

EXECUTIVE SUMMARY

This report is a collaborative effort by representatives of the Charles Stewart Mott Foundation, Ruth Mott Foundation, Community Foundation of Greater Flint, and the United Way of Genesee County who have been working for several months to establish a pooled fund to build excellence, sustainability, and trust in the Genesee County nonprofit sector. The catalyst for collaborating was a mutual concern about three related issues: the quality and focus of local grant proposals; the capacity of local nonprofit organizations to achieve their missions and meet critical community needs; and the long term impact and effectiveness of local grantmaking initiatives. The following value statements capture the conceptual basis for the group's efforts to date:

We believe that healthy nonprofits are critical components of our democratic society, and that internally stable, effective nonprofit organizations are essential to achieving a high quality of life in Flint and Genesee County.

We believe that building the long term capacity of key organizations in the local nonprofit sector is a worthy philanthropic investment that will have a positive, long term impact on the community.

We believe that building capacity in people and organizations is most effective when it begins by identifying existing strengths, creating a realistic plan for a preferred future, and then taking the first steps on that journey.

Capacity building is much more than offering technical assistance to organizations that are struggling with particular areas of management; it also requires rethinking systems and programs in a new, more comprehensive fashion. Those delivering services and those supporting technical assistance need to join forces in identifying ways to make organizations capable of dynamic sustainability regardless of changing external or internal forces.

In the course of the group's discussions, it became clear that a collaborative can do jointly what none of the individual funders can do as effectively on its own: The planning group believes that formation of a true Flint Funders Collaborative with pooled resources and a targeted funding initiative will allow the four funders – three major regional foundations and the local United Way – to develop new standards for technical assistance, new avenues for accessing and delivering help, and new opportunities for leveraging additional philanthropic resources in the local community.

The Flint Funders Collaborative aims to:

- Help focus on identifying and increasing organizational strengths, rather than just decreasing deficits.
- Improve the quality of proposals that funders receive, so that avenues for future grantmaking and local service delivery will be more targeted, promising and less duplicative.

- Demonstrate respect for the contributions that nonprofits make to the community by investing in their capacity to deliver service with long term sustainability.
- Create a cadre of well-qualified technical assistance providers, supporting the notion that capacity building is ongoing and a valid use of resources.

In addition, the collaborative will link local funders with national resources of high-quality, capacity-building organizations such as the Alliance for Nonprofit Management and Grantmakers for Effective Organizations. Finally, the collaborative will demonstrate the ability of funders to work together, building their own capacity for effective, sustainable, dynamic philanthropy in support of the greater Flint community.

To that end, the planning group proposes piloting a capacity building initiative in greater Flint and Genesee County over approximately three years. The project will provide strategic capacity building support and technical assistance to strengthen long term sustainability, and to increase nonprofit effectiveness in meeting critical community needs. Initially, all four funders will continue to fund projects individually based on their respective program priorities. The hope is that ultimately, most local capacity building grants will be funded through the collaborative.

Members of the planning group propose implementing a pilot project beginning in calendar year 2003. Representatives of the four funding partners will submit proposals to their respective institutions to complement this report. The first six months will require \$300,000 in total funding: \$100,000 each from the C.S. Mott Foundation and Ruth Mott Foundation; \$50,000 each from the Community Foundation of Greater Flint and United Way of Genesee County. Funding parameters for subsequent years will increase with exact amounts submitted for approval to the respective partners prior to inviting capacity building proposals from the assessment pool. Primary beneficiaries of the project will be funders, the Resource Center, nonprofit organizations, and providers of capacity building services (consultants, facilitators, technical assistance professionals).

I. BACKGROUND ON THE COLLABORATIVE

The Flint Funders Collaborative was initiated as a result of informal conversations in early 2001 between Karen Aldridge-Eason of the C.S. Mott Foundation, Susan Pool of the Ruth Mott Foundation, and Alice Hart of the Community Foundation of Greater Flint. The basis for these conversations was a mutual concern that local nonprofit organizations needed consistent access to high-quality technical assistance and capacity building to improve the delivery of needed services to the community. In late 2001, the group began exploring the idea of creating a funders collaborative focused on increasing the sustainability and effectiveness of local nonprofits. Anne Glendon, a consultant based in Ann Arbor, with considerable background in co-location, mergers, and technical assistance, was utilized as a facilitator and researcher for the funders collaborative. She suggested that the United Way be invited to join the discussions, which they did in early 2002.

As the group became more formalized, it was decided that each funder would contribute approximately \$20,000 to the planning efforts. The intent was to share costs and power, demonstrate institutional commitment, and foster a good process. Each of the four funders approved the investment in mid-2002. During the planning process, funds have been used to provide professional facilitation, research and documentation leading to this report and its research findings and recommendations.

II. RESEARCH

Since late 2001, the planning group has done substantial research to explore and evaluate other capacity building initiatives around the country and to gain input and insights from local nonprofit organizations. Regional and national research focused on capacity building programs that seemed to hold the greatest promise for implementation in the Flint area. There was a strong commitment within the planning group to learn from collaborative successes and failures elsewhere. Early in 2002, the group discovered it needed a common vocabulary and working definitions both to better understand research findings and to enhance discussion. (*Attachment A* on p. 17 provides a set of working definitions for words and phrases used throughout this report.)

Areas of particular interest included implementation strategies and assessment models; how to select and manage capacity building providers; evaluation methods; and relationship issues within and among funders, providers, grantees and the larger nonprofit community. After an extensive review of various funding consortia structures, capacity building initiatives (whether by a single foundation or a pool of funders), and integration of Management Support Organizations (MSO's) in implementation strategies, the planning group settled on a blended approach to best suit Flint's needs. For an overview and analysis of the most promising national models, please see *Attachment B* on p. 18.

There was also great sensitivity to the need for involving local nonprofit leaders in the planning process so they would have greater ownership in whatever recommendations were ultimately forthcoming. Local research included focus groups, structured interviews,

and implementation and analysis of a survey of recent grantees of the four funders. Findings from the survey helped determine key questions for focus groups and structured interviews. The latter provided a great opportunity for testing assumptions, gathering anecdotal information and determining potential interest in a capacity building initiative.

Attachment E (page 29) presents the survey instrument (page 47), as well as key issues raised in focus group sessions and interviews. However, the following overview of common themes and significant trends provides strong support for continuing the collaborative and establishing a pilot project. Local nonprofits of all sizes and missions expressed both a need and a desire for targeted capacity building, customized technical assistance, greater consistency and cooperation among funders, and more focused grantmaking to increase long term sustainability.

A. Summary of Findings

In July 2002, 850 surveys were sent to leaders of nonprofit organizations who had received support from at least one of the funders over the past three years. The focus of the survey was primarily on the perceived needs and desires for technical assistance among local nonprofit leaders. There was only one survey per grantee, with a response deadline of approximately 30 days. Respondents from agencies with paid staff were primarily executive directors; respondents from smaller organizations were primarily key volunteers. The survey yielded a 20% response rate. Four focus groups were organized according to budget size. Interviews were scheduled for those who seemed better suited to a one-on-one, in-depth conversation. Many of the findings from the survey will be useful to local technical assistance providers; they will distributed to all who participated in focus groups and interviews and be made available to others upon request.

Table 1: Satisfaction with Workshop Training Across Budget Size

Budget	Very Satisfied	Somewhat Satisfied	Neutral	Somewhat Dissatisfied	Totals
Under \$10,000	4.4%	6.6%	0.7%	0.0%	11.7%
\$10,000 – \$50,000	5.8%	5.8%	0.7%	0.0%	12.4%
\$50,000 - \$100,000	2.9%	8.0%	0.7%	0.0%	11.7%
\$100,001 - \$500,000	6.6%	8.8%	0.0%	0.0%	15.3%
\$500,000 - \$1,000,000	3.6%	5.1%	2.2%	0.0%	10.9%
\$1,000,001 - \$5,000,000	4.4%	12.4%	0.7%	0.7%	18.2%
\$5,000,000 +	5.1%	5.8%	0.0%	0.0%	10.9%
Totals	32.8%	52.6%	5.1%	0.7%	91.2%

* 9% of R's N/A.

Table 1: Flint area nonprofits have a high level of access to, and satisfaction with, workshop training.

The planning group's assumption was that the Resource Center is now the primary provider of training workshops in the greater Flint area. This was definitely borne out by focus groups participants who confirmed a heavy use of the Resource Center for workshops, and that satisfaction was very high. Many focus group participants had also attended workshops sponsored by NEW Center in Ann Arbor, which occasionally partners

with the Resource Center. Larger nonprofits and those affiliated with state or national infrastructure organizations reported benefiting from professional conferences and other technical assistance resources.

While data indicate that the Resource Center offers high quality workshops, long term benefits are unclear. Focus group participants expressed concern that presentations are often generic and not specific to organizational needs. Participants from organizations at lower budget levels reported minimal opportunity to capitalize on what was learned. Based on interviews with Resource Center staff, this is consistent with their own thinking about future program priorities and has led them to add professional consulting to their service mix.

Regardless of where organizations attended workshops, common themes about their value pointed up other issues:

- Many workshops are repeated or not directly applicable to the organization;
- There is too much “canned” material and not enough interaction in sessions;
- Small organizations with limited (or no) staffs question whether the return on investment is worth the time or money required;
- Workshops are best for building awareness, but follow-up is needed for lasting impact.

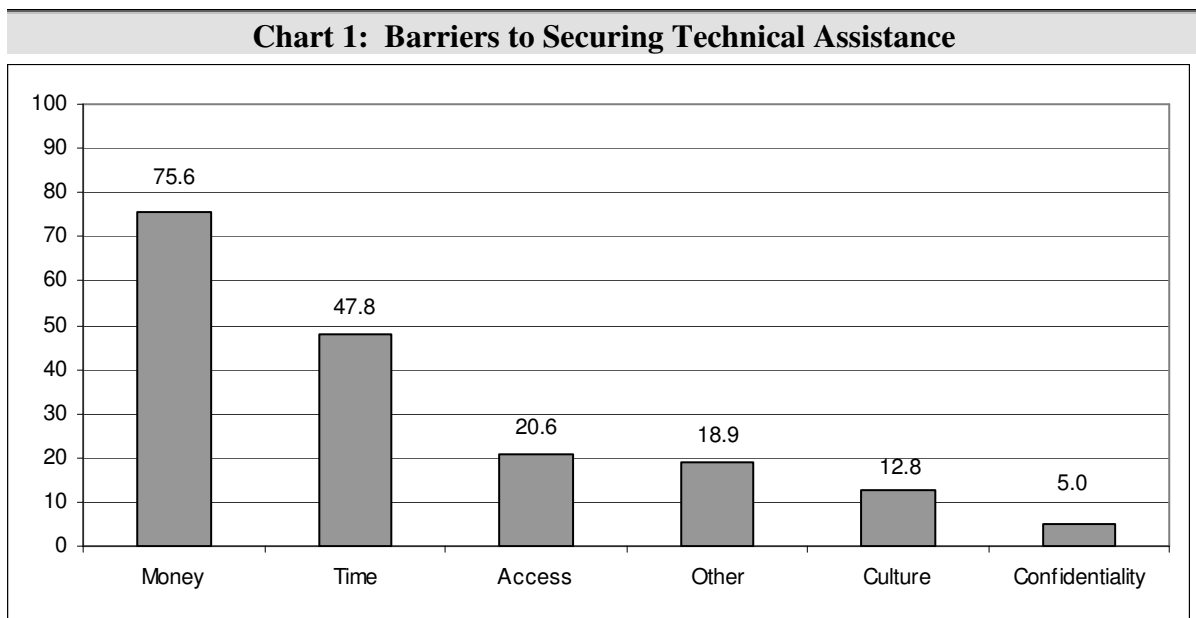


Chart 1: Time and money are consistently rated as primary barriers to obtaining technical assistance regardless of budget size or sector.

It was important to the planning group to determine experience with, and receptivity for, customized consulting and assessment services. In the focus groups, the larger the organization, the greater the interest in an objective assessment process. The charts below show that the survey provided good baseline information on which to build:

Chart 2A – B: Consultant Services

2A. Number of Consultant Services Used in Last Three Years

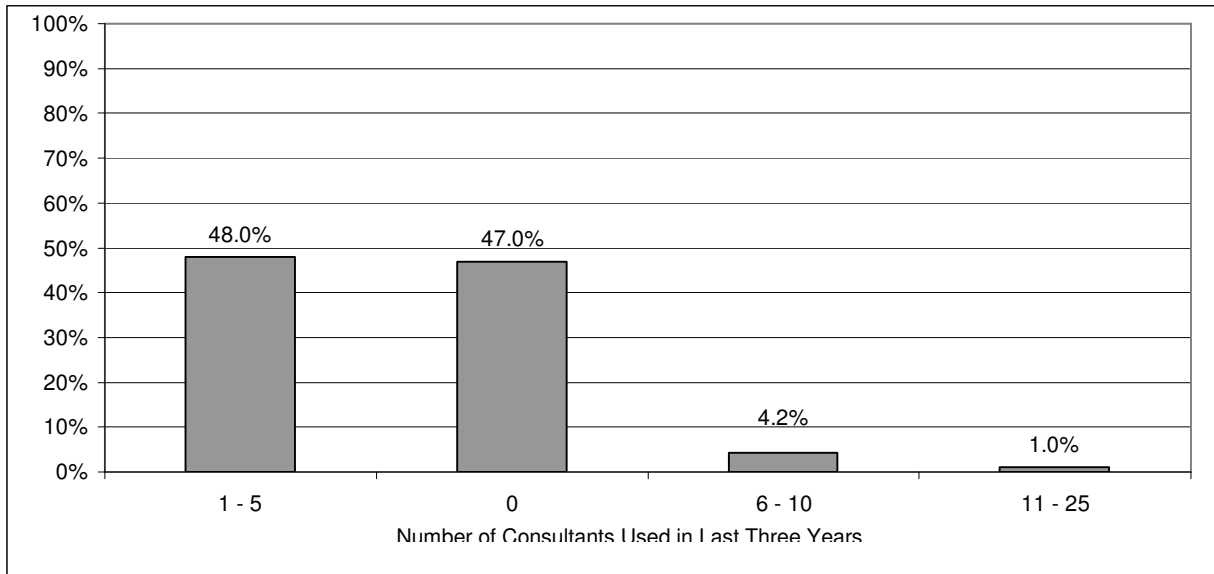


Chart 2A: Very few organizations (5.2%) reported having significant interactions with consultants, and 48% of organizations had some experience, while 47% of respondents had no experience.

2B: Satisfaction with Consultant Services

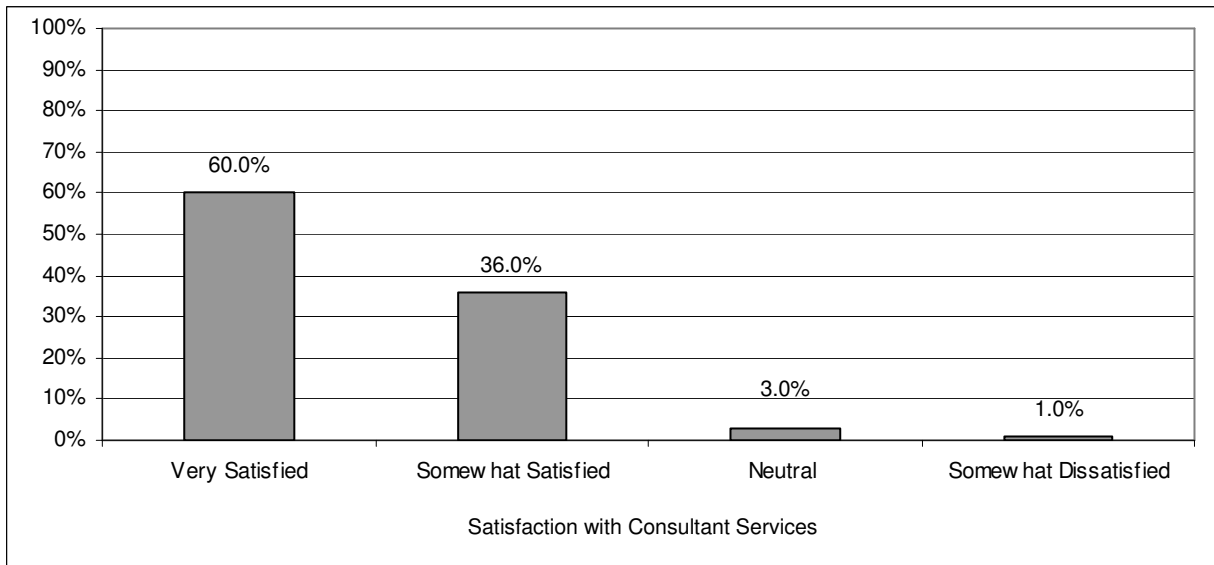


Chart 2B: This shows an impressively favorable level of satisfaction among respondents who had utilized consulting services.

Also in terms of receptivity and areas of greatest interest, the planning group wanted to determine what the organizations perceived as their primary needs. In looking at responses across all forms of technical assistance, resource development was reported as the area of greatest perceived need.

Table 2: Need for Technical Assistance by Content Area

Resource Development	
Proposal Writing and grants	67.1
Endowments	63.9
Major gifts	62.1
Planned giving	58.5
Grassroots fundraising	55.2
Annual campaign	51.9
Special Events	47.8
For profit ventures	44.0
Marketing	
Marketing plans	60.3
Public relations/promotions	58.7
Audience surveys	52.5
Membership campaigns	47.1
Program Management	
Feasibility studies	55.2
Needs Assessment	53.8
Evaluation	46.9
Program development	44.3
Logic models	42.4
Client relations/satisfaction	42.3
Goals and objectives	37.2

Consistent priority was given to all aspects of fundraising. Other areas of need across sectors and budget clusters include: Marketing and Public Relations; Feasibility studies; Needs Assessment. On the following page, Strategic Planning received a strong response, while various aspects of Board development received less emphasis.

Table 2: Need for Technical Assistance by Content Area (Continued)

Board and Structure	
Strategic planning	54.5
Board development	44.3
Committee development	42.7
Board retreats	42.1
Board/staff team work	38.8
Roles and responsibilities	34.0
Organizational structures	30.7
By-laws	28.0
Communications	
Information/Technology	49.6
External	45.5
Internal	36.7
Human Resources	
Benefit planning	43.4
Volunteers	43.3
Staff/performance evaluation	35.7
Personnel policies	34.8
Staffing plans	31.1
Coaching	30.8
Job descriptions	24.6
Finance	
Cost benefit analysis	39.6
Internal controls	38.8
Investment management	35.8
Budgeting	35.5
Accounting systems	33.1
Audit	31.7
Legal	
Merger	15.4
Incorporation	12.1

Need for Strategic planning was significantly higher than other Board development. Information technology and external communications also scored high.

Focus groups and interviews helped test and complement survey data, and participants consistently supported the findings. There was substantial receptivity from all organizations to the idea of customized consulting, assessment, and technical assistance. Participants also reported deep concern about declining funding streams to support emergency services and core programs during economic downturns and other periods of increased need.

Focus groups also expressed a strong preference for using *external* consultants for organizational assessment, strategic planning, human resource development, and higher level fundraising needs. Focus group members expressed need and desire for outside perspective and new approaches in these management areas. At the same time, *local* technical assistance for financial management, marketing, public relations and grassroots organizing appeared to be satisfactory and often very good.

Readiness and receptivity to assessment were less prevalent among the smaller organizations. This leads to a possible conclusion that organizations need to be at a certain base level of development to benefit from a capacity building initiative. As one small organization said, “You don’t need an outside expert to tell you that you need more money!” Common themes in the focus groups and interviews included the following points not directly captured in the survey data:

- Grant funding is often available for new programs and projects, but there is rarely sufficient support for indirect operating costs or to sustain the project to the point of stability. Most planning grants do not include support for implementation.
- Assessment, consulting, and customized training cost more than workshops. Even if they are more effective long term, most nonprofits do not have sufficient human or financial resources to invest in them over a long period of time. They also may not have sufficient staff to take full advantage of the expertise provided.
- Many groups have learned to gather statistics and comply with outcome measurement requirements, but there appears little evidence of long term evaluation that leads to program redesign or even termination. “We understand outcome evaluation but the reality is we do a superficial job.” “It’s just a part of the game; some things you really can’t measure in one year.” “We dance to [the funder’s] tune.”
- There is concern that honestly reporting problems or shortcomings will be penalized.
- There is too much territorialism and fragmentation among both nonprofits and funders in this area. Funders urge partnering and collaboration but they rarely become involved in the process or provide resources to ensure success.
- There were several spontaneous comments about the value of having small group conversations about organizational goals and perceptions of community need. When asked about interest in an annual or biannual forum for local nonprofits, the response from focus groups and interviewees was consistently enthusiastic.

- Participants easily discerned the difference between capacity building and technical assistance: Technical assistance implies a timely response to a specific need; TA is short term, skill based, straightforward. Capacity building implies diagnosing systemic needs, building on strengths, identifying and implementing strategies for long term sustainability. Flint area nonprofit leaders want both – customized technical assistance *and* capacity building.

Given the results of the survey, and input from focus groups and interviews, it became clear that there are many potential benefits of incorporating a comprehensive organizational assessment process in the pilot project: For the Funders, once there is a clearer understanding of what is needed, grant monies can be awarded with greater confidence that they will have real impact. For the agencies, the assessment or diagnostic process itself will be a meaningful form of technical assistance – testing needs assumptions, documenting facts, gathering input from multiple key stakeholders, and providing organizations the opportunity to work with objective evaluators and consultants. For the Resource Center, consultants and technical assistance providers, the knowledge and experience gained will help improve their knowledge and understanding of what the local nonprofit sector needs and enable them to adapt their services to be more targeted and supportive.

B. Consistency with Previous Research

There have been dozens of local research projects on a variety of related subjects going back at least two decades; most were supported by the funders involved in the collaborative. Research conducted in 1996 by Harwood for the C.S. Mott Foundation described Genesee County as a community with a service delivery system that is extremely fragmented and fraught with turf battles. This suggests that local nonprofits have unusually low capacity to provide coordinated services or to generate and support social capital. Similar research conducted in 2001 showed the emergence of a few organizations that are acting as local centers of strength. Findings from the collaborative’s research – surveys, focus group and interview data – were consistent with these earlier reports. Recent experience, such as with Flint Area Citizens to End Racism (FACTER), shows some progress in focusing on community needs rather than personal agendas or organizational turf battles, but there is room for improvement.

Strategic, long term development and infrastructure investment are standard practices in the business world, but still relatively new in the nonprofit sector, particularly for small and mid-sized organizations that are on the front lines of community service. Arts and cultural groups, agencies that respond to emergency need, groups that provide basic health and human services are an essential part of the community. Many of these organizations are so busy doing their work that they rarely, if ever, have the opportunity to step back, assess strengths and weaknesses, create a plan for long term sustainability – and then follow through with implementation.

III. CONCLUSION

The timing is right for a paradigm shift in Genesee County by creating a focused, capacity-building program specifically designed to empower local nonprofit management and leadership. Nonprofits in the greater Flint area are receptive to this idea; they are desperately seeking new ways to build on strengths, stretch human and financial resources, and leverage funding so they can continue meeting increased need. Instead of scattershot funding of new projects and programs, this report supports moving forward with a collaborative project directed at the fundamental building blocks of nonprofit effectiveness: management, leadership, people. The impact of the C.S. Mott Foundation, Ruth Mott Foundation, Community Foundation of Greater Flint and the United Way of Genesee County engaging in a collaborative effort will set a powerful example for the community. Together the four funders have greater resources, reach – and the potential for transformative change. Therefore, the Flint Funders Collaborative planning group strongly recommends initiating a pilot project designed to build excellence, sustainability and trust in Genesee nonprofits.

IV. RECOMMENDATIONS ON NEXT STEPS: IMPLEMENTATION OF A PILOT PROJECT

Prior to launching the pilot project, the group will focus on developing an assessment process, recruiting the initial group of providers, finalizing a governance structure, and researching evaluation strategies for short- and long-term measurement. The project will be announced in early Fall, 2003, after approval by the respective funders. Participation in the assessment process will be determined by a combination of funder selection and organizational volunteers. The assessment phase of the project will be managed by the Lead Project Consultant. Grants to organizations for capacity building will be based on assessment results. Preliminary recommendations on administration, implementation, and roles and responsibilities are summarized below, followed by a timeline that gives an overview of various steps during the project. A proposed budget is presented in *Attachment D (page 28)*.

A. Administration of the Pilot Project

After lengthy discussions about whether the Resource Center might handle this task, the group agreed that this was an unreasonable burden at this stage of their development. Building the capacity of the Center to serve as a regranting partner of the collaborative may be a worthwhile long term strategy for consideration – but only after further exploration and with their full involvement in the decision-making process. That led to a review of all the options, and a good example of one of the key challenges to all collaborations: responsibly sharing power and control without compromising integrity of either the project or the respective partners. In the end, the group agreed that the Community Foundation should be the fiscal agent for the pilot phase, and that the pooled funds should be treated as one of their designated, donor-advised funds. Authority for

approval of all grants will rest with an Advisory Board. Composition of the Advisory Board will include one designated voting representative from each funder. In addition, the President and CEO of the Resource Center and the Project Administrative Assistant may be asked to attend Advisory Board meetings; if so, they will be nonvoting. Roles and responsibilities for this group and others involved in the collaborative are outlined below.

Advisory Board:

- Provide liaison to funding partners
- Approve candidates for Assessment Process
- Approve grant recipients, terms and amounts
- Approve hire of Project Administrative Assistant
- Meet monthly during first 6 months and at least quarterly thereafter
- Work contract consultant(s) and facilitator(s) to monitor progress and consult with Funders as needed
- Hire consultant(s) to research and develop: evaluation methodology and evaluator(s); assessment instrument and process; proposal application process
- Approve and monitor evaluation, assessment, capacity building grant proposals
- Provide funding oversight

Administration:

- Community Foundation of Greater Flint (CFGF) will receive funds from funding partners and provide financial management for pooled funds.
- CFGF will receive invoices from Project Administrative Assistant; issue payments to organizations and contract service providers; provide quarterly accounting to Advisory Board.
- C.S. Mott Foundation and Ruth Mott Foundation will take the lead in assisting with the Resource Center's own capacity building project with support from the other partners.

Resource Center:

- Provide office space
- Provide communication link to larger nonprofit sector
- Work with Project Administrative Assistant and Project Consultant(s) and Facilitator(s) to develop Consultant and Technical Assistance Provider Network
- Work with Project *Administrative Assistant* to design and implement communication strategies for project and larger nonprofit sector
- Provide opportunities for customized training to project grantees as needed

Lead Project Consultant:

- Facilitate and document Funder meetings
- Develop assessment tools and process; monitor effectiveness
- Develop application and screening process for provider network
- Create work plan for provider network use
- Design, coordinate and evaluate provider orientation and training

- Develop and supervise administration of Consultant and Technical Assistance Provider Network
- Work with outside project evaluator(s) to measure progress in meeting goals, objectives
- Report to and consult with Advisory Board
- Document process and summarize findings
- Work with Funders to develop and finalize application criteria and process for Capacity Building Grants
- Hire technology support for project

Project Administrative Assistant:

- Work with Resource Center and Project Consultant to match consultants and technical assistance providers to organizations throughout all phases of the project
- Monitor assessment process, assuring work is performed on time and that reports from consultants are submitted and expectations are met
- Design and implement communication strategies for provider network, participating organizations, Funders
- Schedule and coordinate quarterly participant meetings
- Review and submit invoices to CFGF for payments to contract service providers
- Perform administrative tasks in the name of the collaborative: send out and receive RFP's; assign numbers to approved grants; monitor reporting requirements
- Monitor progress of each participant organization in meeting their respective project goals
- Report to Project Consultant(s) and Facilitator(s)

As noted above, the planning group proposes that the project be announced in early Fall, 2003 so that remaining work can be done prior to a more public launch later in the fall. During this period, the Project Consultant and Funders will make site visits to learn first hand about relevant issues implementation strategies in similar program relationships. (See *Attachment B*, Research on National Models, page 18.)

Developing and implementing an effective evaluation plan will be a vital component of the pilot project. Goals and measurable objectives for the pilot project are outlined in *Attachment C*, on page 26. An overview of the Pilot Project timeline and implementation plan is presented on the next page.

B. Overview: Pilot Project Timeline & Implementation Plan

<u>2003 – 2004</u>	<u>2004 - 2005</u>	<u>2005 - 2006</u>
<p><u>Support Nonprofits:</u> Develop assessment process and diagnostic instrument(s).</p> <p>Convene nonprofits to report research findings, explain pilot project's scope, goals, objectives.</p> <p>Communicate assessment process as a capacity building opportunity in its own right; seek volunteer participants.</p> <p>Test assessment process on up to 20 nonprofit organizations.</p> <p>Utilize assessment results as basis for submitting capacity building proposals.</p> <p>Finalize funding parameters, application, evaluation criteria for project proposals.</p>	<p><u>Support Nonprofits:</u> Develop and refine program guidelines and expectations: Funding limits, reporting, etc.</p> <p>Approve, implement first round of capacity building proposals.</p> <p>Begin regular networking sessions for pilot groups to encourage peer learning.</p> <p>Share information on capacity building initiatives elsewhere, including core competencies and best practices.</p> <p>Convene Board members of participating organizations so they are engaged in CB effort.</p>	<p><u>Support Nonprofits</u> Continue funding for second full year.</p> <p>Monitor progress across self-selected priorities according to approved proposals.</p> <p>Support Resource Center to plan, convene regional nonprofit forum; monitor its progress, development.</p> <p>Measure awareness, application of core competencies, best practices; share evaluations.</p> <p>Gather input, share evaluation data, document learning.</p> <p>Develop sustainability plan. Determine whether there will be a follow-up year with reduced funding.</p>
<p><u>Support Providers:</u> Assist Resource Center in developing its own Capacity Building plan.</p> <p>Finalize criteria for CB providers; recruit, screen and select individuals.</p> <p>Hire a part-time coordinator for the provider network.</p> <p>Convene and train providers to implement assessment.</p> <p>Determine reporting policies with funders, nonprofits.</p> <p>Identify and contract project evaluator.</p>	<p><u>Support Providers:</u> Begin implementation of plan to build capacity of Resource Center.</p> <p>Establish office for provider coordinator.</p> <p>Expand network as necessary, adding new providers to fit needs identified in CB proposals.</p> <p>Document learnings from the assessment process; modify instrument and process as needed.</p> <p>First year's evaluation.</p>	<p><u>Support Providers:</u> Monitor capacity of Resource Center to serve as coordinator, broker, administrator of provider network.</p> <p>Convene providers; share evaluation results; gather input on potential refinements.</p> <p>Share learnings with funder and provider infrastructure organizations, participating in regional meetings.</p> <p>If funders decide to continue and/or expand the CB program, determine ongoing role, responsibilities, membership criteria for providers.</p>
<p><u>Support Funders</u> Select fiscal agent; assign current staff member to coordinate grantmaking tasks.</p> <p>Select participants for assessment process.</p> <p>Develop application form, procedures, communication strategies for first grant cycle. Determine 2004-05 financial commitments. Approve evaluation plan.</p> <p>Site visits to 2 – 3 potential model programs. Continue facilitated meetings, documentation of pilot process.</p> <p>Communicate goals, objectives, planned strategies to other local funders.</p>	<p><u>Support Funders:</u> Determine number of proposals that can be funded adequately; review, approve grants.</p> <p>Finalize structure, reporting protocols, administrative procedures.</p> <p>Explore long term options, strategies, potential for support among funders.</p> <p>Begin discussing whether, when, how to expand collaboration. Explore long term options, strategies.</p> <p>Convene local funders; determine whether, when, how to expand the funding pool.</p>	<p><u>Support Funders:</u> If decision is to continue and/or expand the CB program, determine membership, funding parameters, agreement process, structure, administration.</p> <p>Share program results with local community. Determine impact on other local grantseeking, grantmaking.</p> <p>Share program results with MCF, MNA, GEO, COF, other regional and national groups.</p> <p>Determine next steps, future of CB program.</p>

C. Preliminary Criteria for Participation

Consideration has been given to setting criteria for participation at all levels. Based on experience elsewhere, research for this project, and the funders' knowledge of their respective grantees and the local community, the following guidelines are recommended:

Nonprofit Organizations:

- Organizations must have a minimum staff size of 1.5 FTE staff and an annual operating budget of \$150,000. This will increase the likelihood of successful projects without overwhelming core programs and services.
- Maximum budget size for participating in the pilot project is \$3,000,000.
- To ensure broad impact and increase learning, approximately 25% of the organizations will represent arts and culture; at least 50% will be health and human service agencies; and up to 25% may be from a single sub-sector (such as housing, child-focused agencies, etc.), and may involve collaboration.
- Boards of applicant organizations must unanimously support participation in the assessment process and submission of a capacity building proposal.
- Participation in the assessment process is not a guarantee for proposal funding.
- Grant allocations will be determined by need, project proposal, degree of institutional commitment to capacity building, and potential for impact.
- Participating organizations will represent a microcosm of the local nonprofit sector.
- The Resource Center will participate in the assessment process, but its Capacity Building grant will be managed separately.

Capacity Building Providers:

- In order to increase objectivity and ensure confidentiality, professionals involved in the assessment process will be external consultants within reasonable driving distance of Genesee County.
- *Preferred* qualifications will include: extensive experience in consulting with nonprofit organizations on a broad range of issues; proven track record in working effectively in complex assignments across a spectrum of organizational sizes, missions, life stages; at least 2 years of "hands-on" work experience within the sector; graduate degree in a relevant field or equivalent experience; excellent verbal and written communication skills; demonstrated commitment to continuous professional learning; excellent word-processing and documentation skills; email connectivity.
- Flexibility, accountability and accessibility will be critical.
- Providers will be required to attend one or more daylong sessions on the assessment instrument and process. They may also be required to attend other sessions, such as the initial information-sharing meeting with prospective participant organizations, evaluation updates, etc.
- Technical assistance support for grantees will likely be coordinated through the Resource Center to make best use of its local knowledge, as well as to expand its roster of quick-response providers. This should also simplify referrals by the Project Coordinator.

Funders:

- During the pilot project, membership in the collaborative will be limited to the four founding funders – CSM, RMF, CFGF, UW.
- Whether, when, and how to expand the funding pool will be priority decisions in late 2004.
- A governance structure for the Fund will be finalized at the conclusion of the pilot project.
- Representatives from the funders will continue monthly facilitated meetings through 2003; meeting frequency for subsequent years will be determined later.

Attachment A

Working Definitions

Capacity Building

Capacity building is any activity that enhances the ability of an organization to achieve its mission, vision, goals, and objectives; it is both a process and a desired outcome. The *process* includes assessing and developing skills, systems, people and other resources that organizations use to meet critical community needs; it is focused on strengthening the ability to survive, adapt, and thrive in a fast-changing world. The *desired outcomes* of capacity building are organizational effectiveness, adaptability, and sustainability.

Organizational Effectiveness

Grantmakers for Effective Organizations (GEO) defines Organizational Effectiveness as “*the ability of an organization to fulfill its mission through a blend of sound management, strong governance, and a persistent rededication to achieving results.*” In this and other definitions, there is an implication that organizational effectiveness is an ongoing goal that must be monitored over time.

Capacity Building Providers

Professional consultants, facilitators and management support organizations that work with nonprofits to build on strengths, help channel existing resources, and determine strategies and action steps needed for long term sustainability and effectiveness. Capacity building providers tend to be generalists, are external to the organization and hired on a contract basis. Their aim is to empower, strengthen, and build independence.

Technical Assistance Providers

These are experts in specific management and operational areas, such as information technology, public relations, marketing and communication. They may be internal staff in larger organizations. Smaller organizations usually contract externally for these functions. Whether they are local or regional, accessibility and reliability are key. They tend to be hired to come in and perform a discrete service for a limited period of time.

Organizational Assessment

Assessment is often used interchangeably with diagnosis, but the latter term has a more negative connotation because of its common medical usage. In this report, assessment denotes a multi-faceted process that will include both objective and subjective evaluation of all management and operational functions including: governance, management, culture, technology, financial stewardship and resource development. Self-evaluation is viewed as an important component of the overall process.

Peer Learning and Reflection

Structured opportunities for learning from colleagues; stepping back from daily activities to think more broadly about current and future issues that impact the organization and the nonprofit sector as a whole.

Attachment B

Research on National Models

There are several examples of capacity building initiatives and funders collaboratives around the country. The Flint group was interested in model programs featuring diagnostic and assessment components, integration of a local management support organization, funding pools and partnerships, and clear evaluation strategies. Grantmakers for Effective Organizations was particularly helpful early on, providing access to a report on the Organizational Capacity Building Grant Initiative (OCGI) in the San Francisco Bay area. Their extensive evaluation of Management Assistance models, Leadership Training and Development, and Capacity Building helped us narrow the research field.

Colleagues and staff at the Alliance for Nonprofit Management, an association of nonprofit capacity building professionals, connected us to top providers of technical assistance and consulting services, including Carol Lukas of the Wilder Foundation and Paul Connolly from the Conservation Company. Their book, *A Funder's Guide to Capacity Building* (Wilder Foundation, 2003) is based on extensive experience and research on the subject. Carol Lukas presented a summary of the consulting pools and lessons learned from their latest research, much of which has not yet been published. The Michigan Council on Foundations and the Michigan Nonprofit Association provided links to regional initiatives. Below is a summary of the most promising models and the features that are especially relevant to the Flint project.

The Milwaukee Nonprofit Fund:

The Milwaukee Nonprofit Fund (MNF) was begun in 1994 by the Milwaukee Foundation (a community foundation), and the Faye McBeath and Helen Baker Foundations (both private) to build capacity of nonprofit organizations in the greater Milwaukee area. During the past 9 years, it has expanded to many include regional funders, not all of them foundations.

Target organizations: Limited to tax-exempt 501(c)(3) organizations that have been in existence for at least 2 years with budgets less than \$3M. Priority is given to social service and community development agencies whose staff and Board have a high level of commitment to the project. Geographical limitations apply to four counties.

Fund Advisors are Patricia Wyzbinski and Scott Gelzer from Management Cornerstones, Inc. This firm is vital to the overall program, filling a surprising number of roles. They screen applicants; make grant recommendations; develop and maintain a regional TA resource and provider roster; and aid Fund applicants in preparing their proposals where appropriate. All eligible applicants for the MNF program are also eligible for different levels of Diagnostic Clinics, all of which are conducted by these same Fund Advisors. To date they have conducted 40 clinics.

All proposals are reviewed by the Fund Advisors; a committee composed of the sponsoring funders makes recommendations to the Greater Milwaukee Foundation for ratification.

Each funder contributes \$50,000 annually to the program. The Greater Milwaukee Fund is the fiscal agent and houses MNF in its facility. The fund has allocated well over \$4M since its inception.

Awards range from \$1,000 to \$10,000. Cash and in-kind matching is encouraged, but not required, except for the purchase of hardware and software, when a 50% match is required. There is now a subsidiary fund to support technology, and another to support social entrepreneurship.

Philadelphia Cultural Leadership Program (PCLP), and Pew Cultural Management Initiative (PCMI):

The Philadelphia Cultural Leadership Program (PCLP) is a targeted program of the Pew Charitable Trusts for capacity building support of cultural and arts institutions in the greater Philadelphia and New Jersey area that includes substantial operating support as part of the capacity building project. It has the most extensive long term evaluation data of the models we selected. The Pew Cultural Management Initiative (PCMI) is an outgrowth of PCLP targeted at management enhancement without operating support.

PCLP organizational criteria: Arts and cultural organizations with budgets over \$150K and a minimum of 1 FTE employee. There is no ceiling on budget size, and grants are awarded to groups of all sizes above the threshold level. PCLP has been in existence for 7 years and averages allocations of \$6M - \$7M annually.

They have developed an assessment process and an index of organizational health. The index was originally based on 87 indicators, now reduced to 37. The assessment process is intense and time-consuming, including self-evaluation and an external professional review. The results are shared with both the organization and the foundation.

The assessment is required and is a major factor in submitting a proposal. It is regarded as a valuable capacity building effort and change intervention in its own right. Pew pays for all expenses incurred during the assessment (costs average approximately \$8,000 each depending on organizational size and complexity). Pew receives the final report, which is also shared with the organization. Relevant components:

- Full day site visit with extensive interviews that may involve key staff and Board or the entire staff and Board
- Document review by the consultant prior to site visit
- Scored assessment index and written report
- Follow up meeting with reviewer and in-depth feedback to the organization

The application requirements are rigorous and time-consuming. Some organizations report that they have worked for up to two years in preparing the application to improve their “readiness” quotient.

Capacity building grants are usually for 3 years; organizations may submit renewal proposals, but must go through the same assessment process and compete with new applicants. They include significant operating funds during the grant period – up to 5% of budget for the largest organizations, larger percentages for some of the smaller groups.

There is substantial investment in evaluation and documentation by external consultants. The cost for administration and evaluation is part of the foundation program budget and not counted in the allocation amount cited above.

Other features that are relevant to the Flint Funders include:

- Consultants are carefully screened. They are convened and coached/trained prior to being vetted as approved providers.
- PCLP has a full time coordinator and an administrative assistant within Pew Trusts; both are required to have had “in-the-trenches” experience in arts management. The coordinator is also on call for assisting groups with the application.
- PCMI is coordinated by Drexel University and is more self-directed by the groups. Its focus is on management improvement; grants average \$8K annually and are renewable. PCMI had a budget of \$1M in 2002.
- Unlike PCLP, PCMI offers no operating support; and acceptance in one program does not ensure acceptance in the other.
- The application process for PCMI is also rigorous. Basic questions are: Why does the organization need this type of management improvement? Why now? What impact is expected? How will you measure outcomes? Eligibility for this program requires 2 FTE staff.
- Each proposal is reviewed by a panel of 3 external consultants. Their recommendations are key.

Organizational Capacity Grants Initiative (OCGI):

OCGI was a three-year pilot program begun by the Peninsula Community Foundation, Sobrato and Schwab Foundations that also involved BTW Consulting and CompassPoint, a large, nonprofit Management Support Organization (MSO) in San Francisco. OCGI was designed to create, implement and assess strategies for enhancing organizational capacity and effectiveness.

Target groups: Key providers of health and human services in three counties; participating organizations were sixteen agencies with budgets ranging from \$500K to \$6.2M. All were stable organizations in existence for 15 years or more. Most had long-time Executive Directors (75% with tenures over 6 years).

CompassPoint facilitated design sessions resulting in OCGI; did much of the research on national capacity building initiatives; managed the relationships that emerged between the foundation partners, between the foundations and the nonprofits, and among the 16 nonprofit participants.

BTW Consultants did the evaluation work and were involved in ongoing discussions about OCGI design and implementation.

The initial concept was for a 2 year program that allocated a total of \$50K to each organization. Subsequently, an additional year provided \$25K to each organization for management and leadership development, with some bridge funding included.

CompassPoint coordinated and facilitated quarterly meetings of grantees, evaluators, foundation representatives. These meetings emerged as significant learning opportunities and capacity building initiatives in their own right.

“Over the course of the three years, OCGI resulted in positive – and at times dramatic – improvements within agencies in terms of improved operations and mission accomplishment; and within foundations in terms of their understanding of capacity-building grantmaking.” (OCGI Executive Summary, p. 4)

Projects clustered in four areas: Technology; Marketing and Fund Development; Human Resources; and Leadership/Management and Governance. (Note: These areas align with priority needs cited by respondents to the Flint Funders’ survey.)

During the three-year period, OCGI allocated \$2.5M for the pilot project. This included \$2M for the agencies over 3 years, and \$500K for TA, facilitation and evaluation costs.

Arts LAB (Learning And Building):

Arts LAB of St. Paul was initially a special project of The St. Paul Foundation in partnership with the Bush, Jerome, F.R. Bigelow, and Mardag Foundations targeted at small and mid-sized arts organizations. Funders involved have a history of funding arts and culture. They were concerned that the smaller and mid-sized organizations were losing ground. It is currently evaluating past results and determining how to expand the program into other areas.

Target groups: Small and mid-sized arts organizations with budgets that averaged \$200K. Most were neighborhood-based. Geographical limitations: Minneapolis and St. Paul metropolitan area.

Arts LAB began a three-year project that involved 8 organizations selected through a competitive process. It offered financial and other resources including:

- Facilitated self-reflection interviews held onsite to establish baseline measurements.

- Learning and Building LABs consisting of one and two-day retreats to provide reflection, peer learning, networking opportunities.
- \$5,000 general operating support for salaries and upgrading staff, especially in the program's first 6 months.
- \$35,000 in implementation grants to support new ideas and directions inspired by participation in Arts LAB. High degree of peer-to-peer consultation and evaluation.
- \$5,000 Learning accounts to reimburse outside staff training or Board development.
- Ongoing one-on-one consultation for the duration of the program, with the intermediary firm (Larson Allen's Minneapolis office), plus some involvement of Susan Kenny Stevens and the Stevens Group. Larson Allen was hired to manage the Arts LAB program and process and also did the evaluation. Funding for this was over and above grant expenses. (Estimate is that this came to about \$5,000 per organization.)

The conceptual basis for the assessment process was geared at organizations in the start-up phase of their development, regardless of age. This subject is fully explored in the recent book by Susan Kenny Stevens, *Nonprofit Lifecycles: Stage-Based Wisdom for Nonprofit Capacity*, Stagemwise Press, 2003. It makes an excellent case for incorporating developmental stage into organizational evaluation.

Mary Reynolds Babcock (MRBF) Foundation Organizational Development Program:

Begun in 1995, the program was originally targeted at "star" organizations, but underwent a major review and dramatic change of focus after the first few years. Approximately 3 years ago they shifted focus to grassroots groups. The GRO (Growing Organizations) program of the Mary Reynolds Babcock Foundation is targeted at small and mid-sized community organizations in the Southeast that serve at-risk, minority and underserved constituencies within the foundation's priority program areas – poverty, children, and anti-racism. It provides a fascinating contrast to other programs because it is so grantee-driven; foundation staff are heavily involved in implementation. There are common threads and differences of note:

Target groups: Organizations must be community-based, have budgets of less than \$150K and meet programmatic priorities of MRBF. Geographical limitation: Southeastern United States; MRBF also participates in a Southern Regional Development Initiative (SRDI).

MRBF houses the program, but they do a lot of partnering with other funders, particularly in the area of advocacy for nonprofit capacity building and community needs (poverty, children, anti-racism). Their Board, with significant family representation, is heavily involved. Although they have funding priorities, they try to remain flexible; Board reserves the right to make exceptions, adapt to organizational need. Staff includes 4 FTE's: Executive Director, Associate Director, 3-year Fellow, Program Director. All have in-the-trenches experience.

GRO provides unrestricted funding for up to three years – “whatever it takes to make the mission work more effectively *and* to ensure long-term sustainability.” (Heavy emphasis on sustainability.) Grants usually total less than \$50K per year, and are individually designed. After 18 months, there is an in-depth evaluation. Based on results, organizations can submit an application for an additional 18 months. GRO originally provided operating support, but found this created too much dependency in small organizations.

There is an independent “Technical Assistance Broker” who matches providers with organizations, troubleshoots relationship issues, and provides preliminary assessment and diagnostic services.

MRBF encourages/requires a highly interactive process, and staff is involved with grantees throughout the process. It includes:

- Annual one or two-day “gathering” of NPO’s in the geographical target area (cost: \$100K).
- Occasional focus group with staff, TA broker to document, disseminate lessons learned.
- Intense pre-grant relationship with MRBF staff.
- Strong commitment to openness, honesty, avoiding blame. Honesty and candor tend to be rewarded. Also, there are no “failed” projects.
- Use a logic model for learning and evaluation: What are you trying to do? What will it look like?
- Terms of the grant are negotiated during the site visit.

MRBF has identified 12 core competencies that parallel many of the other assessment indices: 1) Vision, Values, Mission; 2) Governance; 3) Strategic thinking; 4) Program development and implementation; 5) Human Resource management; 6) Organizational culture; 7) Management systems and structures; 8) Legal compliance, fiscal management, and public accountability; 9) Resource development; 10) Constituent relationships; 11) Collaboration; 12) Evaluation, learning and accountability.

Process and approach to organizational development is related to several factors, including age, stage of development, and current external and internal condition. The history and identity of the organization within its local community context is also a significant factor.

The Unity Foundation: The Unity Foundation is a new foundation in Maine whose major focus is on capacity building. It is the only one of the selected models with national reach. Their theory is that “stronger nonprofit management translates into nonprofit mission performance.” They support venture philanthropy with money, management support and information, but capacity-building grants are their largest focus by far. Points of special interest for Flint:

Unity has developed and trademarked an assessment instrument (the C.Q. Capacity Quotient). Their assessment process is unique among the models. They charge each organization \$495 for administration, evaluation and documentation. 100% of the Board and Staff must complete the questionnaire and participate in the process. The performance-linked indicators are Leadership, Advancement, Treasury and Operations. There are 60 individual benchmark measurements, 12 sub-indicators, and 4 primary capacity indicators altogether resulting in a C.Q. "score." They will send a copy of the instrument.

- The results of the C.Q. assessment are the basis on which subsequent capacity building grants are awarded. These may include core operating support, equipment, technology funds, and working capital.
- Periodic evaluation on progress during the grant period will be conducted by mutual pre-agreement. They have not retained an external evaluator.
- Capacity building grants are predominately challenge or matching grants and typically range from \$20,000 to \$50,000 over a two-year period. Grants are awarded semi-annually. They anticipate making awards to approximately 20 organizations during the first year of funding.
- Their President, Dot Freeman, was formerly at Grand Valley State University's Center on Philanthropy. She has been invited to make a presentation on their program at the Kellogg Foundation this spring.

Heinz Foundation Operating Support Program:

This is not deemed a capacity building program per se, but it has several interesting elements, particularly its extensive use of the local MSO (Bayer Center for Nonprofit Management) at Robert Morris University and their assessment tools, strategies, and process.

The Bayer Center, which is only three years old, has grown dramatically to encompass a large consulting and technical support program. It offers consulting and technical assistance, does research, presents workshops and has an interesting relationship with contract consultants and other providers. It may be a very good site visit for the Resource Center. They use the Drucker self-assessment process and tool extensively.

The Heinz Foundation's Operating Support Program funds 14 key arts and cultural organizations that have a long tie to the Foundation. It combines operating support, capacity building, and assessment. Some of the features and requirements are particularly interesting for Flint purposes:

- Each organization is required to undergo an extensive assessment every 3 years. Based on the assessment results, the groups write a strategic plan for the next 3-year period. This plan is the basis of their funding proposal for continued support. Organizational budgets range from \$250K to \$27M.

- The assessment process is exhaustive and includes several steps, including: 1) a financial risk assessment (formal instrument and audit required); 2) a development (fundraising) audit; 3) a modified organizational self-assessment based on the Drucker model; 4) a technology audit; 5) an assessment of cultural value/artistic merit (national experts are used depending on organizational purpose); 6) an assessment of community outreach and ownership.

Heinz allocates \$3M annually to this program, approximately 25% of their overall funding for regional arts support. Funding represents about 5% of the organization's annual operating budget.

In addition to operating support, each organization can apply for one project grant of up to \$50,000 during the grant cycle. The project must be a component of the strategic plan.

Attachment C

Pilot Project Evaluation Plan

Project evaluation will be conducted by external professionals. It will measure success in meeting the primary goals and objectives and generate a report that can be shared with funders, participant organizations and capacity building providers. Evaluation data will be vital in determining whether to continue and/or expand the collaborative. Selection of the evaluator(s) – whether an individual professional or team – will be a priority once the respective funders have approved the pilot project. The planning group intends to evaluate progress at key transition points in the timeline. (See timeline table on page 14 of the report.) Goals and measurable objectives to be evaluated include:

- **Goal I:**

Support nonprofit organizations over an extended period to assist them in building capacity and effectiveness in achieving their mission and increase sustainability.

Objectives to achieve this goal include:

1. Develop a common assessment instrument and process that measures internal systems and leadership, external linkages and responsiveness, readiness for capacity building;
2. Establish reliable baseline data on which to create a capacity building proposal specific to the individual organization, then measure progress at regular intervals during project implementation;
3. Develop a funding pool sufficient to underwrite proposal implementation; consider extending support at a reduced level for a transitional year;
4. Develop a process for periodic project evaluation, sharing data with organizations and funders, utilizing it for project modification as needed;
5. Provide opportunities for open discussion, reflection and peer learning within and among organizations, providers and funders.

- **Goal II:**

Support providers of capacity building consulting, facilitation, and other forms of technical assistance.

Objectives to meet this goal include:

1. Identify and coordinate a cadre of highly qualified professionals to implement the assessment process;
2. Train providers and gain their input on the assessment instrument and process;
3. Create a list of core competencies for capacity building providers, including a requirement that they participate in at least one professional development conference annually;
4. Build capacity of the Resource Center as a Management Support Organization to ultimately assume responsibility for coordinating the assessment process and serve as a broker for matching providers with organizational need;
5. Continue to monitor and disseminate best practices in the field through linkages to regional, national and international infrastructure organizations.

- **Goal III:**

Support the funders in building capacity to achieve their respective philanthropic goals and objectives in the greater Flint community.

Objectives to achieve this goal include:

1. Reduce duplication and improve local grantmaking practices by coordinating all capacity building grantmaking;
2. Streamline and improve organizational assessment tools and processes;
3. Improve communication within the local philanthropic community;
4. Improve communication between funders and local nonprofits;
5. Evaluate, document and share findings at regular intervals during the pilot project.

Attachment D

Budget for the Pilot Project

Income

<u>Funding Sources</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
C.S. Mott Foundation (1, 2)	\$100,000	\$250,000	\$250,000
Ruth Mott Foundation (2)	100,000	200,000	200,000
Community Foundation for Greater Flint	50,000	75,000	75,000
United Way of Genesee County	50,000	75,000	75,000
Total per year	\$300,000	\$600,000	\$600,000

Expenses

Contract Services (3)			
- Administrative Asst.	15,000	15,000	15,000
- Project Consulting & Evaluation (4)	95,000	130,000	130,000
Misc. Administrative costs (5)	10,000	5,000	5,000
Communication (6)	5,000	7,500	7,500
Assessments (7)	160,000	5,000	5,000
Meeting expenses (8)	5,000	7,500	7,500
Capacity Building Grants (9)	-0-	420,000	420,000
Resource Center Expenses	10,000	10,000	10,000
Total per year	\$300,000	\$600,000	\$600,000

(1) C.S. Mott tentatively plans to add \$50,000 in 2004, 2005 for evaluation, facilitation, and consulting costs.

(2) C.S. Mott and Ruth Mott Foundations will jointly fund a special capacity building grant to the Resource Center. It will be funded separately from this project.

(3) Reflects revision of administrative plan.

(4) Includes costs for Lead Consultant, facilitation, outside consulting, evaluation.

(5) Includes start-up costs in 2003, occasional clerical or technology support thereafter (contract service).

(6) Includes special costs to set up listserv, proposed website, plus ongoing phone, fax, mailing and copying.

(7) Includes consulting support to design and implement initial and follow-up assessments plus subsequent proposal development for approximately 20 organizations (estimate \$2,500 - \$7,500 per organization).

(8) Nonprofit Summit in 2003; quarterly networking meetings for capacity building grantees in 2004-05.

(9) Reflects estimated average of \$20,000 - \$50,000 per year for up to 12 organizations over the life of the pilot project for capacity building initiatives.

Attachment E

Research Methodology and Findings

The time and effort required to conduct this research yielded important insights and some surprises. The methodology involved included a survey, focus groups and interviews, and extensive research on national models for funder-initiated capacity building programs. Research on national models is described in *Attachment B (page 18)*. Objectives for the local research were to:

- Obtain current information on what organizations in Flint and Genesee County perceive as their needs regarding all forms of technical assistance, what experience they have had accessing and utilizing these resources in the past, and their desires for the future.
- Assess the local nonprofit sector's perspective on what is needed to build the capacity of local organizations to be effective, sustainable and responsive to current and future community needs.
- Determine whether a funders' collaborative is an appropriate vehicle for helping to build capacity in Flint and Genesee County; and, if so, how that should be done most effectively and efficiently with the greatest benefit to all concerned.
- Analyze whether programs elsewhere show promise for implementation in Flint so that unnecessary time and other resources aren't expended to create something totally new.
- Demonstrate that local nonprofits will have a voice and presence in every aspect – from pilot phase, to evaluation, to full implementation – of whatever program evolves from the planning process.

One of the byproducts of the research findings was a rich array of anecdotal information that will be extremely useful for project planning and implementation, as well as for the Resource Center in its own capacity building project.

SURVEY

A survey was sent to all organizations who had received grants from one of the funders in the past 3 years. (See page 47) This turned out to be an interesting and useful exercise in that there were surprisingly few overlaps; those that existed were eliminated. The survey had an attached cover letter that explained its purpose, included a value statement that helped set a conceptual framework, and described the funders' work to that point. (See page 46). It also stated the funders' intent to involve nonprofits in planning whatever project or program evolved, and that responses would be anonymous.

The deadline for response was approximately 30 days, and a reminder card was sent after two weeks. The 20% response rate was respectable for a mailed survey; it provided statistically valid and highly informative data from a good cross section of the local nonprofit sector by both budget size and sub-sector representation. The profile of

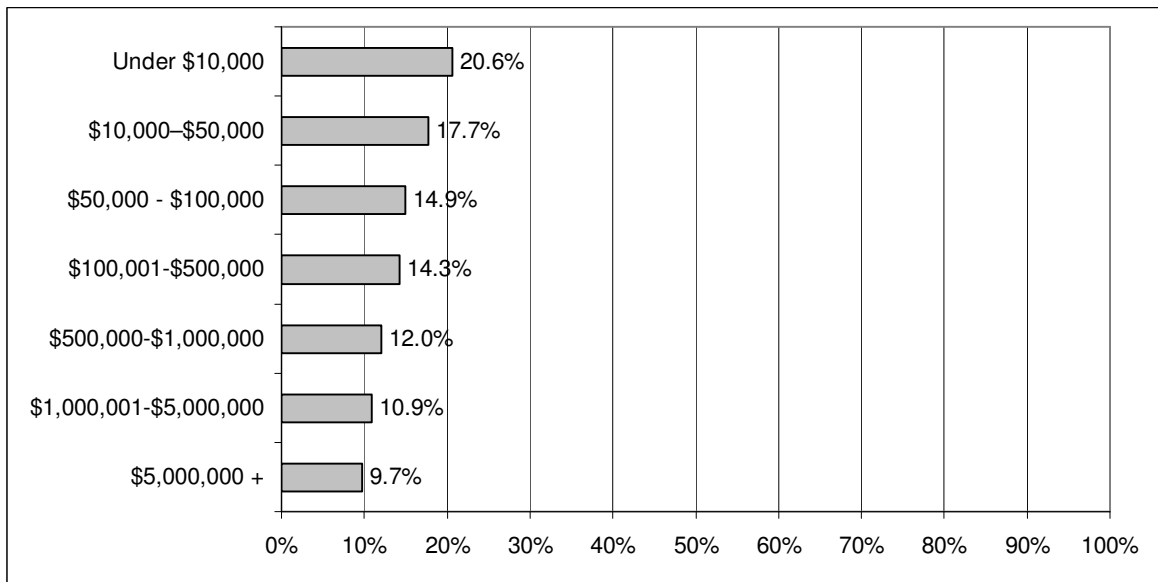
respondents was also consistent with existing data from previous grant applications and sector research.

Survey Respondents Profile:

The statistical consultant grouped respondents by budget size into four categories: Under \$50,000 (56 respondents); between \$50,000 and \$500,000 (49 respondents); between \$500,000 and \$5M (42 respondents); and, \$5M and above (21 respondents). This was also the approximate format used to identify focus group participants. The chart below shows that the survey provided a balanced response rate across budget size.

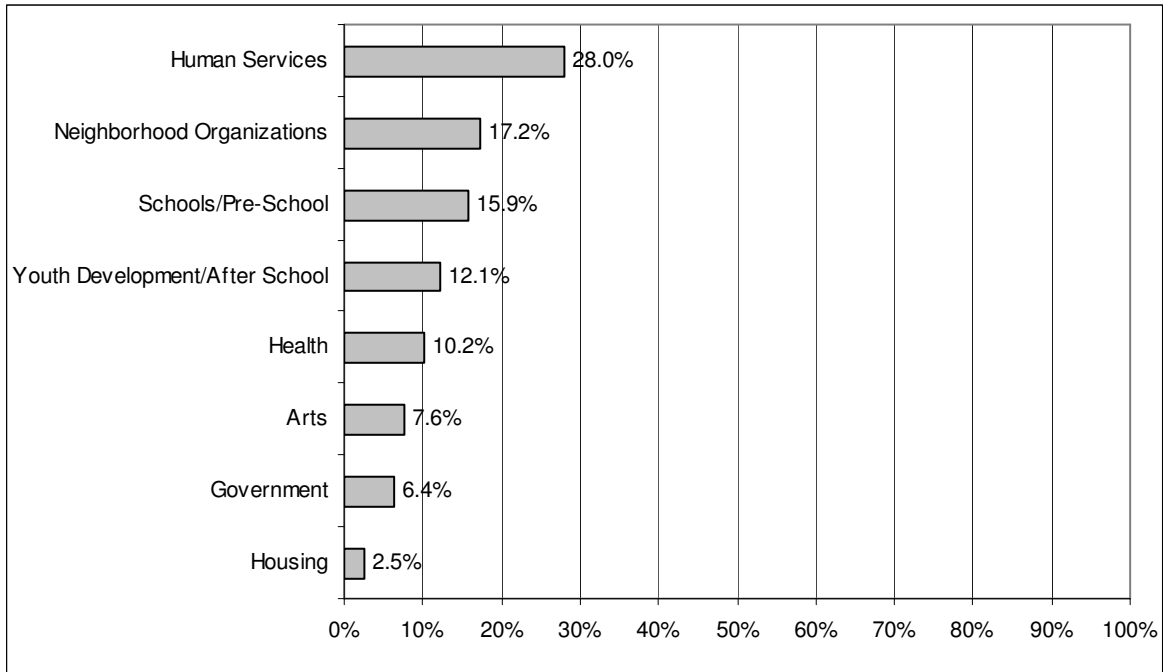
Chart 3A-B: Demographics

3A. Respondents By Budget Size



Respondents were also grouped by compatible sub-sectors into five categories: Neighborhood Association (27 respondents); Schools / Pre-school / Daycare (43 respondents); Health, Human Services, Housing (62 respondents); Government (10) respondents; Arts (12 respondents). This categorization wasn't as balanced as the budget size, but it seemed the best solution to getting a comparison between direct service agencies and other organizations. (See chart 3B on next page.)

3B: Respondents By Sector



In addition to survey findings presented earlier in this report, the following tables show needs for specific types of technical assistance across all subject areas.

Resource Development	
Proposal Writing and grants	67.1
Endowments	63.9
Major gifts	62.1
Planned giving	58.5
Grassroots fundraising	55.2
Annual campaign	51.9
Special Events	47.8
For profit ventures	44.0
Marketing	
Marketing plans	60.3
Public relations/promotions	58.7
Audience surveys	52.5
Membership campaigns	47.1
Program Management	
Feasibility studies	55.2
Needs Assessment	53.8
Evaluation	46.9
Program development	44.3
Logic models	42.4
Client relations/satisfaction	42.3
Goals and objectives	37.2

Board and Structure	
Strategic planning	54.5
Board development	44.3
Committee development	42.7
Board retreats	42.1
Board/staff team work	38.8
Roles and responsibilities	34.0
Organizational structures	30.7
By-laws	28.0
Communications	
Information/Technology	49.6
External	45.5
Internal	36.7
Human Resources	
Benefit planning	43.4
Volunteers	43.3
Staff/performance evaluation	35.7
Personnel policies	34.8
Staffing plans	31.1
Coaching	30.8
Job descriptions	24.6
Finance	
Cost benefit analysis	39.6
Internal controls	38.8
Investment management	35.8
Budgeting	35.5
Accounting systems	33.1
Audit	31.7
Legal	
Merger	15.4
Incorporation	12.1

Survey Results and Implications

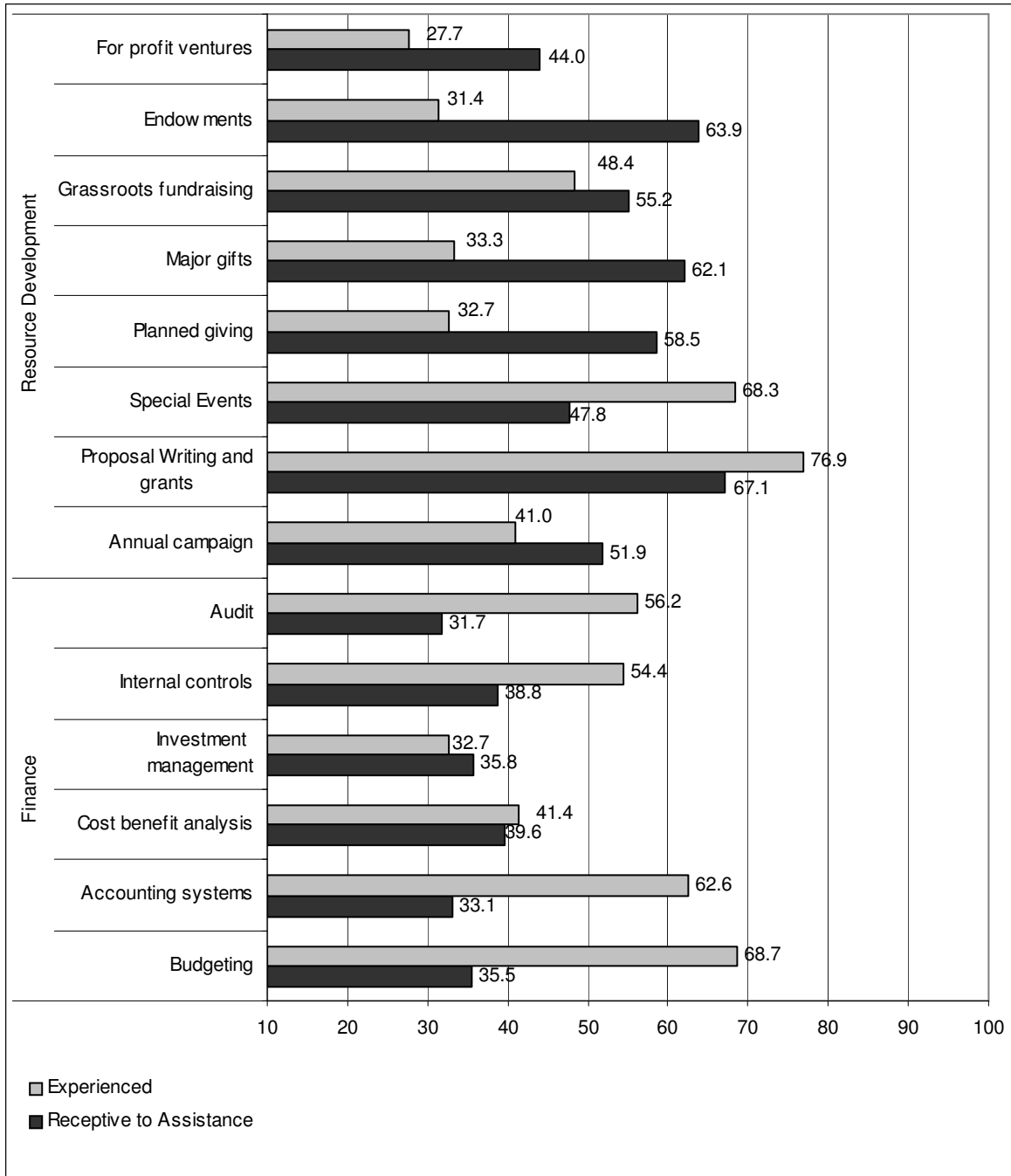
The above information on perceived need for technical assistance by subject matter will be shared with the Resource Center. They may find that they have saturated the market for public workshops, and that consulting and customized training will be of greater potential with more experienced organizations.

Although only 21% expressed a desire for an assessment process, this doesn't preclude the Funders Collaborative from deciding that this should be a quid pro quo for capacity building assistance, nor does it dilute the overall value of this kind of support. There are many benefits to a diagnostic process: For the Funders, once there is a clearer understanding of what is needed, grant monies can be awarded with greater confidence that they will have real impact. For the agencies, the assessment or diagnostic process itself will be a meaningful form of technical assistance.

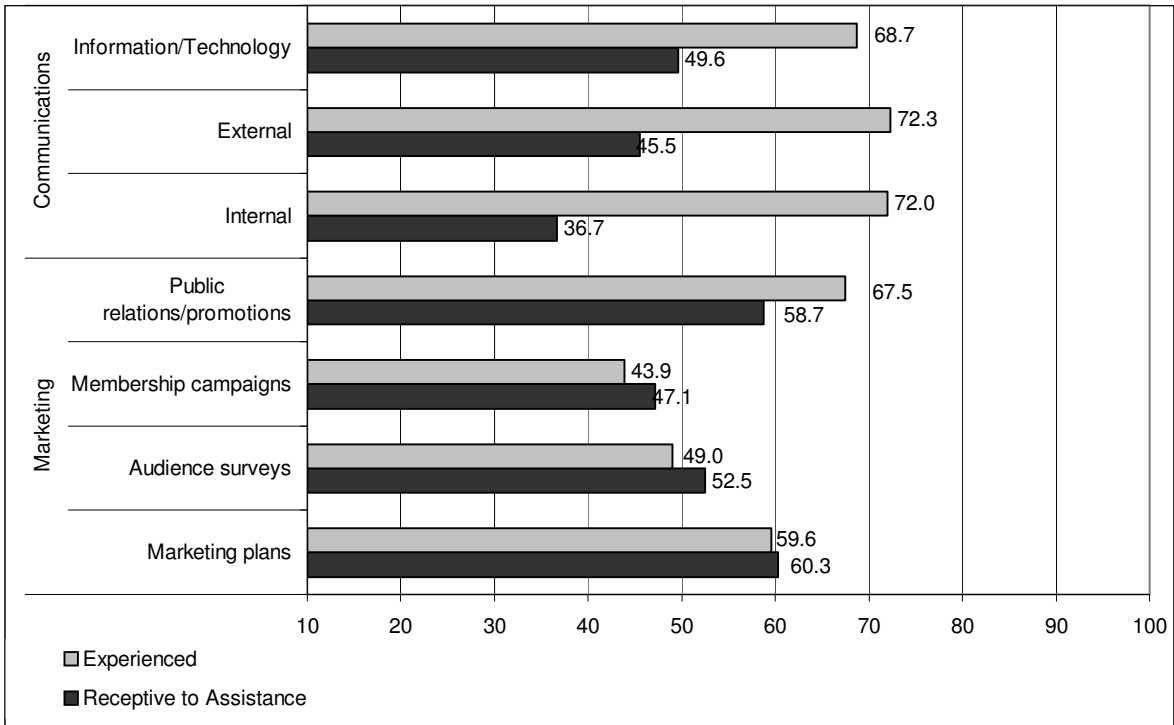
The following charts compare experience with technical assistance and workshops with perceived need for additional support. These responses will be of great interest to the Resource Center as they evaluate current programs and services and plan for the future.

4A-C: Perceived Need for and Experience with Technical Assistance

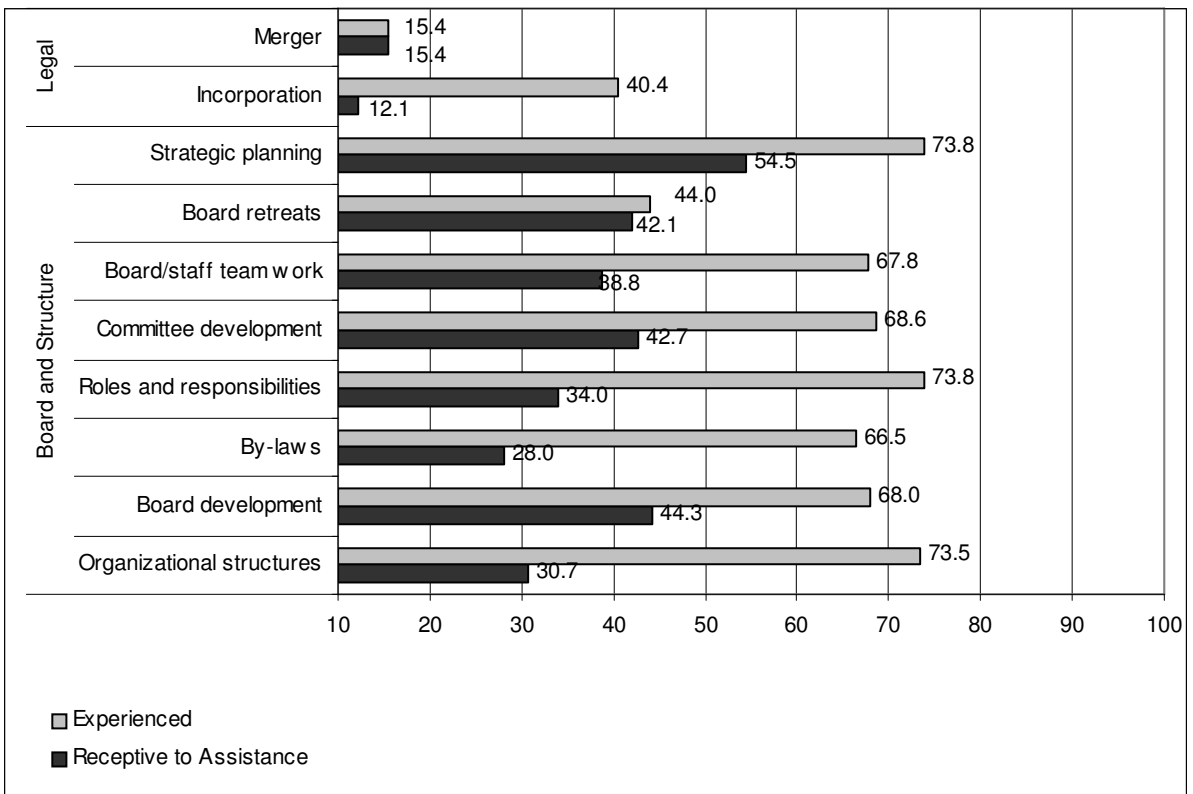
4A: Resource Development and Finance



4B: Communications and Marketing



4C: Legal and Board



FOCUS GROUPS:

There were four focus groups selected from the database of nonprofit organizations. The groups were intentionally organized by budget size and represented a cross section of nonprofits in the geographical area. The rationale for this grouping choice was two-fold: 1) Like-sized organizations have many common management issues; 2) Max-mix groupings across sectors often generate a richer discussion, enhance openness, and help reduce potential competition issues.

The objectives for focus group sessions were to: test survey findings; obtain more direct input on receptivity to a potential capacity building initiative; gain insight on how local nonprofits define technical assistance and capacity building; determine what nonprofit leaders perceive is needed in the future to effectively address community issues.

In addition to the organizational focus groups, there was a session held for consultants. Consultant participants were drawn from those utilized by the four funders in past local work, as well as suggestions from the Resource Center, NEW Center in Ann Arbor, and suggestions from known senior consultants in the field. All focus group sessions were held at Applewood, a comfortable, fairly neutral setting. All the focus groups were facilitated by Anne Glendon, with the assistance of a colleague who served as recorder. Two of the sessions were also taped as a back-up. Participants were informed that their comments would be confidential and reported in the aggregate only.

The Focus Group sessions were extremely helpful in achieving the funders' research objectives. As stated in the proposal, participants from all sized organizations welcomed the opportunity to be a part of the conversation before decisions are made about "yet another" funder-initiated project. There were very few differences among the groups in terms of receptivity to being part of an assessment process, and high enthusiasm for the prospect of having outside consultants conduct the diagnostic phase, particularly if the results could be used as a basis for capacity building projects. Comments supported and expanded on data from the survey.

Key questions and issues covered in the organizational focus group sessions included the following:

1. How do you distinguish between technical assistance and capacity building?
2. Who in the organization goes to workshops? How are they paid for? Who determines what workshops are desirable?
3. How are workshop materials and learning shared by those who attend?
4. Who decides on customized training or consulting? How is it planned and who delivers it? How do groups find providers? How do they pay for it?
5. How is the Board involved in decision-making? How involved are they in a variety of training and/or consulting initiatives?
6. How do groups determine/evaluate effectiveness of their time/money investment?
7. How are these efforts funded?
8. How and when would a local provider be best (or not)? How and when would a regional/external provider be most beneficial (or not)?
9. Given funding pressures and limitations, how does your group adapt to demands for evaluation in terms of effectiveness/outcomes? How do they document this?
10. How would the groups respond to the opportunity for organizational diagnoses and needs assessment to identify potential consulting and technical assistance needs?

Table 3: Organizational Focus Group Attendees – By Budget Size

Under \$150,000	
Carriage Town Historic Neighborhood Association	Michael Freeman
Consortium on Child Abuse and Neglect	Mary Vojdik
Flint Coalition for Youth Baseball & Softball League	Samuel Stewart IV
Genesee Valley Indian Association	Lorenzo Alfaro
Genesis Pentecostal Church of God	Daniel Anderson
Mt. Hermon Caring & Sharing	K.D. Yarber
Museum of Afrikan American History	Kathryn Williams
Your Center	Bettina Campbell
\$150,000 - \$499,999	
Cedar Street Children's Center	Eleanor Brownell
Christ Episcopal Center	Graham Hiscock
Connexion, Inc.	Herbert Winfrey
Court Street Village Non-Profit Housing	Doris Sain
Crim Festival of Races, Inc.	Sherlynn Everly
Flint Youth Theatre, Inc.	William Ward
Genesee Area Focus Council, Inc.	Rhetta Hunyady
Genesee County Free Medical Clinic	Rima Kudish, M.D.
Greater Flint Arts Council	Gregory Fiedler
Jewish Family & Children Services	Susan Gertner
Priority Children	Jerry Johnson
Resource Center	Sybyl Atwood
Urban League of Flint	Leisa Richardson
Visually Impaired Center	Sharon Reigle
\$500,000 - \$1,500,000	
Disability Network	Luke Zelley
Fair Winds Girl Scouts Council	Mary Lorah-Hammond
Genesee County Sheriff's Department	Tina Fielder-Gibson
Genesee Intermediate School District	Cheryl Wagonlander
Planned Parenthood of East Central MI	James Richardson
Salem Housing Task Force	Jane Richardson
Shelter of Flint	Patricia Molter
U of M Flint Outreach	Tracy Atkinson
Over \$5,000,000	
Family Service Agency of Genesee County	Charles (Charlie) Tommasulo
Flint Community Schools, Continuing Education	Dr. Gail Ganakas
Flint Cultural Center Corporation	Cindy Ornstein
Genesee County Health Department	Robert (Bobby) Pestronk
Genesee County Prosecuting Attorney's Office	Brenda Williams
Legal Services of Eastern Michigan, Fair Housing Center	Edward (Ed) Hoort
Salvation Army	Maj. Ralph Bukiewicz
Tall Pine Council, Boy Scouts of America	Raymond (Ray) Morrell

Data from the Focus Group sessions were shared with the funders' planning group and was very helpful in determining all key components of the ultimate proposal. A few quotes from each of the sessions are enlightening:

Focus Group #1, Organizations with budgets under \$150,000

Several of these participants had never experienced a focus group, so the discussion was preceded by a full explanation of why and when they are used. Key comments:

- *Capacity building (CB) is an organization's way of improving at multiple levels of interaction and function. These include the individual, group, community and the system. CB is broader and more generic than technical assistance (TA). It looks at both the assets and the weak links within the organization, and aims to aid the processes that will make the organization thrive and be sustaining. It requires collaboration.*
- *The main focus of CB is long-term sustainability. TA is specific and focused to fix a certain area within the organization, e.g. computers.*

Even within this pool, the larger, more established the organization, the greater the value placed on assessments, whether self-evaluations or externally performed. Responsiveness to the concept of utilizing assessment results varied accordingly. Several participants said they would like and use such a resource. Two participants said they would be skeptical because it would likely get done and they still wouldn't get any money because they're not an "in" group. They also believe that the organization can best identify what their needs are. These comments reflect the contrasting views:

- *External sources should accept the assessment from the organization. "You don't need an external source to tell you that you need more money!" Sometimes it takes an outside person and a formal analysis to assess what is really needed. At the least, an outside assessor could validate what the organization said and has identified; that could help staff and boards all by itself.*
- *Good grant writing ability is critical! If assessor could also help write a subsequent grant for capacity building, that would be very beneficial.*
- *Community coordination and collaboration is very important....Need to use all available resources effectively, especially when the money is so tight....Get rid of territorialism in the community and work together. Relationship and team building very important....Need good community assessment and plan which can be implemented....Grantors should help their grantees to accomplish objectives, and, if needed, provide TA to help them succeed.*

Focus Group #2, Organizations with budgets of \$150,000 – \$499,999

In addition to supporting most of the points raised above (if not in the same words), the following comments are instructive:

- *It's admirable that the Funders are coming together, but [the participants] still see the same challenges because of limited dollars. Further, funders need to come down from their lofty levels and move from the institutional perspective and get down to the individual level.*
- *We need to have opportunities to talk like this more often. This focus group has been excellent. Helps organizations understand that the Funders are committed.*

Opens communication. Helps with networking. It is very important that nonprofits are heard, and the focus group is a good forum.

- How would your organization respond to an assessment and diagnostic tool to identify strengths, weaknesses, etc., the results of which you could use to apply for TA or assistance with capacity building?
 - *Yes!*
 - *Want a tell-us-like-it-is approach.*
 - *Only if no cost to the organization.*
 - *Must be useful and not a waste of time.*
 - *Could be of big value to Boards of Directors...in understanding of community impact.*
 - *No concern expressed about issues of confidentiality.*

Focus Group #3: Organizations with budgets of \$500,000 – \$1,500,000

This group expanded at length about the difference between technical assistance, capacity building, generic vs. customized workshops, consulting resources desired. A few comments are helpful on this and other research objectives.

- *There is a lot of territorialism in Flint and people who could benefit from partnering will not do so. The funders should encourage and support [more partnering].*
- *....There is a lot of TA available from many organizations. In fact, there are too many groups doing the same things.*
- *Perhaps funders create some of the attitude and competitiveness that exists. They don't foster collaboration and partnering. They should look at that.*
- *If grants require partnering, it happens, but it must be appropriate to collaborate.*
- *Collaborating takes a lot of time and resources. If funders request it, they should provide support, especially staff, so it can happen.*
- *Perhaps funders should not assume there is duplication amongst the nonprofits.*
- *Many grants won't pay the costs of administration/staffing. Can't succeed if not enough staff to handle the projects appropriately.*

This group was quite specific about what kinds of consulting would be most helpful:

- *Need funders to fund long term sustainability of successful programs. It's horrible to start a good program and then have to discontinue it after one year. We no longer will do this.*
- *Executive coaching and/or personal coaching for Executive Director and BOD, especially board leadership.*
- *Funders should use local and state consultants (rather than national) if available and appropriate.*
- *Grants management!! (Big issue for all participants.)*

If you are part of a national group, do you receive assistance from them?

- *For Board of Director training, it is useful.*
- *To help with assessment of the local organization [as it relates to national].*
- *Yes, but it is different than real capacity building. We could use some on-site help.*

- *Sometimes national can be an obstacle if not well coordinated with the locals. Even with national [support] we could use local help.*

Focus Group #4: Organizations with budgets over \$5,000,000

This was the most articulate group. Some of the individuals did not know each other, even by name. Many of their initial comments were about the nonprofit community as a whole, but there was amazing consistency with the comments from smaller groups. Because these were mainly large, institutional nonprofits, each had substantially more internal human relations resources, regional and national connections. Nonetheless, all expressed a sincere desire for a program that would provide high quality TA and CB with new ideas and perspectives from experienced professionals. They were particularly enthusiastic about the idea of diagnostic assessments, leadership facilitation and executive coaching.

Distinctions between this group and the others were more a matter of greater experience, access to more sophisticated resources, and degree of awareness of the community as a whole. Other differences were:

- High degree of interest in having funders set priorities, make larger capacity-building grants to a few organizations rather than a scatter-shot approach.
- Desires for consolidation of funding streams for specific purposes and funder-driven partnering were recurring themes.
- All were encouraged that the funders were taking the time to do this process right.
- Most were surprised and pleased at the diversity of participants. Each knew one or two people fairly well, but the rest only by name, if at all.

It is hard to limit comments from this group, but here are some of the most interesting points:

- *Some TA is very basic, specific, and short term, such as conferences and workshops... task specific, like writing, evaluation, construction, financial management systems, grant writing...applying learned theories, skills.*
- *CB implies sustainability is more general, diffuse – perhaps like venture philanthropy. CB [relates to] improving the under-girding of the organization; being more realistic about how long it takes to make infrastructure changes, then be there for the 2 - 4 years required for sustainable change.*
- *Funders need to realize that CB requires longer term investments, improve infrastructure for long term viability.*
- *Organizational assessment, diagnosis of needs by an outside, objective professional can be invaluable. Then, funders need to step up to provide meaningful funding to implement recommendations, maybe facilitation of decision making process.*
- *Many organizations may be limited by a particular area of need; shoring up in that area may have a positive impact throughout the agency.*
- *Local resources need to be available for rapid response TA; often need to use external consultants and facilitators for long-term CB because they carry no local “baggage.”*
- *Workshops are good for introductory level, getting oriented to new set of skills; in-depth development requires more time, internal, customized support.*

- *Funders need TA as well as grantees: Often need to educate funders about community needs. Sometimes they don't have a clue about what you're talking about. (ex. Autoworld – "If they'd asked the real people in the community, they would have known it was never going to work. Besides that, it looked like a fortress right in the middle of Flint.")*
- *Better to make a few large grants over a longer period of time than a scattershot of small grants that aren't large enough to build sustainability.*

The entire group was very savvy about TA being more targeted, specific to immediate needs, whereas CB connotes longer term, deeper, systemic change. They were also concerned about balancing five interrelated issues:

- + *What an organization needs and desires;*
- + *What the community needs and desires;*
- + *Objective assessment/diagnosis of needs and desires;*
- + *Available human and financial resources – not wasting either;*
- + *How priorities are set and decisions made on funding, implementation.*

Pursuing this line of thought, the group got into what they view as priority issues, needs:

- Building trust, synergy within the nonprofit sector
- Overcoming apathy, frustration, hopelessness
- Better communication within sub-sectors, across sectors; building awareness, educating leaders at all levels
- Developing new leaders
- Strengthening service-providers (UW, Resource Center) – interactive website for programs and services
- Well supported internships from local colleges and universities so grads really understand NPO sector, administration, and see it as a career path locally
- Education of current and prospective Board members – and getting them connected across organizations
- Education of public boards to understand their role as being something much more than vote-getters or political appointees
- *There is a desperate need for a community visioning/strategic planning process that is inclusive of all economic levels, sub-sectors – and then a true implementation process for the first year*
- Make a real attempt at venture philanthropy:
 - Develop a "hit team" to go in and help a struggling NPO that is doing important work
 - Help a growing nonprofit make transition to next phase with 3 year infusion of \$ to cover planning, 2 years of implementation, with 3rd year phase out to ensure sustainability
 - More interactive relationship between funders and grantees

Other general comments of note:

- *If capacity doesn't exist locally, bring it in from outside. For larger organizations, key is not to find TA, but... customize it to this community, to a specific time period.*

Also, we need outside help regarding what our needs are, how we fit in this community, within our umbrella organization's infrastructure.

- *The push for local (often fragile) faith-based institution involvement in meeting basic needs, multiple social service roles, increased responsibility is beyond their capacity to cope: definitely need capacity building, TA at all levels, but particularly at grassroots level.*
- *Need to be sensitive to where the organization is now, where it can be long term, and making the transition.*
- *In larger organizations, closer you get to front line staff, more difficult/more unusual it is for abstract thinking skills – yet that may be where greatest need is.*
- *Flint has history of thinking they have everything needed in close proximity, but it often proves to be a false idea that we have skills, resources needed.*
- *Funders may need to take a look at 6 large and another 20 smaller groups working on housing. They may all be doing some good work – but not enough to justify all the overhead, and it's just not intelligent grantmaking.*
- *Maybe we don't have too many nonprofits, but too many bad ones. Need to let the really bad ones die, shore up and empower the good ones.*
- *Really great to see different people around the table. Helps me be a little more hopeful. Usually see same people, preaching to the choir.*
- *Does strategic planning always have to lead to growth? We can't just assume growth equals success, nor should planning point to it. Key is to focus on effectively meeting mission and community needs.*

Consultants Focus Group

Questions for the Consultants' Focus Group were quite different. As stated above, most of the consultants were generalists and had significant experience in a variety of roles in the nonprofit sector. In addition to gathering information and insights about technical assistance and capacity building (based on knowledge *and* experience), the topics of greatest importance to project implementation were:

- 1) *Capacity building vs. Technical assistance: Capacity building (CB) is an organization's way of improving at multiple levels of interaction and function. These include the individual, group, community and the system. CB is broader than technical assistance. It looks at both the assets and the weak links within the organization, and aims to aid the processes that will make the organization thrive and be sustaining.*
- 2) *What types of consulting work do you do? Areas of specialization? Straight consulting, facilitation, work as solo practitioner, work with a partner, work in SE MI, work in regional and/or national areas, and work paid for by a funder or other third party... at least 50% of work is with non-profits. Facilitation is a major activity for all consulting relationships.*

- 3) What do you perceive are the key issues in the ménage a trios (the “triangle” relationship between funder, nonprofit, consultant)? *There needs to always be a communication plan for clarity and to keep others apprised. Non-profits need to distinguish the roles, responsibilities and reporting issues among/between consultant, organization and foundations/funders.*
- 4) What do you perceive are the greatest barriers to accessing professional capacity building support for nonprofits? *Money, the lack of knowledge to identify and obtain appropriate help, the time required to use available resources. Depth of leadership and knowledge may be inadequate to really achieve the CB that could occur.*
- 5) Do you do organizational assessments? If so, what strategies do you use to determine needs? Capacity for accepting and/or implementing recommendations? *All do assessments in one form or another. Sometimes use an instrument. Must assess completely and from the top down, inside out.*
- 6) How do you address issues of diversity, cultural competency?
 - *One participant works in an area where there is substantial diversity in race and culture, with obvious differences even in the perceived “power” of each person. This group dealt with the issues by openly acknowledging the disparities and putting the issues on the table to be discussed at a personal level. Although it was difficult and at times quite uncomfortable, the outcomes were positive.*
 - *Organizations don’t always realize that race, culture, issues of ethnicity, are important. Consultants must often ask hard questions about this. Perhaps funders should require certain racial or cultural diversity, especially on a board, when they are awarding grants, and explain why.*
 - *Consultants must have the right ethnic/cultural mix for the team to work with a group. Important to spend the necessary time to develop the right team. When you are in front of a group, must have the appropriate racial and cultural representation for the group. It does matter. (Note: Other consultants were not so strong on this point, regardless of personal ethnic background.)*
 - *Listening is very important with this issue. Do not dance around these types of issues, and do not falsely presume to understand the issues if you really do not. Any of the social “isms” require this awareness and, frequently, sensitivity. And, the type of work will also dictate the degree of importance of race and culture.*

All the consultants were impressed that Flint funders were considering such an innovative and important project cooperatively rather than one foundation setting out on its own.

Table 4: Flint Funders Collaborative: Consultants Focus Group Attendees

<p>Arlene Brennan 528 W. Ninth St. Traverse City, MI 49684 brennan@gtii.com ph. 231-947-1897 fax 231- 932-9027 Management realignment; Health Care management; Strategic planning Service area: Michigan</p>	<p>Cassandra Joubert 35300 Woodward Ave. #202 Birmingham, MI 48009 joubertc@msn.com ph. 248-203-7064 Consensus building; Strategic planning (health and social justice); Situational analysis Service area: Michigan, Oklahoma, Texas</p>
<p>Robert Brown (Bob) University Outreach 6 Kellogg Center MSU E. Lansing, MI 48824 Brownr23@msu.edu ph. 517-432-2500 Outcome evaluation; Asset orientation and approaches Service area: Michigan, National</p>	<p>Cynthia Koch 545 Sixth St. Ann Arbor, MI 48103 cynthia_koch@ameritech.net ph. 734-546-8303 Planning; Program design and implementation; Evaluation Service area: Michigan, NYC, DC</p>
<p>Stephen Gill 3051 Geddes Ave. Ann Arbor, MI 48104 sjqconsult@earthlink.net ph. 734-665-7728 Program evaluation; Evaluation training; strategic planning Service area: Michigan, National</p>	<p>Louise Motoligin Collaborative Management Consultants, Inc. 705 Barrington Rd. Grosse Pointe Park, MI 48230 louise@collaborativemgmt.com ph. 313-331-3676 fax 313-331-4190 Planning; Fund development; Collaborative facilitation Service area: Michigan</p>
<p>Anne Glendon Glendon Associates P.O. Box 130800 Ann Arbor, MI 48113-0800 aglendon@aol.com ph. 734-761-7232 fax 734-669-8780 Facilitation; Strategic planning; Organizational assessment and restructuring; Resource development; Culture change Service area: Michigan, Midwest, National</p>	<p>Tom Reischl School of Public Health University of Michigan 109 Observatory, M2541 Ann Arbor, MI 48109-2029 reischl@umich.edu ph. 734-763-5568 Program evaluation; community-based research Service area: Genesee County, Michigan</p>
<p>Lorri Johnson c/O Dannemiller Tyson Assoc. 905 W. Eisenhower Circle #105 Ann Arbor, MI 481003-6400 lorrijohn@aol.com ph. 734-662-1330 x 102 fax 734-662-2301 Org. Development, Strategy and deployment, Culture change, Process design Service area: Michigan, National, DC, CA, WA</p>	<p>John Seeley FERA 1810 Cooley Ann Arbor, MI 48103 jaseeley@aol.com ph. 734-646-4613 fax 734-998-1378 Evaluation; Strategic planning; Evaluation training Service area: USA, Global; Michigan: Ann Arbor, Detroit, Flint, Battle Creek</p>

INTERVIEWS

Only four of the six planned interviews were conducted. One candidate never responded to letters or phone calls; another could not fit it in at the end of the calendar year. All were experienced executives and represented different sectors: Health; Housing; Education; and, the Resource Center. Each was invited to share an overview of their own job and organization. In most cases, their comments and insights were so specific that quoting would immediately reveal their identity and be a breach of promised confidentiality. Those comments that seem particularly useful, but less attributable, include:

- *I hope that any capacity building initiative will be over a 2 – 3 year period. It can't be viewed as a quick fix or overnight transformation.*
- *There are far too many groups doing essentially the same work. We've got to consolidate to effectively address community need. Funders should take the lead on this in an even-handed way. Going through a funders' collaborative could be very useful.*
- *The city's receivership is a great opportunity to reassess needs, set real priorities.*
- *If the funders can support [the receivership opportunity] through a collaborative capacity building initiative, it would be fantastic. "But I'll believe it when I see them actually doing it."*
- *Organizations that don't get funding from one of the big local foundations are really at a disadvantage trying to get outside foundations interested.*
- *We need more big-picture thinking in Flint, not so much every organization for itself.*
- *The haves and have-nots in this community are growing further and further apart.*

**The United Way of Genesee County
The Ruth Mott Foundation
The Community Foundation of Greater Flint
The Charles Stewart Mott Foundation**

Dear 2001 Grantee:

The United Way of Genesee County, the Community Foundation of Greater Flint, the Ruth Mott Foundation and the C.S. Mott Foundation believe that healthy nonprofits are critical components of our democratic society. *We also believe internally stable, effective nonprofit organizations are essential to achieving a high quality of life in Flint and Genesee County.* Based on this core value, we invest millions of dollars annually in supporting nonprofit programs and services in this community.

A substantial number of these grants have been directed at capacity building and technical assistance to nonprofit organizations. Over the past two years, the above funders have met informally to discuss ways of improving grantmaking in these areas. We have begun to explore ways that we might work together to have a greater, more positive impact on the health and well being of local nonprofits while also helping meet our own respective funding priorities.

We want to open the dialogue to involve a broad cross section of community and nonprofit leaders, volunteers in grassroots initiatives, and representatives from other funding entities. We are very interested in learning more about your technical assistance needs and desires, as well as what consulting, training and other services have been most beneficial to you in the past.

The enclosed survey has been designed for nonprofit organization leaders to help us learn more about your perceived needs. Results from the survey will be reported in the aggregate only, and your participation is voluntary and confidential.

Please complete and return your survey by August 15. A return envelope is enclosed for your convenience. Thank you in advance for your time and thoughtful response.

Sincerely,

Ron Butler

Susan Pool

Victor Papale
President

Karen Aldridge Eason

CAPACITY BUILDING NEEDS SURVEY

The following survey questions will help us determine the experience and needs of nonprofit agencies in Genesee County. The reported result will be totals by category. Your individual answers are voluntary and confidential.

I. Demographics

1. What is the range of your annual budget? (Please check ✓ one)

- | | |
|---|---|
| <input type="checkbox"/> A. Under \$10,000 | <input type="checkbox"/> E. Between \$500,001 - \$1,000,000 |
| <input type="checkbox"/> B. Between \$10,000 - \$50,000 | <input type="checkbox"/> F. Between \$1,000,001 - \$5,000,000 |
| <input type="checkbox"/> C. Between \$50,001 - \$100,000 | <input type="checkbox"/> G. Over \$5,000,000 |
| <input type="checkbox"/> D. Between \$100,001 - \$500,000 | |

2. With which sector do you most closely identify yourself? (Please check ✓ one)

- | | | |
|--|--|-------------------------------------|
| <input type="checkbox"/> A. Schools/Pre-School | <input type="checkbox"/> D. Human Services | <input type="checkbox"/> G. Housing |
| <input type="checkbox"/> B. Youth Development/After School | <input type="checkbox"/> E. Health | <input type="checkbox"/> H. Arts |
| <input type="checkbox"/> C. Neighborhood Organizations | <input type="checkbox"/> F. Government | |

3A. Does your organization have....? (Please check ✓ one)

- A. 501 status OR B. Unincorporated community organization

3B. Is your organization Faith-Based? Yes No

4. Please indicate your position within the organization:

- A. Executive Director B. Board or Key Volunteer C. Senior staff

II. Areas of Need and/or Interest

Please check ✓ YES or NO in both columns for your agency's areas of concern. The first column asks whether you have had experience with training workshops or consulting services on this topic. The second column asks whether your organization needs this type of assistance.

5. <u>Board and Structure</u>	Have Had Experience	Need Assistance
A. Organizational structures	<input type="checkbox"/> 1. yes <input type="checkbox"/> 2. no	<input type="checkbox"/> 3. yes <input type="checkbox"/> 4. no
B. Board development	<input type="checkbox"/> 1. yes <input type="checkbox"/> 2. no	<input type="checkbox"/> 3. yes <input type="checkbox"/> 4. no
C. By-laws	<input type="checkbox"/> 1. yes <input type="checkbox"/> 2. no	<input type="checkbox"/> 3. yes <input type="checkbox"/> 4. no
D. Roles and responsibilities	<input type="checkbox"/> 1. yes <input type="checkbox"/> 2. no	<input type="checkbox"/> 3. yes <input type="checkbox"/> 4. no
E. Committee development	<input type="checkbox"/> 1. yes <input type="checkbox"/> 2. no	<input type="checkbox"/> 3. yes <input type="checkbox"/> 4. no
F. Board/staff team work	<input type="checkbox"/> 1. yes <input type="checkbox"/> 2. no	<input type="checkbox"/> 3. yes <input type="checkbox"/> 4. no
G. Board retreats	<input type="checkbox"/> 1. yes <input type="checkbox"/> 2. no	<input type="checkbox"/> 3. yes <input type="checkbox"/> 4. no
H. Strategic planning	<input type="checkbox"/> 1. yes <input type="checkbox"/> 2. no	<input type="checkbox"/> 3. yes <input type="checkbox"/> 4. no

6. <u>Human Resources</u>	Have Had		Need	
	Experience		Assistance	
A. Staffing plans	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
B. Job descriptions	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
C. Personnel policies	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
D. Benefit planning	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
E. Volunteers	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
F. Coaching	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
G. Staff/performance evaluation	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
7. <u>Program Management</u>				
A. Program development	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
B. Goals and objectives	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
C. Logic models	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
D. Evaluation	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
E. Feasibility studies	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
F. Client relations/satisfaction	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
G. Needs Assessment	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
8. <u>Marketing</u>				
A. Marketing plans	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
B. Audience surveys	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
C. Membership campaigns	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
D. Public relations/promotions	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
9. <u>Legal</u>				
A. Incorporation	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
B. Merger	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
10. <u>Finance</u>				
A. Budgeting	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
B. Accounting systems	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
C. Cost benefit analysis	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
D. Investment management	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
E. Internal controls	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
F. Audit	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
11. <u>Resource Development</u>				
A. Annual campaign	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
B. Proposal writing and grants	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
C. Special Events	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
D. Planned giving	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
E. Major gifts	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
F. Grassroots fundraising	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
G. Endowments	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no
H. For profit ventures	_____ 1. yes	_____ 2. no	_____ 3. yes	_____ 4. no

12. Communications	Have Had Experience	Need Assistance
A. Internal	_____ 1. yes _____ 2. no	_____ 3. yes _____ 4. no
B. External	_____ 1. yes _____ 2. no	_____ 3. yes _____ 4. no
C. Information/Technology	_____ 1. yes _____ 2. no	_____ 3. yes _____ 4. no

NEEDING ASSISTANCE

13. For those topics which you checked ✓ YES as needing assistance, please prioritize the top three (Example...1,2,3 with 1 being the most important.).

If you answered NO TO ALL AREAS in column two, Section II-Areas of Need, please go to page 5, Section IV-Barriers, question number 16.

- | | |
|------------------------------|-------------------------------|
| _____ A. Board and Structure | _____ E. Legal |
| _____ B. Human Resources | _____ F. Finance |
| _____ C. Program Management | _____ G. Resource Development |
| _____ D. Marketing | _____ H. Communications |

III. Experience and comments

EXPERIENCE WITH TRAINING WORKSHOPS

14A. How many training workshops have you attended in the last three years? _____

14B. In general, how satisfied were you with the training workshops you received? (Please check ✓ one)

- | | |
|-----------------------------|---|
| _____ 1. Very satisfied | _____ 4. Somewhat dissatisfied |
| _____ 2. Somewhat satisfied | _____ 5. Very dissatisfied |
| _____ 3. Neutral | _____ 6. Not applicable (Go to 15A, page 4) |

14C. For those workshops where you were dissatisfied, please specify why.

14D. For those workshops where you were satisfied, what was most valuable?

14E. What changes did your organization make as a result of the training workshops you experienced? Please be specific.

**14F. In general, what type of organization provided your training workshops?
(Please check ✓ one)**

- | | |
|--------------------------------------|--------------------------------------|
| <input type="checkbox"/> 1. In-House | <input type="checkbox"/> 3. Regional |
| <input type="checkbox"/> 2. Local | <input type="checkbox"/> 4. National |

Comments about training workshops:

EXPERIENCE WITH CONSULTANT SERVICES

**15A. How many consultants have you/your organization used in the last three years? _____
(If zero, go to question #16)**

**15B. In general, how satisfied were you with the consultant services you experienced?
(Please check ✓ one)**

- | | |
|--|---|
| <input type="checkbox"/> 1. Very satisfied | <input type="checkbox"/> 4. Somewhat dissatisfied |
| <input type="checkbox"/> 2. Somewhat satisfied | <input type="checkbox"/> 5. Very dissatisfied |
| <input type="checkbox"/> 3. Neutral | <input type="checkbox"/> 6. Not applicable (Go to 16) |

15C. With the consultants you were dissatisfied, please specify why.

15D. With the consultants you found satisfactory, what was most valuable?

15E. What changes did your organization make as a result of the consulting services you experienced?

15F. Were these services provided by a firm that was.....? (Please check ✓ one)

- | |
|--------------------------------------|
| <input type="checkbox"/> 1. Local |
| <input type="checkbox"/> 2. Regional |
| <input type="checkbox"/> 3. National |

Comments about consulting services:

IV. Barriers (Please check ✓ ALL that apply)

16. What barriers exist in your organization to securing assistance?

- A. Time
- B. Money
- C. Culture
- D. Confidentiality
- E. Access
- F. Other, please specify _____

Comments about barriers:

17. What would encourage your organization to seek technical assistance?

- A. Partial support
- B. Professional consultants
- C. Customized training
- D. Individualized agency assessment
- E. Other, please specify _____

Comments about seeking technical assistance:

**THANK YOU FOR YOUR RESPONSE
Please return in the enclosed envelope by August 15, 2002**