

Fostering Broad Changes

An Interview with
Eli Broad, Founder, The Broad Foundations

EDITORS' NOTE After working for two years as an accountant, Eli Broad founded a home-building company with Donald Kaufman. In 1971, the Kaufman and Broad Home Corporation acquired a small life insurance company for \$52.1 million that they eventually transformed into a retirement savings empire. With the merger of SunAmerica into AIG in 1999, Broad stepped down as CEO and turned his full-time attention to philanthropy. Eli and his wife, Edythe Broad, had created a family foundation in the '60s as a way to support their charitable interests and causes, but refocused their charitable giving on venture philanthropy. Broad was the founding Chairman and is a life trustee of The Museum of Contemporary Art in Los Angeles, and a life trustee of the Los Angeles County Museum of Art, the California Institute of Technology, and The Museum of Modern Art in New York. He is also a Fellow of the American Academy of Arts & Sciences and in 1994 was named Chevalier in the National Order of the Legion of Honour by the Republic of France. In 2004, he became a Regent of the Smithsonian Institution by appointment of the U.S. Congress and the President, serving until 2009. In 2007, he was awarded the Carnegie Medal of Philanthropy. Broad attended Michigan State University, graduating with a degree in accounting and becoming the youngest CPA in the state's history. He has authored a book titled, *The Art of Being Unreasonable: Lessons in Unconventional Thinking*.



Eli Broad

ORGANIZATION BRIEF The Broad Foundations (www.broadfoundation.org), which include The Eli and Edythe Broad Foundation and The Broad Art Foundation, were established by entrepreneur and philanthropist Eli Broad to advance entrepreneurship for the public good in education, science, and the arts. The Broad Foundations invest in the bold and innovative transformation of K through 12 urban public education in America to enhance the success of students and teachers. They make significant contributions to advance major scientific and medical research to improve human health; they foster public appreciation of contemporary art by increasing access for audiences worldwide.

Would you highlight your major K through 12 initiatives?

My wife Edythe and I are both graduates of Detroit Public Schools. Our foundation seeks to

ensure that every student in an urban public school has the opportunity to succeed. We bring together top education experts and practitioners and fund system-wide programs and policies that strengthen public schools by creating environments that help good teachers to do great work and enable students of all backgrounds to learn and thrive.

Our major education initiatives include the \$1 million Broad Prize for Urban Education, the largest education award in the country that recognizes the large urban school district in

America making the greatest progress in raising student achievement. The Broad Center is a nonprofit that seeks to prepare strong leaders of public school systems through its two initiatives, The Broad Superintendents Academy and The Broad Residency in Urban Education. Over the past decade, more than 450 Broad Center participants have worked to strengthen more than 200 urban school systems. There are currently 41 Broad Academy graduates serving as school district superintendents, four as state superintendents, four as CEOs of charter management organizations, and 12 as school district cabinet executives. More than 300 current and former Broad Residents are working in some 50 urban school districts, charter management organizations, and state departments of education across the country.

What needs to be done to bring true reform to the K through 12 education system?

It will take years to fix such deep problems and, where required, create new systems from scratch. It requires bold leaders who understand the importance of honest conversations and public transparency. It requires that parents, teachers, and other school system employees be open to something that looks very different. By definition, change of this magnitude means that people will be uncomfortable. Great leaders enlist others in their vision to build widespread support for systems that assist schools that allow great teachers to deliver personalized instruction to every student – this is the most important issue facing our country.

Let me give you an example of where this is happening: In 2010, ACT data showed that 80 percent of Detroit high schools failed to produce a single student who was college ready. To address that crisis, state and local leaders created the Michigan Education Achievement Authority (EAA), a recovery school district that has the power to focus strictly on the worst-performing schools out

of any district in Michigan. The EAA opened in September with more than 10,000 students attending 15 public schools in Detroit. Students there attend a 7-1/2-hour school day with a 210-day school year. Each student receives a tablet and learns at his or her own pace in a personalized learning environment. In just three months, 22 percent of the students have already made more than one year of academic growth in math and 27 percent have advanced one year in reading. Edythe and I joined with others in Michigan's philanthropic community and provided \$12 million to support this new system.

Would you highlight the investments in major scientific and medical research you have made and the impact of that work?

The Broad Foundations investments in scientific and medical research are focused on three areas: human genomics, stem cell research, and inflammatory bowel disease.

In genomics, our greatest investment has been in The Broad Institute of MIT and Harvard, to which we gave \$600 million to create and endow. Today, the Broad Institute has a \$270-million research budget and more than 2,000 researchers are working to understand the cause of diseases so that they can be treated and ultimately prevented.

In stem cell research, we have funded three centers in California: the Eli and Edythe Broad CIRM Center for Regenerative Medicine and Stem Cell Research at the Keck School of Medicine of the University of Southern California, the Eli and Edythe Broad Center of Regenerative Medicine and Stem Cell Research at UCLA, and the Eli and Edythe Broad Center of Regeneration Medicine and Stem Cell Research at UC San Francisco.

We also created the Broad Medical Research Program in 2001 to fund and encourage innovative research that will advance the prevention, therapy or understanding of inflammatory bowel disease (IBD). Forty percent of all private funding of IBD research in the United States comes from The Broad Foundation.

Why is it so critical to foster public appreciation of contemporary art by increasing access for audiences worldwide?

Art has made me a better businessman and a better person. Edythe and I have been drawn to contemporary art because it's the art of our time reflecting the current social, political, and cultural issues, and always makes you think. As collectors, our goal has been to make art accessible to the broadest public. It's one of the reasons we're building The Broad in downtown Los Angeles. ●