

2012 Grantmaking Approach Basics



What are the basic philosophical differences between the Foundation's grantmaking approach in the past and its new approach?

Differences exist in five primary areas:

» Broad Foundation Focus:

Our board and professional leadership have established a primary goal of evolving as a learning organization. For us, a learning organization is defined by its ability to get better at getting better at achieving its outcomes. Therefore, our new approach is designed to help us get better at improving and transforming health and well-being in our community.

» Grant Scope and Size:

We will narrow the scope of our grant-making and "go deeper" with community partners and in areas where we have gained traction and see potential for impact. This translates to a higher level of support for a smaller number of grantees, and the establishment and nurturance of relationships that reinforce learning together.

» Grant Focus:

We will shift from grant portfolios distinguished by size and scope of grants (short-term, responsive Community Grants and long-term, root-cause oriented Transformational Initiatives) to three distinct program strategy areas (Urban Health and Well-Being, Urban Community Revitalization and Urban Families).

» Grant Management:

We are realigning our staff, board committees and grantmaking processes to reinforce our new approach. Our board will play an enhanced role through the establishment of Program Strategy Committees, which will develop and recommend specific outcome strategies for each program area.

» Outcomes and Measurement Criteria:

Our new grantmaking philosophy and process tie grants directly to mission-driven criteria and outcomes over market-responsive criteria, with the goal of learning with and from our grantees. In turn, we will be able to fund what works in a deeper way by offering more comprehensive support to grantees whose work demonstratively advances our mission.

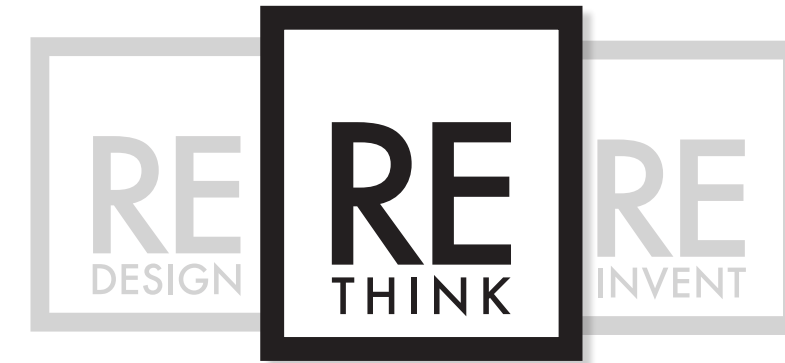
Why implement these changes in 2012? What prompted the changes?

Over the past several years, we have recognized that our historical spending policy, which was based on market performance, has allowed us to make more grants when the economy was good, and fewer when it was more challenged. As a result, our Investment Committee became deeply engaged in investigating alternative methods to calculate spending.

In a broad sense, we also challenged ourselves to rethink, redesign and reinvent ourselves – to distinguish those areas where we've gained real traction, to invest more in those areas where we believe we can move the needle, and to invest more in the capacity of our nonprofit partners that are best positioned to do this work.

This process evolved over a nine month period and involved rethinking our organizational structure and grant-making processes to ensure that we deploy our human and financial resources as effectively as possible. As part of this analysis, we consulted experts, relevant industry literature and our colleagues, as well as a focus group of grantees. We studied changing needs in communities that grantees serve, as well as broader economic, demographic and societal shifts in Greater Cleveland and beyond. We also evaluated the Foundation's grantmaking policies and procedures as they relate to these changes.

Our new approach will provide a more predictable level of support for grantees, and it will enable us to provide more resources to organizations that demonstrate effective outcomes in the near term. We believe this will pay great dividends in the years to come.



Three Program Strategy Areas, One Mission: A New Program Strategy Framework for 2012

We at the Saint Luke's Foundation have challenged ourselves to **rethink, redesign** and **reinvent** our work in the following ways:

- » To distinguish those areas where we've gained real traction;
- » To invest more in those areas where we believe we can move the needle;
- » To invest more in the capacity of our nonprofit partners best positioned to do this work;
- » To rigorously document, incorporate and communicate our continuous learning.

Urban Health and Well-Being

Catalyzes opportunities to improve community health outcomes; chronic disease prevention and management; access to quality healthcare; behavioral, environmental and oral health; and the development of a highly skilled, culturally competent healthcare workforce.

Urban Community Revitalization

Reflects the Foundation's commitment to "place"; prioritizes the Buckeye-Larchmere, Mt. Pleasant and Woodland Hills neighborhoods; supports vibrant neighborhoods by addressing the various social determinants that impact place, including neighborhood conditions, community development, healthy eating/active living, food access, and land use; and works in collaboration with partners and with meaningful engagement of community members in the decisions that affect them.

Urban Families

Promotes family stability and resilience with targeted investment to address basic needs and strengthen families.

Our Commitment to Continuous Learning

We are excited to build upon our past investment in each of these three program strategy areas, and to identify promising new models. As our program strategies evolve, we will further refine grantmaking in each area to ensure our resources target opportunities with the greatest potential for impact. We will also remain open to addressing pressing community needs as they evolve. In 2012, we will develop our Outcomes and Learning framework that complements our new grantmaking approach. We look forward to working with you to build on what we learn "with an unrelenting focus and passion for improving lives." (*Leap of Reason*, Mario Morino)



Grants Across Our Program Strategy Areas

Saint Luke's Foundation will continue to provide support in the following areas:

- » **Discretionary:** Funding up to \$20,000 for short-term, emergency needs
- » **Operating Support:** Unrestricted funding in support of an organization's programming and infrastructure
- » **Program Support:** Targeted support for a program or initiative within an organization
- » **Capital Support:** Support for a capital campaign or equipment
- » **Program-Related Investments:** Low-interest loans, guarantees or equity investments that provide access to capital for nonprofit organizations
- » **Capacity Building:** Support to improve organizational effectiveness

Capacity Building Priorities

Within each new program strategy area, Saint Luke's Foundation will provide grants for building organizational capacity in the following areas:

- » **Outcomes and Learning:** We are committed to tapping into the power of outcomes measurement as a way to support continuous learning and encourage performance improvement.
- » **Collaboration:** We work in partnership with our grantees and philanthropic partners, and support collaboration in practice and in learning.
- » **Communication:** We support strategic communications that leverage outcomes to tell effective stories and advance our mission.
- » **Public Policy/Advocacy:** We support efforts to educate policymakers on relevant issues and influence institutions, systems and community and/or individual behaviors within the funding guidelines for private foundations.
- » **Leadership Development:** Based upon the belief that great leaders produce great results, we encourage comprehensive leadership development for organizations whose work advances our mission and impacts the communities we serve.

Revised Application Process

- Letter of Inquiry omitted
- Get Acquainted meetings (highly recommended)
- Reformatted online proposal
- Site visit redesigned
- New Outcomes and Learning framework

2012 Application Deadlines

- » February 1
- » April 1
- » July 1
- » October 1

Please refer all questions regarding the online proposal to:

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Staff Realignment:

The Foundation has realigned its professional staff in order to effectively manage this new grantmaking approach. Each of the Foundation's three program strategies will be managed by a Senior Program Officer.

Urban Health and Well-Being

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