no longitudinal studies were conducted to follow

the 500 children served, trustees expressed confidence that their investments in the CHU made a genuine contribution to society.

The grantmaking of over \$1 million to Yale Medical School led to innovations and advances in the care of children with cardiac illness, as reported by the directors of the program and occasionally in articles published by the *New York Times*. Hendon Chubb visited Yale to observe the work in action on several occasions and shared with fellow trustees that he “witnessed the splendid and worthwhile use being made of the Victoria Foundation grants and was well pleased with the results” (VF Board Minutes, 1955).

From 1964 to 2003, the second generation of Victoria trustees continued to crave positive results from its place-based giving in Newark, when 97% of total grantmaking was allocated. During this 40-year period, trustees approved grants to 556 distinct organizations working to improve conditions for children and families residing in Newark. The six representative projects that receive close attention and analysis in this chapter include: the Newark-Victoria Plan (NVP), the Chad Schools, the Newark Collaboration Group (NCG), New Community Corporation (NCC), the New Jersey Performing Arts Center (NJPAC), and Bank Street Project New Beginnings (PNB). These projects were selected because they provide critical insights into how trustees hoped to fulfill their goal to make a difference in the city of Newark. All six of the efforts connected to urban education, the Foundation’s largest giving area. Three of them were explicitly focused on schools: (a) NVP embodied the Foundation’s efforts in the district prior to state takeover, (b) the Chad Schools epitomized partnerships with alternatives to the public schools, and (c) Bank Street PNB exemplified the Foundation’s efforts after

the state takeover of the district in 1995. Victoria's grants to NJPAC served a dual purpose to fund arts education and to catalyze economic development. Both NCG and NCC incorporated education in their myriad efforts to improve outcomes in Newark. NCG incubated the Newark Education Council, which addressed several citywide educational challenges. Among NCC's many interventions, were enterprises related to early-childhood education and charter schools.

Table 6.1 below lists the top 12 grantees during the period under review, which received \$51.4 million, or 35% of all Newark grantmaking. Five of the six projects probed in this chapter are listed among the top six largest grantees (NVP is incorporated within the Newark Board of Education).

Table 6.1

Top 12 VF Grantees from 1964 to 2003

	Top 12 VF Grantees from 1964 to 2003	Total Grants Paid	Span of Years
1	New Jersey Performing Arts Center	\$7,702,600	1989 – 2003
2	New Community Corporation	\$6,497,600	1973 – 2003
3	Newark Museum	\$6,071,100	1972 – 2003
4	Bank Street College of Education	\$5,389,000	1996 – 2003
5	Newark Board of Education	\$4,570,600	1964 – 2003
6	Chad Schools/Black Youth Organization	\$4,057,600	1968 – 2003
7	Essex County College	\$3,069,300	1973 – 2003
8	La Casa de don Pedro	\$3,125,500	1974 – 2003
9	Saint Vincent Academy	\$2,930,000	1976 – 2003
10	St. Benedict's Preparatory School	\$2,868,500	1973 – 2003
11	Unified Vailsburg Services Organization	\$2,673,300	1973 – 2003
12	Newark Emergency Services for Families	\$2,434,900	1978 - 2003
	Total Grant Amount of Top 12	\$51,390,000	
	Total Overall Newark Grants	\$146,596,700	
	% of Top 12 Grantees to Total	35 %	

Determining the impact of Victoria's grantmaking in Newark is challenging. Of the 4,000+ separate grants awarded from 1964 to 2003, only a handful of recipients

conducted third-party independent evaluations. The lack of assessment is primarily attributable to Victoria having not (except in a few rare instances) provided the additional funds necessary for the grantees to employ an independent evaluator. This is in acute contrast to the large-sized foundations that have the resources to support large scale evaluations from respected independent firms, such as Mathematica or Public/Private Ventures.

Most of the work to ensure a high-quality cohort of grantees at Victoria was done at the front end. Program staff and trustees met with potential grantees to carefully determine whether the organization in question had strong leadership, evidence of past success, clean audits, adequate financial management, and a sound plan to address an unmet need. Sometimes, particularly in the case of a start-up organization, staff and trustees had to “trust their gut” when making grant recommendations and awards. Starting in the 1970s, all grantees were required to submit grant monitoring reports describing the results of their interventions in Newark before subsequent grant awards were considered. Unsurprisingly, these self-generated reports were almost always positive.

Some types of grant support were easier to measure than others. For example, a job training and placement agency should have been able to measure and report how many people were successfully placed in jobs, how much money they were earning, and whether they were still employed six months or a year later. School grantees should at least be able to track grade point averages, normed test scores, student retention, and graduation rates. It is more difficult, however, to track and analyze data from programs that claim to develop leadership skills in youth or provide family counseling or conduct

summer day camp. Very few Victoria grantees possessed the in-house expertise necessary to obtain baseline data, develop assessment tools, and conduct and analyze data that measured the impact and quality of the intervention provided. Even when a grantee appeared to be tracking and analyzing data and shared that information with the Foundation, there were several instances when the data were unreliable. This was the case with the Newark Board of Education when it communicated facts and figures related to test scores and finances of the Cleveland School that turned out to be highly suspect.

One rudimentary measure that Howard Quirk used to assess success, especially in the early Newark years when the Foundation was helping dozens of new entities get launched, was whether a grantee organization was still in operation years after the grants were approved. From 1964 to 1980, Victoria awarded grants to 85 newly-created and untested organizations in Newark. Most of these agencies were established to address critical challenges. Table 6.2 below is a copy of the chart Quirk published in the 1980 annual report, which indicated the status of those 85 grantees as of December 31, 1980.

Table 6.2

The Status of VF-Funded Agencies in 1980 (VF Annual Report, 1980, p. 11)

Alive and well	58	68.2%
Absorbed into other agencies	7	8.2%
Stagnant or failing	6	7.1%
Dying or dead	<u>14</u>	<u>16.5%</u>
Totals	85	100.0%

Quirk was not troubled that 20 out of 85 organizations were failing or no longer in operation. He believed in taking risks: “If a foundation seeks to improve the world and not merely make it more bearable in its present state, it must be willing to experiment and run the risk of making mistakes. The willingness to gamble thus becomes as significant

as the prudential turndown” (VF Annual Report, 1980, p. 11). Percy Chubb 2nd shared a lesson about risk from the family insurance business, stating, “If we are to take any leadership in fostering upward mobility, we must be prepared to experience a few failures. However, they should come as calculated risks and not as surprises resulting from inadequate investigation” (VF Annual Report, 1980, p. 11).

Through the decades, categories of giving came and went based on trustees’ judgment as to whether the results justified continued investment. For example, the Foundation discontinued its grant support to agencies providing substance abuse treatment among juveniles in the early 1970s because the recidivism rates did not appear to be impacted. The Foundation also drastically reduced its support of parochial schools in the 1990s due to mediocre academics and declining enrollments. But even in these two instances, Foundation officials arrived at the notion of failure more from intuition than empirical evidence.

Since there was very little quantitative evidence in the Foundation’s grant files that proved its investments in Newark had a statistically relevant impact, the notion of perceived impact needed to be considered as an alternative assessment metric. In the six in-depth “deep dive” sections that follow, long-serving trustees, staff, grantee directors, and community leaders were interviewed in order to ascertain their subjective perceptions of impact.

The Newark-Victoria Plan

Launched in 1964, the experimental NVP program involved a partnership with the Cleveland School and sought to narrow the academic achievement gap starting with very young children. Victoria was the sole private funder of this 19-year project, granting a

total of \$2.5 million. Long before the Annenberg and Gates foundations considered partnering with public school systems, Victoria was collaborating in a very hands-on manner with NPS in one of the earliest public/private preK-12 educational ventures on record. Table 6.3 below lists the annual grants approved by Victoria trustees from 1964 to 1983 to support NVP. The annual grant awards are also converted into current dollar values to better illustrate the scope of giving, contrasting the actual grant total of \$2.5 million to its 2012 value of \$12.1 million.

Table 6.3

Annual Grants of the Newark-Victoria Plan from 1964 to 1983

<u>Year</u>	<u>Actual Amount</u>	<u>Converted to 2012 Dollars</u> (based on CPI)
1964	\$130,000	\$949,600
1965	\$101,600	\$729,700
1966	\$100,500	\$701,500
1967	\$123,200	\$835,700
1968	\$155,900	\$1,014,900
1969	\$158,400	\$978,300
1970	\$160,800	\$937,800
1971	\$170,200	\$951,700
1972	\$141,000	\$763,300
1973	\$104,100	\$530,600
1974	\$100,400	\$461,000
1975	\$106,900	\$449,900
1976	\$118,000	\$469,400
1977	\$128,200	\$478,900
1978	\$109,800	\$381,200
1979	\$128,000	\$398,500
1980	\$142,800	\$391,700
1981	\$111,300	\$276,800
1982	\$143,500	\$336,100
1983	<u>\$43,500</u>	<u>\$98,700</u>
Totals	\$2,478,100	\$12,135,300

Most of the funding—\$2.3 million—went directly to the Newark Board of Education to cover the salaries of additional educators; substitute teacher coverage during

professional development training; capital expenses to create two pre-kindergarten classrooms; and money for books, educational supplies, and transportation for the frequent field trips. The remaining funds supported partnerships with three nonprofit organizations (Child Service Association of Newark, Family Service Bureau of Newark, and Youth Development Clinic) that provided school-based individual and family counseling in the first 10 years of the project. In addition, funds were made available to Drew University, Montclair State University, and private evaluation consultants to measure the impact of the project.

Dr. Paul Van Ness, Assistant Superintendent responsible for all the elementary public schools in Newark, worked closely with Corinne Chubb to come up with an ambitious plan to improve educational outcomes. He assigned the task of crafting the plan to Dr. Thomy Joyner, Supervisor of Elementary Education, who reported that:

The Chubbs were interested in a program that would enhance education for elementary schoolchildren. Something that would expose them to new experiences and to things that the school system could not afford. I had wide range. I started looking at programs to enhance science, library training, social studies, language arts, that would build on what was already there. One of the ideas was to start with children earlier. It had become increasingly apparent to those concerned with the education of children that to build a positive attitude toward education, learning, and establishing worthwhile self-image, it was necessary to begin early in the formative years of the child. I wanted to work with children who were not in the system, earlier than kindergarten. Start there and build on that with interventions for K-6. I had six months to come up with the program. They told me I had a budget in the many thousands of dollars. To work on a project where dollars were not a problem, I could implement many ideas. (T. Joyner, Personal Communication, January 13, 2013)

After the project was approved, Joyner left her central office position to serve as NVP's plan coordinator for its first two years.

NVP was an ambitious experimental initiative that included the following elements:

1. Two pre-K classrooms of 20 to 25 children each, which was the first time in the district's history that 4-year-old children were receiving an education. A consultant in early childhood education from Newark State College⁵⁰ provided curriculum support, and several students from the College did their practice teaching in the pre-K classrooms.
2. Supplemental educators including two highly qualified pre-K teachers and eight *project teachers* who provided training, coaching, and modeling for the regular classroom teachers. Project staff included specialists in remedial reading, science, language arts, mathematics, art, vocal music, speech, and library science.
3. Numerous field trips in the early years, with each class attending a minimum of five field trips annually. Each experience included pre- and post-trip classroom lessons.
4. Year-round counseling and crisis intervention services during the first 10 years, using caseworkers from three local social support organizations, as well as training and monthly workshops for parents.
5. Two hundred days of per diem substitute teacher services annually to free up classroom teachers for in-service workshops and to chaperone the field trips.
6. Capital funds were allocated to build out two pre-K classrooms and a specialized play area, and to purchase 9,000 library books. Additional funds were used to buy computers and train teachers and students in their use.

⁵⁰ Newark State College was originally called the Newark Normal School in 1855, established to train teachers for the Newark Public Schools. In 1937, when graduates were deployed more broadly, its name changed to the New Jersey State Teachers College at Newark. In 1958, the campus moved from Newark to Union Township, and the name changed to Newark State College. A final name change to Kean College of New Jersey occurred in 1973. The institution continued to broaden its scope over the next 24 years, earning full university status in 1997.

NPS covered the salary of the plan coordinator, and 25% of supplemental teacher salaries starting in year 2. Parents were encouraged to volunteer on the field trips and some were paid modest stipends from the Victoria grants to help out in the classrooms.



Figure 6.1. The Newark-Victoria Plan at the Cleveland School (VF Historical Photos)

The Cleveland School in the heart of the Central Ward was selected for this bold experiment because the children in this neighborhood were among the neediest in Newark in terms of high poverty rates and poor academic outcomes. This school was located just two blocks away from the 4th Precinct and the Hayes Homes public housing where the riots would be triggered three years later. Cleveland was also chosen because the principal, Clothilda Parker, and the teachers had recently crafted their own plan to improve student outcomes as part of an internal district competition. The school's staff fully embraced the notion of receiving additional resources to experiment with new educational and social interventions.

While Victoria trustees initially committed to a four-year partnership, expecting the district to pick up an increasing share of the expenses each year, it became apparent that the most the Newark Board of Education was willing to take on was 25% of the total outlay. Nevertheless, Foundation trustees continued to believe that if this grand experiment proved effective, the district would eventually cover more expenses and replicate the program in other low-performing schools.

Eugene Campbell, who lost his job as superintendent of Newark in 1995 when the state took control of the district, was a third-grade teacher at the Cleveland School when NVP was adopted in 1964. He recollected that he and several of the teachers at Cleveland were confused about NVP. The Cleveland teachers had recently crafted their own plan to improve outcomes for children at the school and there was confusion about whose plan was actually being implemented. According to Campbell,

They said they liked [our plan]. Then we got upset because they said they were going to bring in someone to take over the project and we thought, “Whoa! We did it! Why bring in someone else to run it?” And that was Thomy [Joyner]. To be honest with you, there were a lot of people that were very upset at that because they felt that we were the ones that put the project together and we thought we did great, why would they bring someone else in to be the director of it and manage it? And then we were told that someone was going to fund it and the money would come in. And then we found out that Corinne Chubb was a hands-on person. (E. Campbell, Personal Communication, January 17, 2013)

That feeling of having one’s power usurped fueled an early conflict between the regular classroom teachers and the new project teachers hired to improve instruction. All initial project teachers were hired from the outside. They were paid more than the existing classroom teachers and had much more planning time throughout the day. The project teachers were unhappy that many of the regular teachers would leave the classroom when they were modeling lessons. For their part, the regular teachers felt that

they were just as skilled as the project teachers, as conveyed in this quote from one of the Cleveland teachers: “I looked to them for directions, but they are no better at teaching than I am (NVP Grant Files, 1967).⁵¹” Tensions grew when the project teachers got together to request that their titles be changed to *project specialists* and that funds be made available to attend national conferences. Plan Coordinator Joyner and Principal Parker decided to conduct an off-site three-day retreat in Atlantic City to proactively address the growing tensions and low morale at the school in January 1967. Joyner and Parker worked in partnership with Dr. Goodwin Watson from the Human Behavioral Clinic at Newark State College to develop a plan for the “Human Relations Workshop,” which was paid for by Victoria.

Initially, the retreat was deemed necessary due to the growing distrust and tensions between the regular classroom teachers and the newer specialized project teachers. It was not intended to address race relations in the school; however, the plan coordinator and the principal may have had an inkling about simmering tensions beneath the surface since they chose to include all staff at the retreat, including the vice principals, secretaries, guards, janitors, social workers, and lunchroom personnel. Ultimately, 65 out of 77 people from the school took part. The retreat took place less than six months prior to the Newark riots and it was clearly influenced by the racial tensions that permeated Newark at that volatile time.

The retreat facilitators designed a series of large-group and small-group workshops intended to allow for the free and honest expression of feelings. By the middle of day two, intense racial tensions surfaced among both the Black and White participants.

⁵¹ In later years, regular classroom teachers would be promoted to become project teachers, and one of the regular classroom teachers took over from Thomy Joyner as the plan coordinator in 1967.

Seventy-five percent of the staff at Cleveland was African American. Eugene Campbell, who is African American, participated in the retreat and recalled:

The racial thing came up. I can remember because I said something that was not very favorable about a certain person in that school that used to tick me off and we had this opportunity to just talk. But you have to be careful what you say because you're in a group and you've been working together all these years. I said to someone "Why are you so disrespectful to parents coming into the building?" And I got in trouble later with the principal because I really told them off and the person was really upset. People said different things to each other and it became a Black/White thing. Someone said something to one particular teacher about how she treated Black students. They cited examples of something and said "You wouldn't say that to a White student!" It got out of control and the facilitator couldn't bring it back together. And some people the next day didn't hardly speak to one another. There were very bruised feelings, trust me. (E. Campbell, Personal Communication, January 17, 2013)

The 1967 independent assessment from Drew University included analysis of surveys from retreat participants as well as one-on-one interviews with 27 staff members. Of those interviewed, only five were able to say four months later that it was a constructive experience and that, though it was difficult at the time, they were glad to have participated and felt that their relationships with fellow teachers were on a healthier plane. The remaining 22 interviewees reported that their relationships were not as close and relaxed as they had been before the retreat. The written surveys included many comments about the racial tensions that surfaced. For example, one teacher wrote, "I think very little was said which came as a surprise to the Negro teachers, but the need for this confrontation was evident in the fact that some of the White teachers, despite years of service in Cleveland School, were astonished and dismayed by feelings they had never suspected" (NVP Grant Files, 1967). Another educator wrote, "The emotional impact of the White-Negro feeling was for me like a convulsion or severe blow in the stomach" (NVP Grant Files, 1967). And one clearly upset teacher wrote, "I'm White, and I was

told, ‘Get out of Cleveland, you irritate me, you can’t teach, you goof off, you are not dedicated to Negroes and their needs. Only Negroes can understand Negroes. I see white devils when I look at you’” (NVP Grant Files, 1967). Another survey respondent expressed what many others may have felt: “The experience was not to be missed, but I felt drained emotionally and possibly a little less enthusiastic about my work” (NVP Grant Files, 1967). As a mechanism to attempt to heal hurt feelings following the retreat, an Advisory Council for School Improvement was created, which met weekly. The Council implemented several interventions including a special survey for parents, and inclusion of project teachers at grade-level meetings. It’s possible that the Atlantic City retreat may have actually helped to alleviate the growing racial tensions in the building because during the teachers’ strikes of 1970 and 1971, the Cleveland School did not experience the high levels of racial anger that sprang up in many other Newark public schools (Golin, 2002).

For five consecutive years, starting in 1966, Victoria allocated approximately \$5,000 a year to support a thorough independent evaluation conducted by faculty at Drew University. The team from Drew expressed frustration about the control schools, which started receiving federal Title One funding during the second year of NVP. While not as generous as the Victoria grants, the control schools used the additional federal funds to hire more educators and to implement several of the same types of academic activities taking place at the Cleveland School. The evaluators were also unhappy that they were not able to isolate the many disparate components of NVP for statistical purposes, thus making it impossible to attribute success or failure to any particular aspect of the plan. Other problems for the Drew team were the high mobility rates at Cleveland, which

exceeded 30%, and high turnover of teaching staff. By the third year of the program, most of the original project teachers were gone,⁵² and many of the regular teachers were promoted to take their places, leaving an unfortunate situation of long-term substitute teachers staffing classrooms. In 1967, 20 of Cleveland's 38 grade-level teachers were long-term substitutes, a rate that was five times higher than that found in the control schools. Following the Newark riots, many teachers left Newark altogether. It was difficult to recruit talented educators, and it was especially difficult to attract staff to the Central Ward schools where the most serious devastation took place. There was also frequent turnover of administrators, both in terms of principal leadership at Cleveland and with the position of the NVP plan coordinator.

During the five years Drew faculty members studied NVP, they found little evidence to suggest that Cleveland School children were outperforming students at the control schools in kindergarten through sixth grade. On the positive side, however, the Drew team followed Cleveland graduates into West Kinney Junior High School and found, in 1968, that 63% of students with two years' experience under NVP enjoyed a *C* grade point average or better, compared to 52% of control students. They also noted parent satisfaction and improved parent participation. The kindergarten teachers reported that the children coming from the pre-K classrooms were more socially adept and inquisitive about learning. While reports coming directly to Victoria from the three community-based organizations providing counseling services were positive, it was difficult for the independent evaluators to assess the impact of the social services due to issues of confidentiality.

⁵² Many of the NVP project teachers were tapped by other schools to take on new Title One positions or were promoted to work at the central district office.

In its 1970 evaluation report, the Drew team shared that the teachers' strikes resulted in the loss of one month's instruction. It also noted that the number of Cleveland students had decreased from 1,250 in 1967 to 900 in 1970. The evaluation also indicated that after one year at West Kinney Junior High School, the Cleveland graduates were no longer outperforming the control students. Some comments from the report were especially discouraging: "The overall picture shows that the measurable gains made by the Victoria Plan are small and the tendency is for them to disappear in a short period of time...The whole is somehow less than the sum of its parts, and that the effects of the program are small in comparison to the time, money, and effort put into it...The modest results do little to encourage massive efforts along the same lines on a wider basis" (NVP Grant Files, 1970). At the same time that this gloomy account of NVP was received from Drew University, the third plan coordinator, Thomas Cooke, submitted his own year-end report, stating, "I would say that the Victoria Plan is a revolution well on its way to being one of the most successful revolutions in the history of education" (NVP Grant Files, 1970).

Foundation staff were skeptical of Cooke's internal reports, particularly the 1973-74 internal assessment, which indicated that one of the sixth-grade classes posted a 9.5 grade equivalent average for its students in math, for a total average annual gain of 3.6 years. No effort was made in the report to explain such a spectacular achievement, and none of the students was able to maintain these stunning results at West Kinney Junior High the following year. McFarland attempted to investigate the findings and noted to Percy Chubb 2nd in a memo that "Mr. Cooke seems to resent our questioning his academically-based annual reports" (NVP Grant Files, 1973).

In addition to the various external and internal assessment reports, Corinne Chubb conducted her own form of evaluation based upon frequent visits to the school, observing what was actually going on inside the classrooms and chatting with teachers and administrators. At each Victoria board meeting, Corinne Chubb would read her NVP report aloud to the other trustees. For example, in May 1972, she shared the following assessment:

The results at Cleveland are not as good as one could hope, except in mathematics, where the first four grades are at a national norm and we hope to bring up the fifth and sixth grades this year. In the Newark testing, Cleveland was second highest in the third grade of a ghetto school, and highest in ghetto schools in the sixth grade. In both grades it was a question of a few months difference. The disappointing thing is the average sixth-grade reading result for all those schools was a little below fourth-grade norms. However, never say die; the reading specialists are going to be changed so that there will be only one Victoria remedial reading teacher, and two reading development supervisors to work intensively with the teachers and the children on reading skills and comprehension. Cleveland was asked to advise the Newark School Administration on anything that has produced good results. This was done, but no action has been taken. (VF Board Minutes, 1972)

Despite the less-than-encouraging results, Howard Quirk was charged by Victoria trustees to work with the school district to replicate NVP at another school in 1972. In a letter to Corinne Chubb, Quirk wrote that he had received two very disturbing calls from Vic Cascella, the vice president of the Newark Teachers Union (NTU). Cascella had taken charge at the NTU while its president, Carol Graves, served a jail term in connection with the previous year's teachers' strike. In the first call, Cascella indicated that the NTU had tolerated Victoria's violations of the teachers' contract when it appointed supervisor positions at the Cleveland School without NTU approval, but it would not allow such abuses to occur at Newton Street (the NPS school selected to replicate NVP). In describing the second call, Quirk wrote:

Mr. Cascella felt that our refusal to withdraw support after his first phone call implied defiance of the union, and if we don't withdraw our support in the next couple of weeks he would file grievances against the Newton Street program and the Cleveland School program. Ostensibly, the union's complaint is that Victoria and the Newark board are manufacturing positions and elevating unqualified persons and superimposing them over the teachers. However, I suspect that the real irritation is that the designees for these new positions are not union members. (NVP Grant Files, 1972)

Victoria backed away from the idea of bringing the program to a second school.

Quirk's anger over this NTU interference was clear in his letter to Corinne Chubb:

Much as I would like to see the teachers' union choke on this one, I do not think that Victoria particularly wants to be bed fellows with either of the union's enemies: the Board of Education or the militant Blacks. I can imagine that LeRoi Jones⁵³ would have a field day about the union killing off a program for Black children. There would probably be cries of "genocide," that overused and misused word. (NVP Grant Files, 1972)

Although the Foundation was not able to support the replication of NVP, the project led trustees to make a different major investment in the district. From 1980 to 1983, three grants totaling \$328,000 were approved to enable the Board of Education to create the Division of Research, Evaluation and Testing (DRET), charged with conducting scientific assessments of the many academic experiments and curricular efforts underway throughout the district⁵⁴.

In the last three years of the initiative, Victoria contracted with Dr. George Heiss, principal investigator of the Montclair-based Testing and Advisement Services Co. Heiss used grade equivalent scores from normed tests to assess results at the Cleveland School.

⁵³ Poet, playwright, and Newark native LeRoi Jones changed his name to Amiri Baraka after he became active in the political Black Arts Movement.

⁵⁴ In a report to trustees in 1983, Program Officer Catherine McFarland reported that DRET was mired in a political jam. The director, Dr. Ram Durga, had conducted a study that found a significant correlation between teacher absence and poor achievement. Durga was involved in making recommendations to the Board of Education on policies to regulate teacher absences. Apparently, the teachers' union suppressed the report's publication. McFarland noted, "They really did start to do some very good reports. They were very honest, but they were detrimental to the schools because they were telling the truth. And then it became political" (C. McFarland, Personal Communication, July 18, 2013).

He determined that good progress was made during the 1979-80 school year, a serious regression occurred in 1980-81, and though some progress was made in 1981-82, the school was still not back to its May 1980 levels. The district's internal research division, DRET, utterly refuted Heiss' findings. Dr. Ram Durga, the director of DRET, wrote the following in a letter to the Foundation in September 1982:

I feel obliged to offer my professional opinion on the evaluation of Cleveland School conducted by Dr. Heiss last school year. In brief, it was a "quick and dirty job" with no meaningful information to help the administrators and teachers at Cleveland. Apart from the numerous problems in grammar, the use of grade equivalent scores for evaluation represents the most flagrant abuse of grade equivalent scores...The evaluation of Cleveland was therefore distorted because: 1) Grade equivalent scores are not equal intervals and should not have been averaged; and 2) Grade equivalent scores obscure uneven growth during the year...For these reasons, the comment that "progress has returned to Cleveland" is highly distorted and erroneous. Because of my affinity to the Foundation, may I advise that the Foundation be aware of this kind of evaluation which has no educational merit. (NVP Grant Files, 1982)

In attempting to determine the impact of NVP, it is important to look beyond the questionable evaluation reports. Dozens of innovative educational experiments took place at Cleveland. Victoria board minutes, grant files, and interviewees indicated that NVP's early-childhood education component, with its pioneering curriculum and its focus on comprehensive supports for families, served as a prototype for the national Head Start program. Although there is evidence to suggest that the preK efforts at Cleveland directly impacted the Newark Head Start program, whether it inspired the national Head Start model is debatable. Joyner recalled a special trip made to the Cleveland School in 1965 by First Lady Claudia "Lady Bird" Johnson to observe the pre-K classrooms and the many innovative practices that were taking place in the other grades. Lady Bird Johnson was an advocate of early-childhood education and served as honorary board chair of the

original Head Start program, so it is possible that the federal program was influenced by what she witnessed at the Cleveland School.

Despite the confusion caused by the contradictory evaluation reports, there was general consensus that NVP resulted in several “firsts” in the district. As early as 1965, the Newark Board of Education approved construction of a new Camden Street School, which included designs for pre-K classrooms based on the model at Cleveland, the first school in the district to educate 4-year-olds. According to the 10-year NVP summary report written by Thomas Cooke, there were many other firsts from the Cleveland School adopted by the Newark Board of Education for use in other elementary schools, including:

- Provision of teacher training workshops and a systemic approach to professional development;
- Use of the Frostig Program, Lippincott Phonics, and the “New Math” curricula for all grades;
- Implementation of full-day kindergarten;
- Purchase of a complete math-science computer lab; and
- Partnerships with social service agencies, which led to the district’s hiring of the first full-time elementary school guidance counselor and psychologist.

By the late 1970s, it became clear to Foundation staff that the evaluation reports were overstating the gains. Catherine McFarland was a program officer at the time and recalled:

Every year someone from Montclair State would do this evaluation and every year the kids would be way off the charts. And then they would go to middle school and fail. So I went over and got all of the scores from the last test at Cleveland and then went over to West Kinney where a lot of the kids went and

compared where they were when they came in and there was no correlation. I think they were fudging the scores at Cleveland. (C. McFarland, Personal Communication, July 18, 2013)

Howard Quirk was also disappointed by NVP and questioned the efficacy of continuing to support this expensive initiative. He was particularly frustrated by the poor school options Cleveland School students faced once they graduated. The data continued to show that any gains attained at Cleveland utterly disappeared within one year at West Kinney Junior High School. In a 1977 response letter from Percy Chubb 2nd to Quirk, the Foundation president expressed his ambivalence:

Your letter raises the following questions: Do we abandon the Cleveland School program or struggle on? If we abandon it, what other route do we pursue to achieve our goal? If we struggle on, how do we deal with the high school problem as exemplified by the situation at West Kinney?...What concerns us is the impact on these children is lost if we don't meet the high school problem one way or another. We recognize the validity of your point that to some extent the Cleveland School program is inspired from the outside and not from the community. (NVP Grant Files, 1977)

In 1979, in order to address the educational needs of Cleveland School graduates, Victoria entered into a new partnership with the Newark Board of Education, providing a grant of \$150,000 to extend the prestigious and highly successful University High School to promising seventh- and eighth-grade students. In the first few years, six to 10 Cleveland School graduates successfully secured seats in University High School's seventh-grade classes. Thereafter, as word spread about this exciting opportunity, competition for the slots increased and fewer Cleveland students were accepted. The Foundation also started providing scholarship support to high-quality private and parochial schools, such as Oak Knoll School and St. Rocco School, that were willing to accept Cleveland School graduates. In addition, Victoria trustees approved grant support

to initiate an in-school suspension program for the most disruptive students at West Kinney Junior High in an attempt to improve its culture of learning.

The final issue that surfaced in the early 1980s, which greatly concerned Victoria staff and trustees, was the likelihood that the central office was diverting federal Title One funding meant for Cleveland School to other schools because of the ongoing grant support from Victoria. In an April 1983 letter to Deputy Executive Superintendent Gladys Hillman-Jones, Corinne Chubb asked pointed questions about school finance:

How much more does a school comparable to Cleveland get through Title 1? If a school wants a specialist in reading, does this work out to the school either paying less for books or dropping a teacher? Where would the money come from? Does every special program come out of each school's basic budget? Rightly or probably wrongly, Victoria is questioning whether the Board is entering in its Cleveland Newark-Victoria budget personnel usually found throughout the elementary schools. (NVP Grant Files, 1983)

At the conclusion of the 1982-83 school year, Superintendent Columbus Salley unilaterally terminated NVP at the Cleveland School. This decision may have been in response to Corinne Chubb's letter to Hillman-Jones. At the December 1, 1983, trustees' meeting, Percy Chubb III stated in his president's report, "The conclusion of the Newark Victoria Plan after nearly 20 years appears to have been a necessary but somewhat painful experience for everyone" (VF Board Minutes, 1983). He mentioned the many derivative programs that were spawned by NVP, including the in-school suspension effort at West Kinney, extended grades at University High School, and the creation of DRET, affirming, "It is doubtful that we would have been positioned to establish any of these except for the credibility gained over the years at Cleveland" (NVP Grant Files, 1983). Margaret Parker had served on the board for the last decade of the Cleveland School experiment. In a recent interview she summed up her unfavorable view:

[NVP] was a total disaster. Lessons learned, right? I was around for the ending of it all. They were just playing with us. Taking the money and doing whatever they wanted with it. And poor Aunt Corinne. She was trying so hard. They always claim that Cleveland School was one of the first places that began educating preschool kids, and that it was a model for Head Start, but I doubt that. By the end of it they were doing whatever they wanted with the money. I'm not sure there wasn't some corruption. (M. Parker, Personal Communication, February 27, 2013)

Percy Chubb III was elected to the board at the same time as his cousin Margaret

Parker and he shared similar negative sentiments when asked about the impact of NVP:

I visited the Cleveland School two or three times. I didn't see much happening there. We would buy books and the books would get stolen. A lot of stuff was being taken by people. I could hear mother complaining about it. "They are stealing you blind ma! This isn't making any sense what you're doing." What we're doing. It was one of the first things we did in education; \$2.5 million was a lot of money in those days! Nobody really wanted to talk about the fact that this was not working. (P. Chubb, Personal Communication, February 1, 2013)

A final sobering summation is offered by Sally Chubb, Corinne Chubb's daughter-in-law:

Those last years before we got out from under Cleveland were awful. [Corinne Chubb] went by herself a lot to Cleveland. And she would take a brown bag with sandwiches and sit with the principal. She was the kind of woman who liked to get to the grassroots. She built a strong relationship with the school. The trouble was that she had blinders on. She couldn't see what was really happening, which was nothing. The idea with Cleveland was that we would provide them the funds for enrichment. The curious thing was that there was supposed to be Title One funding going to the school, and often our funding denied the school that extra funding that would have come from public money. And with public money they would have been accountable. They didn't have to be accountable to us. Or they didn't think they did. My mother-in-law would do the reporting. She would build these personal relationships with the principals and see what she wanted to see going on in the school, but it wasn't there. I'm sure it might have been there from time to time. I went to Cleveland with Corinne. When I visited, I didn't see any good teaching. It was not a pretty ending. Probably the best thing that happened is that it fed a lot of students into St. Rocco's instead of going into the public school it fed into. Pi and I went to an event a few years back at St. Philip's and met a lovely Black couple and we introduced ourselves. And the man said, "I went to Cleveland and I remember Victoria. They sent me to St. Rocco's and it changed my life. And I'm thrilled to have my daughter go to North Star⁵⁵ because it's a

⁵⁵ North Star Academy is a high-performing Newark-based charter school.

first-rate school. But if I hadn't had that background, I wouldn't have known what a first-rate school looked like." (S. Chubb, Personal Communication, February 25, 2013)

Victoria staff and trustees were so dismayed by the level of dysfunction in the district by the time the superintendent ejected the Foundation from the Cleveland School that they decided to discontinue all direct support. It would take a dozen years and the drastic intervention of state takeover of the entire public school system to convince Victoria trustees to step back into the public schools arena. At the end of the 19-year experiment, Quirk wrote a letter to Corinne Chubb in which he mused: "After recent experiences with [the district], I wonder if we should give an honesty award to public school people who go three full years without lying to us?" (NVP Grant Files, 1983).

Black Youth Organization/The Chad Schools

A remarkable private elementary school emerged out of the 1967 riots in Newark. After he retired, Howard Quirk wrote down his recollections of how the Chad School came to light. In 1968, Quirk had just started at Victoria and was living in the YMCA in Orange when he received a visit from Leon Moore, a founder of the Black Youth Organization (BYO). BYO had not yet applied for its 501(c)(3) nonprofit status and was operating out of the Newark YMWCA. Moore wanted money to purchase a building in Newark to organize idle young people and give them a sense of direction. The meeting was tense. Quirk told him that most foundations were run by businessmen and BYO would need to prove itself before it could expect to receive any grant support. Moore replied, "Business people have gotten this country into a lot of trouble. I don't think their judgment is all that good" (Quirk Personnel File, 1968). At a meeting about a month later, Quirk met with Percy Chubb 2nd, who explained that he always liked to distribute

Victoria's income in the year it was earned and asked if there was any organization Quirk wanted to take a gamble on with a grant of \$2,000? Quirk told him about BYO, clarifying the obvious risks and the need for the money to go through the Newark Y, and the president agreed. When Moore learned about the grant he said, "We visited a lot of people asking for help. Mr. Quirk was the only one who gave us a hard time and the only one who came through with anything" (Quirk Personnel File, 1968). The grant was used as a down payment for a brownstone in the Central Ward of Newark. The following year, BYO decided to start a school in that building and named it Chad after the small African nation whose policies embodied self-determination and self-reliance.

Victoria's next grant award of \$15,000 to BYO was controversial because several trustees were uncomfortable about the school's policy to restrict enrollment to Black children. As discussed in Chapter 4 (see p. 84) Quirk advocated for the grant on the grounds that an "interim ethic" justified transient pro-minority exclusion as a counterweight to prevailing racism (Quirk Personnel File, 1968). The final 7-5 vote was the only split vote Quirk could recall in the 43 bi-annual meetings of his Victoria career. The grant award letter, signed by Percy Chubb 2nd, was explicit about the issue of segregation:

Our trustees devoted a substantial portion of their annual meeting to a consideration of the Black Youth Organization, its goals and its implications. From all available information, we were satisfied that the B.Y.O. is hard-working and dedicated in its approach to the problem of improving the education of Newark's disadvantaged Black students. However, some of our members were reluctant to support an activity which is racially exclusive, fearing that this might give aid and comfort to those who want to keep our society divided. The Victoria Foundation is committed historically to equal opportunity and an integrated society, and it is only because we believe that the function of the B.Y.O. will ultimately work towards a healthy and genuine integration that this grant is being made. If any publicity is given to our grant, we ask that the philosophy of the above paragraph be clearly included. (Chad Grant File, 1969)

As noted in Table 6.4 below, Victoria would become Chad's largest and most loyal private funder over a 35-year period, with grant support of more than \$4 million. In 1991, the grant amount of \$710,000 was part of a large capital award used to help BYO open a private high school, the Chad Science Academy. Thereafter, grant support was split between the elementary school and the high school.

Table 6.4

Annual Grants to the Chad Schools from 1968 to 2005

Year	VF Grant Award	Year	VF Grant Award
1968	\$2,000	1988	\$30,000
1969	\$15,000	1989	\$30,000
1970	\$15,000	1990	\$93,000
1971	\$10,000	1991	\$710,000
1972	\$15,000	1992	\$100,000
1973	\$15,000	1993	\$356,000
1974	\$25,000	1994	\$166,000
1975	\$15,000	1995	\$200,000
1976	\$15,000	1996	\$200,000
1977	\$15,000	1997	\$300,000
1978	\$15,000	1998	\$200,000
1979	\$15,000	1999	\$200,000
1980	\$20,000	2000	\$350,000
1981	\$20,000	2001	\$250,000
1982	\$20,000	2002	\$225,000
1983	\$10,000	2003	\$225,000
1984	\$20,000	Total	\$4,007,000
1985	\$45,000	2004	0
1986	\$35,000	2005	\$50,000
1987	\$30,000	Total	⁵⁶ \$4,057,000

The Chad elementary school was launched in January 1970 with 90 children. Over the next 20 years, enrollment at this high-quality Afrocentric school grew to 454 students. Throughout the 1970s, Howard Quirk helped BYO raise private funding by

⁵⁶ The grant total, using annual figures converted to 2012 using the CPI calculation, is \$6,600,000.

meeting with and sending letters of recommendation to foundation peers. These efforts led to multiple grants from Wallace Eljabar Foundation⁵⁷, John Jay and Eliza Jane Watson Foundation, New York Community Trust, Hyde Foundation, and the Florence and John Schumann Foundation. With capital support from Victoria and others, BYO purchased five more row houses, all connected by walkways, to accommodate the elementary school; however, by 1985 these buildings could no longer safely contain the schoolchildren. The following year, Chad conducted its first major capital campaign, raising \$800,000 to purchase and renovate the former St. Antoninus parochial school in the West Ward. The total capital expenses of the new building were \$1.4 million, however, pushing Chad down the slippery slope of annual deficits.

The following year, BYO purchased Camp Chad in Sussex County, with the hope of providing an outdoor summer experience for the students. The facilities were dilapidated, the purchase price was several times the value of the property, and BYO took on a mortgage of nearly \$500,000. To make matters worse, BYO was only able to raise enough money to operate the program for one summer. The June 1989 audit reported an operating deficit of \$381,000. The school started the practice of using the following year's advance tuition payments to cover current year expenses, instead of placing those funds into an escrow account. Also at this time, management made the mistake of writing net checks, which meant that teachers and staff received their salaries, but state and federal payroll taxes were not paid. Remarkably, in the midst of these financial troubles, the students attending the Chad Schools were excelling.

In 1991, Chad served 500 pre-K through eighth grade students. Chad's academic success was the result of a combination of factors, in particular its "failure is not an

⁵⁷ The Wallace Eljabar Foundation evolved into the Fund for New Jersey.

option” philosophy; a rigorous curriculum and 1.5 hours of nightly homework, starting in kindergarten; an innovative phonics-based reading program that led to early readers; computer science starting in kindergarten; extensive parent engagement; the requirement of uniforms; and extracurricular activities immersed in African culture. An orderly and respectful learning environment was created, with all adults referred to as “sister” and “brother.” Tuition in 1991 was \$1,730 a year, with an agreement to contribute another \$500 through fundraising efforts. The actual cost was \$3,300 per pupil, and foundation support was sought to cover the balance. Most eighth-grade graduates were successfully placed into high-quality private high schools or the magnet public high schools in Newark. Grant reports submitted to Victoria would occasionally include the results of standardized tests, including the nationally normed Metropolitan Achievement Test (MAT). In 1984, grade-level MAT scores were well above the national average, particularly in mathematics.

Perhaps the beginning of the end of Chad started in 1992, when its leaders decided to open Chad Science Academy (CSA), a feeder private high school for its elementary school graduates. BYO worked out an agreement with the Newark Archdiocese to purchase St. Ann’s School for \$450,000 and to renovate and outfit it for an additional \$800,000. The plan also involved constructing two adjacent buildings for \$2.6 million. Victoria approved a grant of \$850,000, with \$750,000 earmarked for the purchase and renovation of St. Ann’s and \$100,000 to establish a scholarship endowment. This significant grant award is noted in Figure 6.2 below, which includes a photograph of Chad’s leaders with Catherine McFarland, who hosted a fundraising breakfast to generate excitement and support from the local philanthropic community.

Generous Grant



Catherine McFarland, Executive Director of the Victoria Foundation, poses with (from left) W. Leon Moore, Executive Director of The Chad School and The Chad Science Academy; Dr. Simpson DaSilva, Principal, and Terry Alford, Vice Principal, of The Chad Science Academy. The Victoria Foundation has provided a grant of \$750,000 to be paid over two years for the purchase and renovation of the two buildings which currently house The Chad Science Academy. The walkway connecting the two buildings will be commemorated this year in recognition of the Victoria Foundation's generosity. Another \$100,000 from the Victoria Foundation has enabled The Chad School to start an endowment fund.

Figure 6.2. Photo from 1992 Chad Newsletter (Chad Grant Files, 1992)

CSA opened in the fall of 1992. Like the elementary school, it provided a rigorous education, with all students required to take four years of science and four years of math. CSA graduates were accepted into prestigious colleges and universities (at least one graduate went to Princeton and another went to Harvard). At their peak in the 1999-2000 school year, the Chad Schools enrolled 747 youths, but the finances were still in disarray. In addition to not raising enough tuition and private support to run the two schools each year, BYO owed \$500,000 in back payroll taxes and carried more than \$2 million of debt without the means to make monthly payments.

Victoria continued to provide annual operating and scholarship support to the two schools and went the extra mile to try to save the schools. In 1991, the Foundation made an extra grant of \$50,000 to cover back payroll taxes and also arranged for an expert from

the National Executive Service Corps to work with BYO to help it generate more revenue streams to reduce its deficit. In 1992, trustees approved an extra grant of \$20,000 to hire a professional fundraiser. In 1995, McFarland convinced trustees to pay for a finance consultant to delve into the fiscal morass and come up with a plan to fix it. In 1997, McFarland hosted another group of sister foundations at the Newark Club to hear from Chad's director and board president. In 2000, the Foundation again stepped in to pay back payroll taxes that had been negotiated down to \$150,000. It was clear to Victoria trustees and staff that BYO did not possess the in-house capacity or the appropriate expertise and wealth on its board to raise sufficient capital to sustain the schools. Teachers were going for weeks and sometimes months on end without getting paid. The BYO board was composed of the founder, Leon Moore, as well as a handful of teachers and close associates. As its longest and most generous funder, Victoria took the unusual heavy-handed step of making its 1996 grant of \$200,000 conditional on the development of a functional board of trustees and the requirement that all financial expenditures be initialed by the Victoria-funded financial consultant.

Over the next seven years, McFarland worked closely with Edwin Stier, a former New Jersey prosecutor and president of the BYO board, in an attempt to stabilize the schools' finances. BYO had some success through the years accessing foundation and corporate grant support but never really ventured into the individual giving arena. There had been two boards connected with the schools: BYO, which was responsible for the day-to-day operations, and the Chad Schools Foundation, responsible for fundraising. McFarland and Stier believed it was prudent to collapse the two boards into one and begin the process of recruiting high-net-worth individuals, with the primary goal of

dramatically increasing revenues. Moore was not happy with the plan and he was angry that Victoria support was now conditional. Stier and McFarland believed it was time for Moore to retire and worked out a separation agreement, which provided a three-year severance package totaling \$255,000 plus medical coverage and the stipulation that he would not seek reemployment. Before he left in 2001, Moore selected Ewart Williams, a CSA science teacher and administrator from Guyana, to be his successor. The newly consolidated BYO board embraced this choice.

In September 2002, real estate executive Robert Rudin took over as president of BYO⁵⁸. Rudin had initially been brought in as a volunteer in 1997 to renegotiate several hundred thousand dollars of debt assumed by BYO to purchase the camp property years earlier. The owner agreed to take back the camp, settling for a final \$30,000 payment, thus unburdening the school of some of its debt. Within a month of becoming president, Rudin learned that current tuition payments had been used to cover the previous year's expenses and that the schools needed \$500,000 to make it to December. Rudin credited Assemblyman Bill Payne, who was an admirer of Chad, for convincing then-Senator Jon Corzine to contribute \$500,000 dollars to the schools to stem the immediate cash-flow crisis. Unfortunately, the grant came in two payments, and though control procedures with the schools' automated payroll company were in place, management once again figured out a way to write net checks in November and December, presumably because it wanted to pay teachers' salaries during the holiday season.

⁵⁸ Edwin Stier was known for breaking up the mob-infested truckers union. In 2002, after the World Trade Center 911 tragedy, Stier was asked to come to NYC to address corruption related to the steel leaving the site and not going where it was supposed to go. He felt it was necessary to resign from the BYO board to take on that assignment.

In the meantime, the pragmatic Rudin believed that his foremost responsibility was to very quickly recruit trustees who could bring more resources into the schools. He left the day-to-day school matters entirely in the hands of the educators. When asked about the racial composition of the BYO board, Rudin replied:

It was mixed racially when I first got on the board. It became less so. When I started recruiting members I was just looking for money. I wasn't so concerned with the racial mix as I was to get people who could get us some cash. 'Cause the math was simple. If you get 10 moderately wealthy people who write a check for fifty grand a piece, we were fine... Finding any upper-middle-class African American who was willing to write a check back into the inner city, it was impossible. And so, by nature, it was the liberal Whites who were writing the checks, but nobody wants to hear that. For the life of me, I couldn't find any Black person willing to come on the board with cash. (R. Rudin, Personal Communication, August 12, 2013)

Rudin recruited several wealthy friends to the board, including Ted Zangari from the Newark-based Sills Cummis & Gross law firm, Richard Previdi from Goldman Sachs, and Jonathan Kushner from the Kushner Real Estate Group. Rudin also made a personal contribution of \$100,000, which was held in a segregated account and used to cover the salary of a new full-time fundraising professional. As Rudin began to better understand the financial picture, it became clear that the elementary school was financially viable, but the high school was bleeding resources and causing untenable debt. There were discussions at the board level about converting CSA into a publicly-funded charter school. Under the existing charter school laws, however, CSA would first need to close for a year⁵⁹. Rudin was furious when he learned that management had written net checks, but when the second half of the Corzine grant arrived, he was able to swiftly resolve the state and federal back tax issues. With payroll taxes up to date, long-term debt declining,

⁵⁹ The regulations requiring private schools to close for a year before the possibility of converting into a charter school were relaxed in later years. In 2012, St. Philip's Academy in Newark became the first private school in the state to make a seamless transition into Philip's Academy Charter School, an option that was not available to the Chad Schools at the time.

and wealthy individuals serving on the board, it appeared for a fleeting moment that the Chad Schools were on the path to becoming sustainable for the long term.

Within weeks, however, an even more serious crisis arose. On the morning of February 5, 2003, Executive Director Ewart Williams dropped his 4-year-old daughter off at her pre-K classroom at Chad elementary school and then headed downstairs to where the executive offices were located. Williams was intercepted by 10 Black men, one of whom wore a Newark police officer's uniform. Williams recalled what happened next:

One of them says, "Give me your keys." So I said, "What is your problem?" He said, "Give me your keys. You and your board are not legal. We are the official Black Youth Organization and we're here to take your keys." And then the guy in the cop's uniform, who I learned afterwards was not a cop. He was a big guy. He stepped forward and said "We gotta get the keys! You need to give me your keys! You have sold out to the White man!" Then there was a guy in the back who said, "You gotta watch him, he carries a weapon." I thought, what's going on here? If you say there's a weapon, you're coming now with a different force than I expected. So I give them the keys and I say, "I have to go back into the school for my daughter." But he said I couldn't do that. (E. Williams, Personal Communication, August 6, 2013)

After evicting Williams from the school, the group of men went downstairs and confronted Jessica Pearson, the new development director whom Williams had recently hired with Rudin's personal donation. In an email to Rudin, Pearson described the ordeal:

One man said, "I am the president of the Black Youth Organization." I smiled as I had no idea what he was talking about. "I am the president of the Black Youth Organization and you must leave the premises." I sat stunned. He repeated again, "I am the president of the Black Youth Organization." I finally responded, "As far as I know, Robert Rudin is the president of BYO." "Completely illegal. I am the president." I said, "I was hired by Ewart Williams." "We are the board and Ewart Williams has been removed from the premises." I told them that I had a lot of work to do. I told them that we were in the midst of planning an event to honor Leon Moore. They told me I had to surrender my keys and leave the building. I willfully surrendered my key as I felt physically threatened by these men surrounding me. I was followed out of my office by all of them and physically ushered out of the building. (Chad Grant Files, 2003)

The man who identified himself as the president of BYO was Jeffrey Marshall, a former employee of Chad. Apparently, Bruce May, who had been originally hired as a history teacher but was then working in the fundraising office with Pearson, had approached Leon Moore (then retired) with several concerns about BYO, including that Williams neglected to pay payroll taxes; that the board was threatening to turn CSA into a charter school; that the White development director Jessica Pearson, who May contended was unqualified, was getting paid while Black staff members were not; and that a photo of Robert Rudin, a White Jewish man, appeared on the cover of the latest newsletter with the caption, “President of the Black Youth Organization.” On the Monday following the takeover of the schools, Leon Moore was back in charge. He appointed Marshall as director and May as assistant director.

Robert Rudin, who had served as Board president for just four months, was flummoxed. “It starts out we’re broke and can’t make it to December. Now we’re having an armed military takeover. So then I got to work. Now I’m angry” (R. Rudin, Personal Communication, August 12, 2013). Rudin recounted that he walked into the nearest police station to report that 10 men had taken over the Chad Schools, but received no assistance. He reached out to all the funders to let them know what was going on and suggested they hold off sending grant checks until the situation could be resolved. “I didn’t know if these guys were just going to steal all the money that came in” (R. Rudin, Personal Communication, August 12, 2013). He reached out to fellow trustee, Ted Zangari, who knew Sharpe James, and together they called the mayor:

Sharpe James’ attitude was basically “I heard about that. There’s no problem.” Click. Now we realize that we’ve crossed over into an area that we’re completely unfamiliar with. Sharpe James is not going to take a position of a couple of White board members over a group of community activists who founded the school. So

now the law is not anywhere to be found in this equation. (R. Rudin, Personal Communication, August 12, 2013)

Rudin recalled that Payne was trying to negotiate a peace between the two boards, when the duly-constituted board decided to take the spurious board to court:

We went to court. You geniuses took the school over and basically destroyed it because funding is cut off and we don't know if we'll ever recover from what you just did. Leon was in the back of the courtroom and the other defendants were sitting there. And these were pretty sketchy looking people. And I'm angry because this is just moronic. I'm feeling like the White guy in court. There are angry parents filling the courtroom. So we win, but they don't give them a restraining order. We're the real board, but they don't have a restraining order to keep these guys out of the school so what are we supposed to do? Wrestle them? (R. Rudin, Personal Communication, August 12, 2013)

Throughout these tumultuous weeks, Rudin was receiving threatening hate mail, including a series of letters from Alton Maddox, Jr.,⁶⁰ who had a granddaughter attending the Chad elementary school. Maddox wrote:

The post-Moore Board failed to secure any new sources of funding...It is inexcusable that school personnel has not been paid for more than a month. This is a badge of slavery...It is difficult for me to believe that some groups still harbor hostility toward children of African ancestry. I can find no other reasonable inference. (Chad Grant Files, 2003)

In a letter to all Chad parents, Maddox wrote, "We must find a board which is concerned about historically-oppressed children. I do not have to remind you that this board would have already remedied the plight of Chad if its student body were White" (Chad Grant Files, 2003).

The men who took over the Chad Schools intimated that Ewart Williams was targeted for removal because of his involvement in writing net checks. Most of those interviewed, including Williams, believed that he was targeted primarily on racial grounds. Though Williams was Black, he was born in Guyana. In addition to the

⁶⁰ Alton Maddox, Jr. had his law license suspended after representing Tawana Brawley, who claimed she had been abducted and raped.

Black/White friction, there was tension building up inside the schools between the African American educators and the growing number of Caribbean American educators. In retrospect, given the schools' Afrocentric mission, which was steeped in the concept of self-determination, it was surprising that the outgoing Moore would designate Williams as his successor. Williams was aware of these negative feelings at Chad but hoped that the needs of the students would trump the racial and ethnic issues. Williams said:

When Leon had to step down, at the back of my head I said you know what, this is going to be a challenge. How is it going to be without Leon here day-to-day? And he has to be aware that I am going to see things differently than him. I'm not going to see things from an African American perspective. I grappled with the culture at Chad, since I was not born in the U.S. What does it mean to be African American? (E. Williams, Personal Communication, August 6, 2013)

The parents at the schools were confused and angry. Since the inception of Chad, parents had been told that the tuition they paid covered all the expenses connected to the education of their children. Leon Moore put forward this misrepresentation because he wanted the parents to feel empowered and proud of their choice to send their children to a private school. In February 2003, when parents were told there was a danger that the schools might close before the end of the school year, they accused board members and school leaders of acting fraudulently with their tuition funds.

At this point Rudin had two immediate goals: to raise enough money to finish the 2003 school year and to resign from the BYO board. The schools needed to raise \$1.2 million to make it to June. The Turrell Fund made its largest grant to Chad of \$300,000. Victoria came through with a supplementary grant of \$225,000, which was above and beyond its traditional grant of \$225,000. In approving the award, Percy Chubb III remarked, "This Victoria grant will ensure that we need not face the prospect of closing the schools before graduation day with all the trouble and pain this would cause the

students” (VF Board Minutes, 2003). Payne managed to get a \$500,000 state appropriation, enabling the school to become current with payroll and other financial obligations. When Rudin stepped down in the summer of 2003, Payne took over as president. Efforts were made to keep the schools open, including a tuition increase of \$1,200 per student. However, enrollment dropped precipitously, with under 300 students registered for both schools, and the decision was made to shutter CSA at the close of the 2004-05 school year. The continued decline of student registrations in the elementary school, combined with a projected operating deficit of over \$1.6 million for the 2005-06 school year, forced the additional closure of the elementary school. Unfortunately, many families had already registered their children in the school, and the board spent most of the summer of 2005 helping parents find placements in other schools. Parent Giana O’Neal said at the time:

As a parent I felt Chad School was family oriented, challenging, and had high standards. My daughter loved going to school and when Chad closed and she transferred, she was accepted into honors classes. Most importantly, she knew she had the ability within herself. (Chad Grant Files, 2005)

Ironically, once both school buildings were sold and the debts were paid off, there was a balance of \$7 million. These funds were used to create the Chad School Foundation, a modest grantmaking entity focused on youth in Newark.

What can be said about the impact of the Chad Schools? Though Victoria implored BYO’s leaders to track the graduates, they were never able to do so. There are dozens of anecdotes about successful Chad graduates, including one who served for a time as a program officer at Victoria. Trustees were always impressed by the above-average SAT scores, which CSA widely publicized. The published scores were always 200 to 300 points higher than the results from the Newark comprehensive high schools

and were in line with national averages. However, CSA leaders misrepresented the data. They reasoned that since only 20% of U.S. students actually took the SATs, and 100% of Chad students took the exams, they would only report the results of the top 20% of Chad students. Percy Chubb III contrasted the endings of NVP at the Cleveland School with the closure of the Chad Schools, “[NVP] was the opposite of Chad where a lot of things went bad, but [Chad] did a lot of good work. The kids that were going to the Chad high school were really super kids. They were turned on. They understood why they were working so hard” (P. Chubb, Personal Communication, February 1, 2013).

Rudin recalled why he was so energized about joining the BYO board:

There was nothing more exciting for me than walking potential funders through the grade school and seeing these freshly scrubbed kids, perfectly behaved, in uniform, who would jump to attention when you walked into the classroom and say “Good morning visitors!” and sit back down. The methodology they used to teach was phonetics based, teaching to reading, and all the kids could read. Nobody got left behind. Everything seemed to be done well. It was beautiful. So when I’d take funders through they’d be amazed and I’d say “Look if you’ve got a heartbeat you’ve got to be amazed.” (R. Rudin, Personal Communication, August 12, 2013)

McFarland was connected to the Chad Schools for 33 years. She believed in the model, provided hands-on assistance, and strongly advocated for ongoing support each year. She shared her final thoughts about Chad:

The worst part was that they got a lot of new corporate people on the board who were raising money and the original founders were upset and they took over the building. They were upset because “All these Jews were taking over our school.” It was racial. Leon [Moore], before he died, called me up and apologized. He said, “I really want to tell you that you were right. That board was going to be good for the school and I’m sorry.” We tried everything to help save Chad and we almost did. I mean, thugs came in with guns. (C. McFarland, Personal Communication, May 16, 2013)

Newark Collaboration Group

Private foundations have tools beyond their grantmaking dollars to effect positive changes. When Victoria hired its first executive officer in 1968, the board converted the 40-year-old Special Relief Fund into the Victoria Community Fund, with the express purpose of setting aside funding each year that the new director could use to promote cooperation among community-based organizations in Newark. The power of the checkbook ensures that when a foundation convenes a meeting of stakeholders, they generally show up. In addition to their ability to summon diverse parties together to address common challenges, foundation leaders lend their thought leadership to various issues by serving on task forces, committees, blue ribbon panels, and nonprofit boards.

In 1984, there was a spirit of malaise permeating the streets of Newark. Unemployment topped 10% and violence was on the rise. Mayor Kenneth Gibson had been in office for 14 years, but there was little evidence of progress. There were many blighted blocks in the city that still bore the scars of the 1967 riots. Newark lost nearly 25% of its population from 1960 to 1985, plummeting from 405,000 residents to 314,000. There was an exodus of middle-class families and major corporations. And for those that remained, there was tremendous distrust among leaders of the nonprofit and business sectors, local government, churches, schools, and community residents, all competing for scarce resources. In the midst of the despondency of the mid-1980s, Victoria approved a seed grant of \$51,000 to help launch the Newark Collaboration Group (NCG), with Program Officer Catherine McFarland serving as treasurer and as a member of its executive committee.

NCG was the brainchild of Alex Plinio, president of the Prudential Foundation. Plinio was born and raised in Newark, and when he learned that certain senior executives were continuing to question the efficacy of keeping the Prudential Insurance Company's headquarters in Newark, he wondered if there was something he could do to jumpstart a revitalization effort in the city:

It was a time when nobody thought the city would come back. What I decided was that I would go out and interview the top leaders in Newark and essentially try to answer two questions: Was there enough leadership that could coalesce around something that could potentially bring the city back? And, if so, would folks actually work together? (A. Plinio, Personal Communication, October 16, 2013)

Plinio interviewed 50 civic leaders, including CEOs from large companies, nonprofit executives, elected officials, college presidents, and clergy. Robert Beck, the CEO of Prudential at the time, was extremely supportive of this effort and let Plinio know that he would make whatever resources were necessary available to him. For close to a year, members of NCG met frequently to devise a strategic plan that would help to address the myriad problems facing the city. Early in 1985, the Group announced its ambitious plans and the *Star-Ledger* reported that,

A Who's Who of city leaders who have been meeting for nearly a year last week announced intentions for a joint effort to help Newark reach its full potential. A blend of short-term and long-term goals to facilitate revitalization of the city has been set by the members of the organization—a cross-section of business, government, religious and community leaders who have incorporated as the Newark Collaboration Group. (Kukla, 1985, p. N1)

What made NCG unique from top-down efforts, was that its cross-sectional members included the dynamic participation of community activists and nonprofit leaders, in addition to the requisite corporate CEOs, university presidents, foundation executives, and elected officials. The other distinction was that NCG members underwent

intensive training in consensus decision making, which meant that everyone's opinions mattered. NCG published the following statement as its official mission:

The Newark Collaboration Group is a public/private community partnership established to facilitate the revitalization of Newark and to plan for its future. Relying on principles of cooperative decision making, openness, inclusiveness, and consensus, the Newark Collaboration Group brings together the diverse sectors of the City in a process aimed at improving the quality of life for all Newarkers. (NCG Grant Files, 1985)

Plinio was elected the first chairman, with New Jersey Institute of Technology (NJIT) President Saul Fenster assuming this leadership role two years later, and Mayor Sharpe James two years after that. In addition to McFarland, the executive committee comprised diverse stakeholders, such as: Richard Cammarieri, executive director of the Newark Coalition for Neighborhoods; Monsignor Franklyn Casale, Vicar General of the Archdiocese of Newark; Peter Shapiro, Essex County Executive; Junius Williams, president of the Leadership Development Group; John Maddocks, vice president of Public Service Electric and Gas; and Ramon Rivera, executive director of La Casa de don Pedro. Over 200 community participants served on the committees, which included Programs and Services; Strategic Planning; Public Participation; and Communication, Education, and Information.

Over the next nine years, NCG made great strides in Newark, especially in the area of housing development. In the preceding 15 years, very few units of new housing had been constructed. Donald Harris, a minority developer and principal of Vogue Housing Connection, was a member of NCG and brought up the issue of how difficult it was to get financing, permits, and tax abatements from Newark City Hall. He was trying to build low- and moderate-income townhouses in one of the most distressed neighborhoods in the Central Ward. Newark Councilman Rev. Ralph Grant refused to

approve tax abatements for Vogue unless it was willing to use his brother-in-law's modular building materials from Pennsylvania. Plinio agreed to talk to Grant: "I told him that Prudential had 300 attorneys. I said, 'I'm going to turn every one of them onto your ass, and they're never going to let go. You're going to find yourself in jail if you keep this up'⁶¹" (A. Plinio, Personal Communication, October 16, 2013). The tax abatements went through shortly afterward and Plinio was able to get the Prudential Social Investments division to provide \$2 million in financing to Vogue. The 40 units were quickly sold, which attracted the for-profit K. Hovnanian developers to Newark. NCG was able to help Hovnanian partner with Vogue, which held the tax abatements, and soon several hundred units of moderate- and market-rate housing were built, called Society Hill, in the Central Ward. In addition to jumpstarting housing construction in Newark, NCG played a pivotal role in bringing the Enterprise Foundation and LISC to the city, which provided tens of millions of dollars in loans and technical assistance to the burgeoning CDC sector.

Some NCG successes were based on the hard work of committee members meeting, developing strategies, and bringing them to fruition. Other wins were more serendipitous. One member would mention a challenge or an opportunity, and others would take up the issue. According to McFarland, "That happened over and over again. We would hear of some problem, and we would work collaboratively to solve it" (C. McFarland, Personal Communication, July 18, 2013). For example, NCG was given some credit for influencing the decision to land the proposed state arts center in Newark. McFarland shared her recollections:

⁶¹ In 1995, Ralph Grant was found guilty in federal court for accepting bribes in a "pay-to-play" scandal.

Alex mentioned at a Collaboration meeting one day that the governor [Thomas H. Kean] wanted to have a performing arts center and there wasn't a city all over the state that wasn't going to vie for it, but Newark doesn't even have a master plan and if we can't put something together we're not going to be able to attract it to the city. I told Percy and we went down and spoke to Everette Shaw, the executive director of Renaissance Newark, which was a quasi chamber of commerce. And we said, "What will it take to get a plan to place the performing arts center in Newark?" He said that for \$75,000 they could lay out a plan for where in Newark it could be located, and why it should be located in Newark. And Victoria gave him the grant. (C. McFarland, Personal Communication, May 16, 2013)

In another unanticipated accomplishment, several of the NCG neighborhood-based members brought to the attention of the group the need for leadership training for emerging community leaders. With grant support from Victoria, NCG brought the national Coro training program to Newark⁶², which helped to build the capacities and problem-solving skills of community activists and nonprofit staff members. When the issue of youth empowerment surfaced in the early 1990s, NCG organized two annual all-day summits called Unity Jam, which were designed and implemented by youth. Victoria underwrote both summits and over 600 young people attending each event.

NCG incubated several organizations including the Newark Education Council (NEC), which addressed problems related to public education. The NEC helped to improve relations between the NPS central administration and the community. It was also influential in the area of early childhood education, lobbying successfully for the district to bring on a Coordinator of Early Childhood Education and to expedite the expansion of full-day kindergarten. After two years, NEC was spun off into an independent agency. NEC also incubated and provided capacity-building support to the fledgling Newark Arts Council, which then became a viable independent organization.

⁶² Coro is known for providing outstanding leadership training to citizens engaged in complex problem solving, developing personal skills while expanding the social capital of a community, and promoting broad civic engagement.

At the outset, NCG was hoping to improve the image of Newark and galvanize the community to work together to bring the city back to life. Remarkably, NCG seemed to accomplish its goals. Strong leadership was key to its success. According to Plinio, Victoria's participation was critical to the achievements of NCG: "This wouldn't have happened without a few seminal grants and individuals who became engaged—and Cathy [McFarland] was one of them. Prudential and Victoria had a common thread in the city. We worked together to get things done" (A. Plinio, Personal Communication, October 16, 2013). When NJIT President Saul Fenster became chairman of NCG in 1987, he wrote the following in a letter to Howard Quirk:

We are grateful to have a partner in our work as active as the Victoria Foundation. The Victoria Foundation's past financial support has enabled us to pursue our mission in a manner that few would have envisioned only two short years ago. More importantly, the leadership and involvement we have received from Cathy McFarland has been essential to our efforts. (NCG Grant Files, 1987)

Table 6.5 below lists all Victoria grants awarded directly to NCG as well as to those agencies directly connected to NCG.

Table 6.5

Direct and Indirect Support to the Newark Collaboration Group

<u>Newark Collaboration Group Grants</u>			<u>NEC Grants</u>	
1984	\$51,000	general operating	1990	\$15,000
1985	\$10,000	LISC match	1991	\$20,000
1986	\$50,000	general operating	1992	\$15,000
1987	\$50,000	general operating	1993	<u>\$30,000</u>
1988	\$25,000	general operating		\$80,000
1988	\$15,000	leadership training		
1988	\$10,000	start-up NEC	Total Grants to NCG and NEC	
1989	\$10,000	general operating		
1989	\$15,000	start-up NEC		
1991	\$30,000	Unity Jam		
1992	<u>\$30,000</u>	Unity Jam II		
	\$296,000			

In 1987, Plinio enlisted Victoria trustee Robert Curvin to conduct a study of the strengths and weaknesses of NCG and to help determine whether it should continue. While the study was critical of NCG's heavy focus on downtown development at the expense of efforts to help the neighborhoods, Curvin believed that it was worth continuing: "I thought the Collaboration Group was a really important undertaking. It is one of the few examples where corporate leadership stepped out from their more private hidden role and tried to do something in the city" (R. Curvin, Personal Communication, July 17, 2013). McFarland agreed that "a lot of things happened which would not have happened if it weren't for the Collaboration." (C. McFarland, Personal Communication, May 16, 2013). By the seventh year, however, McFarland saw a significant decline in the value of NCG and attributed this to the recent additions to the executive and other committees who were not inculcated in the culture of consensus decision making. She felt that all new members should have received the same training that she received at the start of NCG. She also thought that when Mayor Sharpe James became the chairman, NCG was viewed as a political entity. James disagreed with that assessment, however, and believed that the strength of NCG was in its ability to create a level playing field:

With the Collaboration Group you had CEOs sitting with welfare recipients. Where in America can you find CEOs of Prudential, CEOs of all these Fortune 500 companies and you got welfare recipients. You got all these community people sitting in the room voicing their opinions. It's Newark, New Jersey!...And I became the president of the Newark Collaboration Group. And I took it only because it is what I believe in. There's strength in diversity, strength in teamwork. There's no "I" in "we." So Sharpe James said "I might be the man. I don't have all the answers. I don't have the money. I don't have the knowledge." I was willing to create partnerships. And I believe during my tenure we had a lot of improvements. (S. James, Personal Communication, August 21, 2013)

Community activist and NCG executive committee member Richard Cammerieri, however, did not think there was much to show for all the work:

In retrospect, it was a very smart thing to do. It brought people together. It was the end of Gibson's third term. People were looking for something to happen and this had a lot of possibilities. There was some guarded optimism. I don't think it had any impact. When you look back at it, I just don't see it. It didn't change any of the socioeconomics of the city. (R. Cammerieri, Personal Communication, July 8, 2013)

In the final analysis, perhaps the greatest value of NCG was its ability to bring diverse stakeholders to the same table, an important tool for foundations. In a 1987 letter to Prudential CEO Robert Beck, Howard Quirk expanded on the theme of teamwork:

If the Collaboration were to adopt a theme song, it would surely be, "Getting to Know You." This is well illustrated in the Executive Committee, most of whose 15 members did not know one another in May 1984 even though each represented an institution active in Newark. They now know each other quite well in relationships strengthened as much by honest argument as by agreement. (NCG Grant Files, 1987)

New Community Corporation

New Community Corporation is widely considered to be synonymous with its founder, Monsignor William Linder, who received a MacArthur genius award for his community-based work. Linder grew up in Hudson County, New Jersey, in the 1940s. His father was the North Hudson Republican Chairman. Linder studied engineering at Seton Hall University and worked at Public Service Electric and Gas during the summers. By his own account, he was dissatisfied with the engineering path and felt a calling to serve people. On Saturday morning, May 25, 1963, he was ordained as a Catholic priest. The very next day Father Linder presided over his first public mass, and the following Tuesday, he went to the chancery office to pick up his instruction letter with the expectation that he would be sent back to Seton Hall to obtain his Ph.D. Much to his surprise and delight, he was ordered to fill an opening at the Queen of Angels parish in Newark, which had a reputation for community activism to address social injustice.

Serving as a clergyman at the Queen of Angels Church was the beginning of a trajectory that eventually led Linder to found one of the nation's largest and most successful community development corporations.

Linder first crossed paths with Victoria in 1964. He had been assisting some talented basketball players from Central High School in Newark with the translation of recruitment letters written in French from the European industrial leagues⁶³. Linder was troubled by these students' poor academic performance, which made him determined to initiate a literacy program for young adults in Newark. Linder traveled to Washington, DC, to meet with A.B. Hermann, the executive director of the Republican National Committee and a former friend of his deceased father, to request help to fund the literacy program. Hermann immediately phoned his friend Bernard Shanley, a Victoria trustee, saying "Let me call Bernie. Bernie has to do something" (W. Linder, Personal Communication, July 9, 2013). Shortly afterward, Victoria invited Linder to submit a proposal, and within a few months the Foundation approved a grant of \$10,000 to Queen of Angels to support a summer remedial reading program conducted by faculty from Seton Hall University. Nearly a decade passed before Father Linder received another grant from the Foundation.



Figure 6.3. Monsignor William Linder (VF Historical Photos, 1980)

⁶³ The industrial leagues were Europe's version of America's National Basketball Association.

In the mid-1960s, Father Linder was in the trenches of the civil rights movement in Newark. One of his tasks was to pick up money from African American businessmen who were afraid to let it be known that they were giving money to support the Freedom Riders. According to Linder, it was safer for them to use the services of a White Catholic priest; otherwise, “there would be vengeance against them and it would hurt their businesses. So I was a bag person for the cash. I’d get a call and I’d go pick up an envelope with \$500” (W. Linder, Personal Communication, July 9, 2013).

In the aftermath of the 1967 riots, Linder and the parishioners at Queen of Angels organized more than 800 people to participate in the “Days of Study,” a series of meetings to consider what should be done to address the myriad problems in Newark. The participants believed that “if urban Blacks and suburban Whites developed relationships that transcended paternalism and brought the full force of their influence as voters, taxpayers, and church members to bear on Newark’s future, only then could neighborhoods be revitalized” (Rabig, 2008, p. 34). A few months later, tens of thousands of people came to Newark for the massive “Walk for Understanding” promoted by Queen of Angels in partnership with suburban parishes. A new organization emerged from these activities called New Community Corporation (NCC).

It was agreed that the first challenge the new entity would address was the substandard and abandoned housing located in a 45-acre tract that surrounded Queen of Angels Church in the Central Ward. Victoria trustee Robert Curvin and Kenneth Gibson (before he was elected mayor) were members of the founding NCC board. Newark activist and Queen of Angels parishioner Willie Wright served as the first president. Linder, who was mentoring a Jewish biblical student at the time, came up with an idea

inspired by the successful “buy a tree” campaign to support Israel. He raised \$100,000 by selling honorary shares in a square foot of land in the Central Ward at \$5 each to 20,000 people, primarily from the suburbs. In addition, interest-free loans were secured from Engelhard Industries and the New Jersey Department of Community Affairs. A sister organization in Short Hills, known as the New Community Foundation (NCF), provided ongoing fundraising assistance to NCC, with the leadership of concerned suburbanites, including Victoria trustees Robert Lilley and Matthew Carter. Herman Haenisch, the president of NCF, discussed the appropriate role that suburban affluence should have at NCC that would not usurp Black self-determination: “This is a White-help-Black project. The suburban Whites will help Blacks purchase land for new homes. It is not a White-tell-the-Blacks-what-to-do project” (Rabig, 2008, p. 49).

In 1972, NCC broke ground on its first housing project, Homes Court: 120 units of subsidized housing at a total cost of \$4.5 million. As an all-volunteer organization running day-to-day operations, however, construction stalled. The first official grant from Victoria to NCC was awarded in 1973 in the amount of \$24,000 to hire its first full-time paid employee and to create a revolving fund (\$10,000) to accelerate the purchase of additional land in Newark. In his written comments to trustees as they considered this funding, Howard Quirk advocated for support of the request even though it fell outside the Foundation’s immediate priorities:

Housing has not been our field. For the most part, I think we have felt that the magnitude and complexity of housing was beyond our scope. However, I would like to urge that we make an exception in this instance because of the solid, persistent effort from within the ghetto to solve its own problems...Willie Wright, President of New Community is an aggressive, Black power advocate. However, his focus is on elevating his own people and not baiting or deriding the White community. This may be one of the reasons why he and Imamu [Amiri] Baraka do not have a cooperative or congenial relationship. (NCC Grant Files, 1973)

NCC was remarkably successful in securing the financing to continue building low-income housing. It was literally building a new community atop the ash heap left from the 1967 riots. The *New York Times* took special note of NCC in a feature article in 1979. Joe Chaneyfield, a maintenance foreman for the Newark Housing Authority and one of the founders of NCC, was quoted in the article expressing the great pride that residents had in their new homes:

This is ours. We run a tight place. I have no hesitation about getting up at 3 and 4 in the morning and going out to see to it that everything is all right. We will tolerate no one destroying it...People laughed at us in the beginning. They just felt we had a pipe dream. They didn't think we could do it. (Narvaez, 1979, p. 22)

Another critical player at the outset of NCC was the activist and Queen of Angels parishioner Mary Smith. A social worker by profession, Smith was a tenant organizer at Scudder Homes, a deteriorating public housing complex in the Central Ward. For years, Smith tried without success to work with the Newark Housing Authority to establish a day care center for infants and toddlers within Scudder Homes. Once NCC became operational, the second challenge it addressed after housing was the dearth of day care programs in Newark. In 1968, Smith opened the first of many infant childcare centers under the auspices of Babyland Nursery. Although Babyland was a separate entity with a separate board of directors, it was an integral part of NCC. Until 2000, when the relationship between Linder and Smith dissolved, NCC built Babyland's six day care centers and covered its annual operating deficits.

A second nonprofit affiliate was the New Community Employment Center, which Victoria helped launch in 1984. This agency was formally absorbed into NCC in the early 1990s. Through the decades, NCC would grow its operation into a city within a city, with

an annual budget of more than \$100 million. Table 6.6 on the next page indicates all the grants awarded by Victoria to NCC and its nonprofit affiliates from 1973 to 2003.

Table 6.6

VF Grants to New Community Corporation and its Affiliates

New Community Corporation		New Community Employment Center		Babyland Family Services	
Year	Grant Amount	Year	Grant Amount	Year	Grant Amount
1973	\$24,000				
1974	\$24,000				
1975	\$24,600				
1976	-				
1977	\$15,000				
1978	\$20,000				
1979	-				
1980	-				
1981	-				
1982	-				
1983	-				
1984	\$50,000	1984	\$10,000		
1985	\$65,000	1985	\$15,000		
1986	\$50,000	1986	\$30,000		
1987	\$60,000	1987	\$40,000		
1988	\$60,000	1988	\$50,000		
1989	\$60,000	1989	\$40,000		
1990	\$160,000				
1991	\$201,000				
1992	\$780,000			1992	\$50,000
1993	\$440,000				
1994	\$330,000				
1995	\$225,000	1995	\$25,000		
1996	\$300,000			1996	\$11,200
1997	\$300,000				
1998	\$400,000				
1999	\$500,000			1999	\$50,000
2000	\$500,000			2000	\$50,000
2001	\$525,000				
2002	\$650,000				
2003	\$525,000				
Totals	\$6,288,600		\$185,000		\$161,200

With \$6.6 million in grants, NCC was Victoria's second-largest grantee. Nevertheless, when trustees approved a third grant of \$24,600 to NCC in 1975, Quirk indicated that "If we make this grant, as I am recommending, I think we could reasonably stipulate that it be the last" (NCC Grant Files, 1975).

Victoria's grants to NCC were characterized as directed operating support. The funds were intended to be used as flexibly as possible in three specific areas: affordable housing, job training and placement, and youth services. In any given year, Victoria's grant support amounted to less than 1% of NCC's annual operating budget. Even though the grants were dwarfed by the total budget, Linder truly appreciated Victoria's general operating support:

Victoria's funding was a very stabilizing force, because the central operating part was what you had no money for. Nobody else appreciated that you had to have people, you had to have a lawyer, you had to have this and that. Victoria did. So really you strengthened the core of New Community, that's for sure. Without Victoria we wouldn't have had the economic support we needed. I think it would have just gone under. (W. Linder, Personal Communication, July 9, 2013)

In terms of impact, NCC targeted the Central Ward, the most distressed neighborhood in Newark in 1968, with block after block composed of burned-out and abandoned buildings. Little by little, NCC stabilized and transformed a large swath of the Central Ward. For example, in 1989, after 10 years of planning, NCC successfully opened a 55,000-square-foot Pathmark supermarket with parking for 200 cars in the heart of the Central Ward. NCC launched several other businesses in the Pathmark shopping complex including a print shop, a Dunkin' Donuts franchise, a fast-food restaurant, and a mailbox/shipping center.

Essential to Linder's philosophy of responding to crucial unmet needs was the ability to train and hire people from the Central Ward to work and earn a living wage in

the various NCC program components. Its workforce development program trained local residents as certified nursing assistants and licensed practical nurses and then placed graduates in NCC's home health aide program and its long-term extended care facilities for the elderly. In 2003, NCC employed 1,900 adults in jobs connected to the following programs and services: 2,700 units of low-income housing for 6,500 Newark residents, job training and placement for 1,000 people annually, two nursing homes, transitional housing for the homeless, home health care, the Pathmark supermarket, the Priory Restaurant, Chelsea Construction Company, a federal credit union, a charter school, and a wide range of youth and family services.

With its meteoric growth, NCC was not immune from criticism. At one point, Victoria trustees worried about Linder's appointment to the board of the state's Housing and Mortgage Finance Agency (HMFA). They wondered if this might be construed as a conflict of interest, since NCC and Babyland were the beneficiaries of many favorable HMFA construction loans. Howard Quirk's response to trustees was, "If Bill Linder has not feathered his own nest personally, and if he has succeeded in making these grants pay off on behalf of the needy and to the credit of the grantmaking agencies, then God bless him" (NCC Grant Files, 1983). Another critique involved the question of NCC losing its connection to the grassroots community after its first 10 years of operation. Robert Curvin, who helped found NCC and was a scholar of the CDC movement, noted:

Within these CDCs, particularly the older more comprehensive groups like NCC, there is a wealth of experience, talent, vision and creativity that is unmatched, given the depths of the problems that the organizations have to deal with. It is not easy to keep a relationship with a community, and as groups grow large the challenge becomes even more complicated. (Shattuck, 1993, p. 3)

While NCC welcomed everyone who wished to tour its facilities and learn about its operations, Monsignor Linder and NCC were sometimes accused of not being team players in Newark. Local CDCs created the Newark Community Development Network to share best practices and conduct advocacy, but NCC rarely participated. When a cross section of the most important community leaders came together to form the Newark Collaboration Group, Father Linder declined the invitation to join. More often than not, NCC was able to sidestep local municipal politics, heading straight to state government in Trenton or to the federal government for the resources it needed to function. In her letter nominating Linder as a MacArthur Fellow, Catherine McFarland wrote:

Bill Linder is a doer. I have watched numerous neighborhood organizations working in Newark. None has accomplished what New Community has achieved. He was single minded as to the need. He did what he had to do to get the resources and political support to make it happen. When the local city political figures were threatened by his success, he went to the state level for support. He did not sit back and say "Poor us;" he said, "We will overcome and get what we need."... There are a number of local neighborhood organization people that could be approached for an evaluation of Bill Linder. However, many have not been able to rise above their own inability to be as successful as Bill Linder. Consequently, it is hard to discern between resentment and fact when they talk about Msgr. Linder. (NCC Grant File, 1991)

Perhaps the most serious criticism of NCC was its practice from the start of collateralizing its bricks-and-mortar assets to secure the funding needed for the next major venture. In 2003, NCC's audit indicated that its long-term debt was \$46.7 million. Every year, Linder would pay debts that could not be extended or refinanced by taking on another mortgage or selling an unused property. The notion of eliminating a program that was not self-sustaining was anathema to Linder, not only stemming from his desire to maintain vital services for residents, but also because of his aversion to letting go of even one NCC employee.

In terms of grant reports submitted to Victoria, not much exists prior to the early 1990s. Thereafter, the brief grant monitoring reports from NCC are composed largely of numbers. They state how many people were served in each of the various program areas, but they do not provide any data about what changes, if any, occurred with those who were served. For example, we know how many people were living in NCC housing, but we do not know whether or how their circumstances improved as a result of the housing. We know how many people received job training and how many were placed, but we do not know whether they were still working in those jobs a year later or how the income affected the well-being of the family. Many of NCC's programs were sustained through government grants and contracts, and NCC management always complied with the necessary reporting to the various government agencies. The organization never spent precious resources on independent third-party evaluations that might have led to mid-course corrections or possibly the elimination of a program or service.

Victoria trustees believed that the proof of NCC's success was in the new housing, commercial development, countless programs, and employment opportunities created that did not exist before. They firmly believed that NCC worked a minor miracle in Newark. Given the relatively nominal grant support provided by Victoria, it is unclear whether the Foundation can take any credit for NCC's successes. Howard Quirk was frank in his recommendation to Victoria trustees in 1988 when he noted that "NCC will carry on whether we give or not. But there is merit and pleasure in supporting a winner, especially when it is improving the lot of so many" (NCC Grant File, 1988).

New Jersey Performing Arts Center

In 1987, New Jersey Governor Tom Kean announced a plan to build a world-class center for the performing arts somewhere in the state. As noted earlier, Catherine McFarland heard about the proposed state arts center at an NCG executive committee meeting. It appeared unlikely that Newark would be considered as the site for the arts center because the city had not updated its master plan in decades and there was no evidence that Newark could successfully accommodate such a facility. McFarland and Percy Chubb III met with the leadership of Renaissance Newark to discuss what might be done to convince the state to seriously consider Newark as the location for the proposed center. The meeting resulted in the first grant in support of what would be the Newark-based New Jersey Performing Arts Center (NJPAC). In May 1988, Victoria trustees approved a grant of \$50,000 to Renaissance Newark⁶⁴ to hire an urban planning professional to undertake a feasibility study and to develop a plan that would help persuade state officials to choose Newark as the site. At the same time, Governor Kean commissioned a statewide study that pointed to Newark due to its regional density and its strength as a multimodal-transportation hub. The journey to opening night took another nine years. During that period, Victoria played an instrumental role in keeping Newark in the running and in the forefront.

A second Victoria grant of \$50,000 enabled Renaissance Newark to work with City Hall to create and staff Mayor Sharpe James' Performing Arts Center Task Force, whose mission was to engage all segments of the Newark community to keep pressure on the state to fulfill its promises regarding the arts center. The president of Renaissance

⁶⁴ Renaissance Newark was a collaboration between private sector business leaders and government officials to plan and facilitate redevelopment in the downtown.

Newark, Everett Shaw, was also a deputy mayor in James' administration. McFarland was an active member of the Task Force as well. In 1989, urban planner and arts executive Lawrence Goldman was selected as president of NJPAC, responsible for planning, development, and fundraising. Goldman left his job as vice president of the Carnegie Hall Society after overseeing its historic restoration and expansion, including the construction of an adjacent 60-story office tower. When asked why he would leave such a plum job, Goldman responded, "Because I consider the opportunity to build a world-class performing arts center in Newark to be the most exciting cultural project and central city development project in the entire United States. It was an easy decision to make" (Redmond, 1989, para. 3). Over the next eight years, Goldman acquired 12 acres of land in downtown Newark, hired an architect, oversaw the construction, recruited a staff, and raised \$187 million from public and private sources.

Goldman asked McFarland, who was now executive officer of Victoria, to serve on the Architect Selection Committee, and he recruited Percy Chubb III to the founding board of the arts center. At Goldman's request, the Foundation granted \$50,000 to NJPAC to pay for an economic impact study in 1999 that calculated the following benefits to Newark: 6,700 construction-related jobs, plus 380 new permanent jobs; \$19 million in tax revenues during construction and annual tax revenues of \$1.8 million thereafter; and new local spending of \$12 million a year for ancillary businesses such as restaurants, parking, hotels, and transportation. NJPAC would become the Foundation's largest grantee, with grant awards totaling \$7.7 million as of 2003. Table 6.7 on the next page lists the annual grants to NJPAC and Renaissance Newark from 1988 to 2003.

Table 6.7

VF Grants to NJPAC and Renaissance Newark

New Jersey Performing Arts Center		Renaissance Newark
Year	Grants Paid	Grants Paid
1988	-	\$50,000
1989	\$50,000	<u>\$50,000</u>
1990	\$100,000	
1991	\$500,000	
1992	\$500,000	
1993	\$500,000	
1994	\$500,000	
1995	\$700,000	
1996	\$100,000	
1997	-	
1998	\$1,000,000	
1999	\$1,000,000	
2000	\$500,000	
2001	\$903,200 ⁶⁵	
2002	\$523,300	
2003	<u>\$826,100</u>	
	\$7,702,600	\$100,000

According to the grant files and the historical board minutes, Victoria trustees had a twofold view of these grants to NJPAC. First, they believed the arts center would serve as a mechanism and a catalyst to revitalize Newark, and second, they envisioned NJPAC delivering the highest-quality arts education programming, with a particular focus on serving children in Newark. In a recent interview, McFarland expressed that the arts education component was less important. She believed that trustees approved the grants “because we had been toiling so hard to make change in the city. It really wasn’t because of the arts that we did it. We did it for the image of the city, the economic impact, the

⁶⁵ Victoria Foundation approved a grant of \$5 million to NJPAC in 2001, which was paid out over 10 years.

development of the city as a whole as opposed to what an arts center could provide” (C. McFarland, Personal Communication, May 16, 2013).

Constant vigilance was required to keep the creation of NJPAC on track as the project bumped up against various obstacles. While Victoria staff and trustees felt that a world-class arts center could finally help turn Newark around, some detractors felt that the troubled city was the wrong choice. The *New York Times* expressed this sentiment in a 1990 article, which started with a quote from Goldman:

“Commuters from New York will stay for dinner and a show before grabbing trains and buses for the suburbs, businesses and shops will flourish and a healthier economy will create new jobs.”...Critics, who challenge not the arts complex itself but its location, call this wishful thinking. They say the proposed center, however beautiful, will never draw the crowds from the suburbs it will need to become a financial success. Unabated poverty and crime still worry those living outside the city. (Courtney, 1990, p. 10)

Some complications were quickly addressed. For example, when it turned out that there was a cemetery underneath the site selected to build the center, Mayor James was able to deal with the situation handily: “And then the cemetery came up and Sharpe James had to build it up over a Black cemetery. First they wanted me to inter everybody. But we got a plaque to commemorate it instead” (S. James, Personal Communication, August 21, 2013). Another problem that emerged was the belief that once NJPAC was completed, the viability of the historical Newark Symphony Hall, which was just a mile away, would be threatened. Goldman vociferously rejected this notion, “This idea underestimates the people of Newark. If enough attractive exciting programming is generated, both halls will be filled. People said that Lincoln Center would kill Carnegie Hall. That’s not what happened. Each helps the other” (Redmond, 1989, para. 12).

Poet and Newark activist Amiri Baraka weighed in with racially charged rhetoric aimed at Mayor James, who recalled, “Amiri was trying to tar and feather me saying it [NJPAC] would be the White institute, and Symphony Hall the Black institution” (S. James, Personal Communication, August 21, 2013). In addition, certain members of the community complained that the arts center would help the downtown and corporate elite but do nothing to address the poverty and blight in the neighborhoods. All of these grievances and challenges, however, were dwarfed by the herculean task of raising \$187 million to build and operate the facility.

The three people most credited with helping to raise the financing to make NJPAC a reality were Lawrence Goldman, Sharpe James, and Raymond Chambers. NJPAC captured the imagination of Chambers, a billionaire philanthropist who was born and raised in Newark and wanted desperately to see his native city thrive. Chambers awarded the first grant to NJPAC in 1989, \$5 million, which brought instant credibility to the enterprise and enabled the hiring of early staff and consultants. He also issued his personal guarantee that the private sector would match all financial support from the state. Chambers was chosen to become the founding chairman of NJPAC and used this position to help raise funds from the private sector. In 1992, Chambers marked his 50th birthday by establishing the NJPAC Arts Education Endowment Fund with an initial gift of \$1 million. Beyond the critical efforts by Chambers, it is hard to imagine how NJPAC could have come into being without Goldman, who Chambers championed to become the center’s first paid director. Goldman possessed the necessary urban planning and real estate expertise to oversee all aspects of construction, along with the political savvy,

intelligence, and charm to raise tens of millions of dollars from wealthy individuals, foundations, corporations, and government.

Figure 6.4 below is a photograph of Goldman chatting with Percy and Sally Chubb in 1989.



Figure 6.4. Lawrence Goldman (left) with Percy and Sally Chubb (VF Historical Photos)

Finally, Mayor James was pivotal both at home in Newark and through his influence in Trenton with state government. He was not reticent about taking credit for the project's success: "There would be no arts center without Sharpe James. NJPAC is called my impossible dream... We didn't need another methadone center. We needed something to make Newark a destination city" (S. James, Personal Communication, August 21, 2013). In the end, the state would contribute more than \$100 million towards the arts center's construction and start-up expenses, including \$40 million from an Economic Recovery Fund that Governor Florio established shortly after his election. James is credited with much of the state's participation. According to Goldman:

I really don't believe the arts center would be in Newark if it weren't for Sharpe James. He started the Mayor's Performing Arts Center Task Force co-chaired by Winona Lipman⁶⁶. And the mayor lobbied and lobbied and lobbied. He never wavered. Sharpe had helped to elect Florio so he had sway...He made sure we kept control over the Military Park garage. We were able to avoid a city board building committee. That's one of the reasons why it came out so well. It didn't in so many other cities. Whenever anything came up Sharpe would always argue that we should do it right. We shouldn't cut corners. (L. Goldman, Personal Communication, July 24, 2013)

On October 18, 1997, the New Jersey Performing Arts Center had its grand opening-night extravaganza, complete with fireworks. The 230,000-square-foot arts center housed a 2,750-seat concert hall and a more intimate 514-seat performance space. Victoria's role in the arts center was pervasive. The Foundation was present and active at every juncture of the process to build a world-class arts center in the heart of downtown Newark. Victoria trustees made three historically large grant commitments to NJPAC: \$2.5 million in 1991, \$2.5 million in 1998, and \$5 million in 2001. The first multi-million-dollar grant award in 1991 caused some internal friction. Trustee Robert Curvin felt blindsided when the proposal came up for review with a strong endorsement from Catherine McFarland. Curvin was adamant that the capital request include some carve out for arts education and activities to ensure that Newark residents got jobs and business opportunities. In Curvin's own words:

I was the one who protested that all of the money was going to be used for capital expenses and I said that Victoria's record, our history, is education. And we have a tremendous opportunity to be the leaders of education at PAC, and we then insisted that 10% of the commitment be devoted to education. That's how the first director for education got hired, through Victoria's money, which started the whole development of the education program even before the building was built. One evening at some event at PAC, they were showing off the work in the schools and the kids, and Pi [Percy Chubb III] turned to me and he said, "Bob, you were right. You did this." (R. Curvin, Personal Communication, July 17, 2013)

⁶⁶ Winona Lipman was the first African American woman elected to the New Jersey Senate in 1971. She served for 27 years representing the 29th Legislative District, which included the city of Newark.

Curvin's intervention resulted in a revised proposal, which set aside \$250,000 of the \$2.5 million grant to support the development of an arts education program and to ensure that people of color participated in the construction project.



Figure 6.5. Early Construction of New Jersey Performing Arts Center (NJPAC Grant Files, 1996)

The photograph in Figure 6.5 above depicts NJPAC under construction. Gus Heningburg, a civil rights lawyer and Newark activist, was hired to manage the affirmative action program during the construction phase. Gail Thompson, a young African American woman who was hired as the vice president for design and construction, was recruited and elected to the Victoria board in 1993. Her presence at NJPAC was an important signal to the community and the contractors. Ultimately, one-third of the construction-related subcontracts were awarded to minority-owned firms and 62% of workers in the early construction phase were people of color.

On the education front, NJPAC hired its first director of education, Philip Thomas, four years before the center opened. Thomas was well known in Newark as the

founder and director of the Carter G. Woodson Foundation, a multidisciplinary arts agency focused on African American artists. Within a year, Thomas created a 10-year action plan for arts education in collaboration with more than 100 community stakeholders who participated in planning meetings, retreats, and surveys. Remarkably, everything in the 10-year plan came to fruition, including several years of successful school- and community-based arts programming prior to NJPAC's opening night. In 1998, the first full year of onsite programming, 72,000 children, parents, and educators participated in a wide range of offerings, such as daytime performances with curriculum materials, afterschool and summer arts training, a two-day ABC (Arts Basic to Curriculum) conference to help teachers integrate the arts into their classroom lessons, and 10-week school-based dance and theatre artist-in-residency programs.

Though Victoria tended to shy away from naming offers, it is likely that NJPAC's decision to name the smaller theatre venue Victoria Theater led the Foundation to award a \$5 million endowment grant (payable over 10 years) in 2001, with \$3 million earmarked specifically to endow Victoria Theater. The grant of \$5 million would stand as the Foundation's largest single commitment in its history. In a December 13, 2001, letter to Percy Chubb III, Goldman stated, "I do not believe that either the Corzine gift of \$5 million or the Eric Ross \$5 million commitment would have reached that level in the absence of Victoria's leadership" (NJPAC Grant File, 2001).

When asked what she considered to be the most important grant Victoria awarded during her 35-year career with the Foundation, McFarland replied without hesitation:

NJPAC. Because it was so successful. It was the last piece with the Newark Museum and the colleges. It was the last piece to create a mass in the middle of the city for economic development. And that was what the city really needed. I think at the end of the day the trustees were proud of their investments in NJPAC.

I think they were very pleased that it all came out the way it did. (C. McFarland, Personal Communication, May 16, 2013)

Victoria Trustee Margaret Parker was a skeptic at the beginning but changed her mind over time, as she recalled:

I was so anti-NJPAC when the whole thing came up. But I think I was wrong. I thought it was a heck of a lot of money to spend in Newark when there were so many needy people needing programs and so forth. But I think it's been great for the image of Newark. When I go there and I see all the people. Of course, I go to the classical concerts, which are mostly people from out of the city. But it's great to have them come into the city and eat in the city and see that it's got nice things about it. (M. Parker, Personal Communication, February 27, 2013)

NJPAC CEO Lawrence Goldman spoke about the risk that Victoria was willing to assume by providing early substantial support to NJPAC:

It's the risk-reward thing. The higher the risk the bigger the reward if your risk pays off. We were a pretty risky bet for you guys back then. "This is Newark! Nothing ever succeeds in Newark! All these great plans are announced in Newark and nothing ever happens. And even if it does get built, the suburbanites will never come, and people in Newark will just get angry at the arts center because it will be a palace of elite high culture which has nothing for them." This was all the stuff that was being said. And somehow, Victoria saw through all that and was willing to take a risk. (L. Goldman, Personal Communication, July 24, 2013)

In general, Victoria trustees were pleased with their contribution toward making NJPAC a reality. It served as an enormous boost in changing negative perceptions about Newark and brought thousands of suburbanites into the city, many for the first time. Programming was diverse and culturally relevant to the local community. With funding from Victoria, the education programs targeted Newark schoolchildren.

Nevertheless, NJPAC did not fulfill every promise. The proliferation of surrounding shops and restaurants did not materialize. Newark Symphony Hall went into further decline and now rarely presents concerts in its cavernous space. And while NJPAC and its immediate surroundings benefited from a great deal of police presence

and the safety that conferred, the surrounding neighborhoods of Newark were still troubled by excessive crime and violence. The economic boon that NJPAC was supposed to spur, along with the improved city services throughout the neighborhoods that additional resources would generate, did not live up to the bold predictions of the early economic-impact study that Victoria funded. In hindsight, it was quite a lot to ask of one arts center.

Bank Street Project New Beginnings

From 1964 onward, Victoria trustees believed that the most important lever for escaping poverty was a high-quality education. In many ways, the Bank Street Project New Beginnings initiative that began in the 1990s rose from the ashes of the earlier Foundation-supported NVP terminated a decade before. As discussed earlier in this chapter, NVP was a bold experiment that in the end did not fulfill its promise of creating successful academic and social innovations that would be repeated in other schools. When the Newark superintendent pulled the plug on the program in 1983, Victoria trustees were so frustrated by the intense level of dysfunction in the public schools that they discontinued all direct support. It wasn't until the state assumed control of NPS in 1995 that the Foundation felt secure enough to re-enter those troubled waters.

Under state takeover legislation, the governor of New Jersey was authorized to remove the locally-appointed superintendent, Eugene Campbell, and his senior management team (Tractenberg, 2002). The state also dismantled the popularly elected nine-member Board of Education, replacing it with a 15-member advisory board, with the City Council appointing just two members. Dr. Beverly Hall was selected as the first state-appointed superintendent of NPS. A Black woman from Jamaica, Hall served as the

deputy chancellor for instruction of the New York City Public Schools before crossing the river into Newark. The Foundation's trustees strongly supported the state takeover. In an open letter to the community, published in the 1998 annual report, Percy Chubb III wrote:

More than three decades ago, we attempted, in the Newark Victoria Plan at Cleveland School, to bring richer programs to the early grades of a single school with the hope that our efforts might prove a model in the Newark schools. We terminated Newark Public School District funding in 1983, discouraged by the lack of financial accountability in the system, to put it politely, and the strong resistance to change coming from various parties in the school system. I remember clearly, though, the words of our former trustee, Bob Lilley, to the effect that if we couldn't improve public schooling, our efforts elsewhere in schools could only have limited results. Almost four years ago, the State took over the Newark school system, reaching in effect the same conclusion we had come to years earlier—that the system was terminally dysfunctional, totaling failing in its duty to educate the young and only subject to reform by strong new management. Impressed by the radical change in direction she promised, Victoria reversed its policies and has spent several million dollars to aid Dr. Hall and the school system over the past three years. Subject to further progress, we agreed to commit many millions more. (VF Annual Report, 1998, p. 3)

Upon Hall's arrival in 1995, Victoria leadership proactively reached out and indicated that it was ready to pledge \$1 million per year over five years to support her vision for education reform. The superintendent advised the Foundation that she wanted it to direct the bulk of its support to Bank Street College of Education, which would serve as the change agent to transform early grades education across the district. This ambitious effort, aptly named Project New Beginnings (PNB), sought to revolutionize the teaching practices of hundreds of elementary classroom educators. Like NVP, which was envisioned as a four-year initiative that ended up lasting 19 years, Bank Street PNB was initially intended as a three-year effort that lasted 12 years. Unlike NVP, which attempted many experiments in one building to demonstrate an array of best practices with no explicit roadmap for replicating itself to other schools, PNB started with 16 schools and a plan to

expand to all pre-K through third-grade classrooms across the district over the next five years.

Superintendent Hall, at least during one phase of her career, was an ardent supporter of progressive education, a movement that had flourished in the first three decades of the 1900s in reaction to the drill-and-kill, authoritarian, teacher-centered rote instruction of the day (Cremin, 1961; Semel and Sadovnik, 1999). Hall was well aware of Bank Street College of Education from her decades of work in the NYC school district. Influenced by John Dewey, Lucy Sprague Mitchell founded Bank Street College in 1916 in New York City. Initially called the Bureau of Educational Experiments, its mission was to study child development to better understand what kinds of environments were best suited to children's learning and growth. The Bureau established an experimental nursery school in 1919, and, in 1930, created the Cooperative School for Student Teachers, a joint venture with eight experimental schools to prepare educators dedicated to the development of the whole child. In 1950, the Cooperative School was certified by the state as a teachers' graduate school and renamed Bank Street College of Education. Four years later, Bank Street started the School for Children, an experimental progressive school serving children aged three to 13 (Bank Street College of Education, 2013, para. 1-3). The Bank Street College approach to early childhood education was embedded in three key principles: (a) a child's intellectual ability cannot be separated from his/her growth as an individual; (b) learning occurs when children can construct meaning from their own world; and (c) the most powerful learning is experiential (M. Hammond, Personal Communication, August 27, 2013).

Juxtaposing the progressive methodologies of Bank Street into the decidedly non-progressive education taking place inside Newark public elementary schools in 1995 was a bold choice for the newly-appointed superintendent. Bank Street PNB started in September 1996, the same school year Superintendent Hall extended all kindergarten classes to the full day. With an initial Victoria grant of \$535,000, PNB was launched in 16 kindergarten classrooms in 16 schools scattered throughout the district. The initiative called for a complete transformation of the physical classroom environment as well as of the pedagogy and attitude of the teachers. Rows of student desks, ditto sheets, and workbooks were replaced with numerous play stations, including bricks, sand and water tables, finger paints, math manipulatives, and costumes for dramatic play. In the first four years, the fundamental program involved an intensive two-week summer training institute, followed by pairing a participating NPS early-grades teacher with a Bank Street faculty member for weekly one-on-one mentoring, modeling, coaching, and introduction of new teaching strategies throughout the school year. Teachers were asked to abandon their authoritarian, direct instructional model in favor of a community of learners based upon democratic principles.



Figure 6.6. Superintendent Hall (standing) visits a Bank Street Project New Beginnings classroom (VF Annual Report, 1997, p. 10)

Social and emotional development was considered as important as academic achievement. When asked what made PNB unique, long-term Bank Street staff developer Margot Hammond replied:

I think the social and emotional development was the piece that was so new to people. Nobody had ever said you have to focus on how kids feel as well as on how they think. I believe what the New Beginnings staff developers did well, we treated the teachers the way we wanted them to treat the children. We respected the teachers. We focused on their social and emotional well-being as well as their academic well-being. I remember Loretta Borena at Clinton Avenue School one day saying to me, “Ahh, now I get it! You’re treating us the way you want us to treat them.” Those values were infused in all the work that we did. (M. Hammond, Personal Communication, August 27, 2013)

The progressive model gave children new freedom to make decisions in the classroom, shifting the role of teacher to facilitator within an inquiry-driven, project-based, thematic curriculum. The model in Newark emphasized connection to community, with teachers frequently taking their students on local field trips and educational walks around the neighborhood. In addition, authentic parent engagement and addressing the social needs of children and their families were essential. After three years in the program, one Newark teacher expressed her altered approach to education as follows:

Bank Street has opened my eyes to exactly the way children learn and think. I listen to children now. I have a different ear. I am not interested in the right answer. I am interested in how did you get there, your thinking. I am constantly watching, trying to figure out what’s going on in that little head. (Silin & Lippman, 2003, p. 49)

Table 6.8 on the following page summarizes Victoria’s total investment (through 2007) of \$6,269,000 on PNB, roughly 10% of all grantmaking from 1996 to 2003. While Victoria was the primary sponsor of this 12-year initiative, significant support was also awarded by the Prudential Foundation, the Michael Price Family Foundation, the Schumann Fund, and the Dodge Foundation.

Table 6.8

Scope of Bank Street Project From 1996 to 2007

Year	Victoria Grant	Number of Classrooms	Number of Schools
1996	\$535,000	16	16
1997	\$800,000	55	20
1998	\$900,000	89	18
1999	\$1,000,000	115	10
2000	\$1,000,000	162	10
2001	\$500,000	125	9
2002	\$354,000	70	9
2003	\$300,000	70	10
2004	\$250,000	60	7
2005	\$200,000	60	7
2006	\$300,000	75	9
2007	\$130,000	15	4
	\$6,269,000		

There were problems associated with PNB's first year of operation. First of all, Superintendent Hall did not clearly communicate her vision regarding the overhaul of early-grades education to building principals, teachers, or central office early-childhood supervisors. The first 16 kindergarten classrooms were selected arbitrarily and many of the affected teachers were unhappy to learn that they would be required to spend two weeks of the summer engaged in special training by Bank Street faculty. Throughout the first year of implementation, those 16 teachers felt isolated, especially within their own buildings. The radical changes in teaching that Bank Street was asking them to make often did not align with the directives from their principals and the central office. A thorough qualitative evaluation conducted by Bank Street faculty after year one found that:

Teachers report they are disappointed that New Beginnings [staff developers] are not more effective in ameliorating District policies such as extensive testing, detailed linear lesson plans, and additional curriculum projects that often

undermine their attempts to implement developmentally appropriate practices. In brief, the majority of teachers feel as if they must answer to “two masters” who often ask them to teach in completely different ways. (Bank Street Grant Files, 1997)

Notwithstanding the challenges of the first year, NPS’ Office of Evaluation and Testing found that a significantly higher percentage of New Beginnings’ students passed the district’s criterion-referenced kindergarten tests in reading and math than their control classroom peers.

In year 2, the fragmentation was compounded when the project added four more elementary schools for a total of 20 schools, engaging 35 kindergarten and 20 first-grade classroom teachers. Given the ardent enthusiasm of the principal, Clinton Avenue School was designated as a district demonstration school, and all five of its kindergarten classrooms and four first-grade classrooms were included in year 2. The plan to expand PNB into all 54 NPS elementary schools was never executed. Catherine McFarland was dismayed to learn at the start of year 2 that the district’s director of literacy was unaware of the superintendent’s plan as it related to Bank Street. In a November 5, 1997, letter following a face-to-face meeting with the director of literacy, McFarland wrote:

I must say I was quite discouraged when I left our meeting. It’s hard for me to comprehend how no one has conveyed to you the goal of the Superintendent to have the Bank Street model in all K-3 classrooms throughout the system by the year 2000. I do not understand how you can be expected to build a reading program without knowing the philosophy, process and structure of the program that the system has identified as the model. It would seem to me that this information is essential to your building a literacy program for the early years. (Bank Street Grant Files, 1997)

In an effort to promote a change in culture regarding the teaching and learning in the early grades, and to address the continuing issue of isolation, Bank Street decided to limit participation to just 10 schools in year 4, while significantly increasing the number

of affected classrooms within those schools. The 10 schools were selected based on the level of buy-in from the principal and teachers. At the project's peak in the 2000-01 school year, PNB was working intensively in 162 pre-K through third-grade classrooms within the 10 schools, involving almost 20% of the district's early-grade educators. Participation dropped to 125 classrooms in nine schools in year 5, with further declines thereafter.

Three major events affecting the entire school system seriously undermined PNB: (a) the launch of Project Grad, (b) Whole School Reform under *Abbott*, and (c) the departure of the superintendent. At the start of her third year in Newark, and with great fanfare, Superintendent Hall announced that NPS would become a Project Grad district, starting with all the schools in the Central Ward. The Ford Foundation and Lucent Technologies, two funders that were not part of the local foundation community, declared that they would each contribute \$1 million per year for five years to Project Grad while raising another \$5 million from others for scholarships. Project Grad was founded in Houston, TX, in 1988 by James Ketelsen, CEO of Tenneco, Inc., a Fortune 500 company that specialized in automotive replacement parts. The first of the "promise" programs, Project Grad guaranteed college scholarship support for eligible high school graduates. The program evolved to include a comprehensive set of academic and social interventions beginning in kindergarten to ensure that high school graduates would be ready for college.

Bank Street PNB was just in its third year when Project Grad came to Newark. The problem with Project Grad was that it required its district partners to utilize Success For All (SFA) as its core curricular component. Developed by Bob Slavin and Nancy

Madden at Johns Hopkins University, SFA provided teachers with a highly regimented, timed script to teach math and language arts starting in kindergarten. SFA was antithetical to the Bank Street approach; the two programs could not co-exist in the same school. When PNB cutback to 10 schools in year 4, it vacated all Project Grad schools.

According to McFarland:

I fell out with Beverly [Hall] over Project Grad. Slavin's program was the total opposite of Bank Street. The teachers had a script. And every day was exactly the same. And they tested frequently. It destroyed Bank Street. New Beginnings could not be district-wide or more successful once Success For All was implemented. (C. McFarland, Personal Communication, February, 19, 2013)

The second major challenge that kept Bank Street from realizing its goal of blanketing all early-grade classrooms in the district was the execution of the Whole School Reform (WSR) mandate resulting from the *Abbott v. Burke* lawsuit. As discussed in Chapter 3 (see pp. 82-83), *Abbott* districts were required to implement a WSR model in every school building to expedite improved outcomes for students. The New Jersey Supreme Court wanted all schools to use SFA as their WSR model, but expert testimony resulted in additional choices, with the New Jersey Department of Education (NJDOE) initially approving five WSR models to choose among. However, SFA was identified as the default choice if a school did not make a selection within three years. Bank Street College had submitted a proposal to NJDOE to become an approved WSR model, but its lack of defined components, combined with its focus on preK-3, which left out the upper grades necessary for the district's preK-8 schools, did not make it a viable contender. To their credit, Bank Street staff developers met with leadership from all of the WSR models, except for SFA, to figure out how to support their implementation while at the same time strengthening the progressive principles that were starting to take root in the

participating classrooms. Representatives from SFA made it clear that there was no flexibility possible in the operation of its prescriptive model. The district worked cooperatively with Bank Street to facilitate the transfer of certain teachers from schools that chose SFA to schools that supported the PNB approach.

The third shoe dropped when Beverly Hall announced that she would be leaving the district one year short of her contract to head up the Atlanta Public Schools⁶⁷. Still under state control, the New Jersey Commissioner of Education selected Marion Bolden to replace Hall. Unlike Hall, who was considered an outsider, the community embraced Bolden, a home-grown educator and a product of the system she would now lead. The new superintendent was a fan of Project Grad, but she also seemed to appreciate the partnership with Bank Street College. Bolden taught high school math in the district for 14 years before becoming assistant superintendent of the secondary schools. In order to better understand early-grades education, she visited Newark classrooms with Dr. Jan Stewart, professor of early-childhood education at Caldwell College. Bolden spoke with PNB Director Carol Lippman (2003b) about those classroom visits:

I recognized quality instruction without needing to be told. These firsthand observations made it apparent, even through the eyes of a mathematics director, that there were significant differences in the methodologies being used in our early childhood classes. I soon discovered that many of the exemplary, highly interactive classes were part of Bank Street's Project New Beginnings... I found learning centers and multicultural, thematic units that supported the goals and objectives of the New Jersey Core Curriculum Standards. I also observed a social environment that encouraged a sense of community while valuing each individual, whether child, teacher, aide, or administrator. (pp. 62-63)

⁶⁷ In 2011, an extensive cheating scandal in Atlanta led to the arrest of Beverly Hall and 34 other educators under the federal RICO (Racketeer Influenced and Corrupt Organizations) Act. To date, 21 of the defendants pleaded guilty, including several principals who indicated that the superintendent had put extreme pressure on them to falsify standardized test scores. At age 67 and suffering from advanced stage breast cancer, Hall pleaded not guilty to charges of racketeering, theft, and false testimony; she faces trial in May 2014.

Despite the positive rhetoric, the district's annual financial support for PNB dropped from \$500,000 in 1999 to \$75,000 in 2000, with NPS funding limited to fees for substitute teachers used when PNB teachers were engaged in community field trips or study group sessions.

The last six years of the Bank Street partnership focused on approximately 70 early-grade classrooms at 6 to 10 sites with only two schools (Clinton Avenue⁶⁸ and 15th Avenue) fully engaged. Intensive summer institutes were discontinued, and the model evolved from the weekly one-on-one mentoring to monthly small study group staff development. There was also far less evaluation taking place. During the first five years, a team from Bank Street College conducted formative assessments annually, conducting surveys, holding focus groups, and observing practices in both PNB classrooms and non-PNB classrooms. The district's Office of Evaluation and Testing attempted to follow the academic outcomes of the original cohort longitudinally, but the system did not have the capacity to accurately track students over time. In addition, by the fourth year, complicated layers of reforms, including the adoption of WSR models, made it impossible to isolate the effects of Bank Street on student achievement. Positive academic outcomes at the end of year 3, however, were compelling and were often cited as the reason the district persisted in the partnership. Margaret Parker, the chair of Victoria's Education Committee, was still very excited about PNB in May 2002 when she visited eight participating schools with a Victoria program officer. Parker wrote the following glowing account to her fellow trustees:

⁶⁸ Much to the dismay of Victoria trustees and PNB staff, Superintendent Bolden closed Clinton Avenue School in June 2006 for financial reasons. For years, early childhood educators had been visiting this demonstration school to observe exemplary practices. Bolden promised that the teachers would be transferred to another school en masse, but in the end, the teachers were relocated to all different schools.

We saw a classroom culture rooted in respect, with teachers finding other strategies than loud directives for maintaining order. Teachers were encouraging students to solve problems, both social and academic, independently. Students were working together in small groups with enthusiasm and focus (despite the presence of visitors). Students were allowed some choices and opportunities for making decisions. As might be expected, some of the schools have the usual problems with poor leadership, uninspired teachers, etc. However, from my observations, I believe that the district is strongly encouraging movement in this new direction in all their elementary schools. It is very gratifying, especially for an old retired teacher like myself, to realize the role Bank Street's New Beginnings has played in this and to realize Victoria's enormous contribution. A metamorphosis has taken place since the years when those children sat in their rows of desks in classrooms devoid of equipment, and often activities, relating to needs of curious, active students. What wonderful children we saw in those early grades, so eager and ready to learn! (VF Board Minutes, 2002)

In the absence of empirical, longitudinal data to determine the effectiveness of the intervention, it is difficult to assess the overall impact of PNB and Victoria's grant investment of \$6.3 million. Nevertheless, it is clear that PNB spawned some very positive changes. For example, the district adopted the Bank Street template for classroom design, furniture, and educational supplies to create child-centered environments. In addition, 12 Bank Street-trained classroom teachers were promoted to district Resource Teacher Coordinators, providing professional development to hundreds of Newark educators, and thus helping to extend progressive principles into other schools. When recently asked whether PNB was a good investment for the Foundation, Catherine McFarland replied:

I don't think it was a success because it's no longer in the school system. The one thing I would say is that once you train a teacher you can't untrain her. Those many many teachers that were trained have that knowledge inside them and they can use it in their classrooms in one way or another. I think in hindsight, when Project Grad came in, we should have pulled out completely. We should have just bowed out and said, "Have at it!" They were completely different. [Superintendent Hall] said, "We'll isolate schools. We'll have a Bank Street school here, and a Project Grad school there, and we'll get special dispensation from the state not to implement Project Grad at those schools." But the writing was on the wall. (C. McFarland, Personal Communication, February 19, 2014)

Margaret Parker had a more positive response about PNB when asked what the Foundation's impact has been in Newark broadly:

Do you know what I think has had the biggest impact? It's the whole Bank Street thing. Maybe because that was close to my heart. But if you go into any kindergarten now it's very different. I just remember in the early years going into these little kindergarten classes and they were all lined up with a teacher in front. Now you go anywhere and you see something very different. (M. Parker, Personal Communication, February 27, 2013)

At the end of the fourth year, Bank Street evaluators concluded that "There can be little doubt that New Beginnings has had a large and enduring impact on teachers who have participated in the program for three and four years" (Bank Street Grant Files, 2000). The evaluation report included quotes from several PNB teachers emanating out of a series of focus groups:

I am a completely different teacher today...I am more confident and sure of myself...One thing that has really changed is that I emphasize building community in the classroom. I have learned so much about addressing things. In the past, something that was scary to kids, I might just go right over. But now I am more tuned into their feelings and what affects them emotionally. (Bank Street Grant Files, 2000)

In 2002, the director of Bank Street PNB, Carol Lippman, praised the Foundation's role in supporting the initiative for so many years:

I think that the Victoria Foundation deserves the credit and thanks from the families in Newark for supporting a project that has substantially proven, through increased test scores and teacher change, that school reform can and does work in Newark. This is directly attributable to the powerful partnership that Victoria and Bank Street have forged over the years. (Bank Street Grant Files, 2002)

While PNB did not expand to all the early-grade classrooms across the district, more than 150 Newark school teachers participated in a remarkable experiment in progressive education. Not every teacher fully embraced the child-centered approach, but for the many that did, teaching and learning were utterly transformed in their classrooms.

Felice Wagman (2003) was a veteran Newark teacher who commuted from the suburbs. She was one of several teachers who asked to be transferred to a Bank Street school once her original school chose SFA as its WSR model. Wagman reflected on how PNB transformed her classroom:

Before Project New Beginnings entered my life in 1996, I was a traditional teacher. For nine years, I had taught kindergarten through third grade at Lincoln Elementary School, standing at the board with my students quietly sitting in rows listening to me. After two years of New Beginnings staff development, my teaching practices had changed dramatically. My classroom was now arranged in centers where children could choose where they wanted to go. The curriculum was age appropriate, and I developed it by listening to kids and finding out about their interests. By the end of my second year, I was sold on the New Beginnings approach. At my other school, I was one of only two project teachers, and now I wanted to work in an environment where the New Beginnings philosophy prevailed in the school. (p. 118)

In considering the question of Victoria's impact on educators and schoolchildren participating in Bank Street PNB, it is important to fully comprehend the education-reform environment at the time in Newark. Although dozens of participating teachers expressed that PNB profoundly changed their approach to teaching and learning, and although the early-outcomes data was encouraging, the added layers of top-down interventions greatly diminished the potential of this Bank Street College partnership. Superintendent Hall appeared to undermine her own signature initiative to overhaul early-grades education by welcoming Project Grad into the district, an effort that was antithetical to the progressive strategies associated with the Bank Street model. The New Jersey Supreme Court also added to the layers of administrative confusion when it mandated WSR as part of the *Abbott* lawsuit remedies, with SFA as the presumptive school model.

Over the course of 12 years, Victoria invested more than \$6 million to Bank Street PNB. What was the return on this investment? Fewer than one-fifth of the district's early-education teachers received training and support from Bank Street College faculty. The district adopted Bank Street's physical layout of classrooms and provided increased age-appropriate materials to its elementary schools; however, in the absence of high-quality professional development on how to use the space and materials to improve instructional practices, it is unlikely that even those limited investments yielded the desired outcomes. Much of the last 20 years of education reform has been spent on the search for silver bullets that would help struggling low-income schools dramatically and quickly close the achievement gap with more affluent schools. The Bank Street initiative had tremendous potential to dramatically improve academic achievement, but it was not the "teacher-proof" quick fix solution that SFA was purported to be. PNB was predicated on the belief that access to effective teaching is the key to improved student outcomes. At its core, the partnership with Bank Street College of Education was about transforming the teaching practices of early-grades educators in Newark. Unfortunately, the push for multiple reforms, especially those that promised faster results, ultimately prevented PNB from realizing its potential success.

Conclusions

This chapter has closely examined six high-profile, multi-year Victoria grantees to better understand the impact the Foundation had in Newark from 1964 to 2003. A common thread that runs through these initiatives is that each of these was bold and visionary with potentially big payoffs but also carried a high degree of risk. Collectively, these six projects received \$26.4 million in Foundation support (18% of all Newark

grantmaking). Three of the projects were directly connected to preK-12 education, and the other three included significant educational components. Four of the six initiatives are no longer in existence, including the three education-centric projects. Of course, not all social efforts are intended to last forever.

The Newark Collaboration Group (NCG), for example, was launched with the goal of reigniting community development in Newark. Among its many successes, NCG jump-started housing construction in several Newark neighborhoods. NCG was different from most Victoria grantees in that it brought together the major players in the city to remove the barriers that prevented important initiatives from moving forward; it did not operate programs. Although NCG eventually came to an end, an eight-year lifespan for this type of collaborative effort is laudable.

The three education-centered projects—the Newark-Victoria Plan (NVP), the Chad Schools, and Bank Street Project New Beginnings (PNB)—also came to an end, but the question of impact is more nuanced. All three efforts yielded a combination of successful and unsuccessful elements. NVP was at the forefront of pre-K in the district, indeed in the entire country. Unfortunately, the expectation of incubating experimental reforms in one school, which if proven successful would then be replicated in other schools, never materialized. In the end, people familiar with the 19-year effort attributed the dissolution of NVP largely to the underlying dysfunction of the Newark public school system at the time.

The Chad Schools were high-quality private schools that were financially unsustainable. Victoria tried to build the leadership and fundraising capacity of the schools but appeared to lose sight of Chad's racial and cultural underpinnings. Some

people blame the closure of the schools on the incident involving the removal of the headmaster by force, but even if that had not occurred, it is unclear whether anyone involved could ultimately have addressed the schools' financial challenges. With any program that eventually dissolves, the question of impact centers upon the amount of societal good generated. By most accounts, for 35 years, the Chad Schools provided to thousands of Newark youths a high-quality education unattainable in the public schools. This could not have occurred without the loyal support of Victoria during this extended period. Interestingly, a handful of Chad Schools' graduates are today actively working in leadership positions in Newark, such as Shane Harris, who is the vice president of Prudential Foundation.

In the case of Bank Street PNB, early empirical evidence of success was not sufficiently compelling to dissuade the superintendent from adopting another reform initiative that was antithetical to the PNB effort already underway at the time. This situation was further compounded by the *Abbott* remedies, which required every school in Newark to adopt a Whole School Reform model. Urban education reform in the past two decades has suffered from a desire for quick fixes, often resulting in multiple strategies being implemented simultaneously. The district's partnership with Bank Street College, funded primarily with Victoria grants, was grounded in research and best practices. Although PNB did not utterly transform early grades education, several of the progressive principles it introduced appeared to permeate the district's elementary schools over time.

The two projects that Foundation trustees and most community leaders viewed as unequivocal successes were New Community Corporation (NCC) and the New Jersey

Performing Arts Center (NJPAC). Of the six initiatives, NJPAC and NCC were awarded the highest level of Foundation grant support during the period under consideration, \$7.7 million and \$6.5 million respectively. NCC built a thriving community in the Central Ward and provided the social supports and education and healthcare programs its citizens needed to flourish. NJPAC produced exciting cultural programs, provided high-quality arts education, and served as a centerpiece that spawned other large development projects such as the Prudential Center arena. Of interest to this study are the questions of how, and to what extent, the success of these two organizations was attributable to Victoria support. In each case, the Foundation's grantmaking amounted to a small fraction of the revenues secured from other public and private sources, though Victoria's leadership capital did play a role to ensure that NJPAC was built in Newark. In the final analysis, it seems probable that even without Victoria's assistance, NCC would have thrived and the arts center would have landed in Newark.

A major theme of this dissertation has centered on the question of whether the Foundation's place-based strategies were worthwhile, and what the impact in Newark has been. As discussed in Chapter 2 and in the next chapter, the absence of independent evaluation data shifts more attention toward the perception of impact from key stakeholders. The broad consensus among Victoria trustees and community leaders is that the Foundation has had a profoundly positive effect on Newark. The counterfactual line of reasoning given is that without the financial and human capital proffered by Victoria Foundation from 1964 to 2003, the city of Newark would have been in far worse shape.

CHAPTER 7

Discussion of Themes

Several themes emerged from the research connected to the evolution of Victoria Foundation, particularly during the years it operated principally as a place-based philanthropy focused on Newark. These themes touch on the overarching research question of whether Victoria's strategy to focus on place resulted in the desired outcomes. As previously noted, measurement of impact relied heavily on stakeholders' perceptions, as opposed to quantifiable empirical evidence.

Charity versus Philanthropy

When Hendon Chubb established Victoria in 1924, he simply wanted to help those in his community who were less fortunate than himself. It was an altruistic expression of charity. In 1940 after the depression years, when hardship requests from individuals were decreasing, and the assets of the Foundation were increasing, Chubb and Victoria's trustees made a dramatic shift, targeting the majority of resources to the design, creation, and ongoing operations of a convalescent hospital for children suffering from rheumatic fever. This marked a change in giving philosophy, from basic charity to more strategic philanthropy, which continued in the decades that followed.

In the mid-1960s, the Foundation made another striking modification, focusing its resources almost exclusively on Newark. It can be argued that becoming a place-based foundation was itself a tactical decision. In the 1977 annual report, Percy Chubb 2nd commented on the rationale of becoming a place-based philanthropy:

No private foundation, and certainly not one of Victoria's size, can solve the broad spectrum of problems assailing modern civilization. What it can do, however, is to concentrate on a specific area and stimulate constructive steps in key portions of

such an area which contribute to each other and have a cumulative effect greater than the sum of the individual efforts. (VF Annual Report, 1977, p. 2)

During the Newark years from 1964 to 2003, there continued to be a balance between support to grantees providing safety-net services like food and shelter (i.e. Newark Emergency Services for Families and Community FoodBank of New Jersey), and those organizations aiming to fundamentally alter the trajectory of their clients' lives via interventions such as job training and better education (i.e. the Newark Board of Education and NCC). During this period, Foundation trustees strived to strike the right balance between charity and philanthropy. Percy Chubb III articulated this difficult balancing act in his 1987 president's report:

Driven by the very pressing human need of the urban poor of [Newark], we have had to make painful choices between programs which would in some degree alleviate intolerable situations without much chance of bringing about permanent change, and those that might break the cycle of poverty, at least for a few. That tension of choice will always remain, but it is our hope that our target city is truly on the way back, and we can concentrate more on longer-term benefits in the years to come. (VF Annual Report, 1987, p. 1)

Hendon Chubb started the Foundation with the simple aim of helping individuals in need. Eight decades later, Victoria was still focused largely on individuals, as opposed to systems. Only a handful of grants were awarded to change public policies or systems. So while many grants went far beyond the provision of safety-net services for Newark residents, the more strategic philanthropy was intended to shore up the nonprofit sector, not necessarily to ameliorate the root causes of poverty. For some staff and trustees, this was disappointing. Margaret Parker expressed her frustration:

I think we should've gotten into some of the issues that are holding the city back, like the teachers' union and the people at 2 Cedar Street⁶⁹. The whole place is bloated with people who aren't doing a job. There's so much wrong, systemically wrong in the city, and I've always thought we should somehow get involved in

⁶⁹ This is the address of the Newark Public Schools' central office operations.

trying to make changes of that sort rather than just throw money at different projects. But of course Percy [Chubb III] wouldn't even think of it. I don't know why Percy wouldn't go in that direction. He thinks a foundation shouldn't get involved in politics. But I don't think it's necessarily politics when you're trying to change bad systems. (M. Parker, Personal Communication, February 27, 2013)

After 35 years with the Foundation, Catherine McFarland spoke frankly about the impact of the grantmaking in Newark:

We had an impact on individual lives. We helped people to get out of this sort of malaise, this poverty, this depressive sort of state...I give the Foundation a *B*. I think we did some really important things and made a lot of difference in a lot of people's lives. But we didn't change any systems. Percy [Chubb III] said to me one day, "I didn't know we were trying to do that." (C. McFarland, Personal Communication, May 16, 2013)

Risk-Taking

The subject of taking risks came up periodically in the archives. The Foundation's underlying philosophy regarding risk-taking is spelled out in its 1973 annual report:

It is a deeply rooted belief of Victoria that foundations should not confine their grants to proven, established organizations, but should be willing to run the risk of experimental and innovative approaches if they appear to be thoughtfully conceived and enjoy trustworthy leadership. (VF Annual Report, 1973, p. 7)

All of the Foundation's presidents from 1924 to 2003 were executives at Chubb & Son insurance company. The notion of calculated risk-taking was intrinsic to their profession. The connection to the founder's vocation and the issue of taking risks were expressed in the 1978 annual report:

Philanthropy in which there are no risks would be neither heroic nor exciting. But excessive or foolish gambles with tax-exempt funds would be reprehensible. Since the entire corpus of the Foundation came originally from the insurance business, its Trustees are very familiar with risks and know, that properly taken, they can be the stuff of life; but unwisely scattered, they are guarantors of disaster. (VF Annual Report, 1978, p. 7)

Significant support to NJPAC was among the riskier grants undertaken by Victoria. Millions of dollars in grants were approved even before the facility was built.

When NJPAC finally opened in 1997, trustees were proud of their support, and the following appeared in the Foundation's published report:

Perhaps the biggest risk to date has already proven to be one well taken. With its gala opening on October 18, 1997, NJPAC has emerged as a focus of pride and recognition for New Jersey. As an ambitious revitalization scheme for the State's largest city, NJPAC has begun signaling to the world that Newark is poised for reemergence. As a massive capital investment and ongoing business, NJPAC is becoming an economic "engine," generating new spending, jobs, and tax revenues for Newark, the county, and the state. (VF Annual Report, 1997, p. 2)

It is generally more feasible for well-endowed private foundations to take risks than it is for government, which is accountable to tax-paying citizens and highly sensitive to public opinion and political pressures. In theory, charitable foundations should be accountable to the intended beneficiaries of grantmaking investments. In reality, with an endowment that is set up to exist in perpetuity, and a mission that evolves as conditions and trustees change, it is very difficult for any outside party to critique the giving choices of private foundations.

In reviewing all the grants awarded during the Foundation's first 79 years, there did not appear to be much of an appetite for high-level risk on the part of trustees. Foundation grants were typically awarded to thoroughly vetted organizations with whom trustees felt comfortable. On occasion, however, there arose high profile, high risk proposals that trustees did embrace, most notably the initiatives examined in Chapter 6, with the exception of NCC. These were more the exception than the rule when it came to risk. The Foundation's aversion to risk was reinforced by the disappointment trustees felt about the time and resources poured into NVP from 1964 to 1983. The year after the dissolution of NVP, the Foundation reflected on the costly lesson related to risk-taking in its annual report:

If cooperative projects in public schools were guaranteed to bring progress, more foundations would enter into them nationwide. The prospect of bureaucratic red tape, the resistance of teachers' unions, and the omnipresence of politics, are enough to discourage involvement on the part of most philanthropies. (VF Annual Report, 1984, p. 6)

Scattershot Grantmaking, Too Many Small Grants, and Ongoing Support

Throughout the 79 years under review, Victoria staff and trustees worried that its grantmaking was too diffuse and wondered whether a more focused strategy might yield greater impact. Would fewer, larger grants lead to greater rewards? Connected to these concerns was the desire for flexibility and trustees' uncertainty as to whether providing general operating support to the same organizations year after year was the right approach. As early as 1958, Hendon Chubb declared his preference for one-time grants over recurring support, with the goal of achieving a bigger bang for the buck:

With the thought of making the most effective use of the Foundation's funds, the Trustees this year reviewed its basic policy and deemed it advisable to restate that, with only a few exceptions, the policy continues to be to restrict grants to one-time specific purposes, and not to make ongoing contributions to annual budgets. (VF Annual Report, 1958, p. 3)

In the mid-1960s, Percy Chubb 2nd echoed this sentiment when he wrote: "It is the opinion of the Officers and Trustees that an organization of Victoria's size can be most useful if a substantial portion of its grants are given on a non-recurring basis" (VF Annual Report, 1965, p. 5). Victoria's Program Committee reiterated this opinion four years later at a trustees' meeting: "Our mobility in future years might be unduly restricted if too high a proportion of our total income is committed to ongoing programs...if not guarded against, this will reduce our flexibility" (VF Board Minutes, 1969). In spite of these cautionary statements, of the 90 grants the Foundation approved in 1976, 75 were for amounts under \$25,000, and more than half supported the ongoing operations of

previous grantees. Percy Chubb 2nd expressed concern about this situation in the 1976 annual report:

The Foundation's Certificate of Incorporation charted a course sufficiently broad to permit almost any humanitarian venture within the United States. This was designed to permit future generations of leadership the latitude within which to be responsive to changing societal needs. However, it was not intended to encourage a scattering of resources. When trustees found themselves with 90 grants in 1976, we developed new guidelines with the prime purpose to provide a general basis for the possible reduction of grant numbers and a consequent intensification of the Foundation's thrusts. (VF Annual Report 1976, pp. 2-3)

Percy Chubb 2nd reiterated his concerns when he wrote his president's report a year later: "In considering the number and diversity of the grants for the year now ending, we may question whether we are scattering our shots too widely and whether we should aim for fewer and more substantial grants" (VF Board Minutes, 1977).

Ten years later this issue reemerged yet again at an unstructured meeting when Victoria trustee Gordon Millspaugh expressed his worry about the Foundation's involvement in too many different areas: "The Foundation's focus is too diffused. It's virtually impossible for trustees or staff to fully grasp or master the range of issues being addressed or to know every agency well" (VF Board Minutes, 1986). When Howard Quirk retired, he had the opportunity to share some parting thoughts about his 20-year tenure at Victoria in the 1988 annual report:

Programmatically we have remained generalists in an era of increasing specialization. Our focus has changed somewhat, but it has not sharpened. There is a geographic concentration on Newark, a particular interest in education, and a commitment to the environment (since 1972). Beyond that, we have proceeded largely without a preconceived plan, shaping our agenda to meet the needs we saw around us. Housing, hunger, the arts, tutoring and recreation for disadvantaged youth, the drug menace, the needs of convicts' families—all of these have received attention resulting in grants in recent years. The wisdom and effectiveness of this approach to philanthropy is debatable; and the debate goes on within our Foundation and even within the individual minds of many of us. We are constantly aware of the danger of frittering away our funds. We find it

difficult to explain in a sentence, or even a short paragraph, what we are all about. Like all generalists, we lack a sharp profile. When we consider our huge neighbor, the Robert Wood Johnson Foundation, influencing the health care delivery system nationally, we feel like a rural doctor in Cape May County looking at the Sloan Kettering Institute. (VF Annual Report, 1988, p. 4)

The question of whether Victoria could be more effective if it did not approve so many small grants (\$25,000 and under) came up again at the 1997 unstructured meeting. Opinions varied among staff and trustees. Catherine McFarland “stressed that grantees that had received the most funds were generally the best performers” (VF Board Minutes, 1997). This led to a familiar discussion on the pros and cons of awarding fewer and larger grants. A few trustees expressed their view that some needs would go unmet if any significant number of large grants were made. Others felt that “Victoria should consciously play a role of providing hope to even the smallest, newest organizations by maintaining its present policy of providing many small grants” (VF Board Minutes, 1997). By the end of the meeting there was a general consensus that large grants would be desirable, but not at the expense of the existing small grants. The support of these larger strategic grants would thus be contingent on the hoped-for growth of the endowment from gains in the stock market.

In the 1990s, there was a greater acceptance on the part of Victoria staff and trustees toward ongoing general operating support grants and the ensuing tradeoff of this strategy on the Foundation’s flexibility. In 1993, 87% of Victoria grants were awarded to organizations to which the Foundation had provided annual core operating support for more than 10 years. By 1999, trustees seemed amenable if not proud of their ongoing grants for general operations. In Victoria’s 75th Anniversary Report, the Foundation included the following description of its Newark grantmaking:

Another key part of the neighborhood strategy was the Foundation's willingness to provide general operating support to organizations like New Community Corporation and La Casa de don Pedro. Though not an officially stated policy, Victoria's trustees believed that general support made it possible for fledgling groups to grow and develop to meet the evolving needs of their communities. For years Victoria was among the few foundations that regularly provided general support. (VF Annual Report, 1999, p. 10)

Self-Reflection

During board meetings, Foundation trustees frequently devoted time to reflect upon and validate their grantmaking practices. In a letter to potential trustee Robert Curvin in 1977, Howard Quirk wrote:

Victoria was active in Newark long before the civil disturbances of 1967, indeed well before any other foundation. Not all of our projects have been successful; and we have undoubtedly had some blind spots over the years. But we have engaged in constant self-examination in an effort to minimize our short-comings and gain maximum mileage from our grants. We take our responsibility seriously, but have fun in so doing. (VF Board Minutes, 1977)

By 1977, as the corpus grew and the number of grantees increased, there was less time and energy for reflection at the regular board meetings and Percy Chubb 2nd added the annual distraction-free unstructured meetings. At the first unstructured meeting in December 1977, Chubb framed the discussion by providing in advance several fundamental questions to trustees:

Where have we succeeded; and should we persevere in these areas or phase out while others sustain the progress? Where have we failed or fallen short; and should we keep trying or switch our efforts to more promising endeavors? What are the neglected needs which no one else is addressing; and is there something which our limited resources could help to accomplish? (VF Board Minutes, 1977)

At the 1980 unstructured meeting, Robert Lilley "expressed his pleasure at being identified with the Foundation. He especially appreciates its freedom from bureaucracy and its willingness to engage in introspection and self-improvement" (VF Board Minutes, 1980). Unstructured meetings were held annually from 1977 to 1988. When Catherine

McFarland took over as executive officer in 1989, the practice of holding a third unstructured board meeting waned. There was not another such meeting until 1992; then four unstructured meetings were held periodically until 2001, when the practice became almost defunct.

Connecting the dots and thought leadership.

One advantage of being a place-based foundation is the ability to develop and nurture relationships with community stakeholders, such as agency directors, elected officials, corporate leaders, and activists. Victoria trustees were typically hands-on, visiting many existing and potential grantees. Corinne Chubb most exemplified this by her frequent visits to the Cleveland School and the close ties forged with several Newark superintendents. In the early years especially, Victoria trustees were socially active and served on the boards of nonprofit organizations. They were charged with bringing promising groups worthy of support to the attention of the Foundation. Undeniably, Hendon Chubb's experience of serving on numerous nonprofit boards paved the way for the creation of a foundation dedicated to supporting such organizations. Longtime trustee Marion Garrison campaigned with birth control and women's health advocate Margaret Sanger. This collaboration influenced the Foundation's decision to provide ongoing support to Planned Parenthood beginning in the late 1950s, at a time when that grantee was regarded by many as immoral to the point that most newspapers at the time refused to print its meeting notices.

Mary Coggeshall was another active trustee who was involved with Training, Inc., a nationally-recognized model of job training that used a simulation approach to prepare low-skilled workers for permanent employment. Coggeshall was instrumental in

bringing the model to Newark and arranging for it to be housed at Essex Community College. Victoria provided the seed funding in 1973 and has approved annual operating grants ever since. Although the Newark Collaboration Group is credited with establishing a local affiliate for the national LISC program, Robert Lilley's dual role as its founding president and a Victoria trustee influenced LISC's decision to expand into Newark. There are many early examples of such connections between trustees and funded programs; however, starting in the 1990s, the notion of *conflict of interest* resulted in trustees abstaining when a vote came up for a grant they had a connection to.

When Howard Quirk was hired in 1968, his principal responsibility was to become familiar with the people, issues, and organizations of Newark. In 1970, the Foundation eliminated the Special Relief Committee and replaced it with the Victoria Community Fund, a \$2,500 discretionary allotment for the executive officer to "promote cooperative programs and ventures between humanitarian agencies with kindred or complementary objectives" (VF Board Minutes, 1970). Examples of how Quirk used these resources included: convening similar or overlapping agencies to explore possible areas of cooperation; arranging a luncheon of experts to discuss the growing drug abuse problem; underwriting the first conference of New Jersey foundations; and sending four Newark leaders on a study tour to Washington, DC, to visit the Institute for Local Self Reliance. These activities helped reinforce Quirk's position as the "go to" person in Newark for those seeking advice and counsel.

In the Foundation's 1975 annual report, there was a special section entitled "More than Meets the Eye," which described the many ways Foundation staff and trustees used their social capital to help Newark agencies beyond the awarded grant support. One story

described two trustees who used their professional expertise as a lawyer and a banker to advise a grantee about a building-renovation venture. In another example, the executive officer helped the founder of a nonprofit build a center for youth by putting her in touch with Architects Community Design Center and directing her to the right person at Newark City Hall. A third anecdote cited a common occurrence, which involved a Victoria representative who assisted a grantee in obtaining additional funding from a sister foundation. The final item concerned a Victoria staff member and a trustee who helped a grantee negotiate with the IRS over unpaid taxes (VF Annual Report, 1975, pp. 11-12).

By the mid-1980s, Victoria made annual grant awards to nearly 100 different Newark nonprofits every year. The team of Quirk and McFarland was well positioned to connect the dots and form a network that connected grantees to each other to share best practices, and to convene diverse stakeholders to solve complex challenges. McFarland, in particular, served on many task forces and nonprofit boards in Newark. Sometimes the opportunities for Victoria staff to offer thought leadership led to grantmaking opportunities, but more often they were asked to participate in critical conversations simply because they brought deep knowledge of the city without any personal agenda beyond wanting to see life improve for Newark residents in need.

Issues of Race

In examining Victoria's deepening involvement in Newark beginning in 1964, it is essential to view the Foundation's grantmaking and interactions with the community through the prism of race and racism, which were defining aspects of the city and which fueled the 1967 riots. Trustees were making decisions in the backdrop of the expanding

civil rights struggle, which included President Lyndon Johnson's War on Poverty and the associated government programs to redress past racist practices. Although mention of race is limited and somewhat ambiguous in the Foundation's historical record, there is a subtext about race that can be inferred or intuited from the archives and oral histories contained in this dissertation.

Starting with the founder, the only reference to race in Hendon Chubb's memoir was his recollection of visiting the Bahamas with his mother as a six-year-old and he played with the "colored boys" (Chubb, 1958, p. 5) because there were no White boys to play with there. Years later, Hendon would oversee a rheumatic heart facility for children open to all races, a rarity in its day. There appeared, however, to be limits to Hendon's open-mindedness about race. When trustee Marion Garrison broached the subject of opening a convalescent home specifically for "colored people" (see page 137), indicating that no such place existed, Hendon stated that it was "quite out of the question for the Foundation to undertake such a project" (VF Board Minutes, 1941). Nevertheless, Hendon's views on race transcended the standards of the early to mid-20th century.

Through the 1950s, Victoria followed an even-handed, non-exclusionary sensibility with regard to race, as exemplified by a rare statement about race in the 1952 board minutes that the general purpose of the Foundation was to address "human relief and betterment without regard to race, creed or color" (VF Board Minutes, 1952). The Foundation's approach to race was grounded in civility and benevolence; it was not about fighting or redressing racism *per se*.

More than a decade passed before any further reference to race emerged in the archives. The founder's son had already taken over as president when a brief passage that

addressed the nation's heated struggles with racism appeared in the 1963 annual report that singled out "Negroes" as deserving of special consideration, though not necessarily connected to those residing in Newark:

The Foundation also seeks to keep alert to the needs of changing times. The year 1963 was a year of racial stirrings and recognizing the new and urgent problems of this large segment of the human race, it devoted a significant number of grants to Negro education, to Negro social problems, and to the need of the Negro to fit himself for his new role. (VF Annual Report, 1963, p. 2)

The 1960s was a decade of profound change in America, and this was poignantly reflected by the grantmaking changes taking place at Victoria. Percy Chubb 2nd led the Foundation into Newark during this decade. The vast majority of evidence in the Victoria archives pointed to a president who, like his father, strongly believed that upward mobility through hard work was the cornerstone of American society, regardless of race. Victoria's initial response to Percy's call to action was the Cleveland School in Newark, where the primary focus was on serving children in poverty, not specifically Black children suffering from the effects of racism and neglect.

The trustees could not avoid the issue of race, however, which surfaced during the heated Cleveland staff retreat in Atlantic City in 1967 (see pp. 182-184). Corinne Chubb expressed her frustration to fellow trustees that Victoria was obligated to pay for the \$4,610 event even though it did not produce the expected results, admitting simply that the "frank expression seems to have been one of race" (VF Board Minutes, 1967). There is no evidence in the board minutes that Victoria trustees openly discussed issues of race and racism, which were (and are) generally regarded as uncomfortable topics.

With the addition of Howard Quirk in 1968, the Foundation began a shift from even-handed fairness to engagement with the Black community in Newark. This is

exemplified by the Chad School project, which Victoria embraced, albeit with some discomfort among trustees. Indeed, the seed grant to the Black Youth Organization (BYO) to start a private elementary school restricted to Black children was the only split decision in the Foundation's historical records. The 1969 minutes described an internal conflict between one group of trustees that believed a racially-exclusive school "might give aid and comfort to those who wish to keep America socially divided" and another group of trustees that felt "this separatism was a legitimate and transient phase in the self-discovery which the Black man is experiencing today" (VF Board Minutes, 1969). The final decision to approve the BYO grant to support a segregated school was understood to be a temporary solution based upon severe circumstances, and that the policy going forward would be to insist on integrated schools.

Howard Quirk and Robert Lilley ushered in a more activist and empathetic approach to race and politics in Newark. Quirk played a significant role in identifying organizations in Newark to support, clearly favoring those that emerged out of the Black Nationalist movement. Lilley was deeply knowledgeable about the discrimination and racist policies that led to the 1967 riots due to his leadership role on the governor-appointed Lilley Commission charged with investigating the riots. It seemed likely that Lilley influenced his Victoria trustee peers to focus resources on Newark; however, there was scant evidence in this regard. Nevertheless, four more years elapsed before Victoria elected its first Black trustee, Matthew Carter, in 1972. Victoria's second Black trustee, Robert Curvin, was brought in five years later; but there would be a 16-year gap before a third trustee of color was elected.

In making grants to Newark organizations, the underlying moral principle for most Victoria trustees continued to be one of fairness. The trustees believed in a society that treated all of its citizens with equal opportunities and respect, without regard to race. At the same time, the trustees, like most Americans, both White and to some extent Black, were uncomfortable with the more militant Black power movements gaining momentum in Newark and throughout the nation. The 1972 annual report uncharacteristically included a page devoted to race relations, pointing out that the goal for Newark was to become “a harmoniously integrated society” (VF Annual Report, 1972, p. 7). The report included two noteworthy observations on race: (a) that Black militants in Newark were “just as ugly and devisive [*sic*] as the White racism which aroused it; and (b) a grant to the North Ward Center was intended to address the “plight of unemployed and working class White citizens” (VF Annual Report, 1972, p. 7) who were trying to retain their dignity and self-respect as political power inevitably shifted to the majority Black population.

Newark activist Junius Williams discussed the shifting power struggle in Newark, noting that the Italians were striving to hold onto power while Black residents were trying to take it from them. Williams countered Victoria’s sentiments about the Black militants’ agenda:

People believed that black power was ipso facto about violence. If you were a moderate White or a moderate Black, you tried to stay away from those people. So people like [Amiri] Baraka was automatically persona non grata because he stood for all that was dangerous and deadly in people’s minds. But if you look at what Black power was really all about, it was power for Black people. It was no different from any other ethnic group coming up through the ranks achieving a majority in the voting block and wanting to take over City Hall. The Jews had done it. The Germans. The Irish had taken power from the Jews, the Italians from the Irish. So now it was Black people’s turn based just upon numbers. (J. Williams, Personal Communication, August 29, 2013)

Trustees did not share Williams' perspectives, and they did not engage or condone the more extreme elements within the Black community in Newark. In reiterating his commitment to Newark in 1977, Percy Chubb 2nd expressed his frustration that the American dream was denied to certain groups: "The fact that this open door has seemed to close on many Black and Hispanic citizens, especially in Victoria's target city, constitutes a major ongoing challenge" (VF Board Minutes, 1977). Trustees' views on race were embedded in a traditional, well-intentioned ethic of even-handedness and fairness: no group should be singled out for discrimination. Their enlightened decision to direct all grantmaking to Newark may have seemed forward thinking or even radical to their peers. At the same time, however, there might have been a feeling on the part of some Black grant recipients in Newark that the Foundation's good intentions and generosity had a paternalistic dimension, in part because Victoria and many other foundations investing in Newark were housed in nearby suburbs.

Evaluation

From its earliest days, trustees at Victoria wanted its grant support to make a genuine difference. As early as 1934, ad hoc committees of the board were formed to investigate meritorious unsolicited grant requests that came to Victoria and make grant recommendations to the rest of the trustees. At the same time, the president and others would proactively make suggestions for the use of the resources, such as a heart hospital for children, and an ad hoc committee would invariably be formed to look into it. Trustees were always eager to receive an update on previously granted projects, though in the first 40 years there were no formal processes for setting benchmarks, nor were there requirements to submit narrative and financial reports at the conclusion of the grant

period. In 1946, Hendon Chubb was delighted to learn of the very favorable report on the Children's Heart Unit from the Crippled Children's Commission because, as he wrote in his president's report, the cause of rheumatic fever in youngsters "now promises to get the statewide attention that is so urgently needed" (VF Board Minutes, 1946). Before the Foundation hired professional staff in the late 1960s, trustees rolled up their sleeves and worked diligently to ensure that the grant funds were going to worthy leaders at effective organizations. Trustees poured a lot of time and energy upfront visiting potential grantees. Less effort, however, was given to the follow-up work to understand the impact of the grants.

When Percy Chubb 2nd succeeded his father as president in 1960, the Foundation began making a greater effort to push grantees to submit grant reports. When it entered into a long-term partnership with the Newark Board of Education focused on the Cleveland School in 1964, Chubb was adamant that funds be set aside to conduct an independent scientific evaluation of the experiment. Adding supplemental grant funding to support independent assessments, however, was highly unusual for Victoria trustees. Victoria was not alone in this regard. Very few private foundations provided funds to pay for external outcomes evaluation of their grants, despite the rhetoric concerning how important it was to have reliable empirical data. As the Foundation evolved and hired professional program staff, the lip service given to evaluation and program effectiveness continued, but the level of outcomes data remained low. Toward the end of Chubb's tenure as president, he tried again to infuse a greater sense of urgency regarding the issue of evaluation. He wrote the following in his 1977 president's report:

At the December 1976 meeting of the Trustees, it was agreed that we should step up our analysis of the results of programs supported by the Foundation. Action

along these lines, however, has been spotty. At a minimum I feel that we should ask each recipient, prior to being considered for a further grant, to submit a timely report on how our earlier grant was spent and to give us an appraisal of the results. Such reports should be made available to the appropriate committee at the time any further grant is requested. Beyond that, we should ask each committee chairman to advise which of their programs should be subject to an appraisal by the Foundation itself. (VF Board Minutes, 1977)

When Percy Chubb III became president in 1982, trustees were still frustrated by the lack of data provided to the Foundation from grantees. They made another decision regarding the assessment issue at an unstructured meeting in the mid-1980s:

...evaluation of the results of our grants would become a prerequisite for continuation to a greater degree than heretofore...In a world where needs seem infinite and resources are limited, the constant weighing and ranking of the effectiveness of grants must take a high priority if the Foundation is to achieve its purpose. (VF Board Minutes, 1986)

Unfortunately, the recording of such directives in the minutes did not make them a reality. Of the more than 500 organizations that received Victoria grant support focused on Newark from 1964 to 2003, about a dozen groups provided outcomes data that bore at least a slight resemblance to empirical evidence. For NVP, the Foundation's first educational initiative in Newark, trustees took the rare extra step of augmenting its grant support with funds to cover evaluation expenses. Trustees entered into this long-term partnership with the public schools with the intention of engaging outside experts to compare the results of students at the Cleveland School with control schools. In the course of evaluating results, two significant problems arose: (a) after two years, the control schools started to receive federal Title One funding and implemented several of the NVP components; and (b) by the end of the 19-year partnership, none of the Victoria trustees or staff gave credence to the positive data emanating from Cleveland.

Not having reliable data to assess impact is a common problem for small and mid-sized foundations. The large foundations have ample funds to ensure that high-quality third-party evaluations are conducted on their major grantmaking efforts. For the most part, Victoria relied on the in-house capacity of its grantees to track outcomes and to gauge the quality of the interventions. Unfortunately, few Newark-based grantees possessed the necessary skills and internal capacity to obtain baseline data, develop survey instruments and other evaluation tools, track beneficiaries over time, and compare and analyze what was learned. It was rare that a grantee made a mid-course correction to a program based on a formative assessment or made a decision to discontinue a project based on the results of a summative evaluation.

Size of Resources and Perception of Impact

A key determinant of impact is the size of the resources brought to the problem. In 1964, when Victoria turned its attention toward Newark, trustees approved \$152,700 for Newark-specific grants. In 2003, the Foundation approved a much larger sum—\$7 million—to improve conditions in Newark. Though \$7 million was indeed a significant amount of money, it paled in comparison to the billions of dollars earmarked to operate various institutions such as NPS (\$800 million budget), Newark municipal government (\$780 million), and a host of other neighborhood-based nonprofits, churches, hospitals, and universities. Why would it be reasonable to expect that Victoria's limited grantmaking efforts could lift enough people out of poverty to turn around a troubled city? Nevertheless, the leadership of Victoria believed that despite its size, the Foundation could make a difference in improving the lives of children and families living

in Newark. After eight years of focusing its efforts in Newark, the Foundation expressed the following rationale in its 1972 annual report:

The problems of Newark are so well known, so serious and often seem so intractable that one can reasonably ask why a foundation of relatively modest size should continue to pour funds into the city. One reason is that Newark is more than just another beleaguered city. It is the most urban sector of the most urban state of an increasingly urban nation. If Newark were to succumb to its very real problems, it would be taken as, and would be, a dark portent of things to come elsewhere. If, on the other hand, Newark's decline can be reversed (and there are encouraging signs), it can give realistic encouragement to troubled cities everywhere. Besides these larger stakes, there are 385,000 men, women and children resident in the city, for whom Newark's fate is of most personal significance and for whom even Victoria's modest philanthropy offer sustenance and hope and the reassurance of being remembered by those outside. (VF Annual Report, 1972, pp. 2-3)

In the absence of empirical data, which might demonstrate that certain Victoria investments resulted in measurable improvements in the city of Newark, the perception of impact by community stakeholders was encouraging. What follows are the views of four community activists, who were also long-term Newark residents. The straight-talking Richard Cammerieri stated:

If Victoria didn't exist we'd have a hell of a lot more people living in distress, and that's saying something. Some of the essential [community-based organizations] and CDCs wouldn't be around. New Community would probably still be around, but it wouldn't be able to do the kinds of things it does. Groups wouldn't be as effective. They've helped to keep up some quality of life in the city. You can't underestimate what these groups have done. You could look at the big picture and not see much change in the poverty rate, but there have literally been thousands of people who've been touched by these groups. This wouldn't have happened in such a sustained and comprehensive way without the resources of Victoria. (R. Cammerieri, Personal Communication, July 8, 2013)

Former Victoria trustee Robert Curvin believed that without the Foundation, "there would be a much thinner, leaner civic structure. There would be much less community development" (R. Curvin, Personal Communication, July 17, 2013). Curvin believed that Victoria's commitment to Newark was especially laudable: "Being place-

based gives you sustainability. You work over time and you get to know the actors, you get to know the nature of the issues. You can perhaps have insights that are not afforded to those working more generally” (R. Curvin, Personal Communication, July 17, 2013).

When asked about Victoria’s impact in Newark, former mayor Kenneth Gibson replied:

Victoria Foundation rings a good bell. You made a difference. I say that only because I was there. People don’t realize how much Victoria gave to so many organizations. I was always impressed that Victoria would fund the smaller community groups. (K. Gibson, Personal Communication, August 12, 2013)

During the James administration, from 1986 to 2003, Victoria awarded \$112 million in grants to support Newark causes. Sharpe James shared his view about the positive impact the Foundation had in Newark:

You were spending millions of dollars here in the city of Newark and I said “Wow! I’m the mayor and I’m dealing with municipal funds and federal funds and state funds, but where would the city of Newark be without this helping hand?” Victoria Foundation saved Chad School. It wouldn’t have existed. It would never have lasted so long. Whether it failed down the road, the question is, how many people did it save before it failed? What would La Casa de don Pedro be without Victoria, with all its housing? Many of the programs that Victoria Foundation aided, gave mouth-to-mouth resuscitation, they’re still alive today because of Victoria. If you were to take all those out of Newark, I’d move tomorrow. And believe it or not when I was sitting in prison and I was writing the book⁷⁰ - this precedes your interview, precedes your call to Sharpe James, ‘cause once you’re in prison people don’t call on you no more - but this mayor for 20 years, this councilman for 16 years, this state senator for nine years could never forget the contribution that occurred during my tenure by Victoria Foundation. You made a difference. You made Newark a better and healthier city. And the future is bright because of Victoria Foundation. (S. James, Personal Communication, August 21, 2013)

⁷⁰ Former Mayor Sharpe James’ memoir, *Political Prisoner: You Can Be Indicted, Arrested, and Sent to Prison Without Committing a Crime*, was published in 2013.

Conclusions

All of the themes discussed above relate to the question of impact generated in Newark relative to the effort and grant dollars expended by Victoria Foundation. It is worth noting that in 1964 when the Foundation shifted its grantmaking resources to Newark, it did not develop a theory of change, nor did it specifically define the hoped-for changes stemming from their investments. The notion of setting overarching goals and objectives came up only once while studying the archival data. At the 1983 unstructured meeting, Robert Curvin shared the following suggestion:

...develop one or more general themes for Newark in which we summarize primary goals in crisp statements. Thereafter, requests could be measured against such statements and those which were insular and did not fit into these basic themes in an important way should perhaps be bypassed. (VF Board Minutes, 1983)

Nothing came of the suggestion, yet there was tremendous concern on the part of Foundation trustees about using the money well. Trustees instinctively understood that awarding over 100 grants a year, many of which were under \$25,000, to address a wide range of urban challenges, was too diffuse and would fail to solve core problems in the community. On the other hand, there can be no doubt that thousands of lives in Newark were touched and improved by the hundreds of program interventions Victoria supported.

The benefits of being a place-based philanthropy compound with the years. Foundation staff and trustees have succeeded in nurturing long-term relationships with community leaders as genuine partners and trusted colleagues, as opposed to fickle benefactors that change course every few years. NJPAC CEO Lawrence Goldman validated this view of the Foundation: “We always felt that Victoria was our ally, our co-conspirator; we were in it together” (L. Goldman, Personal Communication, July 24, 2013). Rutgers University-Newark Professor Clement Price also touched on this theme

when he described Victoria's approach to anti-poverty grantmaking in Newark as personifying "redemption, empathy, and benevolence" (C. Price, Personal Communication, April 16, 2014).

The Foundation was able to use its deep knowledge of the work of hundreds of Newark-based organizations to connect the dots. Time and time again, the Foundation brought diverse parties together to share best practices and learn from one another. Foundation staff convened grantees and others to strategize about how best to solve complex problems. A particular grantee had a building it could no longer use while another grantee needed a facility to house a new employment program—Victoria brought these parties together. Newark activist Rebecca Doggett confirmed this view in a recent interview:

Victoria, because of its Newark focus, helped the nonprofits stick their head up and look around instead of digging in and trudging along just trying to survive to the next day. Victoria worked to help us see what else was going on in the world. Victoria also helped us form coalitions and interact with one another. It helped Newark folks look at problems together to figure out what to do. (R. Doggett, Personal Communication, July 16, 2013)

Another benefit of funding in a single place over 40 years is getting to know the critical players and deeply understanding how all the various systems function and interconnect. Trustees were naïve in 1971 when they communicated to the general public the possibility that "in due time the problems of Newark will be reduced to manageable proportions. Then, in accordance with its tradition, the Foundation would expect to turn its attention to other needs and challenges" (VF Annual Report, 1971, p. i). Fifty years later, Victoria is still committed to the city of Newark, and working hard to facilitate positive changes. It will never be known how different Newark would be if the Foundation had decided to spend its resources to address the public policies that were

holding residents back, or had attempted to fix dysfunctional systems. In the meantime, the work trustees and staff undertook through the grantmaking, convening, and dot-connecting over 40 years in Newark has been substantial. Victoria concentrated its efforts on the nonprofit sector in Newark, providing the core operating support most funding agencies neglected, trying to build up the capacity of individual organizations, particularly those anchored in specific neighborhoods. If the primary goal was to help people in need in Newark, that goal was met thousands of times over by the good work carried out by the grantee organizations.

Victoria has enjoyed a solid reputation in the Newark community as a result of its loyalty to the city and its steady grantmaking practices. Within the philanthropic sector in New Jersey, Victoria has developed a reputation for in-depth due diligence prior to funding a particular organization. In 1981, Grizel Ubarry⁷¹ was the executive director of Aspira, a community-based agency trying to prevent Hispanic youth in Newark from dropping out of school. Victoria became a loyal annual funder of Aspira starting in 1970. Ubarry spoke about the importance of these grants: “Support from Victoria has been like a Good Housekeeping seal of approval. It has helped greatly with other private sources” (VF Annual Report, 1981, p. 11). In an illuminating memo exchange between Catherine McFarland and Percy Chubb III in 1993, the issue of providing general operating support to agencies was conflated with the reputation Victoria held, which signaled to other funders that an organization was worthy of support. McFarland wrote:

Too often, our funding becomes the only private source of discretionary operating funds. This dependence on our support, often “to keep the doors open,” frustrates our efforts to recommend fewer and larger grants. In addition, because our standards for donees are recognized as being high, organizations seeking new

⁷¹ Grizel Ubarry was featured in the 1981 Annual Report in a section devoted to strong Hispanic leadership in Newark; she was elected to become a trustee of Victoria Foundation in 2013.

support are referred first to Victoria because, if we accept their challenge, others in the community will follow with support—but not without our imprimatur. This places extra demands on our time, if we accept the community-imposed role of being the first “judge and jury.” (VF Board Minutes, 1993)

Percy Chubb III responded to McFarland’s memo by emphasizing Victoria’s hard won reputation: “Your point on being ‘judge and jury’ strongly validates my feeling that what we are doing is worthy and correct. It may be more work and psychic burden on you, but it certainly is a compliment as well and perhaps the thing we should be most proud of” (VF Board Minutes, 1993).

Between 1924 and 2003, Victoria approved more than 4,000 grants to address dozens of different urban challenges. Many of the funded organizations helped children and families in Newark attain a solid education, live in a safe and affordable home, secure a living-wage job, eat a hot nutritious meal, spend two weeks of the summer at camp in the Catskills, or learn how to play the violin. Some grantees went out of business, but many of those no longer active did a tremendous amount of good before they shuttered.

The two-fold critique that Victoria’s grantmaking was too diffuse and did not tackle the root causes of poverty was raised repeatedly in the board minutes and during the interviews. There was general agreement concerning the efficacy of taking on too many problems with Victoria’s limited resources, but the shift to fewer and larger grants never materialized. The debate related to the type of grantmaking was more nuanced. Some trustees were satisfied with the tactic of funding specific programs or strengthening nonprofit organizations through general operating support, while others wanted to fund less tangible interventions like community organizing and advocacy efforts that had the potential to change broken systems or poor public policies. There was evidence that

Victoria's approach benefitted thousands of Newark children and families, but the grim statistics connected to rates of poverty, violence, unemployment, family trauma, substandard housing, and high school dropouts did not change very much during the years under investigation.

Victoria at its core has been a compassionate foundation. When trustees decided to become place-based in Newark, they seemed primarily concerned about fairness and giving groups that were experiencing discrimination an opportunity to thrive, as opposed to addressing the social injustices caused by racism. While trustees would love to have more scientific evidence that its grant dollars have changed lives, they had to be content with the anecdotal stories of success that grantees and community members shared. The Foundation remained what it was at the start: a small group of very caring people using a very personal approach to help those in need. When he retired from the Foundation, Quirk thoughtfully reflected on the grantmaking practices during his tenure and wrote:

Obviously, Victoria's approach to huge social problems has been scattershot. And obviously, some good has been accomplished. Would the achievement have been greater if the fire had been more concentrated? Quite possibly. Victoria's special value to the community, in my opinion, has been its "hands on" relationship to many donees. Thus do our dollars acquire personality. The warmth of the giver's hand enhances the gift. (VF Annual Report, 1988, p. 16)

Limitations and Recommendations for Future Research

Sharing the story of the evolution of Victoria Foundation and analyzing its place-based giving practices in Newark add an important dimension to the literature on mid-sized foundations, which is scarce (McKersie, 1999). There were several limitations that affected the outcomes of the research. In trying to answer the essential question of impact, particularly in Newark, the absence of empirical data from the 500+ grantee organizations was a significant impediment. In addition, the researcher of this dissertation

questioned the reliability of the data and analyses from the smattering of third-party evaluations and longitudinal studies that did exist.

Inherent in writing about events of the past is the concern that a lot of time has gone by since those events took place. While Victoria is very fortunate to have an intact archival base of data to work from, board minutes are generally succinct, and grant files rarely include precious outcomes data. In addition, taking oral histories from elderly individuals discussing incidents that had taken place decades earlier is subject to possibly unreliable recollections (Henry, MacLeod, Phillips & Crawford, 2004).

In the case of this dissertation, the researcher was also a participant who was employed by Victoria Foundation starting in 2003. Even though the study period ended with the year the researcher was hired by the Foundation, her role as executive officer at the time of the research-gathering stage had the potential to limit the quality of the data, particularly with regard to the oral history interviews. Several interviewees represented Newark agencies that were (and are) still receiving Victoria support. Others had important pre-existing relationships with the Foundation and/or the participant researcher. It is impossible to know whether certain responses to questions about the value and impact of the Foundation and its role in Newark were prejudiced by a desire to please (or not displease) the participant researcher, who possessed decision-making responsibilities for future grantmaking.

While large foundations like Ford and Carnegie have volumes written about their histories, specific program areas, and impact, very little exists in the literature about medium-sized foundations, particularly those that are place-based. Therefore, there is great need for more research and analyses on older mid-sized foundations. When more

research is conducted on other mid-sized foundations, it will be possible to conduct a meta-analysis to compare and contrast the various practices, and to determine the relative value of the different approaches to philanthropy. For example, a study on a place-based, mid-sized foundation that concentrated its efforts on changing poor public policies and broken systems would be helpful in comparing the actual and perceived impact of that approach to those approaches employed by Victoria Foundation. It would be particularly useful to extend and deepen the research of this dissertation to compare Victoria's giving in Newark to that of other foundations making grants in Newark during the same period. This would shed more light on the efficacy of Victoria's philanthropy relative to its peers. Moreover, it would be instructive to compare the case study of Victoria's intersection with Newark to other place-based foundations that targeted similarly-distressed post-industrial cities, like Detroit, Cleveland, and Buffalo.

There is also a lot to be learned about place-based giving. One important future research study could involve a deep investigation of foundations focused on place. What are the different approaches used? Do foundations that engage in developing a theory of change and establishing measurable goals enjoy greater impact compared with those that do not? Are there benefits to funding efforts aimed at systemic change as opposed to supporting direct program interventions? Does the practice of fewer, larger grants lead to better outcomes than large numbers of small grants?

An urgency surrounds future research studies on urban philanthropy, particularly those related to documenting the histories of older, mid-sized foundations focused on place. There were three luminaries listed in the dissertation proposal who were supposed to be interviewed for this research study, but who died before that could happen. These

were: (a) Gustav Heningburg, an African American lawyer and Newark activist who nearly singlehandedly integrated New Jersey's construction trade, enabled Black contractors to participate in expansion of the Newark Airport, and negotiated the Newark Agreements, a set of racial inclusion policies the University of Medicine and Dentistry of New Jersey agreed to abide by after the 1967 riots; (b) Kevin Shanley, the first non-family member to become president of Victoria Foundation, elected to the board in 1979 serving as treasurer and chair of the Youth and Families program committee, who worked in Newark for decades and ardently supported the Newark Museum and Saint Vincent Academy; and (c) Amiri Baraka, a poet, playwright, and native son of Newark, who forged the Black Arts Movement, was beaten by police during the riots, helped elect Kenneth Gibson as the first Black mayor, and agitated for racial justice in Newark until the day he died, January 9, 2014. This dissertation would surely have been richer with the input of these remarkable men.

EPILOGUE

This Epilogue recounts the past 10 years of Victoria grantmaking in Newark from my personal perspective as a paid employee of the Foundation. The tone of this section, written in the first person, is intentionally less detached than that of the body of the dissertation. In the future, another researcher or historian writing on this period in Newark's history will have access to this Epilogue as one of many documents from which to draw conclusions. However, at this juncture, I do not have the distance, either historically or personally, to relate it to the overall themes and findings of the formal dissertation. Nor at this junction would this be methodologically appropriate. Nonetheless, I believe this Epilogue provides additional context and up-to-date information of interest to the reader.

Prior to joining Victoria as a program officer in March 2003, I worked for six years as a founding program officer at the Healthcare Foundation of New Jersey (HFNJ). While HFNJ operates as an independent foundation, it is technically a conversion foundation, because its endowment was derived from the sale of the Newark Beth Israel Medical Center (NBIMC) to the St. Barnabas Health Care System. The Jews of Newark founded NBIMC over 100 years ago because Jewish and African American healthcare professionals were barred from working in Newark City Hospital (Helmreich, 1999). HFNJ, therefore, declared a dual mission to make healthcare-related grants in Newark where the hospital was (and still is) located and to support the well-being of Jews in the greater Newark region. I spent most of my time with HFNJ in Newark, overseeing a major grantmaking initiative to place full-service clinics inside several public school buildings. I learned firsthand the intrinsic interconnections between the healthcare system

and the education system. A child who suffered from severe tooth abscess, family-related trauma, unmanaged asthma, or lead poisoning was not well positioned to take advantage of anything going on in the classroom.

I was drawn to Victoria Foundation because of its holistic approach to improving the lives of children and families in Newark. Victoria trustees directed 40% of their grant resources to preK-12 education each year, believing that a solid education was necessary to climb out of poverty. But they also deeply understood that what happened in the home and in the neighborhood affected the journey of each child, and they therefore directed 25% of grantmaking dollars to community development and 25% to strengthening families, which included opportunities for thousands of Newark youths to attend summer-camp programs. The remaining 10% of grantmaking continued to support open space preservation in the Highlands and Pine Barrens, primarily to protect the state's drinking-water supply.

My first three years at Victoria from March 2003 to June 2006 were marked by long-term, stable leadership in Newark, but little progress. Sharpe James, elected in 1986, was still mayor of Newark. Marion Bolden was the second state-appointed superintendent of NPS, taking over from Beverly Hall in 1999. Bolden remained as superintendent until 2008, far exceeding the average 3.6-year tenure of urban superintendents (Council of the Great City Schools, 2010). Catherine McFarland was in her 17th year as executive officer of Victoria and Percy Chubb III was in his 21st year as president. At this time, the program staff was in a state of flux. One program officer was fired in 2004 and replaced. A second long-term program officer died in 2005 and was replaced by Anne Jacobson, a colleague whom I had helped to become my replacement at HFNJ when I left for

Victoria. In the summer of 2005, McFarland announced her intention to retire the following year.

In September 2003, I was accepted into the Ph.D. Urban Systems program, a joint venture between the three major Newark higher-education institutions: Rutgers University-Newark, New Jersey Institute of Technology, and the University of Medicine and Dentistry of New Jersey (UMDNJ has since merged with Rutgers). I was drawn to this course of study for much the same reason I was drawn to Victoria: the program entailed a deep analysis of how education, healthcare, and the built environment were interconnected in the urban setting. I took the required core courses at all three institutions and I was able to use the city of Newark as the subject of most of the required research papers. All of my elective courses were focused on urban education and were taken at Rutgers University-Newark. In 2004, as part of my required Qualitative Methods course, I wrote a proposal to investigate the Foundation's education grantmaking over 10 years. McFarland gave me permission to carry out the research project, which included extensive interviewing and a review of the relevant Foundation archives. In 2005, a special meeting of the board was called where I presented my findings, engaging trustees in a discussion that centered on past giving trends and future opportunities and challenges. I credit that experience with the Foundation's decision to call off the anticipated national search for McFarland's replacement and to elect me as the third executive officer of Victoria Foundation.

July 2006 was an exciting time to be working in philanthropy in Newark. For the first time in 20 years, Newark had a new mayor. I was part of Cory Booker's transition team, working to provide recommendations from the local philanthropic sector. One of

the realized recommendations, which has proven to be enormously successful, was to create a senior position in City Hall called the Newark Philanthropic Liaison. I recruited Newark resident Jeremy Johnson to this role, which was embedded in City Hall and included in most high-level meetings, but paid for by a cohort of private funders through the Council of New Jersey Grantmakers. I arranged to have Mayor Booker attend the December 2006 Victoria board meeting to share his vision for the city. One of his goals was to break down unproductive silos and create authentic public/private partnerships to address complex challenges. The Foundation created a new category of giving within the Neighborhood Development/Urban Activities (NDUA) docket called City Partnerships. For the first time in decades, Victoria staff members were attending frequent meetings inside Newark City Hall called by the mayor, business administrator, and others.

Internal Changes

Inside Victoria, I was able to hire two remarkably talented program officers: Dale Anglin worked for eight years at NCC in various senior management roles and Craig Drinkard, who was born and raised in Newark, was a program officer at the Community Foundation of New Jersey running a leadership development program. Together with Anne Jacobson, this team has remained intact, and each member has taken on critical leadership roles in the city.

Since fall 2006, Victoria's program staff has cultivated the practice of inviting Newark officials, key community stakeholders, and grantee executives to trustees' program committee meetings and full board meetings. Typically, special guest(s) make a 30-minute presentation, followed by a 30-minute dialogue with trustees. This ongoing

educational opportunity has served to engage trustees and to keep everyone informed about important issues.

Except for the new City Partnerships category, the overall patterns of grantmaking in Newark have not changed much in the last 10 years. Within the environment docket (which is not a focus of this dissertation), trustees expanded into ongoing stewardship of conserved lands, controlling for deer overbrowse, invasive plant species, and manmade degradation⁷². During my tenure as executive officer, there has been a much greater focus on capacity building to help grantees get to a higher level of service, or to address barriers to growth. During the site visit with potential grantees, program officers engage the leadership in a conversation about capacity building to determine whether to recommend a discrete one-time capacity-building grant in addition to a regular grant. Examples of what this distinct support has funded include: a strategic planning process, a fundraising professional on staff, the renovation of an adjacent building to expand programming, a third-party evaluation, development of a succession plan, a feasibility study to initiate an earned-revenue venture, assistance to craft a charter school application, board development activities, and a fiscal audit to improve financial management.

For the past seven years, Victoria Foundation has partnered with the Prudential Foundation to design and support an annual day-long capacity-building conference targeting community-based organizations in Newark. Each year, about 200 executive directors and their board chairs participate in nonprofit management workshops, skill-building activities, and keynote presentations organized by Rutgers' Institute for Ethical

⁷² Trustees are currently considering some modest investments in the area of climate change as it affects New Jersey residents.

Leadership in collaboration with other nonprofit intermediary agencies. In addition, as executive officer, I have the ability to allocate up to \$50,000 every six months through the Community Fund Account. These discretionary grants, which are typically in the \$2,500 to \$7,500 range, support non-recurring community needs, such as underwriting a public lecture series or engaging an executive coach to work with a grantee director.

Though the by-laws permit an unlimited number of one-year terms, there has been a fair amount of recent turnover among trustees. In the past 10 years, four trustees have resigned, including Robert Curvin in 2005, and six new trustees have been elected. Of the new trustees, two are African American and two are Hispanic. These new trustees are “outsiders” who bring to the table helpful technical skills and/or a deep knowledge of the Foundation’s high-priority giving areas.

In an effort to realize a sharper focus to Victoria’s grantmaking, trustees held an unstructured meeting in November 2010. Some trustees expressed frustration, wanting to play a larger role in steering the work of the Foundation. During the meeting, trustee Sarah Chubb Sauvayre, the president’s daughter, suggested a series of meetings to reflect on past giving, learn about current challenges and opportunities, and consider future grantmaking strategies. That suggestion led to the creation of several ad hoc committees whose charge was to guide future grantmaking practices. Over the next three years, three ad hoc committees were formed, each co-chaired by a trustee and a program staff member. The committees were linked to the Foundation’s three Newark grantmaking areas (Education, NDU, and Youth & Families), but trustees were urged to participate in all the meetings, not just those associated with their official program committee assignment. In order to inform discussion at these meetings, program staff conducted

trend analyses of past grantmaking; developed trustee and grantee surveys; held numerous focus groups composed of Newark educators, youths, and caregivers; and gathered current data pertinent to the topic at hand. Percy Chubb III expressed concern about the possibility that one of the ad hoc committees might come up with an unconventional or bizarre plan that he might not be comfortable with. In the end though, the process led to several positive outcomes. Nearly every trustee attended at least one or two meetings of all three ad hoc committees, and most trustees conveyed their appreciation for the opportunity to engage in high-level programmatic and policy-setting work. Each committee developed a mission statement, goals, and priority giving areas based upon the data and discussions. Figure E.1 below details the mission, goals, and grantmaking priorities developed by the Education Ad Hoc Committee.

Education Mission

Victoria Foundation strives to improve the lives of vulnerable children and families living in Newark. Foundation trustees believe that the best way to break the cycle of poverty is through the attainment of high quality education.

Education Goals

- To support efforts that result in highly effective preK-12 teachers and principals in Newark.
- To make sure that children in Newark are reading on grade level by third grade.
- To partner with organizations that provide exemplary academic enrichment to Newark students, during and after school, and in the summer months.
- To improve high school graduation rates and to ensure that Newark graduates have the skills and abilities to succeed in college or the workplace.
- To increase the number of youth who transition to and complete college.
- To involve Newark parents and guardians in their children's education.

Education Grant Priorities

- Professional Development for Educators
- Academic Enrichment (in school, afterschool & summer)
- College Readiness and Success
- Parental Involvement

Figure E.1. Results of Education Ad Hoc Committee Process (VF Board Minutes, 2012)

Several important deliverables emerged from the ad hoc committee process, for example: (a) trustees approved an administrative expenditure of up to \$50,000 to conduct an independent assessment of the five major CDCs in Newark, which collectively received about 13% of Victoria's grant awards each year; (b) the Foundation entered into a three-year partnership with the National Summer Learning Association and United Way to enhance the quality of, and increase student participation in, six summer academic programs that took place on college campuses; and (c) trustees agreed to proactively issue an RFP (request for proposals) that would specifically address barriers to employment in Newark, setting aside up to \$150,000 to support worthy proposals.

The ad hoc process also led to a greater understanding on the part of trustees about the work program staff members were undertaking beyond the core grantmaking tasks. This, in turn, facilitated trustees' approval of a line item in the administrative budget of \$30,000 to support Direct Charitable Activities at the discretion of the executive officer. These funds are used to support the Foundation's leadership activities, such as convening stakeholders, attending trips to see best practices in other cities, hiring a consultant to appraise Victoria-funded artist-in-residency programs, and bringing an expert to Newark to meet with grantee leaders.

From the start, Victoria's by-laws gave the president significant powers, including the determination of the committee structure and the appointment of the members and chairs of each committee. In particular, the president decides who serves on the executive committee, which has the authority to make grants and other decisions in between the two official grant cycles. The relationship between the president of the board and the executive officer is close and intensive. The president and executive officer communicate and meet frequently, develop the agenda of all board meetings, and work collaboratively to ensure the effectiveness of the Foundation. In 2011, Percy Chubb III broke tradition and decided to step down as president after 30 years in that office. He orchestrated the selection of Kevin Shanley to take over, a decision that was fully embraced by the other trustees.

This was the first time in the history of the Foundation that a non-family member served as president. While there are three great grandchildren of the founder on the board, they are all in their fifties and were not inclined at this juncture to take on this leadership role. The Shanleys and the Chubbs have known each other for generations. Kevin's father, Bernard Shanley, served as a Victoria trustee from 1947 to 1992. Kevin was elected in 1979 and served as board treasurer and the chair of the Youth and Families Committee for decades. As president, he was instrumental in developing the board through the recruitment of three trustees. Sadly, Kevin died 16 months after taking on the leadership role. Percy Chubb III agreed to return to his former position for several months until the Nominating Committee recruited a new president. At the December 2013 board meeting, the Nominating Committee recommended a new policy that the office of president would rotate approximately every five years, and in March 2014,

trustees unanimously elected Frank Alvarez, former superintendent of the Montclair Public Schools, as the Foundation's next president. Under new leadership, I suspect the Foundation will take a fresh look at many of the themes identified in this dissertation, such as taking risks, narrowing down focus areas, and evaluation. Perhaps the annual unstructured meetings will be reconstituted or the president will call for an off-site board retreat, something that has not occurred in 90 years of operation.

Victoria Grantmaking and External Events

I began my tenure as executive officer of Victoria Foundation on the same day that Cory Booker was inaugurated as mayor of Newark, July 1, 2006. After 50 years of concentrating its efforts on the city of Newark, Victoria trustees were overjoyed by the election of Rhodes Scholar Cory Booker. They believed that someone from outside the Democratic Essex County political machine could rise above the usual shenanigans and finally clean up City Hall. Trustees expressed absolute confidence in the new mayor and made it clear that the Foundation would be inclined to support any reasonable grant requests emanating from his office. Booker attracted some new talent to Newark, and his growing celebrity status helped to change negative perceptions and to bring in outside private philanthropy.

Since 2006, Victoria has supported numerous projects important to Booker's administration, including \$425,000 to fund improved technology for the Newark Police Department through the newly constituted Newark Police Foundation; \$1.6 million to the Trust for Public Land for its Parks for People-Newark initiative to back a major expansion of recreational spaces in the city; and \$317,500 to support various initiatives connected to prisoner re-entry, with an emphasis on rapid job training and placement

services. The Booker administration tried hard, especially in the first term, to work cooperatively with the nonprofit sector. It held a major conference at NJPAC for three consecutive years to address the needs of community-based organizations. This effort included establishing a new, more transparent process for groups to apply for the U.S. Department of Housing and Urban Development's Community Development Block Grants, which had previously been awarded only to those agencies that were in the good graces of the Sharpe James administration.

With its seasoned and stable program staff, Victoria has taken a greater leadership role in Newark. As a trustee of the Council of New Jersey Grantmakers (CNJG), I established the Newark Funders Group (NFG) and served as its founding co-chair. NFG comprises over 40 foundations and corporations that are concerned about the city of Newark. Members of this group sustain the Newark Philanthropic Liaison and meet quarterly to converse with Newark's most pivotal leaders across a range of issues, such as housing, employment, education, youth services, public safety, and healthcare. Several NFG subcommittees are actively pursuing solutions to key challenges. For example, the Education Subcommittee (co-chaired by Senior Program Officer Dale Anglin) oversees a pooled fund of \$1.3 million a year to support high-quality school options within NPS. As of January 2014, CNJG elected me to chair the statewide association for the next two years. In this role, I hope to create effective synergies between the philanthropic sector and nonprofit charitable organizations (grantees) in Newark and throughout New Jersey.

Victoria took the lead in creating the Arts Education Roundtable, housed at the Newark Arts Council (Program Officer Anne Jacobson leads the steering committee). Dozens of arts organizations that provide services to Newark schoolchildren meet bi-

monthly to advocate for, and ensure that every student has access to, high-quality, sequential arts programming aligned to the Common Core standards, an ambitious but worthy goal. Victoria also played a leadership role in launching the Newark Early College High School, a partnership among NPS, Essex County College, Rutgers University-Newark, and the Woodrow Wilson National Fellowship Foundation.

In the past seven years, there were two particularly risky investments that disappointed staff and trustees. One was a partnership with the Rutgers University-Newark Office of Criminal Justice, the New Jersey Institute for Social Justice, the Newark Police Department, and the Booker administration. The project involved the city adopting a national violence-prevention strategy developed by David Kennedy of the John Jay College of Criminal Justice. Victoria trustees awarded grants to Rutgers totaling \$472,000 from 2010 to 2013 to support the implementation of this public safety initiative, whose laudable goal was to reduce the homicide rate by working in high-crime neighborhoods, targeting known gang leaders. The process involved “call-in” sessions with up to 15 gang leaders who were on parole or probation. A threefold message was delivered to gang members: (a) high-ranking municipal, state, and federal law enforcement officials explained that the next time a homicide occurred, the gang connected to the perpetrator would be targeted for any and all outstanding warrants, and members would be tried in federal court; (b) mothers of murdered youths, funeral directors, and clergy honestly conveyed to the gang members that killing was wrong and needed to stop; and (c) representatives from social service organizations expressed their desire to help them become productive citizens and let them know that they had funding to assist anyone who asked with housing, education, counseling, and jobs. There was

evidence that this model was working to stem violence in other high-crime cities.

Unfortunately, very few call-in sessions took place, the homicide rate continued to rise, and police director Gary McCarthy, who championed the program, left Newark for Chicago.

The second failed gamble involved a low-interest loan to a newly formed charter school, a charitable vehicle used only three other times in the Foundation's history. Two stellar educators, who were well known to Victoria from their years as Bank Street staff developers in the district, successfully applied to launch a charter school in Newark. The Foundation approved a \$700,000 loan in 2009 to support the customized buildout of a school building for the Newark Educators Community Charter School (NECCS), located near Lincoln Park. The transaction was complicated by the fact that charter schools in New Jersey are not permitted to take on debt, and they generally create an affiliated "friends of" nonprofit with a separate board for this purpose. Unfortunately, NECCS had not yet created its Friends of NECCS, and so the loan was made to a third party that agreed to carry the lease and the debt on behalf of the school for a modest fee. Wanting the school to be successful, the Foundation provided very generous terms, including 3% interest, no payment on the principal for the first two years, and payments over the next five years of just half the loan, with a final balloon payment of \$350,000 at the end of seven years. After just four years, however, the school moved to a new location and the loan went into default. NECCS leadership had assured Victoria trustees that it would honor repayment of the loan, until its lawyers explained that it was not permitted to use state funds for that purpose. Victoria had secured a 25% guaranty from New Jersey Community Capital, a nonprofit bank, but even with that payment, there was a net loss of

\$400,000. There is some hope that this loss could be covered by a written agreement with the property owners who have arranged to pay Victoria up to \$400,000 in the event the building is sold at a profit within the next three years.

The Great Recession in 2008 hit Newark hard, and along with the stock market, Victoria's endowment experienced a steep decline. Residents in Newark were struggling with a severe foreclosure crisis and deep unemployment. If trustees had stuck to the policy of following the IRS minimum distributable amount of 5% of the average assets for the year, the grants budget would have decreased from \$10.2 million in 2008 to \$7.5 million in 2009. That drastic reduction in grants would have been devastating to Newark organizations that were responding to heightened needs with reduced government support. Instead, trustees approved a grants budget of \$9.3 million, which was still a decrease from 2008 but represented a 6% payout. The Foundation also approved \$360,000 in emergency grants in 2009 to five safety net organizations⁷³ above and beyond their regular grants to address increased needs. Trustees also chose to temporarily discontinue support for land acquisition, freeing up \$400,000 a year for several years, to address the crisis in Newark. From 2008 to 2013, trustees continued their generous and compassionate response by approving grants well above the 5% requirement.

The CDC sector suffered disproportionately relative to other grantees because its business model of securing development fees for building affordable homes and other construction projects evaporated. In addition, an organization like NCC could no longer

⁷³ The emergency out-of-cycle grant of \$360,000 provided assistance to five agencies as follows: \$150K to Community FoodBank of NJ to purchase a refrigerated box truck and cover the salaries of two drivers; \$90K to the 12 Family Success Centers located in high-needs neighborhoods to respond to emergency needs of residents; \$80K to Newark Emergency Services for Families to provide emergency relief to clients who did not qualify under its existing government programs; \$30K to the Salvation Army to assist families where the primary caregiver was a grandparent; and \$10K to Greater Life to respond to increased requests for help in its distressed South Ward neighborhood.

count on selling off or monetizing its properties to pay its bills because their values had dropped so sharply.

One of the sad and ironic episodes of the recession was the demise of Episcopal Community Development (ECD), a CDC working in the South Ward of Newark. In 2009, ECD was a “winner” of several large federal stimulus grants under the Neighborhood Stabilization Program, which required it to rehabilitate 117 units of foreclosed and abandoned properties as affordable housing units in Newark and Irvington. The agency’s budget tripled in size, but ECD did not have the internal capacity to grow so quickly; it did not even have a full-time finance person on staff. By 2012, when the project was technically over, only 25% of the units were completed. From 2011 to 2013, Victoria convened numerous meetings with ECD’s staff and trustee leaders in an effort to better understand the severity of the financial situation. During this phase, Victoria made several special grant awards to ECD, including \$15,000 for the development of a strategic plan, \$25,000 to cover back payroll taxes, \$20,000 for an executive coach to build up the director’s capacity to address the situation, and \$10,400 to conduct a financial audit.

Senior Program Officer Craig Drinkard worked tirelessly in an attempt to save this organization, providing countless hours of direct technical assistance. Despite the Foundation’s best efforts, ECD ceased operations in June 2013. Victoria made a final grant of \$15,000 to help pay back salaries of ECD employees. In July 2013, Victoria convened the major stakeholders concerned with the provision of social services in the South Ward, where ECD had maintained a community service center. From that

roundtable conversation, two groups, including Newark Emergency Services for Families, decided to collaborate to develop a new program to fill the void left by ECD.

On the positive side, Victoria's endowment has fully recovered and is currently (April 23, 2014) valued at \$242 million. Total grantmaking from 2004 through 2013 was \$97 million with \$89.2 (92%) directed to Newark-related causes. Another positive development was Victoria's move to Newark. In 2012, the Foundation finally moved its offices into the city it has been devoted to for the past 48 years. The Foundation was able to secure office space in the Episcopal Diocese's building located in the heart of downtown Newark, across the street from NJPAC. In the past, program staff felt awkward about asking grantees to travel to an affluent suburb to discuss challenges taking place in Newark, but this would no longer be the case. From June 2012 through December 2013, Victoria hosted over 70 community meetings in the Newark offices. Moving to Newark proved to be much more than a symbolic gesture. Locating the headquarters in Newark has strengthened the Foundation's ability to lead and participate in important conversations as well as to convene meetings that bring grantees and community leaders together to address urban problems collaboratively.

Recent Education Reforms

Education reform in Newark has continued to be the Foundation's largest grantmaking area. There has been considerable turnover of superintendents over the past 10 years. A product of NPS, Marion Bolden was selected in 1999 to serve as the second state-appointed superintendent during the Christine Todd Whitman administration and she was reappointed during James McGreevey's brief tenure as governor in 2003. Bolden was a 40-year veteran of the district, rising from the teaching ranks to the top post. She

received her master's degree from Montclair State University under a Victoria-funded partnership, which covered tuition for half the required courses. Bolden was a friend of the Newark Teachers Union and was much loved by principals and parents, who were proud to see a home-grown educator selected by the state to lead the school system. In the early years of Bolden's nine-year tenure, there were measurable improvements to the fourth-grade test scores; however, outcomes starting with fifth graders were modest and there was virtually no progress in the comprehensive high schools. Those high schools continued to rely extensively on an alternate route to graduation, because so few students could pass the state's High School Proficiency Assessment exams. Nearly 50% of students were dropping out of the system between eighth and 12th grade.

When Jon Corzine became governor in 2006, it took him two years to convince the superintendent to retire before the end of her contract. Although it was still a state takeover district, Corzine worked with an 18-member committee from Newark to select the new superintendent. The governor even allowed the community to meet the three finalists. The community's clear favorite turned out to be Dr. Clifford Janey, who had preceded Michelle Rhee as chancellor of the Washington, DC, public schools. Washington Mayor Adrian Fenty fired Janey in 2007, but he still received some credit for improvements to student outcomes. Janey arrived in Newark in June 2008 and engaged hundreds of community participants in an in-depth 19-month process to create a five-year strategic plan for the district called Great Expectations. The document was short on specific interventions to alter student outcomes, but it was extraordinarily refreshing in its data transparency, sharing harsh statistics that helped to create a sense of urgency around education reform.

The year 2008 was also a critical year for the public charter school sector in Newark. In 2008, five large foundations—Gates, Robertson, Walton, Jobs, and Fisher—contributed \$4 million each to launch the Newark Charter School Fund (NCSF), charged with improving and growing the sector. That year, 13 charter schools served 4,300 students or 9.6% of the children attending public schools. The ultimate goal of NCSF was to foster growth that would lead to 40% of public schoolchildren in Newark attending high-performing charter schools by 2016-17. Most of the growth (9,000 students) was slated to occur within two charter management organizations: TEAM (Together, Everyone Achieves More) Academy, which is part of the national KIPP (Knowledge is Power Program) network, and North Star Academy, which started in Newark and evolved into the Uncommon Schools network. These dramatic growth projections are coming to fruition. The departure of thousands of students from the traditional public schools has wreaked havoc within NPS, as students and funding have migrated to the charters, leaving many district school buildings underutilized. In addition, charter schools tend to attract fewer students eligible for free lunch and those struggling with special needs and language barriers—saddling the regular public schools with a disproportionate number of more challenging and lower-performing children.

The founding director of the Newark Charter School Fund (NCSF) was Stig Leschley, a charming and exceedingly bright rising star in the charter arena (Leschley's credentials were formidable, including an MBA and law degree from Harvard). Leschley successfully convinced Victoria trustees to provide a local match to the national funders with a handshake agreement to approve an additional \$1 million in grants to support

charter schools in Newark over the next three years, beyond what the Foundation might have typically granted.

After just two years on the job, Superintendent Janey was informed by the new Chris Christie administration that his contract would not be renewed, which made him a lame duck for the final third year. During Janey's brief tenure, several important reforms got underway, including: (a) a partnership with education scholar Dr. Pedro Noguera from NYU to transform the Central Ward schools by linking academics with the harsh realities of the surrounding neighborhoods (using principles similar to those advocated by the late Jean Anyon); (b) a radical experiment at Avon Elementary School, which involved six Teach for America alumni taking over this very low-performing school in the South Ward; and (c) the establishment of the Newark Schools Research Collaborative (NSRC), which was intended to conduct real-time education research to inform systemwide reform decisions (recent problems with executing an appropriate memorandum of understanding with the district have made NSRC all but defunct). Perhaps Janey will be most remembered for requiring all students to wear uniforms and adding five days to the school year.

In August 2010, just before Janey learned that his contract would not be renewed, I received a call from Mayor Booker. As a civic leader concerned about education in Newark, the mayor wanted to bounce something off me for honest input. He asked what I thought about the possibility of his taking control over the school system and hiring a new superintendent. I reminded him that the mayor of Newark did not have control over Newark's public schools. I also expressed my feeling that the community was significantly invested in the Great Expectations plan and was generally supportive of

Janey's leadership. I added that if he were to jump into the education arena and stand with Janey, that show of support would go a long way to generating further excitement and possible outside funding assistance. That, however, was not the response that the mayor wanted to hear. A few weeks later, on *Oprah*, the triumvirate of Cory Booker, Mark Zuckerberg, and Chris Christie announced the unprecedented \$100 million challenge grant to turn around the district, with New Jersey's governor indicating that he would hand control over selecting the next Newark superintendent to Booker.

The last three years of education reform in Newark have been overwhelming, beginning with the \$100 million Zuckerberg challenge grant. With the announcement of the grant to Newark in 2010, Zuckerberg established his own foundation in Boston called Start Up Education. A second independent foundation was set up in Newark, called the Foundation for Newark's Future (FNF), to hold the \$100 million in matching funds and determine how all the money would be allocated. The trustees of FNF are composed of a representative from the largest matching donors, plus one community member, which turned out to be Victoria trustee Robert Johnson, dean of the New Jersey Medical School, who was asked to chair FNF's local Community Advisory Board. To date, FNF has raised \$60 million towards the \$100 million challenge, with \$25 million coming from Pershing Square Foundation⁷⁴, \$10 million from the New Schools Venture Fund, \$5 million from Goldman Sachs, and \$3 million each from Walton and Gates, along with several other smaller contributors. The match frees up \$60 million from Start Up Education, for a total available pool thus far of \$120 million. In theory, Newark has until the end of 2015 to raise the remaining matching funds.

⁷⁴ As the largest donor to the Foundation for Newark's Future, Pershing Square Foundation's CEO, Paul Bernstein, was named chairman of the FNF board.

The Foundation for Newark's Future got off to a rocky start. Even before it hired its first director, FNF launched a new nonprofit, the Partnership for Education in Newark (PENewark), to undertake a comprehensive community engagement effort. In the end, the door-knocking campaign generated responses from 91,000 Newark households, who were asked about their concerns related to the public schools. FNF was criticized for spending over \$1 million to conduct the canvassing effort that yielded very little useful data. When asked about the effort, education scholar Frederick Hess replied:

PENewark has created a million-dollar "suggestion box." Once he's banged on every door and heard a litany of complaints, I'm not sure how that will position [Booker] to better transform the Newark schools. If they want the community and parents engaged in an improvement process, asking people to fill out a questionnaire on their doorsteps isn't the way to do it. This feels more like census than community organizing. (Giambusso & Calefati, 2010, para. 9)

The founding CEO of FNF was Greg Taylor, who left a senior position with the Michigan-based Kellogg Foundation to take up the post. When reporting on FNF, the *Star-Ledger* and other media outlets would almost always mention that Taylor was receiving a base salary of \$382,000 per year, which was out of alignment with other directors' salaries in the nonprofit sector in Newark. It is my belief that Taylor resigned from his position less than two years later because the FNF staff had only a symbolic role in determining how funds were to be allocated. Such decisions were made almost exclusively by its board of trustees, with little to no input from staff, school officials, or community leaders. Two years after its inception, FNF named 13 local stakeholders to a Community Advisory Board (CAB) "to ensure that the Newark community's voice, history and perspectives are reflected in its work" (Foundation for Newark's Future, 2013, para. 1). To date, however, CAB members have had no meaningful input into funding allocation decisions.

It was anticipated that FNF would make \$40 million in grants each year for five consecutive years to support public education in Newark, an amount 10 times that of Victoria, the next highest education grantmaker in the city. The relationship between FNF and the other local funders has been at times uneasy. Although FNF joined the local Newark Funders Group, it behaved like a large national funder. About two months after he arrived, Taylor arranged to fly 12 of his colleagues from large foundations supporting urban education reform into Newark for a two-day retreat to brainstorm about how FNF should invest its funding. I had learned of the meeting from a peer in another state who assumed Victoria would be participating. I reached out to Taylor and asked for an invitation. I told him that after 50 years of supporting education initiatives in Newark, Victoria might have some insights to offer the group. He told me that I was putting him in a very difficult position, since he had not invited any local funders to the retreat and the answer was “no.”

To date, approximately \$80 million of the Zuckerberg funding has been committed, of which \$17 million supported central office reforms and start-up support for innovative school models within the traditional public schools. Another \$48.5 million supported a two-and-a-half-year teachers’ contract (Jan. 1, 2013 through June 30, 2015), which included \$32 million for back pay in exchange for approving the state’s first public school merit pay system. The remaining funds targeted charter schools, including additional capital of \$5 million for the Newark Charter School Fund. In 2012, FNF launched its long-awaited Community Advisory Board, and Newark activist Richard Cammerieri was one of the members. In a memo to the FNF board that he shared with me (and gave me permission to use in this Epilogue), Cammerieri expressed his concern

about non-educators on the governing board making multi-million-dollar decisions intended to influence urban education reform and how that has been perceived by the local community:

I want to be very clear now that I am not questioning the good intentions of the FNF staff and Governance Board, but for a significant population in Newark, FNF's position as having outsized influence so far as the education reform efforts is purely a function of the millions of dollars it controls. This is profoundly problematic in my opinion. In terms of fundamental civic institutions and activities of which public education is a core issue and activity, money should never be a final determinant for influence and leadership. This should not be about the people with the most money have the most say. But that is a perception that is out there regarding FNF. When people see FNF they see money and people who control money driving education reform. They do not see educators. (Cammerieri Memo, January 23, 2013)

Cammerieri's complaint echoed the criticisms heard at the start of the philanthropic movement at the end of the 19th century as discussed in Chapter 2 (see pp. 26-27).

The next big event in Newark was the selection of a replacement for Janey, in which Mayor Booker played a leading role. Unlike Corzine's selection process involving the Newark community, Governor Christie's efforts were insular and highly secretive. The rumor mill was in full swing. For awhile many community members were convinced that Michelle Rhee was coming to Newark. At the very end of the process, a small group of Newark stakeholders, myself included, were invited to interview the final candidates and offer input. We were asked to keep all proceedings, including the names of the finalists, confidential. There was a clear consensus within the group that Cami Anderson, who had spent the prior five years as superintendent of District 79 in New York City, was by far the most impressive candidate. District 79 was composed of 90,000 students (more than double the NPS population) who were attending alternative high schools across the city because they were not succeeding in the regular schools. During her tenure in NYC,

Anderson tripled the graduation rates, devoting much of her energies to principal leadership and teacher capacity. After several years as a classroom teacher, Anderson led Teach for America NYC and New Leaders for New Schools. Interestingly, she worked on Cory Booker's failed mayoral campaign in 2002 and briefly appeared in the *Street Fight* documentary about the 2002 Booker-James mayoral contest. In May 2011, Anderson became the fourth state-appointed Newark superintendent. As often happens with leadership transitions, several very talented administrators that Janey brought to Newark left the district shortly after Anderson's arrival, including Director of Human Resources Anne Miller, General Counsel Lisa Pollack, and Director of Innovation Dan Gohl. Also at this time, NJ Education Commissioner Christopher Cerf announced that the state would retain control of NPS for at least three more years, despite the improvements made in recent years that should have paved the way to local control.

In her first 18 months on the job, Superintendent Anderson replaced 35 out of 70 school principals, co-located traditional and charter schools in two buildings, closed or consolidated six schools, and formed a strong senior management team. With the help of the Zuckerberg funds, Anderson won a hard-fought teachers' contract that awarded a \$5,000 bonus to those classroom educators whose students showed ample gains, plus additional bonuses for those educators working in the lowest-performing schools⁷⁵. The contract also expedited the removal process for ineffective teachers, and it enabled the district to extend the school day by three hours in 10 high-needs schools by paying a relatively modest \$3,000 stipend to teachers, making extended learning time financially feasible in those schools. Anderson also brought in the Parthenon Group to conduct a

⁷⁵ At the end of the 2013-14 school year, NPS awarded \$1.3 million in bonuses to 190 *highly effective* teachers in amounts ranging from \$5,000 to \$12,500, with the larger bonuses going to teachers in hard-to-staff subjects in the 25% lowest-performing schools.

deep analysis of school and student-level data, creating state-of-the-art data dashboards for educators and parents. There has been criticism from the community that only two of the top 12 NPS positions were held by existing educators—Assistant Superintendent Roger Leon and Business Administrator Valerie Wilson—but in general, this was still Anderson’s “honeymoon” period. Shortly after her arrival in Newark, Anderson spoke at a Victoria board meeting and trustees were very impressed with her astute understanding of NPS’ challenges and her passion to ensure that all children received a high-quality education. Early progress has been evident in the high school graduation rates, which increased from 61% in 2011 to 69% in 2012. In spring 2013, Victoria trustees approved a two-year grant of \$1 million to the NPS Innovation Fund to support the superintendent’s efforts to make the systemic changes necessary to turn the district around.

Just before Christmas 2013, Anderson unveiled the district’s One Newark strategic plan. At the heart of this plan is the goal of creating 100 excellent schools that parents in Newark could choose among. One Newark calls for replacing the charter school lottery system with a universal enrollment system that enables parents and students to choose among *all* schools, traditional or charter (80% of Newark charter schools have voluntarily agreed to eliminate their lotteries in favor of universal enrollment). The plan also calls for radical changes to about one-third of the schools, mostly affecting the South and West wards: four schools would be taken over and potentially sold outright to high-performing charter schools; two comprehensive high schools (Weequahic and West Side) would be replaced by recently-launched in-district school models, including the all-male Eagle Academy, the all-female Girls Academy, and Newark Early College High School; three schools would be repurposed to house central

administration offices and a community center; two more schools would close in order to become early-childhood centers composed of pre-K classrooms purged from 12 elementary schools; three already empty school buildings would be sold to TEAM Academy; nine schools would be *renewed*, which involves a change of leadership and up to half the classroom teachers; and more than 2,000 teachers, administrators, and support staff would lose their jobs as part of the down-sizing. Anderson is seeking a one-time waiver from the State Department of Education to allow NPS to consider teacher effectiveness in addition to seniority as it decides which teachers to lay off.

In many ways, One Newark is the bold, transformational plan that Anderson was brought into Newark to spearhead. At the same time, however, the sheer volume of disruption, coupled with the lack of community engagement prior to the announcement of the changes, have led to confusion and anger throughout the city. The foundation community, which is more aware than most about the financial and academic justification for the changes, issued a qualified letter of support signed by nine local foundations, including Victoria. Dr. Ross Danis, CEO of the Newark Trust for Education wrote a recent memo to his executive committee, which I serve on, expressing his views of the One Newark plan:

If the district continues down the same road, it most certainly leads to disaster. Charter growth, left uncapped, will cripple the district within two years. Infrastructure costs are unsustainable and the current staffing model is completely inefficient and ineffective. Unfortunately there are no options that do not involve pain. I think of the plan that the superintendent has developed as a response to a fire that is burning out of control. Sometimes the best thing to do is to stake out a place beyond the fire, and start another one. The district's plan essentially does this. It simultaneously accelerates AND caps charter growth, gives up some ground that is not as useful as it once may have been, and protects our most valuable assets—our children. (Danis Memo reprinted with permission, December 23, 2013)

Even before One Newark was made public, Anderson moved her family out of the city, prompted by repeated protests in front of her home by the Newark Student Union and other groups. An unforeseen by-product of the plan has been its impact on the mayors' race. Cory Booker left his position as Newark's mayor to run (successfully) for the U.S. Senate after Frank Lautenberg died. Councilman Ras Baraka, on leave from his job as principal of Central High School, has tapped into the anger mounting in the city over One Newark to his advantage and is currently the clear frontrunner in the campaign. Since the start of 2014, civic discourse surrounding the plan has grown vitriolic and several events have taken place in an effort to undermine the One Newark plan.

- Randi Weingarten, president of the American Federation of Teachers, spoke out against the plan at an NPS School Advisory Board meeting.
- In the absence of a tangible document from the central office that shares the data and rationale behind each component of the plan, independent researchers have disseminated their own reports, contesting the district's rationale and further confusing parents and educators.
- When four affected principals spoke out against the plan at a Baraka rally, they were summarily suspended (three were returned to their schools after a few days).
- The superintendent walked out of the January Advisory School Board meeting during the public speaking portion when an angry parent at the microphone yelled, "Do you offer your Brown baby what we want for ours?"⁷⁶ Anderson subsequently announced that she would boycott these board meetings until civility was guaranteed.

⁷⁶ The parent was referencing Cami Anderson's 3-year-old son. Cami Anderson is White and her partner is Black; thus she is raising a "Brown" child.

My personal feelings about the One Newark plan are mixed. I believe that Cami Anderson is one of the most talented educators and strategic thinkers that I have ever met. I also believe that she has genuine empathy for the pain and grief that aspects of the plan are causing members of the community. These drastic changes through top-down reform are only possible because the district remains under state control and the Advisory School Board, though popularly elected, has no veto power. As a person who believes strongly in the democratic values that underlie public education, I am disappointed that residents in Newark have been denied the right of self-governance long after the grounds for state takeover of the district have been met. I also question whether these imposed reforms will be sustainable, considering a significant lack of buy-in from impacted educators, especially once the architect of the reforms moves on. Of course, certain elements of the plan are irrevocable, such as educators losing their jobs and traditional schools sold to charter operators.

On the other hand, Newark parents are voting with their (children's) feet—over 10,000 children are enrolled in charter schools and another 10,000 are on a wait list. The 72 traditional school buildings in Newark, many of which are over 100 years old and dilapidated, require half a billion dollars just to address emergent repairs. These same buildings, which 40 years ago educated 80,000 schoolchildren, now service less than half that number. And with the projected growth of existing charter school enrollment, there will be just 27,000 traditional NPS students in the 2016-17 school year. I believe that the One Newark plan is bold and that much of what it includes in terms of downsizing is absolutely necessary. In an ideal world, the superintendent would have had the time and the inclination to undertake an authentic community engagement effort, presenting the

stark reality of the finances, infrastructure, and poor academic outcomes that would lead to a shared agenda for the difficult but required changes.

Most recently (April 18, 2014), 77 clergy from across the city signed onto a letter calling for an immediate moratorium on the implementation of the One Newark plan. While acknowledging that major change was needed in NPS, the clergy expressed their deep concern about the rising public anger based on the Newark community feeling disenfranchised and alienated. This is clearly a dynamic situation and all eyes are on Newark. The national debate on urban education reform is playing out in Newark, making true the old adage, “Wherever American cities are going, Newark will get there first.”

Where Does Victoria Go From Here?

Given the in-depth inquiry and analysis into lessons learned from 79 years of Victoria grantmaking, it is reasonable to consider how this dissertation will inform my practice as executive officer going forward. I have been and continue to be personally committed to Victoria’s longstanding place-based giving in Newark. If anything, the dissertation has strengthened my commitment to Newark. The pathway forward for Victoria, however, must be connected to a shared vision involving staff and trustees, with authentic input from community stakeholders. The city of Newark continues to be plagued by myriad challenges, and Victoria does not possess even a small percentage of the resources sufficient to effectively address them. From my vantage point, therefore, it is time to sharpen Victoria’s focus on a few key areas where we believe the Foundation’s financial and human capital can truly make a difference. I expect that education would continue to receive the largest share of grants, but the Foundation would need to

determine which lever(s) to concentrate on. Once the fine-tuning of priorities was accomplished, I would advocate that Victoria employ all the strategies private foundations have beyond the grantmaking—such as convening, exposing leaders to successful practices in other cities, making program related investments (loans), and positioning program staff on task forces and steering committees—to bolster the chances of improving outcomes for children and families in Newark. While I would not necessarily recommend deviating from the current practice of funding program interventions or general operating support, I would strongly endorse efforts that attempted to fix the underlying systemic problems and the poor public policies that hold the city back from moving the needle on poverty. Narrowing the number of priority giving areas should grow the amount of unencumbered dollars available to hammer away at an issue using multiple entry points.

I would also propose formally adopting the eight principles for effective grantmaking developed by the Grantmakers for Education (see pp. 38-39), which, among other important precepts, espouses a logic-driven theory of change that requires a foundation to spell out the specific changes it wants to see occur, and then develop the various action steps it believes will lead to those outcomes. Going through such an exercise for each of the priority focus areas would aid program staff in determining which proposals have the best chance of getting to the desired results. It would also provide the framework by which the Foundation would systematically say “no” to those requests, which, while worthy, were insufficiently aligned with the Foundation’s targeted strategies.

The elephant in the room for most private foundations is the lack of empirical data from grantees. I believe that undertaking a more strategic grantmaking approach would naturally lead to a better-informed evaluation process, which would in turn help Victoria ascertain whether it was successfully fulfilling its mission or that mid-course corrections were needed. For example, the Foundation might consider funding third-party evaluations for those grantees that are ready to take advantage of such efforts. In addition, we might consider hiring an evaluation specialist on staff who could (a) build the capacity of individual grantees to obtain baseline data, develop in-house assessment tools, and analyze results in order to improve programming; (b) work with cohorts of grantees working on the same challenge to develop common tools to assess quality and measure outcomes, creating opportunities to share best practices; and (c) work collaboratively with program officers to develop stronger benchmarks for grantees. Ideally, Victoria staff and trustees would receive the type of data that would validate whether we are on the right track, or raise red flags that would help the Foundation adapt its approaches in a timely manner.

Newark continues to struggle in this post-industrial age, despite its many assets: a stellar transportation infrastructure, a vibrant college presence, Olmstead-designed city parks, and outstanding cultural institutions. Incessant corruption and its pronounced concentration of poverty have held Newark back for decades. However, its population decline has finally stabilized and the city seems poised to potentially turn the proverbial corner. Audible.com and Panasonic recently moved their headquarters to Newark, Prudential Financial is building a new \$444 million office tower, and the city is finally attending to the development of its waterfront. My future vision for Victoria Foundation

includes a deep engagement with community leaders and fellow foundations. Such collaboration would leverage Victoria's more intentional grantmaking and hopefully stimulate the long-awaited Newark renaissance.

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APPENDIX A

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The Report of the Victoria Foundation, Inc. 1924 – 1953

Individual Annual Reports 1954 to 2012

Victoria Foundation Articles of Incorporation 1924 to 2003

Victoria Foundation Board Minutes 1924 to 2013

Victoria Foundation Grant Files 1927 to 2013

Paper Grant Files Preserved in Alphabetical Order by Name of Grantee

Victoria Foundation Historical Photos 1924 to 2003

Reprinted with Permission

Victoria Foundation Financial Files 1924 to 2013

Includes: Audits, Form 990s, General Ledgers, and Bank Records

One-on-One Interviews

Cammerieri, Richard	07/08/2013
Campbell, Eugene	01/17/2013
Chubb, Percy III	02/01/2013, 08/13/2013, 02/10/2014
Chubb, Sally	02/25/2013
Collymore, Beatrice	07/13/2005
Curvin, Robert	01/17/2013, 07/17/2013
Doggett, Rebecca	07/20/2013
Fales, Haliburton	03/29/2013
Gibson, Kenneth	08/12/2013
Goldman, Lawrence	07/24/2013
Hall, Beverly	06/10/2005
Hammond, Margot	08/27/2013
James, Sharpe	08/21/2013
Joyner, Thomy	01/31/2013
Linder, William	07/09/2013
McFarland, Catherine	09/07/2012, 05/16/2013, 07/18/2013, 02/19/2014
Olumbe, Khadijah	08/21/2013
Parker, Margaret	02/27/2013
Plinio, Alex	10/16/2013
Rudin, Robert	08/13/2013
Williams, Ewart	08/06/2013
Williams, Junius	08/29/2013

APPENDIX B

Victoria Foundation Grants Focused on Newark

From 1964 to 2003, in Order of Size

Recipient	Span of Years	# Grants	Grand Total
New Jersey Performing Arts Center	1989–2003	8	\$7,702,600
New Community Corporation	1973–2003	36	\$6,473,600
Newark Museum Association	1972–2003	41	\$6,071,100
Bank Street College of Education/Newark Public Schools	1996–2003	9	\$5,389,000
Newark Public Schools	1964–2003	57	\$4,570,600
Newark Victoria Plan/Cleveland School (20) \$2,329,086	1964–1983		
Parent Volunteer Academy (1) \$400,000	1996		
Montgomery Victoria Project (7) \$378,818	1973–1981		
Department of Research and Evaluation (3) \$328,077	1980–1983		
University High School (7) \$262,500	1973–1980		
Teacher Evaluation/Educ. Testing Service (2) \$230,000	2002–2003		
Principals Leadership Institute (1) \$200,000	1996		
Harriet Tubman Elementary School (6) \$180,000	1987–1994		
West Kinney Junior High School (5) \$178,590	1978–1983		
Weequahic High School Omega Project (1) \$70,000	1981		
Miscellaneous Grants (6) \$13,500	1987–2000		
Chad School Foundation/Black Youth Organization	1968–2003	51	\$4,057,600
Essex County College	1973–2003	29	\$3,069,300
Training, Inc. (19) \$1,885,000	1986–2003		
Capital/Retention Efforts (1) \$1,000,000	1996		
Miscellaneous Grants (13) \$84,300	1973–2001		
WISE Women's Center (4) \$65,000	1985–1988		
NPS Recruitment Initiative (1) \$35,000	1991		
La Casa de Don Pedro	1974–2003	34	\$3,125,500
Saint Vincent Academy	1976–2003	31	\$2,930,000
St. Benedict's Preparatory School	1973–2003	32	\$2,868,500
Unified Vailsburg Services Organization	1973–2003	32	\$2,673,300
Newark Emergency Services for Families	1978–2003	27	\$2,434,900
Urban League of Essex County	1964–2003	49	\$2,151,700
Protestant Community Centers, Inc.	1972–2003	34	\$2,013,500
Community FoodBank of New Jersey	1981–2003	20	\$1,999,300
New Jersey Symphony Orchestra	1969–2003	35	\$1,787,000
Newark School of the Arts	1968–2003	43	\$1,707,000
Friendly Fuld Neighborhood Center	1964–2003	41	\$1,534,400
Rutgers, The State University of New Jersey	1964–2003	72	\$1,490,000
Victoria Fellowship in Contemporary Issues (12) \$475,000	1986–1999		
Office of Newark Studies (7) \$257,500	1970–1977		
Miscellaneous Programs (16) \$150,000	1964–2003		
MSW Program Targeting Hispanic Leaders (6) \$110,000	1985–1990		

Recipient	Span of Years	# Grants	Grand Total
Drop-In Center (8) \$42,500	1986–1992		
Consortium for Educational Equity (6) \$74,500	1991–1998		
Cooperative Learning Summer Institute (1) \$50,000	1992		
Encyclopedia of New Jersey (1) \$50,000	2000		
Drop-In Center (8) \$42,500	1972–1980		
Publish Dr. Nelessen's "Communities of Place" (2) \$40,000	1991–1992		
Network for Family Life Education (3) \$38,000	1994–1996		
Women's Rights Litigation Clinic (1) \$25,000	1997		
Charter School Resource Center (1) \$25,000	2003		
Transportation Planning Project (1) \$22,600	1992		
Inst. on Ethnicity, Culture, Modern Experience (2) \$14,850	1987–1998		
Abbott Leadership Institute (1) \$10,000	2003		
Boys & Girls Clubs of Newark	1969–2003	51	\$1,448,000
United Way of Essex & West Hudson	1964–2003	30	\$1,366,700
Youth Development Clinic of Newark	1965–2003	37	\$1,364,500
Ironbound Community Corporation	1972–2003	37	\$1,352,000
Planned Parenthood of Metropolitan New Jersey	1964–2003	39	\$1,348,900
Saint Rocco School	1973–2003	42	\$1,325,600
Kids Corporation II	1974–2003	20	\$1,313,000
St. Philip's Academy	1991–2003	15	\$1,313,000
Children's Literacy Initiative/NPS	1997–2003	5	\$1,290,000
Aspira, Inc. of New Jersey	1970–2003	35	\$1,277,000
Tri-City Peoples Corporation	1972–1999	29	\$1,274,200
Greater Newark Conservancy	1987–2003	22	\$1,231,800
Apostles' House	1985–2003	23	\$1,228,700
New Jersey Institute of Technology	1975–2003	22	\$1,165,100
Frost Valley YMCA	1976–2003	28	\$1,068,600
Girl Scout Council of Greater Essex County	1968–2003	47	\$1,063,900
FOCUS Hispanic Center for Community Development	1969–2003	31	\$1,063,000
Bloomfield College	1968–1999	37	\$1,024,900
Youth Consultation Service	1970–2003	30	\$992,200
University of Medicine & Dentistry of New Jersey	1971–2003	38	\$965,900
Young Fathers Program (16) \$617,000	1986–2003		
SMART Summer Institute (6) \$140,350	1996–2002		
Family Life Education (9) \$127,500	1986–1994		
Miscellaneous Programs (7) \$81,000	1971–1985		
Salvation Army--New Jersey Divisional Headquarters	1973–2003	32	\$953,500
Link Community School	1969–2003	36	\$931,000
Local Initiatives Support Corporation	1989–2004	11	\$925,000
Independence: A Family of Services	1985–2003	19	\$905,000
El Club del Barrio	1975–2003	22	\$863,000
Saint Columba School	1975–1999	17	\$853,900
Jersey Explorers Children's Museum	1982–2003	19	\$835,000
Newark Boys Chorus School	1972–2003	34	\$825,700
YMWCA of Newark & Vicinity	1960–2000	32	\$816,800
Morristown Neighborhood House Association	1966–2003	27	\$813,000

Recipient	Span of Years	# Grants	Grand Total
Our Lady of Good Counsel Schools	1983–2001	31	\$756,700
Our Lady Help of Christians School	1979–2003	27	\$756,600
Queen of Angels School	1968–2003	40	\$748,200
Montclair State University	1971–2003	25	\$747,200
Project THISTLE/NPS (22) \$682,200	1981–2003		
Newark Scholars as Teachers (1) \$50,000	1991		
Operation Grassroots (2) \$15,000	1971–1972		
YMCA of the Oranges	1965–1991	26	\$703,300
Saint Mary School	1979–2003	25	\$679,300
Community Loan Fund of New Jersey	1991–2002	13	\$679,000
YWCA of Essex & West Hudson	1967–2003	31	\$668,900
Newark Public Library	1978–2001	13	\$632,200
Integrity	1969–2003	23	\$623,000
Seton Hall University	1973–1995	35	\$617,200
Upward Bound Program (21) \$371,000	1973–1994		
Newark in the 21st Century Task Force (2) \$75,000	1997–1998		
School of Nursing (1) \$50,000	1972		
School of Law (5) \$49,000	1973–1986		
Capital for Newark Law Center (1) \$30,000	1973		
Miscellaneous Programs (4) \$22,200	1977–1995		
Capital for Library (1) \$20,000	1979		
Corinthian Housing Development Corporation	1991–2000	8	\$590,000
North Ward Center	1972–2003	21	\$586,500
Project U.S.E.	1985–2003	20	\$585,000
Liberty Science Center & Hall of Technology	1989–1993	8	\$577,800
Community Training and Assistance Center/NPS	1996–2000	4	\$574,500
New Jersey Historical Society	1980–2003	16	\$571,400
International Youth Organization	1975–1994	23	\$557,800
Newark Renaissance House	1980–2000	14	\$527,500
New Jersey SEEDS	1993–2003	11	\$518,900
Blessed Sacrament School	1981–2002	21	\$504,000
Boy Scouts of America	1965–1999	25	\$498,500
The Leaguers	1974–1994	19	\$495,000
Housing and Community Development Network of NJ	1991–2003	14	\$475,300
School of the Garden State Ballet	1979–2003	24	\$460,000
St. James Social Services Corporation	1994–2003	13	\$457,000
Communities in Schools of Newark/NPS	2000–2003	4	\$455,000
Community Foundation of New Jersey	1980–2003	27	\$449,000
Seed Funding & General Operating (7) \$114,000	1980–1987		
Neighborhood Leadership Initiative (13) \$160,000	1991–2003		
National AIDS Partnership (4) \$75,000	1988–1994		
Discovery Charter School (2) \$75,000	1998–2000		
The Charter Consortium (1) \$25,000	1999		
St. James Community Development Corporation	1994–2003	10	\$445,000
Kids In Business	1986–2003	18	\$437,200
Episcopal Community Development	1992–2003	11	\$425,000

Recipient	Span of Years	# Grants	Grand Total
American Friends Service Committee	1975–2001	24	\$419,500
Children's Scholarship Fund	1999	1	\$400,000
Ad House	1982–1999	19	\$388,000
World Impact	1970–1993	22	\$385,500
United Academy	1992–2003	11	\$375,000
St. Michael School	1981–1999	14	\$373,500
New School for the Arts	1979–1991	14	\$361,500
New Jersey Institute for School Innovation	1997–2002	6	\$360,000
Princeton-Blairstown Center	1991–2003	12	\$355,000
Community Agencies Corporation of New Jersey	1993–2000	3	\$349,000
Bessie Green Community	1985–2003	20	\$332,700
Greater Newark Hospital Development Fund	1966–1978	12	\$324,000
St. Ann School	1974–1987	14	\$310,200
Montclair Grass Roots	1973–2002	30	\$310,000
Bishop Francis Essex Catholic High School	1994–2001	8	\$310,000
Tom Skinner Associates	1985–1994	11	\$309,000
Community Information & Referral Services	1968–1975	7	\$302,500
St. Paul's School (New Hampshire)	1983	1	\$300,000
Newark Literacy Campaign	1984–2003	16	\$300,000
Newark Collaboration Group	1984–1992	8	\$296,000
Habitat for Humanity Newark	1987–2003	10	\$290,000
New Jersey Audubon Society	1993–2002	8	\$287,500
Caribbean Haitian Council	1982–1997	14	\$281,000
A Better Chance	1970–2001	20	\$281,000
Kean College of New Jersey	1993–2000	5	\$276,000
Council on Foundations	1979–2003	23	\$270,400
Donald Jackson Neighborhood Corporation	1988–1995	6	\$265,600
Communities in Schools of New Jersey	1993–2000	9	\$263,400
Citizens for Better Schools	1999–2002	4	\$260,000
St. Rose of Lima School	1975–1993	13	\$251,800
Greater Newark Urban Coalition	1969–1983	12	\$250,800
Newark Private Industry Council	1982–1994	12	\$250,000
Victory House of New Jersey	1970–1979	9	\$250,000
Upsala College	1964–1989	18	\$236,000
Quest Youth Services	1981–2001	17	\$234,000
New Ark	1971–1986	15	\$233,400
Newark MediaWorks	1982–1989	10	\$229,300
Sister Clara Muhammad School	1981–1991	11	\$217,400
Turning Point	1981–1993	12	\$216,500
Playwrights Theatre of New Jersey	1992–2003	12	\$215,000
Different Strokes	1975–1986	11	\$215,000
W.E.B. DuBois Scholars Institute	1996–2003	10	\$212,500
American Council for Healthful Living	1978–1986	9	\$210,000
Yale University School of Medicine	1964–1968	4	\$200,000
Early Childhood Facilities Fund	1993	1	\$200,000
Princeton Center for Leadership Training	1989–1992	3	\$200,000

Recipient	Span of Years	# Grants	Grand Total
John D. Archbold Memorial Hospital	1937–1972	35	\$198,200
Morristown Memorial Hospital	1966–1973	6	\$192,200
YWCA of Montclair	1973–1986	13	\$191,000
Greater Life	1994–2003	9	\$190,000
Choices	1984–1993	7	\$190,000
American Red Cross of Metropolitan New Jersey	1941–1983	42	\$186,100
Arts Council of the Essex Area	1985–2001	11	\$186,000
Student Partner Alliance	1998–2003	6	\$177,500
Chr-III Services, Inc	1976–1987	11	\$175,000
Cross Counter	1973–1992	9	\$175,000
Independence High School	1972–1984	12	\$172,500
Association for Children of New Jersey	1979–1997	6	\$172,200
Whole Theatre	1976–1988	13	\$171,500
National Council on Alcoholism	1969–1996	23	\$171,300
New Jersey Network	1982–1995	8	\$171,000
Newark Recycling	1977–1982	5	\$171,000
Metropolitan Ecumenical Ministry	1977–1996	15	\$170,800
Catholic Community Services	1982–1993	7	\$170,600
Principals' Center for the Garden State	1998–2002	5	\$170,000
Center for Analysis of Public Issues	1971–2000	5	\$168,000
AFS-USA	1999–2003	4	\$167,000
Babyland Family Services	1992–2000	4	\$161,200
Kessler Foundation	1953–1995	21	\$160,000
Offender Aid & Restoration of Essex County	1984–2003	13	\$157,700
Johns Hopkins University/Center for Talented Youth	2000–2003	4	\$156,000
Stevens Institute of Technology	1987–1993	5	\$155,500
Girl Scout Council of the Rolling Hills	1995–2003	6	\$155,000
Student Sponsor Partnership of NJ	1994–1997	5	\$155,000
Leadership Newark	2001–2003	3	\$150,000
Boys and Girls Clubs of Newark/LifeCamp	1995–2003	6	\$140,000
Child Service Association of Newark	1964–1973	9	\$136,500
Roseville Coalition	1977–1982	5	\$136,000
Caucus: New Jersey	1991–2003	6	\$133,000
Middlesex-Somerset-Mercer Regional Council	1982–1999	4	\$133,000
Newark College of Engineering Research	1961–1974	13	\$132,100
Matheny School and Hospital	1954–1989	13	\$131,000
The Hudson School	1994–1997	4	\$130,000
Newark Coalition for Neighborhoods	1979–1988	9	\$127,000
Teach For America	1997–2003	7	\$126,400
National Committee for Prevention of Child Abuse	1980–1988	6	\$125,000
United Hospitals Medical Center	1976–1979	3	\$125,000
Joint Connection	1977–1986	8	\$124,800
Newark Day Center	1973–1994	15	\$123,500
Regional Plan Association	1995–2001	3	\$122,000
Carter G. Woodson Foundation	1987–1995	11	\$118,500
Princeton University	1952–1981	29	\$116,400

Recipient	Span of Years	# Grants	Grand Total
Episcopal House of Prayer	1972–1984	12	\$114,100
First Occupational Center of New Jersey	1987–2003	5	\$114,000
Learning Experience	1978–1983	5	\$112,500
Architects Community Design Center	1974–1983	9	\$110,000
Trail Blazer Camps	1997–2003	7	\$105,800
Clean Water Fund	1978–1993	3	\$105,000
Newark Public Radio	1983–2000	8	\$105,000
New Jersey Chamber Music Society	1983–1990	7	\$104,000
National Executive Service Corps	1990–1997	5	\$103,000
Essex County Youth House	1969–1975	6	\$101,500
Spaulding for Children	1971–1988	13	\$101,000
New Jersey Council of Churches	1975–1985	10	\$100,100
Center for Hospice Care	1987–1995	4	\$100,000
New York Public Library	1972	1	\$100,000
Newark Institute of Urban Programs	1973–1979	6	\$100,000
Renaissance Newark	1988–1989	2	\$100,000
AIDS Resource Foundation for Children	2002	1	\$100,000
Israel Memorial A.M.E. Church	1995–2000	8	\$100,000
Crest Housing Corporation	1999–2003	4	\$97,000
Partnership In Philanthropy	1992–1998	5	\$95,000
Newark Community Development Network	1998–2002	4	\$95,000
READY Foundation	1993–1995	3	\$95,000
Cathedral Concert Series	1983–1989	6	\$90,000
Legal Services of New Jersey	1990–1992	3	\$90,000
Coalition Six	1980–1985	5	\$87,600
Newark Fighting Back Initiative	1991–1992	2	\$85,000
Family Service Bureau of Newark	1964–1985	21	\$79,500
House of Prayer Episcopal Church	1985–1994	6	\$80,500
Newark Education Council	1990–1994	5	\$80,500
Accountants for the Public Interest of New Jersey	1979–1985	7	\$80,000
New School for Social Research	1985–1988	3	\$80,000
Newark Apartment Improvement Program	1988–1991	4	\$80,000
The Support Center	1981–1988	7	\$80,000
North Jersey Community Union	1977–1980	3	\$77,500
Community Church of Faith	1992–1999	8	\$77,000
Urban Council on Adolescence & Wellness	1979–1982	3	\$76,500
Low Income Housing Information Service	1992–1994	3	\$75,000
Libraries for the Future	1999–2000	2	\$75,000
National Council for Community Development	1999	1	\$75,000
Project Read	1984–1990	7	\$72,000
Weequahic Park Association	1997–2002	3	\$72,200
Oak Knoll School	1975–1979	4	\$71,300
New Jersey Division of Youth & Family Services	1979–1983	4	\$69,800
Kent Place School	1972–1977	5	\$65,800
Mental Health Association of Essex County	1955–1972	17	\$65,500
Lincoln Park Coast Cultural District	2002–2003	2	\$65,000

Recipient	Span of Years	# Grants	Grand Total
Morris 2000	1997–1999	3	\$65,000
African Globe Performing Arts Organization	2000–2003	5	\$65,000
North Star Academy Charter School	1997–1998	2	\$65,000
Essex County Correctional Division	1976–1983	7	\$64,300
Reading Naturally	1981–1992	4	\$63,500
Do Something Fund	1996–2003	4	\$63,000
Foundation Center	1972–2003	9	\$60,500
Board Member Institute of New Jersey	1983–1988	6	\$60,200
Mountainside Hospital	1964–1972	4	\$60,000
Arts Foundation of New Jersey	1985–1988	5	\$60,000
International Black Women's Congress	1992–1994	3	\$60,000
New Jersey Association on Correction	1973–1977	4	\$60,000
Timothy J. Still Program	1985–1988	4	\$60,000
Easter Seal Society of New Jersey	1980–1996	4	\$59,000
Milt Campbell Center	1968–1972	5	\$58,000
Columbia University	1986–1995	5	\$57,900
Girls Center of Essex County	1977–1982	5	\$57,500
Newark Housing Development & Rehabilitation Corp.	1972–1979	7	\$57,500
North Essex Development & Action Council	1975–1977	2	\$55,000
Princeton Cooperative School	1972–1975	3	\$55,000
Teen Challenge Training Center	1983–1987	2	\$55,000
New York University	1994	1	\$54,000
Newark Swim Team	1987–1997	8	\$53,000
Development Training Institute	1987–1991	3	\$52,900
Education Law Center	1980–2000	2	\$52,500
Public Health Research Institute	2002–2003	2	\$52,500
Montclair Art Museum	1986–2001	6	\$52,500
Episcopal Diocese of Newark	1990–2000	11	\$51,700
Covenant House	1999	1	\$50,000
Industrial Areas Foundation	1993	1	\$50,000
Ironbound Educational & Cultural Center	1982–1987	4	\$50,000
New Jersey Education Reform Project	1978	1	\$50,000
Coalition for Affordable Housing and the Environment	1999–2001	2	\$50,000
Project Grad Newark	2000	1	\$50,000
Orange Valley Community Center	1965–1969	3	\$50,000
Newark Scholars in Teaching	1991	1	\$50,000
Partnership for New Jersey	1999	1	\$50,000
Family Connections	2001	1	\$50,000
People's Energy Cooperative	1982–1985	3	\$50,000
Special Audiences New Jersey Inc.	1980–1996	5	\$50,000
New Jersey Blind Men's Association	1965–1978	9	\$47,700
Institute for Local Self Reliance	1984–2000	3	\$47,000
Vindicate Society	1976–1978	2	\$46,500
Aljira	1988–2001	8	\$46,400
The Institute of Cultural Affairs	1990	2	\$46,000
Community Health Law Project	1984–1987	4	\$45,000

Recipient	Span of Years	# Grants	Grand Total
Drew University	1965–1968	3	\$45,000
Bonnie Brae	1985–1991	3	\$45,000
Gill/St. Bernard School	1971–1977	6	\$45,000
National Urban Fellows	1996	1	\$45,000
Goodwill Home & Missions	1987–1991	2	\$44,000
Emmanuel Church of Christ	1999–2003	6	\$44,000
Parent-Child Center	1975–1978	3	\$43,100
Newark Academy	1970–1990	3	\$43,000
Court Appointed Special Advocates	1988–1997	4	\$43,000
Greater Montclair Urban Coalition	1970–1976	6	\$42,500
Hudson River Sloop Clearwater	1999–2002	3	\$42,500
Instructions Experiences Exposures	1982–1986	4	\$40,500
National Association for Practical Nurse Education	1964–1976	8	\$40,000
Hillside & Valley Presbyterian Church	1985–1988	4	\$40,000
Interracial Council for Business Opportunity of NJ	1975–1986	10	\$40,000
New York Crisis Fund	1975	1	\$40,000
Regional Business Partnership	1995	1	\$40,000
Yard School of Art	1967–1988	16	\$40,000
Helen Keller Worldwide/Newark ChildSight Program	2001	1	\$40,000
Sacred Heart School	1996–1997	3	\$40,000
Public Education Institute	1988–2000	6	\$39,600
County of Essex/Mentor Project	1981	1	\$37,700
Edmund L. Houston Foundation	1975–1977	2	\$37,500
Center for Non-Profit Corporations	1984–1999	4	\$37,000
Greater Newark Chamber of Commerce	1980–1988	5	\$36,000
Institute for Humanistic Studies	1979	1	\$35,000
MOR Fellowship	1982–1985	3	\$35,000
St. Columba Family Life Center	1993–1994	2	\$35,000
St. Rocco's Church	1981–1983	2	\$35,000
Global Learning	1986–1992	3	\$34,000
Metamorphosis	1985–1986	2	\$34,000
Newark Preservation and Landmarks Committee	1976–1996	5	\$33,900
City Without Walls	1977–1987	7	\$33,500
Business & Industrial Coordinating Council	1971–1973	2	\$32,500
Camp Speers Eljabar YMCA	1987–1988	2	\$32,000
Family Service & Child Guidance of Orange & Maplewood	1972–1982	10	\$32,000
Calvary Christian School	1985–1988	3	\$31,000
Youth Service Opportunities Project	1985–1989	5	\$31,000
High School Redirection	1991	1	\$30,500
St. Barnabas New York City	1970–1972	2	\$30,000
Benedictine Academy	1991	1	\$30,000
Bethel Christian Academy	1988–1990	3	\$30,000
Black United Fund of New Jersey	1983–1988	3	\$30,000
The Civil Rights Project	1993	1	\$30,000
Coalition for a United Elizabeth	1980–1982	2	\$30,000

Recipient	Span of Years	# Grants	Grand Total
Enterprise Jobs of Newark	1987	1	\$30,000
Exodus House	1965	1	\$30,000
Interfaith Hospitality Network for the Homeless of Essex County	1991–1994	3	\$30,000
New Jersey Institute for Social Justice	2001	1	\$30,000
Pushcart Players	1984–1987	3	\$30,000
Theatreworks	1987–1989	3	\$30,000
YMCA of Montclair	1986–1987	2	\$30,000
Union Development Corporation	1974	1	\$28,200
Humanity Community Program	1974	1	\$28,000
Isaiah House	1987–1990	2	\$28,000
Montclair Public Library	1977–1997	8	\$28,000
New Jersey School Consortium	1971–1973	2	\$27,500
The New Well	1969–1972	3	\$27,500
Educational Broadcasting Corporation/Thirteen WNET	1981–2002	3	\$27,000
Starfish Foundation	1993	2	\$26,500
Essex County Blood Bank	1965–1971	3	\$26,300
Children's Aid & Adoption Service of New Jersey	1967–1973	5	\$25,000
INROADS of Northern New Jersey	1983–1985	2	\$25,000
Mayoral Transition Project	1986	1	\$25,000
The Million Dollar Machine Foundation	1993	1	\$25,000
Mount Pleasant Development Corporation	1980–1982	2	\$25,000
National Housing Institute	1987–1994	2	\$25,000
Neighborhood Housing Services of Newark	1989	1	\$25,000
Brick City Soccer Club	2002	1	\$25,000
New Jersey Ballet Company	1979–1981	2	\$25,000
New Jersey State Museum	1991	1	\$25,000
Union Chapel Community Development Corporation	2002–2003	2	\$25,000
Newark Symphony Hall	1979	1	\$25,000
Pratt Institute Center	1992	1	\$25,000
Puerto Rican/Latin American Scholarship Fund	1982–1986	2	\$25,000
The Sanctuary (Cambridge, MA)	1970–1973	3	\$25,000
The Enterprise Foundation	1988	1	\$25,000
World Game Institute	1992	1	\$25,000
Friends & Families United/Newark Best Friends	1999–2003	4	\$24,000
Hollow Day Care Center	1973–1987	13	\$24,000
West Essex Rehabilitation Center	1982–1995	4	\$23,000
Forum Project	1975	1	\$22,500
Key Education Project	1974–1976	2	\$22,500
Essex County Network on Adolescent Pregnancy	1985–1986	2	\$22,000
Urban Field College	1969–1972	3	\$21,800
National Urban League	1970	1	\$21,300
Newark Arts Council	1989–2000	2	\$21,000
New Jersey Public Policy Research Institute Inc.	1988–1992	2	\$21,000
Hospital Center at Orange	1966–1973	2	\$20,000
Alpha & Omega Christian Ministries	1984–1986	2	\$20,000

Recipient	Span of Years	# Grants	Grand Total
Brooklyn Museum	1976	1	\$20,000
Christ Hospital	1973	1	\$20,000
Drug Addiction Rehabilitation Enterprise	1969	1	\$20,000
Ensemble Theatre Company	1991–1993	2	\$20,000
House of the Good Shepherd	1965–1967	2	\$20,000
Low Cost Psychotherapy Plan	1969–1973	4	\$20,000
National Medical Fellowships	1970	1	\$20,000
Project Resource	1977	1	\$20,000
The Rectory	1976	1	\$20,000
Council of New Jersey Grantmakers	1997–2000	2	\$20,000
Safe Passage Foundation	1992	1	\$20,000
East Orange General Hospital	1966–1968	2	\$18,300
Intensive Summer Program for Courtroom Interpreters	1985–1986	2	\$18,000
Urban Conservation Action Partnership	1999	1	\$18,000
Newark Episcopal Cooperative for Ministry & Mission	1979	1	\$17,500
Theatre Without Bars	1982	1	\$17,500
United Community Corporation	1974	1	\$17,200
United Negro College Fund	1964–1996	2	\$17,000
Geraldine R. Dodge Foundation	1993–1995	2	\$17,000
New Jersey Council of Farmers and Communities	1999–2000	2	\$17,000
Schoolwatch	1980–1984	4	\$16,500
National Council of Negro Women	1979	1	\$15,500
Independence Hall	1977	1	\$15,000
Ironbound Youth Project	1970–1974	4	\$15,000
Montclair YMCA	1973	1	\$15,000
Multiple Sclerosis Service Organization of New Jersey	1967	1	\$15,000
Munn Avenue Community Center	1979	1	\$15,000
New Jersey Committee for the Humanities	1979	1	\$15,000
New Jersey Tennis & Sports Foundation	1989	1	\$15,000
Newark Teen Challenge	1985	1	\$15,000
One to One New Jersey	1992	1	\$15,000
Our House	1976–1978	2	\$15,000
Three Doctors Foundation	2001	1	\$15,000
Puerto Rican Institute	1985–1986	2	\$15,000
Junior Achievement of Northern New Jersey	1971–1973	2	\$14,500
Newark Family Resource Network	1983	1	\$14,500
Colonial Symphony	1992–1994	3	\$14,000
Newark Transitional Supervised Living Program Corporation	1990–1998	3	\$14,000
Theatre of Universal Images	1983–1986	3	\$14,000
Public/Private Ventures	1984	1	\$13,800
Reading/Writing Curriculum Development	1988–1990	14	\$13,700
Coalition of 100 Black Women	1983–1987	3	\$13,500
Hospital & Health Planning Council	1965–1971	3	\$13,000
Barrier Breaking	1976	1	\$12,500
Clara Maass Memorial Hospital	1965	1	\$12,500

Recipient	Span of Years	# Grants	Grand Total
St. Barnabas Church	1985–1987	3	\$12,500
Film Arts Foundation	2000	1	\$12,000
National Society of Fund Raising Executives	1992–1996	6	\$11,800
Springfield Avenue Complaint Bureau	1968	1	\$11,500
Hillside & Valley Neighborhood House	1989–1990	2	\$10,500
Better Business Bureau of Newark	1973–1981	8	\$10,300
American Institute for Mental Studies	1969	1	\$10,000
Family Service of Morris County	1965	1	\$10,000
Manton B. Metcalf Memorial Association	1985	1	\$10,000
Goodwill Industries of New Jersey	1964	1	\$10,000
Sheltering Arms Children's Service of New York	1966	1	\$10,000
Boys Club of Paterson	1969	1	\$10,000
Recording for the Blind	1966–1970	2	\$10,000
Day Care Coordinating Council	1975	1	\$10,000
East Orange Child Development Corporation	1987	1	\$10,000
East Orange Development Corporation	1982	1	\$10,000
Essex County Day Care Task Force	1982	1	\$10,000
Eyes Institute of New Jersey	1973	1	\$10,000
Hackettstown Hospital	1972	1	\$10,000
Harambee Productions	1987	1	\$10,000
Martin Luther King Scholarship Fund	1991	1	\$10,000
New Jersey Department of Corrections/Essex House	1982	1	\$10,000
New Jersey State Rehabilitation Commission	1968	1	\$10,000
Newark Better Business Bureau	1974	1	\$10,000
Newark Cherry Blossom Festival	1977	1	\$10,000
Newark Foster Parents Association	1983	1	\$10,000
City of Newark/Recycling Project	1983	1	\$10,000
Princeton Theological Seminary	1973	1	\$10,000
Shelterforce	1984	1	\$10,000
St. Ann's Bilingual Learning Center	1986	1	\$10,000
The Orphan Project	1987	1	\$10,000
Tri-Hospital Ecumenical Chaplaincy	1980	1	\$10,000
Women's Prison Association	1991	1	\$10,000
Cornucopia Network of New Jersey	1984–1985	1	\$10,000
Miscellaneous Grantees with Grand Totals Under \$10,000	1964–2003	122	\$695,600
TOTALS	1964–2003	4,083	\$146,596,700

APPENDIX C

Sample Questions

Current and Former Trustees/Executive Officer:

- What is the mission of Victoria Foundation and how has it changed during your tenure on the board?
- What is the role of a Victoria Foundation trustee? How has this evolved during your association with the Foundation?
- Describe the leadership style and accomplishments of the president(s) and/or the executive officer(s).
- What were the most pressing needs in Newark, and the most effective grant awards approved, from 1964 to 2003, and why?
- What is Victoria Foundation's theory of change?
- Do you believe Victoria Foundation was strategic in its approach to grantmaking? If so, how?
- Do you believe Victoria Foundation has had an impact on the lives of the residents in Newark? If so, how?
- What would be different in Newark if Victoria Foundation did not exist?

Grantee Leaders/Community Activists/Elected Officials:

- Describe the mission of your organization? What impact has your organization had on Newark?
- What do you believe is the mission of Victoria Foundation?
- What is your role in the Newark community?

- How has Newark changed from 1964 to 2003?▪ How did Victoria Foundation support make a difference to your organization?
- Would anything have changed/be different without this support?
- Describe the leadership style and your personal interactions with the Foundation's trustee(s) and/or executive officer(s).
- Do you believe Victoria Foundation engaged in strategic grantmaking?
If so, how?
- Do you believe Victoria Foundation has had an impact on the lives of residents in Newark? If so, how?
- What if anything would be different in Newark if Victoria Foundation did not exist?

APPENDIX D

Victoria Foundation Trustees and Dates of Service

VF Trustee	Span of Years	Total # Years	VF Trustee	Span of Years	Total # Years
Hendon Chubb	1924-1960	36	Richard Stewart	1972-1996	24
Alice Chubb	1924-1955	31	Margaret Parker	1973-	40
Albert Wall	1924-1934	10	Percy Chubb III	1973-	40
Margaret Parsons	1932-1976	44	Gordon Millsbaugh, Jr.	1976-	37
Oscar Schoenherr	1934-1937	3	Robert Curvin	1977-2005	28
Percy Chubb 2nd	1934-1982	48	Kevin Shanley	1979-2012	32
Edith Walton	1934-1963	29	Sally Chubb	1981-	33
Marian Garrison/Chubb	1934-1969	35	Jean Felker	1981-1990	9
Russell Colgate	1934-1963	29	Charles Chapin, III	1987-	26
Henry Munger	1936-1950	14	Christine Todd Whitman	1991-1992	1
F. Stanley Howe	1938-1951	13	Gail Thompson	1993-1999	6
S. Whitney Landon	1945-1979	34	A. Zachary Yamba	1993-	20
Bernard Shanley	1947-1992	45	John Parker	1995-	18
Horace Corbin	1948-1960	12	Sarah Chubb Sauvayre	1996-	17
Thomas Chubb	1950-1972	22	Franklin Parker, Jr.	1998-	15
William Turnbull	1952-2002	50	Helen Frye Parr	1999-2012	13
Corinne Chubb *	1955-1997	42	Nina Mitchell Wells	1999-2006	7
Frederick Tomkins	1958-1972	14	Charles Hance	2002-2009	7
Robert Cowan	1964-1981	17	Robert Johnson, MD	2006-	7
Haliburton Fales, 2nd	1965-1993	28	Robert Holmes	2007-	6
Robert Lilley	1967-1986	19	Frank Alvarez	2010-	3
Mary Coggeshall	1969-1999	30	Gary Wingens	2012-	1
C. Malcolm Davis	1971-1980	9	Grizel Ubarry	2012-	1
Matthew Carter	1972-1991	19	Henry Amoroso	2013-	< 1
			Michael Catania	2014-	< 1

* Corinne Chubb attended VF board meetings starting in 1935 and was formally elected to the board in 1955, resulting in 62 years of active service.

APPENDIX E

Victoria Foundation Financials 1924 to 2013

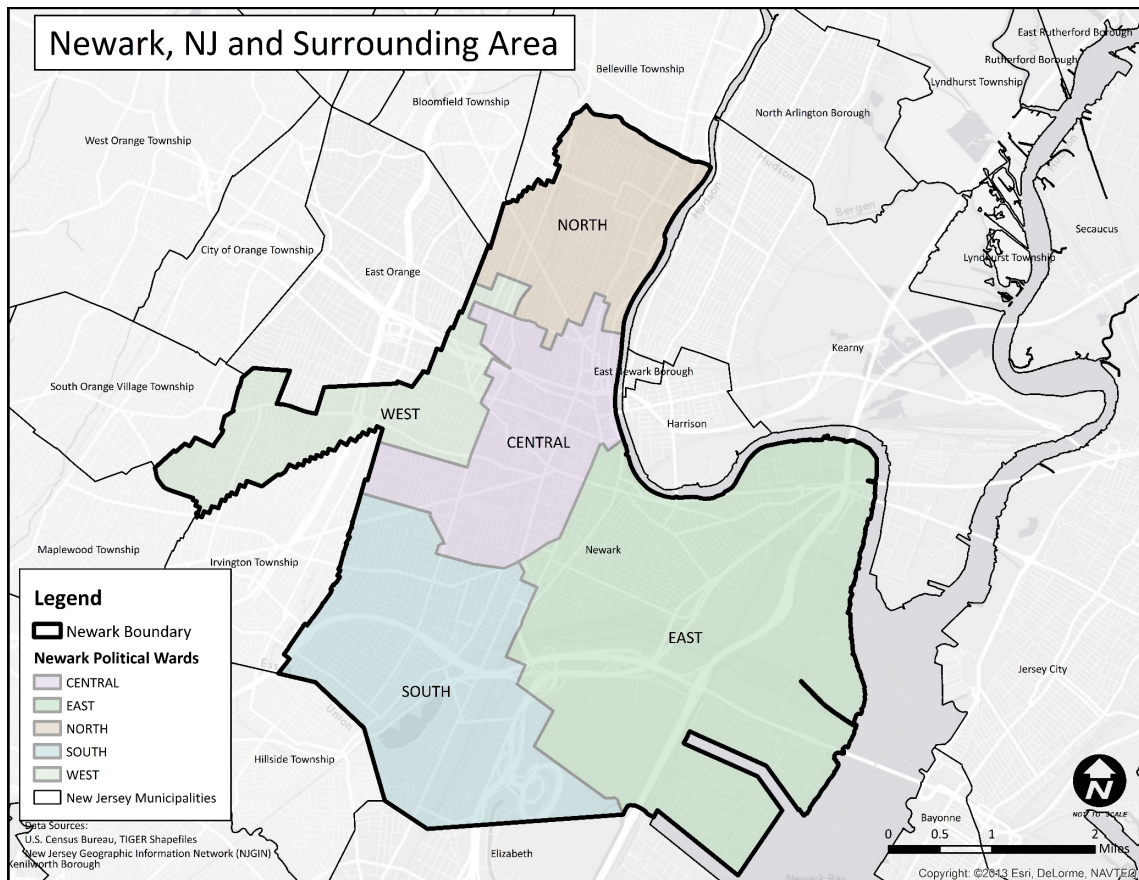
Year	Chubb Stock	Total Corpus	Excise Tax	Grants	% Newark	# Grants	Expenses
1924	-	20,000	0	0	0.0%	0	0
1925	-	18,600	0	2,000	0.0%	1	0
1926	-	19,800	0	0	0.0%	0	5
1927	-	15,300	0	5,000	0.0%	1	5
1928	-	14,600	0	1,500	0.0%	1	5
1929	-	15,400	0	0	0.0%	0	5
1930	-	16,300	0	0	0.0%	0	5
1931	-	15,600	0	1,500	0.0%	1	5
1932	-	11,400	0	5,000	0.0%	1	6
1933	-	11,700	0	1,500	0.0%	1	7
1934	152,600	167,200	0	1,500	0.0%	1	7
1935	272,600	290,000	0	7,500	0.0%	2	7
1936	387,200	410,200	0	13,300	0.0%	3	200
1937	680,000	702,700	0	18,900	0.0%	7	300
1938	999,000	1,031,100	0	14,300	0.0%	5	300
1939	1,594,000	1,633,300	0	32,400	0.0%	2	500
1940	1,848,400	1,889,800	0	72,100	0.0%	9	600
1941	2,010,900	2,057,100	0	55,200	0.0%	11	600
1942	2,160,000	2,228,600	0	50,500	0.0%	4	600
1943	2,284,200	2,378,600	0	59,800	0.0%	6	600
1944	2,324,500	2,420,500	0	65,000	0.0%	6	600
1945	2,364,800	2,469,800	0	68,200	0.0%	6	1,800
1946	2,445,400	2,568,600	0	78,600	0.0%	5	1,800
1947	2,733,900	2,862,100	0	74,700	0.0%	5	1,300
1948	3,060,700	3,253,400	0	72,900	0.0%	7	1,300
1949	3,618,000	3,795,700	0	64,200	0.1%	11	1,400
1950	4,393,300	4,623,600	0	111,000	0.0%	9	1,500
1951	5,064,300	5,404,900	0	117,300	0.0%	14	1,900
1952	6,085,000	6,501,300	0	87,100	0.0%	15	1,800
1953	6,518,750	7,290,750	0	172,000	0.1%	20	1,700
1954	9,001,100	9,546,200	0	174,400	2.0%	21	1,800
1955	11,358,600	11,960,300	0	227,800	7.9%	22	2,200
1956	9,822,700	10,506,000	0	249,700	12.2%	29	7,600
1957	9,501,200	10,182,800	0	264,800	4.2%	29	8,600
1958	14,358,900	15,005,900	0	267,200	4.8%	30	8,200
1959	16,644,900	17,299,700	0	286,000	3.5%	22	9,500

Year	Chubb Stock	Total Corpus	Excise Tax	Grants	% Newark	# Grants	Expenses
1960	17,030,700	17,648,900	0	298,900	0.0%	17	9,700
1961	23,542,800	24,046,000	0	322,300	3.9%	23	9,900
1962	23,795,000	23,974,200	0	703,000	12.8%	32	11,400
1963	24,131,300	24,283,600	0	406,000	28.3%	30	10,200
1964	23,879,100	24,033,800	0	397,600	38.4%	31	10,000
1965	22,786,000	22,929,300	0	401,900	35.7%	28	9,800
1966	20,641,900	20,775,400	0	452,500	55.3%	26	9,900
1967	14,371,600	14,497,800	0	486,400	68.5%	24	9,900
1968	18,619,800	18,765,300	0	562,800	69.5%	29	21,700
1969	20,879,500	20,999,400	0	662,200	78.2%	45	41,400
1970	28,946,500	29,118,700	34,100	784,400	74.6%	45	41,700
1971	37,284,700	37,461,200	35,300	806,300	79.6%	52	41,300
1972	46,009,300	46,992,400	70,000	1,557,600	48.3%	70	42,900
1973	30,537,600	39,277,100	203,000	1,492,100	64.0%	84	50,200
1974	18,687,500	28,493,900	94,400	1,491,900	74.3%	75	65,400
1975	19,855,400	31,013,300	73,900	1,623,400	66.7%	80	80,600
1976	20,759,400	33,657,500	82,000	1,569,900	63.5%	90	77,600
1977	18,164,400	30,473,500	76,800	1,688,000	72.2%	86	88,900
1978	16,867,000	28,356,300	39,900	1,848,700	80.1%	95	99,000
1979	19,531,400	30,718,800	44,000	1,924,000	76.5%	110	109,000
1980	19,709,900	30,769,100	53,900	2,269,700	77.6%	111	117,600
1981	22,263,300	33,626,000	63,100	2,484,800	76.5%	114	127,800
1982	22,529,000	37,335,400	75,700	2,646,900	76.4%	132	143,700
1983	28,857,500	45,547,900	87,600	2,815,900	80.9%	136	176,900
1984	32,207,500	50,234,000	68,900	2,676,800	73.8%	136	215,200
1985	49,124,800	70,547,600	92,200	2,880,500	83.4%	135	232,100
1986	47,400,000	76,406,000	194,600	3,570,800	81.3%	136	249,600
1987	43,415,000	72,322,000	110,000	3,721,800	79.4%	135	275,000
1988	45,066,000	74,206,300	77,700	3,457,800	84.1%	121	325,000
1989	70,675,500	105,547,100	84,000	3,785,800	78.7%	115	354,700
1990	80,507,000	115,195,000	88,800	3,971,000	81.6%	117	346,800
1991	105,313,100	149,910,400	109,900	9,317,600	84.6%	143	414,600
1992	116,915,700	163,693,200	88,300	6,280,800	85.7%	161	588,900
1993	94,006,900	146,797,000	257,400	6,661,600	84.8%	154	502,700
1994	77,455,000	140,112,900	180,700	6,878,000	85.6%	171	593,200
1995	77,455,000	167,043,000	273,900	6,693,000	88.3%	126	851,400
1996	69,313,300	177,524,800	280,800	8,736,400	89.2%	125	896,300
1997	76,946,500	213,397,500	640,500	9,198,800	79.2%	136	989,100
1998	51,210,000	221,959,000	820,100	9,812,200	86.5%	129	1,183,900

Year	Chubb Stock	Total Corpus	Excise Tax	Grants	% Newark	# Grants	Expenses
1999	44,537,300	228,574,000	390,000	10,128,400	90.7%	147	1,362,900
2000	44,909,300	237,625,000	412,700	12,453,900	90.4%	145	1,487,500
2001	35,000,000	198,033,800	108,500	9,576,200	86.8%	132	1,363,400
2002	25,089,000	170,583,100	52,500	8,827,800	84.3%	116	969,900
2003	30,952,300	199,944,900	55,000	8,619,400	82.1%	108	949,500
2004	32,852,700	210,159,500	106,100	8,553,500	88.9%	113	1,073,400
2005	32,391,800	221,302,200	246,600	9,208,400	91.0%	122	1,045,100
2006	34,166,700	236,215,600	211,800	9,264,300	93.8%	142	1,079,800
2007	32,328,300	235,776,700	184,400	11,083,700	88.8%	179	993,600
2008	28,892,800	173,981,500	76,700	10,164,700	90.6%	201	1,097,600
2009	27,861,800	192,449,900	33,300	9,264,800	94.2%	188	1,119,500
2010	33,262,800	208,327,600	57,900	9,384,600	93.6%	196	1,139,900
2011	37,762,000	196,142,200	46,700	9,547,500	92.7%	172	1,214,300
2012	41,089,800	207,088,600	68,100	9,471,900	92.3%	200	1,468,100
2013	52,133,400	241,929,500	117,000	11,180,200	93.3%	180	1,288,000
Total VF Grantmaking 1924 to 2013 = \$266,796,300						6,253	\$27,132,950

APPENDIX F

Map of Newark, New Jersey



APPENDIX F

Curriculum Vitae

Irene Cooper-Basch

Date of Birth: January 7, 1961

Place of Birth: Framingham, Massachusetts

Secondary and Post-Secondary Institutions

Framingham South High School, Diploma	1978
New York University, BA, English & Theatre Arts	1982
Drew University, MMH, Medical Humanities	2002
Rutgers University-Newark, Ph.D., Urban Systems	2014

Certification and Leadership Training

Indiana University, The Fund Raising School, Certificate Program	1989
Leadership New Jersey, Fellow	2000
Milano New School for Urban Policy, Tenenbaum Leadership Institute, Fellow	2009

Professional Employment

National Institute for Dispute Resolution, Wash. DC, Development Associate	1988-1991
Community Board Program, San Francisco, CA, Director of Development	1991-1995
Jewish Community Endowment Fund, San Francisco, CA, Program Officer	1995-1997
Healthcare Foundation of New Jersey, Millburn, NJ, Program Officer	1997-2003
Victoria Foundation, Newark, NJ, Program Officer	2003-2006
Victoria Foundation, Newark, NJ, Executive Officer	2006-present

Volunteer Positions

Peace Corps, Botswana, Africa	1984-1986
Community Boards of San Francisco, Mediator	1991-1995
12 Miles West Theatre Company, Writers' Lab, Director	2001-2007
Committee of Advocates for Newark's Children, Board Member	1997-2011
New Jersey Performing Arts Center, Council of Trustees Member	2010-present
Council of New Jersey Grantmakers, Chair	2010-present
Newark Trust for Education, Executive Committee Member	2011-present