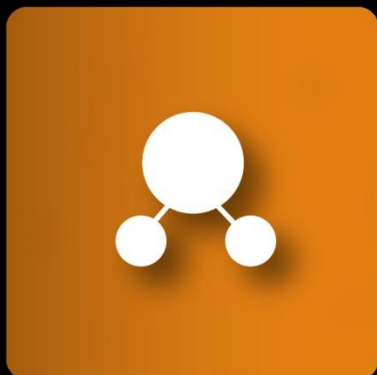


Issue Brief #6: Match Funder Participation in the Social Innovation Fund



Corporation for
**NATIONAL &
COMMUNITY
SERVICE**



A product of the National Assessment of
the Social Innovation Fund (SIF)

September 2016

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Acknowledgements

Janet Griffith, Ph.D. and Xiaodong Zhang, Ph.D., of ICF International, provided review and insights that informed the development of this product.

About This Document

This document was produced pursuant to a contract between the Corporation for National and Community Service and ICF International (Contract Number: GS-23F-8182H; CNSHQ13F0091).

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Recommended Citation

Pershing, J. & Barrero, J. (2016). *Issue Brief #6: Match Funder Participation in the Social Innovation Fund*. (Prepared for the Corporation for National and Community Service, Office of Research and Evaluation). Fairfax, VA: ICF International.

About CNCS

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1. Introduction

The Social Innovation Fund (SIF) leverages public and private resources to grow community solutions based on evidence of results. The National Assessment of the SIF seeks to document and capture the impact of the SIF on key program stakeholders. Findings from this multi-component independent assessment will tell the story of the SIF and identify lessons learned.

The SIF makes grants to experienced grant-making organizations, which identify promising programs within communities through an open and competitive process and distribute funds to high-performing nonprofit organizations that implement them, and match the federal funds dollar-for-dollar. SIF subgrantees also match the funding they receive dollar-for-dollar. All SIF-funded interventions are required to undergo rigorous, independent evaluations to advance the base of evidence for the funded intervention.

This issue brief explores the relationships between SIF Classic¹ grantees and subgrantees and their match funders. It also provides action-oriented recommendations for current and prospective SIF grantees, subgrantees, and match funders; other grantmakers and grantee partners considering a SIF-type model; nonprofit organizations; and policy makers. This brief is informed by interviews with three SIF grantee organizations (also referred to as intermediaries), three subgrantees, and five match funders.

Given the small purposive sample, this issue brief is intended to illustrate rather than generalize about the range of experiences that SIF grantees, subgrantees, and their match funders have had in working together on a SIF-funded project. The brief begins by describing the key SIF matching requirements and the co-investor model that supported two of the grantees featured in this issue brief. It then looks at what motivates match funders to invest and engage in SIF projects. Next, it discusses the range of roles that funders play in SIF partnerships. It concludes with a brief discussion of strategies for sustaining funder engagement during and beyond the SIF project.

2. SIF Match Funding

The SIF program's match requirements are stringent and include features that differ somewhat from other federal match programs (e.g., cash match only). This section briefly recaps the SIF Classic program's match requirement and the concept of a co-investor model.

2.1 Overview of SIF Match Requirements

The SIF requires that each SIF Classic dollar awarded to a grantee be matched one-to-one with cash from private and other non-federal sources, such as state or local governments, philanthropies, or individuals.² Grantee subawards to subgrantees also must be matched on a one-to-one basis. Only non-federal cash sources may be used as the match.³ Grantees must demonstrate the ability to meet 50 percent of their first year cash match requirement at application, and subgrantees must document compliance with the match

¹ The SIF has two grant programs: Classic and Pay for Success (PFS). The Classic program unites public and private resources to evaluate and grow innovative community-based solutions that have evidence of results in low-income communities. PFS is an innovative contracting and financing model that leverages philanthropic and private dollars to fund services up front, with the government or other entity paying after they generate results. This issue brief focuses on SIF Classic only.

² Section 198K (i), National and Community Service Act of 1990, as amended, Public Law 101-610, from http://www.nationalservice.gov/sites/default/files/documents/1990_serviceact_as%20amended%20through%20pl%20111-13.pdf ³ Section 198K (i), National and Community Service Act of 1990, as amended, Public Law 101-610, from http://www.nationalservice.gov/sites/default/files/documents/1990_serviceact_as%20amended%20through%20pl%20111-13.pdf

requirement annually. Match funds take on the identity of federal funds so any rules and regulations that apply to federal funds also apply to the match funds (e.g., eligible expenses, documentation requirements).

This two-tiered matching requirement results in up to three-to-one leveraging of federal funds, but poses a significant challenge for at least some grantees and subgrantees responsible for raising these considerable sums each year. Match funders have not typically committed funding for the full term of the SIF grant, resulting in ongoing fund-raising responsibilities for grantees/subgrantees. Grantees and subgrantees have expressed concern about the burden of continually raising substantial match sums, especially because federal regulations prevent them from using SIF funds for fundraising⁴. A few grantees and subgrantees have dropped out of the SIF program in part because the challenge of raising the match proved too difficult in their communities. In addition to these challenges, grantees and subgrantees, particularly in smaller communities, often compete for match funding from the same supporters.

Many SIF grantees and subgrantees have simply persevered in making one-on-one contacts with possible match funders and have successfully met their match requirements. But some of the organizations interviewed for this issue brief have pioneered another approach: co-investing.

2.2 The Co-Investor Model

Some SIF funders are collaborating through co-investor groups to tackle large-scale and high-cost interventions. The main features of the co-investor model involve centralized coordination of grant funds, and consolidated application and reporting requirements. In most cases, the coordinating agency absorbs the cost associated with grantee due diligence, managing the grantee portfolio, coordinating and hosting regular meetings, and reporting back to co-investors. In some cases, the co-investors simply provide unrestricted funds for inclusion in a single funding pool. But in other cases, a co-investor, although part of the larger group, may limit the uses of its funds by designating a particular subgrantee, community, or use of funds, for example. The main advantages of the co-investor model are the efficiencies associated with the centralized administration of funds and the reduced burden on applicants/grantees through consolidated application and reporting processes.

According to the Edna McConnell Clark Foundation (EMCF), a SIF grantee that pioneered this funding approach through its True North Fund, funders have different motivations for joining such a group. For some, the centralized management of funds is attractive because it relieves the co-investor of the day-to-day management of grantees. Others prefer a more hands-on role with grantees, which a co-investor model can also accommodate. Co-investor models offer a range of other benefits, including building relationships with other funders, creating or expanding communities of practice, supporting a specific issue or geographic area, benefiting from the group's collective knowledge, and reducing each investor's risk. Although these models may differ in application, both funders and grantees view the overall approach and benefits as generally successful.

From a grantee/subgrantee perspective, two advantages of the co-investor model are its access to diverse funding sources and increased visibility in the community. A third is the single, streamlined process that results in less time and energy devoted to raising match funds. A co-investor model also has significant

⁴ According to federal regulation the cost of raising funds in order to meet the matching funds requirement is not an allowable cost under the Uniform Cost Principles (2 CFR Subpart E). 2 CFR § 200.442. However, grantees may charge to their grant the cost of assisting subgrantees with raising match, with prior written approval.

appeal because it enables funders to channel resources strategically toward larger-scale projects in a defined priority area to achieve maximum impact. However, particularly in small communities with limited philanthropic resources, the model can increase competition for funds and eliminate opportunities for worthwhile projects that are not within the co-investor's primary focus area. In addition, funders may find it challenging to relinquish control over the allocation of funds. Another challenge is the extent of the leadership, time, and financial resources required to ensure donor engagement and alignment. Despite the challenges, however, funders have found value in the co-investor model, and grantees/subgrantees benefit when this model successfully engages and informs co-investors.

Recommendations for promoting and supporting a co-investor model:

- Plan to invest time and resources in partnership building.
- Identify a champion from the lead organization with the leadership skills to effectively assemble and coordinate the group.
- Provide learning opportunities through regular meetings and other venues to build the group's knowledge and capacity.
- Establish clear expectations for the group and allow participants different levels and types of involvement.

3. Funder Motivation and Concerns

Match funders appreciated the opportunity to leverage federal funds to support projects in their priority focus areas and/or their local communities, but this was by no means the only motivation for most. Those interviewed for this issue brief cited a range of other factors that influenced their decisions to participate as a match funder. The structure of the SIF program offered some advantages for match funders, such as its rigorous application process and evaluation requirements, but brought some drawbacks as well—primarily the federal restrictions to which match funds are subject. Finally, an added incentive for participating was the opportunity to collaborate with others in their communities to achieve greater impact on the issues they care about.

3.1 Leveraging Federal Resources

Grantees/subgrantees and match funders emphasized the value that SIF-style private/public partnerships contribute by channeling funds to the match funder's priority areas and building sustained community support. Match funder Saint Joseph Mercy Health System, which supported Avalon Housing, concurred strongly about the value of leveraging federal resources, noting that resources for addressing its priorities are limited, and that by partnering with other entities that share these concerns—whether private, federal, state, or local—Saint Joseph's can augment both the attention and the resources available for its cause. United Way of Greenville County emphasized that involving multiple funders to match federal resources, although challenging, builds a community's capacity to sustain initiatives after the federal funding ends. The Corporation for Supportive Housing (CSH) concurred, noting that, although initially it seemed daunting to raise millions of match dollars, over time the SIF matching requirement led to stronger relationships with match funders.

Another perspective on the value of leveraging federal funds came from the Melville Charitable Trust, a match funder for CSH: for social problems of the scale SIF addresses, philanthropy simply does not have

adequate resources; sustained federal involvement is essential. To Melville Charitable Trust, engaging federal partners in the learning process from the outset was crucial to increasing the likelihood of ultimately integrating the new interventions into long-term federal practices.

The match funder for WINGS for Kids, the Wallace Foundation, emphasized that although the Foundation valued the opportunity to leverage federal funding through the SIF, doing so also reflected the Foundation's own priorities and interest in funder collaboration. Leveraging only makes sense when aligned with the funder's priorities and strategies.

Although match funders generally were quite motivated to leverage federal funds in order to support their communities and causes, federal regulations and legal requirements placed on match funds—accounting requirements, background check compliance, and so on—were important factors to consider. Some match funders have extensive experience working with programs subject to the restrictions that accompany federal funding and noted that, while demanding, complying with the SIF's requirements was not a surprise. But for others, this was a new and burdensome challenge.

"It was certainly our first experience taking and re-granting public money, including from the federal government. It was a real learning curve for us... the SIF funds were restricted in certain ways, which is actually absolutely counter to the way we like to invest in nonprofits."

—Chuck Harris, Edna McConnell Clark Foundation

3.2 Benefitting from the Structure of the SIF Process

Match funders found several aspects of the SIF program attractive, including the vetting process grantees undergo prior to receiving a SIF grant, the requirement for and support of rigorous evaluation, and the intermediary model that coordinates and supports subgrantees.

Grantees that receive SIF funding have, by definition, gone through a rigorous federal review process. The representative of Greenville Partnership for Philanthropy (GPP), a co-investor group that supported the United Way of Greenville County, noted that receipt of a SIF grant gives match funders confidence that SIF projects are sound and well-conceived with initial evidence of effectiveness and a high degree of promise. Supporting an organization that received a SIF grant, in the face of rigorous standards and stiff competition, also generated a sense of pride in belonging to a group making a successful contribution to issues that matter. From the grantee perspective, the rigorous SIF process mean that receiving SIF funding elevates the credibility and public recognition of grantees, serving as a door opener and sparking the interest of other supporters.

The SIF program's emphasis on rigorous evaluation also was attractive to match funders. They noted that by requiring rigorous evaluation, and providing support to help grantees/subgrantees conduct rigorous evaluation, the SIF program provided value beyond the actual services it provided. The Melville Charitable Trust, which supported CSH, recognized the challenges that grantees/subgrantees faced in conducting rigorous evaluation. However, the Melville Trust representative and others interviewed concurred that the SIF's requirement for generating objective evidence is a compelling feature of the program for match funders interested in producing evidence of effectiveness.

Additionally, the SIF's reliance on an intermediary model was cited as an attractive feature. Under the SIF, grantees serve as intermediaries, identifying strong local projects to fund, overseeing the efforts of their subgrantees, and ensuring compliance with federal requirements. In the view of the Melville Charitable Trust, the intermediary's role—supporting work across multiple subgrantee sites and coordinating efforts across sites—assures match funders that the projects they fund will receive appropriate oversight and support.

"We're strong believers in having and supporting groups who are going to do that multi-site work or the collaborative coordination, because it's fundamental in getting things off the ground. If the intermediary is good, it provides a sense of assurance and makes it easier for us to invest."

—Janice Elliot, Melville Charitable Trust

3.3 Collaborating for Broader Impact

According to interview respondents, the SIF program's contributions go beyond providing funding and technical assistance, to serving as a catalyst to bring nonprofit agencies and funders together to tackle social problems. SIF grantees typically assembled match funding from multiple funders. Creating this type of public/private partnership involving federal funds and multiple private sector supporters allowed smaller funders to invest in projects that would have been too expensive for them to support alone. Aggregating sources also had the benefit of sharing the risk of investing in a particular project, as well as creating the potential for larger impact in a priority area or community.

Several match funders emphasized the importance of collaboration to address problems at scale. Hollingsworth Funds, Inc., match funder for subgrantee Communities in Schools of Greenville County (CIS of Greenville County), noted that no single organization can solve serious social problems and bring about complex social change; making a real difference requires a collective impact strategy. SIF pushed local investors to think more deeply and strategically about how to address their community's problems at scale, and funder commitment to the SIF grantees helped keep funders working together. Match funders did note two drawbacks to collaboration: the time and energy required to ensure success and the potential loss of name recognition for individual organizations.

"We didn't all go to school to learn how to sit around the table with multiple stakeholders and keep ourselves at the table and work through... very different views of how we reach certain goals... The SIF grant provided us a platform for putting that issue on the table [to] peel back the onion and ask ourselves questions around how we partner together more collectively with our various stakeholders."

—Gage Weekes, Hollingsworth Funds, Inc.

One additional effect of collaboration among funders was the impact of shared commitment on risk taking. Match funders noted that sharing the risk with like-minded funders was reassuring and empowered them to take more risk than they otherwise might have in making funding decisions.

Recommendations for motivating match funder participation in the SIF program:

- Communicate to match funders how participation in the SIF can leverage federal funds for the projects they care about. Note especially how developing an evidence base can help successful projects scale and expand to new communities with federal support once they are shown to be effective.
- Highlight the value and credibility that the SIF's rigorous selection process conveys.

- Emphasize that by working with a SIF grantee/subgrantee, match funders have an extra level of assurance about the quality of the projects.
- Underscore the benefits of connecting with other funders and grantee organizations that share similar concerns to strive for broader collective impact. The investments of time and energy these relationships require are well worth the effort.

4. Role of Funders

Match funders, by definition, play an important financial role in supporting SIF projects. Some intentionally take a hands-off approach to their funding, however. For example, the Saint Joseph Mercy Health System noted that their organization had an established relationship with Avalon Housing, a subgrantee to CSH, and a high level of trust in Avalon’s ability to deliver. Based on that history, they took a fairly hands-off approach, trusting Avalon to do what they do best. Some of EMCF’s philanthropic partners also preferred to serve strictly as funding sources, without taking part in day-to-day oversight. These funders appreciated the co-investor model in which EMCF’s grants management role ensured quality subgrantee projects without the need for them to invest their staff time and resources.

But an emerging trend noted was for funders to take a much more active role. Greenville Partnership for Philanthropy, which coordinated co-investor efforts that supported grantee United Way of Greenville County, noted a shift from funders who traditionally provided financing and stepped back, to an evolving funding community where different partners bring a variety of strengths to a broader community partnership. Interviews for this issue brief revealed that match funders who choose to engage beyond financial contributions most often play roles in forging community connections, inspiring policy changes, building grantee capacity, and helping grantees generate additional financial resources

“If you want it to be successful... the money is almost the last thing on the list that you need to be prepared to invest... To make it really be all it can be, it's got to be your time, your thought, your passion, your communication, your other networks that you can leverage.”

–Katy Smith, Greenville Partnership for Philanthropy

4.1 Helping Grantees Obtain Financial Resources

For SIF grantees/subgrantees, fund-raising is an on-going responsibility. Grantees/subgrantees were expected to make significant efforts to identify additional match funding from new sources to cover their match costs in later years of the program, as well as to develop a sustainable funding stream to carry the work beyond the end of the SIF funding period. When subgrantees struggled to raise these funds, some grantees and match funders took responsibility for helping the subgrantees meet their match requirements. For example, the Hollingsworth Fund, as part of the co-investor group that supported subgrantee CIS of Greenville County, decided during the SIF application process to commit the match money up front, even before the final partners were selected, to ensure that the need to locate match funding would not be an issue.

The Wallace Foundation, which supported EMCF’s subgrantee WINGS for Kids, believes philanthropies should invest additional funds to support crucial activities that cannot be paid for with public funding or match dollars. EMCF concurred, noting that an effective project may require significant funding for activities such as advocacy and fundraising that federal guidelines restrict. To address this gap, EMCF contributed unrestricted funds to many of its subgrantees outside of the federal award.

As grantees/subgrantees reach the end of their SIF funding, pressure mounts to replace the SIF portion of the budget to keep the project operational, and some match funders have helped underwrite this transition from the initial SIF funding. Grantees/ subgrantees noted that their partners opened doors, introducing them to potential funders and vouching for the quality of their projects. This support enabled them to become acquainted with funders with whom they otherwise might never have connected or secured a meeting.

Funders used various strategies to link their grantees/subgrantees to new funding sources. One-on-one introductions helped, but funders also organized stakeholder meetings and other learning opportunities, offering a space for grantees/subgrantees to exchange ideas and experiences with funders. Subgrantee CIS of Greenville County, for example, reported that their match funder opened doors by creating opportunities (such as convenings) in which CIS of Greenville County had the opportunity to present their work to new philanthropic organizations. This type of access-generation was magnified as co-investors made connections beyond the circle of contacts available to the original match funders. Greenville co-investor group GPP provided subgrantees with business technical assistance and brought media attention to the project, which helped open doors to other potential funding sources. Similarly, in a health and homelessness project, grantee CSH worked to secure endorsements from well-known funders, which helped raise the profile of the grantee/subgrantee initiatives and gave them a valuable stamp of approval.

4.2 Helping Grantees Forge Community Connections

In addition to financial connections, match funders can sometimes forge community connections that make an enormous difference to the impact of grantee projects. Match funder roles may include introducing grantees/subgrantees to key contacts or participating in stakeholder groups to collaborate on the problem at hand.

One example of a funder helping forge community connections involved SIF subgrantee WINGS for Kids, which provides a social and emotional learning curriculum for economically disadvantaged students in elementary school aftercare settings. Knowing that introducing the curriculum to a new town where WINGS was an unknown entity could be challenging, the organization turned to one of their match funders, the Rainwater Charitable Foundation. The Rainwater Charitable Foundation initiated a conversation with the school superintendent, helping WINGS establish a solid relationship with the school district from the outset. They brokered an agreement to allow WINGS to offer the curriculum in one of the district's schools and secured a financial commitment from the district.

"They might not be adding dollars necessarily, but they might be leveraging influence to make things happen that we don't have when we stand alone."

—Susie Smith, Communities in Schools of Greenville County

EMCF realized a similar outcome when a co-funder supported scale-up in a new community. According to EMCF, the funder served as a connector to help the subgrantee Center for Employment Opportunities put down roots in the new community, and facilitated connections with the governor, head of corrections, school superintendent, mayor, business community, and other large funders.

Match funders also can help grantees/subgrantees by playing a role in communities of practice or advisory committees that bring together the expertise of strategic partners. Grantee CSH works with an advisory committee of funders, partners from housing and homelessness agencies, and healthcare

organizations. CSH reports that with all the partners and stakeholders at the table, they have achieved a great deal in terms of enhancing mutual understanding and identifying different ways to spin off new opportunities to work together—a process that would not be taking place without the active engagement of the match partners. The Hollingsworth Funds, Inc., a match funder, also highlighted the importance of funder engagement in these joint efforts and noted that the SIF grant has become a platform for placing an issue on the table and involving stakeholders in tackling the question of how to address it.

4.3 Promoting Systems Change

Some grantees have established relationships with their funders that transcend the scope of the SIF project, and count on those funders to speak to the broader community about the benefits of systems changes. CSH reported seeking to strike a balance between realizing on-the-ground change in the lives of their clients and building evidence to support systems change and policy reforms. They noted that when match funders speak out about the value of the CSH model, independent of the SIF project, they can attract support among audiences CSH is typically unable to reach.

The Hollingsworth Funds, Inc. also emphasized the importance of connecting individual SIF program efforts to a broader conversation about systems change, noting that, despite the expertise that SIF grantees bring to implementing their projects, at the end of the day only government agencies have the resources to achieve a fundamental impact on broader community outcomes. Match partners have helped showcase the work of SIF grantees beyond the SIF project and generate interest in their interventions.

“Match funders... don't want to just invest in something for five years. They want to have this five-year investment make lasting systems change. That's what we're able to do together.”

—Sarah Gallagher, Corporation for Supportive Housing

4.4 Building Capacity

In addition to helping grantees/subgrantees obtain financial resources and forge community connections, some match funders played an active role in building grantee/subgrantee capacity. For example, when WINGS for Kids encountered issues analyzing power in a randomized control trial, their match funders stepped in to provide the necessary analytic support. Wallace Foundation also provided feedback to WINGS on ways to communicate results and disseminate learnings. Subgrantee CIS of Greenville County noted that although grantees “wear the boots on the ground,” often their match funders help find ways to address issues such as a need for volunteers or more media attention. Similarly, if they see grantees facing challenges, SIF grantee and match funder EMCF steps in with support such as executive coaching, executive search capabilities, development consulting, or business planning consulting.

Another role that funders have played in SIF projects is to offer their expertise, leadership, and guidance. Co-investor organization GPP, for example, found that the SIF offered a platform from which to consider how best to build the capacity of local organizations, translating national trends and best practices into concrete tools to develop the capacity of subgrantees and the philanthropic community at large. CSH also benefitted from thoughtful contributions from match funders as CSH sought to translate their customary housing stability measures into measures that fit the health care sector with which they were partnering.

Match funders also can step back and offer a broader perspective to subgrantees. CIS of Greenville County, for example, found that match funders helped guide their vision by providing a business

perspective on what the project could look like in 10 years. Securing funder engagement in planning ways to keep the project operating has been a valuable assist in developing a sustainability strategy.

Recommendations for match funder roles:

- Open doors to help grantees/subgrantees connect with other funders interested in their project's mission and values.
- Provide additional and separate unrestricted resources to organizations receiving SIF grants to address gaps or specific needs that SIF grants cannot.
- Serve as a connector within the community, applying the influence of the philanthropic sector to convene the various parties whose support and involvement will be essential for the project's success.
- Exercise the voice of the philanthropic sector to champion policy changes based on the evidence the SIF program generates.
- Help grantees recognize areas of weakness and offer non-financial capacity building as needed in skills ranging from evaluation, to media relations, to executive development.

5. Sustaining Funder Involvement

New SIF projects can provide exciting opportunities for funders because they are novel, have promising evidence of effectiveness, and leverage substantial federal resources. Over the years, however, the novelty may wear off, and even with evidence of effectiveness, SIF grantees often find it harder to obtain the required match funding during the later stages of the project. Even more challenging: at the end of the SIF grant—sometimes referred to as “The SIF Cliff”—grantees face the daunting task of replacing the SIF funding to keep the project operating.

Grantees observed that sustaining funder involvement cannot be a cookie-cutter process. Each funder is unique, with its own preferences and priorities. For example, the interests and priorities of national funders may center on addressing systemic social problems, but smaller, local foundations may prefer to keep their philanthropic funds in a specific community. Those interviewed pointed out that engaging funders around the issues that matter most to them is critical to sustaining their involvement. Grantees/subgrantees and funders offered a range of ideas for engaging funders in ways that sustain their interest and commitment over the longer term. These included learning together from evidence, and building communities that link funders and grantees through a common purpose.

5.1 Learning from evidence

One effective tool for engaging funders was to involve them in the evaluation component of the SIF. Grantees/subgrantees noted that not all evaluation results show glowing progress. Grantees and funders with strong, established relationships have found it possible to work through those situations. CIS of Greenville County, for example, acknowledged that if evaluation results suggested that the project was not functioning as anticipated, the funder would take notice. But what matters, they argue, is to ensure the

“There sometimes is that jump to that thumbs up-thumbs down conclusion on evaluation. These folks just didn't do that at all. They really looked at it as, “Well, what can we learn from this and make improvements for the kids?”

–Teresa Power, Edna McConnell Clark Foundation

funder knows that the project is monitoring what is happening and implementing mid-course corrections. In fact, disclosing less-than-stellar results and proposed improvements enhances grantee credibility, giving the funder confidence in the grantee's transparency and commitment to continuous improvement.

Other funders echoed these sentiments. Melville Charitable Trust noted that that it is okay to fail, so long as everyone is willing to step back to analyze the correlation between the failure, the project, and its contexts, and determine what to do going forward. In the same vein, EMCF pointed out that evaluation is a tool, not an end, and findings less glowing than the grantee had hoped for yield vital information leading to adjustments. For example, when EMCF grantee BELL (Building Educated Leaders for Life) extended a project from elementary to middle school, early results were less successful than they were when the project focused on the lower grades. This finding triggered a constructive, sustained partnership, in which the subgrantee, EMCF, the match funders, and the evaluator all worked together to assess the situation. This cooperative process led to significant learning about differences between middle school and elementary school populations and ways to reconfigure the middle school project.

5.2 Building Communities with a Shared Purpose

As noted in section 3.3, some funders were initially motivated to support a SIF grantee/subgrantee because of the perceived benefits of collaborating with others concerned about the same issues. However, community building was also identified as an important tool for *sustaining* the link between funders and grantees/subgrantees over time. For many funders, the only required interactions between funder and grantee are periodic written activity reports. Grantees/subgrantees found, however, that more active engagement helped sustain funder interest, and the match funders interviewed for this issue brief appreciated grantee efforts to keep them connected with the project. Although specific engagement strategies are developed on a case-by-case basis, the goals of these interactions are to update funders on progress, invite them to participate in events that build pride in the project's accomplishments, and communicate information about ways the project is achieving the funder's goals.

One key to effectively engaging funders, according to the United Way of Greenville County, is to avoid the temptation to narrowly emphasize what the grantee/subgrantee wants the funder to know. Instead, it is more valuable to devote time to understanding the funder, their main concerns, their view of community needs, and their funding priorities.

Most often, the community building process involved regular meetings to facilitate the exchange of ideas, whether through co-investor meetings, advisory groups, or convenings. Grantee CSH, for example, used its advisory group as a place to discuss challenges and successes and learn from group members with different experiences and perspectives. The advisory group helped amplify CSH's message among other funders and partners. In addition to initiating meetings, CSH kept the group informed of progress through regular communication and updates by email, telephone calls, invitations to grantee convenings, and personal, individual contacts.

Subgrantee WINGS for Kids engaged more traditionally hands-off donors by establishing bi-weekly check-in calls, inviting them to quarterly sessions with a group of national funders, and encouraging them to participate in evaluation advisory meetings. These steps gave the funders avenues to offer their ideas and insights, deepen their ties with other funders, and better understand how nonprofits can effectively undertake and learn from evaluations. Similarly, EMCF brought co-investors and subgrantees

together for a retreat. They found the more relaxed, extended time frame a worthwhile opportunity for group members to get to know each other.

Grantee CSH engaged and informed funders through activities such as a forum, a site visit for a first-hand view of operations, and a celebration and convening featuring the Governor of Connecticut. CSH found that these efforts paid off in terms of donor commitment, securing other collaborating organizations, and advancing a policy agenda that will support CSH's efforts.

Some of those interviewed noted that belonging to a select group working toward a common goal was a source of pride for funders and grantees alike, and that funders like to do things with colleagues whom they know and respect. The accountability that comes with belonging to a group also pressures group members to look at their roles more critically, take more risks in their funding decisions, and come up with creative ways to meet the needs and priorities of their communities. Finally, funders pointed out one additional important ingredient: the meetings were fun, allowing participants to interact with colleagues, impart ideas, and strategize about priorities in meaningful and supportive ways.

Recommendations to increase and maintain funder engagement:

- Look for opportunities to share evidence and collaborate with funders to assess its significance for expanding and/or improving the project.
- Identify opportunities to share successes with funders and other stakeholders, providing meaningful and actionable information.
- Catalyze efforts to bring funders, grantees/subgrantees, and community leaders and organizations together to create learning communities that support a common mission.

6. Conclusion

The match funders interviewed for this issue brief were excited about the contributions that their funds were making possible under the SIF, as their grantees and subgrantees executed and evaluated projects in fields that advanced the missions of the match funders. They also valued what their organizations were gaining from the experience, not only in terms of learning what works in the field, but also in forming connections with colleagues who had similar missions and partnering for greater impact. Grantees and subgrantees depended on funders as the source of their required match contributions, but those interviewed also indicated that cultivating a strong relationship with match funders brought support in a variety of other ways that advanced the project, the organization, and the mission. Those interviewed concluded that the investment of time and energy to build and sustain relationships—across the philanthropic community and between staff and their match funders—was well worth the effort.

About This Issue Brief

The National Assessment is sponsored by the Corporation for National and Community Service's Office of Research and Evaluation and conducted by ICF International. This issue brief was informed by conversations with representatives of three SIF Classic grantees, their subgrantees, and five match funders:

- Sarah Gallagher, Corporation for Supportive Housing (2011 grantee); Janice Elliott, Melville Charitable Trust (grantee match funder); Carole McCabe, Avalon Housing (subgrantee); and Michael Miller, Saint Joseph Mercy Health System (subgrantee match funder)
- Chuck Harris and Teresa Power, Edna McConnell Clark Foundation (2010 grantee, self-funded match funder); Bridget Laird, WINGS for Kids (subgrantee); and Claudia DeMegret, Wallace Foundation (subgrantee match funder)
- Tobi Kinsell, United Way of Greenville County (2014 grantee); Katy Smith, Greenville Partnership for Philanthropy (grantee match funder); Susi Smith, Communities in Schools of Greenville County (subgrantee); and Gage Weekes, Hollingsworth Funds, Inc. (subgrantee match funder)

About The Social Innovation Fund

The Social Innovation Fund, an initiative of the Corporation for National and Community Service (CNCS) under the Edward M. Kennedy Serve America Act, is a new approach by the federal government to address urgent national challenges. The fund mobilizes public and private resources to grow the impact of promising, innovative community-based solutions that have evidence of compelling results in three areas of priority need: economic opportunity, healthy futures, and youth development.

The operating model of the SIF is distinguished by the following six elements:

Innovation | Evidence | Scale | Grantmakers | Match | Knowledge Sharing

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