Lessons and Stories from the Social Innovation Fund: From Transactional to Transformational – United Ways Partner for Impact

"United Way and its partners are working and thinking in new ways, co-creating community-based change strategies with a wider diversity of people, organizations and strategies. We're bringing the community together around a common vision, common agenda and a common path forward. . . Our goal is creating opportunity for all Americans to succeed by changing conditions in communities that lead to improved outcomes."
— Stacey D. Stewart, U.S. President, United Way Worldwide[1]

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[1] Stewart, S. D. (December 2013). United Way, healthy communities and collective impact. (Online). *National Civic Review*, 102 (4), pp. 75-78.

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Executive Summary

Every year, the nearly 1,200 U.S. affiliates of the United Way, the country's largest charity, raise over $4 billion dollars from donations and other fundraising and redistribute them to organizations and programs meeting the basic needs of individuals, families, and communities across the country[2,3]. Prompted by both internal and external factors, United Ways since the late 1990s have re-oriented their fundraising and giving strategies to focus on a core set of basic needs – income, education, and health – seen as essential for changing lives and strengthening communities. They are demanding increasing levels of openness and accountability from themselves and their funded organizations, collaborating with partners from multiple sectors on common agendas for action, and requiring and supporting funded organizations to make measureable impacts and show results in communities.

In undertaking this fundamental recalibration of their model, United Way affiliates have enlisted in a wider movement within private philanthropy to shift from a "transactional" giving model – in which funders write checks and hope for the best – to a "transformational" one, in which funders use evidence and data to make funding decisions and partner with their recipients and stakeholders to deepen impact. Such collaborative, results-oriented grantmaking is growing increasingly attractive as evidence-based initiatives, like the Social Innovation Fund (SIF), are gaining momentum within the federal government and private donors, funders, and taxpayers are demanding results for their investments.

Social-sector leaders who seek to ensure that they are effective and efficient in achieving their organizations' mission are seeking guidance and roadmaps to "manage to outcomes". Since 2010, a handful of United Way affiliates have found this guidance through their participation in the SIF. These affiliates saw SIF funding, with its emphasis on innovation, scaling, and evidence, as well as its requirements for match funding, open grant competitions, and fiscal accountability, as offering a timely and "game-changing" catalyst for launching or enhancing their impact-investment goals and strategies.

This report recounts the experiences of two United Way affiliates, Mile High United Way of Denver, CO and United Way for Southeastern Michigan of Detroit, MI, which were selected to be SIF intermediaries in 2011. It describes how their SIF grants have changed how the organizations approach their work, in particular enabling them to adopt or enhance evidence-based practices for finding, selecting, and supporting high-performing organizations as SIF subgrantees. The lessons they and their subgrantees learned through the SIF can be instructive for other United Way affiliates, community foundations, and other local philanthropies. They can also provide insights and practical examples for any grantmaker considering adopting data-driven funding strategies.

These best practices include:

- Ensure both the funding organization and potential recipients fully understand, are prepared for, and are committed to carrying out the requirements of results-oriented grantmaking;
- Provide adequate resources over the long term to support capacity building of recipients, particularly for those new to evaluation and rigorous data-collection processes and systems; and
- Secure the commitment from co-funders and other stakeholders to support impact-investment goals and projects over the long-term, as it takes time to implement, nurture, and see results from them.

The report begins with an overview of the history of United Way affiliates and their traditional and more recent giving models. Next, case studies of the SIF experiences of Mile High United Way and United Way for Southeastern Michigan are presented. These are followed by a set of best practices that emerged from their experiences, after which resources and suggested additional readings are offered for readers seeking more information and practical tools.

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[2] Internal Revenue Service. (2014). Form 990: Return of Organization Exempt from Income Tax: United Way Worldwide. (Online). Retrieved September 28, 2015 from http://s3.amazonaws.com/uww.assets/site/reporting/UWW_IRS_Form_990_%282014_-_Public_Disclosure_Copy%29.pdf

[3] Barrett, W.P. (December 2014). The largest charities in America. (Online). *Forbes*. Retrieved September 1, 2015 from http://www.forbes.com/top-charities

About the Social Innovation Fund

The Social Innovation Fund is a powerful approach to transforming lives and communities that positions the federal government to be a catalyst for impact — mobilizing private resources to find and grow community solutions with evidence of results.

Authorized by the Edward M. Kennedy Serve America Act in April of 2009, the Social Innovation Fund is a program of the Corporation for National and Community Service that empowers organizations to identify and support sustainable solutions that are already making a significant impact in transforming communities.

With the simple but vital goal of finding what works, and making it work for more people, the Social Innovation Fund and its grantees create a learning network of organizations working to implement innovative and effective evidence-based solutions to local and national challenges in three priority areas: economic opportunity, healthy futures, and youth development.

To help scale evidence-based community solutions, the Social Innovation Fund has two grant programs: Classic (the original SIF program) and Pay for Success (founded in 2014). Through the two programs, community-based organizations, or "intermediaries," direct resources to nonprofit organizations and state and local government entities, or "subgrantees," to help build the capacity of the social sector and lift up solutions that can transform lives. In addition, the Social Innovation Fund shares lessons learned through its Knowledge Initiative.

Introduction

A Long History of Community Investment

For almost 130 years, United Way affiliates have been leaders in charitable giving focused on meeting pressing community needs in the United States and beyond. Tracing its founding to 1887 in Denver, CO, the United Way network remains the country's largest charity[3] and one of its oldest. It also has a significant international footprint, with a presence in nearly 1,800 communities in more than 40 countries and territories. Its 9.6 million donors and 2.6 million volunteers worldwide annually raise more than $5 billion and impact the lives of up to 50 million people[4].

Local United Way affiliates raise funds and distribute them to local nonprofits, traditionally through a membership model. Each affiliate has its own managers, board, and volunteers. The affiliates follow certain guidelines and regulations maintained by United Way Worldwide, the network's leadership and support organization in Alexandria, VA, but otherwise have autonomy to set and pursue their own fundraising and giving goals. This decentralized model allows for responsiveness to local philanthropic ecosystems and community needs, and was a contributor to the United Way movement's growth and success.

It was not without shortcomings, however. It was difficult, for example, to establish common policies for governance, membership, branding, and fiscal accountability across a loose confederation of nearly 1,200 largely independent organizations. In addition, United Way affiliates often faced criticism for how they selected community organizations to receive funding[5]. Recipient selection could be somewhat subjective, based on such factors as: whether or not a board member of a United Way affiliate was familiar with a community-based organization; if affiliate board members felt an organization itself or the cause it represented was an important one to support in their community; or whether or not an organization would be palatable to the employers participating in the workplace-giving programs that were the traditional mainstay of United Way fundraising.

Over decades of giving, United Ways thus tended to favor large, mainstream nonprofits over smaller or offbeat ones that lacked sufficient capacity or community stature. Moreover, little thought was given to whether or not the recipient charities could show results for the money United Ways had given them.

A New Approach to Giving

In response to high profile scandals involving United Way leaders, increasing competition for donations from new nonprofits and advocacy groups, and a decline in workplace giving, in the late 1990s and 2000s United Way affiliates embarked on a period of soul-searching and re-assessment of their purpose and practices[6]. The result was a "Community Impact Agenda," a vision for how United Ways could re-build trust and remain credible, relevant, and effective[7].

In this vision, United Way affiliates would target a limited number of issues and basic needs whose existence or lack thereof causes or contributes to poverty in communities across the country: income, education, and health. They would look beyond themselves and their network to partner with other grantmakers, government agencies, corporations, and nonprofits to concentrate and magnify collective action and investment to tackle difficult social problems. Moreover,

[4] United Way Worldwide. (n.d.). Our impact. (Online). Retrieved September 1, 2015 from http://www.unitedway.org/our-impact/mission
[5] Levens, B. R. (2006). In search of relevance: Observations on United Way fund distribution. (Online). *The Philanthropist*, 20(3), pp. 185-197. Retrieved September 4, 2015 from http://thephilanthropist.ca/original-pdfs/Philanthropist-20-3-348.pdf
[6] Barrett, W. P. (January 16, 2006). United Way's new way. (Online). *Forbes*. Retrieved September 4, 2015 from http://www.forbes.com/2006/01/13/united-way-philanthropy-cz_wb_0117unitedway.html
[7] Cohen, R. (December 21, 2007). The United Way's way or bust. *Nonprofit Quarterly* (Online). Retrieved September 4, 2015 from http://nonprofitquarterly.org/2007/12/21/the-united-ways-way-or-bust/

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United Ways would no longer simply write checks to charities and hope they would do what they said they would do; rather, United Ways would engage with recipients to strengthen their capacity to implement strong programs. These relationships would move beyond "transactional" to be "transformational."

With encouragement from United Way Worldwide, United Way affiliates have worked to convert the Community Impact Agenda into concrete fundraising and giving strategies in their communities. They are identifying areas of greatest need and crafting localized "Agendas for Change" that refocus giving and partnership-building around one or more "pillars of impact" linked back to income, education, and health.

SIF and United Ways

The availability of funding through the SIF beginning in 2010 came at an opportune moment for United Way affiliates seeking to catalyze or extend their agendas for change. Several recognized that the substantial size of a SIF grant, the opportunity to participate in a high-profile federal program, and the SIF's emphasis on evidence, evaluation, and scaling were aligned with their organizations' goals for advancing results-oriented, impactful giving.

United Ways that applied for and were selected to be intermediaries to date through the "SIF Classic" grant program are detailed in the table below. This type of SIF grant typically lasts five years, although some of the funded United Ways ended their participation early.

Current and Past United Way SIF Classic Intermediaries

United Way Affiliate[8]	Years Funded*	SIF Issue Area and Program Summary
Capital Area United Way (Greater Baton Rouge, LA)	2012-2013	Youth Development: Replicate and/or expand early childhood development programs to increase school readiness among children in low-income and rural parishes within the Greater Baton Rouge area.
Greater Twin Cities United Way (St. Paul/Minneapolis, MN)	2012-2017	Youth Development: In partnership with Generation Next, improve kindergarten readiness, third-grade reading proficiency, ninth-grade readiness for upper-level math, four-year high school graduation, and post-secondary enrollment among low-income students in the St. Paul/Minneapolis area.
Mile High United Way (Nine Colorado counties)	2011-2016	Youth Development: Address third-grade literacy rates in rural and urban areas across the state of Colorado.
United Way of Greater Cincinnati (Greater Cincinnati, OH)	2010-2012	Youth Development: Help low-income children and youth in Greater Cincinnati prepare for and succeed in school and college and transition to successful lives and livelihoods.
United Way of Greenville County (Greenville County, SC)	2014-2019	Youth Development: Through the OnTrack Greenville initiative, identify Greenville County middle-grade students beginning to disengage from school and support them to stay on track toward high school graduation.

[8] Social Innovation Fund (n.d.) Funded organizations. (Online). Retrieved September 7, 2015 from http://www.nationalservice.gov/programs/social-innovation-fund/funded-organizations

United Way Affiliate[8]	Years Funded*	SIF Issue Area and Program Summary
United Way of Lane County (Lane County, OR)	2015-2020	Youth Development: Implement the evidence-based Kids in Transition to School (KITS) program to improve the early literacy and social and self-regulation skills of Lane County children entering kindergarten.
United Way for Southeastern Michigan (Greater Detroit, MI)	2011-2016	Youth Development: Address social challenges in the Detroit area by providing young children ages birth to five with skills to succeed in school.

**Continuation funding is contingent on congressional appropriations and meeting the requirements of the SIF.*

This report describes in detail the SIF experience of two United Way affiliates – Mile High United Way and United Way for Southeastern Michigan – highlighting why they applied for SIF funding, the opportunities and challenges their SIF grants presented, and how the grants changed the affiliates in ways both large and small. Specifically, it will describe how the SIF grants enabled the two United Way affiliates to adopt or enhance evidence-based practices for identifying, selecting, and developing high-performing organizations to be grantees of their SIF-funded projects (or "subgrantees," in SIF terms). Their experiences can be informative for other United Way affiliates and organizations considering applying for SIF grants, as well as for community foundations and other local philanthropies seeking to put evidence and data at the center of funding decisions and establish transformational, rather than transactional, relationships with grantees. The report draws from interviews with staff of Mile High United Way and United Way for Southeastern Michigan and selected subgrantees, as well as staff reflections compiled by Mile High United Way's cross-site evaluation partner, the Butler Institute for Families at the University of Denver[9,10].

Mile High United Way – Advancing Early Literacy in Colorado

Mile High United Way is the nation's first United Way, having been created on October 16, 1887 when local community and religious leaders founded a fundraising organization that was a precursor to the current United Way affiliate serving the five-county Metro Denver region[11]. The organization draws on its deep roots and rich, 128-year history in Denver and Colorado as it pursues innovative programs and partnerships focused on school readiness, youth success, and adult self-sufficiency.

Building upon a strong state movement for reform and with bipartisan support from Colorado's governor, lieutenant governor, and state legislature, Mile High United Way was poised to introduce key transformations in Colorado's education system. In 2011, Mile High United Way secured a SIF Classic grant to support promising early literacy programs in the state. Called the Early Literacy Social Innovation Fund (Early Literacy SIF), the goal of the project was to tackle poor educational outcomes – particularly for English Language Learners, students in poverty, and others facing barriers to achievement – in nine Colorado counties by increasing the reading proficiency of participating children. Research has found that for struggling students the inability to read proficiently by the third grade can lead to delays,

[9] Butler Institute for Families, University of Denver. (2015). Social Innovation Fund: Organizational impact on Mile High United Way as a funding intermediary. Denver, CO.

[10] Butler Institute for Families, University of Denver. (2015). Mile High United Way: Impact of the Social Innovation Fund on participating organizations. Denver, CO.

[11] Mile High United Way. (n.d.). Who we are. (Online). Retrieved September 6, 2015 from http://www.unitedwaydenver.org/who-we-are

disengagement, and dropping out of school[12], so promoting reading proficiency is critical to closing the achievement gap.

Mile High United Way is using its SIF grant to fund and coordinate the work of selected service providers implementing, scaling, and evaluating evidence-based early literacy programs in low-income communities. For some providers, this meant expanding existing services to serve more people, while for others it meant reaching new areas or student populations. Their specific programs include early literacy training for teachers and early childhood providers, literacy tutoring, and summer literacy. Mile High United Way's current SIF subgrantees are listed in the table below.

Current Mile High United Way SIF Subgrantees

Subgrantee	Program Summary	Subgrantee Award, as of March 2015
Clayton Early Learning/Mile High Montessori Early Learning Centers (Denver, CO)	The Ready to Read program uses Dialogic Reading and Cradling Literacy in center-based and play-and-learn settings to provide early childhood educators, families, and volunteers the necessary skills to help increase children's oral language and vocabulary skills in schools and at home.	$751,262
Colorado Humanities (Greenwood Village, CO)	The Motheread/Fatheread Colorado program augments children's school readiness and optimizes their literacy skills and ongoing success in school by helping to create a reading environment in the home and increasing the frequency and quality of being read to by parents, childcare providers, and early childhood educators.	$892,600
Colorado Statewide Parent Coalition (Westminster, CO)	The Providers Advancing School Outcomes (PASO) program is designed to train and support Family, Friend, and Neighbor (FFN) providers to increase the quality of education and care for preschool-aged children, especially in low-income Hispanic communities. PASO will enhance the capacity of these FFN providers to ensure school readiness of Latino children, birth to five years of age.	$930,306
The Bridge Project (Denver, CO)	The Bridge Project provides early literacy intervention to children living in public housing neighborhoods through quality instruction and one-to-one, volunteer tutor relationships.	$485,400
Jeffco Schools Foundation (Lakewood, CO)	The Jeffco Summer of Early Literacy (JSEL) program replicates and expands the evidence-based literacy instruction framework and curricula used during the regular school year into the summer months in high-poverty, low-resource neighborhoods.	$557,698
Reading Partners Colorado (Denver, CO)	Reading Partners seeks to improve reading skills and life opportunities for children across four Colorado counties and to provide a meaningful, structured method for community volunteers to engage with their local schools.	$1,840,994

[12] Annie E. Casey Foundation. (January 2010). Early warning! Why reading by the end of third grade matters. (Online). Retrieved September 6, 2015 from http://www.aecf.org/resources/early-warning-why-reading-by-the-end-of-third-grade-matters

Subgrantee	Program Summary	Subgrantee Award, as of March 2015
Summit 54 (Denver, CO)	By harnessing the power of summer learning, the Summer Advantage USA program raises the educational achievement of students in grades K-3, offering rigorous academic instruction, enrichment, healthy meals, inspirational guest speakers and field trips to landmarks and universities during the summer.	$1,442,500

Impact of the SIF

Mile High United Way's experience as a SIF Classic intermediary has had a substantial and far-reaching impact on its structures and processes. Knowledge, practices, and tools it developed to manage its Early Literacy SIF program have been transferred throughout the larger organization and have influenced changes in its grantmaking processes and program management.

"It was a game-changer for us, in how we look at our own work and how we look at the organizations we partner with," said Christine Benero, Mile High United Way's president and CEO. "Not just our subgrantees, but every partner. It gave us a real appreciation and understanding for capacity and fidelity to a model. We had a surface understanding of them, but had no appreciation for them in the manner in which we do now."

The experience was also transformative for Mile High United Way's Early Literacy SIF subgrantees. In addition to providing long-term, stable funding, the SIF grant required the subgrantees to build and enhance their organizational capacity, implement new systems and processes, and better use data to inform management and programming decisions.

Adding Rigor to the Selection Process

"Recipients are required to select subrecipients on a competitive basis. This means that recipients must run an open competition that is available to eligible nonprofit community organizations beyond their own existing grant portfolio or network. Subawards must be made in annual amounts of at least $100,000, and of sufficient size and scope to enable the subrecipient to build its capacity to manage initiatives and sustain replication or expansion for the initiatives[13]*.*

As required by the SIF Classic grant program, Mile High United Way ran an open competition to select Early Literacy SIF subgrantees. According to Mile High United Way program manager Marisol Cruz, while the organization had run open competitions before, the federal government's strict standards for transparency prompted Mile High United Way to open up its subgrantee selection process and invite external partners and stakeholders to participate.

Mile High United Way convened "community expert panels" consisting of policymakers, government officials, early childhood council members, nonprofit leaders, and other subject matter experts to review and score request for proposal (RFP) responses. Once the review panels narrowed the list of potential subgrantees, Mile High United Way staff conducted site visits and interviews with finalists to probe for additional information and gain on-the-ground insights into a potential subgrantee's capacity and commitment.

Cruz notes that Mile High United Way adopted some of the external, peer-review components required by SIF for some of its other, non-SIF grantmaking based on the benefits they saw from the process. For its 2013 Impact Investment Partner grants, Mile High United Way convened 12 review panels to help sift through over 300 applications from local organizations and select around 100 to receive three-year funding. She adds that Mile High United Way intends to utilize this same process again for its 2016-2018 Strategic Investment Grants.

[13] Social Innovation Fund. (January 2015). Notice of federal funding availability. (Online). Retrieved September 16 from http://www.nationalservice.gov/sites/default/files/documents/2015%20SIF%20NOFA%20FINAL%201.20.15.pdf

Building Evaluation Expertise

"The Social Innovation Fund has three tiers of evidence: preliminary, moderate, and strong. Social Innovation Fund recipients must fund program models with at least preliminary evidence of effectiveness and support further evaluation of those models in order to increase the level of evidence, thereby adding to the existing evidence base, and developing greater understanding of what makes the program successful. These evaluations must be conducted by third party, independent evaluation partners….It is the expectation of CNCS that each program model will achieve moderate or strong evidence of impact by the end of its three- to five-year subaward period. Because of the rigor of such evaluation designs, program models with only early stages of preliminary evidence may not be appropriate candidates for subawards through the Social Innovation Fund."

The SIF grant significantly increased Mile High United Way's and its subgrantees' knowledge and capacity in data collection and evaluation. In many ways this was spurred by necessity, as both Mile High United Way and its subgrantees had limited experience with overseeing or participating in evaluation studies with the level of rigor the SIF required.

Indeed, the amount of technical assistance required by subgrantees to plan and execute their evaluations was greater than anticipated and more than Mile High United Way could provide on its own. As a result, it engaged the Butler Institute for Families to coordinate a cross-site evaluation that would capture promising practices to share among the subgrantees. Their work included providing evaluation technical assistance to the subgrantees and their evaluators.

As a result of this experience, in addition to growing its evaluation staff from one to seven, Mile High United Way has started to consider evaluation capacity in how it selects and supports its non-SIF grantees. It added to its grant application questions to assess an applicant's capacity and readiness to support evaluation activities and willingness to grow that capacity. It has also committed to building the capacity of local organizations beyond its direct grantees to use data and evaluations. It is doing so by offering a variety of learning opportunities that range from single workshops (e.g., Performance Measurement 101) to an intensive, two-year, cohort-based training and coaching program called the Performance Collaborative.

"[The Performance Collaborative] was an idea of our director of evaluation," said Mile High United Way's Cruz, "and a lot of it came out of our learnings implementing the SIF grant and working with high-performing community organizations at such a deep level. We saw that a lot of our partner organizations also didn't have evaluation capacity, and even common definitions for what it means to be 'evidence-based,' what 'performance measurement' means, what it means to utilize your data."

On the subgrantee side, the SIF grant's evaluation requirement prompted all of them to develop or expand data-management processes or systems. Three subgrantees developed new databases to collect and report outcomes data. Others have created new systems to ensure data is collected consistently across program sites. Still others adapted existing data systems for their own use or negotiated access to data systems used by a project partner. For example, the two summer programs in Mile High United Way's subgrantee portfolio established agreements with their partner school districts to access district data systems that are not normally available during the summer. Most subgrantees expect that these systems and processes will continue to be used even after the SIF grant ends[10].

Subgrantees have thus become more comfortable with data, or have found new ways to put it to use in service to their programs. For example, noted Cruz, the Colorado Statewide Parent Coalition built considerable evaluation capacity in a short period of time. After evaluation results became available, the organization convened a meeting of its funders to share the results with them, inviting their evaluator to help present and explain the findings.

"Before, they didn't even have a data system," Cruz said. "Now, they're holding funder convenings to share evaluation results with an eye towards program sustainability. It's tremendous to see that kind of growth within an organization. It shows the level of commitment and the work they put in to get to this point."

Growing Strong Programs

In addition to growing capacity in evaluation and data use, the SIF Classic grant enhanced Mile High United Way's capabilities to help grantees implement and scale strong programs in other ways. The practices and systems Mile High United Way adopted to meet federal compliance and financial reporting requirements, for example, strengthened its capacity as an intermediary and raised its credibility as a wise steward of donors' funds.

"With individual donors, it helps them understand what their gifts are doing," said Mile High United Way's Benero. "Our intermediary role and infrastructure are critical in leveraging their gifts."

In addition to indicators of readiness for evaluation, Mile High United Way is identifying questions to add to its grant application and other mechanisms for gauging if an organization has the capacity and commitment to enter into a transformational funding relationship. It is also setting aside a small pool of capacity-building money in the next RFP process that potential grantees can apply for in addition to the main grant.

Among Mile High United Way's SIF subgrantees, nearly all used the SIF grant to build organization and staff capacity and invest in training, coaching, and professional development. This was crucial for subgrantees that used non-certified staff and/or volunteers in their work with children, as turnover among such staff was high and new recruits had to be trained quickly and consistently to maintain program fidelity to support the rigor of the evaluation.

This emphasis on program fidelity, while feeling restrictive at times, was generally seen as positive by the subgrantees. It prompted some, for example, to begin using data or observation forms created for the Early Literacy SIF program as part of ongoing continuous program improvement efforts.

During the third year of its SIF grant, Mile High United Way encouraged and supported subgrantees to develop implementation manuals to capture the knowledge and effective practices they had developed. While not all subgrantees chose to develop the manuals, those that did cite the manuals' potential to sustain and replicate their programs after the SIF grant funding concludes. According to Mile High United Way's Cruz, one subgrantee is planning to share the manual with its parent organization for replication elsewhere, and another is exploring ways its manual could complement a fee-for-service model to raise revenue.

Fostering New Partnerships and Deepening Existing Ones

"Through the SIF, limited federal investments mobilize considerable private cash resources and collaborations. Across both SIF's Classic and Pay for Success programs, intermediaries must match every federal dollar one-to-one. Intermediaries then select and award funds to nonprofit organizations and state and local government entities or "subgrantees." These grant awards to subgrantees must also be matched one-to-one in the Classic program. This match requirement triples the federal investment, augments working capital, and sparks new collaborations, helping intermediaries and their subgrantees more effectively transform lives beyond the initial grant period[14]."

Both Mile High United Way and its subgrantees credit the SIF grant with expanding their networks and giving them influence in important conversations. For Mile High United Way, this has meant entry into local and statewide education policy discussions and initiatives, new or deepened relationships with match funders, and increased stature among donors and fellow grantmakers.

"Our donors are very interested in what the return on their investment is, what the impact is," said Benero. "So our language has changed across the board in how we tell stories. Now we understand better how to talk to donors about the work we're doing and help them understand outputs verses outcomes."

For the subgrantees, this has meant new or expanded connections to program partners, donors, evaluation providers, and

[14] Social Innovation Fund. (n.d.). Our model. (Online). Retrieved September 28, 2015 from http://www.nationalservice.gov/programs/social-innovation-fund/our-model

peer organizations. These connections and collaborations can be crucial for program sustainability, as shown in the example of the Jeffco Schools Foundation that follows.

A Subgrantee's Experience: Jeffco Schools Foundation

Founded in 1983, Jeffco Schools Foundation (the Foundation) is the oldest continuous K-12 education foundation in Colorado. It raises money for academic support and enrichment programs for students of Jefferson County Public Schools. The district is Colorado's second largest, with 89,000 students in 154 schools scattered across 780 square miles. About 35 percent, or close to 30,000 students, live in or near poverty, and the district has the highest number of homeless students of any school district in the state[15].

Mile High United Way selected and awarded the Foundation an initial $121,339 Early Literacy SIF grant in 2012 to establish summer reading programs in four high-poverty neighborhoods in eastern Jefferson County. The investment proved timely: it allowed the Foundation to retain summer instruction after the district had closed its summer school program, and enabled the Foundation to carry out a desired shift in how it funded programs.

"We used to just be a foundation that gave out mini-grants," explained Denise Delgado, the Foundation's executive director. "The board wanted to support more strategic-initiative-type work that had district-wide impact. In addition to matching funds, [the SIF/Mile High United Way grant enabled] that pivot into a different type of programming model."

The Foundation used its Early Literacy SIF grant to replicate and extend the evidence-based literacy instruction framework and curriculum used during the school year, with some modifications. Called the Jeffco Summer of Early Literacy (JSEL), the program is hosted at neighborhood schools and taught by district teachers. It provides a three-hour instructional block over the course of six weeks in the summer for kindergarten through third-graders identified by their school-year teachers as needing extra literacy support. It offers small class sizes – 15 students per teacher – and flexibility for teachers to group and work with students by ability level instead of grade level.

By using the same curriculum in the same classrooms with the same teachers, and with more opportunities for individual attention, the program provided intensive, seamless, year-round support for struggling readers. The initial outcomes, as measured by student scores on reading tests, were impressive.

"Our program was designed to stop the 'summer slide,'" said program coordinator Robin Weikel. "But not only did we stop regression, we saw students making gains with grade-level benchmarks and typically outscoring their peers on the same assessments."

On the basis of this success, the school district committed to scaling the program to serve more students in more grades. It set aside Title 1 antipoverty funds to add two schools serving fourth- through sixth-graders in the third year of the program, and then funded a five-fold expansion to 30 schools the following year. The program thus grew from serving 100 to 200 students per summer to over 1,000 in the summer of 2015, a 700 percent increase in just four years.

In addition to providing the critical seed funding to launch the program, Weikel and Delgado said Mile High United Way and the Early Literacy SIF grant contributed to its success by deepening the Foundation's evaluation expertise, prompting it to put good systems in place, insisting on program fidelity and consistency, and giving it the confidence to undertake the project and offering support and encouragement along the way.

"It was the first time we were able to implement or actualize our board's preferences around evaluation and demonstrating impact," said Delgado. "Our board is very much driven by impact-data analysis, but we just never had the impetus before to undertake it on such a large scale. [The Early Literacy SIF grant] helped show us that we can do this type of work."

[15] Jeffco Schools Foundation. (n.d.) Who are we? (Online). Retrieved September 8, 2015 from http://www.jeffcoschoolsfoundation.org/about.html

Delgado highlighted the positive experiences learning from and working with the third-party evaluators – the Buechner Institute and APA Consulting – as a particular benefit and highlight of the SIF project.

"They understood public school culture and understood state and district education data," she said. "They understood how a school district works in terms of evaluations and student benchmarks. The evaluation was complicated, but critical and necessary. It gave us the data to demonstrate the value of the program and get buy-in from the superintendent."

Delgado and Weikel add that the subgrantee experience was not without its challenges. These included documentation requirements that could feel burdensome for the Foundation's small office staff; a challenging local fundraising environment in which to try to raise match; underestimates of the costs and time needed to carry out evaluation activities; and turnover at Mile High United Way, at the Foundation, and at the school district, the latter of which raised concerns about maintaining the rigor needed for the program evaluation. They noted that to be successful as SIF Classic subgrantees, organizations should have a good evaluation partner, be committed to maintaining the fidelity of the program model, and understand and be prepared to stick with the program over the long term. In turn, they said intermediaries and the SIF should offer flexibility in terms of understanding that change management and innovation go hand in hand, as change is inevitable and likely to occur over the course of the five-year SIF Classic grant period.

Equally important is the ability to assess and make sense of feedback gathered each year. Understanding and valuing the comments, ideas, and suggestions offered by teachers, principals, and parents, the Foundation has been able to modify certain components of the program. While maintaining the integrity of the original JSEL model, minor changes were made to better serve participants. These included: starting the JSEL session right after schools dismiss for the summer, as opposed to waiting a few weeks; more staff development at the beginning of the session and less meeting time toward the end; and sending home more and/or better parent communications that included ideas for how to help children at home.

United Way for Southeastern Michigan Helping Young Children Get Ready for School

United Way for Southeastern Michigan was created in 2005 through the merger of United Way Community Services and the United Way of Oakland County. It focuses its grantmaking on organizations and services meeting the needs of individuals and families through 300 project sites located in and around Detroit, MI[16].

In 2008, United Way for Southeastern Michigan began reviewing its portfolio and refocusing its giving towards initiatives that support the three pillars of impact – education, financial stability, and basic needs – that it adopted in its Agenda for Change. Under the education pillar, it chose to concentrate on early childhood programs and began identifying model programs, making targeted investments, and identifying opportunities to build capacity and shared knowledge across funded organizations.

"It was almost a 'collective impact-lite' model," said Jenny Callans, United Way for Southeastern Michigan's early education director. "We didn't have a lot of theory behind what we were doing; we just knew that we needed to be more concentrated. So we funded a group of agencies to undertake a specific body of work and work together as early learning communities. We funded portions of leadership positions in the communities and gave them collective funding for marketing, outreach, and recruitment."

United Way for Southeastern Michigan applied for SIF funding when it first became available in 2010 to build on its initial work with early learning communities, but was unsuccessful. Its leadership felt a SIF grant presented a compelling opportunity to make a transformative and high-profile investment in one of its key impact areas, so they decided to apply again. The organization went back to the drawing board and re-submitted a second application in 2011 that was ultimately successful.

[16] United Way for Southeastern Michigan. (n.d.) What we do. (Online). Retrieved September 8, 2015 from http://www.liveunitedsem.org/what-we-do

The result was an initial two-year, $4 million award of funding of a five-year SIF Classic grant to test a variety of interventions focused on kindergarten readiness using the early learning communities as a delivery mechanism. Called the Greater Detroit Early Childhood Innovation Fund, the goal was to address the many social challenges in the Detroit area, including poverty and unemployment, by providing young children from birth to age five with the skills necessary to succeed in school.

Through an open competition that was available to eligible nonprofit community organizations beyond their own existing network, United Way for Southeastern Michigan selected an initial set of 11 subgrantees to provide kindergarten readiness programs with the early learning communities available as a delivery "platform." The model required that services be provided in accessible, neighborhood-based locations, free to participants, with culturally appropriate staff and materials, and in a welcoming way that minimizes barriers to participation. United Way for Southeastern Michigan's current SIF subgrantees are detailed in the following table.

Current United Way for Southeastern Michigan SIF Subgrantees

Subgrantee	Program Summary	Subgrantee Award, as of March 2015
Arab Community Center for Economic and Social Services (Dearborn, MI)	The Readiness project improves kindergarten readiness rates of children in low-income, immigrant families.	$456,692
Macomb Intermediate School District (Clinton Township, MI)	The Ready Communities program prepares high-risk children ages zero to five for kindergarten through literacy-based outreach and engagement, home visitations, and community-school collaboration.	$221,045
National Kidney Foundation of Michigan (Detroit, MI)	The Project for Early Childhood Health is improving health outcomes, promoting positive socialization, improving focus and concentration, and increasing self-efficacy.	$580,863
Southwest Counseling Solutions (Detroit, MI)	The English Language Learners Program breaks the cycle of poverty and illiteracy through school success by utilizing successful research-based programming to promote academic achievement among young children.	$306,666
Starfish Family Services (Inkster, MI)	The Inkster Family Literacy Movement involves the entire community to improve children's development of language, cognitive, and communication skills through literacy campaigns, programs, events, and toolkits.	$405,906
Living Arts (Detroit, MI)	Living Arts is expanding its data-driven, arts-infused early learning curriculum to over 130 pre-K classrooms in Southwest Detroit and other target communities to prepare more children to enter kindergarten successfully.	$212,985

Impact of the SIF

As it was for Mile High United Way, the SIF experience had transformative impacts on United Way for Southeastern Michigan and its subgrantees, in both similar and different ways. It changed how it selects grantees, fostered a culture of data-informed decision-making, and bolstered formal and informal knowledge-sharing.

"The SIF has had both direct and indirect impacts on the way that education work is being done here," said United Way for Southeastern Michigan's Callans. "The difference between our work before the SIF and after is like night and day."

Identifying High Performing Subgrantees

As it did for Mile High United Way, the federal requirement for an open competition for SIF subgrantee selection inspired changes to how United Way for Southeastern Michigan identifies and selects its other, non-SIF grantees. The Greater Detroit Early Childhood Innovation Fund RFP was the first open competition United Way for Southeastern Michigan had run for its early childhood focus area. Many applicants were familiar, but the process also generated wider interest and yielded applications from organizations United Way for Southeastern Michigan had never worked with before. One of them was the National Kidney Foundation of Michigan, which proved to be one of the better-performing subgrantees, according to Callans.

United Way for Southeastern Michigan required subgrantee applicants to submit a letter of inquiry. It also made a series of presentations on the grant opportunity through workshops and webinars, inviting an external evaluation consultant to talk through the evaluation requirements and process, to the extent that they were known at the time.

As Mile High United Way did, United Way for Southeastern Michigan used an external review panel composed of partners and stakeholders to help review and score applications and to help conduct site visits with United Way for Southeastern Michigan staff members to gather on-the-ground information and impressions.

Through this rigorous process, United Way for Southeastern Michigan learned to identify potential recipients that had sophistication with data, data collection, and database management. Strong financial capacity was also important, and experience with federal grants a plus. If a subgrantee didn't have these capacities at the outset, United Way for Southeastern Michigan looked for a commitment to acquire or develop them.

"We've learned that high-performing grantees don't have to be large organizations," said United Way for Southeastern Michigan's knowledge-sharing specialist, Amanda Reed, "but they have to be organizations that are committed to quality improvement and are committed to learning and adapting. You need a really close relationship between the funder and the funded organization, and you've got to be willing to learn together."

In 2015, United Way for Southeastern Michigan undertook an RFP process to fund a new round of grants for its early learning communities. In doing so, it incorporated lessons and practices it had learned from the SIF RFP.

"When we were reading the bid materials," Callans explained, "we were looking for evidence that [applicants] knew what they were talking about. Not so much evidence of effectiveness, because we're asking partners to implement our model of early learning communities. We're asking them to implement it with an eye towards continuous quality improvement, towards accountability, towards rigor."

Callans adds that staff of United Way for Southeastern Michigan's high school transformation initiative, having learned from their early childhood counterparts working on the Greater Detroit Early Childhood Innovation Fund grant, looked at evidence of effectiveness in a way they hadn't before in their own most recent round of grantee selection. "They also now require a lot more performance-wise," she said.

Jeff Miles, United Way for Southeastern Michigan's SIF manager, adds that the SIF grant prompted the organization to create a new, standard data-use agreement that will be incorporated into all future memoranda of understanding and contracts.

"There's no way to be evidence-based if you don't have access to the evidence," he said. "We were slightly more haphazard with the level of detail we required before, and now we're shifting to an organization-wide approach so that each project has the same type of data-sharing requirements."

Fostering Data-Informed Practices and Continuous Improvement

As with Mile High United Way, United Way for Southeastern Michigan needed to adapt to the SIF grant's rigorous evaluation requirements by building capacity for itself and for its subgrantees in key areas such as data management. United Way for Southeastern Michigan also needed to align the evaluation activities of its subgrantees, each of which had its own evaluation plan, third-party evaluator, and data system. To aggregate these different efforts, it worked with its subgrantees and its portfolio evaluator, Child Trends, to create a common set of three outcomes and nine indicators that now serve as the basis for tracking progress across all programs.

United Way for Southeastern Michigan also acquired a database for its subgrantees to use for reporting performance data on the common outcomes and indicators. Its staff provided technical assistance to ensure subgrantees were entering data into the database correctly, giving them valuable experience in designing and using databases they will use in the next iteration of United Way for Southeastern Michigan's early learning communities. Rather than allowing these new grantees to use their own systems, for example, United Way for Southeastern Michigan will require them to use its database and follow a standard, streamlined process for entering data into it to ensure consistency and make running reports easier. It will also ensure the integrity of the data-collection process will be maintained despite inevitable staff turnover at the grantee project sites.

The experience with data collection for the SIF grant was informative for subgrantees as well, notes United Way for Southeastern Michigan's Miles.

"It's definitely opened their eyes to what it means to collect data with some sort of integrity," he said. "Some organizations are now using their metrics for program improvement, even if they are not super rigorous. Evaluation is more than just outcomes; it's also looking at your information and finding ways to improve the ways you do things."

Miles offered examples of United Way for Southeastern Michigan subgrantees using performance data to improve their programs. Starfish Family Services reviewed data for its book-distribution program to find ways to increase the number of books it could provide to families. The data allowed them to identify a target for the increased number of books they wanted to provide and assess and adjust their distribution strategies. As a result of these adjustments, they exceeded the book-distribution target they had set for themselves by 145 percent, delivering 8,751 books instead of 6,000.

Miles also cited the Detroit Parent Network (profiled below). They were seeing low participation of their home-visiting clients in play-and-learn groups that were a component of their evaluation. Because they were able to identify the problem early enough, they were able to adjust the variables in their evaluation model so that the low participation of home-visiting families did not compromise the assessment of the impact of the play-and-learn groups.

United Way for Southeastern Michigan also had to communicate progress to stakeholders who wanted to see results while data were still being collected and analyzed. To do so, in 2014 it hired Amanda Reed, the knowledge-sharing specialist. She distills findings from subgrantee evaluation reports for internal use and learning. She also organizes information in ways that can be shared with particular audiences. A match funder is interested in outcomes, for example, while a peer organization may be more interested in strategies or practices.

Lois Nembhard, deputy director of the SIF, noted, "United Way for Southeastern Michigan has adapted to the SIF Classic grant program's rigorous evidence standards and the Greater Detroit Early Childhood Innovation Fund team has built its capacity in key areas such as evaluation, data management, and reporting. They have the organizational structures and processes in place now to achieve sustainability of the programs they have spent the past four years scaling."

Reed and data specialist Lindsey Miller represent a "data team" United Way for Southeastern Michigan formed to

support the implementation of the SIF grant. The two are now supporting United Way for Southeastern Michigan as a whole by assessing and improving data use across the organization and consulting with other staff and departments seeking help with data use and visualization. For example, the data team helped revise an organization-wide scorecard to aggregate and present outcomes data in addition to the data on outputs that were presented previously.

"That kind of approach to our scorecard was new for us," Callans said, "and I think it's largely influenced by our experiences with the SIF grant. The organization as a whole is getting more comfortable with data and metrics and performance."

Supporting Formal and Informal Knowledge-Sharing

United Way for Southeastern Michigan and its subgrantees have benefited from knowledge-sharing structures and opportunities the SIF grant provides. In addition to participating in SIF-hosted annual convenings and monthly calls, United Way for Southeastern Michigan regularly gathers its Greater Detroit Early Childhood Innovation Fund subgrantees to address topics that include scaling, evaluation, financial procedures, and others. Based on the success of this approach, United Way for Southeastern Michigan has opened up these learning communities to its non-SIF grantees.

This open and collaborative approach is a natural fit for United Ways, noted Callans.

"United Ways are, by definition, partnership-oriented organizations," she said. "It makes sense that we've done a good job with learning communities and leveraging collective knowledge."

Partly as a result of the SIF grant, which required support from multiple internal departments such as finance, contracts, and program management, United Way for Southeastern Michigan has started convening cross-functional teams to review grantees that touch the organization at multiple points.

"United Ways can easily become siloed," explained Callans. "We might be funding an agency for something in education, something in basic needs, and something in financial stability. You realize all those United Way program officers need to be talking to each other. We've started convening cross-functional teams to share experiences with particular grantees across the organization."

In the spring of 2015, United Way for Southeastern Michigan was selected as a subgrantee by Share Our Strength, a 2014 SIF Classic intermediary[17]. United Way for Southeastern Michigan carried over to this new SIF work the practice of convening cross-functional teams to share knowledge and best practices, bringing together staff from different departments to compare notes and practices.

The SIF grant has also inspired other, more informal types of knowledge sharing across the United Way for Southeastern Michigan organization. The SIF team and their other early childhood colleagues established "office hours" for staff to update each other on their work, and drafted a series of one-page documents that articulate the team's recent activities, accomplishments, and capabilities. Callans notes that other teams at United Way for Southeastern Michigan are adopting some of these practices.

A Subgrantee's Experience: Detroit Parent Network

The Detroit Parent Network (DPN) was founded in 2002 by parents seeking to increase and strengthen parent involvement in their homes, schools, and communities. It is a membership organization that supports and inspires parents to make Detroit a better place to raise and educate children. It works to improve parent involvement in education by offering workshops, practical tools, written materials, and leadership development, all designed to build a constituency of powerful parents for change.

[17] Share Our Strength. (n.d.). No Kid Hungry Communities. (Online). Retrieved Septmeber 8, 2015 from https://www.nokidhungry.org/page/NoKidHungryCommunities

"We build bridges between families and the education system," said Sharlonda Buckman, Detroit Parent Network's chief executive officer. "We want to put all children on a trajectory to be successful."

United Way for Southeastern Michigan awarded Detroit Parent Network a $250,000 Greater Detroit Early Childhood Innovation Fund grant in 2012 to launch Pathways to Literacy, a new literacy-focused parent-education program. Besides financial support, the SIF subgrant offered new visibility and partnerships that could help the organization to serve more families and better reach the neediest children, according to Buckman.

"It was an investment in our city," she said, "an investment in our children. It provided resources that could help us reach our dreams for our community."

The Pathways to Literacy program is designed to provide parents of children from birth to age five with proven teaching strategies, support, and modeling focused on language, cognitive, and communication skills to help them successfully prepare their children for kindergarten. It is based on evidence-based parent-education programs such as the Parent-Child Home Program and Empowering Parents, Empowering Communities. In addition to parent workshops and play groups and programs for children, Pathways to Literacy utilizes parent coaches who visit with families on a monthly basis to train and mentor them to overcome barriers to school success that often include poverty, limited parental education, and language barriers.

Despite a promising start, Detroit Parent Network encountered challenges that ultimately led to them exiting United Way for Southeastern Michigan's Greater Detroit Early Childhood Innovation Fund portfolio in 2015. It struggled to meet the match requirement, and was unable to recruit the number of participants needed to ensure the rigorous evaluation could be conducted.

Detroit Parent Network staff members acknowledge their own challenges that led to their departure from the portfolio, but highlight two external factors they feel also contributed. The first was the withdrawal of promised substantial financial support from a large match funder United Way for Southeastern Michigan was negotiating with early on in the project. Detroit Parent Network staff felt the reasons were not communicated as well as they could have been. This setback left them scrambling to raise the match in a difficult fundraising environment.

The second challenge was a less-than-positive experience with Detroit Parent Network's external evaluator. Detroit Parent Network staff had limited options of local evaluators to choose from, and feel the one they selected, while technically proficient, was expensive and not as supportive and sensitive as it could have been in working with Detroit Parent Network staff to design and execute the evaluation.

Acknowledging that the SIF experience was a new one for both United Way for Southeastern Michigan and themselves, Detroit Parent Network staff offered suggestions for how SIF intermediaries can help subgrantees overcome these and other challenges. These include fostering a collaborative, portfolio-wide approach to fundraising to meet the match requirements and helping subgrantees – especially those with limited evaluation experience – identify and select an evaluator. This could include sponsoring or coordinating a nation-wide RFP to generate a larger pool of potential evaluators to choose from that offer knowledge of the human-services sector and collaborative work styles in addition to technical skills in evaluation.

Despite their challenges and setbacks, Detroit Parent Network staff feel the SIF experience was instructive and helped them move their organization's work with parents and children forward.

"We now have an evidence-based curriculum with early data demonstrating its effectiveness," notes LaCherryn Hoost, Detroit Parent Network's director of parent development. "We also have a connection to a cadre of folks that are authorities on early childhood. That helped us secure match support to continue to offer the program. [The SIF grant] positioned us to continue the work, and increased our intellectual capital."

Challenges and Lessons Learned

Along with the benefits of their SIF Classic grants, Mile High United Way and United Way for Southeastern Michigan experienced challenges that prompted reflection and learning among their leadership and staff. Chief among these was the intensity of subgrantee capacity building required, particularly on evaluation. Neither anticipated or were prepared for the amount of support their subgrantees needed with evaluation. The solution was to rely on their cross-site evaluators – the Butler Institute for Families for Mile High United Way and Child Trends for United Way for Southeastern Michigan – to support portfolio-wide perspectives and approaches to evaluation, provide technical assistance to subgrantees and their evaluators, and help surface and disseminate effective practices.

Failing to build adequate public-private partnerships to meet the SIF match requirement was another common challenge. Some subgrantees were better equipped to engage stakeholders, build partnerships, and raise their required match than others. In some cases, Mile High United Way and United Way for Southeastern Michigan were competing with their own subgrantees for donations and grants. Both worked to find ways to help subgrantees raise their matches.

Challenges with evaluation and match were key reasons subgrantees exited the Mile High United Way and United Way for Southeastern Michigan SIF portfolios. Both started with 11 subgrantees, and are now down to 7 and 6, respectively. Although disappointed with the loss of subgrantees, Mile High United Way and United Way for Southeastern Michigan staff cast it as an opportunity to "right-size" their portfolios and work with the subgrantees that were most capable of and committed to seeing the SIF grant through.

Other challenges for the intermediaries and their subgrantees included:

- Federal records, reporting, and compliance: a need to build subgrantees' capacity and systems and gain fluency in federal fiscal accountability, transparency, and compliance requirements;
- Cost reimbursements: subgrantees had to align their budgeting to the methods and requirements for how SIF funds are paid, which was a new experience for many;
- Implementation fidelity: the tension between wanting to maintain program fidelity while being responsive to changing client needs; and
- Stakeholder engagement: communicating the complex project to internal and external stakeholders and sustaining funder, partner, and staff energy and commitment over the five-year SIF Classic grant period.

Learning from these challenges and looking ahead to future grantmaking, both Mile High United Way and United Way for Southeastern Michigan have expanded their evaluation capacity and made changes to their selection and contracting processes to ensure they have a better sense of a potential grantee's ability and commitment to participate in evaluation activities. They have also incorporated into their RFPs questions or mechanisms designed to assess potential grantees' readiness to enter into funded relationships with them.

Best Practices

Based on their collective eight years of experience with the SIF and the opportunities and challenges they faced during that time, Mile High United Way and United Way for Southeastern Michigan offered several thoughts and suggestions for how current and future SIF intermediaries – including other United Way affiliates – can best prepare for the work. They are presented in this section, with key takeaways highlighted.

Best practice number #1: Ensure participants understand the requirements of the SIF and are prepared to commit resources for the full grant period

A SIF Classic grant can be a "game-changing" investment, but it has requirements and expectations that overwhelmed organizations that were not expecting or prepared for them. Organizations should reflect deeply about if and how a SIF grant advances their missions and goals for scaling evidence-based models. If selected as SIF intermediaries, organizations will need to immediately create structures and processes to ensure that fiscal, program, communication, and evaluation teams work collaboratively to monitor and support subgrantees, to meet the requirements and obligations of the grant, and to effectively communicate project activities and successes to stakeholders and partners.

SIF intermediaries should make the SIF requirements and expectations for evidence, scaling, match, and federal compliance clear to applicants during the selection process. This may require translating the requirements into language and collateral materials community-based organizations are more likely to understand. The requirements should also be written into requests for proposals, memoranda of understanding, and other contracts signed with subgrantees. These agreements should include explicit expectations and provisions for data-sharing – what data will be collected, who will be collecting it, and how it will be used – all of which are essential for the SIF grant and any results-oriented giving and program models.

SIF intermediaries should consider holding virtual and/or face-to-face information sessions to explain the goals and expectations of the SIF grant and allow for questions. They might also consider implementing a pre-qualification process – such as requiring attendance at an applicant information session or requesting the submittal of a letter of inquiry – to ensure potential subgrantees have thoughtfully considered all that would be expected of them with a SIF subgrant and still feel it would be a good fit.

SIF intermediaries should also take as much time as possible for groundwork with potential subgrantees to outline expectations, assess feasibility, and gauge commitment. If time and budget permit, this could include phone calls and site visits.

Key takeaways:

- Formulate clear funder goals, expectations, and requirements and consistently articulate them through marketing materials, applicant toolkits, requests for proposals, contracts, and memoranda of understanding.
- Hold face-to-face and virtual information sessions to elaborate on the goals and requirements of a grant.
- Consider establishing a pre-qualification process – such as requiring attendance at an applicant information session or the submittal of a letter of inquiry – in which potential applicants demonstrate they understand and are committed to meeting expectations and requirements.
- Be sure contracts and memoranda of understanding include data-sharing agreements that make clear how data will be collected, used, and shared.
- Prior to awarding a grant, perform due diligence to determine if mutual goals are achievable and beneficial. This may include phone calls or site visits, if time and budget allow.

Best practice number #2: Cultivate accountability and responsibility among subgrantee leaders

As noted above, four of Mile High United Way's original 11 SIF subgrantees exited the portfolio because they could not meet grant requirements. When asked to identify factors that contributed to the remaining seven subgrantees persisting, Mile High United Way program manager Marisol Cruz highlighted leadership commitment and buy-in at the subgrantee level as most essential.

"I think that is absolutely instrumental," Cruz said. "When you have a strong [subgrantee] executive director that will lead and encourage and spread the word about the impact of the program, that's huge. They're really motivated to have success with their [evaluation] study and with the entire experience. If you have that motivation, other things will fall into place and they'll make things work."

Cruz notes that committed subgrantee leadership was essential in several ways. It helped the subgrantees engage stakeholders, build partnerships, and meet the match requirement. It ensured a smooth working relationship between the subgrantees and their external evaluators. It made subgrantees more likely to take advantage of technical assistance opportunities. Finally, it ensured the subgrantees remained committed to the SIF grant goals over the long term, worked together with Mile High United Way to resolve problems and concerns, and remained focused on the ultimate goals of the project.

Key takeaways:

- Establish mechanisms to ensure all stakeholders and partners understand and agree to the goals and outcomes of a grant, are committed to meeting its requirements, and will work collaboratively to resolve issues that arise.
- Streamline applications and reporting so each stakeholder and partner receives the information they need, while reducing the burden of application and reporting on subgrantees.

Best practice number #3: Engage match funders to secure and sustain long-term support

While the five-year duration of a typical SIF Classic grant offers benefits in the form of stable funding, match funders can lose interest as the months and years tick by and definitive evaluation results are not available until the multi-year, rigorous evaluation is completed and findings are released. The loss of a key match funder in the middle of the grant is not only potentially disruptive, it can also put the organization out of compliance with the SIF's match requirement.

"Having people lined up to say, 'Yes, were going to support you through this effort with multi-year funding' is key," said Mile High United Way's Cruz. "It allows us to focus on helping our subgrantees raise their match, or focus our attention on other areas."

Cruz adds that communicating project updates, lessons learned, and preliminary outcomes to funders and other stakeholders is critical to sustaining their interest and buy-in.

"We let [funders] know what we're learning," she said, "and that while there might not be steady results yet, their funds are transforming organizations now. We like to say that if we get good results or not, good things will have come from receiving the SIF grant."

Key takeaways:

- Secure up-front, concrete commitments from co-investors to support a project over multiple years.
- Continuously share project news and updates with co-funders and other stakeholders on a semi-frequent basis to keep them informed about how their support is enabling scaling and evaluation.
- Sponsor learning and networking opportunities for funders and subgrantees to deepen relationships and learning.

Best practice number #4: Provide sufficient resources for capacity building and learning

Both Mile High United Way and United Way for Southeastern Michigan underestimated the amount of time, money, and attention needed to provide their SIF subgrantees with technical assistance, particularly in the areas of evaluation and fiscal compliance. Since then, they have added questions to their RFPs to better assess non-SIF grantee needs for support in these and other areas. Mile High United Way has gone a step further and made a substantial, long-term commitment to grantee capacity building by setting aside a pool of capacity building funds potential grantees can apply for in the next RFP process and offering workshops and intensive training and coaching on evaluation and performance measurement.

Capacity building that provides for grantee staff development through training, professional development, and peer-learning opportunities can be particularly beneficial for programs or service contexts where staff turnover is high. In addition to ensuring staff members are capable of delivering quality services with fidelity to the program model – critical for rigorous evaluation – it may also boost staff morale and retention.

Key takeaways:

- Assess subgrantee capacity needs to determine where they need support and how best to provide it.
- Ensure adequate and realistic budgets to support subgrantee capacity building.

Best practice number #5: Support planning for sustainability and replication

A SIF Classic intermediary seeking to catalyze transformational change needs to think ahead – and have its subgrantees think ahead – to how a project will be sustained and replicated over the long term. Mile High United Way is approaching this by encouraging its subgrantees to prepare replication manuals. United Way for Southeastern Michigan has hired a "scaling and replication manager" dedicated to helping the organization and subgrantees think about sustaining programs after the SIF grant concludes, including helping subgrantees to package and market their programs and adopt business planning approaches for their scaling efforts.

Key takeaways:

- Begin sustainability conversations with subgrantees as early as possible.
- Provide technical assistance to subgrantees to help them develop implementation manuals, business plans, and other strategies to scale and sustain their evidence-based programs.

Conclusion

Although not without its challenges and setbacks, the SIF experience has ultimately been a net-positive experience for both Mile High United Way and United Way for Southeastern Michigan. Their SIF Classic grants accelerated their education-focused impact-investment agendas, leveraging match funding to magnify impact and fostering or deepening collaborations with co-funders, partners, and other stakeholders. It prompted organization-wide knowledge-sharing and changes to policies and practices in the areas of grant application, program evaluation, financial oversight, and transformational funding. It deepened expertise and capacity in evaluation and data use for both organizations and their subgrantees. It facilitated connections to new resources, subject-matter experts, and peer-learning opportunities. Finally, it positioned both organizations to participate in and lead additional results-oriented programming and grantmaking initiatives.

Other United Way affiliates, other local philanthropies, and the grantmaking community in general can benefit from studying Mile High United Way's and United Way for Southeastern Michigan's experiences with the SIF. Applying for a SIF Classic grant may be an option to consider for organizations seeking assistance in catlyzing transformational change in their locales or issue areas. Others can learn from the hard-won insights and best practices shared by Mile High United Way and United Way for Southeastern Michigan, as well as the resources and additional readings that follow, as they seek to understand what impact investing and results-oriented grantmaking look like, the opportunities and challenges they entail, and what it takes on the ground to implement them.

Resources and Additional Reading

SIF Resources

- **SIF Evaluation Plan Guidance: A Step-by-Step Guide to Designing a Rigorous Evaluation.** Prepared to help SIF intermediaries and subgrantees develop robust evaluation plans that meet the expectations of the SIF. It can serve as a model for others seeking to conduct similar rigorous studies. Online at http://www.nationalservice.gov/sites/default/files/documents/SIF%20Evaluation%20guidance%208%205%202014.pdf

Results-Based Grantmaking

- **Outcome-Focused Grantmaking: A Hard-Headed Approach to Soft-Hearted Goals.** This paper explores the outcomes-focused grantmaking strategy employed by the William and Flora Hewlett Foundation. Online at http://www.hewlett.org/uploads/documents/Outcome_Focused_Grantmaking_March_2012.pdf
- **A Road to Results: Results-Based Accountability in the Annie E. Casey Foundation's Education Program.** This report presents the Casey education program's four-year effort to develop a results-based accountability model of grantee performance measurement. The purpose of the report is to help other philanthropic organizations and individual donors develop their own approaches to producing and documenting the results of their investments. Online at http://www.aecf.org/resources/a-road-to-results-results-based-accountability-in-the-annie-e-casey-founda/
- **Next Generation Contracting: A Contract Reform Agenda for Funders and Nonprofits.** This document addresses how results-based accountability can be applied to the methods by which government agencies and private philanthropies write agreements with those to whom they give money. Online at http://resultsaccountability.com/next-generation-contracting-a-contract-reform-agenda-for-funders-and-nonprofits/
- **A Funder's Guide to Using Evidence of Program Effectiveness in Scale-Up Decisions.** This guide offers donors practical advice on how to think about and use evidence when considering investing in opportunities to expand social programs. Online at http://www.mdrc.org/publication/funder-s-guide-using-evidence-program-effectiveness-scale-decisions

Impact Investing

- **Investing for Impact: Building the Capacity and Infrastructure of High-Performing Nonprofits**. This document explores the experiences of SIF participants to identify the grantmaking strategies that are most critical to developing strong organizations that can deliver on their missions in an effective and enduring way. Online at http://docs.geofunders.org/?filename=geo_2013_investing_for_impact.pdf
- **Expanding the Impact of Grantees: How Do We Build the Capacity of Nonprofits to Evaluate, Learn and Improve?** This paper discusses how grantmakers can support nonprofits' efforts to learn, improve, and, ultimately, expand their impact. Online at http://docs.geofunders.org/?filename=GEO_SWW_BuildCapacityToEvaluateLearnImprove.pdf