April 2019

Weingart Foundation: The Case for Unrestricted Operating Support

Key Findings from 2018 Grantee Partner Case Profiles

In 2017 and 2018, Harder+Company Community Research supported the Weingart Foundation in developing case profiles that detailed the work of four of its grantee partners: REDF, Central American Resource Center (CARECEN), Step Up on Second (Step Up), and Center for the Pacific Asian Family (CPAF). The case profiles were small-scale qualitative assessments of the accomplishments and challenges of grantees, and aimed to deepen the Foundation's understanding of the impact of its unrestricted operating support on grantees' organizational capacity and effectiveness. This memo highlights key findings that emerged across the four case profiles and is intended to support and inform the Weingart Foundation's future grantmaking. In March 2019, we shared a draft of this memo with leaders from all four organizations and facilitated a discussion to gather their reactions and feedback, which is reflected below.

Summary of Findings

Since 2009, the Weingart Foundation has used unrestricted operating support (UOS) as its primary vehicle for grantmaking, and strives to help nonprofits improve their organizational effectiveness as a means to ultimately strengthen their impact. Findings from the four case profiles reinforced the value of unrestricted support to promote organizational capacity and sustainability. Further, the case profiles demonstrated that Weingart's combination of UOS and other tailored supports—including Program Related Investment (PRI) loans, rapid response grants, capacity building, and thought partnership—is integral to grantee partners' ability to grow their organizational capacity. The case profiles also revealed that while these supports have led to positive organizational and programmatic outcomes, there is room for funders to help nonprofits tell their full story of impact (i.e., community-level outcomes) by supporting grantees in monitoring and tracking outcomes.

Methods

The evaluation team's primary method of data collection was interviews with organizations' leadership, program staff, board members, and external partners. Organizations also provided additional materials for context and background, including monthly impact reports, organizational charts, and funding memos. Findings may not be generalizable due to the small sample size and use of only qualitative methods.

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Key Findings

Unrestricted operating support allowed grantees to re-imagine their organizational structures, strengthen talent management, and explore new and innovative approaches to their work

Weingart's multi-year unrestricted funding and other supports bolstered grantees' organizational stability and long-term goals. They leveraged these resources to build capacity throughout their organizations, including internal infrastructure as well as programmatic aspects of their work.

*CARECEN

Grantee partners used Weingart's support to align staffing with their organizational needs. All grantee partners mentioned that UOS gave them the bandwidth to hire new staff, many of whom filled important leadership and administrative positions (e.g., development, contract management, human resources) that restricted dollars would not support. Two of the organizations used UOS funds to expand their management and leadership teams, enabling them to develop their work more intentionally and sustainably. For example, Step Up created a new layer of mid-level management to oversee a variety of directors and programs, freeing up both leadership and program staff to focus on their other responsibilities. Step Up had doubled in size over the course of two years and its President and CEO, Tod Lipka, explained that this additional infrastructure "accommodates growth without [making us] overwhelmed by it." He added, "If we were in the old structure, we would have failed programs and burned out staff." CPAF also expanded its leadership team in order to increase support for front-line staff. As a result, shared Ellen Hong, CPAF's Community Programs Director, "teams feel much more supported now" and "staff actually feel connected to leadership." When grantees are able to bring their infrastructure in line with organizational needs, they are better positioned to take on more work and achieve greater impact.

Having access to unrestricted funding also helped grantees recruit and retain high quality program staff. Three of the four grantee partners referenced the importance of having flexible resources to hire, support, and retain experienced program staff, including individuals who reflect the cultural and linguistic backgrounds of service participants. Most notably, unrestricted funding

"Weingart really works with grantees to make sure that the organization is growing and evolving."

– Martha Arévalo, CARECEN Executive Director

"The Weingart Foundation was the catalyst for us to become a much more effective, large scale, national organization."

– Carla Javits, REDF President and CEO

enabled grantees to offer more competitive salaries and benefits, which is crucial given the region's competitive job market. Barbara Bloom, Step Up's COO, shared that Weingart's funding "allowed us to decide to not be bound by salaries and [instead] look at our needs. [We] find the very best people with the skillset we need, [and] talent is expensive." In addition to supporting staff salaries and benefits, some grantees used unrestricted funds to offer additional staff support and training. For example, CEO Debra Suh explained that CPAF is committed to hiring clients and other survivors of domestic violence, which "requires more need to hold intentional spaces for staff to process [the work]." CPAF draws on unrestricted funding to host lunches, retreats, and support sessions during which staff can talk about their stories of survival and feel comfortable "bringing their whole selves to work." Having qualified staff and high retention rates mean that organizations have more bandwidth to focus on carrying out their missions.

Weingart's unrestricted grants and other supports allowed grantees to supplement restricted funds, test new approaches, and take risks. Some grantee partners used Weingart's funding to address critical participant needs (e.g., food, beds, bus fare) that tend not to be covered by restricted funding sources such as government contracts. These flexible dollars also allowed grantees to take risks and invest in innovative programs and activities for which they had no other source of funding. As one CPAF staff member explained, "[unrestricted funding allows us] to listen more deeply to communities of color and develop culturally-appropriate interventions that government grants won't support," such as an acupuncture healing group for domestic violence survivors. CARECEN, meanwhile, used Weingart funding to launch its advocacy campaign in support of Central American communities that formerly had Temporary Protected Status (TPS). Executive Director Martha Arévalo noted that Weingart's supports—by way of funding for needed staff as well as financial capacity building—afforded the organization with sufficient stability and capacity to lead this important effort. She said, "The unrestricted funding allowed us to do the work, show the results, and go to other funders," adding, "it has definitely given us the flexibility to expand and be more strategic in our organizing, advocacy, and policy work." Lastly, with support from Weingart, REDF piloted an innovative collaborative service delivery model—Los Angeles Regional Initiative for Social Enterprise (LA:RISE) —which featured new strategic partnerships with public sector, nonprofit, corporate, and philanthropic organizations for workforce development services. This model helped REDF firmly establish its presence in Los Angeles and is now being disseminated to communities across the nation. In their unique ways, each of these organizations benefited from having additional space to explore these new approaches.

"Weingart engages in honest dialogue in which they're willing to understand your perspective and problem-solve. If you can have an authentic dialogue, that really leads to an authentic solution."

– Tod Lipka, Step Up CEO

Weingart's ability to build relationships and with grantees and its efforts strengthen the nonprofit sector help deepen the impact of unrestricted support

When funders approach their partnerships with grantees from a place of trust, dialogue and relationship-building, their work is more effective. Through a combination of UOS grants and other supports, Weingart ensured its efforts were tailored to grantees' unique needs and contexts, helping to set them up for success.

Weingart's commitment to building relationships with its grantees set the stage for candid, in-depth conversations. All grantee partners appreciated Weingart's honest and collaborative approach to the funder-grantee relationship, which reduced imbalanced power dynamics and paved the way for thought partnership. Suh from CPAF attributed some of grantees' trust in the Foundation to its staff's professional backgrounds in the nonprofit sector, noting, "When we're talking about the proposals or the issues, they understand it at a deeper level." REDF President and CEO Carla Javits agreed, explaining that Weingart has a greater appreciation for how challenging nonprofit work is and, "because of that,

"Weingart's funding offers the flexibility and cushion to do right by the community and that's how we are going to get people to respond and heal."

–Ellen Hong, CPAF Community Programs Director

some of us feel that we can be more genuine with [Weingart] and get more genuine support from them." Arévalo shared that Weingart's multi-year funding demonstrates its "longer-term vision" for grantees, adding that the Foundation works with them to ensure that their organizations continue to grow and evolve. This multi-year funding reportedly allowed CARECEN to focus less on fundraising and more on internal capacity and infrastructure, including developing relationships with other potential funders. When funders value transparent and responsive communication, they can have authentic conversations with their grantees about how to use flexible dollars.

Weingart's holistic support of grantees included more than UOS grants. Recognizing that grantee organizations have unique and diverse needs, the Foundation supported these organizations in additional ways outside of UOS funding as appropriate. For example, Weingart responded to CARECEN's need to strengthen its financial position by connecting the organization with the Full Cost Pilot Project and providing additional funds to engage in a detailed financial assessment process. As a result, CARECEN was better positioned to pursue and accept additional funding to respond to emerging community needs. In another case, Weingart made a Program-Related Investment (PRI) loan to Step Up as it expanded into the Inland Region, providing a crucial bridge while it waited for government reimbursements and ensuring it had the security and safety net to quickly roll out services and achieve early outcomes. As CPAF was exploring its integration with the Asian Pacific Women's Center, it participated in the Nonprofit Sustainability Initiative (NSI), which fosters long-term partnerships for nonprofits interested in strategic restructuring to create sustainable impact. Supported by a collaborative of funders, including Weingart, NSI solidified CPAF's decision to integrate and gave it the tools and recommendations needed to do so effectively. These additional investments demonstrate Weingart's individualized understanding of grantees' needs and its willingness to partner with them as new challenges arise.

*Step Up

The Foundation's field leadership amplifies its impact on the nonprofit sector. Grantees applauded the Foundation's work on issues that affect nonprofits and felt these efforts further deepen grantees' trust in the Foundation. Javits observed, "They are trying to create systemic change, they are promoting the idea of unrestricted and operating support, and they have really stepped out to try to offer some leadership around the issues of equity." Arévalo also mentioned Weingart's involvement with the Full Cost Project, noting that "they invest in really pushing their sector to change." As an influential funder in the region, Weingart has leveraged its connections and visibility to garner additional support for grantees. Suh recalled appealing to a Program Officer to bring more attention to the issues CPAF works to address. In addition to identifying personal contacts, recounted Suh, the Program Officer "made the calls, [and] used the kinds of spaces where they are already pushing other funders to make them pay attention." Javits agreed that the Foundation's willingness to "reach out to their own Rolodex" and make introductions is extremely valuable for grantees, and added that being associated with the Foundation signals a level of legitimacy and credibility to other funders in the region. She characterized Weingart as "the catalyst" for REDF to establish and

scale its work in the Los Angeles area and beyond. These efforts to advocate on behalf of its grantees further cast Weingart as a true ally in the eyes of its nonprofit partners.

*REDF

There is room to strengthen the connection between unrestricted operating support and community-level impact

The case profiles highlighted examples of how UOS grants and supports directly impact organizational growth and capacity, which can be considered precursors to long-term community impact. However, there were limited data to demonstrate the direct impact unrestricted funding has on community-level outcomes. While community-level change takes time, case studies revealed the opportunity for funders to prioritize learning and evaluation so grantees can more rigorously assess the impact of their work in the community.

Grantee partners had limited capacity to share impact and outcomes data beyond what was required for other grant reporting. Only one of the four grantee organizations had received funding to rigorously track progress and impact. While grantees had data systems that allowed them to track certain data, most of them did not have the ability to share long-term outcomes of their programming (beyond inputs and outputs). Lipka from Step Up explained that much of what his organization has the capacity to measure is based on compliance and focuses on processes rather than impacts. Due to funding requirements, he added, Step Up tracks data in multiple, siloed systems, resulting in “no synergy across the whole enterprise.” Grantees mentioned that they would benefit from guidance about how to use unrestricted funding for evaluation and data use so they can begin to track the long term impacts of their work. CPAF, in particular, was interested in learning how to track the impacts of its prevention work, since prevention programming is especially challenging to evaluate.

Funders play a critical role in supporting grantees’ ability to communicate their story of programmatic and community impact. Currently, these grantees use data and evaluation to share programmatic outcomes and indicators that reflect the impacts of their work. For example, they collect data to share with their boards, to evaluate annual performance, and plan for future programming. Some grantees have their own internal databases that allow them to run reports and track clients’ progress over time. However, a challenge for all grantees is the ability to measure long-term outcomes that capture community-level change.

Capturing this type of change requires time and investment. This challenge is one that many organizations face, as data and evaluation is a field that is persistently underfunded in the social sector. With increased evaluation and learning supports, grantees can begin to build the infrastructure needed to track long-term outcomes, which will help enhance their full story of impact and communicate their message and vision to other funders, stakeholders, and community members. This is an area the Weingart Foundation might consider exploring further as it continues to learn about the full impact of unrestricted support on organizations' performance.

Conclusion

Weingart's unique combination of unrestricted funds, tailored supports, trusting relationships, and field leadership gave these four grantees the insights, capacities, and connections they needed to strengthen and expand their work. The Foundation's unrestricted operating support helped them strategically build their organizational capacities, reach new communities, and engage in new activities to fulfill their missions. The Foundation's ability to authentically partner with its grantees allowed for deeper conversations about how to deploy flexible dollars and enabled Weingart to identify additional mechanisms for supporting these organizations. Grantees and, ultimately, the communities they serve, have benefited from Weingart's commitment to supporting organizations in a way that is responsive to their unique needs and circumstances.

*CPAF

REDF

Weingart Foundation | Case Profile

April 2019

Understanding the impact of the Weingart's funding on REDF's organizational capacity and assessing the programmatic impact of this type of support.

The Weingart Foundation uses unrestricted operating support (UOS) as the primary vehicle for its grantmaking. This funding model allows grantees to allocate these monies to operations and programming as needed. The approach maximizes grantee autonomy in the use of the funds. However, it makes assessing the impact of the grants difficult to determine since the funding is not restricted by specific measurable outcomes. The Foundation has a deep commitment to improving the organizational effectiveness of its grantees. It is also interested in assessing the programmatic impact of this type of support.

To help understand the impact of UOS, the Weingart Foundation asked Harder+Company Community Research to conduct brief case profiles of four current grantees. This document includes the case profile of one grantee. Three other case profiles will be created after confirming this profile approach meets the Foundation's learning needs. These four profiles will document the programmatic work of the grantees and the outcomes for their service users and community members. This information will help inform the Weingart Foundation as its Board of Directors and staff seeks to understand the benefits and challenges of its unrestricted approach. Two basic questions guided the case profile inquiries. Specifically, how has UOS:

(1) **strengthened organizations** through increased organizational effectiveness in their work, client service delivery, and community benefit; and

(2) **strengthened communities** and improved the lives of individuals through increased organizational effectiveness.

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Background

REDF is a California-based nonprofit, with headquarters in San Francisco. Founded by investor George Roberts, REDF was created to use private sector employment as a tool to promote the economic self-sufficiency of those who have been excluded from the labor market. REDF has received two Weingart grants, each $750K. The first was awarded in 2012 and second in 2016. The first grant was presented as a “project grant” and the second grant was UOS. With the support of the Weingart Foundation, REDF recently opened offices in Los Angeles, forming a strategic civic and business partnership - LA:RISE. REDF is the only venture capital philanthropy in the United States that solely supports social enterprises focused on social and vocational training and employment placement opportunities for otherwise marginalized and disenfranchised communities. For example, REDF’s constituents include individuals with mental illness or substance abuse histories, history of homelessness, and formerly incarcerated. REDF is outcome-focused, having commissioned two rigorous evaluations, one which produced favorable results in 2015 and one which is currently underway with no results yet.

REDF and LA:RISE

Los Angeles Regional Initiative for Social Enterprise (LA:RISE) is the centerpiece of REDF’s work in Los Angeles. With grant support from the Foundation, REDF began to build a presence in Los Angeles. REDF worked with public sector, nonprofit, corporate, and philanthropic organizations to create LA:RISE. LA:RISE began its operations in 2015 through a nonprofit-public sector collaboration between REDF and the Los Angeles Economic & Workforce Development Department. LA:RISE provides planning, capacity-building, and delivery of training and support services for high-need residents of Los Angeles. Based on a recent assessment of their program participants, 40 percent indicated that they are currently homeless and eight percent noted that they are formerly homeless. Additionally, 44 percent of the participants indicated that their primary employment barrier is a criminal background.

LA:RISE is a new organizational model for REDF which had previously done its work with individual social enterprises or smaller clusters. REDF had been planning to create a presence in LA and the Weingart Foundation grant allowed them to establish that presence and begin the design of LA:RISE. Please see Exhibit 1 for how the components of the program fit together. This collaborative model has already received over $15 million from the Federal government and the City and County of Los Angeles to help bring disadvantaged people into competitive employment. With the help of the Foundation, LA:RISE has also received grants from nine other foundations, including the Annenberg Foundation, the California Wellness Foundation, and the California Community Foundation. These private grants have totaled $1.5 million (excluding Weingart) since 2014.

What is a social enterprise? Why do they matter?

Social enterprises are mission-focused businesses that provide vocational training and employment opportunities to individuals who may otherwise face barriers to employment. These barriers to employment could be resulting from factors such as incarceration, criminal records, homelessness, mental illness, disability, and substance abuse. Many of these individuals are willing and able to work. However, they cannot get a job that would allow them to secure consistent and stable employment. Through support and placement in positions offered by social enterprises, these individuals can develop and refine skills valuable in the contemporary workforce and earn income to increase their self-sufficiency. In addition to the training that individuals receive through their job placement, they may also receive assistance with resources such as housing, childcare, and transportation. In the social enterprise business model, the reinvestment of profits back into the business sustain continued training and program delivery for future individuals. Independent research conducted among the social enterprises in REDF’s California portfolio confirms this impact.

Exhibit 1. LA:RISE Model

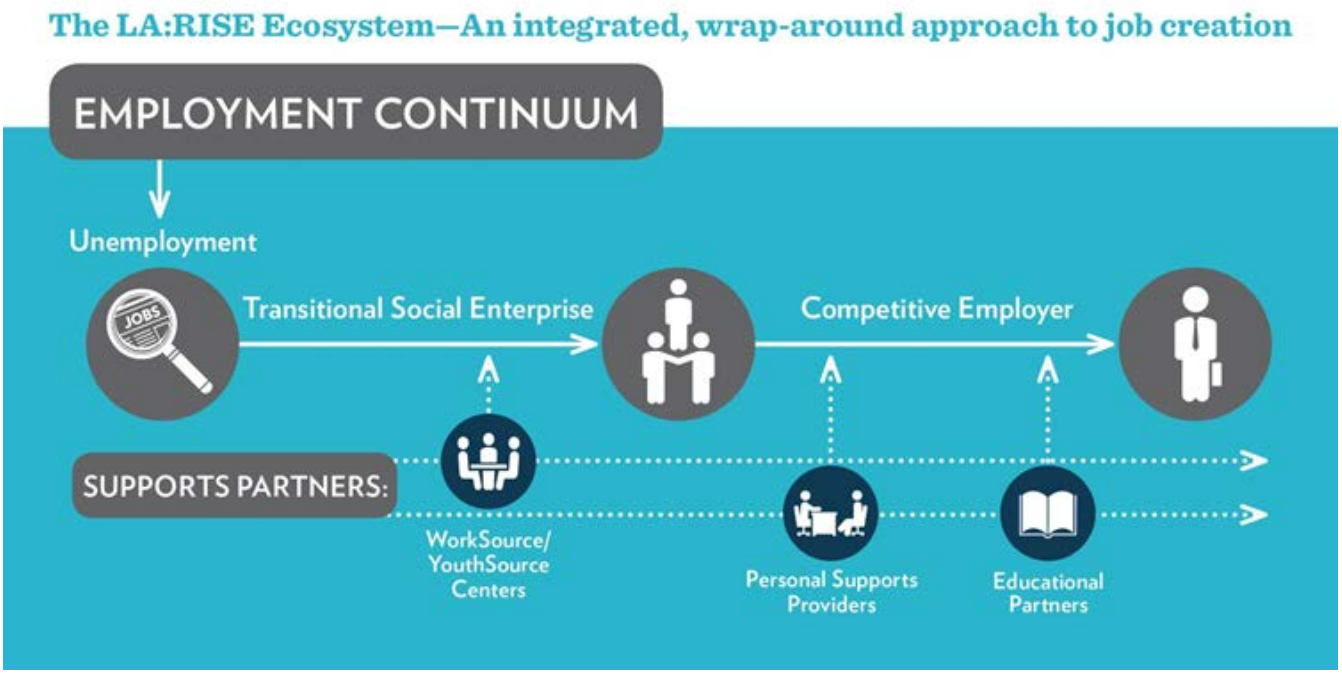


Exhibit 2. LA:RISE Social Enterprises

Center for Employment Opportunities (CEO)*	Center for Living and Learning
Chrysalis*	Coalition for Responsible Community Development*
Digital Learning Academy	Downtown Women's Center*
Goodwill SoCal*	Homeboy Industries*
LA Conservation Corps*	New Earth*

**current or previous Weingart Foundation grantee*

Impact on the Organization

The Weingart Foundation's support has had a significant impact on REDF's development of LA:RISE's sector-wide collaborative model. This model was created for LA, but more broadly, its success demonstrates one of the many possibilities for government to incorporate social enterprises into strategic initiatives to provide jobs for those overcoming barriers to employment and inspires them to do so. In LA, the social enterprise model has been incorporated into policy initiatives including LA County procurement bid preference and Measure H – the Homeless Initiative Strategy. According to the REDF's CEO, Weingart deserves "100% of the credit" for that innovation.[1] Weingart Foundation's support made REDF's entry into the Southern California region possible and that growth prompted wider spread of a new cross-sector social enterprise model. In addition, unrestricted funding from the Weingart Foundation has allowed REDF to take, as one staff person noted, "little risks" in investment both organizationally and in the community. REDF and its partners have been able to try new strategies to improve their operations using the Foundation's support. Specifically, REDF credits the Foundation's support for enabling it to open a downtown Los Angeles office and hire staff, convene other organizations interested in social enterprise, and work on policy change to support cross-sector collaboration. None of these developments would have been possible without the Foundation's funding and active promotion of REDF as the leader of this new strategy.

Among the social enterprises funded in part by REDF, two also receive unrestricted support directly from the Weingart Foundation – Center for Employment Opportunities (CEO) and Chrysalis. REDF used Federal funds to capitalize CEO and Chrysalis through 2017. Now that the Federal funding ended, REDF is still using a portion of its Weingart Foundation grant to continue to provide that capital support for both organizations. With REDF's support Chrysalis has experienced organizational growth, and the CEO's expansion into Southern California paralleled that of REDF. This comprehensive funding experienced by both Chrysalis and CEO allowed them to maximize their talent management approach and their community program delivery. Using the LA:RISE model, REDF has provided a platform for the success of these organizations and the others who participate in the new model. This structure has allowed the Foundation to support the LA:RISE collaborative structure, giving REDF the opportunity to use unrestricted operating support for its mission while some of the collaborators use Weingart Foundation funding to support their own organizational needs. This two-part funding strategy (programmatic and structural support through separate grants) maximizes the impact of each of the grants.

Chrysalis

Since Chrysalis joined REDF's portfolio in 2011 and with REDF's $2 million capital investment, Chrysalis has employed nearly 1,600 individuals. With continued support from REDF, Chrysalis expects to employ 1,300 more individuals by 2020.[2] They operate with the belief that steady employment is an important step out of poverty toward self-sufficiency. Through their partnership with REDF they have strengthened and expanded programs and

Since 2011:

- Chrysalis has employed nearly **1,600 individuals**
- Chrysalis expects to employ **1,300 more individuals by 2020**

[1] When conducting interviews for this profile, interviewees were told that all of their comments would be anonymous. This was to encourage full candor. However, during the interview with REDF's CEO, she said we could attribute her to this statement.
[2] Chrysalis overview brief. REDF, July 2017.

have developed assessments for determining client job-readiness. Following a feasibility analysis, Chrysalis was able to establishment a new business called Chrysalis Roads which provides litter abatement services along highways throughout Los Angeles County.

CEO exclusively focuses their social enterprise efforts on job placement services for individuals leaving prison whereby they join crew-based teams providing maintenance and labor services for a largely public-sector customer base. In total, CEO has more than 70 daily work crews throughout the Los Angeles area. Since joining REDF's national portfolio in 2011, they have employed nearly 27,000 individuals and they anticipate hiring 53,000 more individuals by 2020.[3]

As part of CEO's partnership with REDF and the REDF capital investment of $2.3 million (from Federal sources and the Weingart Foundation) in addition to having their own Weingart Foundation UOS, CEO has achieved several organizational strategies. For example, REDF's support facilitated CEO's connection to local government in the Los Angeles area allowing the establishment of an office in Southern California and further expansion into the neighboring San Bernardino County region. Additionally, REDF's support helped CEO obtain two California Workforce Investment Board grants which helped to diversify its funding stream.

REDF

REDF attributes these other organizational successes in part due to the Weingart Foundation support and the Foundation's facilitation of REDF's entry into Los Angeles. As summarized by REDF staff, "At the time that we started with Weingart we were probably helping hundreds of people, maybe 400 people a year get jobs. Today we are helping 9,000 people a year get jobs. [The Weingart Foundation] was the catalyst for us to become a much more effective, large scale, national organization, they started that." REDF had always seen itself as having a national voice and reach through its knowledge sharing and technical assistance. The Foundation's support enabled REDF to

> Nationally, REDF is helping **9,000** people a year get jobs.

[3] Center for Employment Opportunities overview brief, REDF, July 2017.

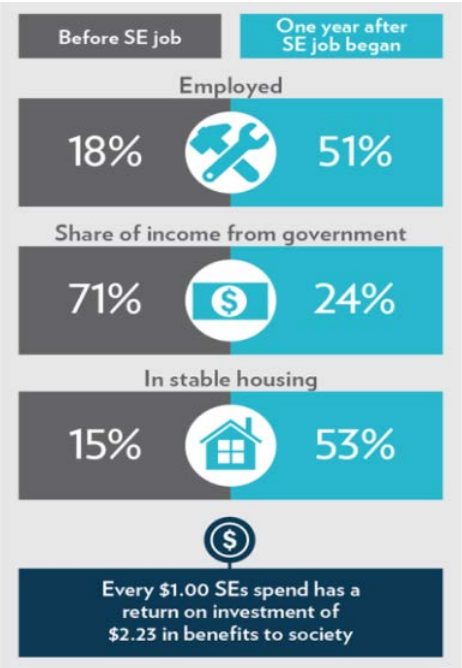
build the capacity of the social enterprise field to a much larger scale in one of the largest cities in the US, which led to greater recognition and support for this innovation from government and philanthropy, and was instrumental in opening doors to more investment in social enterprise across the US. The Foundation's support has allowed REDF to bring that model to scale.

Impact on the Community

From a larger evaluation of the impact and outcomes of social enterprise employment conducted by Mathematica Policy Research between 2012 and 2013, 242 REDF social enterprise participants experienced significant improvements in rates of employment, self-sufficiency, and housing (see Exhibit 3).[4] Further, total monthly incomes increased by approximately 268 percent and results in taxpayer savings of roughly $2 for each $1 invested in a social enterprises' expense base. REDF's presence in Southern California since 2014 has already resulted in a marked impact on the lives of those individuals who might otherwise experience barriers to employment. Between September 2015 and December 2017, over 1,000 individuals enrolled in the LA:RISE program and received vocational training and job placement services; over 300 people secured competitive employment.[5]

In **2018,** REDF helped **1,556** individuals get jobs in Los Angeles, compared to **415** in

Exhibit 3. Socioeconomic Impact of REDF Social Enterprise Employment



Service User's Perspective

The story of one of LA:RISE's participants with a history of homelessness and incarceration helps illustrate the impact of this innovative approach on individuals and communities. As noted by an LA:RISE training program graduate, the program and subsequent employment allowed him to "step off the curb" referring to where former inmates are seemingly left once

[4] Mathematica Policy Research. (2015). Economic self-sufficiency and life stability one year after starting a social enterprise job. Available at http://redf.org/what-we-do/learn/mjs/

[5] LA:RISE Fall 2017 Newsletter, electronic communication.

discharged from jail. Having been incarcerated for nearly half his life, the program allowed him to turn his life in a different direction, to get a job with upward opportunity and skills training, and to have money not only for personal use but to support his family. The confidence that employment instilled in him allowed him to fill a mentorship role within his community whereby he was able to direct younger individuals to employment and skills training opportunities.

When asked what he envisioned his life would be without the connection to LA:RISE, he shared that he could be employed somewhere he did not want to be or possibly back in the criminal justice system. With his work ethic and retail training developed through the workforce training program, he reflected: “Without those values, I would probably still be in prison. I probably would have either been dead or killed on the streets. I would have joined gangs.”

This parallels what a REDF staff member reflected on when contrasting an individual who is not connected to employment upon leaving prison as compared to someone who secures employment. They highlighted its ripple effect not only for the individual but for the greater community, “The individual who gets [a job] immediately upon exit from incarceration is bringing in a pay check and beginning to develop their own social networks and positive attitudes. That has a very tangible effect on poor families. The working parent who, with the stability of a job, is able to provide a child more regular support to do well in school. It has a very positive effect in the sense that the disorganization and the difficulties the families have are often caused by the individuals who are the most troubled.”

Beyond the tangible benefits that employment has for individuals and communities, there is also a shift in perception and reduction in stigma that community members hold when they see individuals who are employed. As noted by a REDF staff member, “There’s something about the culture of the community or the feel of the community itself. A poor community where you see young men walking around in their uniform going to work that changes the mindset of other people who see them and instead of just seeing guys hanging out on a corner causing trouble. It changes the way you feel and the way you think.”

Conclusion

REDF's experience as a Weingart Foundation grantee shows the power of the Foundation's approach to its grantmaking. REDF had been an effective organization of limited scale in the Bay Area, working to promote a new vision of social enterprise. Through the Foundation's investment of grant funds, networks, and leadership, REDF was able to come to LA, scale up the work of social enterprise, create a large-scale cross-sector structure to leverage the full role and value of social enterprise, and disseminate the lessons learned across the United States. REDF staff acknowledge that the Weingart Foundation deserves the full credit for making that success possible. The expected challenges of entering a new market were offset by the Foundation's willingness to make introductions and secure relationships. The value of the funding, as important as it was, would not have been sufficient for REDF to launch their social enterprise model successfully in Los Angeles. REDF and the Weingart Foundation created a shared vision of a new approach to bring marginalized people into the workforce, creating a new sense of purpose and stability for them. LA:RISE is the structure that embodies that vision. The flexibility of unrestricted funding was essential in this process.

Another finding is the value of the Weingart Foundation's continuing to support two major organizations (Chrysalis and CEO) that participate in LA:RISE but also have their own organizational needs which they can address through unrestricted grants. By pursuing this strategy, the Foundation achieves double benefits for its grantees – the creation of a strong cross-sector collaboration that allows hard-to-employ people to receive the help they need from multiple sources and the flexibility to address their own internal needs - strong partners in a strong structure. There are benefits to working at the systems level as well as the organizational level. The REDF experience shows that the funding can support important work at both levels.

The final area of impact discussed here is the benefit for the participants and the community. Our interview with a service user reveals the personal importance of achieving job success for a formerly incarcerated person and how those benefits extend to the family and community levels. That personal story is compelling but what it shows is how the Weingart Foundation investment in a system, not just an organization, has showed that impact to be amplified across Los Angeles through LA:RISE. The evaluation results in Exhibit 2 show how that impact has been experienced by past REDF participants, with measurable change across a number of key indicators in employment and financial self-sufficiency. This is promising hope for future impact on people served through LA:RISE. As noted earlier, the Weingart Foundation's investment in REDF has already produced important and wide-ranging benefits across Los Angeles.

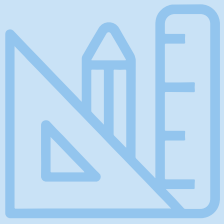
Appendix

Case Profile Methodology

To begin the case profile process, Harder+Company Community Research had an initial discussion with the grantee's Executive Director to introduce the study, to request permission and access to employees and clients who could speak to the learning questions, and to request documents to review.

Interviews | The number of interviewees was determined based on both Executive Director discretion and sensitivity for the case profile process to be simple and straightforward for both clients and staff. For the REDF profile, five interviews were conducted: four staff interviews and one client interview. Interview protocols were developed according to the relationship of the interviewee to the organization. For example, whereas leadership staff interviews assessed organizational capacity and changes in equity in relation to UOS, client interviews assessed the importance of and impact of the nonprofit on their lives, and staff interviews assessed how their work impacted their clients and the greater community. Interviews were conducted in English either on the phone or in-person. All interview responses are anonymous with responses attributed broadly to staff or clients unless otherwise noted. Interviewees granted permission to be recorded, and recordings were transcribed by a vetted transcription service. Transcripts were reviewed for themes and content that provided salient information to address the Foundation's learning questions.

Document review | The organization's Executive Director made introductions to staff who could provide specific documents and materials for context and background. For the REDF profile, the types of documents provided and reviewed included prior impact and outcome evaluations, briefs highlighting the scope and impact of specific social enterprises in the Los Angeles area (i.e., Chrysalis and Center for Employment Opportunities), the REDF website, and other websites such the Los Angeles Economic & Workforce Development Department. Documents were reviewed for content that addressed the Foundation's learning questions.



Central American Resource Center

Weingart Foundation | Case Profile

October 2018

Understanding the impact of Weingart's support on the Central American Resource Center (CARECEN) and in the broader community, and learning about this grantee's current capacity-related needs.

Since 2009, the Weingart Foundation has used unrestricted operating support (UOS) as its primary vehicle for grantmaking, and strives to help nonprofits improve their organizational effectiveness as a means to ultimately strengthening their impact. Weingart also has a longstanding commitment to supporting immigrant and refugee populations across Southern California. In addition to its continued support of organizations that provide direct services, the Foundation is increasingly supporting nonprofits that engage in policy, advocacy, and systems change efforts as part of its equity framework. Weingart strives to be responsive to emerging and unpredictable circumstances which, in the current political climate, are largely a result of policy changes. Weingart also seeks to invest in "anchor organizations"—nonprofits that are uniquely positioned to meet the needs of vulnerable populations and are well-positioned for growth.

This case profile focuses on the Central American Resource Center (CARECEN), which serves as an anchor organization for Los Angeles' Central American community by strengthening immigrant rights and integration. Since 1996, Weingart has provided ten grants as well as other supports to CARECEN. The Foundation now seeks to better understand the impact of this support on the organization and in the broader community, and learn about this grantee's current capacity-related needs. These findings will help the Weingart Foundation's Board of Directors and staff understand the benefits and challenges of its grantmaking approach. Specifically, this case profile addresses the following questions:

- How have Weingart's funding and additional supports impacted CARECEN's organizational effectiveness?
- What services and activities does Weingart, directly or indirectly, help CARECEN provide for its community?
- How has Weingart's multifaceted and long-term approach to partnering with CARECEN contributed to this impact?

To answer these questions, we conducted interviews with four CARECEN staff members and three clients, and reviewed key documents from Weingart and CARECEN (more in the "Methodology" section at the end of this case profile). The remainder of this case profile is organized into the following sections: Key Findings, About CARECEN, Organizational Capacity, Community Impact, and Closing..

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Key Findings

Over the years, the Weingart Foundation has served as a critical funder and thought partner for CARECEN as it strives to strengthen its organizational capacity and respond to the dynamic needs of immigrant communities. While this case profile focuses on CARECEN's organizational trajectory, three key findings for Weingart and other funders to consider when partnering with grantee organizations emerged:

- **Receiving multiple grants with complementary aims allowed CARECEN to respond to emerging needs and take risks, without detracting from its core services.** Unrestricted funding affords a unique opportunity for nonprofits to strengthen their organizational effectiveness. The multi-year nature of Weingart's UOS grants allow nonprofits like CARECEN to focus less on fundraising and more on internal capacity and infrastructure, including developing relationships with other potential funders. Because of its commitment to immigrant integration, Weingart identified the need for immigrant-serving nonprofits to adapt and align their strategies to federal policy changes that threaten immigrant populations. The Foundation periodically awards targeted rapid response grants for nonprofits that, like CARECEN, serve as leaders and resources for immigrant communities. In CARECEN's case, this combination of UOS and rapid response grants allowed the organization to continue responding to its constituents' emerging needs and encouraged it to take risks, without shifting resources away from its core services and infrastructure.

- **Weingart's proactive and targeted financial capacity building supports allowed CARECEN to strengthen its fiscal health while directing other funds to where they were most needed.** The Foundation recognized that CARECEN—an important anchor organization for Central American immigrants in the Los Angeles area—was in need of financial capacity building to ensure its continued well-being as it grew and evoloved. With that in mind, Weingart proactively supported the organization to engage in activities that focused on strengthening its financial capacity. These activities included the Full Cost Pilot Project—an initiative that builds nonprofit executives' and funders' skills to accurately account for and discuss full costs—and the completion of a financial assessment. In this way, CARECEN was able to move forward with Weingart's UOS and rapid response grants while it simultaneously worked to improve its financial health.

Candid conversations between funder and grantee enabled the Foundation to better understand and address CARECEN's needs. Weingart's long-term support of CARECEN allowed the organization to feel comfortable engaging in honest discussions with the Foundation about its organizational capacity, strategic priorities, and pressing needs. This knowledge, in turn, enabled Weingart to take a more proactive approach to supporting CARECEN both organizationally and programmatically. The trusting nature of this relationship meant that CARECEN could feel comfortable clearly communicating its needs, and allowed Weingart to maximize its investments in the organization by offering timely and responsive supports.

About CARECEN

Founded in 1983, the C**e**ntral American Resource Center (CARECEN) defends human and civil rights, works for social and economic justice, and promotes cultural diversity. It carries out its mission through a mix of direct services, advocacy, and organizing, operationalized through three program areas:

- **Legal services.** The CARECEN legal team provides direct legal services to nearly 25,000 people a year. This includes citizenship and permanent residency application assistance, legal representation, family petitions, work permit renewals, and Deferred Action for Childhood Arrivals (DACA) services.
- **Advocacy and Policy Change.** CARECEN engages in numerous policy and advocacy efforts, such as defending Temporary Protected Status (TPS) for Los Angeles residents, protecting workers' rights, and pursuing educational reforms to improve educational opportunities for immigrant youth in the Los Angeles Unified School District.
- **Community Empowerment.** CARECEN encourages civic engagement and empowers community members to participate in advocacy efforts. These efforts include its Youth Leadership Program, English as a Second Language (ESL) instruction and adult distance learning services, and leadership development and educational opportunities for day laborers.

While CARECEN was initially created to help refugees fleeing civil war in Central America, it expanded its focus in response to community needs. CARECEN now serves immigrants from around the world who live in the greater Los Angeles area. A large share of its clients are indigent, and many live in neighborhoods with a high incidence of crime. CARECEN has been a Weingart Foundation grantee since 1996, and has received ten grants totaling slightly over $1.175 million.[1]

In recent years, CARECEN experienced an increased demand for services due to external events (e.g., unaccompanied minors fleeing violence in Central America) as well as domestic policy decisions (e.g., related to Deferred Action for Childhood Arrivals). In response, CARECEN has expanded its services significantly, doubling its budget between 2012 and 2015 and continuing to grow since then.

In 2015, as it emerged from this period of substantial growth, CARECEN recognized the need to bring its internal capacity in line with its programmatic growth while acknowledging that it would need to continue expanding services in response to its constituents' needs. At that time, CARECEN had some promising internal practices in place—such as a formal performance management program for senior staff and competitive salaries for attorneys—but remained in a state of fiscal fragility. According to Weingart's assessment of the organization's financial standing in 2015, CARECEN was operating on narrow profit margins, frequently on the verge of having negative unrestricted net assets, and often ended the fiscal year with only days or weeks of cash on hand.

Organizational Capacity

This section describes how Weingart's support has influenced CARECEN's financial health and staff capacity. We then discuss how the partnership CARECEN has developed with the Weingart Foundation over the past twelve years has helped it hone and strengthen its strategic priorities, and highlight CARECEN's most pressing capacity-related needs at this time.

Overview of Recent Weingart Foundation Grants

Unrestricted Operating Support (UOS). These two-year grants offer flexible funding that allows CARECEN to allocate funds to operations and programming designed to strengthen organizational capacity.

Rapid Response UOS Grants. Weingart awarded two rapid response grants to CARECEN to help it respond to policy developments and the shifting political landscape. These grants offered additional unrestricted operating support to CARECEN to support its work with unaccompanied minors, as well as its work with immigrants with Temporary Protective Status. These grants were particularly helpful in light of threats to existing protections for immigrant communities.

[1] At the time interviews for this case profile were conducted, CARECEN had received grants totaling $725,000.

Financial Health

As part of its 2015 UOS grant, Weingart connected CARECEN with the Full Cost Pilot Project (an initiative that builds nonprofit executives' and funders' skills to accurately account for and discuss full costs) and provided additional funds for CARECEN to engage in a detailed financial assessment process. These activities provided CARECEN with insight into the true cost of providing services, and equipped the organization with the tools and language to understand its financial situation and discuss financial issues with its staff, board, and funders. According to CARECEN's Executive Director, Martha Arévalo, these financial supports were "extremely helpful…it gave us the tools and know-how to talk about these issues with the whole organization. We had a presentation for our board, and we had a presentation for our entire staff." Arévalo added that being able to describe to funders how CARECEN is proactively strengthening and addressing its financial capacity "makes them feel at ease with their investment in us" and has helped CARECEN expand its funding portfolio. The Full Cost Pilot Project and financial assessment also prompted CARECEN to use some of its UOS funds to hire a consultant to improve and strengthen its financial systems, including budget management.

This improved financial health, along with Weingart's continued grant funding and support, equipped CARECEN with the resources and capacity to quickly respond to community needs—such as convening its constituents around new immigration policies and providing crucial information about legal rights—while continuing to offer its core services and pursue policy change.

Arévalo feels that, as a result of these activities, CARECEN is better positioned to pursue and accept funding to respond to emerging needs that result from policy shifts. She explained CARECEN is a "much healthier, smarter, better prepared organization" than it had been just a year prior, with a greater ability to respond to immigration-related challenges that its community faces as a result of the shifting political landscape.

"[Weingart's] support has allowed us to pivot and shift, but at the same time stand firm in our own path."

–Martha Arévalo, CARECEN Executive Director

Staff Capacity

Since 2012, CARECEN has grown from a staff of 20 to nearly 100. The organization has used funding from Weingart to support the salaries and/or benefits of some of these new staff, including a contract grant writer, Director of Organizing and Public Policy, and additional organizing staff.

This enhancement in internal capacity has enabled the organization to pursue new endeavors that it previously would not have undertaken. Most notably, CARECEN led an advocacy campaign to secure Legal Permanent Residency for Central American communities that are currently under Temporary Protected Status (TPS). While CARECEN has always been well-suited to lead campaigns such as this one given its longstanding community organizing history, Arévalo noted that it had "been a long time since we've led a campaign at the local and national level." She characterized this work as "challenging" and explained that it "impacts all parts of an organization because your investment is greater in that area of work," adding, "It's also your reputation as an organization that you are putting on the line."

Leading this effort was a risk for CARECEN, but Arévalo shared that the organization felt equipped to do so in part due to the support that Weingart brings. Specifically, using Weingart funds to expand its organizing team helped equip CARECEN with the staff needed to support such an effort. Additionally, having a greater understanding of its financial standing and being in a healthier financial position helped CARECEN feel stable enough to take on the risk of leading this effort.

Partnership with the Weingart Foundation

CARECEN staff highlighted the alignment between the organization's mission and that of the Weingart Foundation. This, they shared, helped foster a meaningful partnership between the organizations. Weingart's support has strengthened CARECEN's direct services as well as its advocacy activities, and one staff person noted it allowed the organization to address "immediate needs of the community [while focusing] on long term solution[s]."

The Foundation also serves as a thought partner to CARECEN, helping the organization pursue strategic priorities while continuing to respond to community needs. As Arévalo noted, "I can call Weingart… and really talk about what is happening and how we can work together to meet that need." She added that this type of partnership sets Weingart apart from other foundations, stating, "With other foundations you don't have the opportunity to talk to the leadership within the foundation about a challenge you're confronting."

"[CARECEN and Weingart] have very similar missions and goals and visions of how to get things done."

–Martha Arévalo, CARECEN Executive Director

Organizational Needs

As CARECEN continues to strengthen and expand its operations and services, it must navigate ongoing challenges. According to staff, the most pressing organizational challenge is its ability to attract and retain qualified candidates with the benefit and salary packages CARECEN is able to offer, a consequence of its own resource constraints and the competitive local job market. Many private and public sector organizations are able to offer compensation that is better suited to the cost of living in Los Angeles.

Although CARECEN's staff has grown considerably over the past six years, there are still several key unfilled positions that represent gaps in the organization's internal operations. These include a Director of Finance and Administration, who would help maintain and strengthen the organization's financial capacity, administrative staff to support the Executive Director and Legal Director, and a full-time Human Resources position to better support the increased number of staff. Additionally, given the increase in staff and programming, Arévalo noted that hiring a full-time Learning and Evaluation position would help strengthen programming by providing program directors with data to inform their work and enable leadership to consistently make data-driven decisions. Without additional funding to offer competitive compensation packages, hiring for these positions will remain a challenge.

Community Impact

CARECEN supports thousands of people each year by providing legal assistance to immigrants, organizing community members to advocate for policy change, and developing the leadership capacity of adults and youth. This section describes each of these program areas, including CARECEN's current practices for measuring and documenting the impact of its work.

Legal Services

Annually, CARECEN's legal department provides services to nearly 25,000 people. In addition to individual legal consultations, specific service offerings include applications for Deferred Action for Childhood Arrival (DACA); protections under the Violence Against Women Act (VAWA); and acquisition of employment identification, work permits, and U-Visas, which aid in establishing legal residency status for survivors of domestic violence or sexual assault. CARECEN helped save the local immigrant community approximately $520,000 in application fees for different immigration benefits. The financial stability of Weingart's multi-year funding helped enable CARECEN to take on more legal cases than it otherwise would have been able to.

For its legal services, federal and state funding streams require CARECEN to track and report the status and process of legal cases via a case management system. CARECEN leverages findings about trends in this data to identify approaches that appear to help cases move more quickly or have more successful outcomes.

Individual stories further highlight the impact of CARECEN's immigration services on community members. For example, one client described their experience with CARECEN's assistance in a domestic violence situation. With limited financial resources and tenuous residency status, the client did not know where to go for assistance. CARECEN's clear information and support with a U-Visa process provided the client with relief, empowerment, and a successful result. As described by the client:

> *"Something that was really important to me is the confidence that the lawyer gave me from the beginning…She gave me a detailed description of the process…and kept me informed on each of the steps until we reached our goal."*

This client is now employed and enrolled in various public assistance programs (e.g., Medi-Cal).

Key Legal Services by the Numbers

In fiscal year 2016-17, CARECEN:

- Provided **4,651** individual legal consultations
- Completed **1,337** citizenship applications and hosted **24** citizenship workshops
- Processed nearly **820** DACA applications
- Filed over **400** U-Visa applications
- Filed **49** VAWA applications

Advocacy and Policy Change

CARECEN's recent advocacy efforts have focused on three main areas. First, it has sought to defend Temporary Protected Status (TPS) for Los Angeles residents as inclusive immigration policies have been under extreme risk under the current federal administration. One staff member noted:

> *"There are a quarter of a million Central Americans with [TPS] status, and they've been left out of the national conversation….We've been the main organization in LA—and really nationally—facilitating their advocacy efforts and providing space for them to come together and meet [and] organize."*

Second, CARECEN aims to protect workers' rights—in particular, preventing wage theft and raising the minimum wage. And third, it pursues education reforms to improve the experiences of immigrant children in the Los Angeles Unified School District through increased parent participation, including advocacy for their children's rights.

Additionally, in response to the increasing number of Immigration and Customs Enforcement (ICE) raids and arrests, CARECEN quickly developed workshops to inform people about their legal rights and how to effectively advocate for change with new policies.

To document these efforts, CARECEN uses a software platform to track its members and outreach activities. CARECEN also measured changes in support for TPS legislation by comparing the number of congressional sponsors for this legislation before and after a recent round of related advocacy activities in Washington, D.C., finding an increase of 14 members of congress.

Community Empowerment

CARECEN strives to raise awareness, foster civic engagement, and cultivate a culture of advocacy among community members, ultimately increasing the number of individuals who are politically aware and engaged. As one staff member highlighted, "It's important for us not only to provide people in the community with services but also to empower them to get involved in the movements and the organizing work."

One example of these efforts is a three-part video series[2] that CARECEN's Youth Leadership Program participants created for their peers and the community about citizens' rights when confronted by law enforcement and other officials on the street, at work, and in the home. Through its Day Labor Center, CARECEN offers classes, employment opportunities, and workshops, including support for day laborers as they advocate against wage theft and push for increasing the minimum wage. One client highlighted that CARECEN's programs helped them learn about politics, and added:

> *"Honestly, I don't think I would be this fiery individual if I hadn't gone through all those years and all those classes and activities that we did…It definitely inspired me to go back to school and really challenge myself and see what's out there and how I can make a difference."*

[2] Know Your Rights Video Series: http://www.carecen-la.org/kyrvideos

Through its community empowerment services, CARECEN builds confidence and hope among participants and their communities. One staff person shared, “We are able to transform people’s lives…For the first time, young people can dream to go to college and get a job.”

Assessing Outcomes and Impact

CARECEN is limited in its ability to track long term outcomes and impact, but does regularly collect evaluative questionnaires (e.g., satisfaction with services and programs, issues and topics that the community wants to learn more about) from participants across all streams of its work to learn more about its clients and constituents and to inform program improvement. In light of its growth and service expansion in recent years, CARECEN is currently at an inflection point in which strengthening its learning and evaluation efforts would bolster not just program improvement but its communications and fundraising activities as well. Currently, CARECEN lacks the capacity needed to track longer term outcomes and impact; however, Arévalo agreed that hiring a full-time learning and evaluation staff person would help CARECEN deepen its understanding of how its direct services and advocacy efforts impact clients, community members, and legislation. As is the case for virtually all nonprofits, CARECEN must balance this need for more robust evaluation and learning with its other priorities and funding constraints.

Conclusion

The Weingart Foundation’s unrestricted operating support, rapid response grants, and thought partnership over the years have helped CARECEN continue meeting the evolving needs of its constituents and addressing its own organization’s effectiveness. As CARECEN has undergone substantial growth in recent years, Weingart’s steady funding and proactive supports have helped the organization strengthen its financial health, enhance its staffing, and respond to external factors that impact immigrant communities. With the necessary internal infrastructure in place, CARECEN has become better positioned to seek additional funding that aligns with its needs, maintain and expand its direct services, and take on work it previously would not have been equipped to lead.

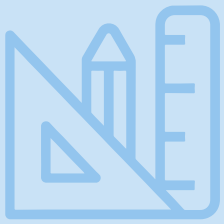
Appendix

Case Profile Methodology

To begin the case profile process, Harder+Company Community Research had an initial discussion with the grantee's Executive Director to introduce the study, request permission and access to employees and clients who could speak to the learning questions, and request documents to review.

Interviews | We determined the number of interviewees based on recommendations from the Executive Director and sensitivity to the time required for staff and clients to participate in the case profile process. Ultimately, we conducted interviews with seven individuals: four staff members and three clients, one of whom is also a long-time volunteer. We developed interview protocols according to the relationship of the interviewee to the organization. For example, staff interviews focused on organizational capacity and changes related to Weingart's support, whereas client interviews assessed how CARECEN impacted individuals' lives. Interviews were conducted in English and Spanish, as appropriate, over the phone. All interview responses are anonymous with responses attributed broadly to staff or clients unless otherwise noted. Interviewees granted permission to be recorded and all recordings were transcribed by a third party service. We reviewed interview transcripts for themes and content related to the learning questions.

Document review | The organization's Executive Director made introductions to staff who could provide specific documents and materials for context and background. For the CARECEN profile, documents included annual reports, funding memos, and the CARECEN website. All photos are courtesy of CAR



Step Up On Second

Weingart Foundation | Case Profile

October 2018

Understanding of the impact of its funding on Step Up On Second's organizational capacity and lift up lessons learned to inform future grantmaking.

Since 2009, the Weingart Foundation has used unrestricted operating support (UOS) as its primary vehicle for grantmaking, and strives to help nonprofits improve their organizational effectiveness as a means to strengthen their impact. Weingart is committed to advancing social and economic equity in under-resourced communities, specifically for vulnerable individuals who are experiencing mental health conditions and chronic homelessness. Additionally, in pursuit of its vision for a robust network of nonprofits across Southern California, the Foundation supports nonprofits in multiple regions including the Inland Region. This is an area of great need but with far less philanthropic resources (relative to need) than other parts of Southern California such as Los Angeles and Santa Barbara Counties.

This case profile focuses on Step Up on Second (Step Up), an organization that helps low-income people experiencing serious mental illness reintegrate into the community. Founded in Santa Monica in 1984, Step Up now operates in multiple locations across Los Angeles County and recently expanded into the Inland Region (San Bernardino and Riverside Counties). The Weingart Foundation has supported Step Up since 2006, including four UOS grants totaling $975,000. In 2016, Weingart made a $500,000 program-related investment (PRI) loan to Step Up to support its expansion into San Bernardino County. This case profile is intended to deepen the Foundation's understanding of the impact of its funding on Step Up's organizational capacity and lift up lessons learned to inform future grantmaking by addressing the following questions:

- To what extent has Weingart's long-term UOS funding impacted Step Up's organizational effectiveness and ability to deliver services?
- How did the PRI loan from Weingart complement its UOS funding and impact Step Up as it expanded into a new region?
- What has worked well for Step Up as it established its presence in San Bernardino and Riverside Counties, and what challenges is it facing as it continues to scale and expand this work?

Our case profile analysis is based on interviews with Step Up's Chief Executive Officer, Chief Operating Officer, and Board Chair; two local partners in San Bernardino County; and a review of grant-related documents (more in the "Methodology" section of the appendix).

This report begins with a high-level overview of key findings and is followed by a description of Step Up's programming and services. We then describe the impact of Weingart's UOS and PRI funding on Step Up's organizational capacity and expansion into a new region. The report ends with a brief conclusion, followed by an appendix that outlines research methods and Step Up's organizational structure.

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Key Findings

This case profile takes a deep dive into Step Up's experiences as one of the Weingart Foundation's nonprofit partners and explores its assets and needs related to organizational capacity and recent expansion into the Inland Region. In examining these issues, three key findings with broader relevance for the Weingart Foundation and other funders and nonprofits emerged:

- **Flexible unrestricted support is particularly valuable for organizations like Step Up that rely heavily on government contracts.** Public funding typically comes with strict limitations on overhead expenses, limiting the resources available to nonprofits for critical non-programmatic expenses. Unrestricted support helps these organizations invest in vital infrastructure and often enhances their ability to respond to constituents' needs. In addition to the dollars that come with UOS grants, Step Up noted the value of Weingart's openness to work together to identify solutions and engage in honest conversations about the organization's challenges. Through these conversations, they identified the need for Weingart to close an existing grant early in order to make its next grant available when Step Up needed it most—that is, before their government contracts came through. This flexibility and willingness to meet nonprofits' needs, not just in terms of how grants are spent but also in terms of how and when they are awarded, is an important aspect of Weingart's unique approach to partnering with its grantees.

- **Weingart's PRI loan provided a crucial bridge while Step Up waited for government reimbursements to come in.** The Foundation makes PRI loans available to organizations that are increasing access to unmet needs in highly underserved communities such as San Bernardino County. As Step Up began to accrue expenses as they expanded in that region, funding from their large government contract had still not come through. Recognizing this misalignment in timing, Weingart granted this loan to serve as working capital for critical cash flow needs. In this way, the loan served as a complement to the Foundation's unrestricted funding, which Step Up continued to use largely for ongoing infrastructure needs.

- **With its expansion into the Inland Region, Step Up demonstrated best practices for entering and integrating into a new community.** Once Step Up established a presence in San Bernardino and Riverside Counties, it was able to reach hundreds of underserved individuals in the region who were not previously receiving services. Several factors contributed to the organization's successful expansion into this new geographic area. Before moving into the Inland Region, Step Up was a well-established organization known for its high-quality services and strong infrastructure—in part supported by Weingart's UOS grants. This gave Step Up a solid foundation from which to quickly scale up, and helped local stakeholders in San Bernardino and Riverside Counties see it as a credible organization that delivers meaningful results. Step Up was also proactive about building relationships with existing agencies and service providers to mitigate concerns about competition for resources and/or clients, and intentionally sought opportunities to contribute to the capacity and infrastructure in the region.

About Step Up

Step Up's mission is to help people experiencing serious mental illness recover, stabilize, and integrate into the community by delivering compassionate support services. This includes providing positive social and learning environments, vocational training, permanent supportive housing opportunities, recovery services, and engaging in related leadership and advocacy activities. Step Up's core strategies include:

- **Permanent supportive housing.** Step Up serves individuals experiencing chronic homelessness, mental health issues, and addiction using a "Housing First" approach, meaning that it sees permanent supportive housing as a critical component of recovery. It operates hundreds of housing units that include on-site residential managers, life-skills coordinators, and connections to support services.

- **Vocational training and placement.** Step Up's employment-related services include pre-vocational training, job interview techniques, work adjustment, employment preparation, and job placement. These programs are member-driven, meaning that participants set their own goals, choose their areas of interest, and determine the pace with which they move through training.

- **Supportive services.** These services are member-driven and aim to reduce harm, prevent relapse, and foster recovery. New members are connected to a Peer Advocate for one-on-one support and may participate in peer support groups that foster community and a sense of belonging. Professional services include services coordination, life skills coaching, psychiatrists for medication support, and transportation.

To further advance its mission, Step Up is currently prioritizing two key goals over the next two years. First, the organization seeks to end homelessness for 1,000 individuals in Los Angeles and the Inland Region. Second, Step Up aims to increase the supply of permanent supportive housing units by implementing an innovative motel conversion model—a quicker and less expensive alternative to its current model, which relies on government funding. Unrestricted support will be a critical component of ensuring that Step Up has the necessary organizational infrastructure to achieve these goals.

Organizational Capacity

This section describes the impact that Weingart's supports have had on Step Up's organizational capacity and highlights its emerging capacity-related needs. Weingart's UOS grants have enabled Step Up to expand its management structure, recruit and retain high-quality staff, and implement services from a client-centered lens.

Organizational Infrastructure

Over the past several years, Weingart's UOS grants have helped Step Up strengthen its organizational infrastructure, enabling it to grow and sustain its work more intentionally. Step Up's CEO, Tod Lipka, described general operating support, such as Weingart's, as "the glue that holds an entire organization together." Some of the overhead costs Weingart funding has directly supported include the hiring of a high-level CFO, adopting web-based accounting systems, and expanding human resource functions. However, most notably, Weingart's funding has allowed Step Up to thoughtfully build out the management and leadership structures necessary to accommodate growth. As Lipka put it, Weingart's UOS grants gave Step Up the freedom to ask, "What best organizational structure can serve us to succeed in the direction that we're going?" For many nonprofit organizations, particular contracts often drive staffing and management decisions; however, unrestricted support allowed Step Up to strategically look at what organizational changes were best suited for its work.

"UOS allows you to be proactive in initiating what management structure can best accommodate growth, rather than being contractually driven."

–Step Up's CEO

For example, over the past four years, Step Up created an entire new layer of mid-level management, "Vice Presidents" who oversee a variety of directors and programs, including clinical programs and housing services (a full organizational chart can be found in Appendix B). This new layer of management provided additional support to program staff and Step Up leadership, which did not previously exist. Step Up also created a Quality Assurance Department, which oversees program fidelity and support across Step Up's multiple sites. Furthermore, Step Up brought their property management staff in-house to oversee their ten properties and over 500 rental-subsidy units. Consequently, as Step Up's organizational structure has grown, so has its capacity to take on more work and extend its impact. Over the last two years they have grown from being a $9 million organization to an $18 million organization in 2018, with a projected growth reaching $24 million in 2019. Lipka attributed Step Up's growth to their evolving management structure, explaining that their "organization structure has really been one that provides the infrastructure to accommodate growth without being overwhelmed by it…if we were in the old structure, we would have failed programs and burned out staff."

Step Up Outcomes

Below are select outcomes from July 2017-February 2018.

- **80** Permanent Supportive Housing Placements
- **98%** Housing Retention Rate
- **22** External Job Placements
- **9** members in post-secondary education program
- **4** members enrolled in HS diploma or equivalency
- **6** members engaged in one-on-one prep/tutoring to enroll in HS diploma

Data and Evaluation Practices

Step Up's internal planning is informed in part by data about housing placements and short-term outcomes. While Step Up tracks a lot of metrics (housing placements, housing retention, jobs and education outcomes), much of the data it collects is contractually driven. However, Step Up leverages the data they collect across contracts to report to their board, evaluate their annual performance, and plan for future programming. We spoke to Step Up's board chair, Barrett Esarey, who commended the data they receive and how its supports the work they do: "Any sort of question that comes up, what's amazing is the wealth of knowledge that the Step Up staff have...so we're always challenging and asking questions to understand big and little details...if we've ever thought to ask it before, we've gotten the information." However, Step Up looks at long-term outcomes with less frequency, and identified this as an area for growth it is interested in exploring. Step Up also expressed interest in collecting data from staff and regional partners to better understand how to strengthen their work internally and externally.

Recruiting and Retaining High Quality Staff

As Step Up's operations, infrastructure, and financial resources have grown over the past few years, so has its staff. Weingart's unrestricted funding, in part, has supported Step Up's evolving talent management practices. For example, Weingart's unrestricted funding has helped Step Up offer competitive salaries and hire high-quality staff, at both the program and management level. Barbara Bloom, Step Up's COO, shared that Weingart's funding "allowed us to decide to not be bound by salaries and look at our needs. [We] find the very best people with the skill set we needed. [We're] finding good talent and talent is expensive." In particular, unrestricted funding allows Step Up to hire staff as soon as they are needed, while the organization secures future funding to sustain those positions. As Bloom explained, "[unrestricted funding] could supplement a position until I could generate enough revenue in the grant to say, 'Yes, now I've got that expense 100% covered.'"

Step Up employs additional strategies, such as being responsive to staff needs and professional development opportunities, to support staff satisfaction and retention. This was especially important when Step Up expanded into San Bernardino County, as they aimed to be responsive to staff's needs in this new region. For example, Step Up discovered early on that the amount of travel their field based staff were doing was impacting their cars. In response, Step Up was able to use unrestricted funding to purchase a fleet of 13 cars that staff can now use instead of their own cars. This is just one example of the unique talent management strategies Step Up employs across their sites to meet staff's needs. Lipka explained that they aim to "replicate the theme of inclusion and belonging that they apply to the clients they serve...with the people [staff] who provide services for us."

"What's happening now is that people want to work for Step Up."

–Step Up's COO

In addition, Step Up has been able to effectively recruit and retain staff by developing more layers of management and leadership, and an infrastructure that provides more opportunities for upward mobility. Step Up's current management team is seasoned and has been with the organization for a number of years. Promoting from within is an important way that Step Up models its "growth path" and shows staff that there are opportunities to take on different roles within the organization. Bloom shared that she wants to continue to find ways to grow and support staff so they can move up within the organization. One example she mentioned was the need to provide leadership development training or an "executive talent development program" to direct-service staff so they can eventually be prepared to take on management positions.

Responsive Programs and Services

Interviews with staff and board revealed that Weingart's unrestricted funding helps Step Up implement services through a client-centered lens. Specifically, Weingart's funding has allowed Step Up to address programmatic-related needs that are not covered by government contracts, but are integral to client success (e.g., new beds, bus fare to go to appointments). As Bloom explained, "there are so many aspects of services that we feel, from a mission standpoint, are important for someone's recovery and wellness that it is very hard to go out and ask for funding for that specifically because it is not where the passion of someone else lies." Consequently, instead of having to align all of its services to restricted government contracts, Step Up can use unrestricted funding to ensure their programming meet the needs of their clients. By approaching their work in a way that is client-centered, Step Up creates a true community for its clientele. Bloom shared one example where a client had a family member pass away and needed bus fare to go back for the funeral. She explained, "Unrestricted funds helped with that. It wasn't a lot of money, but it's these kinds of things where members look at us as being part of a club or a family."

The flexibility of unrestricted funding also allows Step Up to continue to engage and serve clients who might not meet the target population criteria for government grants. For example, Step Up has a "very robust social program that doesn't require clients to be enrolled in any Medi-Cal funded program." Bloom explained that its initiatives like this that Step Up has felt, from inception, are a core part of their mission.

Current Organizational Needs

Step Up identified specific organizational priorities it faces as it continues to grow its work in Southern California and beyond. One area that continues to be a challenge is ensuring Step Up has the liquidity to underwrite growth. For example, Step Up's expansion into the Inland Region (which we further explore in the next section) will require additional funding to sustain. Step Up identified a need to focus on growing their private (both individual and corporate) contributions within the Inland Region in order to sustain their work and supplement their government contracts. This is especially important given there is less foundation support in the Inland Region, with many nonprofits competing for limited funding opportunities.

One board-led effort includes growing Step Up's capital fund so that the organization can continue to expand and think strategically about its future. Step

Up's board chair, Barrett Esarey, explained that a strong working capital fund will help Step Up continue to fund infrastructure development: "we are trying to make sure as we grow we aren't going to fall apart at the core, and I think we are ahead of that conversation, but it takes money to feed the infrastructure and so Step Up is always looking for money for that." In addition to being able to fund aspects of infrastructure like new technology or new management positions, we also heard that Step Up is intentionally thinking about how to develop a strong succession plan so that the organization maintains stability when key members transition out of their roles. Investing in infrastructure and developing strong management and support systems is something that will be crucial for Step Up as they develop a succession plan.

In addition to continuing to fund infrastructure, identifying housing for clients is a continual challenge that Step Up faces. Esarey shared that, "the appetite to support the housing components is always one that is a topic of conversation." Currently, it takes about "five years and $500,000 to develop a new unit of housing" which Lipka explained is "an unsustainable way to scale housing development." Given this landscape, Step Up has been exploring innovative housing solutions like motel conversions, modular housing, and manufactured housing. However, as Step Up explores new housing innovations, it recognizes that innovation is iterative and takes time. In fact, Step Up is looking forward to opening three motel conversion housing sites early next year, but it took a few attempts for Step Up to identify a model that would work. In addition to innovation, Bloom shared that it would be beneficial to have an internal real estate staff member whose "sole job is to develop relationships with landlords so that we can have landlords rent from us," which would help Step Up grow its capacity to identify housing for clients.

Scaling and Expansion

In September 2016, San Bernardino County Officials encouraged Step Up to expand its work in their region, a geographic area with a need for supportive housing that exceeded what was available at the time. This partnership was brokered through previously established relationships between one of their board members and San Bernardino County Officials, which gave Step Up credibility in the region and allowed for a smooth transition. This expansion was a significant geographic growth for Step Up, and Weingart's support was integral to the transition. This section explores how Weingart's PRI loan and UOS grants allowed Step Up to scale its work intentionally, make an impact on the community, and strengthen the overall capacity of this region.

"It's great because there's a huge need out there, a need that we were trusted to fill, and Weingart has helped us actually do it."

–Step Up's Board Chair

Rapid and Impactful Expansion

Scaling and expansion is a risk that nonprofit organizations must be well-positioned to take. While Step Up's established program model and strong infrastructure in LA County provided a solid foundation for establishing itself in San Bernardino, it was not free of the common challenges that come with organizational growth. For example, because the majority of Step Up's funding in San Bernardino came from the County[1], staff anticipated delayed reimbursements from these government contracts and had concerns about how covering interim costs would impact their liquidity and cash flow. Step Up thought carefully about its ability to front start-up program and organizational costs during the first few months of service—as Lipka put it, "all the boxes were checked…the only box we had ambivalence about was liquidity." However, by awarding Step Up the PRI loan, Weingart helped alleviate the stress on cash flow and allowed Step Up to begin operations without having to wait for government reimbursements to come in. Lipka, shared, "The PRI loan was

[1] Step Up received a $1.5 million HUD grant from the San Bernardino Interagency and a $1.5 million contract from the San Bernardino County Department of Behavioral Services.

a perfect solution for us, it would give us some respite on the liquidity side, and gave us the opportunity to manage the [county] grant and generate revenue."

Weingart's PRI loan bridged Step Up's funding for the first few months of its work in San Bernardino, as well as throughout the course of its expansion, which ensured it had the security and financial safety net to quickly roll out services in the new region and achieve impressive early outcomes. Step Up's board chair explained that the PRI loan "allowed the operational side to ramp up properly…[we] didn't have to cut corners or be concerned, we were able to set it up properly, which has helped us flourish." This, combined with a supplemental UOS grant that Weingart awarded Step Up (which, as described in the previous section, allowed Step Up to cover things not covered in government contracts, like staffing, infrastructure, etc.), contributed to Step Up's rapid and impactful expansion in San Bernardino. Within one year, Step Up had placed 120 individuals into housing, including some residents that had been homeless for 40 years, and had 100% client retention. Esarey explained that, without Weingart's PRI loan or UOS grant, "there may have been a different ramp-up period…housing 150 people in an 18 month time period was very aggressive, so it probably couldn't have happened as quickly. [Weingart's support] allowed more flexibility to be able to assist in a faster manner."

"We can't lay everything at the feet of the PRI [loan], but it was an essential component to our success."
–Step Up's CEO

Step Up's successful implementation of high-quality services in San Bernardino County contributed to other successes as well, including a contract with Riverside County as well as with Inland Empire Health Plan. In fact, when Step Up entered the region, it had been awarded $3 million in government contacts, and now it is operating with $8 million in government contracts. Lipka reflected on Step Up's successes after two years in the new region, stating, "We can't lay everything at the feet of the PRI loan, but PRI was an essential component to our success."

Intentional Relationship Building

Although Step Up came into San Bernardino with initial political support, it was still met with some skepticism from local organizations in the region. As one local partner put it, "in San Bernardino County, many nonprofits are suspicious of other nonprofits not from San Bernardino County…there was some hesitation from those agencies that did not know who [Step Up] was." This challenge was not lost on Step Up staff. Bloom described the local response to Step Up's arrival in the region as, "Who are you? Why are you here? Why did you get the funding?" and added, "We really had to prove ourselves." With this in mind, Step Up entered the region with humility, sensitivity, and a goal to learn, ultimately building a solid reputation and earning the community's trust.

"We approached our work sensitively, humbly, and recognized we were entering a new community… [we wanted] to help others as much as possible rather than tout our own successes as strategy."

-Step Up's CEO

Step Up's new management structure, in particular, gave leadership the space to focus on intentional relationship building. Specifically, the addition of several Vice Presidents to run Step Up's "day to day operations" gave the organization's leadership team the time and capacity to focus on relationship building without having to sacrifice quality of programming and operations across other sites. Bloom, who has been present in the Inland Region multiple days each week since Step Up expanded in 2016, shared that this relationship building took time, and that unrestricted funding "created a sense of relief and freedom … it allowed us to be out here three days a week to develop relationships, to go to meetings." Some strategies Step Up used for intentional relationship building included presentations, networking lunches, and sharing information and resources with community organizations. One partner organization shared that its staff and interns were invited to tour Step Up's Los Angeles facilities and become familiar with its work and best practices. This same partner organization explained, "Step Up did a really good job, since they were coming into a new territory and nonprofits in the past have been very territorial. [Lipka] knew that they would be navigating some political waters and so they did a really good job of coming to meetings, having

boots on the ground, and meeting people."

Building Capacity and Influencing the Field

Since its expansion into the Inland Region, Step Up has not only provided new services to a region in need, but it has begun to leverage its expertise and resources to strengthen the systems and organizations it works with. Step Up's established program model and strong infrastructure in LA County prepared it to implement services in San Bernardino County. While Step Up has been flexible and responsive to the needs of this new community, its staff also brought deep knowledge and expertise in the fields of housing and mental health. As Bloom put it, "we bring the expertise that we have from a large metropolitan city...we have knowledge of success. We have a way of doing things that we've brought with us."

"When they entered [San Bernardino], they were thoughtful and mindful about working with other agencies."

–Partner Organization

One local partner described Step Up's contribution to Homeless Advisory Board meetings, citing that Step Up staff is always in attendance and look for ways that they can add to the work being done in San Bernardino. The partner explained, "Step Up is always at the table trying to work closely with the coordinated entry system and with other partners on ways they can contribute...they're always willing to figure out best recourse and how to best navigate the system." A different partner organization mentioned that it is eager to continue working with Step Up so they can make a significant impact on homelessness in the region: "they know what they're doing, and they're doing it the right way, so why not bring them in to partner and see if we can solve this together?"

Previously established service providers in the Inland Region have not always had sufficient capacity to fully address local needs, and Step Up has been helping build regional capacity. For example, one leader from Step Up mentioned that they have been able to support the county with resources and information in ways that few other nonprofits in the region can do. The leader explained,

> *"San Bernardino County [government] said, 'this is what we need', and we said 'no problem, we're doing that in LA' or, 'oh that's interesting, we're not doing that in LA but we'll do it [here]' .What we learned from these compliance [requirements] was that other providers in the county weren't at 50% of where we were in their ability to give the [County] what they needed."*

Step Up also demonstrated its ability to boost regional capacity when it took on a federal Housing and Urban Development (HUD) grant for Permanent Supportive Housing that another local provider had initially applied for and turned down. The partner organization in charge of distributing the HUD grant to local nonprofits shared that, once the other provider declined the grant, the region was going to lose the funding altogether. Ultimately, HUD suggested that Step Up be the nonprofit partner organization, citing its strong reputation and good record with this work. Step Up accepted the grant, which will total $1 million over the course of five years.

"[Step Up's] been a breath of fresh air. They've brought a lot of expertise, innovation, and best practices to the community and county and we're really excited that they've come in and delivered on their promise to help and partner."

–Partner Organization

Taken together, these findings indicate that Step Up has strengthened the capacity of the public and nonprofit sectors in a highly underserved region where services for homeless individuals are very limited. As one key partner described, "They've been a breath of fresh air. They've brought a lot of expertise, innovation, and best practices to the community and county and we're really excited that they've come in and delivered on their promise to help and partner."

Preparing for Future Growth

Step Up is in the process of becoming a national organization and is expanding its work to Atlanta, Georgia and San Seminole County, Florida. As Step Up positions

itself to grow in new regions across the nation, it is drawing on lessons learned from the Inland Region. Most notably, expanding into San Bernardino helped board members and leaders understand what questions need to be asked and what needs to be assessed when new regions are being vetted. Esarey shared that the board engages staff during this process to understand the risks and rewards of expansion from multiple perspectives. Esarey said some of the questions they keep in mind as they think about growth include, “What does it mean, programmatically, to start up in a new area? How do you take your very well-known brand in LA and make sure that brand continues [in a new region]? What does housing look like [in the new region]? What’s the financial impact of this opportunity and can we do it?” These questions are testament to Step Up’s intentional and thoughtful approach to growth.

However, Lipka mentioned that liquidity continues to be a significant issue as Step Up expands and that growth requires an “understanding of where we want to go and what conditions we need to go [there]”, noting that a key condition is “having the financial resources to underwrite that growth.” It’s evident that Weingart’s support was integral to Step Up’s financial health during their expansion into San Bernardino and later into Riverside County, and Step Up is looking closely at how to sustainably fund new initiatives moving forward. Despite the continual challenge of funding and liquidity, Step Up’s expansion into San Bernardino and its initial success in that new region is a promising sign that it will experience similar successes as it brings their model to new areas of the country.

Conclusion

With access to unrestricted resources, Step Up has strengthened its organizational capacity and expanded its impact over the past several years. Weingart’s steady UOS funding and support have helped Step Up strengthen its infrastructure and enhance its staffing, including adding a new layer of mid-level management and a quality assurance department. Consequently, with new infrastructure supports in place, Step Up was able to scale and grow into the Inland Region, a geographic area with significant need. Weingart’s PRI loan allowed Step Up to expand rapidly into this new region, while taking the time to build partnerships and gain buy-in from local organizations. Step Up is now serving hundreds of individuals in the highly underserved communities of San Bernardino and Riverside and Weingart’s investments were integral to its ability to grow at this scale and pace.

Appendix A

Case Profile Methodology

To begin the case profile process, Harder+Company Community Research had an initial discussion with the grantee's Executive Director to introduce the study, request permission and access to employees who could speak to the learning questions, and request documents to review.

Staff and Board Interviews. To better understand how Weingart's unrestricted funding and PRI loan influenced Step Up's organizational effectiveness and capacity to do their work, the evaluation team conducted phone interviews with two staff members and one board member from the grantee organization. We identified interview participants based on recommendations from the CEO, keeping in mind sensitivity to the time required for staff and to participate in the case profile process. Interviews lasted approximately 45 minutes and permission was sought from all participants to record telephone interviews and recordings were transcribed by an online transcription service.

External Partner Interviews. In order to learn more about Step Up's expansion into San Bernardino County, the evaluation team conducted phone interviews with two external stakeholders that have experience partnering with Step Up in San Bernardino. We identified external partners based on the recommendation of the CEO. Phone interviews lasted approximately 30 minutes and permission was sought from all participants to record telephone interviews and recordings were transcribed by an online transcription service.

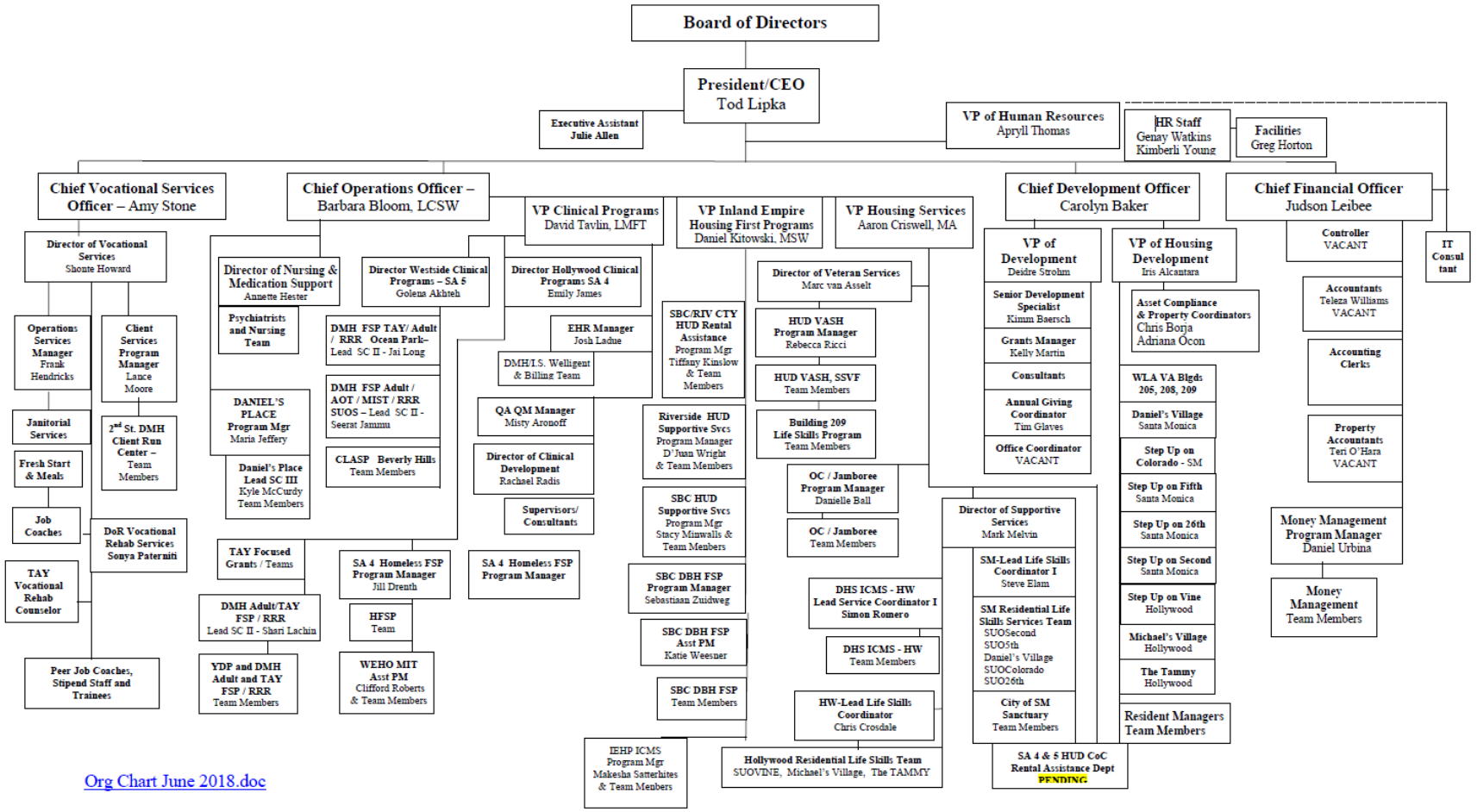
Document Review. The organization's CEO provided specific documents and materials for context and background. For the Step Up profile, documents included monthly impact reports, organizational charts, funding memos, and the Step Up website.

Confidentiality. For interviewees that chose to remain anonymous, confidentiality was assured by establishing that participant names would neither be attributed to their responses nor shared with anyone outside of the evaluation team. All recordings and transcripts were saved on a password protected server.

Analysis. Content analysis was used to identify key themes across interviews with staff, board, and external partners. Mid-way through data collection, the evaluation team shared early findings with Foundation staff in order to solicit insights and any additional questions from the Foundation, which guided data collection and analysis moving forward.

Appendix B

Step Up on Second Organizational Chart – June 2018 - DRAFT



Org Chart June 2018.doc

Center for the Pacific Asian Family

Weingart Foundation | Case Profile

April 2019

Understanding the impact of the Weingart's funding on Center for the Pacific Asian Family's organizational capacity and lifting up lessons learned to inform future grantmaking.

Since 2009, the Weingart Foundation has used unrestricted operating support (UOS) as its primary vehicle for grantmaking, and strives to help nonprofits improve their organizational effectiveness as a means to strengthen their impact. Weingart is committed to advancing social and economic equity in under-resourced communities, specifically for underserved communities of color. Additionally, in pursuit of equity, Weingart specifically supports nonprofits that specialize in housing for homeless and low-income individuals, as well as immigrant and refugee rights.

This case profile focuses on the Center for the Pacific Asian Family (CPAF), an organization that helps address domestic violence and sexual assault in the Asian and Pacific Islander (API) communities of Southern California. CPAF's mission is to build healthy and safe communities by addressing the root causes and consequences of family violence and violence against women. The Weingart Foundation has supported CPAF since 2009, including three UOS grants totaling $475,000. This case profile is intended to deepen the Foundation's understanding of the impact of its funding on CPAF's organizational capacity and lift up lessons learned to inform future grantmaking by addressing the following questions:

- In what ways has Weingart's UOS funding increased CPAF's organizational effectiveness and strengthened their ability to deliver services?
- How has Weingart's UOS funding supported CPAF's integration with Asian Pacific Women's Center? What challenges is CPAF facing as they move through this process? How does CPAF anticipate integrating with another organization will strengthen their work and the communities they serve?
- Has CPAF been able to document any tangible outcomes since their organization started receiving UOS? In what ways, if any, has their growth over the years made a difference in their ability to impact community change?

Our case profile analysis is based on interviews with CPAF's Executive Director, Development and External Relations Director, Administrative Director, Community Program Director and Board Vice President; and a review of grant-related documents (more in the "Methodology" section of the appendix).

This report begins with a high-level overview of key findings and is followed by a description of CPAF's programming and services. We then describe the impact of Weingart's UOS funding on CPAF's operations and programming as well as their recent growth and integration with the Asian Pacific Women's Center (APWC).

harder + co | community research

Key Findings

This case profile takes a deep dive into CPAF's experiences as one of the Weingart Foundation's nonprofit partners and explores its assets and needs related to operations and programming as well as their recent growth and integration with the Asian Pacific Women's Center. In examining these issues, three key findings emerged:

- **Unrestricted funds enable culturally-specific organizations to tailor their programming to the unique strengths and needs of their constituents.** In the field of domestic violence, there are prevailing interventions and strategies that many organizations use to work with survivors. However, not all communities respond to the types of programs, services, or interventions that are suggested in government contracts and other restricted grants. Given CPAF's client centered work with the Asian and Pacific Islander community, its critical CPAF has flexibility to provide services that resonate with its clients. Weingart's UOS grants, in particular, have given CPAF the opportunity to listen more deeply to its communities and explore interventions that address and prevent gender based violence through a lens of cultural competency. Through programs that use strategies like acupuncture to promote healing, CPAF has been able to expand their services to show the community they are responsive and committed to clients' healing.

- **Having flexible resources helped CPAF secure, support, and retain staff who reflect the communities they serve.** CPAF is committed to hiring culturally and linguistically diverse staff, with 90% of its staff bilingual or bicultural Asian or Pacific Islanders. In addition to ethnic and immigration diversity, CPAF is committed to hiring survivors and former clients, which requires more commitment and support to help ensure their success. For example, with the support of unrestricted funding, CPAF can hold spaces for staff to talk about their own survival experiences and process of healing. Through group lunches, sabbaticals, or mental health days, CPAF has been able to create an intentional and welcoming work environment that supports staff wellbeing and success.

- **The security and flexibility of unrestricted funding supported an extensive planning process that led to a successful integration with the Asian Pacific Women's Center (APWC).** After initial support from the Nonprofit Sustainability Initiative, Weingart's support gave CPAF the flexibility and security it needed to engage in the process of exploring and planning to integrate with APWC. Most importantly, it provided leadership and administrative staff the space to develop a two-year integration plan that gave CPAF the flexibility and infrastructure needed to go through the transition process while continuing to implement high-quality services and programming. CPAF was also able to develop a plan that kept APWC stakeholders and donors engaged and honored the legacy of APWC, which helped sustain services and support through the integration of both organizations.

About CPAF

CPAF was founded 40 years ago as the first organization in Southern California working to provide support to immigrant Asian and Pacific Islander women experiencing domestic or sexual violence. Over the course of its existence, CPAF has been recognized nationally for its work in domestic violence, sexual assault and child abuse services. CPAF's mission is to build healthy and safe communities by addressing the root causes and consequences of family violence and violence against women. CPAF is committed to meeting the specific cultural and language needs of Asian and Pacific Islander (API) women and their families.
Its core strategies include:

- **24-Hour Hotline and Intervention.** CPAF operates the only Asian and Pacific Islander language crisis hotline for survivors of domestic and sexual violence in Southern California. In 2017, CPAF's hotline responded to 4,640 crisis calls in 22 languages. CPAF also runs the only rape crisis center tailored for API survivors in the state of California.

- **Shelter Programs.** CPAF operates one emergency shelter and two transitional shelters, which offer survivors housing, counseling and social services. The emergency shelter is the only shelter in Southern California that addresses the needs of domestic violence survivors in the API community. Its transitional shelters seek to help survivors establish independent, violence free lives. In addition, shelters also provide survivors and their families with supports and programming that are critical to their safety and healing. For example, low-income survivors are linked to public benefits and learn financial literacy skills and families are linked to education, job training and affordable housing.

- **Community Outreach and Engagement.** CPAF's community programs focus on community engagement and violence prevention, which aim to reach out to survivors in API communities and prevent the reoccurrence of violence. Specifically, CPAF acts as a leader and convener in raising awareness in API communities and improving access to services by regularly conducting presentations and trainings for community groups, faith-based organizations, schools and colleges, law enforcement agencies, and social service providers. Furthermore, children and youth receive programming to teach them about healthy relationships and engage them to take a stand to prevent domestic and sexual violence.

To further advance its mission, CPAF integrated with Asian Pacific Women's Center (APWC), a partner of over 17 years, in efforts to enhance their capacity to serve the diverse API communities of Southern California. Unrestricted support has been a critical component of planning and implementing the integration of the two organizations. In addition to the integration, CPAF has also built their community outreach, engagement, and prevention capacity over the past several years by developing a robust volunteer program and thinking critically about how to enhance their prevention programming. These efforts were also sustained in part by Weingart's UOS grants.

CPAF's Mission Statement

Center for the Pacific Asian Family (CPAF)'s mission is to build healthy and safe communities by addressing the root causes and consequences of family violence and violence against women. CPAF is committed to meeting the specific cultural and language needs of Asian and Pacific Islander (API) women and their families.

Operations and Programming

This section describes the impact that Weingart's support has had on CPAF's operations and programming, as well as CPAF's emerging capacity to track outcomes and impact data. Weingart's UOS grants have enabled CPAF to focus on their long-term vision, increase supports for staff, and develop culturally-appropriate programming.

Strategic Vision

Weingart's unrestricted operating support, as well as their thought-partnership, has helped CPAF develop and implement strategies with a long-term vision. Patricia Neville, the Vice President of CPAF's Board of Directors, explained how Weingart's supports gave CPAF permission to do this: "[Weingart said] we trust you're doing good work, you don't need to tell us where every dollar goes... that inspired [us] to think about possibilities rather than responding to RFPs." Much of this vision included strengthening external facing initiatives like community engagement, grassroots organizing, and business development, which has positioned CPAF to be a leader and convener in the API community. Most notably, Weingart's funding helped CPAF intentionally grow its volunteer program from one that was just seen as a "group of people providing services" to "community ambassadors" that are a core part of their organizational infrastructure. For example, Weingart's UOS grant gave CPAF the capacity to support intensive training and retention services for their volunteer program, which they have seen grow from 46 individuals in 2008 to 209 volunteers in 2017. As Debra Suh, CPAF's executive director put it, now their volunteers are "seeds in the community that will develop different kinds of change going forward."

Weingart's UOS funds also enabled CPAF to participate in numerous capacity-building activities that helped strengthen their organizational infrastructure and strategy. For example, over the past few years CPAF engaged in programming like Taproot, GIFT, NSI and CompassPoint, which supported with capacity-related needs like building a board and strengthening individual giving. Suh explained that Weingart's UOS funding supported the hiring of administrative staff, which increased from four to seven FTE staff members from 2008 to 2016, (including staff members that support with HR, finance, facilities/operations, and grant writing) which gave leadership more bandwidth to participate in these types of activities. With unrestricted funding, Suh shared that there is a newfound "flexibility to invest in strategizing for our future," whereas before, leaders had to constantly be invested in program work or government reporting.

Staff Support

Over the past several years, CPAF has been able to strengthen their leadership team, increase supports for staff, and create pathways for growth within their organization. Most notably, CPAF carries out their mission by hiring staff that reflect the communities it serves. For example, 90% of staff are bilingual or bicultural Asian or Pacific Islanders, which allows them to provide culturally and linguistically responsive programming. However, CPAF is also committed to hiring survivors of domestic violence, as well as former clients. Suh explained that this commitment "requires more need to hold intentional spaces for staff to process [the work]," and that CPAF is able to do this with the support of unrestricted funding. For example, CPAF sponsors lunches where staff can come and talk about their stories of survival and feel okay about "bringing their whole selves to work." Creating this space "helps ensure staff are successful," but is something few funders will support, Suh explained, "we want space to be welcoming and one way is to have food...it sounds simple but nobody pays for it."

In addition to hiring representative staff, Weingart's UOS grants played a role in helping CPAF expand its leadership team at the director level, in turn, strengthening their ability to support the front-line staff across the organization. In fact, for over a decade, CPAF only had three directors overseeing its operations and programming. Ellen Hong, CPAF's Community Programs Director, said that "teams feel much more supported now" and that "staff actually feels connected to leadership." This is especially important given the high crises environment most staff are working in, as Hong explained, "[it's important for leaders] to be present for the line staff who are dealing with crisis every day." Furthermore, with a larger leadership team, Suh sees more opportunities for CPAF to train and promote staff internally.

Lastly, over the past three years, CPAF has been able to provide larger raises to staff, as well as bring their Executive Director's salary closer to the market rate for ED's in the sector. Although Weingart's funding did not necessarily support all of these shifts, Neville emphasized that they would not have been able to afford it if they didn't have the bandwidth provided by Weingart's unrestricted funding.

Culturally-appropriate Programming

CPAF uses some of Weingart's unrestricted funds to support programming and activities that are not covered by other grants, including developing and delivering culturally-appropriate programming. As Hong put it, unrestricted funding allows CPAF to "listen more deeply to communities of color and develop culturally-appropriate interventions that government grants won't support." Hong explained that some of the "mainstream" approaches to domestic violence intervention do not resonate with their communities, explaining, "Communities may already have the solutions, but there are not resources put behind them to implement those solutions." However, Weingart's funding allows CPAF to explore some of these solutions; for example, CPAF implemented an acupuncture healing group earlier this year, as well as a self-defense class. Furthermore, CPAF was also able to revise their prevention program's established curriculum to be more culturally competent. The flexibility of Weingart's UOS grant allows organizations like CPAF to put equity and cultural competency first, which ensures that programming is relevant and meaningful to its constituents.

"Weingart's funding offers this flexibility and more cushion to do right by the community and that's how we are going to get people to respond and heal."

–Community Programs Director

Outcomes and Impact

In addition to tracking data for its government grants, CPAF has built its own internal database that collects process and outcomes data aligned to its mission statement. After doing a community needs assessment, CPAF identified five goals that it chose to track in order to assess progress: safety, wellness, resources, family and community. Currently CPAF tracks metrics aligned to these goals for each of its clients. Exhibit one shows examples of metrics that CPAF tracks. CPAF hasn't been able to track any long term outcomes at this point, and shared that it needs to build its capacity to learn how to do this in a systematic way.

A challenge CPAF is currently facing is how to track their prevention work. As CPAF continues to strengthen their prevention programming, it recognizes the need to define what outcomes will help them assess this work. Often, prevention is evaluated using longitudinal studies, which is something CPAF currently does not have the capacity to do. This is an area that both Suh and Hong would like to explore further.

Exhibit 1. CPAF's Program Goals and Select Indicators of Progress

Goal	Indicator
Safety	• Safety planning skills • Legal protection strategies
Wellness	• Develop strategies for physical and mental wellbeing
Resources	• Increase income • Increased non-monetary resources • Increase independent living skills
Strengthening Family	• Obtain nonviolent parenting support • Engage in family counseling • Engage in recreational activities with family
Community Integration	• Increase familiarity in local institutions • Participate in social/affinity groups

Growth and Integration

In March 2017, CPAF began the process of integrating with the Asian Pacific Women's Center (APWC). This section explores how the Weingart Foundation provided critical support to CPAF during this period of transition and growth, and concludes with an overview of CPAF's current organizational priorities as it grows into a larger organization with a new structure.

Planning to Integrate

In 2012, CPAF participated in the Nonprofit Sustainability Initiative (NSI), which fosters long-term partnerships for nonprofits interested in exploring strategic restructuring to create sustainable impact. NSI is supported by a collaborative of funders, including the Weingart Foundation, and through this initiative CPAF was able to get initial funding to explore integration with APWC. According to Suh, NSI solidified CPAF's decision to integrate with APWC and gave them the tools and recommendations needed to do so effectively.

In addition to NSI, Weingart's UOS grants helped CPAF accelerate the integration process. For example, Weingart's UOS support gave CPAF the time and space to move forward with the integration in a thoughtful way. As Suh put it, "without

"It was a year of a lot of change, and the Weingart Foundation's support was crucial."

–Administrative Director

Weingart's support, we wouldn't have entered this road and invested in exploring the integraton because of the time and commitment it would take." Weingart's UOS funding supported CPAF's hiring of more administrative staff, which gave leadership more flexibility and capacity to engage in the planning process. Specifically, the UOS grant gave leadership more flexibility and capacity to develop a plan and timeline that kept APWC stakeholders and donors engaged in the integration process and honored the legacy of APWC.

One notable impact of the integration was that CPAF would be responsible for running an additional shelter that was previously operated by APWC. In planning for the integration, CPAF was aware the shelter would need substantial renovations and knowing it had the support of Weingart for shelter renovations was extremely important during the planning process. CPAFs administrative director, TuLynn Smylie, explained that UOS support allowed CPAF to "have the flexibility" in its budget to plan and made CPAF confident it would be able to operate the new shelter and carry out an effective integration plan. With the new shelter, CPAF was able to increase the number of beds they have for transitional housing and has expanded their capacity to reach more people.

Integration Status

Now that CPAF and APWC have integrated their two organizations, CPAF's primary areas of focus are providing services at its new facility and continuing to engage APWC's donor. Unrestricted funding, such as Weingart's supports, played a critical role in helping CPAF move into a new facility and establish a community center at their new location, which was both needed to accommodate staff from the integration, but also allowed them to move to a location that is more visible and convenient for its constituents. Ellen Hong, CPAF's Community Programs Director, spoke to the impact the move had on their work with clients: "we were on the outskirts of the community [before], now we are more central [and] way more metro accessible, which has been great because a lot of folks in the past found it difficult to get to us."

"CPAF now has the ability to provide more services and be more responsive to the community."

–VP, CPAF Board of Directors

CPAF's Development and External Relations Director, Michelle Esperanza, shared that unrestricted funding also supported with infrastructure needs associated with the integration and the move. Esperanza shared, "just knowing we have that [Weingart's] funding there, we weren't going to have to take out a line of credit to cover the lease, helped us be more comfortable knowing we could take on a big move." Various CPAF staff shared that Weingart's UOS grant was critical to funding other infrastructure needs (including transitioning CPAF's phone and computer systems) that restricted funding would not cover.

CPAF continues to engage APWC supporters and "planned a series of open houses to intentionally outreach with communities and APWC supporters" which helped stakeholders and constituents understand the shift and stay connected. CPAF also facilitated follow up meetings with APWC supporters to focus on the transition and develop a plan to ensure that the community knows that the shelter and services are still available. CPAF's strengthened outreach and engagement efforts (including open houses, use of media, and outreach to members) are making it more present and visible in its community, and has also been an opportunity to expand its donor base. In fact, CPAF has doubled the amount of individual donations it's received in the past two years.

CPAF's integration with APWC and move to a new location is already pointing to better outcomes and support for CPAF's community and constituents. Board Vice President Neville remarked that, post-integration, CPAF "has the ability to provide more services and be more responsive to the community." Esperanza elaborated that, now that CPAF has more transitional space, there is "extended time for families that need to go through healing and build their network, and engage in

workforce development and job readiness [activities].” Furthermore, CPAF’s strengthened infrastructure and new space improved CPAF’s operations and efficiencies, which CPAF shared is being noticed by funders—as Smylie put it, “the work we are doing is much more secure and sound and funders notice that.”

Current Organizational Priorities

As CPAF continues to strengthen its organizational effectiveness, it is focusing on its financial operations, fund development, and board development. CPAF’s enhanced community engagement strategies, which include a robust volunteer program and a full-time Development and External Communications Director, have helped CPAF grow from a $3.4 million organization in 2015 to a $3.9 million organization in 2017. As CPAF’s budget has grown, so has its reserve, which has been a priority for CPAF over the past few years. In addition to supporting CPAF’s infrastructure for fundraising, Weingart’s support has also given CPAF credibility that Suh said has led to other funding opportunities.

Board development is also an organizational priority for CPAF. Neville shared that, historically, CPAF’s board has been an “operations and community board,” but that the board has evolved into one that “talks, lives, and breathes” governance and funding. With the help of several capacity building initiatives and additional administrative staff, Suh stated that their board is becoming a “generative board” that develops its own initiatives. In fact, CPAF’s board grew from eight to 13 members between 2008 and 2017, and secured over $130,000 in funding in 2017.

Lastly, CPAF is continuing to explore and grow its community engagement and prevention work, which is new and innovative to the field of domestic violence. While CPAF continues to advocate for more government funding of prevention initiatives, its prevention work started with Weingart’s UOS grants, which gave CPAF the space to explore how prevention learnings from across sectors can be applied to domestic violence work. As Suh put it, “the prevention work we’re doing is newer territory for domestic violence programs...and while there will always be need for intervention [work], what will move the needle is prevention [work].” This is just one of the ways Weingart’s UOS supports continue to help CPAF take risks in its programming and achieve mission success.

Conclusion

The Weingart Foundation's unrestricted operating support has helped CPAF strengthen its operations and programming over the past several years, including the hiring of key administrative staff and funding to support culturally-appropriate programming. Most recently, Weingart supported CPAF during its integration with APWC, which took thoughtful planning in order to keep resources in the community and maintain relationships with APWC stakeholders. With Weingart's support, CPAF was able to actively engage both new and old stakeholders alike to maintain its foundation as an organization that is dedicated to the Asian and Pacific Island immigrant community in Southern California. In 2018, CPAF celebrated its 40th anniversary as an organization. In reaching this milestone, CPAF is well-positioned to look strategically towards the future and Weingart's unrestricted funding has been as a key lever in doing this.

Appendix

Case Profile Methodology

To begin the case profile process, Harder+Company Community Research had an initial discussion with the grantee's Executive Director to introduce the study, request permission and access to employees who could speak to the learning questions, and request documents to review.

Staff and Board Interviews | To better understand how Weingart's unrestricted funding influenced CPAF's operations, programming, and growth, the evaluation team conducted phone interviews with four staff members and one board member from the grantee organization. We identified interview participants based on recommendations from the ED, keeping in mind sensitivity to the time required for staff and to participate in the case profile process. Interviews lasted approximately 45 minutes and permission was sought from all participants to record telephone interviews and recordings were transcribed by an online transcription service.

Document Review | The organization's ED provided specific documents and materials for context and background. For the CPAF profile, documents included data reports, funding memos, and the CPAF website.

Confidentiality | For interviewees that chose to remain anonymous, confidentiality was assured by establishing that participant names would neither be attributed to their responses nor shared with anyone outside of the evaluation team. All recordings and transcripts were saved on a password protected server.

Analysis | Content analysis was used to identify key themes across interviews with staff and board. Mid-way through data collection, the evaluation team shared early findings with Foundation staff in order to solicit insights and any additional questions from the Foundation, which guided data collection and analysis moving forward.