


# Reflections

## Grantmaking That Lasts: Key Findings From The Evaluation of TCWF's Responsive Grantmaking Program



Core operating support can be effectively evaluated, and it can have a positive impact on an organization's health.

# Reflections

**Reflections** is a series produced by The California Wellness Foundation to share lessons learned and information gleaned from its grantmaking practices and strategies. This publication and others in the series are available on the Foundation's website at [www.tcdf.org](http://www.tcdf.org) or [www.CalWellness.org](http://www.CalWellness.org).

This edition marks the 10th anniversary of *Reflections* and introduces our new design for the publication.

The photographs that appear throughout this piece document the diverse organizations funded by The California Wellness Foundation and the populations they serve. The images were taken from the Foundation's archives and were not commissioned as part of the Harder+Company evaluation. The grantee organizations represented may or may not have participated in the study.





## Contents

Introduction and Report	5
Key Findings	12
Conclusion	15
Case Studies	16
About the Authors	23

## Credits

### V.P. of Communications:

Magdalena Beltrán-del Olmo

### Editor:

David B. Littlefield

### Director of Evaluation and Organizational Learning:

Fatima Angeles

### Investigators:

Harder+Company - Paul Harder,  
Kym Dorman, Melanie Estarziau

### Copy Editor:

Anne M. Perry


### Design:

Sauci Creative, Inc.

### Photography:

D Samuel Marsh, Robert  
Pacheco, Karen Preuss, Susan  
Van Horn, Steve Yeater

### Printing:

 Printed on recycled paper  
by Challenge Graphics

**preface** In 2001, TCWF launched its Responsive Grantmaking Program, marking a shift away from funding of Foundation-designed initiatives to a strategy that encourages California health nonprofits to submit requests based on needs they identify as organizational priorities. Our Foundation's Board of Directors believed that, given the challenging funding environment in which these organizations operated, a strategy emphasizing grants of core operating support dollars in response to requests that arrived over the transom could both improve the health and sustainability of health and human service nonprofits and the health of their poor and working-poor clientele.

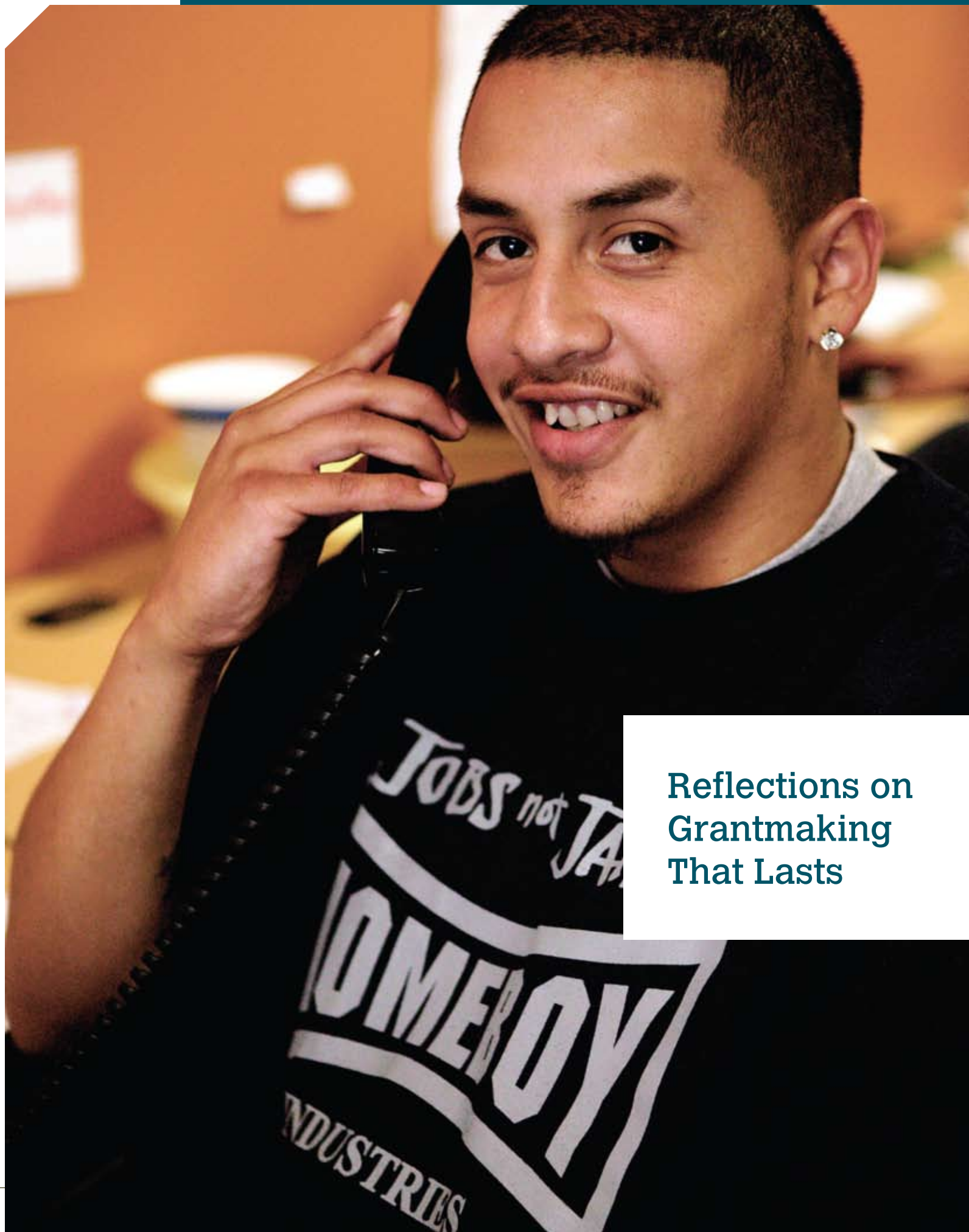
This issue of *Reflections* is the executive summary of a Foundation-commissioned evaluation report from Harder+Company titled "Grantmaking That Lasts: Key Findings of The California Wellness Foundation's Responsive Grantmaking Program." It summarizes findings of a comprehensive evaluation of TCWF grants that began and ended in the five-year period from July 1, 2001, to December 31, 2006. Through surveys and case studies, the Harder+Company team assessed the impact of TCWF grants along four lines: the grant's impact on TCWF's four grantmaking goals; the impact of TCWF funding on the grantee organization; the long-term impacts of grants; and how grantees experience a TCWF grant. In all, TCWF grants to 375 California nonprofits were examined.

We believe that the report's findings affirm the value and effectiveness of our responsive approach, both for the funded organizations and for TCWF as we work to advance our mission to improve the health of the people of California. Grantees noted the positive role of core operating support in helping further their organizational capacity or development goals and for building capacity around service delivery and quality. They noted that the flexible and multiyear funding had an impact on their organizations' sustainability. Fully 97 percent agreed that their grant allowed them to address the health needs of traditionally underserved populations, one of our Foundation's grantmaking goals. And among those organizations whose grant periods had been completed for at least three years, 83 percent reported that the grant left a positive, long-term impact on the sustainability of their organization.

The evaluation findings will help us refine the craft of grantmaking we practice at TCWF, to provide health-related nonprofits with grants that best enable them to achieve their missions. We also encourage your comments and feedback.

Sincerely,

Fatima Angeles  
Director of Evaluation and Organizational Learning



**Reflections on  
Grantmaking  
That Lasts**

---

## Introduction

---

The California Wellness Foundation (TCWF) has a mission to improve the health of the people of California by making grants for health promotion, wellness education and disease prevention. Guided by this mission, TCWF pursues the following goals through its grantmaking:

- to address the particular health needs of traditionally underserved populations, including low-income individuals, people of color, youth and residents of rural areas (“underserved”);
- to support and strengthen nonprofit organizations that seek to improve the health of underserved populations (“sustainability”);
- to recognize and encourage leaders who are working to increase health and wellness within their communities (“leadership”); and
- to inform policymakers and opinion leaders about important wellness and health care issues (“public policy”).

---

## What Is TCWF’s Responsive Grantmaking Program and Why Is It Important?

---

TCWF was founded in 1992 and was initially known for its proactive, project-driven initiatives. After considering grantee feedback during the early years, TCWF expanded its portfolio to provide grants that are responsive to applicants’ identified needs. In 2001, TCWF initiated its Responsive Grantmaking Program. The responsive grantmaking

approach enables TCWF to respond to unsolicited requests on eight priority health issues identified by the Board. TCWF also supports “special projects” outside of the prioritized health issues.

Two features were built into the design of TCWF’s grantmaking program. First, the program welcomes requests for unrestricted, or core operating, support. Core operating support helps underwrite the day-to-day administrative, infrastructure and overhead costs that enable an organization to carry out its mission. It can be applied toward the cost of existing health programs and services or toward capacity-building activities that will help strengthen an organization. A second feature of the program is the multiyear duration of grant periods.

---

## Overview of the Evaluation

---

While TCWF collects its own evaluation data through grantee reporting, in late 2004, TCWF sought to gain a more nuanced understanding of the accomplishments of its grantmaking, particularly in addressing the four overarching goals. TCWF commissioned Harder+Company Community Research (Harder+Company), a California-based consulting firm, to conduct an external evaluation that assessed the achievements of the first 2½ years of grantmaking. That exploratory study relied primarily on a grantee survey of a subset of TCWF’s grantmaking portfolio, covering 112 grants opened and closed between July 1, 2001, and December 31, 2004.

In 2007, having completed five years of grantmaking, TCWF wanted to build on the foundational study. TCWF approached Harder+Company again, this time to undertake a comprehensive evaluation of grants opened and closed between July 1, 2001, and December 31, 2006. The evaluation utilized a mixed methods approach that involved a confidential survey of recent grantees not included in the previous sample (2007 Grantee Survey, N=263), a follow-up survey to those grantees previously surveyed in 2005 (2007 Follow-Up Survey, N=115), and case studies with 8 organizations. It also included data from the original grantee survey (2005 Grantee Survey, N=112).

The scope of the evaluation was also expanded through the development of a revised set of evaluation questions, including:

- What is the impact of the grant on TCWF’s four goals?
- How has TCWF funding impacted organizations?
- What are the long-term impacts of the grant?
- How do grantees experience a TCWF grant?

The data presented are from all of the data sources and, except where noted, the survey data are presented for the full cohort of TCWF grantees (N=375; 112 in 2005 and 263 in 2007).

---

## What Is the Impact of the Grant on TCWF’s Four Goals?

---

TCWF seeks to achieve its mission through the pursuit of the following goals: addressing the health needs



EXHIBIT 1

Percentage of Grantees Reporting a Great Impact on Goal

Goal	All Grantees % (n)	Grantees Assigned to Goal % (n)
Underserved	81% (279)	88% (200)
Sustainability	47% (164)	55% (135)
Leadership	55% (185)	86% (25)
Public Policy	60% (207)	87% (96)

of the underserved; promoting organizational sustainability; building leadership; and informing public policy. When grantees apply to TCWF for funding, they designate which of the eight prioritized health issues they are working on. Upon accepting the proposal, TCWF staff assigns the grant to one or more of the Foundation’s four grantmaking goals. To measure the progress TCWF has made in achieving its mission, grantees were asked to rate the level of impact the grant had on each of the four goals. The evaluation sought to capture the breadth of the impact of TCWF funding by measuring whether the grant had an impact on any one of the four goals for all grantees, regardless of the goal(s) to which they were assigned, as well as grantee accomplishments and their impacts on the specific goal(s) to which they were assigned. As shown in Exhibit 1, more than half

of all grantees reported that the grant had a great impact in the underserved, leadership, and public policy goals, and nearly half of all grantees reported a great impact on sustainability, despite their assignment to a particular goal. This indicates that while funding may target one particular goal, the impact is not limited to the given goal; rather, grantees have been able to use their funding to achieve impacts in multiple goals at the same time. Additionally, and as expected, grantees within their assigned goal reported a high level of impact. In fact, more than 80 percent of grantees reported that the grant had a great impact in three of the four goals: underserved, leadership and public policy; and slightly more than half reported a great impact on the remaining goal—sustainability.

Data describing the impact of the grant on each of the goals to

which grantees were assigned are presented next. Case studies are included for each of the four goals to illustrate how the grant was used and how grantee strategies complement TCWF’s mission and grantmaking goals.

**Addressing the Health Needs of the Underserved**

Nearly two-thirds of grantees (64%, n=240) were assigned to the goal to address the particular health needs of traditionally underserved populations, including low-income individuals, people of color, youth and residents of rural areas. Of those grantees, the majority (88%, n=200) reported a “great impact” on addressing the health needs of the underserved.



Please see **CASE STUDY 1** on page 16

## Promoting Organizational Sustainability

More than two-thirds (71%, n=265) of grantees were assigned to the organizational sustainability goal to support and strengthen their organizations in order to better meet the needs of the underserved. All of these grants were for core operating support, which TCWF believes helps promote organizational sustainability. In fact, the majority of grantees assigned to this goal (86%, n=218) reported that the funding helped them build the sustainability of their organization, with 54 percent (n=137) indicating that the grant helped them “to a great extent.”

Grantees utilized two strategies to accomplish the goal of promoting sustainability: sustaining services and capacity building. Nearly two-thirds (65%, n=172) of grantees assigned to the organizational sustainability goal utilized a sustaining services strategy, and of those, 36 percent (n=48) strongly agreed that they were successful in continuing the activities funded by the grant after it closed and another 43 percent (n=57) agreed. The remaining grantees (35%, n=93) used a capacity-building strategy, and of those, nearly two-thirds (64%, n=57) strongly agreed that the grant helped to strengthen their organizational capacity and another 29 percent (n=26) agreed.



Please see **CASE STUDIES 2 and 3** on pages 16 and 17

## Recognizing and Encouraging Leadership

Eight percent (n=30) of grantees were assigned to the goal to recognize and encourage leaders who are working to increase health and wellness in their communities. Of those, nearly all (96%, n=28) reported the grant had an impact on the leadership goal, with 86 percent (n=25) indicating a great impact.

Within the leadership goal, grantees utilized one of two strategies: identifying, honoring and supporting leaders (leadership recognition) or developing new leaders (leadership development). The majority of grantees in this goal (90%, n=27) employed the leadership development strategy. Most of the respondents (82%, n=23) indicated that the grant contributed to the development of leadership in their communities “to a great extent,” and half (n=14) stated that the funds contributed to the development of leadership in their organization “to a great extent.”



Please see **CASE STUDY 4** on page 19

## Informing the Development of Public Policies

Nearly one-third (30%, n=111) of grantees were assigned to the public policy goal and used their funds to inform policymakers, opinion leaders and the public to promote wellness and enhance access to preventive health care. All reported the funding had an impact on the public policy goal, with the majority (87%, n=96) reporting a great impact.

Grantees within TCWF’s public policy goal conducted a range of health-focused policy work, including policy advocacy (n=62), policy analysis and research (n=38), and public education (n=11). Many grantees used more than one strategy to address the public policy goal. Two-thirds of grantees (68%, n=42) using a policy advocacy strategy reported that the grant helped to organize groups and individuals to inform policymakers “to a great extent.” Most grantees (84%, n=31) with a policy analysis and research strategy indicated that the grant helped foster analysis to best understand and articulate an issue of policy relevance “to a great extent.” All but one of the grantees with a public education strategy (91%, n=10) reported that the grant helped inform the public about a particular issue “to a great extent.”



Please see **CASE STUDY 5** on page 20

## What Is the Impact of the Grant on Organizations?

Supporting and strengthening nonprofit organizations is central to the grantmaking of TCWF. By funding efforts that develop internal capacity, TCWF assists organizations to become efficient and effective, and ultimately aims to help them become more sustainable. To capture the impact of TCWF funding on grantee organizations, grantees were asked if the grant helped build the capacity of their organizations. The evaluation also measured grantees’ ability to leverage funds, replace their current funding, and sustain the grant activities



Core operating support funding, through its flexibility and ability to be applied to both existing and long-term needs, creates a legacy that remains with the organization and contributes to its sustainability.”

after TCWF funding ended. TCWF grantees reported:

- **Stronger organizational capacity.** Most grantees agreed that TCWF funds helped them build organizational capacity (86%, n=297), with 50 percent stating they strongly agreed (n=172).
- **Increased credibility and ability to leverage funds.** Most grantees (79%, n=269) agreed that they were able to leverage their TCWF grant to attract additional funding, with 47 percent (n=159) of grantees stating they strongly agreed. On open-ended responses, grantees repeatedly remarked that having TCWF support has opened the door to other funding sources and has

enabled them to attract funding from both public and private sources, which has in turn helped to sustain their work. Selected comments include the following: “The grant we received enabled us to achieve substantial funding from other sources.” “The grant from TCWF opened doors and gave us credibility with other foundations.”

- **Continued difficulty in replacing funds.** While most grantees agreed that they were able to leverage their TCWF grant, nearly half (46%, n=128) reported having difficulty replacing the funding when the grant period ended. However, this finding is less than that found in the 2005 evaluation, in

which 59 percent of grantees reported difficulty replacing funding.

- **Sustained grant activities.** Despite difficulty with replacing funding, the majority of grantees (78%, n=234) agreed that they were successful in continuing the grant activities after the funding ended, with 36 percent (n=107) stating they strongly agreed.



Please see **CASE STUDY 6** on page 20



## Impact of Core Operating Support on Organizations

An effective way to create organizational sustainability is through providing core operating support: flexible funds given in support of an organization's mission so that grantees are empowered to determine how to best address the priorities of their organizations. Therefore, as has been noted already, all TCWF sustainability grantees receive core operating support funding, and conversely, all core operating support grantees are assigned to the sustainability goal.

It has been reported that 86 percent of all organizations receiving a core operating support grant agreed that funding from TCWF helped them build their sustainability, with 54 percent reporting that it was to a great extent. Recognizing that sustainability is a process achieved over time, this suggests an important positive trend, with more than half of grantees whose grants recently closed already reporting great impact and an additional one-third observing some form of impact.

To further interpret the meaning of these figures, it is necessary to understand any differences that might exist between those grantees who received core operating support and those who did not. The findings from the 2005 evaluation found that core operating support grantees (compared to project support grantees) were more likely to report that their funding had a great impact on building the sustainability of their organization (53%, n=40 vs. 28%, n=7). Therefore, this evaluation compares findings from core operating support grantees

to grantees who received project support at two points in time: at the close of the grant and three years later. In this way, impacts of core operating support funding on organizational sustainability can be seen over time.

Noteworthy differences seen at the close of the grant include:

- Grantees receiving core operating support were significantly more likely to use their funds to cover operating expenses; maintain existing services, programs or projects; provide salaries for key administrative staff; and develop capacity to raise or generate funds, compared to organizations that received project support.
- Core operating support grantees were significantly more likely to report an impact on the sustainability of their organization, compared to project support grantees. More than half (54%, n=137) of core operating support (i.e., sustainability) grantees reported that the grant helped build organizational sustainability "to a great extent," compared to 28 percent (n=27) of project support grantees.
- Core operating support grant recipients were significantly more likely to agree that the funding helped strengthen their organizational capacity, compared to project support grantees (91%, n=225 vs. 72%, n=71).

Follow-up grantees were asked in this evaluation survey to report on the long-term effect of their TCWF grant on organizational sustainability. More than three years since the close of their TCWF grant:

- Most (87%, n=67) core operating support grantees reported that there continues to be positive effects on their organizational sustainability. This compares to 73 percent (n=22) of project support grantees.

This finding suggests that core operating support funding, through its flexibility and ability to be applied to both existing and long-term needs, creates a legacy that remains with the organization and contributes to its sustainability.



Please see **CASE STUDIES 7 and 8** on pages 21 and 22

## Long-Term Impact on Organizations

The findings from the 2007 Follow-Up Survey with 115 grantees demonstrate how the funding led to positive, long-term imprints. The data revealed that more than three years after the end of the grant period, TCWF funds continue to contribute to the organization in the following ways:

- **Organizational capacity.** The majority of grantees reported that the grant helped build the organization's capacity (79%, n=84), with 46 percent (n=49) indicating the grant helped to "a great extent."
- **Organizational sustainability.** Most grantees (83%, n=89) reported that their TCWF grant left a positive, long-term impact on the sustainability of their organization, and close to half (45%, n=48) reported that the impact was "great."



■ **Ability to sustain funded activities.** Nearly a third of respondents (31%, n=32) indicated that the activities funded by TCWF have been sustained with a few modifications, and another third indicated they have been expanded since the close of the grant (31%, n=32). Only 5 percent (n=5) of respondents stated that the activities that were funded by the grant have not been sustained to date.

### What Are Grantees' Perceptions of TCWF?

TCWF places great importance on building and maintaining good working relationships with its grantees, and strives to enhance the value of its grantmaking by offering support to aid grantees in their work so that the funding is more likely to achieve results. As such, the evaluation explored grantees' perceptions about their working relationship with TCWF, the TCWF grantmaking process, and TCWF-sponsored activities and resources.

Nearly three-quarters of respondents who completed a 2007 survey (75%, n=269) reported that their experience with TCWF was better than with other funding organizations, with 44 percent (n=158) stating that it was "significantly" better. Furthermore, 97 percent of all survey respondents (n=347) agreed that their grant reflected a trustful relationship with TCWF, with 277 grantees (77%) reporting that they "strongly agreed" with this statement.

Survey respondents were also asked about their perceptions of

TCWF's grantmaking procedures and practices. As shown in Exhibit 2, nearly all of the survey respondents (96%, n=344) indicated that the grant objectives reflected what they achieved with the TCWF funding. Most grantees also agreed that the grant provided flexible funding (82%, n=288) and that the length of the TCWF grant was appropriate to their needs (72%, n=253).

TCWF offers a number of sponsored activities and resources for grantees, including a communications program, a sabbatical program, annual conferences, sponsored retreats, and a technical assistance program. Grantees varied in their degree of knowledge of, and participation in, these activities.

■ Overall, grantees were most familiar with the communications program (66%, n=237) and the sabbatical program (58%, n=210). In contrast, survey respondents were less familiar with the TCWF technical assistance program (35%, n=127).

■ The annual conferences and the sponsored retreats generated the highest participation rates among 2007 survey respondents who were aware of the activities: 68 percent (n=86) and 56 percent (n=35), respectively.

### How Are External Factors Affecting TCWF Grantees?

To understand the environment in which TCWF's grantmaking occurs, survey respondents were asked about a range of factors influencing their organization and the extent to which these conditions have changed in recent years.

- Overall, grantees reported experiencing an increased demand for their services and an increased level of service provision during the three years prior to the 2007 survey.
- As a whole, grantees reported being in relatively good financial health, expressing optimism about the future fiscal condition

#### EXHIBIT 2

### Overall TCWF Grantees Reporting "Moderate" or "Strong" Agreement

Survey Statement	n	%
Grant objectives reflected what we achieved with the funding (n=357)	344	96%
Reporting requirements were appropriate to the grant size and duration (n=362)	345	95%
Grant amount was fair (n=355)	298	84%
Grant provided flexible funding (n=351)	288	82%
Grant enabled us to take risks (n=343)	262	76%
Length of grant was appropriate to our needs (n=351)	253	72%



of their organization and the prospect of it improving over the next three years.

- Most grantees in 2007 reported moderate or significant increases in their total revenue during the last three years (62%, n=214).
- With regard to expenses, most grantees in 2007 also reported increases over the past three years.

Grantees were also asked to rate a list of external factors influencing their work, based on the extent to which a given item posed a challenge for the organization, as “not a challenge,” a “minor challenge,” or a “major challenge.”

- In 2007, survey respondents identified government budget cuts (54%, n=148), increasing demand for care (53%, n=99), and rising

employee benefit costs (51%, n=168) as the top three major challenges.

- In 2005, the top three challenges were increasing demand for care, rising employee benefit costs, and lack of funds to cover rising expenses.

The evaluation additionally assessed the level of stress experienced by grantee organizations. The majority of survey respondents (74%, n=254) rated their current level of organizational stress as “moderate.” This finding held true for grantees surveyed in both 2005 and 2007. Among recent survey respondents, only 23 percent (n=81) indicated their stress level as “severe” or “very severe,” compared to 32 percent (n=35) of grantees in 2005.

---

## Key Findings

---

The following findings summarize the most salient impacts of TCWF funding on grantee organizations as revealed through the analysis of the survey data and the case studies. Though many of the findings are interconnected, they are presented here as they emerged in the data. Overall, this evaluation found that TCWF grants are:

### Strengthening the Health Field

Grantees reported that their funding resulted in impacts in all four of TCWF’s goals. Fully 97 percent of all grantees agreed that their grant allowed them to address the health needs of traditionally underserved populations. At the same time, 82 percent of all grantees stated that the funding had an impact on their organizations’ sustainability. Nearly

90 percent indicated their grants brought about impacts in the public policy and leadership goals. These are tremendous contributions. Through these achievements, TCWF funds are helping to sustain a nonprofit health services system to address the health needs of Californians.

### **Helping Organizations To Do Their Best Work**

Organizational capacity is important because it allows organizations to do their best work. It is achieved through activities such as strategic planning and fund development, improving the quality of program services, and increasing the technical capacity of the organization. As survey data have shown, a very high percentage of grantees (86%) reported that their TCWF grant helped them build their organizational capacity. Notably, grantees who received core operating support were significantly more likely to report impacts on the organization's capacity than those who received project support.

Grantees used TCWF funding to make strategic investments to build capacity around service delivery and quality. These improvements included exploring new program strategies, refining existing strategies, developing quality improvement and assurance plans, and being able to provide competitive salaries to attract well-qualified staff. All of these investments support improved or expanded service delivery, such as the ability to more effectively reach a target population, extend hours of operation, and provide more culturally competent care.

Grantees who participated in the case studies described using their grants for such purposes, appreciating the ability to direct TCWF funds to needed areas to address important planning tasks for organizational strengthening. In the case studies, several organizations gave credit to TCWF for encouraging them to take on organizational development endeavors. As well, many described their organizational development work as transformative because of the positive experience shared by staff and their boards in articulating a plan and implementing it, which in turn helped to set their organizations on a new trajectory.

### **Promoting Sustainability**

An important indicator of sustainability is how an organization is doing beyond the duration of the grant. One way to measure this is by asking organizations to rate the impact of the grant after a period of time. At the close of the grant, 82 percent of all grantees reported that the grant had an impact on their organizations' sustainability. Interestingly, the results also indicated that grants for core operating support were significantly more likely than those for project support to have impacted the sustainability of the organization. Further, most grantees who responded to the follow-up survey (83%) reported that three years after the close of their TCWF grant, it was still having positive impacts on the sustainability of their organization. In fact, close to half of those grantees (45%) noted that the grant was still having a great impact.

Organizations that participated in case studies explained that sustainability came as a result of TCWF's flexible and predictable (multiyear) funding. Flexibility refers to their ability to take on myriad tasks related to organizational sustainability, such as having the funding to take time to design staff and board development plans, develop a strategic plan, improve financial systems, test service delivery models, and create a cohesive organizational identity. Because of multiyear funding, a number of organizations found that they could "go deeper" and take the time to identify the needs of their target communities, explore new delivery models, refine them and commit to them. The stability that was created translated into developing dependable relationships with clients as well as with colleague organizations. Both types of these relationships are important to the long-term survival of an organization.

Grantees who participated in case studies also specified that a core operating support grant permitted organizations to use the grant in ways that met their immediate needs, as well as to plan for future needs in a way that other grants do not. The result is that staff are able to strategically decide how to best support their work, ensure the needs of their communities are being met, develop and test innovative strategies, and expand services. In this way, core operating support funding is like an investment because it covers the strategic and fund development processes that lay a solid foundation to carry the organization into the future. In the words of one grantee,

with TCWF funding, the organization went from “just trying to survive” to being able to “thrive.”

## **Cultivating Leadership**

Almost all TCWF grantees reported that their grant developed leadership (89%), despite the fact that only 30 (8%) were formally assigned to this goal. This indicates the great importance that TCWF places on supporting and developing leaders. Grantees who participated in the case studies explained that leaders are cultivated by using program strategies that involve the clients/ community members at every level of service provision. A number of case study interviewees described how this happened in their communities: positive community engagement and services prompt clients to become volunteers, these volunteers become active community members, who in turn become policy advocates and leaders in the field.

## **Leveraging Funds**

Nearly 80 percent of grantees agreed or strongly agreed that they were able to leverage their TCWF grant to attract additional funding. Additionally, 10 of the case study participants reported being successful in using the grant to leverage other funds. Grantees reported that having a TCWF grant “opened doors” and “removed barriers” to other foundations in that opportunities for funding became accessible in a way that they had not been prior to the grant. Organizations also mentioned gaining access to federal grants that they were previously unable to qualify for before the grant from

TCWF. Several organizations profiled in the case studies used part of their grant to qualify for federal funding opportunities requiring a percentage match. Despite the type of organization or services provided, grantees confirmed that a grant from TCWF allowed them to increase their funding in important ways.

## **Building Credibility**

Grantees who participated in the case studies described that receiving a grant from TCWF brings increased credibility from both within and outside the funded organizations. Grantees described the important positive effects of having a distinguished foundation invest in their organization, resulting in increased confidence in their work. One staff person expanded on this idea by saying that the increased confidence among staff led to more productive fundraising efforts. Grantees also agreed that receiving a grant from TCWF gave them increased credibility with other funders, which resulted in additional funding. As well, grantees consistently observed that other foundations respect TCWF’s funding decisions and being a TCWF grantee brought increased status to their organization.

## **Adding Value**

In addition to the credibility a TCWF grant confers, grantees noted several other nonmonetary benefits of a TCWF grant. First, TCWF was praised for its respectful approach that builds trust and goodwill with grantees. Grantees reported that it was important for them that TCWF staff are “engaged” and “knowledgeable,” and that TCWF is

flexible in the development of grant objectives and with its reporting requirements. In addition to these key characteristics, grantees emphasized the importance of core operating support—a strategy designed to offer flexible funding. This funding approach, according to grantees, is the clearest illustration of TCWF’s respect for and trust in grantees and their work.

A second value-added strategy is TCWF’s recognition of the importance of collaboration and convening around policy development and sharing best practices. This is shown both in TCWF’s willingness to support grantees’ involvement in these activities, as well as in their efforts to convene grantees, in order for them to share experiences and build networks. Grantees consistently noted their appreciation for these opportunities.

Finally, grantees observed that there is another important quality of working with TCWF that enhances the funder-grantee relationship. Through its practices, staffing and grantmaking decisions, TCWF lives up to its vision of creating an environment for community-defined health solutions. Grantees not only have the funding necessary to pursue their community-based health service delivery strategies, but they feel engaged as partners in defining how to improve the health of Californians.

---

## **Conclusion**

---

### **The Ripple Effect: Grantmaking That Lasts**

The findings of this evaluation are

an important validation of TCWF's grantmaking approach. They demonstrate that TCWF funding in general, and core operating support in particular, allows organizations to use the funds for necessary activities of program development, planning, infrastructure, site and technology improvements, which, in the words of grantees, allows them to "get to the heart of the work." TCWF grantees repeatedly explained that this type of flexible support is unique and crucial to their organizations' existence and allows grantees to fulfill their missions. Grantees agreed that funding the "bread and butter" activities of organizations is not only a powerful affirmation to nonprofits, but also one that allows them to explore innovative strategies to best serve their communities.

What emerged in addition to the findings presented is, perhaps, unexpected: Across the Foundation's four goals, organization type, and funding strategy, TCWF grants produce a significant ripple effect in the health of Californians. Grantees described how the TCWF grant "went a long way," with impact reaching beyond the original grant like a ripple that continues across a lake long after the pebble makes contact with the water's surface. There were two main ways that the ripple effect manifested, either by making an

impact beyond the original purpose of the grant, or because the impact was felt beyond the duration of the grant. Neither ripple had a linear pattern, nor could they be traced back to a particular grantee strategy, but both made important impacts on the ways that organizations work to improve the health of Californians.

The findings in this report show that not only have TCWF grants resulted in important impacts related to the original purpose or time frame of the grant, but also that the grant has effects that continue far beyond. The grant might have initially provided needed health services in an underserved population, but ultimately enabled an organization to leverage additional funding to sustain services and to expand its work (ACCESS). Or it might have started by funding a daring new strategy in a teen pregnancy clinic that has now transformed the organization because of its success and has become an example in the field (West County).

This evaluation has demonstrated that TCWF grants have achieved major successes while being responsive to grantees' identified needs. As a major funder of health and health-related services in California, TCWF has used funding strategies that have resulted in

reaching the underserved; building stronger, more sustainable organizations; preparing diverse leaders; and supporting the development of health policy that is creating needed change. By enabling organizations to thrive, TCWF grants have greatly impacted how Californians achieve a state of health, experience health care, and access health services—often beyond the grant purpose and time frame and long into the future.



“TCWF funding in general, and core operating support in particular, allows organizations to use the funds for necessary activities of program development, planning, infrastructure, site and technology improvements... funding the 'bread and butter' activities of organizations allows them to explore innovative strategies to best serve their communities.”



## Case Studies

---

### CASE STUDY 1

---

The following case study illustrates how a TCWF grant made important contributions to the health of one underserved population in the state of California.

## Being Part of a Community in Which You Matter

United Friends of the Children (UFC) has been working for almost three decades to address the needs of Los Angeles County’s foster youth, with the mission to prepare them for a “future with intention.” In 2002, their Board altered UFC’s mission to become a provider of direct services to youth, seeking to design programs that meet areas of tangible need while also offering opportunities for youth to address the underlying issues that impede their successful transition to independent adult lives.

That same year, UFC’s Pathways Transitional Living Program was initiated with funding from TCWF. Targeting emancipated foster youth 18-23 years old, the program is based on a congregate housing model, meaning that residents live in a community, such as an apartment complex, with supportive services accessible at the site. TCWF awarded UFC a three-year grant, providing start-up funding that covered salaries of the advocacy counselor staff who provide the supportive services that include health and mental health services, career and vocational

counseling, educational mentoring, and life skills training.

While housing is the direct service that keeps youth from becoming homeless over the short term, it is through the supportive services that prevention occurs and youth are able to gain the tools that enable them to move forward on their path toward independent adult living. These services, delivered by the advocacy counselors, are at the heart of the Pathways program. “Many of the transitional living tasks that young people have to do to become successful adults typically occur in the context of a relationship with a caring adult, and these kids haven’t had that,” said one of the designers of the program, further recalling that “a cornerstone of our program was the concentration of relationships that would endure through the life of the program. We really wanted to put our resources not just into the housing, but specifically into providing a relationship with a consistent, knowledgeable and caring adult.” Because “turnover is really bad for these kids; they have so many attachment disorders,” the creation and continuity of relationships between the counselors and the youth residents is central to the Pathways model. Therefore, multiyear grant support from TCWF has been critical to the program’s success and sustainability: “The TCWF funding helps us keep our staff, to support them and continue the long-term connections the youth have with their counselors.”

UFC’s internal evaluation (in the form of tracking and follow-up with participants) shows high levels

of success: After being out of the program for one year, nearly 80 percent of Pathways alumni are in permanent housing and 75 percent are in full-time jobs. “Our mission is to help foster youth transition to independence, and we’re finding the alumni we’re connected to are remaining in permanent housing...So it’s not just delaying homelessness for these youth.... It’s helping to achieve our mission for these young people to be self-sufficient, to be self-reliant.”

---

### CASE STUDY 2

---

The following case study describes how, with TCWF core operating support funding, the grantee was able to identify and provide needed health services in an underserved region — and was successful in sustaining services and expanding its work by finding continued funding beyond the close of the grant.

## Increasing Access to Reproductive Health Care in the Central Valley and Beyond

With a multiyear core operating support grant from TCWF for \$90,000, ACCESS/Women’s Health Rights Coalition was able to identify the most pressing reproductive health needs of rural and underserved women living in the Central Valley, increase its hotline call volume, and serve more women. ACCESS credits its successful growth to the initial core operating support grant it received from TCWF: “The willingness to assume risk or to make an investment in an organization that at that time had a relatively small budget but was accomplishing an amazing amount of work....The



willingness to make that investment is crucial. TCWF had the foresight to take a look at us more closely and invest in us. It led the way and removed the barriers from other foundations in funding us.” TCWF’s early investment helped ACCESS leverage additional funding to sustain services and to expand its work: “Gaining traction among funders was incredibly important in terms of our ability to grow beyond that grant and up until today.”

For ACCESS, core operating support was instrumental in providing flexibility and security for the organization, ultimately supporting its growth. The stable funding the hotline received made it possible to develop and strengthen other functions of the organization: “Having the hotline thrive helps the other areas thrive. The grant was critical in allowing us to continue the hotline and to sustain and nurture our other areas of work. It’s a circle of work—more issues on the hotline mean more issues for advocacy and education, which leads to other funding.”

---

### CASE STUDY 3

---

To illustrate capacity building, the case study included here demonstrates how a core operating support grant was used to create a business plan that has led to increased revenue and financial sustainability.

## The Effect of a Good Business Plan and Staff Time To Implement It

In 2003, the Diabetes Health Center (DHC) received a multiyear core operating support grant from TCWF

in order to meet the growing need for diabetes prevention and self-management services to residents of the greater Pajaro Valley areas (mainly farmworkers and their families, youth and low-income individuals, many of whom are uninsured or underinsured). The TCWF grant enabled the Center to respond to this identified need while also building the foundation for a stronger organization: “We moved from being a small operation to one that meets the needs of the community.”

It all started with the writing of an organizational business plan, one of the TCWF grant objectives. This multiyear plan forced the DHC to think about its future, much like a strategic planning process. It outlined specific goals for the Center to reach by the end of the grant period, such as increasing utilization and access to services, obtaining certification through the American Diabetes Association (ADA), and ultimately, increasing revenues and financial sustainability.

With the core operating support from TCWF, the DHC was successful in accomplishing each of the goals identified in its business plan, leading to increased revenues and ultimately a more financially sustainable program. The Center obtained ADA certification, which made it eligible to draw down funds for Medicare patients — who comprise about 20 percent of the client population. This is something the Center was unable to do previously. With the expansion of the Registered Dietitian’s role supported by the grant, the DHC began to offer medical nutrition

therapy sessions, a new service for which the Center could receive payment. The grant also made it possible for the DHC to implement a sliding fee scale for self-paying patients. Further, the outreach efforts and expansion of services due to the grant prompted one of the area’s local growers to offer the DHC annual funding. Recognizing the positive impact of the Center’s diabetes education and screenings for the farm’s employees and the greater community, the grower approached the DHC about making an annual contribution, which has increased in size each year. Further, the Center’s higher profile in the area, and the tangible impact of its services, have resulted in additional grants from local hospitals as well as donations from the community.



“By making an investment in [the organization] ACCESS at such a high dollar level, it illustrated to other funders that we were an organization worth investing in. That really opened doors for us with foundations we previously hadn’t received funding from.”



The business plan, developed as a result of TCWF funding, created a path for the DHC to strengthen its organizational infrastructure, secure ADA certification and increase revenues, all of which have led to a more sustainable organization. Having achieved so much, where do they go from here? “Now we can use the template of the old business plan for future planning.”

---

#### CASE STUDY 4

---

The following case study shows how TCWF funds were used to develop the leadership skills of everyday people in neighborhoods throughout Santa Clara County to help them tackle social issues that directly affect their community.

## Helping Everyday People Become Good Leaders

People Acting in Community Together (PACT) is an interfaith grassroots organization based in San Jose that empowers everyday people to create a healthier, more just society. In 2004, PACT received a three-year grant from TCWF for leadership development activities to build community-based support of the Children’s Health Initiative (CHI), which provides publicly funded health insurance to the approximately 71,000 previously uninsured

children in Santa Clara County.

With funding from TCWF, PACT was able to put its methods to work with congregations and neighborhoods who were interested in supporting the CHI, encouraging and training scores of people to participate in CHI local organizing committees. Through one-on-one meetings, PACT staff members helped people develop leadership skills by walking them through the steps of neighborhood engagement. Participants learned how to organize and run community meetings, build local networks, engage the media, and participate at public meetings. As described by a local leader:

“It’s like we are the game players and they are the coaches.... So, if you’ve never done the media before, then the organizer will meet with you and say, ‘Okay, this is how you do it, let’s practice.’ Then you have a whole group rehearsal, a practice. Because most of us have never been public figures, we’ve never been involved in politics. We’re middle-class people busy doing our jobs, or working class people who don’t speak the language and have all kinds of barriers to participation.”

TCWF funding enabled PACT’s community leaders to work with

state advocates to maximize state and federal funding opportunities for CHI. Not only did they attend, but they organized and ran a large, statewide meeting related to the campaign: “PACT San Jose community leaders played a big role in a large meeting in Sacramento in April 2005 to kick off the statewide CHI campaign. Grassroots leaders participated on the planning committee, and through that they learned how to develop a statewide agenda, how to organize a delegation to go to Sacramento, as well as all the logistics that are involved in putting on a large, off-site meeting.”

With TCWF funding, PACT San Jose was able to tap the leadership potential of everyday people in neighborhoods throughout Santa Clara County to help them act on their convictions about health care coverage for the county’s vulnerable children. As a result, “There are now more grassroots, regular people around neighborhoods in Silicon Valley that support expanded health coverage access through the public system than there has ever been in this Valley. And it really started with our campaign for CHI.”



The support from TCWF really allowed our organizing committee to get involved beyond Santa Clara County at both statewide and national levels. And our leaders had amazing, new experiences learning about state and national health policy, attending conferences, doing advocacy work in Sacramento and Washington, D.C.”



---

## CASE STUDY 5

---

As seen in the following case study, TCWF funds were used to conduct education and advocacy in the communities served by six health centers in rural Northern California.

### **Building Public Support Through Education and Advocacy**

In 2003, the Alliance for Rural Community Health (ARCH) received a multiyear grant to conduct education and advocacy in the communities served by six health centers in rural Northern California. Specifically, TCWF funded the work of a director of policy. During the grant period, the director of policy initiated a public education and media advocacy campaign targeting member communities and local elected officials. The

purpose of the campaign was to change community perceptions and increase awareness. The campaign messages focused on the importance of health clinics in the health care delivery system: “that the clinics are not just for the poor and homeless, but for everyone.”

ARCH believes its early education and advocacy work made a difference: “Times like now, when they [community clinics] are facing a horrible situation, it helps that the community and elected officials know about the clinics and what they do.... Now that there are cuts in the medical system, our local leaders are saying, ‘Hey, that’s my clinic that could get cut’ and will do something about it.” ARCH continues to take a lead on policy matters that affect health centers. The organization now has a Policy and Advocacy program that coordinates communication on

behalf of its members with elected representatives and opinion leaders at the local, state and federal level.

---

## CASE STUDY 6

---

As an example of how one organization used its TCWF core operating support grant to increase capacity, this case study illustrates the benefits of developing a strategic and fund development plan.

### **No Longer Running Fast To Stay in the Same Place**

From 2002 to 2005, TCWF provided core operating support and multiyear funding to Students Run LA, an organization that helps students stay in school, keep active, and set and achieve personal goals—like running the Los Angeles Marathon. The combined funding strategies, along with

TCWF's emphasis on organizational planning, were crucial to the development of Students Run LA. Not only was the organization able to expand its program activities to serve more students, the grant also allowed for staff time to focus on important planning activities to help build infrastructure and chart a new course for the organization.

While planning for the future might sound obvious, at the beginning of the grant it was not necessarily where the small organization's leadership wanted to focus its time. According to one staff member, "When you start as a mom and pop organization, no one likes structure. So we have moved very slowly." Staff and board members became involved in Students Run LA because of their passions for running and for working with youth—not necessarily for planning and fund development. In the words of one: "Strategic planning—who likes to do it? I'm yawning already." But despite this initial resistance, "when the board started talking about where we wanted this organization to go and asked other strategic questions, people got engaged.... Everyone kept hearing the terms 'strategic planning' and 'fund development.' Suddenly those terms were translated into action items—something people could do, and as a result, we are now no longer running as fast as we can to stay in the same place." What became clear was that planning for the future was just as important as thinking about the organization's immediate needs.

Through the strategic planning and fund development processes, the agency was able to articulate

a long-term plan and successfully implement it, making some key organizational changes to enhance governance, fundraising and programming. These changes included reorganizing the board, electing a board president, and creating a development plan. Because of the work accomplished during the initial three-year core operating support grant, the organization has been able to strengthen its capacity and thrive. "It all started with a little bit of money from TCWF and resulted in a major shift in thinking. It [the grant] has made a big impact on the organization."

---

#### CASE STUDY 7

---

The following case study provides an example of how a core operating support grant enabled an organization to use an innovative service strategy that has led to increased organizational sustainability.

### A Unique Approach To Providing Teen Pregnancy Prevention Services

At the Clinic, teenagers are greeted not by nurses, doctors or adults who look like their parents, but by their peers: teens who look like them, talk like them and who they can trust. The drop-in clinic, which provides free pregnancy prevention services to isolated and underserved teens in rural West Sonoma County, is only a five-minute walk from the local high school. It is here where teens can get contraceptive services, counseling services and accurate information about family planning in a comfortable, confidential and safe environment.

In January 2003, West County Health Centers received a three-year grant from TCWF to expand the services offered by its Community Health Access for Rural Teens program. Core operating support and multiyear funding allowed West County Health Centers to move the program to a convenient and accessible location and enabled it to strengthen its peer education service delivery model.

The support that West County Health Centers received from TCWF has led to a sustainable program. The teen clinic is now a well-known, reputable and established community resource: "We are a place that people know about, and we have made a name for ourselves and have earned respect for what we are doing." Staff noted that fundraising and asking for donations is easier when you have a successful program with positive outcomes: "We are able to ask for donations because of the reputation of the program... and people can see that there are positive outcomes and results because of their support."

“ It [strategic planning] turned out to be a marvelous opportunity to step back and think about the strengths and weaknesses of the organization.”

---

## CASE STUDY 8

---

The following case study illustrates how the flexibility of TCWF funding helped this grantee weather an organizational transition without compromising its environmental health work.

### Core Operating Support: Lubricating the Wheels for the Best Possible Work

In 2002, Esperanza received a three-year core operating support grant from TCWF to support its Healthy Homes Project (Proyecto Hogares Saludables). Healthy Homes is a multiagency collaboration staffed by primarily Spanish-speaking community health promoters (promotores) who receive a six-month training and internship. The project provides outreach to residents regarding the health hazards and other dangers of their living situations and educates them about protecting their families from these conditions.

Core operating support provided by TCWF was described as “absolutely critical” to Esperanza, because it came at a time when Esperanza was no longer able to keep transformative housing development projects in its funding pipeline: “Esperanza lost its founding funding stream that had been the mandate of the organization and was its central funding. It was a faucet turned off.” The TCWF grant not only provided flexible dollars when funding was tight, but it also served as the match required by the U.S. Department of Housing and Urban Development (HUD) for Esperanza to receive the funding for the lead poisoning prevention funds, which are a fundamental aspect of the Healthy Homes Project.

Flexible core operating dollars have made it possible for an organization like Esperanza to go beyond the strict deliverables: “The money from TCWF has enabled us to put up the match, and it gave us the freedom to do the more important work around

the deliverables we are collecting for HUD. It’s the ‘pith’—it’s where the rubber meets the road. It’s the justice part of the environmental justice work.” There is a deep sense of appreciation for TCWF’s grantmaking approach and what it means for the sustainability of community-based organizations: “Core operating support is essential for an organization to remain healthy and by that I also mean creative.... Unless there is core operating support, an organization cannot breathe, cannot grow, cannot be out of crisis mode, and cannot think beyond the immediacy of paying the payroll.” The multiyear nature of the funding is also key to maintaining credibility in underserved communities that have borne the brunt of broken promises and seen providers come and go: “Once you build the trust, if due to lack of funding the project ends, you lose your standing in the community.”

## about the authors

**Paul Harder**, president of Harder+Company Community Research, is a nationally recognized expert in applied social research with more than 30 years of experience working with a broad range of nonprofit community-based organizations, government agencies, and foundations. His professional focus is to strengthen health and social services through improved research, organizational performance, and policy development. He co-founded Harder+Company in 1986, after working with the Urban Institute, the Lewin Group and the Illinois Department of Mental Health. Harder has directed research and evaluation projects for most of the major foundations in California and across the United States. He is currently completing an evaluation of the impact of two regional health policy institutes serving rural areas of California. He is a Trustee of the Yolo Community Foundation. An experienced teacher and trainer, Harder holds an M.A. from the School of Social Service Administration, University of Chicago, and an M.B.A. from the University of Chicago Graduate School of Business.

**Kym Dorman**, vice president, oversees Harder+Company's Davis office, while also continuing to serve as a senior researcher and director of multiple community planning and evaluation projects. With nearly a decade of experience, Dorman's professional expertise spans a range of issues, including violence prevention, early childhood development, health care access, and HIV prevention. Her particular specialties are in the areas of participatory evaluation and community planning. Prior to joining Harder+Company, Dorman worked as a program consultant in the Bay Area and in Spain, providing violence prevention training and developing bilingual violence prevention and conflict resolution curricula. She received a bachelor's degree from the University of California, Santa Cruz, and a master's in Public Health from San Francisco State University.

**Melanie Estarziau**, research associate, is an epidemiologist with research interests in the areas of childhood obesity, nutrition, and the impact of the built environment on health. Among her current projects are a needs assessment for a local child care planning council, as well as managing the program-level evaluations for the early childhood education and school readiness strategies of First 5 Commissions in San Joaquin and Contra Costa counties. Prior to joining Harder+Company in 2007, her previous work as an epidemiologist includes the San Joaquin County Department of Public Health and for the Sinai Urban Health Institute in Chicago. Estarziau received her bachelor's degree from Arizona State University and a master's in Public Health from Loma Linda University.



**Paul Harder**



**Kym Dorman**



**Melanie Estarziau**



*Grantmaking for a Healthier California*

### **Board of Directors**

Elizabeth M. Gomez, M.S.W., Chair  
David S. Barlow, M.B.A., C.P.A., Vice Chair  
Gary L. Yates, M.A., President and CEO  
M. Isabel Becerra  
Elisabeth Hallman, M.B.A., R.N.  
Stewart Kwoh, J.D.  
Douglas X. Patiño, Ph.D.  
Peggy Saika  
Barbara C. Staggers, M.D., M.P.H.  
Eugene Washington, M.D., M.Sc.

The California Wellness Foundation is an independent, private foundation created in 1992. To learn more about the Foundation, visit our website at or call to request a copy of one of our publications.

### **Headquarters**

6320 Canoga Avenue, Suite 1700  
Woodland Hills, CA 91367  
(818) 702-1900 phone  
(818) 702-1999 fax

### **Branch Office**

575 Market Street, Suite 1850  
San Francisco, CA 94195  
(415) 908-3000 phone  
(415) 908-3001 fax

### **Website**

[www.tcwf.org](http://www.tcwf.org) or [www.CalWellness.org](http://www.CalWellness.org)

### **Previous issues of Reflections can be accessed in the Publications section of our website:**

- "Reflections On Our First Initiatives" - 1999
- "Reflections On the Impact of Devolution on California" - 2000
- "Reflections On the Connections Between Work and Health" - 2000
- "Reflections On Strategic Grantmaking" - 2000
- "Reflections On Capacity Building" - 2001
- "Reflections On Sustainability" - 2002
- "Reflections On Public Policy Grantmaking" - 2002
- "Reflections On Communications Strategies That Accent Grantees" - 2003
- "Reflections On The Safety Net: A Case for Core Support" - 2003
- "Reflections On Evaluating Our Grants" - 2004
- "Reflections On The Violence Prevention Initiative" - 2004
- "Reflections On Leadership — The California Peace Prize" - 2005
- "Reflections On Increasing Diversity in the Health Professions" - 2005
- "Reflections On TCWF's Responsive Grantmaking Program" - 2006
- "Reflections On Sustainability - Assessing the Long-Term Impact of Three TCWF Initiatives" - 2006
- "Reflections On Leadership Recognition - TCWF's Champions of Health Professions Diversity Award" - 2007