

Weingart Foundation

Our Commitment to Underserved Communities

February 2012

Building the Capacity of Community-based Organizations in Underserved Communities

Introduction

In 2008, the Weingart Foundation developed an initiative with several components aimed at increasing our effectiveness in creating access, building capacity, and supporting leadership development among grassroots and minority-led organizations serving low-income communities throughout Southern California. This is the third report on our grantmaking activities related to this initiative.

A Report on Our Grantmaking

To address the key issues of building capacity and supporting leadership development among minority-led and grassroots organizations, the Weingart Foundation undertook several new approaches and deepened commitments to established grantmaking programs.

Enhancements to the Small Grant Program

One of the primary objectives of the Foundation's Small Grant Program (SGP) has been to serve as an access point for small, grassroots, and emerging organizations that have not previously received funding from the Foundation, which makes it a valuable component of our grantmaking activities. The Foundation has continued to expand the SGP while maintaining its focus on small, community-based, and developing organizations. Organizations can receive unrestricted general operating support, program, equipment and capacity building grants up to \$25,000, reflecting a substantial increase from the maximum grant of \$10,000 available through the SGP in 2008.

In fiscal year 2011, the Foundation made 201 grants totaling \$2.3 million through the SGP. This represents 33 more grants and \$400,000 more than was awarded through the SGP in the previous fiscal year, and 117 more grants and \$1.5 million more than was awarded prior to the Program's enhancements in FY2008. This level of growth in the SGP exceeds the \$1 million increase in grantmaking through the SGP that the Foundation anticipated during the planning of the expansion in 2008.

The SGP grantees are a strong reflection of priorities and goals of the Program. Ninety-five percent of grant dollars awarded through the SGP in FY2011 went to agencies specifically addressing the needs of low-income and underserved individuals and communities with the remaining five percent of grant funds supporting socio-economically diverse populations, which also includes low-income individuals. Sixty percent of the organizations funded through the SGP had operating budgets under \$500,000 and 42 percent were first time grantees. Fifty-nine percent of grant dollars were awarded for unrestricted General Operating Support, which was not available to SGP grantees in 2008.

As noted above, there were over 200 grantees of the SGP last year representing a broad diversity of organizations and innovative projects. Many of these agencies were also new to the Foundation, such as **Mixteco/Indigena Community Organizing Project**. This small organization is dedicated to the empowerment of the marginalized Oaxacan immigrant community in Ventura County, who we supported with a \$15,000 General Operating Support grant. The Foundation also supported an innovative leadership development initiative for Black men and boys in South Los Angeles, **Ethical Leadership in Local Communities (ELLC)**, with a \$15,000 grant for the first phase of its development. The ELLC collaborative is an effort between Morehouse College and a coalition of six well-respected South Los Angeles organizations (**Brotherhood Crusade, Community Coalition, Los Angeles Urban League, SEIU-ULTCW, Watts Healthcare Corporation and West Angeles Community Development Corporation**) with the goal of developing a model pipeline leadership program for young males of color.

In addition, the Foundation provided a second \$25,000 grant to the **Grassroots Institute for Fundraising Training**, a multiracial organization and partner in CompassPoint's Fundraising Academy, that promotes the connection between fundraising, social justice and movement-building.

Community-based partnerships

In 2009, the Foundation launched its Targeted Capacity Building Program. This program was developed with the recognition that our outreach efforts in the past had not been sufficient to reach many small, community-based organizations providing important services in marginalized communities. Therefore, we turned to agencies that had deep roots and respect in selected underserved communities to partner in this effort. Through these partnerships, the Foundation is funding agencies to identify and provide tailored technical assistance to leaders of small nonprofits in their local communities that have not received funding from Weingart Foundation.

The Program launched with a partnership with **Community Coalition** in South Los Angeles, then moved to East Los Angeles with a partnership with **East Los Angeles Community Corporation** in East Los Angeles, then to the **San Bernardino Capacity Building Consortium** for San Bernardino County, and **Valley Nonprofit Resources** to target the northeast San Fernando Valley. In 2011, the **Community Foundation Serving San Bernardino and Riverside** became the latest partner targeting Riverside County. Each organization received between \$150,000 and \$200,000 to implement their capacity building projects for one to two years. Through these partnerships, we expect that new and emerging nonprofits will be better prepared to apply for foundation funding. In addition, we will have a deeper understanding of nonprofit leaders and the needs of these geographic regions. This level of funding (\$800,000 total to the partner agencies) far exceeds the estimated \$250,000+ the Foundation projected awarding through the Program when it was first conceived.

Regranting and leadership development for minority-led organizations. In 2009, the Weingart Foundation and The California Wellness Foundation each awarded \$1 million to the **Liberty Hill**

Foundation to establish a \$2 million regranting project over two years. The project was focused on providing capacity building grants and technical assistance to small (less than \$2 million annual operating budgets), grassroots, minority-led organizations in Los Angeles County. As we reported in 2010, the Weingart Foundation and The California Wellness Foundation renewed their two-year funding commitment with grants of \$500,000 each to continue to provide Los Angeles County minority-led organizations with the opportunity to access grants and technical assistance administered by Liberty Hill Foundation. In addition, in November 2011, an evaluation report from Harder+Company was released that assesses the impact of the \$2 million grants on both Liberty Hill and the 42 small nonprofits that received funding and technical assistance. The report indicates that this type of regranting project can have significant positive outcomes for small, grassroots nonprofits that primarily serve ethnic minority communities. In addition, both foundations are encouraged to use this type of regranting to reach small, grassroots nonprofits for capacity building activities. The full report is available to download on the Foundation's website at <http://www.weingartfnd.org/capacity-building-for-minorityled-and-minority-serving-organizations>.

Core Support

The Foundation continues to prioritize flexible, unrestricted core support grants to nonprofits experiencing ongoing demand for essential services. In FY2011, 120 organizations received core support grants totaling \$16.3 million with the average grant award of approximately \$135,000 over two years. Eighty-six percent of these grant dollars focused on the needs of low-income and underserved individuals and communities with the remaining portion awarded to organizations serving a mixed income population, which also includes low-income individuals. In 2012, we will continue our focus on improving the capacity of nonprofit organizations to meet increased demands for service with limited resources. We believe the best way to do this is through unrestricted general operating support grants and explicitly funding carefully developed capacity building projects and programs. In this regard, the leadership of the Foundation has made numerous presentations to other foundations in recent years to consider the adoption of these strategies in their grantmaking programs.

Information Exchange

In 2010, the Foundation released a comprehensive, multi-faceted capacity building study, *Fortifying LA's Nonprofit Organizations: Capacity-Building Needs and Services in Los Angeles County*. The Report includes a critical review of our own grantmaking, as well as research on capacity building needs in the Los Angeles region. The Report's release was followed by a number of presentations to the philanthropic and nonprofit communities, which generated significant discussion and enthusiasm. Among the many findings of the report that were discussed, of special interest to the various stakeholders was the identified need for a capacity-building information and referral exchange for nonprofits. This resource would provide needs assessment and referrals for high-quality, place based, culturally competent, capacity building services. As a result, Weingart Foundation, in partnership with nine other foundations, agreed to support a \$100,000 planning grant for a comprehensive plan to develop an innovative Information Exchange for capacity building services for Los Angeles County nonprofit organizations. The planning grant RFP was released on July 15, 2011 and six proposals were

received by the October 28, 2011 deadline. The planning grant will be awarded in February 2012.

Future Plans

Although we will continue to provide support for capital, programs and capacity building needs, the Foundation's responsive grant programs will remain focused on providing unrestricted core support funding. The Foundation's grantmaking priorities will also include our Small Grant Program with a focus on increasing the average size and impact of each award. In addition, as we hoped, our partnership with the Liberty Hill Foundation and the expansion of the SGP has led to an increase in requests from, and funding to, smaller community organizing and advocacy agencies, a trend we anticipate will continue.

The Weingart Foundation remains committed to the work we began in 2008 while also continuing to identify more effective ways to meet the needs of the diverse communities of Southern California. The Foundation has tremendous respect for the work of the nonprofit organizations we support, and will continue to work to build better and stronger communities throughout the region.