Hartford Foundation for Public Giving

Phase I Evaluation Report
Introduction of General Operating Support Grants

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Introduction

In late 2012, the Hartford Foundation issued a request for proposals for consultant assistance with the implementation and evaluation of its GOS grantmaking. TDC, a nonprofit consulting firm based in Boston, was selected to work as a partner with the Foundation in its implementation of GOS and as the evaluator of the program's first three rounds of grantmaking. As the Foundation's partner, TDC watched the grantmaking process unfold; helped Foundation staff refine and strengthen the process over time; and developed the evaluation framework, which was designed to answer many of the questions articulated at the outset of the GOS grantmaking process.

This is the first of three reports that will evaluate the General Operating Support (GOS) grantmaking option introduced by the Hartford Foundation in January 2013. GOS grantmaking has been introduced in three phases, or rounds of grantmaking, which occurred over a period of eighteen months. The overall evaluation of GOS grantmaking will include these first three rounds of grantmaking and will be both process and outcome focused. Since this is the first evaluation report, it will focus primarily on the GOS implementation process, which included refining and strengthening the grantmaking process and establishing a baseline from which to measure and report progress over time. Some very early stage results will also be introduced in this first report.

As the Foundation prepared to launch its GOS grantmaking option, it sought to answer a number of questions through the evaluation process including:

Process Questions:
- How can the Foundation draw on best practice and other Foundations' experiences to enhance its approach?
- Will an organizational assessment be helpful to track grantee progress over time?
- What are the most appropriate tools and mechanisms for assuring accountability from GOS grantees?
- What is the appropriate balance between assuring accountability and allowing flexibility? To what extent should each GOS grantee have the ability to define and report on success on their own terms?
- How can the Foundation create an aggregate picture of what has been accomplished across a diverse cohort of grantees over time?
- Are there any unintended consequences of GOS that must be addressed as this strategy is implemented?

Outcome Questions:

- What does the Foundation hope to accomplish by offering GOS grants?
- How can the Foundation determine whether the provision of GOS has been effective in enabling grantees to deliver on their missions, more effectively implement their strategic plans, and respond to the needs of their stakeholders in an innovative and effective manner?
- Does providing GOS help to build organizations that are financially more stable?
- Does the provision of GOS enable organizations to be more innovative, flexible and willing to assume more risk, because their core needs are addressed?
- Do GOS grantees vary in their ability to accomplish their articulated goals and outcomes? What factors explain why some grantees are more successful than others in their ability to carry out their plans?
- How, if at all, does the Foundation's relationship change with GOS grantees – is there more of a partnership rather than the traditional grantee/grantor reporting relationship?
- How can the Foundation contribute to the growing understanding in the philanthropic field about how to deliver, structure and evaluate GOS?

The Phase I evaluation process included soliciting feedback from a variety of perspectives including Foundation staff, grantees, GOS applicants and organizations deemed eligible for GOS that did not seek funding. In the pages that follow, TDC reports on the results of the first eighteen months of implementation of GOS grantmaking, from January 2013 through July 2014.

The Introduction of General Operating Support at the Hartford Foundation

Responding to a Need

In 2012, following over 18 months of staff deliberation and research, the Board of Trustees of the Hartford Foundation (the Foundation) voted to add General Operating Support (GOS) to its grant making menu. This decision was responsive to the expressed needs of agencies in the Foundation's region, as well as a growing acknowledgement in the philanthropic community that GOS is a uniquely effective form of philanthropic support.

General Operating Support (GOS) grants were introduced as an alternative to the Foundation's other major form of grantmaking -- three-year, declining program grants. According to the Foundation, GOS grants were designed "to provide unrestricted support to an organization's mission and were directed toward an organization's operations as a whole." By their nature, GOS grants were intended to be more flexible than traditional project grants and were offered as three year grants, with level funding for each year.

GOS grants were considered a "regular" grant just like project and capital grants in that they were a grant option that nonprofits could consider when eligible to make a three-year request to the Foundation. Organizations had to make a choice between General Operating Support and a program or capital grant. The size of GOS grant awards would also be comparable to program grants.

A Competitive Process

The Foundation set aside a specific sum of money for GOS grants, anticipating that demand would exceed funds available, making the application process more competitive. Although eligibility for GOS grants was consistent with the criteria for other unrestricted grant funding (i.e. organization budget size, board composition, area served), the Foundation established additional criteria for GOS applicants related to an organization's financial health and infrastructure that raised the eligibility bar. Applications for GOS grants were also reviewed as a cohort by a team of Foundation staff instead of individually by each program officer. The Foundation acknowledged at the outset of the GOS grantmaking process that this was a new type of grantmaking and as such, the Foundation would be learning along with grantees about appropriate criteria for grantmaking and how best to track outcomes. Submitting applications on a schedule and reviewing them as a cohort helped to support this process.
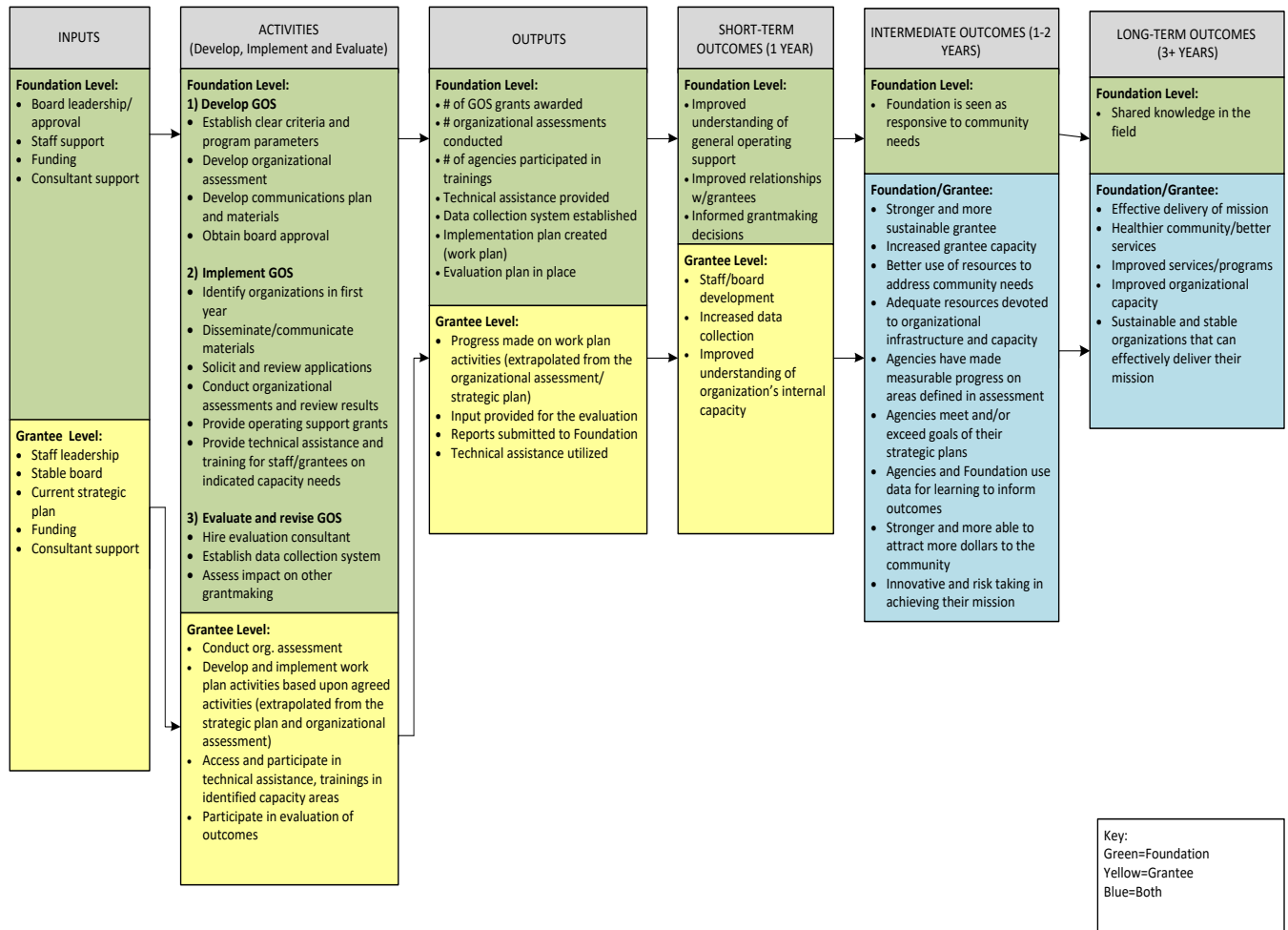
The Grantmaking Process

Using the knowledge gained through Foundation staff research, as well as staff's extensive grantmaking experience, a team comprised of program officers and staff members from the Foundation's Nonprofit Support Program developed an initial GOS logic model, as well as GOS

eligibility criteria, application guidelines, an application process and a communication strategy to introduce the GOS grantmaking opportunity to the regions' nonprofits.

GOS eligibility criteria were designed to attract organizations with annual budgets between $200,000 and $8 million that were considered stable and able to demonstrate operational and leadership sophistication, and that had developed a high level of trust with the Foundation. A copy of the Foundation's original GOS eligibility guidelines are included in the Appendix. Foundation staff initially identified approximately 50 organizations that they thought would meet the eligibility criteria.

The logic model developed by Foundation staff serves as the platform for the evaluation of GOS grantmaking. Depicted in the graphic below, the logic model identifies activities, outputs and outcomes at both the foundation and grantee level. Outcomes are articulated as short term (1 year), intermediate term (2 years) and longer term (3+ years). TDC also developed an evaluation framework (included in Appendix) that was aligned with the logic model. The framework linked the outcomes from the logic model to indicators and a methodology for tracking progress.

Theory of Change: **General Operating Support Program**

INPUTS	ACTIVITIES (Develop, Implement and Evaluate)	OUTPUTS	SHORT-TERM OUTCOMES (1 YEAR)	INTERMEDIATE OUTCOMES (1-2 YEARS)	LONG-TERM OUTCOMES (3+ YEARS)
Foundation Level: • Board leadership/ approval • Staff support • Funding • Consultant support	**Foundation Level:** **1) Develop GOS** • Establish clear criteria and program parameters • Develop organizational assessment • Develop communications plan and materials • Obtain board approval **2) Implement GOS** • Identify organizations in first year • Disseminate/communicate materials • Solicit and review applications • Conduct organizational assessments and review results • Provide operating support grants • Provide technical assistance and training for staff/grantees on indicated capacity needs **3) Evaluate and revise GOS** • Hire evaluation consultant • Establish data collection system • Assess impact on other grantmaking	**Foundation Level:** • # of GOS grants awarded • # organizational assessments conducted • # of agencies participated in trainings • Technical assistance provided • Data collection system established • Implementation plan created (work plan) • Evaluation plan in place	**Foundation Level:** • Improved understanding of general operating support • Improved relationships w/grantees • Informed grantmaking decisions	**Foundation Level:** • Foundation is seen as responsive to community needs	**Foundation Level:** • Shared knowledge in the field
Grantee Level: • Staff leadership • Stable board • Current strategic plan • Funding • Consultant support	**Grantee Level:** • Conduct org. assessment • Develop and implement work plan activities based upon agreed activities (extrapolated from the strategic plan and organizational assessment) • Access and participate in technical assistance, trainings in identified capacity areas • Participate in evaluation of outcomes	**Grantee Level:** • Progress made on work plan activities (extrapolated from the organizational assessment/ strategic plan) • Input provided for the evaluation • Reports submitted to Foundation • Technical assistance utilized	**Grantee Level:** • Staff/board development • Increased data collection • Improved understanding of organization's internal capacity	**Foundation/Grantee:** • Stronger and more sustainable grantee • Increased grantee capacity • Better use of resources to address community needs • Adequate resources devoted to organizational infrastructure and capacity • Agencies have made measurable progress on areas defined in assessment • Agencies meet and/or exceed goals of their strategic plans • Agencies and Foundation use data for learning to inform outcomes • Stronger and more able to attract more dollars to the community • Innovative and risk taking in achieving their mission	**Foundation/Grantee:** • Effective delivery of mission • Healthier community/better services • Improved services/programs • Improved organizational capacity • Sustainable and stable organizations that can effectively deliver their mission

Key:
Green=Foundation
Yellow=Grantee
Blue=Both

Evaluation Methodology

TDC's work with the Foundation had three primary objectives:
- To assist the Foundation with the initial implementation of the GOS grantmaking process
- To build the capacity of the Foundation to carry out the GOS grantmaking process
- To evaluate the success of the GOS grantmaking strategy.

<u>Initial Implementation</u>
The initial implementation of GOS centered on the refinement of the GOS logic model, criteria, materials and processes for the first three grant cycles. TDC met regularly with Foundation staff throughout the grantmaking process in an effort to build and maintain consistency and alignment among GOS documents and processes. Documents were also developed and refined between meetings in preparation for group review and discussion.

Capacity Building
Capacity building for foundation staff started with TDC as the hands-on facilitator for the first round of GOS grantmaking, a technical advisor for the second round, and an observer for the third round of grantmaking. TDC worked with the full GOS team and with small teams of staff throughout the first three rounds of grantmaking.

TDC's primary focus during the first round of grantmaking was to facilitate the development of a group review and decision-making process among Foundation staff that would hold everyone accountable to the criteria established for GOS grants. This was new territory for staff, as Program Officers typically evaluated grant applications and made funding recommendations independently. The GOS grantmaking process also included Nonprofit Support Program (NSP) staff. The NSP staff was able to contribute valuable information about each applicant's use of the Foundation's technical assistance grants as capacity building tools. They also were able to offer an assessment of each applicant's financial position.

GOS Evaluation
The focus for Year One of the evaluation was primarily formative, reporting on the development and early implementation of GOS, noting how information and experience was used to revise, modify and improve the GOS grantmaking process. Summative evaluation techniques will also be used to determine the effectiveness of GOS at the end of each grant cycle, when each grantee cohort has completed one year of funding. At the end of three years, cumulative data from three GOS cohorts will be used to assess the overall effectiveness of GOS grantmaking against projected outcomes. It is anticipated that a limited amount of summative data will be available during the first year or two of GOS grantmaking.

Proposed Year One Outcomes for GOS
The GOS logic model identified specific GOS evaluation goals to be addressed during year one, including:

Foundation Outcomes
- Improved understanding of GOS by Foundation staff and applicant organizations
- Improved and more trusting relationships with grantees
- Informed and pragmatic grantmaking decisions

Grantee Outcomes
- Improved and trusting relationship with HFPG
- Initial progress on strategic plan priorities
- Initial realization of articulated community benefits
- Initial progress on enhanced organizational infrastructure

In order to assess progress in achieving each of these outcomes, the consultants reflected on personal experiences and observations as facilitators of and participants in the grantmaking process. We also reviewed notes from all meetings with Foundation staff and sought the perspectives of those involved in the GOS grantmaking process.

In July 2014, TDC conducted confidential telephone interviews with eleven organizations to solicit their feedback about the GOS grantmaking opportunity and process, as well as their suggestions for improving the experience. Interviewees included:

- Executive directors of the three first-round GOS grantees and two second-round grantees.
- Three unsuccessful first round applicant organizations and one unsuccessful second round applicant were also included in these interviews.
- Two organizations identified by the Foundation as eligible to apply for GOS funding that chose not to do so

Interviews focused on perceptions about the value of GOS funding, why organizations pursued or did not pursue GOS funding, all elements of the grantmaking process, interactions with Foundation staff, and communication with and from the Foundation. For grantees, the conversation also included a discussion about the GOS goal setting and reporting process.

TDC also asked the full GOS team to provide candid and anonymous feedback about TDC's work with the Foundation. A list of questions was provided to the team by TDC and the group reviewed the consultants' performance (TDC was intentionally not present for this conversation). Written feedback was then provided to the consultants and is incorporated in these finding.

General Operating Support – What We Learned

The First 18 Months – January 2013 to July 2014
In January 2013, TDC initiated its work with the full GOS team, comprised of the Vice President for Programs, all Program Officers and all Nonprofit Support Program staff. During the first of many facilitated conversations throughout three rounds of GOS grantmaking, the group shared their thinking about the goals for GOS grantmaking and the grantmaking process.

Work quickly progressed to a review of and discussion about the GOS documents and processes staff had initially developed including the GOS logic model, eligibility criteria and application process. At the same time, TDC reached out to a handful of community and other foundations engaged in GOS grantmaking to learn about their policies, practices and evaluation processes. Since the Foundation had already launched the GOS application process, no changes were made to the eligibility criteria and the RFQ for the first round of grantmaking. The group did make minor changes to the logic model and refined the application document and process.

Below we review and discuss what we learned during Phase I of this effort, considered to be the first eighteen months of GOS grantmaking, through our work with Foundation staff and grantees, and through conversations with external stakeholders. This time period included three full rounds of GOS grantmaking, each of which is discussed in this report. Our goal is to reflect the process, the lessons learned over time, and the changes made based on what we learned.

Launching GOS
The Hartford Foundation launched its first round of GOS grantmaking in January 2013. The Foundation's website announced this opportunity, which was accompanied by a set of Frequently Asked Questions (FAQS) designed to help organizations understand the goals of and eligibility for this type of grant. The Foundation also sent an announcement to all nonprofits in the region via its extensive email list, with an invitation to a Foundation meeting to learn more about GOS grants. About 50 representatives from nonprofits attended this meeting, which was augmented by a webinar to further assist interested nonprofits to determine if a GOS grant would be beneficial to their organization and to assess their organization's eligibility for such a grant. The webinar was also posted on the Foundation's website as a resource for all organizations.

When TDC asked GOS grantees, applicants and eligible organizations how they first learned about the availability of GOS grants, agencies most often noted that they recalled receiving an email from the Foundation. Several individuals commented that the Foundation stays in touch with local agencies on a regular basis via email announcements. Interviewees also cited conversations with Program Officers as another source of information. Several individuals mentioned participating in the Foundation's webinar to learn more about GOS, or checking out the webinar later on the Foundation's website.

The Grantmaking Process

For the purposes of this report, we have divided the GOS grantmaking process into two sections. First we discuss the first three elements of the process leading up to and through the application review (Part 1). Then we discuss the last four elements of the process, which are devoted to applicant notification, grant award and grantee reporting (Part 2).
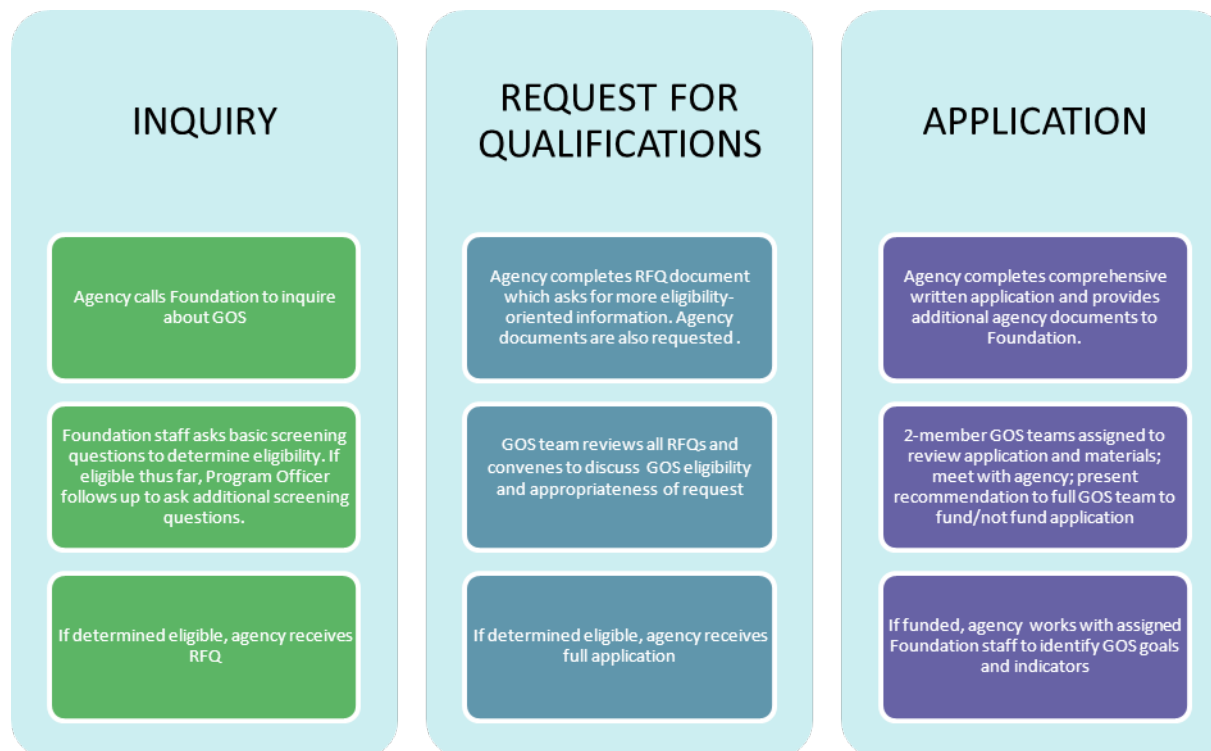

The first eighteen months of GOS grantmaking included three application opportunities. The calendar for the first three rounds of grantmaking was as follows:

GOS CALENDAR	ROUND 1	ROUND 2	ROUND 3
INQUIRY	Jan-Feb 2013	June-Aug 2013	Feb-May 2014
RFQ	Feb 22 2013	Aug 30 2013	May 23 2014
APPLICATION	April 10 2013	Oct 18 2013	Aug 8 2014
NOTIFICATION	June 19 2013	Dec 18 2013	Oct 2014
GRANT AWARD	June 2013	Dec 2013	
GRANTEE GOAL SETTING*	Summer 2013	Jan 2014	
GRANTEE REPORTS*	Jan 2014 June 2014 June 2015 June 2016	July 2014 Dec 2014 Dec 2015 Dec 2016	

*Grantee goal setting took longer than anticipated, which resulted in different reporting schedules for grantees from the same cohort.

The Grantmaking Process: Part 1

INQUIRY

- Agency calls Foundation to inquire about GOS
- Foundation staff asks basic screening questions to determine eligibility. If eligible thus far, Program Officer follows up to ask additional screening questions.
- If determined eligible, agency receives RFQ

REQUEST FOR QUALIFICATIONS

- Agency completes RFQ document which asks for more eligibility-oriented information. Agency documents are also requested.
- GOS team reviews all RFQs and convenes to discuss GOS eligibility and appropriateness of request
- If determined eligible, agency receives full application

APPLICATION

- Agency completes comprehensive written application and provides additional agency documents to Foundation.
- 2-member GOS teams assigned to review application and materials; meet with agency; present recommendation to full GOS team to fund/not fund application
- If funded, agency works with assigned Foundation staff to identify GOS goals and indicators

At the conclusion of each round of GOS grantmaking (after grant awards were made), TDC facilitated a debrief session with the Foundation's GOS team. The purpose of these sessions was to capture what worked well and what didn't work well in order to make changes. Below we discuss each of the steps above and how the process was refined to reflect what was learned during the first three rounds of grantmaking.

1. Initial Inquiry
<u>Round 1</u>
The Foundation established initial screening criteria to be used to assess the eligibility of each organization that contacted the Foundation about GOS. Each element of the listed criteria was classified as either a basic requirement; a best practice; or a deal breaker.

- **Basic requirements** included clarity about program goals, having a current strategic plan and meeting specific financial requirements (audit; positive net worth; no operating deficit; sufficient operating reserves).
- Most **deal breaker criteria** reflected the Foundation's eligibility requirements for a regular grant. Items included an agency's service area being outside the Foundation's service area, annual budget falling outside GOS limits, board requirements, paid executive director, or currently receiving a three-year program or capital grant.

- **Best practice items** focused on the use of program, administrative and financial policies and practices typically associated with strong, well-managed organizations.

In an effort to promote consistency, one Foundation staff member was designated to respond to all initial telephone inquiries. This conversation focused on key eligibility criteria, such as: 501c3 status, communities served, board composition, and annual budget size. If an organization met this level of criteria, a Program Officer then conducted a brief screening conversation that focused on mission, programs, having a strategic plan in place, and how GOS would strengthen the organization.

If an organization did not meet the initial screening criteria, Foundation staff offered suggestions aimed at helping an agency to strengthen their organization, such as development of a strategic plan or board development. At times, a Program Officer suggested that an agency's intended use of GOS appeared to be better aligned with a program grant.

Organizations that met the initial inquiry criteria were forwarded a Request for Qualifications (RFQ). During the first round of GOS grantmaking, 39 organizations contacted the Foundation to inquire about eligibility for a GOS grant. Thirteen of these organizations were referred to program Officers for follow-up conversations, after which two organizations decided not to proceed any further in the application process and two organizations were disqualified. Eleven agencies (28%) received a RFQ.

Round 2
Prior to the launch of Round 2, the GOS team reviewed the 2-part inquiry process, including the questions identified as "deal breakers," to determine whether any of these questions should be changed or eliminated. The group decided that all of the questions and the process worked well and would remain unchanged for Round 2.

The GOS team also discussed whether the original eligibility criteria, which included organizations with annual budgets between $200K and $8M, appeared to be appropriate. Based on the fact that only larger organizations received GOS funding in the first round, the group reflected on whether the eligibility bar was perhaps too high for smaller organizations. Similarly, the group thought about whether very large organizations really needed GOS funding.

"There is an issue of equity if we eliminate this opportunity for smaller organizations … we should have more conversations with them sooner to find out if they are really eligible," offered one team member. It was further noted that "there are small organizations that are strong and stable, but they were not represented in this cohort." Other members of the GOS team agreed. The team was also in agreement that even for a very large organization, unrestricted GOS was extremely valuable since revenue for many of these organizations comes from government contracts, which operate on a reimbursement basis, often taking 90 days to receive payment. In

addition, allowable administrative support for these contracts is typically limited. The GOS team determined that the original organization budget size eligibility criteria (between $200K and $8M) would remain in force.

During the second round of GOS grantmaking, 41 organizations contacted the Foundation to inquire about eligibility for a GOS grant and 34 organizations were deemed ineligible for GOS at this stage of the process. After the initial screening telephone call, nine organizations were referred to a Program Officer for a follow-up screening conversation. Of this group, one organization withdrew from the process believing the organization would not meet GOS financial eligibility criteria. Three organizations were determined unqualified, each for a different reason. Five organizations that completed the initial inquiry process (12%) received a RFQ. Based on experience gained through the first round of grantmaking, the GOS team had developed a deeper understanding of key eligibility criteria, particularly the financial criteria, and was better able to assess an organization's position at this stage of the process.

Round 3

At the end of Round 2, the GOS team determined that the inquiry process would remain the same for Round 3. The Foundation fielded 18 initial inquiries about GOS during this round and five of these organizations were referred to Program Officers for further vetting. After these vetting conversations, three organizations were invited to submit a RFQ.

The table below summarizes the first three rounds of the GOS inquiry process, noting the reasons that organizations were disqualified at this stage.

DISQUALIFIED AT INQUIRY	ROUND 1	ROUND 2	ROUND 3
Have a current grant	7	6	4
Service area requirement not met	6	11	3
Don't have a strategic plan	5	6	2
Budget issues	4	8	3
Public agency	2	0	0
Religious organization	1	1	0
Executive Director issue (unpaid or tenure issue)	1	2	0
Board diversity issue	1	2	0
No prior program grant with Foundation	1	Not applicable	1
Decided program grant better fit	0	0	1
Prior GOS RFQ disqualified - nothing changed	Not applicable	0	1
TOTAL INQUIRIES	39	41	18
TOTAL DISQUALIFIED	28 (72%)	36 (88%)	15 (83%)

2. GOS Request for Qualifications (RFQ)

Round 1

The RFQ process was designed to gather more information from organizations to further assess eligibility for a GOS grant. The Round 1 RFQ asked respondents to answer the following four questions in no more than two pages:

- Describe the agency's mission
- Describe the geographic area served
- Report the size of current the annual operating budget
- Describe how a GOS grant would strengthen the agency

Respondents were also asked to include a copy of their current strategic plan, and their previous plan, if available.

Eleven organizations received the RFQ and submitted all materials required to complete this segment of the process. Teams composed of Foundation staff and a TDC consultant were assigned to review each completed RFQ. The full GOS Team then met with TDC to review all RFQs and determined that seven organizations would be invited to submit a full application. The four organizations that did not receive an application were notified of the reasons, which included not meeting the requirement for level of services delivered in the Foundation's region and requests to use GOS for what was determined to be program or capacity building work, based on a more in-depth follow-up conducted by the Program Officer.

The GOS team was somewhat surprised by the differences between organizations' strategic plans. In general, team members noted that "plans are often very aspirational and lack clear measurable outcomes." For one organization, a team member observed that it was "unclear how the plan ties into the organization's underlying business model," while another member asked "What are the financial commitments associated with each goal?" In some instances, an organization's plan did not clearly demonstrate an understanding of and response to community need. One member of the GOS team observed that for one submission, "neither the strategic plan nor board minutes helped to bring clarity to the board's role in development of the strategic plan or the board's role in the implementation process." The group decided it might be helpful to ask applicants to also submit their implementation plans (if available) as a way to get at the more granular details not necessarily included in the higher level strategic plan document.

It was further suggested that NSP could share this feedback with strategic planning consultants, noting how they might work with organizations to strengthen their strategic planning documents and/or implementation plans to include some missing elements and more measurable outcomes.

Round 2

Based on the team's enhanced understanding of what it takes to be considered a financially stable organization – a key eligibility requirement for a GOS grant – the group unanimously agreed to request submission of three years of financial information at the RFQ stage of the process, beginning with Round 2. The team felt strongly that it was unfair to invite an organization to complete the significant work required in the application stage, only to be disqualified based on financial status. Instead, Foundation staff would complete a financial assessment at the RFQ stage and be more clear about an organization's financial position before inviting participation in the application stage of the process.

During the first round of grantmaking, applicants were asked to provide their strategic plans at the RFQ stage. Based on the GOS team's RFQ review process, it was determined that the plan was not deemed to be a make-it-or-break-it item at this stage of the process and should not be submitted as part of the RFQ process. However, the team did decide that the RFQ process should include a requirement that an organization's current strategic plan cover at least the first year of potential GOS funding. If an organization's plan was slated to end during the potential 3-year GOS grant period, applicants were required to describe how they would ensure that a new plan would be put in place in a timely manner.

Once again, teams composed of Foundation staff and a TDC consultant were assigned to review each completed RFQ, followed by a meeting of the full GOS team to review all the RFQs together. All members of the GOS team were encouraged to read all RFQs and were required to read at least two RFQs in order to have a basis for comparison and to promote a robust discussion. It was further agreed that an RFQ review and recommendation form would be developed to ensure that each review team conducted a consistent review of required elements and reported results in a consistent manner. Completed RFQ review sheets would be posted on the Foundation's internal server in advance of the group's RFQ review session. The decision was also made to start the RFQ review session with the assessment of an organization's financial status, since this criteria was a basic requirement and could eliminate an organization from moving forward to the application stage.

The five organizations that received an RFQ for Round 2 submitted all materials required to complete this segment of the process. Based on this review, three organizations were invited to submit a full application for Round 2. One organization that was not invited to submit an application did not meet GOS operating budget size requirements. During the screening process the organization self-reported that its annual operating budget fell within GOS parameters ($200K-$8M) however, when financial documents submitted as part of the RFQ process were reviewed by Foundation staff, this proved not to be the case. For the remaining organization, it was determined that a more in-depth conversation about programs and finances was required before Foundation staff could make an informed decision about whether to invite this

organization to complete the application process. Ultimately, the organization was not invited to submit an application.

Round 3
Three organizations were invited to submit an RFQ for Round 3. At the conclusion of the RFQ review process, only one organization was invited to submit a full application. One organization that was disqualified at this stage of the process did not meet the strategic plan requirements and the other organization did not have a paid executive director.

3. GOS Application
Round 1
Seven organizations completed the GOS application process and the pool included agencies representing the arts, human/social services, housing and youth services. The budget size of the organizations ranged from very small to very large, with annual budgets as small as $270K and as large as $7.6M, as shown on the graph below.

Round 1: Annual Budgets of Applicant Organizations
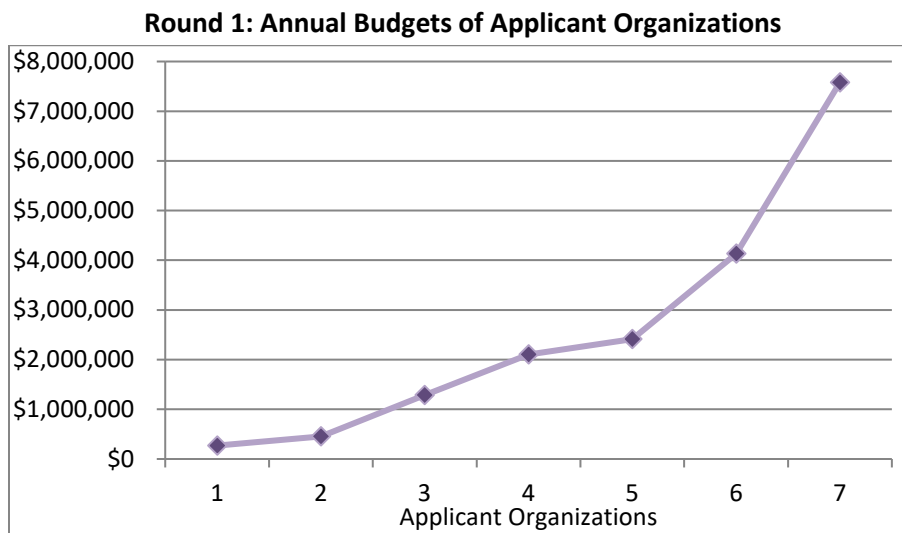
In addition to the submission of the Foundation's standard program grant materials/documents, additional documentation requested included:
- Three years of audited financial statements
- Most recent financial statement and current year-to-date budget
- Two years of board minutes

The grant application narrative asked applicants questions about the organization's:
- Mission and programs
- Strategic plan
- Organizational leadership

- Fundraising
- Financial position and practices
- Plans to use GOS to strengthen their organization

The Foundation also required that each application be signed by an organization's executive director and board chair. The board chair signature was required to ensure that each organization's board understood the requirements associated with a GOS grant. This policy is consistent with all applications for Foundation grants.

Two or three-member GOS Foundation staff teams were assigned to complete the initial review of each application. A TDC consultant also worked with each team to facilitate the review process. NSP staff developed a financial analysis worksheet and showed all GOS team members how to use this worksheet to answer key financial questions about each applicant. A proposal review sheet was also developed and used to ensure that each team's review was consistent and included responses to key questions.

Each application review team then engaged in a telephone conference call with TDC to review and discuss the completed application and documentation submitted. The goal of this call was to identify the strengths of the application, to pinpoint any areas where additional documentation was required, or to note items to be discussed during site visits with each applicant. The Foundation required each organization's executive director and board chair to participate in the site visit.

After site visits were completed, each GOS team completed the application review sheet for their applicant agency, citing the reasons to consider funding/not funding each application. The application review sheets were available to the full GOS team to read before the formal application review meeting. Each application was then presented to the full team by its respective review team for discussion and recommendation.

Of the seven organizations that completed the Round 1 application process, three were recommended for funding. The successful applicants were relatively large organizations, ranging in annual budget size from $2.1M to $7.6M. Each of these organizations was in a stable financial position with solid financial practices in place; had strong programs that used evaluation to improve outcomes; had a fundraising plan in place; demonstrated effective board engagement; and had a current strategic plan. All three funded organizations also had strategic plans that were expiring and required updating as a condition of their grant award. One organization was also required to implement a board evaluation process for the executive director.

The four organizations that were not recommended to receive GOS funding were viewed to have solid programs, although it was not clear that evaluation or best practices were being used to gauge program effectiveness or improve performance. These organizations also had financial issues that required attention, including concerns such as a structural operating deficit or multi-year deficits; and/or a lack of operating reserves or adequate operating reserves. For two of the organizations, concerns arose about the viability of their current business models and the subsequent impact on the organization's financial stability. The strategic plans for these applicants also tended to be aspirational rather than specific, making it challenging to measure what was being accomplished.

Overall, the quality of the applications received was very high, with every agency answering all questions in a complete and thoughtful manner and providing all requested documentation. GOS teams found the site visits to be very informative and were appreciative of board chairs' willingness to be part of that process. Foundation staff indicated that board minutes provided helpful insight about how each board functions, including the types of information presented and discussed, the role of committees, the oversight provided by the board, and the manner in which decisions are made. The financial analysis template developed by NSP also proved useful to GOS teams, enabling them to easily summarize an organization's financial position based on standard financial data.

The GOS team determined that the application process worked well as currently constructed. The decision was made to update the application form to reflect changes regarding when financial information (RFQ stage) and strategic plans (application stage) were requested and to continue with the internal application review and recommendation process. As part of the team's due diligence process for each applicant organization, it was agreed that for Round 2, each team would also reach out to several key external stakeholders that could provide some additional insight about the applicant agency's work in the community. It was noted that this is a standard practice for program officers when evaluating program or capacity building grants.

Round 2
The application process for Round 2 was virtually the same as Round 1, with the addition of Foundation staff conducting informational calls with a few key external stakeholders for each applicant. Three organizations with annual operating budgets ranging from less than $500K to $5M completed the Round 2 application process. The organizations included providers of housing and human services, youth and community development, and food security.

At the conclusion of the application review process, two organizations were recommended for GOS grants – the smallest and largest organizations. All organizations were assessed to have a high level of board engagement, solid strategic plans, and a solid financial foundation. The two successful applicant organizations also had long and successful track records of service delivery

to their constituents and were well-known by the Foundation, having received multiple program and technical assistance grants. The unsuccessful applicant, a relatively young organization, offered limited documentation of successful program experience and outcomes, and was just beginning to build a relationship with the Foundation. In the end, this combination of factors led Foundation staff to recommend against granting GOS funding to the organization.

Although the Foundation's original GOS eligibility criteria stated that "a high level of trust between the agency and the Foundation is required," the GOS team had not flagged prior receipt of a program grant as a critical factor in determining GOS eligibility. Based on this round's review process, the GOS Team made the decision to add "prior receipt of a program grant" to the initial GOS "deal-breaker" screening criteria. Staff believed an organization's performance on other Foundation grants demonstrated the ability to deliver on agreed upon outcomes. It also offered staff the opportunity to learn more about the organization over a period of several years, which would increase their level of confidence for awarding a GOS grant.

Round 3
There was only one application for Round 3, which was reviewed by the GOS team in September 2014 and a GOS grant award was recommended.

The chart below summarizes the results of Part 1 of the GOS grantmaking process, which included the inquiry, RFQ and application elements of the process. There was a notable decline in the number of agencies inquiring about GOS for Round 3, from a high of 41 in the second round, to 18 in the third round. Although it is not possible to know why the volume of inquiries dropped so dramatically, it is likely a combination of reasons including: fewer organizations eligible to apply for funding at this time; Program Officers' ability to help organizations better determine whether GOS funding or program funding is a better match for their needs; and word on the street that GOS funding was highly competitive.

Summary of GOS Application Process	ROUND 1	ROUND 2	ROUND 3
Inquiries	39	41	18
RFQs	11	5	3
Applications	7	3	1

Feedback about the Inquiry, RFQ and Application Process
From GOS Applicants
When asked to comment on the grantmaking process, five applicants characterized the process as extensive but reasonable. Everyone agreed that the initial screening process, followed by the RFQ, then a full application was a reasonable approach. "It makes sense for the amount of money they gave us," commented one grantee. "I've gone through worse for much less money."

Two smaller organizations noted that collecting all of the required documentation took a significant amount of time for them and one suggested that "smaller organizations probably won't apply for GOS because of all the work." One of these organizations also noted that the amount of money available to them through GOS was not enough for the amount of work involved. The other offered "I would like them (the Foundation) to keep in mind that smaller organizations with small staffs can do great things, but we need money to do them. Without at least some money for operational support, it's tougher and tougher for us."

At the same time, there was agreement among all interviewees that with the exception of the narrative sections of the RFQ and application, "most of the documentation included things we had anyway … we didn't have to create anything that didn't exist." One individual felt that some of the space limitations on the application form made it difficult to include everything that was pertinent.

One Round 1 applicant reflected that it appeared the Foundation was unclear about GOS financial eligibility requirements. "At the very end of the application process we were told we were not eligible based on the most basic financial criteria. We should have been denied at the RFQ stage." Although this news was disappointing, the interviewee also offered that Foundation staff were "very gracious and completely apologetic, took responsibility, and said the process didn't work well."

Two organizations commented on the requirement to submit two years of board minutes, noting that this was "something new" to them. One of these organizations felt the request to be a bit invasive. When other applicants were asked their thoughts on this, feedback was generally positive, with several agencies noting that board minutes were public documents. One interviewee reflected: "It made me realize what gets in your minutes is more important than I thought. It actually was an eye opener for me. It was probably more work to collect them all than it should have been for us … I learned from that."

All organizations appreciated the opportunity to engage their board chairs in the application review process, noting this was not typical of the Foundation's grantmaking process. "It was a deeper level of engagement that required the board to get a taste of what we were doing, what they were buying into," commented one respondent. One organization expressed disappointment that although the board chair was asked to be part of the meeting, "no one asked the chair any questions, nor did they make space for her voice to be heard."

Finally, one individual noted that the grantmaking process for program grants is much different: "The Program Officer tells us how to tighten/focus what we're trying to do. It's very common that most grants are approved because of the vetting that happens all the way through."

The Grantmaking Process: Part 2

In this section of the report, we review the second half of the grantmaking process which begins with Applicant Notification and concludes with Grantee Progress reports. This report includes Rounds 1, 2 and Round 3.

APPLICANT NOTIFICATION	GRANT AWARD	GRANTEE GOAL SETTING	GRANTEE REPORTS ON PROGRESS
Notify unsuccessful applicants	Grant award letter with standard Foundation requirements and any funding contingencies	Grantee works with Foundation staff to select 4 goals from strategic plan in following areas: ● Program ● Governance ● Financial Health ● Infrastructure	6 months: Foundation staff check-in
Notify successful applicants	First year grant award issued		Annually: Grantee submits report on progress

4. Applicant Notification

Round 1

With the application review and recommendation process completed, the Foundation notified each applicant agency about the status of their application (recommended for funding or not recommended for funding). The former Vice President for Programs determined that the Foundation would (1) send letters notifying agencies that their application was not recommended for funding and that (2) program officers would place a telephone call to successful applicants with the news.

Unsuccessful applications: The letter to unsuccessful applicants stated that the applicant organization did not meet all GOS criteria, and that the agency was welcome to request a meeting with the Vice President to talk further about their application, other options, etc. The program officer who was the primary contact during the application process was instructed not to notify the applicant organization by telephone until the letter was ready to be mailed. The conversation was not to include a discussion about the reasons the

application was unsuccessful. That conversation would happen only with the Vice President.

Successful applications: If an application was recommended for funding, the program officer that was the primary contact during the application process was instructed to notify the applicant organization by telephone that the Vice President would be making a formal recommendation to the Foundation's board to award a 3-year GOS grant. The amount of the recommended grant award was not to be part of this conversation.

GOS team members commented that many applicants knew the date that the GOS team was meeting to complete the review and recommendation process. Applicants expected to hear the results of the review process immediately, as this was the norm for program and capital grants. The notification process decided upon by the former Vice President left most members of the GOS team feeling that the lack of transparency and consistency would negatively impact their relationships with agencies. "It was very strange to call organizations and tell them they weren't being recommended, but not be able to tell them why," noted one staff member, a sentiment shared by others.

Round 2
Changes for the Round 2 applicant notification process included:
- Foundation staff would refrain from discussing meeting or decision dates with applicants.
- The GOS team would build in additional time after the team's review and recommendations meeting to discuss the approach for communicating decisions to applicant agencies.

Using lessons learned from the first round of grantmaking, and with input from the full GOS team, the current Vice President for Programs elected to notify all applicants of the outcome of the review and recommendation process by telephone. For the two successful grantees, a member of their respective GOS review team placed a call to inform them that the team would be recommending GOS funding to the Foundation's board. A formal letter was provided after the board vote, which included the amount of the award and any conditions. The Vice President for Programs placed the call to the unsuccessful applicant to explain the decision-making process. This applicant was disappointed by the decision and frustrated to have completed the application process only to be denied funding based on criteria that was known at the beginning of the process (never having received a program grant). At the same time, the organization appreciated that the Vice President placed the notification call and that she was candid that GOS grantmaking was a new venture for the Foundation and that "this was a learning moment for us."

Round 3
The applicant notification process remained the same as Round 2.

5. Grant Award Process

<u>Round 1</u>

The first round grant award process for the three organizations that received GOS grants mirrored the grant award process used for all Foundation program and capacity building grants. A grant award letter was prepared, noting any grant conditions, and reminding grantees that funding for subsequent years would be contingent upon the demonstration of reasonable progress toward the objectives of the grant. First year payments for all Round 1 GOS grantees were also contingent upon providing the Foundation with an updated strategic plan and establishing first year grant objectives, in consultation with Foundation staff.

When Foundation staff were completing their original GOS planning, it was posited that all grantees would also complete an organizational assessment at the beginning of the 3-year grant period. This assessment would serve as a baseline for measuring the grantee's progress toward strengthening their organization over time.

During the first round of grantmaking, it became apparent that the screening work accomplished through the inquiry and RFQ process, and the information and documentation gathered as part of the application process, painted a fairly robust picture or assessment of each organization. Foundation staff and TDC conducted some additional research with other foundations into the use of organizational assessments as part of GOS grantmaking. We learned that foundations that required assessments as a condition of grant awards were still working on how best to use this tool as part of their GOS evaluation process.

The GOS team offered different opinions about the value of such an assessment, with two schools of thought expressed by the comments below:

- "The due diligence has been on our part. The assessment would give organizations a chance to look at themselves. They could also use the assessment as a resource to develop their grant goals."
- "We have already asked grantees for so much information, this feels like too much."

Ultimately the GOS team decided that organizational assessments would not become a required part of the GOS grantmaking or evaluation process.
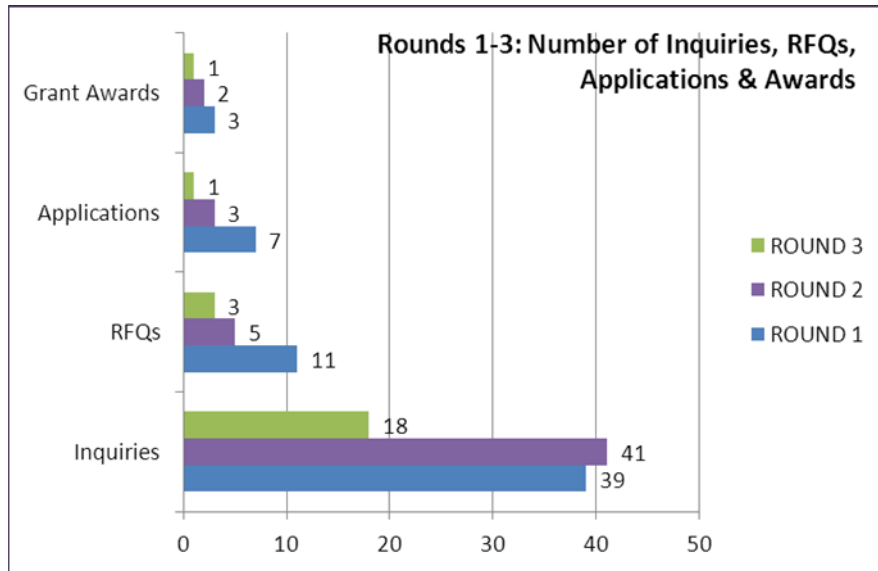
<u>Round 2</u>

The GOS grant award process remained unchanged for Round 2.

<u>Round 3</u>

The GOS grant award process remained unchanged for Round 3.

Summary of the Grantmaking Process for Rounds 1-3

The graph below summarizes the number of organizations that engaged in the first three rounds of GOS grantmaking at each stage of the process, beginning with initial telephone inquiries and culminating with GOS grant awards.

During the first two rounds of GOS grantmaking, the number of inquiries was robust, but declined significantly during the third round. This is likely due to several factors including:

- the total number of eligible organizations at any point in time is limited;
- some organizations may have inquired and/or participated unsuccessfully in the first two rounds;
- organizations learned more about GOS guidelines from Foundation staff and peer organizations that had participated in the process; and
- organizations heard that unlike the Foundation's regular grants, competition was stiff for GOS grants.

Between the first and third rounds of GOS grantmaking, fewer organizations were deemed eligible to complete the RFQ stage of the process. Foundation staff learned much from the first round of grantmaking, especially how to assess the financial status of a potential applicant against GOS guidelines, and were able to apply this knowledge earlier in subsequent rounds.

The same trend held true at the application stage of the GOS grantmaking process. As staff became more familiar and comfortable with GOS guidelines, they were better able to determine which organizations presented a qualified profile via the documentation and responses provided at the RFQ stage. During Round 1, 64% of organizations that completed an RFQ were invited to

complete a full application; 60% in Round 2; and by Round 3, only one of three (33%) organizations was invited to complete an application.

Summary of Grant Awards for Rounds 1-3

A total of six grant awards were made during the first three rounds of GOS grantmaking: Round 1-three awards; Round 2- two awards; and Round 3-one award. A list od grantees and grant awards is included in the Appendix of this report. The Foundation's May 2012 memo to the Board about the proposed introduction of GOS grantmaking noted that grant "GOS grant awards would be comparable to program and capacity building awards in size and generally would not exceed 10% of an organization's annual budget."

GOS grant awards ranged in size from $109,500 to $375,000, with annual awards representing from 2% to 12% of an organization's annual budget. The graph below shows that larger organizations (annual budgets of $4 million or greater) received a smaller percentage of GOS support than did smaller organizations (annual budgets of less than $2 million). Foundation staff recognized that a lesser award for smaller organizations would (1) not provide sufficient support to have the intended impact and (2) would not be comparable to the size of a potential program grant award. On the other hand, for a larger organization, less than 10% of the agency's annual budget could produce the intended impact of GOS and would be comparable to the size of a program grant award.
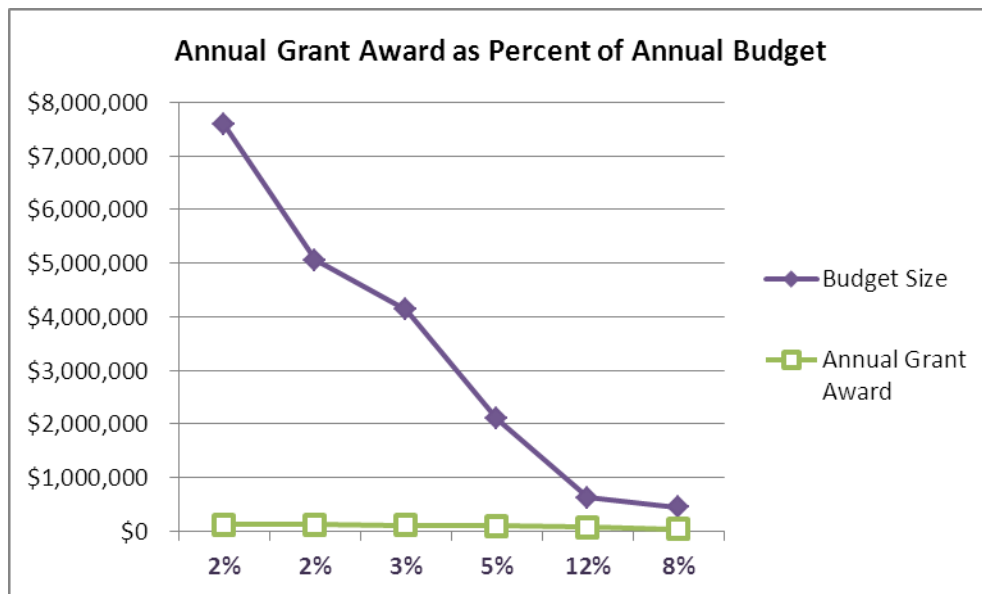
6. **Establishing GOS Goals**

GOS Research

Interviews with other community foundations about their GOS policies, practices and evaluation techniques revealed that evaluation of the impact of GOS funding is still very much a work in progress. Most foundations used an organization's strategic plan as the basis from which to think about and report on the impact of GOS on the organization. At least two foundations reported that applicants' strategic plans were not as robust as they would have hoped. In one case, a foundation worked with a local nonprofit capacity building partner to improve the quality of strategic plans for nonprofits serving their region.

A couple of foundations took a very general approach to evaluation. One simply asked grantees how they plan to measure and learn from their work and what the impact of their work would be. Another foundation first asked grantees to identify intended outcomes and then to report on progress toward those outcomes and the difference the GOS grant made to their organization. Yet another foundation noted: "We place a great deal of weight on an organization's strategic plan. We ask an organization to pick three priorities from their plan to report on." This foundation reported that they did not plan an evaluation component before they started awarding GOS grants and were "still figuring this piece out."

Two foundations reported using used a pre and post assessment process to measure a grantee's progress in strengthening their organization. One foundation assessed grantees on the basis of five defined organizational lifecycle stages and four organizational capacity areas (leadership, adaptive, management, operational). At the time of TDC's research, neither foundation had post-assessment data to share.

TDC's conversations with other foundations about evaluating the impact of GOS grants suggest that strategic plans are typically the most critical source for assessing impact. At the same time, the quality of the plans and the ways in which foundations use them to report on impact is varied.

Round 1
Using the experiences of other foundations as a resource, the Hartford Foundation adopted a GOS grantee evaluation strategy tied to each organization's strategic plan. Grantees were asked to select one goal in each of the following areas from their strategic plans:

- Programs
- Governance
- Financial Health
- Infrastructure (including management, operations, systems and data)

The Foundation team that worked with each grantee through the application process continued to work with the organization to develop GOS goals and indicators (to measure progress against goals), with technical support provided by TDC. With TDC's guidance, the Foundation

developed an informational memo for grantees explaining the intent behind the goal and indicator setting process, as well as providing examples for each of the four areas.

Development of GOS goals and indicators was a significant and somewhat frustrating learning experience for the Foundation and grantees. The process was also delayed because all grantees were required to update strategic plans before establishing GOS goals, which in turn pushed back start dates for grants and resulted in staggered grant award dates. Depending on the content of a grantee's strategic plan, there may or may not have been a goal for each of the four areas identified by the Foundation for GOS. Defining the indicators to be used to measure progress toward each objective was perhaps even more challenging, as most grantees' strategic plans tended to be less concrete about measurable outcomes and accompanying indicators. Because this was a new way of doing business for the Foundation and grantees, and because Foundation staff lacked experience facilitating this type of decision-making, the process required numerous conversations and iterations of goals and indicators, with coaching provided by TDC.

Round 2
Despite the challenges encountered in the development of grantee goals and indicators during the first round of grantmaking, Foundation staff decided to maintain the current process for the second round, acknowledging that it had been a learning process and they felt better equipped to accomplish this work with the next round of grantees.

When grantees across both rounds of funding were asked to offer their perceptions about the goal and indicator setting process, all respondents expressed some frustration with this activity, feeling that both written communication from the Foundation and conversations with staff were not particularly helpful. "We had a hard time working through that … but it was more us than anyone." In the end, this grantee offered that the indicators that were developed were helpful. Another grantee was annoyed at the iterative and time-consuming nature of the process and the requirement to seek board approval for the organization's goals and indicators.

Yet another grantee commented that the goal setting process was "unclear to me … but I understand nobody gives you money and says use it any way you want." Ultimately this grantee suggested the trade-off was: "You don't have to give us a budget and report on where the money went, but we want to know how that money helped your organization move forward." At the same time one grantee expressed the feeling that "I was trying to fit into something that had been created to serve the Hartford Foundation and TDC more than it served us."

When TDC asked Foundation staff to reflect on the goal setting process, there was agreement that it is "a conceptual challenge. We and the agencies have difficulty looking at general indicators of health versus activities." There was concern that the guidance memo may be "too dense," and a suggestion that perhaps the central question posed at the outset of the application

process should be changed to read: "GOS is an investment in the general health and strength of the agency. Explain how your agency will be strengthened in these four areas."

Although the current goal setting process remains in place, it is an area that TDC and the Foundation will continue to discuss.

7. Grantee Reporting on GOS Progress

The GOS team agreed that each grantee's Foundation team would conduct an informal six-month check-in with grantees. The purpose of the check-in was to help build a more transparent, authentic working relationship with each grantee, to get a sense of whether the grantee's original GOS goals still appeared to be viable and to make any needed adjustments. No standard process was developed for this check-in, nor did TDC remind Foundation staff to complete this activity. The Foundation's Grants Manager did follow up with a letter requesting grantees to submit a progress update at this time, which two of three first round grantees completed.

Due to the staggered completion dates for goal setting, the start date for each grantee's "grant year," was different. One grantee noted that their first payment was requested and received in October 2013, which then became the official start of their grant year for reporting. As a condition of the GOS grant award, all grantees were required to submit an annual report on their progress against GOS goals. All first round grantees provided written progress reports to the Foundation during the spring of 2014. Reports typically incorporated a copy of the organization's strategic plan, which included a detailed listing of goals, objectives and activities, as well as outcomes, indicators and a timetable for completion. Each report indicated where goals had been met or were lagging projected outcomes. A letter to the Foundation, or a narrative which accompanied the strategic plan update, typically provided additional detail and discussed reasons for any goals that were not on schedule.

The Foundation encouraged grantees to share updates already being prepared for and provided to their boards about progress on their respective strategic plans with the Foundation, rather than develop a separate report. Since the Foundation's grant award was for general operating support, each organization could use the funds as needed, which meant dollars were not tied to a specific goal or outcome, but to the organization's overall health and performance. At the same time, grantees were asked to identify goals in four areas (program, finance, governance, and infrastructure) and report on progress as part of their GOS grant award. Although grantees and Foundation staff understood this concept, in practice it was challenging to put it in place and it remains a work-in-progress.

TDC's first debrief with Foundation staff about the GOS grantmaking process took place before the scheduled six month check-in for Round 2 grantees, so no changes were made to the original reporting plan. During the Fall 2014 debrief with Foundation staff it was determined that during

the next phase of the GOS evaluation, TDC and Foundation staff will work together to more fully develop and document the grantee reporting process.

Preliminary Impact of GOS Grants

At the time of TDC's interviews, three grantees were in the third or fourth quarter of Year 1 GOS funding and two were less than six months into their first grant year. As noted at the outset of this report, the ability to document the impact of GOS grants during the early stages of implementation was expected to be limited. That said, reports submitted by Round 1 grantees and conversations with all grantees indicate that all agencies are tracking progress and can readily articulate the value of having GOS funding available to respond to emerging needs and to be more proactive as they think about and plan for the future.

A review of grantee progress reports suggests that all grantees are making good progress against their strategic plans and GOS goals. One grantee's report provided helpful narrative about how significant and unanticipated policy changes by a key funder and a crisis with trade (advocacy) organizations have had a negative impact on achievement of the organization's program goals. This organization also noted they had been in touch with the Foundation's program officer about these disappointing and frustrating issues. Another grantee spoke about GOS funding enabling the organization to "initiate some of the programs and strategies we wanted to do, but couldn't, due to financial constraints." This grantee went on to explain that GOS has "allowed us to do more thinking about what we need to do next and position the organization to better respond to needs in the community … and hire key positions."

Progress Against Phase I Outcomes for GOS

In this section, we review the progress made against identified outcomes for GOS grantmaking. As noted earlier in this report, the first phase of GOS implementation was focused primarily on the development and refinement of the grantmaking process.

Specific GOS evaluation outcomes to be addressed during Phase I, which are part of the GOS logic model, included:

Foundation Outcomes
1. Improved understanding of GOS by Foundation staff and applicant organizations
2. Improved and more trusting relationships with grantees
3. Informed and pragmatic grantmaking decisions

Grantee Outcomes
1. Improved and trusting relationship with HFPG
2. Initial progress on strategic plan priorities
3. Initial realization of articulated community benefits
4. Initial progress on enhanced organizational infrastructure

As noted in the methodology section of this report, TDC solicited feedback from multiple stakeholders, reviewed documentation provided by the Foundation and GOS grantees, and included TDC's observations, to assess progress against these GOS outcomes. Below, we report our findings.

Foundation Outcomes
1. Improved Understanding of GOS by Foundation Staff and Applicant Organizations

> Indicators to be used to measure progress included:
> - Clarity about differences between GOS and responsive grants
> - Able to help organizations understand difference between GOS and responsive grants
> - Able to assist grantees to establish GOS goals and indicators

All GOS applicants applauded the Foundation's decision to make GOS funds available to the region's nonprofits. Organizations offered comments such as "you can find grants for programs, but not what you need the most … it's very difficult to get unrestricted dollars." Grantees expressed appreciation that there was not an expectation to create more programs, but instead to "keep and improve the ones we have." One grantee noted, "I like getting funding based on my organization's track record, and not having to worry about individual line items." Another

applicant viewed GOS as an "amazing addition to what the Foundation is offering," a sentiment echoed by others.

One unsuccessful applicant expressed confusion about the purpose of GOS funding, asking "Why call it GOS when you're looking for concrete outcomes? I think GOS is a misnomer. It should be called 'strategic plan implementation support.' They were looking to see that we already achieved these goals vs. do them as part of a GOS grant." Another unsuccessful applicant posited: "You wouldn't expect an organization applying for GOS to be terribly successful because that's why you ask for GOS." At the end of TDC's interview with this organization, the respondent reflected: "Maybe I'll try for a capacity building grant first and if that is successful, then maybe look at GOS again."

The two organizations interviewed that chose not to pursue GOS funding did so because they believed a program grant was the better funding option given what they wanted to accomplish at the time. Both organizations applied for and received program grants that enabled them to add new staff positions.

When interviewees were asked if they would apply for GOS in the future, should that option be available, all but one organization replied that it was likely they would do so. Comments included: "Yes, in a minute, there are not many opportunities for this type of funding," and "Don't ask me silly questions. Of course!" On the other hand, one respondent noted that "the scuttlebutt about GOS is that the bar is much higher, but you don't have confidence you'll get it. The Foundation says no to those more often." A couple of grantees also expressed hope that the Foundation's board will continue to support this grantmaking option.

Foundation staff report that most organizations view GOS to be very desirable, calling it the "holy grail" of grants. One staff member commented that agencies "like GOS until they hear about the criteria." Staff have also been faced with questions from organizations about whether they can get more money through GOS or a program grant. This led one staff member to observe that perhaps "some agencies don't quite understand (the purpose of) GOS." It was also noted that other organizations have commented that they are "starting the strategic planning process in hopes of ultimately getting GOS." Although the Foundation has posted information about GOS grants on its website and provided information on a regular basis via its extensive mailing, staff still reported the need to "get the word out" to agencies through individual conversations, noting that "often agencies have not heard about GOS."

When TDC asked the GOS team if other Foundation staff have a solid understanding of GOS, the consensus seemed to be that GOS was not yet well-understood. Staff noted that "Individual donor GOS is very different and the Strategy Team also awards operating grants." Similarly, there is a perception that the Foundation's Senior Leadership team doesn't fully understand why the GOS eligibility criteria standards are so high. At the same time, the GOS team noted that the

"Board was supportive of the criteria we put in place, and they are very concerned with tracking outcomes." The GOS team understands the need to demonstrate that the GOS investment can produce desired results and believes a high level of organizational capacity is required to ensure that outcome.

Although GOS team members reported that they feel more comfortable with the grantee goal and indicator setting process, TDC believes that the establishment and monitoring of GOS goals and indicators is an element of the GOS grantmaking process that requires additional thinking and perhaps revision. We know that strategic plans will always reflect the needs and preferences of an organization, which means they will always be different; some will be more aspirational, while others will include more tangible, measureable goals. We also know that we must find a clear, easily understood way for grantee agencies to report on the value and impact of GOS grants, without tying dollars to activities. As noted earlier in this report, other foundations that offer GOS grants are also struggling with this issue.

In summary, the GOS grantmaking team demonstrated increasing clarity and understanding about the GOS grantmaking process with each round of grants. At the same time, the GOS team expressed reservations that other foundation staff fully understands the purpose of this grantmaking option. The fact that other foundation programs also offer operating support - with different eligibility criteria and goals - contributes to this lack of clarity. Finally, feedback provided by GOS team members suggests that some organizations either need assistance to determine whether a GOS grant or a program grant is a better fit for their organization, or they are trying to determine if a GOS application would be successful before beginning the process. As expected, GOS grantmaking continues to be a learning experience for foundation staff and potential applicants; the level of clarity and understanding about eligibility and goals continues to grow.

2. <u>Improved and More Trusting Relationships with Grantees</u>

> Indicators to be used to measure progress included:
> - Initiation of and appropriate frequency of contact with grantee
> - Grantee feels staff understands their mission
> - Grantee feels staff understands and supports capacity building needs
> - Grantee feels all forms of communication with the Foundation about GOS have been clear and consistent

Most interviewees appreciated the communications with Foundation staff before and during the grantmaking process. A number of respondents spoke about conversations with Program

Officers that helped them to decide whether a GOS grant was the best option given what they wanted to accomplish within their organization.

Several individuals noted that Foundation staff were "honest and forthright" about the fact that GOS grantmaking was new to the Foundation, that they didn't have all the answers and were still learning how to administer the GOS grantmaking process. The perceptions of two unsuccessful applicants were that GOS was "too much of a work-in-progress." Another applicant shared some frustration about "a lot of conversations and emails back and forth, with the same questions being asked over and over."

One of the smaller applicant organizations harbored an expectation that Foundation staff would follow-up to explain why the organization's application was unsuccessful and offer "more useful feedback. "I don't know what we did wrong and I won't try again because I don't want to waste my time. I expected someone to tell me what in my application was strong, weak … and it never happened."

GOS grantmaking continues to be a learning experience for Foundation staff and potential applicants, which is exactly what the evaluators expected to hear at this point in the process. It was a new experience for Foundation staff to publicly launch an initiative and state that the Foundation and grantees would be learning partners. Feedback from interviewees affirms that this message has been heard, although grantees remain somewhat unsure what this means and how it will play out.

Several respondents also commented about general "changes at the Foundation," noting that there is uncertainty in the community about the Foundation's "direction and funding priorities," which is creating concern about future funding for local organizations. It appears that this uncertainty may also make it more difficult for Foundation staff to build more trusting relationships with some organizations. "People are feeling nervous. We all depend on them (the Foundation) so much."

3. <u>Informed and Pragmatic Grantmaking Decisions</u>

> Indicators to be used to measure progress included:
> - Understanding of grantee goals, strategies and indicators
> - Understanding of the role of GOS relative to the Foundation's strategic priorities
> - Able to work effectively as a group to make GOS decisions

TDC's engagement with Foundation staff to assist with the implementation and evaluation of GOS grantmaking commenced shortly after the first RFQ was released. During our first 18

months working with the GOS team, there were several internal changes that had an impact on GOS implementation.

- First, a change in the team's senior leadership position created a more transparent and inclusive experience for all team members. The new leader's prior grantmaking experience at the Foundation was also very helpful in being able to articulate relevant differences between the intent of responsive grantmaking and GOS grantmaking.
- The formal rollout of the Foundation's *Accelerate Success* strategy also occurred as GOS was being launched, generating questions about how responsive grantmaking and GOS grantmaking aligned with this strategic initiative.
- Finally, the reality of beginning to more fully fund the Foundation's strategic initiatives meant fewer dollars would be available for responsive and GOS grants. This anticipated change required program staff to engage in a thorough review and refinement of current responsive grantmaking policies and practices, all while implementing GOS.

TDC has observed immense growth and sophistication in the ability of the GOS team to truly "own" the GOS grantmaking process. When we started our engagement, the team operated as a group of individual contributors, each willing to offer perceptions and ideas, but unable to hold one another accountable to common criteria or drive group decision-making. As grantmaking policies, practices and documents were developed by TDC with the group's input and review, the team learned to use these instruments and practices to keep one another honest and to promote consistency of process. Although Foundation staff had articulated GOS goals and eligibility criteria before TDC's involvement, in the first round of GOS grantmaking, team members did not always use concrete or consistent techniques to assess an organization's status against defined GOS purpose or criteria.

TDC was very much a hands-on facilitator for the first round of grantmaking: directing and redirecting conversation; pushing team members to focus on and report the facts; insisting on consistency in presentation format; asking questions for clarification; and managing the decision-making process. TDC also provided one-on-one technical support and coaching for team members relative to their interactions with applicant organizations, helping to identify missing information, preparing for site visits, preparing RFQ and applicant review documents and developing goals and indicators with Foundation staff and grantees.

During the second round of GOS grantmaking, TDC reminded the group that its role would change to coach instead of facilitator, requiring team members to stay on top of each step of the process and prepare presentations for group meetings. TDC worked with each RFQ and application review team, reading all submissions but only asking questions or offering advice if it appeared a team had missed something important. The Vice President for Programs also assumed full responsibility for facilitating the Round 2 RFQ review and application review

meetings. Although the plan was for TDC to take a similar backseat during the development of grantee goals and indicators, TDC's involvement remained at a higher level for one grantee.

The third round of GOS grantmaking was launched in the spring of 2014 and TDC reminded the Vice President for Programs that our role would be as an observer of the process, and that we would step in only if we believed it was critical to the integrity of the grantmaking process. The RFQ process was completed in May 2014 and the team did an outstanding job managing the process, including the identification and resolution of what TDC viewed as one critical but somewhat nuanced eligibility issue. The application review process for Round 3 was completed in September 2014 and the GOS team again completed a thorough, consistent and thoughtful review and recommendation process.

TDC recognized that until the introduction of GOS grantmaking, program officers were used to vetting grant applications independently - working with applicants to refine their applications and then meeting one-on-one with the Senior Vice President for Programs regarding a recommendation for funding. Staff from the Nonprofit Support Program (NSP) were rarely asked to offer input about a potential applicant and were focused on capacity building/technical assistance grants made through NSP. With GOS grantmaking, this dynamic was significantly altered. The GOS team included all program officers and NSP staff and decision-making was a group process. TDC observed that all team members were eager to work together and valued one another's expertise, but simply did not have experience working together as a team. They wanted direction from senior leadership and assistance from TDC to build a high functioning team. Fortunately for TDC, staff members were eager to offer their best thinking and ideas, to hear from their colleagues and to be challenged by one another and by TDC to "walk the talk." During the many team working sessions facilitated by TDC, we experienced an atmosphere of growing candor, respect and increasing willingness and ability to use GOS tools to hold one another accountable.

Feedback from Foundation staff about TDC's role as GOS facilitator and coach included:

- "They held us accountable to our criteria; now we've learned how to hold each other accountable."
- "TDC has kept us honest and kept us going back to the purpose of these grants."
- "They are very grounded; I like that they can fly the plane and also land it."

When TDC asked Foundation staff if the development and implementation of the GOS grantmaking process influenced their approach to responsive grantmaking, the feedback was positive. "Yes, it has changed our review process for all grants. We now review as a group and use our collective knowledge of an agency. It also has changed some of the questions we ask – we ask more about measurement of goals and we use the fiscal analysis template." Staff also

commented on a confluence between limited resources and what's happening with GOS, noting that "It has helped us tighten up our other grantmaking. We're more comfortable saying 'no' now."

Finally, TDC asked GOS team members to offer their thoughts and observations about the GOS evaluation process, what was working and what needed attention or improvement. Suggestions included:

- "We need an agenda of what is supposed to be happening throughout the course of a year. We need an internal document that outlines the evaluation process."
- "We need more of a framework moving forward about what they (TDC) are doing versus what we are doing."
- "It may be helpful as they (TDC) interview agencies to also give the opportunity for an anonymous survey; we may get more honest responses."

Staff also observed that "When TDC is here with a specific agenda, they are fabulous. In between meetings there has been confusion about who is doing what." It was also noted that TDC's (earlier) work with some of our grantees may be a conflict of interest, and that everyone needs to keep this in mind.

TDC appreciates this feedback and understands the desire and expectation for more detail around process and product related to the GOS evaluation. We discussed this feedback with the GOS team at our Fall 2014 meeting and will work together in the year ahead to ensure the evaluation process is fully understood by everyone. We will also work together to establish and document the evaluation process, including the roles of the Foundation and TDC over the next two years. Our goal is to establish a process that can be managed by Foundation staff going forward.

Grantee Outcomes
1. Improved and trusting relationship with HFPG
2. Initial progress on strategic plan priorities
3. Initial realization of articulated community benefits
4. Initial progress on enhanced organizational infrastructure

1. <u>Improved and trusting relationship with HFPG</u>

> Indicators to be used to measure progress included:
> - Grantee reports contact with staff is helpful and appropriate;
> - Grantee feels staff understands their mission;
> - Grantee feels goal setting process was helpful and reasonable;
> - Grantee has discussed capacity building needs with staff;
> - Grantee feels comfortable approaching staff with questions or if a problem arises.

As noted in the Foundation Outcomes section, TDC's interviews with grantees suggested a level of comfort regarding their engagement with Foundation staff and confidence that Foundation staff understand the work of grantee organizations. Also noted in the prior section, the goal setting process was viewed to be challenging and for a couple of grantees, somewhat frustrating. It is not clear the degree to which capacity building needs were raised by Foundation staff or discussed with grantees, although most grantees have and will likely continue to access NSP resources for such purposes. Grantees appear to be quite comfortable about getting in touch with Foundation staff with questions or concerns. As described in the Foundation Outcomes section, one grantee reached out to the organization's assigned Foundation staff liaison to report a change in the organization's funding and regulatory environment that would affect proposed outcomes.

During the next year, TDC and Foundation staff will work to improve the goal setting process with grantees and discuss grantee capacity building needs and resources.

2. <u>Initial progress on strategic plan priorities</u>

> Indicators to be used to measure progress included:
> - Grantee has updated strategic plan to meet GOS requirements;
> - Grantee was able to articulate clear and measurable GOS goals and indicators;

All grantees have updated strategic plans in place, as well as goals and indicators.

3. <u>Initial realization of articulated community benefits</u>

> Indicators to be used to measure progress included:
> - Grantee has reported progress on goals as agreed to as part of goal setting process;
> - Grantee is meeting its GOS goals and indicators;
> - Grantee has discussed adjusting goals and/or indicators with staff, if appropriate

All Round 1 grantees have submitted their first-year reports and reported on their progress towards meeting identified goals and indicators. To date, only one grantee has discussed adjusting one goal and indicator.

4. <u>Initial progress on enhanced organizational infrastructure</u>

> Indicators to be used to measure progress included:
> - Grantee is accomplishing its GOS goals;
> - Grantee's financial health is stable or improved;
> - Grantee demonstrates the ability, or is enhancing its ability, to use data to inform decision-making

At this early stage of GOS grant implementation, there is insufficient evidence to report on the achievement of this outcome. Based on interviews with Foundation staff and grantees, it is also possible that this outcome and/or indicators will be revised after TDC, Foundation staff and grantees work to refine the grantee goal and indicator setting process.

Conclusion

Over the past eighteen months of hard work by Foundation staff, TDC watched GOS grant making evolve from a set of thoughtful ideas to a new grantmaking program. This Phase I report has primarily focused on capturing how the grant making process unfolded, as well as laying the groundwork for being able to capture the impact of these grants over time. By the time TDC prepares the Phase II report, we will be much better able to capture the emerging impact of the GOS grants.

In TDC's estimation, Foundation staff have much to be proud of. Prior to the launch of this evaluation, a team of Foundation staff had devoted a significant amount of time and thought into conducting research with sister foundations, conceptualizing a logic model, developing criteria, and framing this new and important grantmaking process. TDC watched Foundation staff make the transition from the idea to the reality of implementing GOS during a time of significant transition at the Foundation itself, including a shift in the senior leadership, an emerging strategic plan, increased demand for grant dollars and a rethinking of grant guidelines. GOS was designed by Foundation staff to be a "new way of doing business," and was intended to respond to the needs of the sector. In our view, so far, that is precisely what has happened. It can be difficult for any organization to truly do things in a new way, and so it is not surprising that the process encountered challenges along the way.

There were many **positive elements** of the GOS grant making process as it unfolded. At the **Foundation** level, TDC noted:

- The GOS group truly **worked as a team**. Grant making and NSP staff learned from each other and we frequently observed team members tapping into their colleagues' on-the-ground experience with specific organizations. We also saw the team turn to the NSP staff member with financial expertise, and learn from her how to evaluate this important element of an applicant agency's capacity. This high level of team work was evident in the small teams assigned to each applicant as well as in the larger team working together on the review of all applications.

- The GOS group enhanced their capacity to **review grants with consistency and rigor**. TDC watched this ability grow stronger with each review cycle, and we believe that it will continue to develop in the future. The team created tools that it used to review grants in a uniform manner. Even more important than the adoption of these tools was the team's dedication to using them in a meaningful way in advance of and during the grant review process.   TDC also witnessed increasing nuance and sophistication on the part of the GOS team in reviewing strategic plans, Board minutes and the financial status of applicants.

- The increasing ability to work as a team with consistency and rigor has made for stronger GOS grant making. We believe that it has also **enhanced the GOS team's professional skill set** and is having a ripple effect across the broader grant making arena, including NSP. TDC perceives that program staff now have a more nuanced understanding of the work of NSP and vice versa. Additionally, we have learned that program staff have adopted the team review process for all discretionary grantmaking, including use of the financial assessment tool developed by NSP for GOS grantmaking.

- The GOS team **reduced its reliance on TDC's support** over time. We hope and believe that we have helped to build the team's capacity to do more of this work without TDC; the diminution of our role over time, without an accompanying decline in the quality of the grant making, suggests this is an accurate assessment.

From the **applicant and grantee perspective,** we heard:

- **GOS is very valuable** funding to have, and difficult to come by. All of those interviewed appreciate that the Foundation is offering GOS, and that the grants are substantial in size.

- All of the applicants and grantees interviewed appreciated that Foundation staff were trying to undertake GOS grant making in a **thoughtful** way and most felt overall that the **process and requested information were reasonable and fair.** Specifically, we heard that having Board involvement in the application process was good when it was genuine, and that the review of applicant minutes was fair. On the flip side, some applicants noted that it would have been helpful to have had more clarity from the start about some of the criteria that ultimately led to their being turned down, such as financial status, or the lack of a prior track record with the Foundation. Most interviewees appreciated the willingness of Foundation staff to acknowledge GOS as a work in progress, and to acknowledge that in some ways they were the pioneers in this emerging process.

The **greatest challenge for GOS grant making** has been determining how best to frame indicators and capture the impact of the GOS investment for grantee organizations. This has been one of the most thought provoking elements of the process for us as evaluators, as well as for our partners, the Foundation and grantee staff. More broadly, this appears to be a challenge across the sector. At this writing, this element of GOS grantmaking is still a work in progress.

Looking to the Future - Recommendations

In TDC's estimation, there is no question that the Foundation should continue to offer GOS as a grantmaking option. Rather, the question is whether and how GOS should evolve based on the learning from this first phase of effort. There are two key issues that TDC believes deserve attention from Foundation staff: (1) the criteria for GOS grants and (2) the best way to capture the impact of these grants. Below, we discuss each of these issues.

Criteria
The current criteria for GOS eligibility is quite rigorous and competitive, particularly the financial criteria. The criteria are reflective of the desire to focus on providing grants to well managed organizations. As GOS grantmaking has progressed from Round 1 through Round 3, the Foundation has witnessed a declining number of applicants. The word is getting out that GOS grants are difficult to secure.

TDC recommends that the Foundation consider whether to continue to use such highly competitive criteria for GOS grants. In a world where the Foundation has fewer responsive grant making dollars to distribute, we think the Foundation and its nonprofit partners might be better served with broadened eligibility for GOS. With three rounds of GOS grant making behind us, we recommend that the Foundation staff begin a dialogue about **whether and how GOS might be made more widely available**. Considerations include:

- **Maintain the $200K minimum annual organization budget size eligibility threshold but eliminate the $8M annual budget size eligibility cap**. Organizations with annual budgets of less than $200K are not likely to have the staff or systems necessary to meet all GOS eligibility and/or reporting requirements. On the other hand, larger organizations typically have such capacity, but access to unrestricted operating support is often quite limited.

- **Refine the financial criteria to be a bit less rigorous**, while still excluding organizations with a structural deficit or significant and multiple annual deficits.

- **Continue to require submission of a thoughtful and detailed current strategic plan** and other due diligence materials that are now part of the process.

- **Consider a tiered approach to GOS grantmaking** tied to such criteria as: the organization's budget size, the strength of the organization's application, and/or the degree to which the organization's work aligns with the Foundation's priorities. To date, the Foundation has not linked GOS funding to specific

programmatic priorities. If the decision is made to make GOS more widely available, then it is likely that more organizations will seek this funding. This suggests that the Foundation might want to think about whether and how to assess GOS applicants in light of the Foundation's programmatic priorities.

- **Tie GOS more explicitly to the provision technical assistance and building the capacity of grantee organizations.** If the Foundation relaxes the criteria for GOS dollars, the availability of those highly desirable dollars might be leveraged to encourage applicants and/or grantees to invest in such efforts as developing a thoughtful strategic plan that includes measurable outcomes.

- **Support smaller and/or less sophisticated organizations whose work is important to the Foundation, but that may not meet current GOS criteria.** These organizations may be well served by GOS that is closely tied to the provision of appropriate technical assistance and supports, designed to help build a well-managed organization, via NSP and other mechanisms.

Impact

As noted above, determining how best to capture the impact of GOS grants remains a challenge and will be a key task for us as evaluators during the next phase of this effort. We look forward to initiating a dialogue with current GOS grantees about how best to find the balance between being less prescriptive in framing how grantees report on their impact, but ensuring that there is an appropriate degree of rigor used in capturing how an organization is progressing toward their self-determined goals. As well, we look forward to engaging the GOS team in this dialogue.

TDC is delighted to have been given this opportunity to serve as a thought partner and evaluator for the GOS grantmaking initiative. We look forward to continuing dialogue about these and other issues in the next phase of this effort.

Appendices

Appendix 1: GOS Evaluation Framework

Appendix 2: GOS Grantees and Grant Awards

Appendix 1: Hartford Foundation for Public Giving GOS Evaluation Framework

FOUNDATION	Methodology for Tracking Progress	Indicators
SHORT TERM OUTCOMES (1 year)		
Improved understanding of GOS	Observation, interviews with HFPG staff and GOS grantees	Clarity about differences between GOS and responsive grants; Able to help organizations understand difference between GOS and responsive grants; Able to assist grantees to establish GOS goals and indicators
Improved and trusting relationship with grantees	Observation, interviews with HFPG staff and GOS grantees	Initiation of and appropriate frequency of contact with grantee; Grantee feels staff understands their mission; Grantee feels staff understands and supports capacity building needs; Grantee feels all forms of communication with the Foundation about GOS have been clear and consistent;
Informed and pragmatic grant making decisions	Observation, interviews with HFPG staff and GOS grantees, document review	Understanding of grantee goals, strategies and indicators; Understanding of the role of GOS relative to the Foundation's strategic priorities; Able to work effectively as a group to make GOS decisions
INTERMEDIATE OUTCOMES (2 years)		
Foundation is flexible and responsive to organizational needs	Observation, interviews with HFPG staff, GOS grantees and area nonprofits	Staff stay abreast of organizational needs and bring pertinent information to GOS grantmaking process; Grantees and external stakeholders believe the Foundation's use of GOS is responsive to organizational needs
Foundation's thinking about GOS continues to evolve	Observation, interviews with HFPG staff, GOS grantees and key outside stakeholders	The grantmaking process is reviewed and adapted in response to helpful feedback received and solicited from all internal and external stakeholders; Grantees perceive the process to be fair and manageable; A system and processes are in place that enable staff to fully facilitate the grantmaking process; Lessons learned from GOS grantmaking influences other grantmaking
LONG TERM OUTCOMES (3+ years)		
Continuous cycle of improved grant making that builds on lessons learned	Observation, interviews with HFPG staff, GOS grantees and key outside stakeholders	Staff reflect on each cycle of grantmaking and make changes in response to internal and external feedback, realities, etc.;
Shared knowledge in the field	Observation, interviews with HFPG staff, GOS grantees and key outside stakeholders	Staff pursue opportunities to learn from and share what has been learned through the implementation of GOS grantmaking with other foundations, both formally and informally; Staff participate in at least one conference, panel or roundtable discussion about the Foundation's experiences implementing GOS grantmaking

GRANTEES	Methodology for Tracking Progress	Indicators
SHORT TERM OUTCOMES(1 year)		
Improved and trusting relationship with HFPG	Observation, interviews with HFPG staff and GOS grantees	Grantee reports contact with staff is helpful and appropriate; Grantee feels staff understands their mission; Grantee feels goal setting process was helpful and reasonable; Grantee has discussed capacity building needs with staff; Grantee feels comfortable approaching staff with questions or if a problem arises
Initial progress on strategic plan priorities	Interviews with HFPG staff, GOS grantees and key outside stakeholders, organization specific indicators tracked, document review	Grantee has updated strategic plan to meet GOS requirements; Grantee was able to articulate clear and measurable GOS goals and indicators; Grantee requested and received assistance from staff with goal setting (if desired)
Initial realization of articulated community benefits	Interviews with HFPG staff, GOS grantees and key outside stakeholders, organization specific indicators tracked, document review	Grantee has reported progress on goals as agreed to as part of goal setting process; Grantee is meeting its GOS goals and indicators; Grantee has discussed adjusting goals and/or indicators with staff, if appropriate
Initial progress on enhanced organizational infrastructure	Interviews with HFPG staff, GOS grantees and key outside stakeholders, organization specific indicators tracked, document review	Grantee is accomplishing its GOS goals; Grantee's financial health is stable or improved; Grantee demonstrates the ability, or is enhancing its ability, to use data to inform decision-making
INTERMEDIATE OUTCOMES (2 years)		
Enhanced infrastructure	Interviews with HFPG staff and GOS grantees, organization specific indicators tracked, document review	Grantee collects, analyzes and uses pertinent data to inform its work and improve outcomes; Grantee's financial health remains stable or has improved
Continued progress on strategic plan priorities	Interviews with HFPG staff, GOS grantees and key outside stakeholders, organization specific indicators tracked, document review	Grantee has reported progress on goals; Grantee is meeting its GOS goals and indicators; Grantee has discussed adjusting goals and/or indicators with staff, if appropriate;
Continued realization of articulated community benefits	Interviews with HFPG staff, GOS grantees and key outside stakeholders, organization specific indicators tracked, document review	Grantee is able to clearly articulate how its programs benefit the individuals served and the impact on the broader community;
Nimble and able to capitalize on opportunities that are appropriate; say "no" to those that are not	Interviews with HFPG staff and GOS grantees	Grantee demonstrates ongoing strategic thinking and analysis related to potential opportunities; Grantee decision making about opportunities is grounded in data and best practices and is aligned with strategic plan
Innovative and willing to take risks	Interviews with HFPG staff and GOS grantees	Using best practices as a foundation, grantee seeks out opportunities to be an innovator in its field; Grantee thinks creatively about program development and implementation
Financially more stable	Indicators to be developed, drawn from grantees' financial documents	Grantee's progress on its financial goal(s) and indicator(s) demonstrate increased financial stability

LONG TERM OUTCOMES (3+ years)		
Effective delivery of strategic plan priorities	Interviews with HFPG staff, GOS grantees and key outside stakeholders, organization specific indicators tracked, document review	Strategic plan update process includes staff and board participation; Strategic plan updates occur on an annual basis (or more frequently) and indicate annual progress toward goals and/or adjustments;
Articulated community benefits realized	Interviews with HFPG staff, GOS grantees and key outside stakeholders, organization specific indicators tracked, document review	Grantee is able to clearly articulate how its programs benefit the individuals served and the impact on the broader community;
Continuous cycle of improved service delivery that builds on lessons learned	Observation, interviews with HFPG staff, GOS grantees and key outside stakeholders	Grantee internal practices include feedback loops that solicit input from key program stakeholders; Feedback is used to improve program outcomes, efficiencies and or effectiveness
Financially more stable	Indicators to be developed, drawn from grantees' financial documents	Grantee's progress on its financial goal(s) and indicator(s) demonstrate increased or continuing financial stability

Appendix 2: GOS Grantees and Grant Awards

GOS GRANTEES	Annual Budget	Grant Award	Annual Award	% of Annual Budget
ROUND 1: $1,005,000				
The Bridge Family Services	$7,580,351	$375,000	$125,000	2%
COMPASS Youth Services	$2,100,000	$300,000	$100,000	5%
Jewish Family Services	$4,130,000	$330,000	$110,000	3%
ROUND 2: $484,500				
Hartford Food System	$450,920	$109,500	$36,500	8%
Mercy Housing & Shelter	$5,060,452	$375,000	$125,000	2%
ROUND 3: $225,000				
Amistad Center for Arts & Culture	$626,000	$225,000	$75,000	12%
TOTAL GOS AWARDS		**$1,714,500**		