

# **LEADING WITH CORE SUPPORT:**

## **An Assessment of Weingart Foundation's Core Support Grantmaking**

A Report Presented to  
Weingart Foundation  
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We wish to thank the many grantees of Weingart Foundation who took time to provide interesting and insightful comments about working with core support, even as the holidays were fast approaching. We would also like to thank the Weingart Foundation staff, who are always unusually helpful, thoughtful, and responsive in the way they work with consultants as well as their grantees.

## Executive Summary

### LEADING WITH CORE SUPPORT: An Assessment of the Weingart Foundation's Core Support Grantmaking

The Weingart Foundation (WF) made its first core support grants in February 2009. With a significant number of core support grants now closed, it is possible for the first time to assess grantees' experiences and achievements with core support. This report examines the experiences of a sample of 57 early core support grants to organizations that are mid-sized and large (median budget of \$3.2 million) and quite well established (median age is 28 years). Most are recipients of prior Weingart Foundation grants. The evaluation focuses on the application process, the perceived value of core support grants, their impact, and the future need for core support funding.

Many grantees experienced the application process for core support to be slightly more time consuming, challenging – and useful – than applying for other types of grants. They explained that the focus on the agency as a whole rather than one of its programs or a capital need caused them to conduct a deeper, broader analysis than they conduct for other grant applications. It also changed the nature of the conversation during site visits to one that encompassed the organizations' overall strategies for moving into the future. For most nonprofits, the changed nature of the application process was a positive challenge. Many explained that the support and technical assistance provided by WF staff helped them understand core support and develop appropriate proposals.

Grantees highly valued core support grants. Because this cohort of grants was made at the height of the economic crisis, many grantees remarked on the extraordinary timeliness and responsiveness of the core support grants to the unanticipated needs they experienced as a result of the urgent economic context. They also valued the flexibility that enabled them to use the funds in their organizations where they were most needed. The fact that grants were relatively large and multi-year was also significant in the eyes of grantees. Many reported that these four factors of the core support grants – timely, flexible, significant in size, and multi-year – contributed significantly to building their capacity to weather the turbulent economic times.

The report uses the framework of stages of the nonprofit life cycle to describe the impact that core support grants have had on grantees' capacity to address their missions. Because these grants were awarded at the height of the recession, WF core support funds were used primarily to fund essential staff positions and cover overhead expenses such as rent and electricity thereby enabling agencies to either maintain capacity, rebound back from economic hits to regain prior capacity, or to adapt to a new funding and service landscape.

Core support grant recipients point out that by offering unrestricted funding, the Weingart Foundation is providing very affirmative and much needed leadership in the funding community that legitimizes their needs for funding to support overhead costs and demonstrates trust in nonprofits' ability to direct funds to where they are needed most. They also report that they will need core support grants beyond recovery from the Great Recession and encourage WF to continue its leadership role in the funding community by influencing other funders to also provide much-needed core support.

As it considers the future of core support at the Weingart Foundation, Learning Partnerships makes several fine-tuning suggestions. These include recognizing the capacity building nature of core support by integrating at least one capacity building objective as part of the Foundation's core support grantmaking. The WF may also wish to consider additional ways to exercise leadership in the foundation community to advocate for core support in addition to the "leading by doing" leadership role that it has taken to date.

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I. Introduction

In November 2008, the Weingart Foundation (WF) added core support funding to its menu of grant types available to safety net organizations. In June 2009, the Weingart Foundation Board extended the availability of core support beyond safety net organizations to all grantees eligible for its Regular Grant Program grants. Since that time, approximately 60 percent of the Foundation's grant dollars have been for core support<sup>1</sup>.

Three years have now passed since the Foundation made its first core support grants and the early core support grants have closed. In keeping with its commitment to conduct strategic assessments of its grantmaking and the experiences of its grantees, the Weingart Foundation retained Learning Partnerships to assess its core support grantmaking. This report does that by focusing on both processes – the experiences of grantees applying for and working with core support grants – and outcomes. Outcomes include how core support grants have been used by grantees and the impact that they have had on the nonprofits that received them.

Core support is unrestricted funding that enables an organization to carry out its mission. It can be used to underwrite administrative infrastructure and/or to maintain core programs and essential staff.  
(Weingart Foundation Website)

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<sup>1</sup> This figure is taken from a Memo to the Board of Directors from Belen Vargas, February 18, 2011

There are two important contexts that frame this assessment. The first is the economic context. The Weingart Foundation initiated its core support grantmaking at the height of the global economic crisis that triggered the lingering Great Recession that three years later continues to create economic uncertainty including some profound shifts in funding for many nonprofits.

For many nonprofits, the effects of decreases in the different categories of giving are cumulative and most Weingart Foundation core support grantees reported losing at least 10% of their incomes either just prior to or after they received WF core support grants, with some losing much more.

Weathering economic hard times is thus woven into the experience and impact of core support grants for nonprofits during the time period that their Weingart Foundation core support grants were active, and grantees have many valuable observations and insights about how they have weathered the economic turbulence. In order not to limit our understanding of core support grants to times of economic trouble, grantees were also asked to consider core support and its value in a more stable economy.

The second important backdrop for this report is the philanthropic context. In offering core support grants, the Weingart Foundation is playing an important leadership role among foundations not only in southern California but nationally. During the period of time that Learning Partnerships was interviewing core support grantees for this study, an article was published in the *Wall Street Journal* that was referred to by a number of grantees<sup>2</sup>.

This article refers to nonprofits' overhead or administrative costs as a "third rail" in donor-grantee relationships, a topic so difficult to approach that many donors and nonprofits skirt around the topic of administrative costs in their grant-related discussions and negotiations. The result of this tacit agreement to minimize or even ignore overhead costs<sup>3</sup>, this article points out, is that overhead costs are not adequately funded and nonprofits experience a "cycle of starvation" that can hobble their long-term capacity and viability<sup>4</sup>.

In contrast, core support grants and the discussions that are part of the Weingart Foundation's due diligence process – as this report will describe – directly address this

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<sup>2</sup> Dagher, Theresa, "The 'Third Rail' of Nonprofits: Overhead," *The Wall Street Journal*, November 26, 2011.

<sup>3</sup> We use administrative and overhead costs synonymously to refer to organizational infrastructure and staffing costs focused on the nonprofit organization as a whole rather than on one of its programs or services.

<sup>4</sup>The *Wall Street Journal* article draws heavily from an article, "The Donor-Grantee Trap," by Thomas Tierney and Richard Steele that helped popularize the notion of the "starvation cycle." The article was published internally by the Bridgespan Group and was last referenced at <http://www.givesmart.org/grantees/The-Donor-Grantee-Trap.aspx> in January 2012. The original article, "The Starvation Cycle" by Ann Goggins Gregory and Don Howard of the Bridgespan Group appeared in the fall 2009 publication of the *Stanford Social Innovation Review* last referenced at [http://www.ssireview.org/articles/entry/the\\_nonprofit\\_starvation\\_cycle/The Nonprofit Starvation Cycle](http://www.ssireview.org/articles/entry/the_nonprofit_starvation_cycle/The Nonprofit Starvation Cycle) in February 2012.

“third rail” of organizational overhead. The Weingart Foundation is providing leadership that, the *Wall Street Journal* articles points out, is much needed to help both nonprofits and funders change funding practices that, by ignoring the true costs of doing business, undermine the sustainability of many key nonprofit organizations. Whereas reports critical about philanthropic practices in general and responses to the economic down-turn in particular often point to foundations’ failure to give nonprofits what they need<sup>5</sup>, the Weingart Foundation has been singled out for its responsiveness to its grantseeking constituents, and in particular for offering generous amounts of core support<sup>6</sup>.

With these contexts in mind, the Weingart Foundation is playing a leadership role not only in providing core support grants, but in evaluating them as well. In fact, some foundations say that they do not make core support grants because they cannot evaluate them. In contrast, the Weingart Foundation core support grants include objectives that both structure the grant and allow them to be evaluated. Thus, the evaluation that follows is among the few evaluations that has been conducted on core support grants.

Two more points are important to note at the outset of this evaluation. This study of core support grants is cross-programmatic and therefore does not describe the results of core funding within health, education, or human services. It is also important to note that core support grants have evolved at the Weingart Foundation since the approximately three years since these grants were made. We considered it important that the grantees included in this report had submitted final reports in order to see the impact of core support. At the same time it is worth noting that, because of the continuing evolution of core support grantmaking, not all observations about the grants in this assessment will necessarily apply to grants made more recently.

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<sup>5</sup> See, for example, “A Time of Need: Nonprofits Report Poor Communication and Little Help from Foundations During Time of Economic Downturn,” by Shahryar Minhas and Ellie Bateau, PhD, Center for Effective Philanthropy, last accessed at: [http://www.effectivephilanthropy.org/assets/pdfs/CEP\\_DatainAction\\_ATimeofNeed.pdf](http://www.effectivephilanthropy.org/assets/pdfs/CEP_DatainAction_ATimeofNeed.pdf) on January 17, 2012.

<sup>6</sup> Weingart Foundation is cited for increasing its core support grantmaking in “Smarter Grantmaking in Challenging Economic Times: Insights for Foundation Leaders,” published by Grantmakers for Effective Organizations (GEO), available on GEO’s website and last accessed at <http://www.geofunders.org/publications> on January 17, 2012.

## II. Research Methods

### A. The Sample

The sample of core support grantees used for this report consists of 57 nonprofits awarded grants that had recently ended when the study was conducted in November and December, 2011. The grants were made between September and December, 2009. We refer to this group of grants as the study sample. Key characteristics of these organizations and their grants are described below<sup>7</sup>.

STUDY SAMPLE	Median	Average
Budget Size	\$3.2 million	\$5.4 million
Age	28 years	37 years
Number of FTEs	24	64
Number of Prior Grants	4	5.4
Grant Size	\$150,000	\$131,598

Core support grantees in the study sample are midsized to large organizations with median budgets over \$3 million and a staff size of 24 full-time equivalent employees. With a mean organizational age of 28 years, they are also well-established. The sample contains a few new grantees to the Weingart Foundation (5 grantees), though most had received prior grants (a median of 4) from the Weingart Foundation. The typical size grant was \$150,000 over two years.

### B. Research Approach

Learning Partnerships used three primary methods to understand processes and impacts related to core support that include both quantitative and qualitative measures.

1. *Document review and analysis.* Weingart Foundation staff provided Learning Partnerships (LP) with grant files for the 57 grantees in the Study Sample. The files consisted of more than 1000 pages of proposals, write-ups, and progress and final reports. These were read, reviewed, and analyzed by the Learning Partnership team.

2. *Semi-structured interviews.* Aiming to interview grantees representing a range of budget sizes and geographic locations, Learning Partnerships selected a pool of 25 grantees for more in-depth interviews and conducted interviews that averaged 30-45 minutes with the 19 grantees that responded. The interview protocol is included as Appendix 2. We

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<sup>7</sup> The September 2009 Weingart Foundation board meeting was the first meeting when the Core Support grants became 2-year grants and the first meeting to review applications from all focus areas. Prior to the September 2009 meeting, core support was limited to safety net applicants and grants were limited to 12 months.

chose to use semi-structured interviews to provide uniformity to the questions that each grantee would respond to, and yet leave plenty of opportunity for interviewees to provide input, reactions, and reflections that might not have been anticipated in the interview schedule.

3. *Regular Grant Surveys.* LP conducted surveys of the Weingart Foundation's Regular Grant Program grantees in February and June 2011. These surveys had been sent to a total of 114 grantees with grants approved between September 2010 and February 2011. Ninety-nine grantees completed the survey, and of these, 67 were core support grantees. We used these survey results to provide information about the experience of the Weingart Foundation's core support recipients in addition to that provided by the Study Sample.

#### C. Sample Comparability

As indicated above, this study is based primarily upon a sample of 57 core support grants made between September and December 2009 (the Study Sample). It also includes a subsample of grantees that were interviewed (the Interview Subsample) and the Survey Sample. To assure that each sample was comparable to the others and representative of the 211 core support grantees described in the February 2011 Board Memo, we compared the samples using some key descriptive variables. We present these comparisons among the slightly different samples of core support grantees in Appendix 3. These comparisons show that the three slightly different samples do not differ from each other in any important way.

#### D. Confidentiality

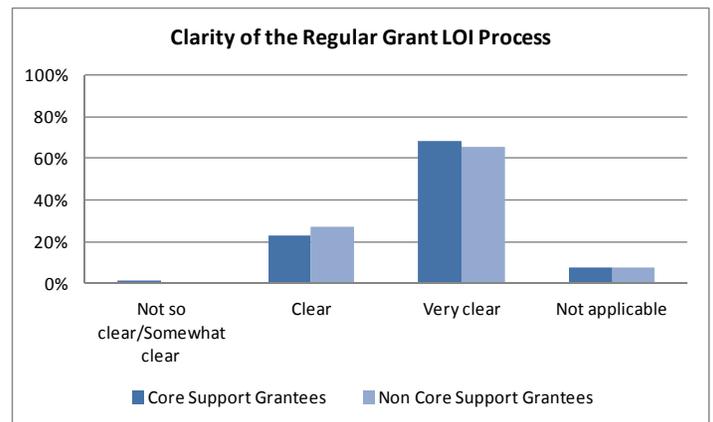
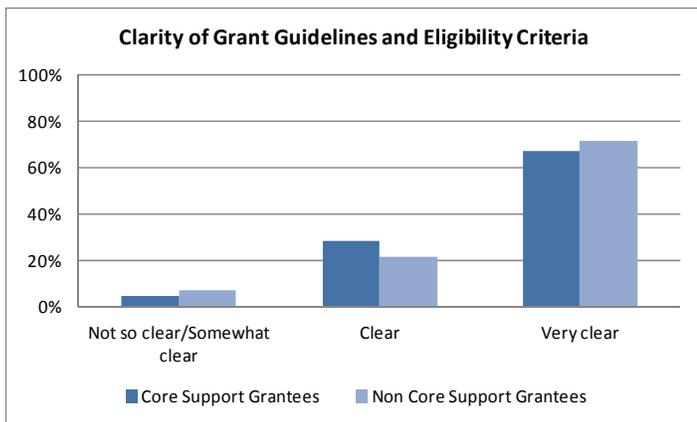
Each interview opened with an assurance that the interview was confidential and that no individual interviewees or their responses would be identified by name to the Weingart Foundation. Interviewers encouraged candor and emphasized that the intent of the interview – to learn about core support grants and their impact – was to provide feedback to Foundation staff, and that the Foundation was serious about soliciting feedback from which they can improve their practices. In Learning Partnerships' many years of experience interviewing foundation grant recipients, grantees are not shy about providing negative feedback when they have it, as it is in their best interest to help foundations develop practices that are truly helpful to them individually and to the nonprofit sector.

### III. Applying for and Reporting on Core Support Grants

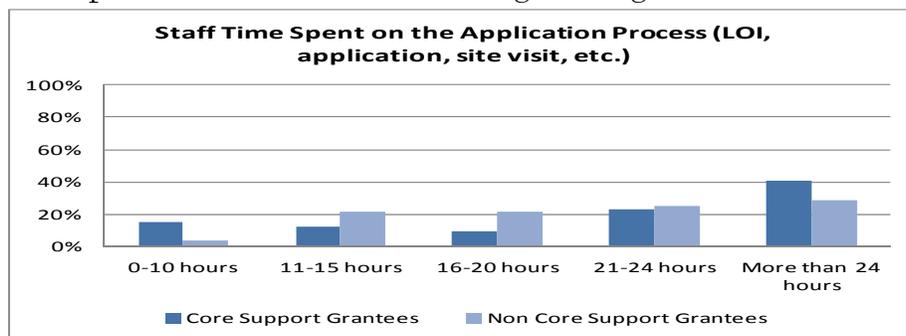
In this section we report on grantees’ experiences applying for and reporting on core support grants.

#### Applying for Core Support Grants: Clarity of the Application Process

The following two charts from the 2011 General Grant Surveys point out that most core support grant recipients found the grant guidelines and eligibility criteria for core support grants, as well as the LOI process, to be “very clear” or “clear.”<sup>8</sup> The high level of clarity for core support grantees appears very similar to “Non Core Support Grantees”<sup>9</sup>.



Core support grantees report that they spent somewhat more time on the application process than the recipients of other types of grants report. A possible explanation for this is that core support grants, as we describe in more detail below, require more attention to the organization as a whole than other types of grants, and many nonprofits have little experience writing grants that focus on their entire organizations. As grantees explain, this can be more demanding, thorough, and also more rewarding.



<sup>8</sup> While the exact reasons for answering “Not Applicable” are unclear, 5 Core Support and 2 Non Core Support Grantees answered not applicable when asked about the clarity of the LOI process. It is possible that these organizations did not go through the regular LOI process or the person who answered the survey was not the same person who worked on the LOI and was therefore not able to provide a knowledgeable response.

<sup>9</sup> “Non Core Support Grantees” is a category that combines grantees that received Weingart Foundation’s other types of grants: capacity building grants, capital grants, and program grants.

## Applying for Core Support Grants: The Continuum of Experience

Within the overall finding of clarity about the application process, interviews provided nuance about the experiences of core support grantees as they applied for their grants. The following chart presents a continuum of responses from “easy” to “difficult.” Although most responses fell on the “easy” end of the continuum, we have included quotations exemplifying responses at all points of the continuum.

### **Easy**

Organizations that have a longstanding relationship with the Weingart Foundation and that have sophisticated executive and/or grant writing staff were likely to find the process of applying for a core support grant easy.

- ▶ “It was one of the most uncomplicated and efficient processes.” (a health care organization)
- ▶ “There were no problems. This is a tribute to Weingart and the staff. They know us, they help, and they brainstorm. It’s so helpful and feels so collaborative. It’s a supportive process. Questions don’t seem to be intrusive or petty, the questions are to help them better understand. “ (a homeless service provider)

### **Moderate**

- ▶ “Because core operating support is so interchangeable with some of our programs, it was a little difficult to choose a focus.” (a basic needs organization)

### **Challenging in a Positive Way**

Many grantees reported that the Weingart Foundation in general, and especially for their core support grants, has a more rigorous, relational, and engaged application process than many of their other funders, and these qualities are perceived as positive.

- ▶ “It is a rigorous process, but rigorous in proportion to the level of the grant making. We have had unbelievable foundations that ask you to write a proposal for a \$1000 grant as if it is for \$100,000... but this is in proportion.” (a health care organization)
- ▶ “Weingart is very different process. It is much more in depth. Their program officers come out, do site visits, it goes to staff review, gets reviewed, and then goes to the Board” (a basic needs organization more accustomed to gifts than grants and working with small foundations)
- ▶ One grantee pointed out that the WF application process is so thorough that the application they developed for Weingart has become the template they have used for multiple other proposals.

### **Challenging in a Difficult Way**

Only a few organizations reported that the process of applying for a core support grant was challenging in a negative way. This small minority tended to be organizations that have relied mostly on government funding or who are more accustomed to receiving “gifts” than “grants.”

- ▶ “The application process was fairly difficult. The whole idea of a core support was different. (The fund development professional who was the interviewee for this organization reported that) The Executive Director kept asking, ‘How are we going to invoice this?’” (an organization that has relied strongly on government funding)
- ▶ A number of organizations made the point that the financial portion of the WF’s application process is especially challenging.

Despite gentle reminders by the interviewers that the interview was really meant to focus specifically on core support, respondents tended to speak about their overall experiences with the Weingart Foundation. Consequently, some of these comments are not specific to core support grants. This is likely a positive tendency; it reflects that applying for core support was more similar than different to grantees' overall experiences of working with the Weingart Foundation.

Core Support Conversations: Core support grants are different from other WF grants in that they have the entire organization as a focus rather than a specific program, capacity building activity, or capital need. Several applicants' comments about their conversations with program officers reflected this difference:

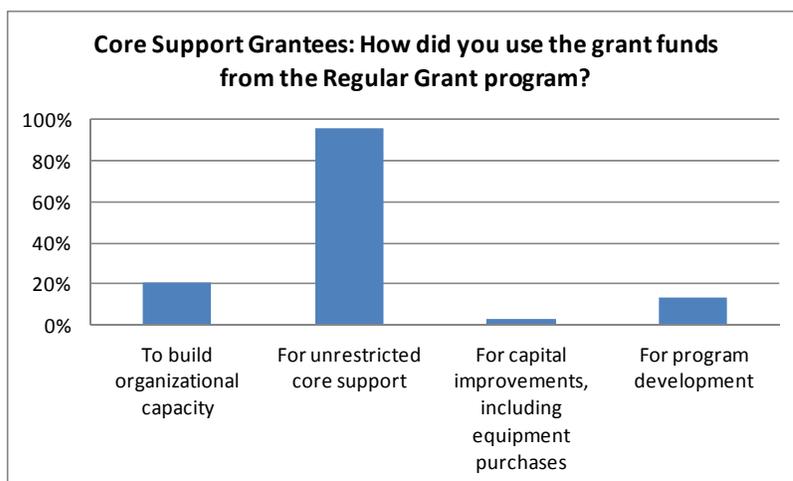
"It's a very different conversation. Many funders look at specific programs and fund what is trendy or sexy at the moment. What is trendy is often very different than what a nonprofit needs to be successful. In some ways, it's simpler and easier to pitch a specific program. You don't have to expose some of your fundamental challenges and budget concerns. When you are looking at the complete picture (for a core support grant), you look at what's happening agency-wide, and it allows for a conversation around strategic planning and sustainability." (A social service agency)

"With my program officer, it feels like it's 'What's the health of the organization?' It feels like an overall investment, more like speaking with an investor. We are showing our investor every nook and cranny. To be honest with you, it's much more fun. We have had just more to show off so it's good to talk about it. We want to show off their investment. They are interested in all aspects of our successes not just one program." (An educational services agency)

"Typically, conversations about program grants are limited to that program, although there may be some ancillary discussion about how that program is tied into the larger organization. Program officers generally walk away with an understanding of the program, not the agency in total, not macro influences that may influence the program 18 months from now. Having a conversation about the whole agency (as occurs when applying for core support) leaves the Program Officer with a greater understanding of the organization and its needs in total. It's a more conceptual conversation." (A housing agency)

For some applicants, the transparency and candor required to apply for core support grants can be surprising. One executive director of a basic needs organization very accustomed to applying for program grants explained, "I wasn't clear what they wanted us to tell them. Are we supposed to be looking good? Looking bad? We wanted to answer honestly but appropriately." This ambiguity was clarified through a number of in-depth conversations with the Weingart Foundation program officer with whom she was working. Agency staff members reported that they were both surprised and grateful for this high degree of engagement.

Core Support Objectives: Developing objectives for core support grants is different from other grants because the focus of core support includes the entire organization and is more open-ended as to where funds can be applied than are capacity building, capital, and program grants. The chart below points to the flexibility of core support grants.



Respondents to the Regular Grant survey were asked how they used their grant funds. The chart to the left shows that core support grantees reported that their funds were being used for multiple and very different purposes<sup>10</sup> – to build capacity, for capital improvements, and for program development as

well as for core support.<sup>11</sup>

Even with the greater flexibility of core support grants, most organizations reported that it was not challenging to identify objectives. Many grantees who reported that they had little or no difficulty identifying objectives indicated that this was because they were operating from strategic plans to which they could easily refer in order to select their highest priority needs. Many also went on to explain that the financial crisis had caused them to make, redo, or update strategic plans to guide them through the crisis created by market upheavals. Some exemplary quotes follow.

“Our objectives follow strategic plan goals. When we’re applying for core operating grants, it’s easy to link the objectives to the strategic planning goals.” (A housing organization)

“It was a heightened state of emergency and a lot of services increased dramatically for us, so it was clear where we were going to apply those funds.” (A church affiliated multi-service center)

“Developing the objectives: didn’t have any problems. Because of the economic crisis, we had already scaled back and we had done quite a bit of dialoguing about how to pull back, cut costs, increase revenue—without damaging program.” (A domestic violence organization)

<sup>10</sup> Respondents were able to include as many uses as was relevant, which is why their responses add up to more than 100%.

<sup>11</sup> Based on the interviews, unrestricted core support was used for various overhead needs including but not limited to maintaining core staff, development activities, etc.

“We had already done a lot of groundwork at board level and staff level. We asked ourselves how we could cut costs and still deliver quality services. We didn’t have trouble developing objectives because we had clear goals about what we needed to do.” (A residential treatment program for substance abusing women)

A small minority of organizations indicated that they had initially found it challenging to develop objectives, but that conversations with program officers had helped them to develop a focus.

Core Support – Grantees Reflect Field-Wide Lack of Clarity about Core Support: Learning Partnerships asked grantees if they have received core support grants from other funders. Their responses indicate that core support is used by different foundations to refer to a variety of grants. A health care grantee made the useful clarifying observation that although many foundations use the term “core support,” most foundations include restrictions about how grantees designate objectives and report on their “core support” grants. Very few foundations provide unrestricted core support, and those that do give truly unrestricted grants are often very small grants. He went on to explain that he considers all except WF to be “hybrid” grants that are part program grant and part core support.

#### IV. The Value, Uses and Impact of Core Support Grants

In this section we look at how core support grant recipients describe the value of core support grants, how they have used their funds, and the impact they have achieved. There is a great deal of diversity in core support grantees’ experiences in the three year period covered by this report. Geography, service sector, and types of funding streams on which agencies have traditionally relied have all greatly influenced nonprofits’ trajectories in the past several years. In this section we try to both describe the diversity of experience as well as identify cross-cutting themes related to how grantees have used and benefited from core support grants.

##### A. The Value of Core Support Grants – Timely, Flexible, Generous

Grantees uniformly report that their core support grants have been of great value to them. The qualities of the core support grants that they emphasize are their timeliness, their flexibility, and – less often, but still important – that they are large enough to make a significant difference in building organizational capacity. The value of these qualities in grantees’ own words is described below.

1. *Timeliness—a lifeline:* An important theme in many interviews is how timely the Weingart Foundation’s core support grants were, especially in the context of the economic crisis that was sweeping the country in helping them maintain and build new capacity. Several examples include:

“It’s hard to go back to that time, but it felt that the world was falling apart. So many foundations were just hunkered down. We have adjusted now and there are some glimmers of hope, but it was a very scary time. It was a lifeline. We

had layoffs, staff was scared, and a check for \$150,000 was phenomenal in terms of cash flow. And it was stated affirmatively – that we (the WF) intend for the support to be something that will help you to protect your infrastructure. Just as we provide a lifeline to our clients, the Weingart Foundation extended a lifeline to us. The news was so uplifting and the fact that they (WF staff) made a personal call to tell me was amazing.” (A multi-service agency that supports homeless families or families at risk of homelessness)

“We were incredibly impressed that the Foundation took immediate action in responding to the economy at the time. When other funding sources were being cut, the Weingart Foundation recognized that core support is what grantees needed.” (A housing development organization)

“Timing has been everything. This unrestricted grant came at a very challenging time. There was a higher demand on services, reduced funding capacity from all funders.” (A multi-service organization in a low-income area)

“It was a scary time. We didn’t know what was happening. The (core support) program came at a critical time; it was a statement to the community that Weingart understood the needs. They threw a lifeline to the nonprofit sector.” (A large health care organization)

2. *Flexibility*—“*the grout between the tiles*”: Another feature of core support grants emphasized in reports and interviews is that core support allows agencies to apply funds where they are most needed to maintain and build capacity. Grantees use a variety of metaphors to capture this quality of flexibility – a gap filler, a “smoother” between programs, or, as included in the title of this section, the grout between the tiles.

“Core operating support helps us stabilize all of our programs. We respond to all the community needs. One program will be well funded and the other won’t, so core helps us balance and get support for programs that we need. This helps us unify medical, food, and shelter.” (A church that provides basic needs and medical services)

“Core support funds just make things work. We have had such an increase in demand, things haven’t kept pace. Funding has increased, but has not kept pace. It (WF core support) allowed us to not drop the ball with our services. That has been a key to us and our other donors.” (a homeless service provider)

Most often, grantees knew where they needed Weingart Foundation core support funds and applied them as anticipated. Sometimes unforeseen needs came to light and funds were used for unexpected costs. One organization, for example, suddenly needed to move to a safer building and used WF funds to help them move. Another unforeseen need is explained below.

“We admitted a woman into transitional housing, and later found out both she and her son had mental health issues. We needed to have a psychiatrist meet with them, and the agency didn’t have funding for that. While the agency has contracts with physicians and dentists, they didn’t have a psychiatrist. Core support allowed us to make an appointment, pay for visit and prescriptions.”  
(An agency that provides transitional housing for homeless families)

3. *Generous – large and long enough to make a difference:* Several organizations mentioned that the Weingart Foundation core support grants are large and/or long enough to make a difference by providing enough stability to enable them to build organizational capacity.

One organization that lost over \$500,000 of its \$5.9 million dollar budget explained: “One reason why Weingart funding was so significant was because it was a significant amount. It was a large enough amount to make a difference. Weingart has set a great example. We look forward to the day that other foundations see the impact that core operating grants can have. This type of support affects multiple programs.”

Grantees mentioned that multi-year grants are especially useful in helping them build organizational capacity.

“With Weingart funds, we were able to keep doors open, which allowed us to build development and fundraising. The problem is that fundraising is a very gradual process. When you build something like this (improving development and fundraising), improvements are gradual and you begin to see improvements in about 2-4 years. The grant from Weingart was perfectly timed. We were able to maintain programs and augment the development team.”

And another agency explained,

“I think being able to use it over 2 years was great. Multiple year grants are hard to come by, and they give you some continuity.”

On the following page we turn from the qualities of core support grants mentioned by grantees to their dynamic qualities, providing and building capacity to agencies on a developmental timeline.

## B. Impact and Use of Core Support Grants: Building Capacity to Successfully Navigate the Nonprofit Life Cycle

### Nonprofit Lifecycle Stages at a Glance

#### Stage #1: *Idea*

The state in which there is no formal organization, only an idea and a personal mandate to fill a societal, programmatic or cultural gap in the community.

#### Stage #2: *Start-Up*

The beginning stage of the organizational operations in which mission, energy, and passion are very high, but corresponding governance, management, resources, or systems may not exist.

#### Stage #3: *Growth*

The stage in which nonprofit mission and programs have taken hold in the marketplace, but where service demand exceeds current structural and resource capabilities.

#### Stage #4: *Maturity*

The state of operation in which the organization is well-established, operating smoothly, and has a community reputation for providing consistently relevant and high quality services.

#### Stage #5: *Decline*

The stage in which the organization's services are in decline due to insufficient operating income to cover expenses.

#### Stage #6: *Turnaround*

The stage at which an organization, having faced a critical juncture due to lost market share and revenues, takes decisive action to reverse the situation in a self-aware, determined manner.

#### Stage #7: *Terminal*

The stage when an organization does not have the will, purpose, or energy to continue to exist.

*Chart slightly adapted from Nonprofit Lifecycles: Stage-based Wisdom for Nonprofit Capacity. © 2001; Susan Kenny Stephens, PhD.*

To capture the dynamic use of core support funds that builds organizational capacity to propel action and create change, we draw on a lifecycle perspective of nonprofit organizations described in the chart on the left.

To place the Weingart Foundation grantees in a lifecycle perspective, the Weingart Foundation has focused its core support grantmaking on established organizations. As a result, most core support grantees fit into the mature organization stage of development (Stage #4).

All of the core support grantees in the Study Sample report that they have taken an economic hit, often a severe one resulting in losses of 10% or more of their annual budgets. Many grantees indicated that they had taken money from an endowment fund or from reserves, leaving the agencies in a long-term weaker financial position.

This substantial threat to nonprofits' viability has caused them to move into the turnaround stage (Stage #6) to pay new attention to agency management in order that the funding losses not result in organizational decline (Stage #5).

At this point in the recovery we see several patterns in the turnaround stage – *maintaining, rebounding, and/or*

*adapting*. Many organizations show characteristics of two or even three of these patterns. The patterns are also dynamic as circumstances change. Core support helps organizations displaying all three of these patterns navigate the waters they are in to continue to build capacity to turnaround rather than decline.

(1) Maintaining capacity: The maintenance pattern is focused primarily on day-to-day sustainability. Many housing development organizations, for example, are maintaining until the fate of some of their traditional funding sources is decided. Other organizations that are maintaining are some basic needs organizations that are providing more services, sometimes with temporary funds such as Recovery Act funds, with infrastructures that have not kept pace with increased demands. Core support helps nonprofits with sustainability by maintaining staff capacity, picking up costs that other funding sources won't cover, and stabilizing programs. For example:

A number of basic needs organizations that provide essential safety-net services – food, showers, and sometimes shelter beds and/or job hunting help – were hit with greatly increased caseloads as people lost jobs and homes. This was true for one food distribution service that explained that it was given additional food to distribute, but no additional administrative funds to support the work of distributing additional food. WF funds covered the increased electricity costs for refrigeration to store the food, gas for the trucks that distributed the food, and staff to manage the distribution process that made it possible to accept the food and reach people in need.

Another essential services organization explained, “Our donor base and foundation giving was down about 45%. With that in mind, most of our work is with contracts and grant support, and they all say that you need to come to the table with your core support covered. They want you to have wonderful programs, but there's no way to support them. This (the WF core support program) was the first time there was an opportunity for core support – most funders want to see very little in the way of indirect costs. With another foundation we asked for 9% indirect, and they said they would give us 2-3% which isn't even enough to keep the lights on for that program.”

Core support can make a critical difference even in very large organizations. A \$20 million health care organization explained, “A \$75,000 grant doesn't have a huge impact on the organization as a whole, but it saved our children's health program.”

(2) Rebounding: The rebounding pattern is building organizations' and programs' capacity back to the stage they were at before the turbulence. There may be some changes in funding streams and sources, the agency may be configured a little differently from the way it was before the crisis, but overall, the organization is regaining the strength that it previously had.

A large multi-service provider explains, “Overall we believe that we are in a significantly stronger position financially than when we first requested the grant from the WF -- and the WF grant was a major contribution to this improved position. Our current cash position, and projected cash flow for the coming two years looks good and we believe in the coming year we will be able to restore the

staff pay cuts and return to what we would consider a stabilized financial condition."

"Funding from the Weingart Foundation," an essential services provider explained, "supported our case management staff, which meant that we didn't have to fire them. This allowed upper management staff to focus on organization support and administration, rather than providing case management duties. As a result, organizational managers increased their productivity in resource development, grant seeking, and fundraising, with an overall revenue increase of \$135,000 in 2010 alone. Despite the delays in government funding, we were able to maintain client success throughout the year."

A health provider that had lost a \$500,000 government contract as well as a CDC grant funding a specific medical service explained, "Weingart funding prevented a lot of abrupt changes and shifts. If the programs had stopped, it would have been difficult to start again. It felt like a lifesaver during that period."

Another rebounding health care organization derives a substantial portion of its revenue from health care providers that declined precipitously when the economic crisis hit. It applied Weingart Foundation funds to cover its rent, which staff describes as, "an amazing amount of relief. Over the past couple of years we have had budget decreases, perhaps about 10%. In 2009 we did lay off about five employees. We were proactive and took a cut ... now we seem to be at the crest of the wave. Over the last few years we have been building back up again, but not all yet."

(3) Adapting: Some organizations are responding to change by reconfiguring their programs and even their organization to have the capacity to meet current realities or to be ready when new opportunities hit their radars. This can involve dropping programs, developing new programs, realigning staff, or taking other steps to create organizations or programs that are in some ways substantially different from before the funding crisis.

"WF's funding enabled us to transition to new funding streams without disrupting service delivery. This reprieve allowed us to train to implement a new evidence based practice, which in turn enabled us to access new mental health funds – an entirely new source of revenue for our mental health program. Overall, this increased capacity has allowed us to become the premier mental health organization in LA for our community. As a direct consequence, we are now considered the lead agency in a new initiative."

Several organizations dropped programs including two that relied on MediCal, whose reimbursement rates could not sustain the programs they were providing.

Another agency used Weingart Foundation funding to hire a development director who influenced both the internal and external perceptions of the agency. The development director explains, "People saw us just as a food organization, but

really we are a case management organization. We have even clarified this internally, and now it is beginning to be seen in the community as well.” She goes on to describe how this is influencing fundraising. “It has taken years, but the community is beginning to get it. In 2009 all of the fundraising income was \$127,000. Just from Nov 1 to Dec 15 we brought in \$161,000, in less than four weeks, and that doesn’t include other sources.”

Common themes in each of these patterns is that core support funding serves as a source of stability and that it builds capacity by leveraging other foundations and funding sources, serving as a bridge to other sources of funding, helping organizations or programs in crisis maintain staff with core skills, allowing managerial staff to focus on fundraising, and helping them to take the next steps, when they are on the horizon, to adapt and take advantage of new opportunities.

## V. Looking Forward

### A. Ongoing Need for Core Support

Because the Weingart Foundation’s core support program was initiated at the peak of the economic crisis and grants have run simultaneously with the halting recovery, it is difficult to disentangle core support and its impact from responses to the economic crisis. In an attempt to do this, Learning Partnerships asked interviewees if the Weingart Foundation should continue to provide core support even in better economic times. Nearly all interviewees answered with a resounding “yes.” This is particularly because other funders are so unwilling to fund it. One domestic violence agency said, “Core support funds will always be important and preferred. It makes more sense to have an understanding of the health, strategic planning and sustainability of the organization rather than what is sexy and new. Since much of nonprofit funding is so restricted, the more unrestricted funding, the better.”

Aside from the obvious need to continue their work, grantees’ answers helped us better understand their perceptions of core support and how it can impact an organization. One youth services organization described core support as the hub of the wheel. A health services agency echoed these thoughts, “Core operating grant dollars support the core of the business we are in. Programmatic funding supports creation or expansion of specific activities, but it doesn’t support the root of what we do.”

For some, core support funds were essentially about a trusting relationship between the funder and grantee. A youth services agency said, “If the organization is aligned with the priorities of the foundation and the foundation understands and trusts the organization and the fiscal accountability, then it makes sense to allow organizations the freedom to do what they do best. It’s a smart way to give if there’s alignment on all fronts.”

Although some organizations are starting to rebuild as mentioned above, asking about better economic times struck a nerve with some organizations because many nonprofits are still very much in crisis. While working hard to adapt to the new reality, the nonprofit sector is changing rapidly and unpredictably. One social service agency said, “That is a hard question to answer because we don’t know what the nonprofit economy is going to look like in the post crash... It is even more important right now, and my guess is that it will still be important. The underlying structure of nonprofit finance that we relied on before is going to go away.”

### B. Grantees’ Crystal Ball

When we asked agencies how they thought things would change over the next several years, few respondents were particularly optimistic. It was not a pessimistic attitude but one of trying very hard to adapt to a rapidly changing environment. Several noted that core support helped them keep essential services going, while giving them some flexibility to develop new ways of operating in this new environment. Certainly, all who received government funding were working on new ways of doing business; for example, health services organizations are developing strategies in advance of health reform and housing organizations are under threat of losing state redevelopment funds. One housing organization said, “Changes in public funding continue to be a challenge and it impacts funding sources at all levels. The biggest threat is the elimination of redevelopment funds. If this happens, we would need time to retool. If they can, it would be great for the Weingart Foundation to continue to provide core support during this time of uncertainty. It would allow space to think creatively about how we continue to do our work.”

### C. Greatest Needs

When asked about their greatest needs, nine organizations (out of fifteen who answered the question) specifically mentioned core support/unrestricted funds, especially given the current environment of change and uncertainty. These answers may be the result of a line of questioning specifically related to core support, but overall, the interviews solicited a remarkable amount of honesty and we believe that their answers accurately reflected their current needs.

Others mentioned needs related to capacity building, particularly needs for strategic planning. One health services organization said, “We need strategic planning, both with board and with the community, especially as we look at health reform and the impact. What is the best thing we can be doing now to be able to provide the services that will be needed later?” Another health service organization needs to figure out how to serve uninsured patients (specifically undocumented patients) once health reform begins. Other organizations identified capital needs. Given the economic crisis, one residential treatment organization had delayed maintenance on its buildings and so its greatest need is for capital expenses to spruce up and maintain its residential buildings. Other organizations are growing—one health services organization is building a new clinic to replace two outdated ones and a youth services organization is building a

wellness and indoor sports facility, so their greatest needs are to cover these capital expenses. Based on the interviewees' responses, we can conclude that the needs of these organizations are varied and disparate.

## VI. Considerations for the Weingart Foundation

Consistent with the Weingart Foundation's approach of assessing its work for the purpose of improving quality, here Learning Partnerships offers considerations for the Weingart Foundation about its core support grantmaking.

- To continue core support grantmaking. It is clear that core support grants have hit a much-needed mark for many nonprofits and that there will be an ongoing need for core support beyond the period of economic crisis.

From the many sources of information we used to understand the significance and impact of core support grants, there is a consistent theme that most funders do not consider the need to adequately fund overhead when they are making grants. By making core support grants, the Weingart Foundation is leading by doing, and we have heard from grantees that the WF core support program has influenced other funders to make grants that at least include some aspect of core support.

- To add capacity objectives for appropriate grants. Many grantees are already using their core support grants to build capacity and it would be appropriate to recognize this by adding an objective that describes how and in what ways the grants are building capacity. In the patterns of use we identified, it is easy to single out activities in the rebounding and adapting patterns that are clearly building organizational capacity. Capacity building may also be going on in the maintenance pattern, but the perspective in this pattern is often so short-term that it may not be clear to anyone which uses are emergency stop-gaps and which actually build capacity for the longer term.
- To help shift the thinking within the funding community about the legitimacy of including support for appropriate administrative overhead in all grant awards. The question arises as to whether there are other ways – through written reports, convenings, through joint activities with other foundations, etc. – for the Foundation to further exercise its leadership on this issue critical to nonprofits. At the same time, working to establish a shared understanding of the meaning of core support within both the nonprofit and philanthropic communities would dispel confusion and potentially increase its use.
- To not limit grantmaking to core support and to periodically assess what the right percentage of core support grantmaking will be. We have seen that core support grantmaking was especially important at a time of economic crisis and uncertainty, and that there is an ongoing need for core support. There may be times, however, when the Foundation's leadership is needed for other types of grants and support to nonprofits. The Foundation's ongoing Grantee Perception reports offer an important opportunity to sound the waters among their grantees for what their highest priority needs are.
- To draw more attention to grant objectives as grants close. The Foundation works closely with applicants to develop grant objectives, and some grantees closely track

these objectives throughout the grant period in progress and final reports. Some, however, do not track the objectives through to the final report to make it possible to match expectations from the beginning of the grant period with the reality of what actually occurred. This slippage happens with many grants, but is perhaps a bit more pronounced with core support grants because of their flexibility. There may be very good reasons why end accomplishments do not line up with beginning expectations, but important and useful information is lost if the full story is not told. Since the grants included in this study were made at the beginning of the economic downturn, organizations may have been in “maintenance” mode and less able to focus and identify specific capacity building needs.

- To reach an understanding – or, at a minimum, have a conversation – with grantees at the beginning of the grant period about how they will spend-down their WF grant. This is not an issue that affects many grantees, but it is important for those that it does. Two organizations reported that they debated internally whether they should spend down the WF grant in the first year of the grant or spread it over two years. They both ultimately decided to spend down over two years and reported that it was an extremely good decision. A third said the decision went in the other direction. It spent the grant down in the first year, in large part because it is the subsidiary of a larger organization and feared that any funds remaining at the end of the fiscal year would be assumed by the parent organization. Staff reported that it was a very bad decision to have spent it all in the first year because it left a difficult deficit in the second year. The intent of having discussion about spend-down as the grant is being made would not be to dictate to grantees how their funds should be spent down, but rather to ask them if it would be helpful to them to include a condition or recommendation about how the grant is spent down over time.

## VII. Summary

In summary, the Weingart Foundation is taking an extremely important leadership role by offering core support grants to organizations eligible for the Regular Grant program. Core support grants have been highly valued by grantees for their timing, which coincided with the peak of the financial crisis and the continuing Great Recession, for their flexibility that allows grantees to apply funds where they are most needed, and for their significant amount over multiple years.

This report has pointed to the uses and impact of these core support grants that have allowed nonprofits to survive and rebound to build back former strengths or adapt to a changed environment by making substantial modifications to their programs or organizations. They have pointed to the multiple ways in which core support grants build organizational capacity.

Although many nonprofits feel that the worst of the financial crisis is over, they also express continuing uncertainty about their sources of funding and where, when the economy settles

down, it is going to land. Some foresee a funding landscape that is greatly changed and constricted in comparison to prior to the crisis. The continuing uncertainty about the economy and continuity of funding sources alone makes a strong case for continuing core support grantmaking at or close to the 60% level at which the Weingart Foundation has been funding.

The philanthropic context also points to the benefits to the nonprofit community for the Weingart Foundation to continue making and giving visibility to core support grants. The Weingart Foundation's leadership with core support, we have heard from grantees, provides funding that can be applied to overhead costs that are underfunded or overlooked by many of their funders, and allow them to build new capacities. In doing so, the Weingart Foundation's core support grants also make the implicit statement that overhead and administrative costs are legitimate expenses that should be an important part of funder-grantee grant discussions and negotiations.

Within the context of the strong endorsement that this study of grantees' experiences with core support has provided for core support, we also present some considerations for the Weingart Foundation. Key among these is to focus more closely on objectives by assuring that grantees track them from the beginning to the close of the grant. We also propose that there be some explicit tailoring of objectives to the stage of development and/or turnaround patterns that organizations are experiencing. For most grantees, there is a strong capacity building purpose or component that they identify for the use of their core support grants, and it may prove beneficial to highlight this aspect of core support. Finally, there may be other ways, in addition to leading by doing, where the Weingart Foundation can exercise its philanthropic leadership role to help change the prevailing culture among funders and their grantees that does not look squarely and fairly at the true costs of providing critical services and the importance of providing funds that can help build grantee capacity.

# APPENDICES

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1. Financial Position
2. Interview Protocol
3. Sample Comparability

## Appendix 1. Financial Position

To understand how core support fits into grantees’ overall funding, LP asked interviewees questions about how their organizations are funded. Sometimes the interviewee was someone who did not know the organization’s finances well, so this information is not definitive. Nonetheless, it does present a broad picture of agencies’ financial positions.

### Foundation Funding

Sixteen interviewees answered the question about the percentage of foundation funding they received in their most recent fiscal year. Organizations received an average of 21% of their funding from foundations, and this percentage ranged from a high of 50% to a low of 4%.

### Government Funding

Sixteen interviewees answered the question about the percentage of government funding they received in their most recent fiscal year. Organizations received an average of 25% of their funding from government sources, and this percentage ranged from a high of 61% to a low of 0%.

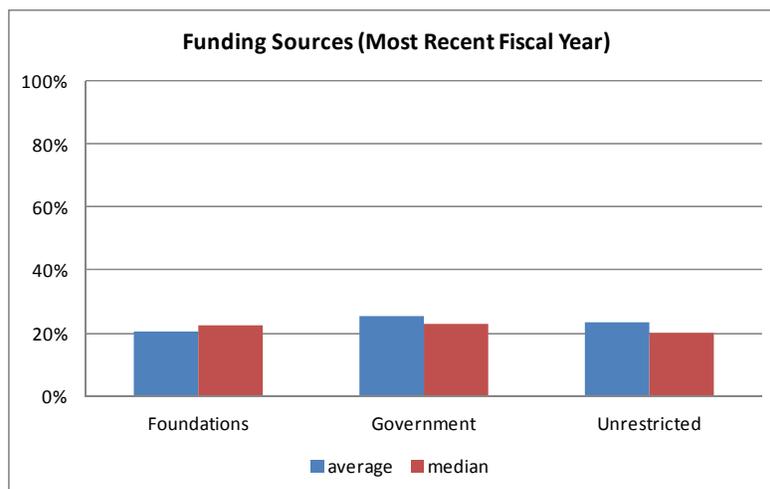
### Unrestricted Funding

Nine interviewees answered the question about the percentage of their funding that was unrestricted. An average of 24% of funds was unrestricted, and this percentage ranged from a high of 50% to a low of 10%. Because LP did not supply a precise definition of unrestricted it is possible that grantees used a variety of definitions of what unrestricted funds are, as they did when talking about unrestricted grant funds.

### Months of Operating Cash/Cash Equivalents

Thirteen interviewees answered the question about the number of months of operating cash/cash equivalents that their organization currently holds. Organizations had an average of 6.7 months (and a median of 5 months) of operating cash on hand, and this number ranged from a high of 28 months to a low of 1.5 months.

Funding Sources (most recent fiscal year)			
	Foundations	Government	Unrestricted
average	21%	25%	24%
median	22%	23%	20%



### Changes over Time

To better understand how the economic crisis has impacted organizations, we asked interviewees about how the organizations' funding sources have changed over the past five years. Since the organizations interviewed varied widely in focus, budget size, and funding sources, it is difficult to draw some broad findings from their comments, so we have included a few comments from the interviews below. In general, however, many organizations indicated that they feel the situation is better than it was when their grants were made. And yet, many also emphasized ongoing unpredictability of funding.

- *It's difficult not to be concerned about what's happening in state government. Some domestic violence funding has been on the chopping block for the last few years, and \$200k of their annual budget comes from this particular fund.*
- *Budget had been 1/3 private, 1/3 foundations, 1/3 govt. They were able to get some stimulus money (large grant ran out in June, which is why the government portion is so high). Not stable, unpredictable. It's feast or famine. As an example, they were approved for a government grant for rental assistance. It was supposed to come in April, but it didn't come until October, but they have to spend it down by the end of December.*
- *When the stock market was great, a large portion of annual operating came from investments. When the stock market declined they couldn't rely on that.*
- *Grants totals fell off \$147,000 in their most recent fiscal year (2011 compared to 2010) and government contracts dropped off an additional \$32,000 to an all time low. Contributions and grants have fallen off, but program fees have risen. Their program service fees rose almost \$61,000. They are doing a better job getting fees from residents.*

## Weingart Foundation: Core Support Evaluation Interview Template for Core Support Grantees

**Date:**

**Interviewee:**

**Organization:**

### **Introduction**

- Thank you for taking the time to speak with us. Before we begin, we want to make sure you know that what you say is just between you and me. I am writing down your comments but I will not use your name, your organization's name, or anything that identifies you unless I specially ask for permission to do that.
- Core support grants are relatively new to the Weingart Foundation, and in the spirit of obtaining ongoing quality improvement information and feedback, Foundation staff is interested in understanding more about grantees' experiences with their core support grants. The Foundation will use this information as a topic for staff discussion as well as to share with their board of directors, just as they do with other types of feedback from their constituents. Again, we will not attach any identifying information to your comments.
- To take a moment to introduce myself – my name is (Ruth/Melissa) from Learning Partnerships. We are a consulting group that provides services to foundations focused primarily on different types of organizational learning. We have worked with the Weingart Foundation for several years, often helping them get feedback from applicants and grantees, which is very important to them. Based on what you and others tell us, we will write a report that will be used by the Weingart Foundation to better understand the impact of its core support grants.
- We have read copies of your grant application and progress reports, so already have some important background about your organizations and are impressed with your work!
- Do you have any questions so far? Are you ready to go?

We are going to ask a few questions first about the process of applying for a core support grant, and then focus on impacts.

### **Process:**

1. As you know, we are interested in the core support grant that you received from the Weingart Foundation. We are interested to know if you have had other experiences in addition to your grant from the WF with core support/general operating support grants. Have you applied for or received core support grants from other foundations? Was the process with the WF like or different from your experience with other foundations' core support grants? In what ways?
  - a. The WF has explained that in their review of core support applications they look at the organization as a whole rather than just a piece of it, like a program or a capital need. Did the application and the Foundation's review of it change the nature of your conversation with the program officer compared to conversation about specific projects?
  - b. How? In what ways?

- c. Would you say it was more difficult, or just different?
2. In applying for your core support grant, were the application and grant guidelines clear for you? If not, what could have been improved?
  - a. Can you tell us a little bit about your process developing grant objectives?
    - i. Probes: Was it clear to you how to develop grant objectives?
    - ii. Was there a lot of back and forth with the program officer?
    - iii. Overall, was the process of developing grant objectives useful to you?
    - iv. When you applied, did you understand that Weingart's core support funds were truly unrestricted? If not, how would you have changed your application?
    - v. Were there ways the application process could have been easier or clearer?
  - b. Can you tell us about your experience with the financial review process?
  - c. Was the information you received from staff consistent with the information on paper and the website? If not, please explain.
3. At the time the grant was made, were any conditions placed on the grant? If so, were these conditions helpful to you and your organization? Did these conditions present any particular challenges?
4. Were the reporting requirements clear?
5. Do you have any recommendations for the Weingart Foundation about ways they could improve the process of applying for core support grants?

**Impact:**

1. How has the core support grant from the Weingart Foundation affected your organization?
2. Did you end up using the funding in the way you had originally intended?
  - a. If not, what changes did you make midstream?
  - b. How does it compare to other types of support?
3. How do you think core support grants should be evaluated? How would you measure success?
4. How has the core support grant impacted your organization's capacity?
5. Have you received grants from the Weingart Foundation before? (We will know this from grant files but will still ask since the person we speak with may not know the full history.) Are there any similarities/differences between the impact of this core support grant and previous grant(s)?
6. If you have received core support grants from other funders, are there any significant similarities/differences with the way you have used core support from Weingart and the impact it has had?
7. Can you identify any weaknesses with the Weingart Foundation's core support program?
  - a. Are there changes you would recommend?

**Organization Background:**

We have financial information in your reports to the foundation, but would like to get the information from you as it may be more accurate than our interpreting your financial reports.

1. In your most recently completed fiscal year, what percentage of your funding came from foundation sources? From government funding?

- a. How have these funding proportions changed over the past five years (before the fiscal crisis)?
- b. What percentage of your annual funding is unrestricted (e.g., grants, fundraisers)?
- c. Approximately how many months of operating cash or cash equivalents does your organization currently have?

Ask only if information is not readily available in grant files:

2. We know that the fiscal crisis and subsequent recession have had a tremendous impact on the nonprofit sector, how has the recession impacted your organization's ability to fulfill its mission?
  - a. How have you been impacted by the economic environment? Have you reduced staff? Modified/reduced programs?
3. One of the questions we are wondering is whether core support is especially important during a time of fiscal crisis but may not be so important when the economy has settled down. Do you have particular thoughts about this question – whether core support grants are appropriate for all types of economic conditions or make most sense in an economic crisis? If the economy were to improve dramatically, would core support still be relevant to you?
4. We're interested in understanding how the fiscal crisis has impacted board governance. Have you seen a shift in board giving? Have there been any changes in their level of engagement?

**Looking Ahead:**

1. You've already talked about how your funding sources have changed over the last five years, how do you think they will change in the next few years?
2. Currently, what are your organization's greatest needs?

**Closing:**

1. Do you have any additional observations, comments or opinions that you would like to share?

Thank you very much for your time!

### Appendix 3. Sample Comparability

To assure that (1) the study sample is representative of the full sample of 211 core support grantees described in the February 2011 Board memo, (2) the interview sample is representative of the study sample, and (3) the grantee perception study sample of core support grantees is similar to the study sample, we did comparisons on some of the key descriptive variables that were available to us. After reviewing the data, we found that the study sample, interview sample, and grantee perception survey sample were all representative within a reasonable level of tolerance to the sample of 211 core support grantees. Below is a summary of the comparison categories:

- *All Core Support Grants*: This category includes all the core support grants made from January 2009 through December 2010 (a total of 211 grants).
- *Evaluation Sample*. The evaluation sample includes a total of 57 grants (based on core support grants made in September and December 2009).
- *Completed Interviews*. Based primarily on budget size and geographic location, we selected 25 grantees to request more in-depth interviews to obtain additional and a more nuanced understanding about core support grants and their impact on organizations. From these 25 requests, we conducted 19 interviews.
- *Regular Grant Survey Respondents (Core Support Grantees only)*. LP conducted surveys of the Weingart Foundation's Regular Grant Program grantees in February and June 2011. The survey pool included a total of 114 grantees whose grants were approved in September 2010, November 2010, December 2010 and February 2011.

Below is a summary of some key descriptive variables:

- Organizational Budget Size
- Geographic Distribution<sup>1</sup>
- Year Incorporated
- Size of Grant Award
- Number of Previous Grants

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<sup>1</sup> Geographic Distribution for the evaluation sample and interview subsample is based on the geographic location of the grantee, rather than all areas served.

