Social Innovation Research Center

# Social Innovation Fund: Early Results Are Promising

***Role of Philanthropic Intermediaries, Federal Oversight and Funding of Evaluations Appear Critical; Regulatory and Matching Requirements Should Be Eased, Knowledge Initiative Expanded***

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By Patrick Lester [1]
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## Executive Summary


The Social Innovation Fund, an Obama administration initiative that funds promising community-based programs and subjects them to rigorous evaluations to determine their impact, has successfully produced five project evaluations with positive, evidence-based findings.

The projects cover a range of issues, including early childhood reading, childhood obesity, low-income savings plans, social enterprise employment, and workforce development.

The projects were evaluated by third-party firms like MDRC and Mathematica Policy Research using a range of study designs, including randomized controlled trials, often called the “gold standard” for research, and quasi-experimental designs.

While caution should be taken with respect to some of the findings, particularly those that are rated as only moderate in their evaluation rigor, they are nevertheless a promising first step. These evaluations are the front end of a pipeline of evaluated projects that will roll out over the coming months and years.


### Background

The Social Innovation Fund (SIF) is one of several evidence-based initiatives begun in the early years of the Obama administration. It was created by bipartisan legislation, sponsored by Sens. Edward Kennedy (D-MA) and Orrin Hatch (R-UT), that was enacted by Congress in 2009.

One of its primary missions is to build evidence of what works in three areas: economic opportunity, health, and youth development. It does this by providing grants to competitively chosen grantmaking organizations that, in turn, provide subgrants to competitively chosen nonprofit organizations to launch and operate local initiatives that are based on at least preliminary levels of evidence.

The intended goal of each initiative, beyond its local impact, is to produce a credible evaluation that will advance the evidence base, usually including the use of a randomized controlled trial (RCT) or quasi-experimental study.

This report reviews SIF’s progress to date. Its findings are based on a review of final and interim project reports obtained through a Freedom of Information Act (FOIA) request, interviews with current and former Social Innovation Fund staff, interviews with 17 of 20 grantmaking intermediaries from the first three years of the program, and interviews with several national experts in evaluation and philanthropy.

This report focuses on the current progress of grants made during the first three years of the program (2010-2012), which are now approaching completion. SIF did not hold a competition in 2013 and the 2014 cohort, announced on September 17, 2014, is too new to evaluate.

The remainder of this executive summary provides highlights of the report’s findings.

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## Early Results

- ***Promising Early Results:*** SIF's early results include five projects with positive results at a moderate or higher level of evidence, based on either a randomized controlled trial or quasi-experimental study (see Appendix A). These include four final reports and a fifth interim report for a project that is now verifying longer-term effects. Most are from the first year's cohort of grantees. The projects cover a range of issues, including early childhood reading, childhood obesity, low-income savings plans, social enterprise employment, and workforce development. The five are:
  - Edna McConnell Clark Foundation / Reading Partners
  - Jobs for the Future / National Fund for Workforce Solutions
  - Mayor's Fund to Advance New York City / SaveUSA
  - REDF / Social Enterprises
  - U.S. Soccer Foundation / Soccer for Success

- ***Other Results:*** Of the 233 subgrantees from the 2010-2012 cohorts, 65 (28 percent) now have final results spread across 12 evaluations. The eight final evaluations not reported above include a range of preliminary and mixed results.

- ***An Evaluation Pipeline:*** Evaluations for over 70 percent of the subgrantees from the 2010-2012 cohorts have not yet been completed. However, SIF now has a fully operational pipeline that will generate more results in the coming months and years. While it is too soon to know how successful these projects will be, a review of these efforts, including some of the project interim reports, suggests there is reason for cautious optimism.

## Lessons for Policymakers

- ***Intermediary Grantmaker Model:*** The Social Innovation Fund relies on nonprofit grantmakers, including traditional foundations, to choose high-performing nonprofits to conduct the selected projects.

  Using a strategy borrowed from the field of venture philanthropy, the intermediaries run open grant competitions and select subgrantees after conducting intensive due diligence. Chosen subgrantees then receive significant technical assistance and capacity building, including in program models, evaluation, and federal financial and compliance requirements. Such capacity building is infrequent in the nonprofit world.

  In interviews, the grantmaking intermediaries and third party experts in evaluation and philanthropy said that SIF's intermediary model has been central to the program's progress, due principally to better choices of subgrantees and investments in their capacity.

- ***Evaluations:*** Rigorous third-party evaluations are the heart of SIF's evidence-building efforts. They are expensive, ranging from an average of $69,932 per year for feasibility and implementation studies up to $437,110 per year for randomized controlled trials (RCTs). Larger randomized controlled trials can cost much more.

  SIF's role in supporting such evaluations appears to have been central to the program's success. A combination of federal resources, technical assistance, and significant oversight activity by SIF helped ensure evaluation quality and evaluator independence.

- ***Knowledge Dissemination:*** Dissemination of knowledge learned is one of SIF's core missions. To date, SIF's dissemination efforts have been modest and cannot yet be said to have substantially influenced the field. However, this may change over the next year, as SIF releases a number of products that are now in the pipeline.

  Dissemination of evaluation results by the intermediaries and subgrantees through their own networks, which is already taking place, may prove to be more significant. Moreover, a newly emerging evidence marketplace, principally driven by the growth of social impact bonds, may be an important source of additional demand for these evaluation results.

- ***Federal Regulatory Burdens:*** In interviews, the grantmaking intermediaries reported that both they and their subgrantees have been subject to very significant federal regulatory burdens associated with their SIF grants. Most of these were regulatory burdens commonly associated with most federal grants.

  They included extensive criminal background checks for staff, financial recordkeeping regulations, and restrictions on the use of privately-raised match dollars. The grantmaking intermediaries were charged with overseeing their subgrantees and ensuring compliance. Both the intermediaries and their subgrantees were subject to possible federal audits.

All of the intermediaries believed the regulatory requirements were overly burdensome. However, many also believed that because most of the requirements were common to other federal grants, their compliance efforts built capacity to apply for and manage such grants, thereby providing a possible route to greater financial sustainability.

- ***Match Requirements***: SIF requires all grantmaking intermediaries to match federal dollars on a 1-1 basis and these combined funds must be further matched by subgrantees for a potential match ratio of 3-1 for non-federal to federal resources.

  This match ratio created significant burdens for smaller, less well-funded intermediaries and subgrantees who faced difficulties meeting the requirements. The match appears to have contributed to project underfunding in some cases, particularly for evaluations, which made achieving SIF's high evidence standards more difficult for this group.

**Lessons for Philanthropy and Nonprofits**

- ***Impact on Philanthropy Generally:*** One of the secondary objectives of the Social Innovation Fund is to encourage philanthropy to be more evidence-focused. It accomplishes this principally through its financial matching requirements and through the grantmaking intermediaries, who lead by example.

  To date, there is little evidence that philanthropy has been substantially influenced by SIF. However, there is anecdotal evidence that suggests that there may be a larger trend in philanthropy in this direction and that SIF may be contributing to the greater evidence movement. Some believe SIF's influence will increase as more evaluations appear and the program proves its effectiveness.

- ***Impact on the Grantmaking Intermediaries:*** Participation in the Social Innovation Fund has had very significant effects on the participating grantmakers. SIF has furthered the goals, rooted in venture philanthropy, of using high-capacity grantmakers to select and build high-capacity nonprofit organizations, a component that intermediaries believed is critical to the overall program's success.

  Intermediaries reported that participating in SIF resulted in substantial capacity building not just for subgrantees, but also for them as grantmakers. This capacity building enabled them to provide a level of oversight and technical assistance to their subgrantees that is uncommon in philanthropy.

- ***Impact on Nonprofits:*** Participation in the Social Innovation Fund also brought very substantial capacity building for the participating nonprofits, including in performance management systems, evaluations, financial management, regulatory compliance systems, and experience with replicating evidence-based models. This capacity building stands in stark contrast to general trends among nonprofits, which face severe capacity constraints that undermine their performance.

**Recommendations**

- ***Match Requirements:*** Approximately half of the interviewed intermediaries reported difficulty meeting SIF's match requirements. This difficulty was concentrated among small, regional grantmakers with small fundraising bases. In some cases, fundraising difficulties appear to have produced underfunded projects, with adverse consequence for both capacity building and for evaluations that are the core of the SIF model.

  These findings suggest that SIF's match requirement should be reformed. However, simply reducing the match does not appear to be a promising solution because it would likely reduce the resources available for SIF projects, thus making existing issues worse.

  A better solution lies in SIF's existing authority to selectively reduce match requirements in philanthropically underserved communities. Because SIF has discretion in granting such relief, it can do so on the condition that grantmakers reinvest the savings in their subgrantees.

  More broadly, match issues could be addressed by allowing applicants to count previously obligated state and local dollars that are being used in SIF projects toward the match. Current prohibitions against counting restricted funds appear to have led to under-investment in SIF projects from state and local governmental sources, which are likely the best source of ongoing support and sustainability. Congress should also consider allowing the use of federal dollars, a decision that could infuse evidence into other, much larger federal programs.

- ***Federal Oversight of Evaluations:*** SIF's oversight of evaluations appears to have played a central role in ensuring that they meet high standards and are sufficiently independent to be credible. SIF's current oversight role should be maintained.

- ***Intermediary Transparency:*** While SIF's selection of intermediaries is highly transparent, the selection process of subgrantees by intermediaries is less so. Whereas SIF publicly posts and maintains winning applications, lists of reviewers, and application materials from past competitions online, with a few key exceptions most of the intermediaries have not.

  While there is no evidence of any problems to date, this lack of transparency presents a potential threat to the program and should be addressed.

- ***Regulatory Reform:*** Federal regulatory burdens, including federal financial regulations and criminal background checks, were widely viewed as burdensome by the intermediaries and their subgrantees. All eventually adapted, but felt some solution to the burden should be found.

  To address this issue, Congress or the administration should direct the SIF to review the existing requirements and make recommendations for how to reduce the burdens. Grantmaking intermediaries and their subgrantees that work with disconnected youth should also consider applying to participate in the newly created Performance Partnership Pilots (P3) program, which provides an opportunity for increased regulatory flexibility in exchange for increased performance-based accountability and transparency.

- ***Nonprofit Capacity Building:*** The Social Innovation Fund has provided an interesting test case of the value of nonprofit capacity building – with promising early results. The lessons drawn from this experiment should be fully absorbed, not just by government programs, but philanthropy as well. Public sector programs, foundations and other grantmakers should eliminate arbitrary overhead restrictions that prevent the building of such capacity and proactively invest in the capacities needed for success.

Overall, these recommendations would only improve upon what appears to be a high-performing program. To date, the program has produced positive evaluations of five evidence-based projects, with a steady stream of additional evaluations waiting in the pipeline.

Moreover, SIF's capacity building efforts appear to be creating a cohort of high-performing nonprofits that are already building or upgrading sophisticated performance management and evaluation systems. Some are already accessing administrative data, which may soon lead to cheaper and faster rapid-cycle evaluations, mirroring similar advances in the private sector.

This is substantial progress. These early results provide reason to be cautiously optimistic about what lies ahead. If this progress continues, it may provide real hope for solving some of the most pressing and intractable problems still facing the nation today.

**About the Social Innovation Research Center**

The Social Innovation Research Center (SIRC) is a nonpartisan nonprofit research organization focused on social innovation and performance management for nonprofits and public agencies. More information about SIRC is available on the organization's web site at http://www.socialinnovationcenter.org.



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# Contents

# Introduction

This report details the progress to date of the Social Innovation Fund (SIF), an evidence-based federal initiative housed within the Corporation for National and Community Service (CNCS).

Created by Congress in 2009, SIF is a relatively small program in federal terms. Over the past six years of its existence, funding has ranged from $50 to $70 million per year, a drop in the ocean when compared to the hundreds of billions of dollars spent each year on federal domestic programs.

SIF's potential impact belies its small size. Its mission is to build the evidence base in the areas of economic opportunity, health, and youth development. To accomplish this, it is designed to address at least two major barriers: (1) the high cost of conducting rigorous evaluations, such as randomized controlled trials (RCTs) and quasi-experimental studies; and (2) a general lack of capacity in the nonprofit sector to implement and evaluate programs with a consistently high level of performance.

### SIF's Roots in Venture Philanthropy

SIF's roots can be traced to venture philanthropy, a movement that began in the late 1990s during the height of the dot.com boom. Drawing lessons from venture capitalism, venture philanthropy is notable for seeking out and finding high-performing nonprofit organizations and building their capacity further so that they can execute their missions at the highest possible level. In this, venture philanthropy's efforts are distinct from more common practices in philanthropy and among nonprofits, which typically struggle to build capacity of this kind.

Venture capitalists and venture philanthropists both seek to scale their successful investments, but in different ways. Venture capitalists typically seek an exit path that results in the sale of their equity stake or taking their companies public through an IPO.

Venture philanthropists, by contrast, seek to bring their best-performing organizations to scale through the dissemination of ideas and (often) through public dollars, which dwarf the resources available to philanthropy. Some in venture philanthropy go further, attempting to transform public systems.

The Social Innovation Fund has both incorporated and built upon the venture philanthropy model.[2] Starting in 2010, it has provided renewable grants ranging from $1 million to $10 million per year for up to five years to competitively chosen grantmaking intermediaries, which in turn provide subgrants to competitively chosen, high-performing subgrantees. Once chosen, as in the case of venture philanthropy, the subgrantees receive further assistance and capacity building from the grantmakers, who engage with them on an ongoing basis at a very high level.

### Building Evidence of What Works

Ideally, the end product of the effort is a rigorous, third-party evaluation of the chosen initiatives, with substantial oversight provided by the federal staff of the Social Innovation Fund (with assistance from third-party contractors) to ensure evaluation quality and independence.

Under ideal circumstances, SIF will also have left in its wake a high-performing nonprofit that is sustainable and can be scaled. True scale comes not from these efforts, however, but from building the evidence base, which can be drawn upon and used by other nonprofits across the nation.

These are ambitious objectives. This report is devoted to tracking how well the Social Innovation Fund has accomplished this mission.

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[2] Michele Jolin, "Innovating the White House," *Stanford Social Innovation Review*, Spring 2008. Available at: http://www.ssireview.org/articles/entry/innovating_the_white_house/

### Methodology

This report is based on several sources of information. They include a review of final evaluations and interim reports obtained from the Social Innovation Fund through a Freedom of Information Act (FOIA) request submitted to the Corporation for National and Community Service on November 20, 2014. This request was granted in full and completed on May 21, 2015,[3] with information provided in stages beginning in February.[4]

The FOIA request focused on reports for the intermediaries and subgrantees from the first three years of the program (2010-2012). There was no competition for new SIF grantees in 2013. The most recent competition, which resulted in seven new grantees announced on September 17, 2014, is too recent to have produced results.

This report is also based on interviews with current and former Social Innovation Fund staff, 17 of the 20 grantmaking intermediaries from the 2010-2012 grant years, several national experts in philanthropy and evaluation, and a small selection of subgrantees.

All were guaranteed anonymity in their responses to encourage honest and forthright opinions. All attributed quotes in this report were included with their express permission or drawn from public sources. Interviews were conducted between April and June, 2015.

### Plan of the Report

This report provides findings in three areas. Chapter One reports on SIF's early results based on interviews and a review of the final and interim project evaluations. The chapter also discusses major factors that contributed to the success or failure of these projects.

Chapter Two reviews major lessons learned for policymakers, including for both Congress and the federal executive branch, but also other policymakers with an interest in developing evidence-based initiatives.

Chapter Three reviews major lessons for philanthropy and nonprofit organizations. The report concludes with recommendations.

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[3] Corporation for National and Community Service, Final response letter (May 21, 2015). Available at:http://socialinnovationcenter.org/wp-content/uploads/2015/06/SIF_Final_response_to_FOIA_2015-16.pdf

[4] Corporation for National and Community Service, Chart of report releases (May 21, 2015). Available at: http://socialinnovationcenter.org/wp-content/uploads/2015/06/SIF_chart_of_report_releases.pdf

# Early Results

How well is the Social Innovation Fund performing? What has it accomplished?

This chapter reviews SIF's progress to date and the factors associated with both its early successes and challenges.

## Defining Success

Has the Social Innovation Fund been successful? Any answer must begin by defining success.

The appropriate starting point for this definition is the program's stated purposes, which can be found in its authorizing legislation, the Serve America Act.[5] The law has several, including: increasing the capacity of social entrepreneurs to tackle social issues, seeding experimental initiatives, and providing resources to replicate and expand effective programs. The act also includes several related objectives, such as promoting evidence-based grantmaking and disseminating knowledge of what works.

This is problematic. This list provides too many goals and too little sense of which may be more important than the others. It provides little direction for judging the program overall.

Digging further, however, shows that many are intermediate objectives, the means to achieving the higher end of improving lives across several domains such as health, education, and economic opportunity. Why not judge SIF according to the number of lives it has improved?

The reason is that the Social Innovation Fund is too small for that. With annual funding ranging from $50 to $70 million, it could never directly touch more than a tiny fraction of the American public. Moreover, if it were larger, one could reasonably ask why such work was not being conducted within larger, cabinet-level agencies instead.

The answer lies in seeking what makes SIF special and different – and eliminating those goals that are more intermediate in nature. This leads to three goals in particular: promoting innovation, developing evidence of what works, and scaling proven programs – innovation, evidence, and scale.

### The Primacy of Evidence

While all three of these goals are important, they are not equal in SIF's current design.

The tension between evidence and innovation is well known. Newer and more innovative programs are less likely to have established evidence bases. Some federal programs, such as the Investing in Innovation (i3) program in the U.S. Department of Education, have addressed this tension by creating evidence tiers and providing greater funding to initiatives with greater levels of evidence.

SIF does not explicitly allocate its funding this way, but it is not agnostic either. SIF has focused its attentions on programs that already have at least preliminary levels of evidence, leaving the development of truly new and innovative programs to other programs and philanthropy.[6] It defines its own success largely in terms of its ability to advance the level of evidence for initiatives that already have a significant evidentiary track record. Although it has the word "innovation" in its name, evidence trumps innovation in SIF's current design.

Scale's importance is more difficult to assess. For a program whose roots lie in venture philanthropy, scale was central to SIF's original design. However, the understanding of scale has changed since then. Whereas scale was once seen as growing successful organizations, it is now seen more as spreading knowledge about what works and influencing public systems.[7] As one philanthropy expert noted in an interview, SIF's original focus on organizationally-based scale is "so 2009."

Today, SIF's primary impact comes not from its ability to scale effective programs within the confines

[5] See: https://www.law.cornell.edu/uscode/text/42/12653k

[6] Corporation for National and Community Service, "2015 Evidence & Evaluation Webinar Transcript," February 25, 2015. Available at: http://www.nationalservice.gov/sites/default/files/documents/2015-evidence-evaluation-webinar-transcript

[7] Kathleen P. Enright, "What Would It Take?" *Stanford Social Innovation Review*, Spring 2014. Available at: http://www.ssireview.org/articles/entry/what_would_it_take

of a very small federal program housed in CNCS, but its ability to build the evidence base and to show how to do so effectively, using very specific strategies rooted in venture philanthropy. Evidence trumps scale.

Among its three primary goals – innovation, evidence, and scale – evidence predominates. For this reason, this report will judge the Social Innovation Fund according to its ability to build rigorous evidence of what works.[8]

**Operationalizing Success**

According to Michael Smith, SIF's former director, "SIF's biggest contribution will be a cornucopia of tested, replicable solutions and lessons about what works, what doesn't, and why." [9]

How is success measured according to this goal? When asked, one of SIF's former staff members said "We looked at it in two ways: the percentage of interventions that are successful and the percentage of good quality evaluations."

Half of this definition, the quality of evaluations, is easy to operationalize. SIF says it wants to advance the evidence base and that, beginning with the 2011 cohort, all funded interventions must target moderate or better levels of evidence by the end of their grants.[10] Clear definitions for this level of evidence can be found in Appendix A.

The other half of the definition is more difficult. There is no official requirement in any SIF application materials that tested models must produce positive findings. In fact, there is a strong argument to be made that "failing forward" is an expected and normal part of innovation and continuous improvement.

On the other hand, while failure is acceptable in the short run, in the long run "replicable solutions" come not from failure, but from success. Moreover, as more governments emphasize performance-based contracts and other performance-based innovations such as social impact bonds, there will be increased demand for evidence-based solutions with positive results.

For these reasons, this report will define success for the Social Innovation Fund according to the number of tested initiatives that achieve *both* a moderate or higher level of evidence, as defined by SIF, *and* positive findings as determined by the Social Innovation Research Center (SIRC) in this independent review of the reports.[11] It is a high bar, but a reasonable one.

## A Growing Pipeline of Evidence

To determine the current progress and results for the Social Innovation Fund, SIRC obtained from SIF all of the interim and final reports for all of the intermediaries and their subgrantees from the first three years of the program (2010-2012) through a Freedom of Information Act request. Reports were not requested for subsequent years because there was no new grant competition in 2013 and the 2014 cohort, which was announced on September 17, 2014 was too recent for significant progress to have been made.[12] New grants for 2015 may be announced in July.

Table 1 shows the progress that has been made by the intermediaries and subgrantees from these first three years, particularly the first cohort from 2010. Of the 20 intermediaries selected during these years,[13] eight have now had final reports issued for at least some of their subgrantees. Among the 233 subgrantees selected by these intermediaries, 65 (28 percent) now have final reports.

A look at the yearly numbers shows substantial progress from year to year and a growing pipeline of results. This pace should quicken in the years ahead as more results begin to appear from all three of these cohorts, as well as those from 2014 and

[8] It should be acknowledged that this narrow measure of SIF's success is not shared by the Social Innovation Fund itself, nor by at least some of its grantees. This subjective measure is attributable solely to the author.

[9] Grantmakers for Effective Organizations, "From Innovation to Results," *Stanford Social Innovation Review*, Spring 2014. Available at: http://www.ssireview.org/articles/entry/from_innovation_to_results

[10] Corporation for National and Community Service, "Social Innovation Fund Notice of Funding Availability FY 2015," March 17, 2015. Available at: http://www.nationalservice.gov/documents/main-menu/2015/social-innovation-fund-nofa-fy-2015

[11] An argument could be made that the appropriate definition should be the *percentage* of initiatives that meet this standard, not the absolute number, but the results in this report are too preliminary, and the sample size too small, to place any confidence in such percentages.

[12] Corporation for National and Community Service, "Federal Program Marks Fifth Anniversary; Announces $51.8 Million in Investments to Grow Community Solutions That Work," September 17, 2015. Available at: http://www.nationalservice.gov/newsroom/press-releases/2014/federal-program-marks-fifth-anniversary-announces-518-million

[13] Another seven intermediaries were selected in September, 2014, but because they are so new their progress was not reviewed in this report. A total of 27 intermediaries have been selected so far and, after accounting for one that dropped out and one that has two grants, there are now 25 intermediaries in the program.

**Table 1: Front End of a Pipeline**

The following table shows current progress for SIF's 2010-2012 grantees and subgrantees as of April, 2015. It shows a pipeline effect, with more interim and final reports appearing over time.

| Intermediaries | 2010 | 2011 | 2012 | Total |
|---|---|---|---|---|
| All final reports complete | 3 | 1 | 0 | 4 |
| Some final reports complete | 3 | 1 | 0 | 4 |
| No final reports, some interim | 4 | 2 | 1 | 7 |
| No reports | 1 | 1 | 2 | 4 |
| Intermediary withdrew | 0 | 0 | 1 | 1 |
| Total | 11 | 5 | 4 | 20 |

| Subgrantees | 2010 | 2011 | 2012 | Total |
|---|---|---|---|---|
| With final reports | 52 | 13 | 0 | 65 |
| o Positive impact | 5 | 5 | 0 | 10 |
| o Mixed impact | 1 | 0 | 0 | 1 |
| o Negative or no impact | 0 | 0 | 0 | 0 |
| o Preliminary evidence | 12 | 0 | 0 | 12 |
| o Implementation only | 34 | 8 | 0 | 42 |
| With interim reports | 80 | 17 | 8 | 105 |
| With no reports | 30 | 15 | 12 | 57 |
| Subgrantee withdrew | 3 | 3 | 0 | 6 |
| Total | 165 | 48 | 20 | 233 |

Source: SIRC analysis of interim and final reports obtained through a public records request and interviews with grantmaking intermediaries.

beyond.

A better understanding of this pipeline effect, however, requires looking at the final and interim reports themselves. An examination of these reports shows varying levels of progress but, in general, the most quickly completed have taken a minimum of 4-5 years from start to finish and have followed the following pattern:

- ***Year One – Ramp Up:*** The first year is typically spent ramping up the project. Intermediaries must conduct an open grant competition and select their subgrantees within 6 months of receiving their SIF grant. After the subgrantees are selected, evaluation plans are submitted to SIF for approval, with approval usually coming within 9-12 months. Meanwhile, the intermediaries and their subgrantees must launch their new programs, including hiring, training and other activities.

- ***Year Two – Implementation Study:*** Many projects conduct an implementation study to determine if the program is being operated according to high standards and with fidelity to the chosen evidence-based model.

- ***Year Three – Impact Study:*** Impact studies often commence (and end) in year three.

- ***Years Four to Five – Evaluation Completed:*** Final evaluations are often completed as soon as four years after the project begins. Studies examining longer-term effects will take more time.

This timeline is ambitious and far from universal. In general, projects that were more innovative or that involved ambitious replications in new settings or with new populations took more time.

Organizational capacity was another major factor. Organizations with less existing capacity took more time because they often had to substantially upgrade or create new systems from scratch, including more advanced financial management systems, regulatory compliance systems, evaluation departments, data and performance management systems, and associated data permissions. These organizations were more likely to need additional time for up-front planning or piloting new services.

By contrast, organizations that had higher existing capacity or that were expanding existing projects were more likely to have these systems already in place. They usually took less time to get their projects up and running and less time to complete their final evaluations.

## Promising Early Results

Table 1 includes results from all of the final reports issued so far. These final reports cover the work of 65 subgrantees, or about 28 percent of all of the subgrantees from the 2010-2012 grant years. The results are summarized and explained below.

- ***Positive Impact (10 subgrantees):*** Of the 65 subgrantees, 10 were the subject of impact studies that produced a moderate or higher level of evidence, as judged by SIF's evaluation staff (see Appendix A), and positive results as determined by SIRC. Details for all of these studies are included in the box on p. 14.

- ***Mixed Impact (1 subgrantee):*** One subgrantee was the subject of an impact study with a moderate or higher level of evidence, as judged by SIF, and mixed results. This subgrantee reported some positive results, as well as other results that were not significant. The subgrantee reported that it learned from the evaluation and has made adjustments to improve its impact.

- ***Negative or No Impact (0 subgrantees)*****:** No subgrantees with a final evaluation with a moderate or higher level of evidence failed to produce any statistically significant results or produced negative results.

- ***Preliminary Results (12 subgrantees):*** Twelve subgrantees were the subject of studies that only produced preliminary evidence, as judged by SIF. All were from the 2010 cohort.

- ***Implementation-only Results (42 subgrantees):*** A total of 42 subgrantees were part of larger, unified portfolios with impact studies that produced moderate or higher levels evidence, but were not included in those impact studies. Instead, these subgrantees were the subject of less expensive implementation studies.

Another way to look at the results is by project evaluation. As shown in Table 2, a dozen final evaluations have been completed so far.[14] Of these, eight were of individual subgrantee interventions. Four were unified evaluations that covered an intermediary's entire subgrantee portfolio. This latter group covered the work of 57 subgrantees.

The four final evaluations that reported positive impact (Reading Partners, the National Fund for Workforce Solutions, REDF/Social Enterprises, and Soccer for Success) are summarized in the box on p. 14. A fifth interim study that reported positive impact (SaveUSA) is also included. Together, these five evaluations produced positive findings across a range of issues, including early childhood reading, childhood obesity, low-income savings plans, social enterprise employment, and workforce development.

While these early results are encouraging, they must still be viewed with caution. While all five of these evaluations achieved at least moderate evidence as defined by SIF, there was still variation in the strength of their reported findings. Two, Reading Partners and SaveUSA, involved randomized controlled trials, often referred to as the "gold standard" of evidence and typically the most expensive form of evaluation. Of the five, the Reading Partners study was the strongest in terms of rigor and reported results.

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[14] CNCS says that all of these final reports will be available on the CNCS Evidence Exchange at http://www.nationalservice.gov/impact-our-nation/research-and-reports/evidence-exchange

**Table 2: Final Evaluations**

Many SIF evaluations studied a single subgrantee, while others were unified evaluations that studied the combined efforts of two or more subgrantees providing the same or similar services. The following table shows final results broken out by project evaluation.

| Final Evaluations | Individual Subgrantee Evaluations | Unified Portfolio Evaluations | Total |
|---|---|---|---|
| Positive impact | 1 | 3 | 4 |
| Mixed impact | 1 | 0 | 1 |
| Negative or no impact | 0 | 0 | 0 |
| Preliminary evidence (outcomes) | 6 | 1 | 7 |
| Total | 8 | 4 | 12 |

Source: SIRC analysis of final evaluations obtained through a public records request.

The three other studies are quasi-experimental designs and two were rated as only achieving moderate evidence by SIF. Evaluations with moderate evidence, particularly those conducted at a single site, should be viewed as suggestive and worthy of greater study.

Even strong evidence, as defined by SIF, can be subjected to stronger, multi-site evaluations to further confirm reported results. Moreover, all of these findings are short-term effects. Follow up evaluations will be needed to determine longer-term effects.

Nevertheless, taken as a whole, these early results are encouraging. SIF has produced five evaluations that appear to have advanced the level of evidence across a range of issues. Moreover, with most of the reports for the 2010-2012 cohorts still outstanding, these early results are the front end of a wave of evaluations that are still to come.

## Explaining the Results

While the overall results have been encouraging so far, there has also been significant variation among the intermediaries and their subgrantees. While there were many SIF projects that seemed to achieve significant success, others struggled.

A review by SIRC of the final and interim evaluations, combined with interviews with 17 intermediaries and a small sample of subgrantees, reveals two very simple reasons for the variation in results: sufficient resources and realistic project ambitions.

In the simplest terms, intermediaries and subgrantees that were sufficiently resourced and pursued more incremental goals were more likely to succeed. Those that tried to do too much with too little were more likely to struggle.

### Resources Made a Difference

One of the most significant factors in the success of SIF projects was the availability of resources sufficient to handle SIF's very challenging demands, particularly with respect to evaluations. Two sets of resources made the most difference: (1) the size of the SIF grants; and (2) the pre-existing capacities of the SIF intermediaries and their subgrantees. Because of SIF's high matching requirements, these two were highly correlated.

In general, organizations that had greater capacity to begin with were also more able to raise

## Promising Early Results

Although not every SIF-funded project has reported positive findings, some have. The following list summarizes five projects that reported favorable results and were rated as having moderate or higher levels of evidence (described in Appendix A) by SIF's evaluation staff.

This list includes all of the projects and subgrantees identified in Tables 1 and 2 as having positive impact findings plus one project (Mayor's Fund to Advance New York City).with positive interim findings. Additional promising projects may become apparent as more evaluation findings are released.

- **Edna McConnell Clark Foundation / Reading Partners:** The Reading Partners program provides literacy training for elementary school students who are six to 30 months behind in their reading skills. Previous research has found that one-on-one tutoring by certified teachers helps close this gap, but it is expensive. Reading Partners is a less expensive alternative that relies on volunteer tutors operating in reading centers managed by AmeriCorps staff.

  The evaluation, conducted by MDRC, was based on a randomized controlled trial. It found that Reading Partners produced positive and statistically significant gains in reading proficiency equal to one and a half to two months over the course of a single academic year when compared to other supplementary reading programs. The evaluation includes an implementation study describing how the program was operated and a cost study showing that the expense to participating schools is less than half that of other supplemental reading programs. (One subgrantee.)

  Final Report: http://www.mdrc.org/publication/mobilizing-volunteer-tutors-improve-student-literacy
  Program Web Site: http://readingpartners.org/

- **Jobs for the Future / National Fund for Workforce Solutions:** The National Fund for Workforce Solutions is a collaboration of national foundations that support local workforce partnerships of employers, community-based organizations, and service providers that provide training and other services.

  The evaluation, conducted by IMPAQ International, is a quasi-experimental impact study of an Ohio-based subgrantee's three partnerships that focused on health, advanced manufacturing, and construction. The impact study compared employment and wage outcomes for unemployed program participants to a matched control group drawn from state administrative data over two years (2010-2011). It found that all three partnerships helped more participants obtain employment and two (health and advanced manufacturing) increased their earnings compared to the control group. In addition the National Fund also has annual evaluation reports showing progress against goals and focusing on selected topics. (Unified evaluation: 28 subgrantees, three selected for impact evaluation.)

  Final Report: http://nfwsolutions.org/publications/quasi-experimental-impact-study-nfwssif-workforce-partnership-programs-evidence
  Program Web Site: http://nfwsolutions.org/

- **Mayor's Fund to Advance New York City / SaveUSA (Interim):** SaveUSA is a voluntary matched savings plan that encourages low-income participants to save part or all of their tax refunds, which are often bolstered by refundable tax credits such as the EITC. Money can be withdrawn from SaveUSA accounts for any reason, but only those who maintain their pledged savings through a full year receive a 50 percent match. The initiative, based on a similar evidence-based program called $ave NYC, was tested in 2011 at Volunteer Income Tax Assistance (VITA) sites in four cities: New York City, Tulsa, San Antonio, and Newark.

The evaluation, conducted by MDRC, included both an implementation study at all four sites and an impact evaluation based on a randomized controlled trial conducted at two of the sites, New York City and Tulsa. The evaluation found that 18 months after enrollment, compared to the control group, participants in the SaveUSA initiative were 7 percent more likely to have short-term savings and saved an average of $512 more than those not enrolled. The study did appear to observe some offsetting effects in retirement savings. A subsequent report expected in late 2015 will review longer term effects after 36-42 months. (Unified interim evaluation: four subgrantees, two selected for impact evaluation.)

Interim Report:
http://www.mdrc.org/publication/encouraging-low-and-moderate-income-tax-filers-save
Program Web Site: http://nfwsolutions.org/

- **REDF / Social Enterprises:** Under its grant, REDF provided funding to eight subgrantees that operate social enterprises that hire and provide supportive services to people who face barriers to work, including: (1) individuals with mental health disabilities; (2) homeless individuals; (3) parolees or others who were formally incarcerated; and/or (4) disconnected youth who were not enrolled in school or participating in the labor market.

  The evaluation, conducted by Mathematica Policy Research, includes an implementation study of all eight subgrantees, an outcomes study for seven subgrantees that focused on changes in self-sufficiency and life stability, an impact study of one subgrantee, and a cost-benefit analysis. The quasi-experimental impact study compared individuals who were hired to those who applied but were not hired. It found that after one year, although both groups experienced substantial employment gains because both received supportive services, those that were hired were more likely to be employed after one year (56% vs. 37%). (Unified evaluation: eight subgrantees, one selected for impact evaluation.)

  Final Report: http://www.mathematica-mpr.com/our-publications-and-findings/publications/economic-selfsufficiency-and-life-stability-one-year-after-starting-a-social-enterprise-job
  Program Web Site: http://redf.org/partners/government/

- **U.S. Soccer Foundation / Soccer for Success:** Soccer for Success is a free afterschool soccer program for children in grades K-8 in underserved urban communities. Participating children learn and improve soccer skills in a low-pressure environment while also learning about healthy diet and exercise habits.

  The evaluation included a one-year implementation study conducted by Child Trends during the 2012-2013 school year and an impact evaluation conducted by Healthy Networks Design & Research during the 2013-2014 school year. The impact evaluation was a quasi-experimental design that compared baseline and follow-up data for a treatment and control group. It found that, compared to the control group, children enrolled in the Soccer for Success program showed significant improvements in BMI, waistline circumference, and measures of aerobic capacity and fitness after one school year. (Unified evaluation: 13 subgrantees, 5 selected for impact evaluation.)

  Final Report: http://www.nationalservice.gov/impact-our-nation/research-and-reports/evidence-exchange/Soccer-for-Success
  Program Web Site: http://www.ussoccerfoundation.org/our-programs/soccer-for-success

Note: The above information summarizes findings from the project evaluations. It does not reflect any third-party review, a significant undertaking normally performed by evidence clearinghouses.

significant match dollars and to receive larger SIF grants. This combination of resources greatly affected the success of SIF projects, particularly with respect to their ability to afford expensive, high-level evaluations.

Overall, the intermediaries and their subgrantees fell into three broad categories, each facing different sets of circumstances.

- ***Better-funded Intermediaries:*** While every intermediary faced fundraising challenges, the best-resourced intermediaries, such as the Edna McConnell Clark Foundation, the Mayor's Fund to Advance New York City, Jobs for the Future, New Profit, and LISC had the largest grants and the most to spend. Total federal funding for these intermediaries has ranged from $12-30 million. Assuming a 3-1 match, this suggests total funding ranging from $48 to $120 million.

  At the top of the range was the Edna McConnell Clark Foundation, which is supporting 12 subgrantees at a range of $3.5 -6.5 million each, with additional amounts raised by the subgrantees.[15] Projects at this level were able to support the highest level of analysis, including highly credible RCT-based studies from evaluation firms such as MDRC. Two of the five evaluations cited earlier in this chapter as having achieved positive results with at least moderate evidence were in this category. The Edna McConnell Clark Foundation's Reading Partners initiative and the Mayor's Fund to Advance New York City's SaveUSA initiative were both RCT-based studies rated as producing strong evidence by SIF's evaluation staff.

- ***Intermediaries with Unified Portfolios:*** Several intermediaries, often with smaller grants and fewer resources, compensated by creating portfolios of projects that were delivering substantially similar services. Nine of the twenty 2010-2012 intermediaries fit this profile.

  This group was able to save money on evaluations by conducting a single study, often combining a broad implementation study with a narrower impact study focused on a smaller sample of subgrantees. Three of the five projects cited in this report as producing positive results with at least moderate evidence (Jobs for the Future, REDF, and the U.S. Soccer Foundation) fell into this category. All three based their findings on quasi-experimental designs.

  Because these projects were usually national in scope, they were usually able to choose from a national applicant pool and could be more selective by choosing subgrantees with greater existing capacity and greater demonstrated ability to raise match dollars. Despite this greater flexibility, many of these grantees nevertheless chose to provide a large number of smaller grants to subgrantees at (or near) the subgrant minimum of $100,000 per year. Due to the similar and unified nature of their subgrants, they were able to do this with no apparent adverse effects on their projects overall.

  This group was also able to achieve efficiencies by consolidating their technical assistance, coaching and peer group convenings for their subgrantees because they were working on substantially similar projects. They were also more able to provide selective additional assistance to subgrantees that were facing greater barriers.

- ***Small, Regional Intermediaries:*** Small, geographically-focused intermediaries faced the greatest hurdles. These intermediaries typically received SIF grants at or near the $1 million per year minimum and provided subgrants at or near the $100,000 minimum. Often located in mid-size cities or rural settings, these intermediaries and subgrantees had smaller funding bases to begin with and were often approaching the same local funders to raise their match.[16] In many cases, the subgrantees chose smaller grants than they needed because they could not afford to raise the match. Many also appeared to have lower capacity to begin with, which exacerbated their limited resources.

  These resource constraints had consequences. With lower budgets for evaluations, and lacking the unified evaluations available to the unified portfolio group, evaluation budgets for this group could be as low as $12,000 per year. Many faced substantial barriers because of small program sample sizes and control group recruitment problems. Some resorted to using volunteers to

[15] Data provided by the Edna McConnell Clark Foundation.
[16] In at least one case a regional intermediary partnered with a national foundation, but this does not appear to have been widespread, at least not enough to overcome local challenges. See: Grantmakers for Effective Organizations, "The Promise and Pitfalls of Local and National Funder Collaborations," November 2013. Available at: http://docs.geofunders.org/?filename=geo_2013_funder_collaboration.pdf

collect data.

Due to resource limitations, none of the subgrantees from this group has yet achieved a moderate or higher level of evidence, which is SIF's stated goal. At least six subgrantees and one intermediary from this group withdrew from the program.

Despite these hurdles, many in this group have made considerable efforts to overcome them. Several did achieve positive outcomes and promising early results, but were unable to meet SIF's high evidence standards, which typically required more expensive quasi-experimental or RCT-based designs. Projects from the 2010 cohort were allowed to end their grants with a preliminary level of evidence and some did. For others, their efforts continue today. They may yet achieve their goals, but they are doing so with far fewer resources than the others.

Despite these many challenges, there have been two developments that may provide a way forward. First, SIF has legal authority to provide targeted relief on the match to intermediaries that are serving communities that are philanthropically underserved. One of the intermediaries from this group applied for relief and received it. Others could follow suit.

The other major development came in 2014. That year's competition prioritized the development of collective impact models where subgrantees focus on similar, shared outcomes. Collective impact models could allow regional grantmakers to achieve the same efficiencies that have benefitted national intermediaries with unified portfolios.[17] All seven of the 2014 grantees are pursuing some version of this approach.[18]

**Doing Too Much Too Fast**

The other major factor affecting SIF projects was their scope and ambition. In general, initiatives that tried to do more, particularly those that were launching new programs with new staff in new settings, faced the greatest hurdles. Those that were more incremental, expanding existing services in existing locations, were more likely to succeed.

Many of these difficulties were just the normal bumps in the road associated with any new undertaking. At the local level, grantees were hiring and training new staff, identifying local partners, and enrolling new program participants. They were also contending with federal financial management and compliance issues that, for many, were new because it was their first federal grant.

Other challenges were attributable more specifically to SIF, including CNCS-mandated criminal background checks and evaluation requirements that were greater than expected. These challenges were heightened in the early years because the Social Innovation Fund was also new and federal staff were experiencing similar bumps and growing pains. Many of these problems were overcome over time.

At least one issue, however, was more pervasive and possibly long-lasting. At least in the beginning, it appeared that many SIF grantees and subgrantees were unaware of the tensions between SIF's three main stated goals: innovation, evidence, and scale. Each of these three presents its own unique challenges, and yet many appeared to be attempting to do all three at once. Creating new initiatives in new settings, with relatively new and innovative interventions, and attempting to subject them to high-level evaluations with substantially constrained resources is not a recipe for success.

In recent years, particularly since 2012, SIF has become more explicit about the tradeoffs, saying it "would not expect to see a plan for broad replication from a subrecipient with preliminary evidence."[19] It is an admonition that all prospective applicants should

[17] This would depend on whether the funded interventions are substantially the same, as is the case for unified portfolios, or are complementary, but different.

[18] Corporation for National and Community Service, "Federal Program Marks Fifth Anniversary; Announces $51.8 Million in Investments to Grow Community Solutions That Work," September 17, 2015. Available at: http://www.nationalservice.gov/newsroom/press-releases/2014/federal-program-marks-fifth-anniversary-announces-518-million

[1919] This would depend on whether the funded interventions are substantially the same, as is the case for unified portfolios, or are complementary, but different.

[19] Corporation for National and Community Service, "Federal Program Marks Fifth Anniversary; Announces $51.8 Million in Investments to Grow Community Solutions That Work," September 17, 2015. Available at: http://www.nationalservice.gov/newsroom/press-releases/2014/federal-program-marks-fifth-anniversary-announces-518-million Corporation for National and Community Service, "Social Innovation Fund Notice of Funding Availability FY 2015," March 17, 2015. Available at: http://www.nationalservice.gov/documents/main-menu/2015/social-innovation-fund-nofa-fy-2015

take seriously. Experience has shown that more incremental efforts made with full knowledge of the difficulties and tradeoffs between innovation, evidence, and scale are more likely to succeed.

## A Coming Wave?

Is SIF accomplishing its goals? It is clear that these were not easy dollars and there were many hard lessons learned along the way. But it is equally clear that there have already been some significant successes under the most trying circumstances.

Caution must be taken with respect to these results, since they are still very early, but there is reason to be optimistic that similar successes may lie ahead.

Many of the next wave of projects are from some of the best-resourced grantees and unified portfolio grantees that have so far produced SIF's most significant results. These include many more multi-million dollar projects from intermediaries such as the Edna McConnell Clark Foundation, New Profit, the Mayor's Fund to Advance New York City, and LISC and four other intermediaries with unified portfolios like those that have already produced positive findings.

Smaller, geographically-based projects still face significant resource constraints, but some of them may produce positive results despite these challenges. Moreover, the emergence of collective impact-based initiatives in the 2014 competition may be a promising development for this group.

While the future cannot be predicted with any certainty, judged according to its ability to advance new and potentially transformative evidence of what works, the Social Innovation Fund has already achieved a measure a success. If this early progress continues, SIF's early results could be the leading edge of a wave of positive evaluation results that are still to come.

# Lessons for Policymakers

Given SIF's progress so far, what policy lessons be learned from the program? How can it be improved? This section reviews five issues that stood out:

1. SIF's intermediary model;
2. Evaluation challenges and lessons;
3. Knowledge dissemination;
4. Federal regulatory barriers; and
5. Matching requirements.

## Use of Grantmaking Intermediaries

The Social Innovation Fund is one of several evidence-building initiatives underway in the Obama administration, but it has one defining feature that sets it apart from the rest: its reliance on grantmaking intermediaries to choose subgrantees and oversee their work.

The model draws heavily from the field of venture philanthropy, whose roots can be traced back further to venture capitalism. In the business world, venture capitalism fills an important financial niche. Venture capitalists are constantly on the lookout for entrepreneurs with good ideas and a need for investment capital. After subjecting them to intensive due diligence, if they are sufficiently promising, the venture capitalist (VC) will provide them with a combination of early-stage capital and hands-on guidance to help them grow. When they end successfully, such engagements usually result in the sale of VC's equity stake and may ultimately lead to a public stock offering that takes the business to scale.

Venture philanthropy is very similar. Like venture capitalists, venture philanthropists keep their ears to the ground, looking for promising community-based organizations and social entrepreneurs with promising ideas. After subjecting them to intensive due diligence, those that are selected are provided early-stage philanthropic support and intensive capacity building, including the creation of business plans, leadership development, performance management systems, and program evaluation capacity.

Like venture capitalists who draw their funds from outside investors, venture philanthropists often tap philanthropic co-investors.[20] Venture capital and venture philanthropy are considered high-risk, high-reward undertakings[21] and both usually maintain portfolios of organizational investments to diversify the risk.

Unlike venture capitalists, however, who are seeking a financial return, venture philanthropists are seeking a social return. Venture philanthropists are working to build high-impact organizations that can take on and solve some of society's most intractable problems.

Another important difference is the end game. While both are helping to bring organizations to scale, venture capitalists achieve scale by selling their stakes or taking their companies public. Venture philanthropists, by contrast, typically achieve scale through public funding,[22] knowledge sharing,[23] and changing public systems.[24]

The Social Innovation Fund's reliance on grantmaking intermediaries is deeply rooted in the venture philanthropy movement. The first cohort of SIF intermediaries included two venture philanthropy-oriented nonprofits, New Profit and Venture Philanthropy Partners,[25] and a third that practices high-engagement philanthropy that draws upon some of the same concepts, the Edna McConnell Clark

[20] Cynthia Gair, "Strategic Co-Funding: An Approach for Expanded Impact". 2012, http://docs.geofunders.org/?filename=geo_redf_strategic_co-funding_2012.pdf
[21] Judith Rodin, "Philanthropy Is the Go-To Partner for Risk," *Huffington Post*, April 18, 2013. Available at: http://www.huffingtonpost.com/judith-rodin/philanthropy-is-the-go-to_b_3109714.html
[22] William Foster and Gail Fine, "How Nonprofits Get Really Big," *Stanford Social Innovation Review*, Spring 2007. Available at: http://www.ssireview.org/articles/entry/how_nonprofits_get_really_big
[23] Kathleen P. Enright, "What Would It Take?" *Stanford Social Innovation Review*, Spring 2014. Available at: http://www.ssireview.org/articles/entry/what_would_it_take
[24] Patrick T. McCarthy, "The Road to Scale Runs Through Public Systems" *Stanford Social Innovation Review*, Spring 2014. Available at: http://www.ssireview.org/articles/entry/the_road_to_scale_runs_through_public_systems
[25] Venture Philanthropy Partners, "About Us.": http://www.vppartners.org/about-us

Foundation.[26]

When asked, all of the intermediaries said they thought the intermediary model was one of SIF's central strengths. When asked why, two reasons – both of which are closely aligned with idea of venture philanthropy – stood out: (1) their ability to find and choose the best possible subgrantees; and (2) their ability to build the capacity of their subgrantees after they were chosen.

### Selecting Subgrantees

"When you look at the nonprofit sector, the big ones get a lot of attention, but most nonprofits are small, less professionalized and not candidates for scale or for the SIF," said Meghan Duffy at Grantmakers for Effective Organizations. "Given that, the intermediaries were really the only way that this was going to work." [27]

Except in the first year, when intermediaries were allowed to apply with pre-selected subgrantees,[28] the subgrantees were selected by the intermediaries in open competitions approved by SIF.[29] The competitions were open to all eligible applicants and the subgrantees were chosen after rigorous review and due diligence.

When interviewed, the intermediaries cited several reasons why they thought their selection processes produced better choices:

- ***Finding High Capacity Organizations:*** Many intermediaries believed that high-capacity organizations were more likely to hit the ground running. "In thinking about our grantees, the organizations that are successful were the ones that had the systems in place to support opening a new site," said one intermediary. "Organizations that have more experience in launching new programs and scale were able to ramp up faster than others."

- ***Selecting Balanced Portfolios with Innovative Programs:*** While the intermediaries often sought out high-capacity grantees, they also sought out others with more innovative solutions. "It has been easier to work the existing folks who were expanding established systems. They were further along, had larger staffs. But at the same time, there is real value in replication grantees who are doing newer things," said one intermediary. "They are not out of the running if they don't have this track record because we want to groom new organizations," said Maura Riordan of AIDS United. "But we will be transparent on that and bring in TA where it is needed."

- ***Subject-matter Expertise:*** Many of the intermediaries, particularly those that were working with a unified portfolio of subgrantees implementing similar models, felt they knew their sectors and the players in them. "The space that we are in is a niche area," said one intermediary. "There are not a lot of people that understand it and probably not the feds. We have a much better understanding."

- ***Local Knowledge:*** Regional grantmakers felt they knew their local applicant pools. "We are place-focused so we have some sense of the work happening on the ground," said Cindy Eby of Mile High United Way. "We had face-to-face contact. The selection process involved site visits and we were able to vet the organizations that got selected."

### Capacity Building

When interviewed, the intermediaries said training and capacity building were central to their success.

"We are fundamentally a 'builder' of organizations, not a 'buyer' of programmatic outcomes, and therefore we grant unrestricted dollars to bolster capacity ahead of need," said Tulaine Montgomery, a partner in New Profit's Pathways Fund.

Capacity building was delivered in a variety of ways, including through orientations and on-boarding of new subgrantees, on-site trainings, convenings, consultants, and direct financial investments. The most commonly cited focus areas were evaluation, data management, federal compliance issues, and

[26] William Ryan and Barbara Taylor, "Results and Lessons from the First 10 Years," Edna McConnell Clark Foundation, September 2013. Available at: http://www.emcf.org/fileadmin/media/PDFs/EMCF_ResultsandLessonsReport_2001-2012.pdf
[27] Interview, April 29, 2015.
[28] Some, but not all, of the subgrantees in the 2010 cohort were selected this way.
[29] Grantmakers for Effective Organizations, "Widening the Pool: Open and Inclusive Grant Competitions," May2012. Available at: http://docs.geofunders.org/?filename=geo-sww-widening-the-pool-2012.pdf

## Due Diligence in Action: An Example

One example of an intermediary selection process is the one undertaken by Venture Philanthropy Partners (VPP).

The open competition process to select the final subgrantees began in late September of 2010 and concluded in February of 2011.

VPP sought experienced help to develop and manage the open competition, and reached out to other organizations more familiar with the process to help complete the competition quickly and effectively. Finding the right mix of people to serve as reviewers in the open competition process was critical to the success, credibility and independence of the youthCONNECT initiative. The review team ultimately consisted of 10 members, including external thought leaders, local funders, VPP and evaluation partner Child Trends. The reviewers possessed a variety of skill sets, including backgrounds in youth development, regional nonprofit knowledge or experience with the open competition process.

The first stage of what would be a five-month process to identify the final subgrantees officially began on September 20, 2010, when VPP issued a Request for Preliminary Proposals (RFPP). VPP hosted a bidders' conference and held two webinars to help orient potential grantees to the process, with approximately 200 organizations expressing interest in applying to youthCONNECT.

The application developed during the first stage was deliberately kept short and simple to streamline the process for both applicants and reviewers. VPP and the review team used weighted selection criteria to narrow the initial application pool of 200 down to 38 organizations, all of whom were invited to submit preliminary proposals. In the second stage of the process, the selection committee narrowed the applicant pool to eight organizations that were invited to submit full proposals.

For the most part, the organizations that were not selected to continue in the process were eliminated due to their limited experience in collaboration. Recalls selection committee member Michael Smith, then at the Case Foundation; "We were really looking for them to tell us how they had collaborated with other organizations and how they thought they could expand the impact of their work through collaboration… No one was really talking about how they could connect their work in a way that would enable them to achieve more together than what they could as individual organizations."

The selection team ultimately settled on a slate of four organizations to take part in the third stage, and most challenging part of the process, the VPP investment selection stage.

VPP used its regular investment selection process to identify the final organizations, a process that is laser-focused on whether an organization, and in particular its leadership, has a track record of demonstrated performance. The process includes interviews, program reviews and site visits. Each finalist is assessed for capacity, and legal and accounting resources are utilized to complete due diligence. VPP also obtained a written commitment from the four organizations to meet SIF match-funding requirements, and letters of support from elected officials and stakeholders throughout the region involved in the delivery of youth services.

In this instance, VPP also consulted with the preselected grantees to evaluate the likelihood that an organization would be an effective partner within the youthCONNECT network. VPP specifically explored each applicant's ability and desire to grow and make a meaningful difference for the children and youth it served.

Ultimately, two organizations stood out as being particularly strong candidates: Urban Alliance, and Metro TeenAIDS. In February 2011, the two organizations were invited to become youthCONNECT partners.

Source: Youth Connect, "A Network in Progress: The First Two Years" (May 2014), pp. 13-14. http://www.vppartners.org/results/reports/youthconnect-network-progress-first-two-years training in the program models being replicated. (More on these topics can be found in the later chapter entitled "Lessons for Philanthropy and Nonprofits.")

"We focused on evaluation design, implementation quality, implementation manuals, and documenting for replication. We intend to work with them on business and sustainability planning," said Cindy Eby of Mile High United Way.

"It was really outstanding for us to be able to build capacity in our grantees," said Maura Riordan of AIDS United. "More and more funders are looking for that. It builds capacity for federal grant applications, too. We were making them more competitive and more viable."

**Is the Intermediary Model Working?**

Is SIF's venture philanthropy-inspired intermediary model working? The question begs further clarification: compared to what? Compared to purely private venture philanthropy? Compared to other publicly-managed efforts to build the evidence base, like the U.S. Department of Education's i3 program?

Answers to those questions are beyond the scope of this report, but a few preliminary conclusions can be drawn:

- ***SIF's intermediary model has advanced several core venture philanthropy concepts.*** SIF's intermediary model has used several core strategies from the venture philanthropy movement, including proactively seeking out the best grant recipients, conducting due diligence, capacity building, and building the evidence base.

- ***It has produced results.*** SIF has already produced five projects with favorable results at a moderate or higher level of evidence, including those in early reading, childhood obesity, low-income savings plans, social enterprise employment, and workforce development. More appear to be on the way.

- ***It is a bottom-up addition to the evidence and innovation landscape.*** Rigorous evaluation is expensive and difficult. For that reason, it is typically sponsored by governmental (usually federal) agencies, often within the confines of a centrally-devised evaluation plan.[30] SIF's evaluation approach provides a bottom-up supplement to this more centralized approach.

## Evaluations

Developing credible evidence of what works is both costly and difficult. According to Jon Baron, Vice President for Evidence-Based Policy at the Laura and John Arnold Foundation, large, well-conducted randomized controlled trials (RCTs), the purported "gold standard" of evaluation, typically cost at least $1 million and can cost several times that.[31] Less expensive evaluations can be conducted when access is granted to governmental administrative data to measure the study outcomes, but such permission is not always granted. Even then such research can cost $50,000-$300,000.[32]

Getting evaluation right is also difficult. "A lot of local evaluations don't produce credible results," Baron said, ticking off several possible pitfalls. "The trial or quasi-experiments go forward with good intentions but too often fall apart. They may be underpowered or unable to maintain the integrity of random assignment. Once that occurs they may look for a comparison group, but it's not equivalent to the original. Frequently there is high attrition, and sometimes studies lose half or more of the sample."[33]

"When they don't fund it well, you get what you pay for," agreed another expert in evaluation at a nationally recognized firm.[34] "The design can be faulty."

Nonprofits do not typically have the resources to do such studies. According to the Center for Effective Philanthropy, the typical nonprofit allocates two percent or less of its budget to assessing performance.[35]

Especially in its first few years, the Social

[30] Government Accountability Office, "Experienced Agencies Follow a Similar Model for Prioritizing Research," January 14, 2011. Available at: http://www.gao.gov/products/GAO-11-176 and GovtInnovator, "HUD's Research Roadmap," May 21, 2015. Available at: http://govinnovator.com/katherine_oregan/
[31] Coalition for Evidence-Based Policy, "Practical Evaluation Strategies for Building a Body of Proven-Effective Social Programs," October 2013. Available at: http://coalition4evidence.org/wp-content/uploads/2014/05/Practical-Evaluation-Strategies-2013.pdf
[32] Coalition for Evidence-Based Policy, "Rigorous Program Evaluations on a Budget: How Low-Cost Randomized Controlled Trials Are Possible in Many Areas of Social Policy," March 2012. Available at: http://coalition4evidence.org/wp-content/uploads/uploads-dupes-safety/Rigorous-Program-Evaluations-on-a-Budget-March-2012.pdf
[33] Interview, May 2015.
[34] Interview, April 22, 2015
[35] Center for Effective Philanthropy, "Assessing to Achieve High Performance: What Nonprofits are Doing and How Foundations

Innovation Fund experienced these limitations to their fullest – and the results were often ugly. Those early bumps had the beneficial side effect, however, of showing what would happen without consistent federal technical assistance and oversight.

The program has since adjusted. Today, the Social Innovation Fund is helping to meet these challenges with funding, technical assistance, and strong oversight of local evaluations.

**Evaluation Funding**

"Too often, effective nonprofits lack the expertise, resources, or infrastructure to evaluate their efforts, demonstrate impact, and take their programs from 'promising' to 'proven,'" said SIF in a report released in 2013.[36]

> While many grant programs do not provide support or funding for evaluation, the Social Innovation Fund provides both – supplying evaluation technical assistance and allowing for some funding to be set aside for required evaluations of all selected nonprofits.

How costly are such evaluations? According to an analysis of SIF evaluation expenses,[37] the average cost of evaluations varies according to the ambition of the evaluation design:

- ***Randomized Controlled Trials:*** Randomized controlled trials cost an average of $437,110 per year, more than the entire annual subgrant for many (and probably most) SIF subgrantees.
- ***Quasi-experimental Designs:*** Evaluations using quasi-experimental designs ranged from an average of $71,898 per year for propensity-score-matched studies to $154,005 per year for other quasi-experimental studies such as interrupted time series or regression discontinuity designs.
- ***Non-experimental Designs:*** Implementation and feasibility studies averaged $69,932 per year. Pre-post studies averaged $153,014 per year.

"We had some sticker shock around the cost of evaluation. All of our subgrantees did," said one intermediary. "The gold standard is RCTs and we didn't have that money," said another.

Several were forced to rework their evaluation budgets after they better understood the requirements. Without the experience of a preceding cohort to guide them, the first cohort of intermediaries and subgrantees from 2010 struggled the most. (SIF has since set aside limited supplemental funding to help some in this group with their evaluations on a case-by-case basis.)

Unsurprisingly, the high cost of evaluations has played a decisive role in determining the level of evidence that intermediaries and their subgrantees could afford to achieve, with the better-funded organizations faring better than others:

- ***Better-funded Intermediaries:*** The best-resourced intermediaries, like the Edna McConnell Clark Foundation, the Mayor's Fund to Advance New York City, Jobs for the Future, New Profit, and LISC had the largest grants and the most to spend. Each of the first three is responsible for a project identified in this analysis as showing positive results. The Edna McConnell Clark Foundation and Mayor's Fund to Advance New York City have both funded RCT studies by MDRC and both have more on the way.
- ***Intermediaries with Unified Portfolio Evaluations:*** Intermediaries with unified portfolios had varying budgets, some with subgrants at or near the $100,000 minimum. Despite these resource constraints, they were still sufficiently resourced because they consolidated their resources into a single unified evaluation. These reports usually coupled implementation studies of all of their subgrantees with an impact study focusing on a small subset of the group. Three of the five projects identified as showing positive results in this analysis (Jobs for the Future, REDF, and the U.S. Soccer Foundation) fit this profile.

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Can Help," April 2015. Available at: http://www.effectivephilanthropy.org/portfolio-items/assessing-to-achieve-high-performance-what-nonprofits-are-doing-and-how-foundations-can-help/

[36] Corporation for National and Community Service, "Getting Results, Transforming Lives: The Social Innovation Fund « 2010-2012 Investment Report," April 2013. Available at: http://www.nationalservice.gov/sites/default/files/documents/sif_investment_report2013_0.pdf

[37] Corporation for National and Community Service, Office of Research and Evaluation. (2013). *Budgeting for Rigorous Evaluation: Insights from the Social Innovation Fund*. (by Lily Zandniapour and Nicole Vicinanza). Washington, DC, p. 23. Available at: http://www.nationalservice.gov/sites/default/files/documents/Budgeting_for_Evaluation.pdf

- ***Small, Regional Intermediaries:*** Small, geographically-focused intermediaries with annual SIF grants at or near the $1 million annual minimum and multiple subgrants at or near the $100,000 annual minimum, struggled the most. Most conducted separate evaluations for each of their subgrantees, stretching already low budgets to the limit. With evaluation budgets as low as $12,000 per year, none of the subgrantees in this group has advanced beyond a preliminary level of evidence so far.

  Starting with the 2011 cohort, however, SIF implemented several changes intended to help all of the subgrantees, including those in this group, reach at least a moderate level of evidence by the end of their grant periods (described in the next section). In 2014, SIF also began prioritizing collective impact strategies with shared goals and metrics, thus potentially extending the benefits of unified evaluations to this group. All seven of the 2014 grantees will be using a variation of the collective impact model.[38]

**Evaluation Oversight**

SIF's oversight of intermediary and subgrantee evaluations has evolved significantly since the first cohort was announced in 2010. SIF's early development was a learning process for the intermediaries, subgrantees, and SIF alike, and the evaluation process was no exception.

Many intermediaries and subgrantees in the first cohort entered the program with little understanding of SIF's evidence expectations or of related requirements such as Institutional Review Board (IRB) reviews. According to one intermediary, when describing its own experience:

> For the most part, none of the subgrantees had experience with evaluation requirements that required such a high level of academic rigor. The concepts and processes (e.g., IRB) were unfamiliar to them, and they did not fully understand what it would entail to implement this type of evaluation.[39]

Starting in 2011, SIF required evaluations to target a moderate or higher level of evidence (see Appendix A). Because this had not been clearly expressed for the 2010 cohort, SIF permitted them to end their grants with a preliminary level of evidence and some did.[40]

> Because [the first] cohort had been funded without a clear understanding of the evaluation requirements, programs had been selected and designed that were not conducive to evaluating at "moderate levels" of evidence as defined for SIF.[41]

SIF acted quickly to rectify these problems. One of its first changes, starting with the 2011 intermediary competition, was instituting a new internal staff review process that subjected high-scoring peer-reviewed applications to further scrutiny.[42] This internal review includes an examination of the applicant's evaluation plans and capabilities.[43]

Once intermediaries are selected, the evaluation approval process that follows is also more involved. It begins soon after receipt of the federal grant, with intermediaries going through an initial orientation, often with their chosen local evaluators. Intermediaries next submit a Portfolio Evaluation Strategy (PES) that describes their plans in general terms, including whether they will pursue individual or unified portfolio evaluation plans.[44]

SIF's evaluation staff is also more involved in subgrant competitions, reviewing intermediary-submitted short lists of subgrant candidates to ensure that they enter the program with at least preliminary levels of evidence.[45] After the subgrantees are announced, the intermediaries and/or subgrantees

[38] Corporation for National and Community Service, "Federal Program Marks Fifth Anniversary; Announces $51.8 Million in Investments to Grow Community Solutions That Work," September 17, 2015. Available at: http://www.nationalservice.gov/newsroom/press-releases/2014/federal-program-marks-fifth-anniversary-announces-518-million
[39] Foundation for a Healthy Kentucky / Center for Community Health and Evaluation, "Kentucky Healthy Futures Initiative (KHFI)." See: http://www.healthy-ky.org/our-focus/healthy-futures-initiative
[40] This action explains the high number of final reports with preliminary evidence noted earlier in this report.
[41] Foundation for a Healthy Kentucky / Center for Community Health and Evaluation, "Kentucky Healthy Futures Initiative (KHFI)." See: http://www.healthy-ky.org/our-focus/healthy-futures-initiative
[42] Corporation for National and Community Service, "Social Innovation Fund Notice of Funding Availability FY 2015," March 17, 2015, p. 19. Available at: http://www.nationalservice.gov/documents/main-menu/2015/social-innovation-fund-nofa-fy-2015
[43] SIF correspondence, May 29, 2015
[44] Corporation for National and Community Service, "2015 Evidence & Evaluation Webinar Transcript," February 25, 2015. Available at: http://www.nationalservice.gov/sites/default/files/documents/2015-evidence-evaluation-webinar-transcript
[45] Ibid.

develop their SIF Evaluation Plans (SEPs), which typically include some combination of implementation, outcomes, impact, and cost studies.

In interviews, the intermediaries described SEP development as a lengthy and sometimes painful process of negotiation. However, coupling the local knowledge and subject matter expertise of the intermediaries with the evaluation expertise and high standards of the SIF staff and its third-party subcontractor, JBS International, has probably improved the final product.[46] On average, the process takes an average of nine months to a year for a plan to be approved.[47]

The process does not end with this approval, however. SEPs frequently change and when they do they must be re-evaluated and approved again. As of the end of the first quarter of 2014, a total of 87 evaluation plans had been approved for all of the 2010-2012 intermediaries. Of those evaluations, 81 percent were deemed experimental or quasi-experimental.[48]

### Evaluator Independence

One possible threat to the validity of SIF studies is a potential lack of independence among the third-party evaluators who are hired by the intermediaries and subgrantees they are evaluating. According to SIF, the agency provides “technical assistance to grantees as they make their selection, but do not weigh in on who they should or should not select.” [49]

To address this issue, intermediaries must include details on evaluator qualifications and independence in their evaluation plans, including who hired the evaluator, who they report to, and whether there are conflicts of interest. SIF is significantly involved throughout the process and does not believe there is a threat.

“As we work with grantees on the development of their evaluation strategy and evaluation plans, we become familiar with their selected evaluators and would weigh in if we had concerns about the independence of the selected evaluators,” said a senior member of SIF’s staff. [50]

While SIF has not openly acknowledged the central role it is playing to ensure evaluation independence, it does appear to be playing that role, both through its ongoing involvement and by upholding rigorous standards.

"The rigor of the study design acts as a buffer," said Jon Baron at the Laura and John Arnold Foundation. "If the study is well designed, includes a randomized trial with low attrition, the answer will come out where it comes out. It's hard to game it." For comparison, Baron noted that pharmaceutical companies sponsor drug studies that must be approved by the Food and Drug Administration and the results frequently do not conform with the sponsoring company's vested interests.[51]

### Evaluation Technical Assistance

In their 2014 book, *Show Me the Evidence*, Ron Haskins and Greg Margolis wrote that officials from the Corporation for Community and National Service (CNCS) and MDRC evaluators involved in several SIF programs believed that subgrantees “lacked knowledge about program evaluation and had never participated in a rigorous evaluation.”[52]

SIF says it is committed to increasing the evaluation capacity of the intermediaries (and through them their subgrantees) by sharing knowledge, tools, and other resources.[53] To date, this has come in a variety of ways, including webinars, group calls, and individual consultation, most of which has been performed in partnership with its technical assistance provider, JBS International.[54] SIF also hosts an annual convening so that intermediaries can share ideas and resources of their own.

Many of the written resources are uploaded to an online Knowledge Network, which acts as a document repository and communications hub. While there is no public access to the Knowledge Network, the public can access a related web site containing tutorials on evaluation planning[55] and another

[46] Interview with SIF staff, May 11, 2015.
[47] Lily Zandniapour, "Social Innovation Fund (SIF) Evaluation Program and SIF Evaluation Plan (SEP) Guidance Document," July 2013.
[48] Corporation for National and Community Service, "Congressional Budget Justification: Fiscal Year 2016," February 2, 2015. Available at: http://www.nationalservice.gov/sites/default/files/page/CNCS_FY_2016_Budget_Congressional_Budget_Justification.pdf
[49] SIF correspondence, May 29, 2015
[50] SIF correspondence, May 29, 2015
[51] Interview: May 26, 2015
[52] Ron Haskins and Greg Margolis, *Show Me the Evidence*, (Brookings Institution Press: 2014), p. 233.
[53] Lily Zandniapour, "Social Innovation Fund (SIF) Evaluation Program and SIF Evaluation Plan (SEP) Guidance Document," July 2013.
[54] SIF communication, May 29, 2015
[55] Corporation for National and Community Service, "Subgrantee Evaluation Plan Getting Started Tutorials." Available at: http://sep-tutorials.org/

containing briefs on such topics as federal grants management and compliance.[56]

"In the beginning we were all learning," said one intermediary from the 2010 cohort. "It was more compliance-related. Evaluation came later."

When asked, many of the intermediaries expressed modest interest in the various resources devoted to evaluation because they believed that they, or their evaluators, were sufficiently conversant in these topics. However, most said they greatly valued the annual convenings and networking opportunities that SIF provided.

### SIF's Impact on Evaluations

How effective have SIF's efforts been? When asked, most of the intermediaries said the process made their final evaluations stronger. The few who disagreed tended to be among the best-resourced, who said they already had strong evaluation plans and teams in place, or among the least well-resourced, who said they struggled with unexpectedly high evidence expectations.

Better evidence can be found in the financial support provided by SIF for evaluation and by the difficulties faced by the earliest SIF grantees, who received less support compared to the more recent grantees, who received more. Both suggest that, consistent with the opinions of national evaluation experts, SIF's provision of money and guidance has made a decisive difference.

Further confirmation may come later this year or next, when a SIF-funded assessment by ICF International will shed more light on its impact. Until then, SIF's own self-assessment is instructive.

"We want to make sure the evaluations can stand the test of rigor and scrutiny and make sure they contribute to the evidence base," said one senior SIF staff member when asked about its impact. "We feel very comfortable that we have advanced that cause, but it's not for the faint at heart."

## Knowledge Dissemination

When Congress created the Social Innovation Fund, one of the many responsibilities it assigned it was the dissemination of knowledge learned from the program. In 2014, Michael Smith, then SIF's director, described the program's aspirations this way:

> We see the Social Innovation Fund as being successful not only if the organizations that we invest in are successful, but if we're able to share what we're learning: Best practice, lessons learned, what's good, what's bad, all of the evaluation reports. If we share those things we can actually create a conversation and change the conversation on how we invest in the social sector. [57]

So far, SIF's progress toward that goal has been modest, but with more knowledge resources in the pipeline, that may soon change. More progress has been made by intermediaries and subgrantees themselves, with significant implications for transforming the field. Perhaps most importantly, however, a growing marketplace for evidence may soon render such traditional dissemination activities largely obsolete.

### Traditional Dissemination Activities

To date, public knowledge dissemination by SIF's federal staff and third-party contractors has been modest. While it has provided substantial technical assistance to the intermediaries, most of these resources have not been made public.

So far, SIF's most significant public contributions to the field have included an evaluation planning guide, a report covering evaluation costs, an issue brief on collaboration and partnerships, a report on progress in the pay-for-success field, an online blog accompanied by an email list with 15,000 subscribers, presentations to associations like the Council on Foundations and American Evaluation Association, and a few early evaluations.[58] To date, these knowledge dissemination efforts do not appear to have significantly impacted the field.

There are many potential reasons for this,

[56] Corporation for National and Community Service, "Quick Guides - The Social Innovation Fund Application Resources." Available at: http://www.nationalservice.gov/node/20998

[57] Corporation for National and Community Service, "NOFA Overview hosted by GEO and Council on Foundation," March 25, 2014. Available at: http://www.nationalservice.gov/sites/default/files/upload/SIF/SIF_NOFA_GEO_WebinarTranscript%283-25-14%29_Final.pdf

[58] Evaluations are being posted at the CNCS Evidence Exchange at http://www.nationalservice.gov/impact-our-nation/research-and-reports/evidence-exchange

including:

- ***Timing:*** Lessons must be learned before they can be disseminated. It appears that there are several additional items waiting in the pipeline. A year from now, SIF's progress on knowledge dissemination may be substantially greater.

- ***Limited Resources:*** The staff housed at SIF consists of just 11 full-time employees, including program officers and evaluation staff with other major responsibilities. SIF may lack the resources needed for greater dissemination activity.

- ***Bureaucracy:*** Federal reports must usually be approved by several offices before they are released publicly, probably including communications and other offices within CNCS and possibly, given that SIF is a presidential level initiative, personnel external to CNCS.

These barriers may be of little consequence if SIF releases more resources in the months ahead, as is planned, but they may also suggest what might be needed to disseminate knowledge more broadly.

### An Emerging Evidence Marketplace?

SIF's traditional dissemination efforts may soon be overshadowed by other forces that may be driving an emerging market for evidence-based programs.

The "supply" side of this emerging market includes not only the Social Innovation Fund, but its grantees and subgrantees, which dwarf it in resources and size. Interviews with intermediaries reveal that many of them are prepared to disseminate news about their evaluations (or are already) on their own, including through national and local networks.

There has also been substantial activity on the "demand" side due to the advocacy efforts of the intermediaries and their subgrantees. While SIF dollars may not be used for these purposes[59] and traditional foundations face substantial legal prohibitions against engaging in such work, many of the intermediaries are not foundations and they seem prepared to use their own, separate resources to change public systems in ways that would create more demand for evidence-based programs.[60]

Another promising development is the growing interest in pay-for-success, which is creating a marketplace for evidence-based programs.[61] SIF is already playing a substantial catalytic role in this new market,[62] both on the supply side (through the SIF "classic" program) and the demand side (through its pay-for-success initiative). SIF has acknowledged this connection, noting that "SIF program grantees with validated models may enjoy opportunities to scale and replicate in connection with the SIF PFS grant program."[63]

Taken together, these market forces may dwarf anything SIF could do with traditional dissemination activities. If these forces play out, SIF may need to pivot, be more strategic, and look for gaps in the growing evidence marketplace.

## Federal Regulatory Burdens

"SIF happens." So said one of SIF's many subgrantees, who joked that their project was considering making t-shirts emblazoned with the phrase.

SIF's regulatory burdens are significant. SIF itself has been frank about the requirements. "Accounting and reporting requirements placed on Social Innovation Fund funds are unique and substantial," it warns in a FAQ for prospective applicants.[64]

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[59] In fact, SIF grant recipients are required to certify that they will not use SIF funds for this purpose as part of the application. See Section 1352, Title 31 of the U.S. Code and Corporation for National and Community Service, "Social Innovation Fund Notice of Funding Availability FY 2015," March 17, 2015, p. 47. Available at: http://www.nationalservice.gov/documents/main-menu/2015/social-innovation-fund-nofa-fy-2015

[60] Corporation for National and Community Service, "CEO and Mayor's Fund Help Shape Policy with Evidence." Available at: http://www.nationalservice.gov/programs/social-innovation-fund/knowledge-initiative/blog/2015/Jan/ceo-mayors-fund-help-shape-policy-evidence and Corporation for National and Community Service, "CSH Improves Health and Lowers Care Costs for the Long-Term." Available at: http://www.nationalservice.gov/programs/social-innovation-fund/knowledge-initiative/blog/2015/Feb/csh-improves-health-lowers-care-costs-for-long-term-homeless

[61] Corporation for National and Community Service, State of the Pay for Success Field: Opportunities, Trends and Recommendations (May 6, 2015). Available at: http://www.nationalservice.gov/sites/default/files/documents/CNCS-state-pay-success-field-2015

[62] Social Innovation Research Center, "Winning Social Innovation Fund Applications Suggest Substantial Growth Ahead for Pay-for-Success Funding," (November 5, 2014). Available at:http://socialinnovationcenter.org/wp-content/uploads/2014/11/SIF-PFS.pdf

[63] Corporation for National and Community Service, "Congressional Budget Justification: Fiscal Year 2016," February 2, 2015. Available at: http://www.nationalservice.gov/sites/default/files/page/CNCS_FY_2016_Budget_Congressional_Budget_Justification.pdf

[64] Corporation for National and Community Service, "Social Innovation Fund NOFA Frequently Asked Questions FY 2015,"

Regulatory burdens widely cited by the intermediaries as problematic included:

- ***Criminal Background Checks:*** The regulatory barrier most widely cited was SIF's mandatory criminal background checks for employees, a requirement for every program under the CNCS umbrella.[65] Such checks are intended to protect those served by CNCS programs, but intermediaries viewed them as duplicative, excessively costly, and inconsistent with those required by other federal programs.

  There were also costs for those served. One rural subgrantee, for example, reported closing its medical clinic twice to ensure that its staff was properly fingerprinted by law enforcement officials many miles away. "A lot of the intermediaries work with ex-offenders," said another intermediary. "It feels contrary to the mission to have all these requirements." The criminal background checks were seen as especially burdensome by programs working in fields with traditionally high staff turnover.

- ***Financial Management Requirements:*** As a federal program, SIF has numerous federal financial recordkeeping requirements to ensure that taxpayer funds are used properly. These include cost principles enumerated under various OMB circulars and related federal regulations that require strict accounting practices, inventory recordkeeping, and employee timesheets, and that carry with them the possibility of a federal audit.

- ***Restrictions on Private Match Funding:*** Another requirement, again attributable not to SIF but to federal cost principles generally, was a requirement that all privately-raised money be treated and accounted for as if it were federal taxpayer money. For a program with a 3-1 private-public match that otherwise might have brought significant flexibility, this was seen as the most burdensome regulatory barrier.

  The federal requirements also carried with them a prohibition on the use of funds for fundraising purposes, which many felt undermined project sustainability. "Almost all the grantees struggle to obtain much-needed unrestricted funding to build their organizational capacity to deliver high-quality, effective programs," wrote the Edna McConnell Clark Foundation. "The restrictions the SIF places on private matching dollars have been one of the greatest stumbling blocks for most grantees."[66]

- ***Intermediary Responsibility for Enforcement:*** Under federal rules, the intermediaries are responsible not only for complying themselves, but also for ensuring that their subgrantees were in compliance. "We have always been very serious in our monitoring of the organizations we work with, but the federal piece adds a different level of complexity and responsibility," said Eleanor Rutland, Chief Operating Officer of Venture Philanthropy Partners.[67]

Other than the CNCS background checks, all of these are requirements associated with federal grants in general, not the Social Innovation Fund in particular, but they were still significant. The effects were felt by all of the intermediaries, large and small.

"Valuable hours that could have been spent expanding programs and organizational capacity are instead spent accounting for use of funds and completing the A-133 audit," wrote one analyst in a report for the Edna McConnell Clark Foundation. "Overall, many of the grantees agree that 'the SIF is a beast of a grant and has a lot more logistical and compliance challenges than we anticipated going into this.'" [68]

"Several sub-grantees had previous experience managing federal grants, but indicated that this grant required more effort to stay in compliance than they were accustomed to," wrote the Foundation for a Healthy Kentucky in its own report.[69] It went on to say that compliance "in some instances took away from time available to devote to program

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March 9, 2015. http://www.nationalservice.gov/documents/main-menu/2015/social-innovation-fund-nofa-FAQs-fy-2015

[65] Corporation for National and Community Service, "Criminal History Check Resources." Available at: http://www.nationalservice.gov/resources/criminal-history-check

[66] Edna McConnell Clark Foundation, "A Midpoint Report on the True North Fund," February 2014. Available at: http://www.emcf.org/capital-aggregation/true-north-fund/midpoint-report-on-the-true-north-fund/

[67] Grantmakers for Effective Organizations, "From Grantmaker to Federal Grantee: Risks and Rewards," April 4, 2011. Available at: http://docs.geofunders.org/?filename=GEO_SWW_FromGrantmakertoFederalGrantee.pdf

[68] Edna McConnell Clark Foundation, "A Midpoint Report on the True North Fund," February 2014. Available at: http://www.emcf.org/capital-aggregation/true-north-fund/midpoint-report-on-the-true-north-fund/

[69] Foundation for a Healthy Kentucky / Center for Community Health and Evaluation, "Kentucky Healthy Futures Initiative: Final Evaluation Report," January 2015. Available at: http://www.healthy-ky.org/sites/default/files/KHFI_Eval_Report_2014_FINAL%2003-31-15.pdf

implementation."[70]

**Options for Reducing the Regulatory Burden**

As burdensome as the federal requirements were, they exist for a purpose: to protect program participants (in the case of criminal background checks) and to prevent the potential misuse of taxpayer dollars (in the case of financial regulations).

Moreover, some of the burden has become more manageable over time. SIF did its best to help the intermediaries, including publishing a number a guides to help them through the various requirements.[71] Grantees that had previous experience with federal grants were better able to handle the requirements. Other grantees that lacked this experience gained it over time.

In some cases, the intermediaries hired special staff to oversee the various compliance requirements. Many also said the burdens better prepared them and their subgrantees to apply for other federal grants.

"That was a dark time in my life … just brutal," said one intermediary. "But it was a necessary evil. It's a capacity thing."

Ensuring appropriate use of taxpayer dollars and protecting SIF participants are important goals. The question is whether these goals could be achieved in a less burdensome way. For this, there are at least two promising options:

- ***Mandatory SIF Review:*** One option is to ask SIF and CNCS to review the existing requirements, including both their associated costs and benefits, and make recommendations to Congress about how to reduce the burden without causing unnecessary risks to taxpayer dollars and program enrollees. If these recommendations are approved, SIF could become a model for reducing these burdens across all federal grants.
- ***Performance-based Accountability:*** Another answer might lie in another program, called Performance Partnership Pilots (P3), an experimental initiative approved by Congress that gives several federal agencies, including CNCS, authority to approve a limited number of pilots that provide increased regulatory flexibility in exchange for greater performance-based accountability.[72] Unfortunately, P3 is currently limited to programs addressing disconnected youth, but the concepts may be expanded. Where they qualify, SIF grantees and subgrantees seem to be ideal candidates for this initiative.

## Matching Requirements

One of the Social Innovation Fund's central features is an approximately 3-1 matching requirement for federal dollars. Every federal dollar must be matched on 1-1 basis by the intermediaries. Subgrants must be matched once again on a 1-1 basis, thus creating up to a 3-1 match overall.[73] Matching dollars must be in cash and come from non-federal sources.

SIF's match requirement was included in the original legislation enacted by Congress and the resulting 3-1 leverage is touted by the Social Innovation Fund as one of its central features. According to SIF, as of the beginning of 2015, the program has awarded $229 million in federal grants. These grants have generated over $500 million in non-federal matching dollars, generating a total of $745 million in cash for SIF projects overall.[74]

"As taxpayers you should feel very good about the fact that we're tripling your dollar," said SIF's former director, Michael Smith, in a March 2014 webinar.[75]

Interviews with the SIF intermediaries and a review of project evaluations, however, paint a more complicated picture. While the match appears to have worked as intended for the best-funded intermediaries, smaller regional intermediaries and

[70] Ibid.
[71] Corporation for National and Community Service, "Quick Guides - The Social Innovation Fund Application Resources." Available at: http://www.nationalservice.gov/node/20998
[72] Youth.gov, "Performance Partnership Pilots for Disconnected Youth (P3)," Available at: http://youth.gov/youth-topics/reconnecting-youth/performance-partnership-pilots
[73] Intermediaries must only subgrant 80 percent of their federal award, so less than a 3-1 match is technically possible. However, overmatching often occurs.
[74] Corporation for National and Community Service, "2015 SIF Notice of Funding Availability Webinar Transcript." January 26, 2015. Available at: http://www.nationalservice.gov/documents/main-menu/2015/sif-nofa-webinar-transcript
[75] Corporation for National and Community Service, "NOFA Overview hosted by GEO and Council on Foundation," March 25, 2014. Available at: http://www.nationalservice.gov/sites/default/files/upload/SIF/SIF_NOFA_GEO_WebinarTranscript%283-25-14%29_Final.pdf

their subgrantees often struggled.

SIF's high 3-1 match ratio provides what appears to be significant leverage for each federal tax dollar, but it is a poor 1-3 match when viewed from the perspective of the grantees and subgrantees. It takes three dollars in nonfederal funding to produce a single dollar of additional federal investment.

For grantees and subgrantees with limited local fundraising bases, this ratio exacerbated existing resource disparities. In some cases, these disparities resulted in smaller program enrollments and budgets that were too small to cover SIF's expensive evaluation requirements.

### Reasons for the Match

Several persuasive arguments have been made in support of the match.

One is the concept of cooperative philanthropy, a central feature of venture philanthropy and a strategy used successfully by the Edna McConnell Clark Foundation. Just a few years before the Social Innovation Fund was created, the Edna McConnell Clark Foundation launched a Growth Capital Aggregation Pilot, an initiative that successfully raised $120 million for three evidence-based programs: Citizen Schools, Nurse-Family Partnership, and Youth Villages.[76] The effort was seen as a model for SIF and a vehicle for pushing more philanthropic organizations to support evidence-based programs in general.

A second justification was that the match was a good test of local support for SIF initiatives. Organizations that raised substantial private investments demonstrated more commitment and "skin in the game."

Another justification for the match was sustainability. SIF's grants were intended to be catalytic, lasting up to five years. Projects that were able to bring substantial matching dollars seemed more likely to continue after the SIF contribution ended.[77]

A final reason was political. "The leverage was politically appealing," said one philanthropy expert familiar with SIF's history. "It was contextual to the time, post-recession, when governments at all levels were facing funding cuts. They were looking around and asking who had deep pockets." The answer was philanthropy.

### Problems with the Match

While these reasons for SIF's match requirements are compelling, they have played out differently in practice for some intermediaries.

When asked how they managed the matching requirements, there was a relatively even split. Eight said they and/or their subgrantees struggled with the match. Seven said they did not. Their answers, however, followed a predictable pattern.

In general, those that did not struggle as much with the match were the better-funded, nationally-focused intermediaries. Of these at least two, the Edna McConnell Clark Foundation and the Mayor's Fund to Advance New York City, provided substantial financial assistance to their subgrantees to help with the match. Other nationally-focused intermediaries, which were selecting from a national pool of subgrantee applicants, could prioritize subgrantees that demonstrated the ability to raise match dollars.

By contrast, most of the smaller, regional grantmakers and subgrantees often struggled with SIF's match requirements, at least to some degree. Their challenges were heightened because the intermediaries and subgrantees were often approaching the same narrow pool of local funders.

Often stretched and underresourced, these smaller, regionally-funded initiatives struggled to finance the experimental and quasi-experimental studies that would have allowed them to achieve a moderate or higher level of evidence. Resource disparities were a major reason why so many regional grantees and subgrantees from the 2010 cohort failed to produce more than preliminary evidence.

### Sustainability Challenges

While several intermediaries suggested that winning the SIF grant produced a halo effect, raising their profile and opening doors to new funders, they also said the effect was temporary. Private funders who provided the bulk of the match were seen as being drawn to investments that were new and trendy. While many provided upfront funding, they

[76] Edna McConnell Clark Foundation, "Our Co-Investor Partners." Available at: http://www.emcf.org/capital-aggregation/our-co-investor-partners/
[77] Corporation for National and Community Service, "NOFA Overview hosted by GEO and Council on Foundations," March 25, 2014. Available at: http://www.nationalservice.gov/sites/default/files/upload/SIF/SIF_NOFA_GEO_WebinarTranscript%283-25-14%29_Final.pdf

often moved on before the SIF projects were complete and were not a reliable source of sustained support.

This is not a tendency solely attributable to SIF's funders. Securing multi-year and general operating support is a widespread problem for nonprofit organizations. According to a 2013 study by the Center for Effective Philanthropy:[78]

> One nonprofit leader expressed his frustration about short-term funding by saying, "Offer more multiyear funding. [Foundations] always ask the very dumb question of how we will maintain the programs after their funding has ended and, of course, the truth is that we will keep doing the grant-to-grant search, but we have to come up with some answer that really isn't true. The time spent just to write renewals for our funding could be drastically cut and used better to find the real long-term funding solutions."

Philanthropic support for SIF-funded programs may be better than philanthropy generally, but sustainability challenges remained even for the best-funded SIF programs.[79]

Public funding was often seen as more reliable than private philanthropy. This was less true in SIF's early years, when budget cuts were frequent in the aftermath of the 2008-2009 recession. Since then, however, several intermediaries said they have seen public funding as a larger and more sustainable form of support.

This conclusion is echoed by research from the Urban Institute, which indicates that most health and human services-focused nonprofits receive substantial government funding, with approximately a third receiving most of their support from public sources. [80]

**Possible Solutions**

SIF's match requirements are one of the largest threats to the program. While SIF's federal regulatory burdens have become less challenging for projects over time, as subgrantees learned to adapt, the matching requirements have usually become *more* challenging over time as funders have moved on, prompting serious questions about project sustainability. Even well-endowed intermediaries that did not face match issues up front expressed fear about sustaining financial support over time.

The arguments in favor of a match requirement remain compelling, but the associated challenges should be addressed. Options for addressing this issue include the following:

- ***Lower the Match:*** One option is to simply lower the match requirement. Lowering the match across the board, however, may not be the most efficient way to address the resource issue. First, only some of the grantees reported facing very significant match challenges. Second, lowering the match requirement would probably produce fewer resources for SIF projects, not more, making the resource situation worse. Third, it would require a change in federal law.

- ***Selectively Lower the Match:*** Current law gives SIF authority to lower the intermediary share of the match by half when those intermediaries can demonstrate that they are in communities that are philanthropically underserved, including rural low-income communities which are specified by name. To date, SIF has received one request for a match reduction and it was granted.[81] This solution has the advantage of being more targeted than an across-the-board match reduction for all of the grantees. It also would not require a change in federal law.

  SIF discretion over whether to approve such reductions should help ensure that the reductions do not simply lower resources available for local projects. SIF should only approve an intermediary match reduction if the intermediary pledges to use all of the savings to subsidize the subgrantees, particularly their evaluations.

  Under ideal circumstances, a lowered match ratio would maintain the local investment in dollar terms and *increase* the federal investment, thus producing more resources for the local project, not less.

- ***Allow In-kind Support:*** Unlike many other federal programs, SIF requires the match to be a

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[78] Center for Effective Philanthropy, "Nonprofit Challenges: What Foundations Can Do," May 2013. Available at: http://www.effectivephilanthropy.org/portfolio-items/nonprofit-challenges/

[79] Edna McConnell Clark Foundation, "A Midpoint Report on the True North Fund," February 2014. Available at: http://www.emcf.org/capital-aggregation/true-north-fund/midpoint-report-on-the-true-north-fund/

[80] Urban Institute, "Nonprofit-Government Contracts and Grants: Findings from the 2013 National Survey," December 2013, p. 15. Available at: www.urban.org/sites/default/files/alfresco/publication-pdfs/412962-Nonprofit-Government-Contracts-and-Grants-Findings-from-the-National-Survey.PDF

[81] Interview: May 11, 2015.

commitment of cash. This could be altered to allow in-kind contributions. However, this option might suffer the same problems as the across-the-board match reduction. It could result in fewer resources for SIF projects, not more, making the resource situation worse. This change would also need to be made by Congress, since the cash requirement is written into the federal law that created SIF.

- ***Allow "Restricted" Funds:*** Primarily owing to its focus on scaling and replicating programs, SIF requires all match dollars to be new or existing unrestricted dollars.[82] This requirement precludes the use of SIF money to support existing programs that are funded with previously obligated dollars. This requirement is probably the major reason why public dollars, which fund the bulk of youth, economic opportunity, and health programs nationwide, comprise a relatively small share of the match in SIF programs.

  This may be the best of the available options. Unlike some of the other options, it does not reduce resources available for local SIF projects, it expands them. Moreover, public dollars are a more reliable source of sustained support after SIF's financial support ends.

  According to SIF, "As sovereign entities, local governments may (consistent with their legal authorities) reallocate their unobligated funding to provide Social Innovation Fund matching funds."[83] While true, this does not appear to be happening in practice, at least not to a great extent.

  According to recent SIF guidance, "CNCS does not intend to allow the availability of Social Innovation Fund [dollars] to diminish ongoing programs in order to meet the Social Innovation Fund matching fund requirements."[84] It is not clear, however, that allowing the use of SIF money to expand, evaluate, and build capacity for existing local programs would have this effect.

  SIF has been known to experiment with its rules. An example was its decision to prioritize collective impact in its 2014 grant competition. Allowing restricted dollars to be counted toward the match, particularly restricted public dollars, may be a similarly worthy experiment.

- ***Allow Federal Funds:*** Under current law, matching funds for the Social Innovation Fund must come from non-federal sources. If Congress reauthorizes the program, this is a policy decision worth revisiting.

  Only a small portion of existing federal program funding is tied to evidence. Allowing other federal dollars, especially formula funds, to be used as matching funds in SIF projects could demonstrate the value of pushing these much larger programs in a more evidence-based direction.

To date, SIF's 3-1 match ratio has been a source of great pride. This focus on leverage is not necessarily misplaced, but the leverage may be running in the wrong direction. More public funding should be part of the mix, not less. Public funds will likely be the best source of sustainable support for most of these initiatives over time.

[82] Interview: May 11, 2015. See also: Corporation for National and Community Service, "Social Innovation Fund Notice of Funding Availability FY 2015," March 17, 2015. Available at: http://www.nationalservice.gov/documents/main-menu/2015/social-innovation-fund-nofa-fy-2015

[83] Corporation for National and Community Service, "Social Innovation Fund NOFA Frequently Asked Questions FY 2015," March 9, 2015. http://www.nationalservice.gov/documents/main-menu/2015/social-innovation-fund-nofa-FAQs-fy-2015

[84] Ibid.

# Lessons for Philanthropy and Nonprofits

The Social Innovation Fund depends heavily upon philanthropy to fill the key role of a grantmaking intermediary and to provide financial support. It depends upon nonprofits to implement the tested interventions. What impact has SIF had on philanthropy and nonprofits? What lessons can be learned for them so far?

## SIF's Impact on Philanthropy: Not Yet, But Soon?

Although not its central mission, one of SIF's goals is to help transform philanthropy by making it more evidence-focused.[85] As envisioned, this would be accomplished primarily through the intermediaries, which would engage with philanthropic organizations to raise match dollars and lead by example.

According to the Center for Effective Philanthropy, there is strong support for evidence throughout the foundation community, at least in general. In a 2013 survey of foundation CEOs[86] it found that:

- 91% believe more evidence-based information could improve their ability to assess the progress in their area of programmatic focus.
- 57% believe that foundations are in a position to provide more funding for such evidence.
- 71% say they support scaling successful programs or organizations.

This is fertile ground. So how has it worked out? Judged by the level of philanthropic support for SIF-funded initiatives, the answer so far has been middling.

The primary way for philanthropy to engage with SIF-funded programs is through the match. In January, SIF staff reported that $516 million in total matching funds, including for intermediaries and their subgrantees, had been raised up to that point, a bit more than $100 million per year.[87] While substantial, this is still a tiny fraction of the $54.7 billion in overall giving by foundations in 2013.[88]

When asked about the match, many intermediaries reported a halo effect that came with winning a SIF grant, but that it was temporary. Seven said they did not struggle with the match, but eight said they did, with the difficulties concentrated primarily among the smaller, regional intermediaries. Even the best-resourced among them, however, worried about the ongoing sustainability of their projects.

One contributing factor may be donor fatigue. The Obama administration has made foundation outreach a central feature of many of its initiatives,[89] including programs like the Promise Neighborhoods and the Investing in Innovation (i3) programs at the U.S. Department of Education and, more recently, the My Brother's Keeper initiative now headed by SIF's former director, Michael Smith.[90]

The SIF Foundation Registry,[91] modeled on a similar registry set up for i3, was established to help SIF intermediaries and their grantees connect with foundations to find matching funds.[92] While the i3 Foundation Registry, which came first, generated

[85] "Does SIF promote evidence-based grant making?" will be one the research questions that will be addressed in SIF's forthcoming evaluation by ICF International.
[86] Center for Effective Philanthropy, "How Far Have We Come? Foundation CEOs on Progress and Impact," December 3, 2013. Available at: http://www.issuelab.org/resource/how_far_have_we_come
[87] Corporation for National and Community Service, "NOFA Overview Webinar," March 3, 2015. Available at: http://www.nationalservice.gov/sites/default/files/upload/SIF/NOFA_Overview%20%283-3-2014%29_TRANSCRIPT.pdf
[88] Foundation Center, "Key Facts on U.S. Foundations," 2014. http://foundationcenter.org/gainknowledge/research/keyfacts2014/foundation-focus.html
[89] James Ferris and Nicholas Williams, "Offices of Strategic Partnerships: Helping Philanthropy and Government Work Better Together," *The Foundation Review*, Vol. 5: Iss. 4. Available at: http://scholarworks.gvsu.edu/tfr/vol5/iss4/5/
[90] Alex Daniels, "Social Innovation Fund Leader to Head Obama's 'My Brother's Keeper' Effort," *The Chronicle of Philanthropy,* October 21, 2014. Available at: https://philanthropy.com/article/Social-Innovation-Fund-Leader/152355
[91] See: http://www.sifregistry.org/
[92] See: https://www.foundationregistryi3.org/

substantial early financial support,[93] the SIF Foundation Registry does not appear to have been as successful.

There are several possible reasons. The SIF Registry was created by the Social Impact Exchange on a largely pro-bono basis and there was no significant ongoing financial support for building or maintaining it.

"I think SIF's 3-1 match may have also been a barrier for some funders," said Anne Sherman, Vice President for Nonprofit Strategy at the Social Impact Exchange.

The greater issue seems to be foundation priorities. While they were unsure, most of the intermediaries did not see SIF changing philanthropy, at least not directly. "SIF has not made the connections to the institutions providing match funding. That's left to the intermediaries, who are protective of those relationships," said one.

"I just think philanthropy has been around a long time," said another. "To get it to change is a tall order."

But there may be change afoot in the foundation world. Some national experts think foundation support for evidence is growing.

"Anecdotally, we have found foundations, particularly those with a strong culture of evaluation, are increasingly making more significant investments in RCTs and similar levels of evaluations," said Natalia Pane, Senior Vice President for Research and Operations at Child Trends.

"Is SIF itself doing it? It's hard to make that case," said Gabriel Rhoads, Evaluation Director for the Edna McConnell Clark Foundation. "Is SIF part of a movement that is focusing on evidence? Yes, it is."

"This takes time. You need to give SIF enough time," said Jennifer Callans of the United Way for Southeastern Michigan.

At least one other intermediary thought things could change suddenly and radically. "The word on SIF is out there," he said. "People are waiting on the final reports. Does the model work? The buzz is out there."

## SIF's Impact on Intermediaries: Substantial

While SIF's impact on philanthropy in general has so far been modest, its impact on the intermediaries themselves has not. It is one thing to provide financial support to an initiative like SIF. It is quite another to step up and become a SIF intermediary.

### A Different Kind of Grantmaker

SIF's model, deeply rooted in venture philanthropy, demands tremendous levels of engagement and ongoing technical assistance by intermediaries with grant recipients. For a grant program as demanding as SIF, this strategy is a critical strength.

But SIF's intermediary model is even more demanding than that. With extraordinary evaluation requirements coupled with the extra regulatory burdens of managing a federal grant, it is not so much venture philanthropy as venture philanthropy plus.

Most foundations have neither the capacity nor the desire to engage at this level. "Most foundations don't know much more than most nonprofits about what it takes to get rigorous evidence," said one national philanthropy expert.

"There's no real incentive for foundations to give up the autonomy and flexibility of being a funder to be an intermediary," said another. "If you start putting government in the middle, compliance people and evaluation specialists start paying you a visit."

"The amount of staffing required was huge," agreed a third. "The intermediaries were hiring full time people for compliance and evaluations."

Given SIF's many demands, it is no surprise that only a few determined grantmakers with missions closely-aligned with SIF have stepped up to apply to be intermediaries. Since 2010 the number of applicants has varied, but it has never been higher than the 68 that applied in the program's first year.

In 2014, Michael Smith, then SIF's director, described the intermediaries this way:

> So what is an existing grantmaking institution? Your best way of figuring out what that means to us is looking on our website on who our current grantees are. And it's everything from private foundations like The Edna McConnell Clark

[93] Suzanne Perry, "Foundations See 'Moment of Opportunity' to Improve Schools," *The Chronicle of Philanthropy*, April 29, 2010. Available at: https://philanthropy.com/article/Foundations-See-Moment-of/160797

Foundation or The Hartford Foundation, to fundraising philanthropies like United Way and to social innovation organizations that are funds like New Profit or Venture Philanthropy Partners. Or even large nonprofit organizations where making grants is the way that they achieve their mission, such as AIDS United, or the Corporation for Supportive Housing, or LISC.[94]

This is no ordinary group of grantmakers. The differences can be seen in comparing lists of intermediaries and philanthropic supporters of SIF, which can be found in Appendix B and Appendix C, respectively.

The list of SIF funders is populated by an all-star cast of evidence supporters from the philanthropic world. The intermediaries, far more willing to take on the heavy duties that come with the job, are a different breed.

More evidence can be found in what the intermediaries did once they became grantees. SIF was a heavy lift, heavier than many expected. Several subgrantees withdrew from the program, as did one of the intermediaries.

But those that remained were battle hardened. When asked, 11 of 14 said they would apply again and at least three already have. One (Jobs for the Future) was selected and now manages two SIF grants. Such dogged determination speaks volumes. This group knows SIF's challenges, but they are willing to face them anyway because it is core to their mission.

### Capacity Building for Grantmakers

The current crop of SIF intermediaries includes some of the best-resourced, high-capacity grantmakers in the philanthropic world. They include the Edna McConnell Clark Foundation and venture philanthropy organizations such as New Profit and Venture Philanthropy Partners.

Not all of the intermediaries arrived with the same level of needed capacity, but if they did not then they soon built it or added to what they already had. "This has made us a better intermediary," said Fred Dedrick, Executive Director of the National Fund for Workforce Solutions. "We think more deeply and differently about evaluation. It's deepened our TA. It's helped us focus on peer learning."

"Yes. Better data, better outcomes. Now capacity has been built to manage federal grants that were not as well built out before," said another intermediary.

One thought SIF could help transform philanthropy's view of intermediaries,[95] which it has traditionally undervalued.

> We as an organization, these past 15 years, have had funders say to us "we can't fund intermediaries." SIF shined a light on the value of intermediaries in terms of both selection and monitoring capabilities. This was an opportunity for us to really demonstrate the value of what we bring to the table.

## Breaking the Nonprofit Starvation Cycle

In 2009, Ann Goggins Gregory and Don Howard of Bridgespan wrote a widely-noted article in the *Stanford Social Innovation Review*, called "The Nonprofit Starvation Cycle."[96] In it, they described a vicious cycle in the nonprofit world driven by a fear of large overheads. Many nonprofits, afraid of being tagged as bloated and wasteful, were slashing their overheads or looking for creative ways to hide it.

Far from cutting fat, however, these organizations were too often cutting muscle. With basic support structures being cut to the bone, the result was often poorly-paid and poorly-trained employees, high staff turnover, malfunctioning computers, and other dilapidated infrastructure. Few were able to invest in program extras like evaluation and performance management. This remains true today.

In response, GuideStar, the BBB Wise Giving Alliance, and Charity Navigator organized a campaign against what came to be called the "overhead myth."[97] Activists like Mario Morino of Venture Philanthropy Partners,[98] Nell Edgington of

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[94] Corporation for National and Community Service, "NOFA Overview hosted by GEO and Council on Foundations," March 25, 2014. Available at: http://www.nationalservice.gov/sites/default/files/upload/SIF/SIF_NOFA_GEO_WebinarTranscript%283-25-14%29_Final.pdf

[95] Grantmakers for Effective Organization, "Smarter Relationships, Better Results," 2013. Available at: http://docs.geofunders.org/?filename=geo_intermediary_briefing_final.pdf

[96] Ann Goggins Gregory and Don Howard, "The Nonprofit Starvation Cycle," *Stanford Social Innovation Review*, Fall 2009. Available at: http://www.ssireview.org/articles/entry/the_nonprofit_starvation_cycle/

[97] GuideStar, BBB Wise Giving Alliance, and Charity Navigator, "The Overhead Myth." Available at: http://overheadmyth.com/

[98] Susan Wolf Ditkoff, "Funding for Outcomes," *Stanford Social Innovation Review*, December 6, 2013. Available at: http://www.ssireview.org/effective_philanthropy/entry/funding_for_outcomes

Social Velocity,[99] and organizations like the Donors Forum[100] and the National Council of Nonprofits also took up the banner.[101]

A significant advance was made earlier this year when the White House Office of Management and Budget (OMB) released new guidance loosening nonprofit overhead restrictions,[102] but the pace of change has been slower among foundations.

In a 2014 article, Daniel Stid, formerly at Bridgespan and now at the Hewlett Foundation, wrote "I have been struck by the number of peers at other foundations who have told me without batting an eye that they don't fund overhead, or that they only do so using (arbitrary and undoubtedly low) cut-off points, like five or ten percent." [103]

To some extent these restrictions are countered by grants for general operating support, but according to a 2013 report from the Center for Effective Philanthropy, 95 percent of surveyed nonprofit leaders said they found raising such support to be challenging, with most saying it was extremely challenging.[104] The nonprofit starvation cycle continues.

**Nonprofit Capacity Building**

The SIF's venture philanthropy-inspired model strikes at the heart of the nonprofit starvation cycle. Rather than cutting nonprofit capacity, it invests in it. SIF grantees are tasked with competitively selecting high-performing nonprofits and then providing them with the capacity building and technical assistance they need to meet SIF's high demands.[105]

Nonprofit capacity building has a rich literature.[106] A complete review of that literature is beyond the scope of this analysis. But based on a review of the subgrantee reports, many of which included detailed implementation studies, together with interviews with the intermediaries, a few critical capacities stood out.

When it came to these capacities, subgrantees had to bring it, build it, or both.

- ***Leadership & Organizational Culture:*** Several intermediaries said strong leadership and organizational culture were critical. Leaders needed to be deeply knowledgeable of their program areas, have strong external relationships with partners and funders, and establish an internal organizational culture that rewarded learning, continuous improvement, and performance. There needed to be organizational buy-in on the SIF grant at every level.[107]

  For many, the ability to collaborate effectively was just as important. “Sometimes it can be like getting eagles to flock,” said one intermediary. “Truly dynamic leaders know that their institutions will never be large enough and that we need to scale through partnerships."

- ***Evidence-based Programs:*** Subgrantees are required to implement program models or interventions with at least a preliminary level of evidence behind them, including outcomes data or pre/post data (see Appendix A). While SIF oversight was not as strong in the program's early days, today it is more heavily involved in reviewing prospective subgrantee candidates to make sure they bring the required evidence to the table. Subgrantees that bring a more advanced program model with moderate or higher levels of evidence are expected to be more ambitious in their replication plans.

- ***Programmatic Experience and Training:*** Experience with the evidence-based program that was being tested and replicated was considered crucial. In the case of subgrantees with individual projects and evaluations, they often had to bring this experience and training. For others that were part of a unified project or portfolio, training in a new model was often

[99] Social Velocity, "Nonprofit Starvation Cycle." Available at: http://www.socialvelocity.net/tag/nonprofit-starvation-cycle/
[100] Donors Forum, “Real Talk About Real Costs.” Available at: http://donorsforum.typepad.com/realcosts/
[101] National Council of Nonprofits. "Nonprofit Sustainability." Available at: https://www.councilofnonprofits.org/tools-resources/nonprofit-sustainability
[102] Tim Delaney, "Nonprofits Win Key Victory in Overhead Battles With Government," *The Chronicle pf Philanthropy*, January 13, 2015. Available at: https://philanthropy.com/article/Opinion-Nonprofits-Win-Key/151979
[103] Daniel Stid, "Ending the Nonprofit Starvation Cycle," *Work In Progress: The Hewlett Foundation Blog*, September 4, 2014. Available at: http://www.hewlett.org/blog/posts/ending-nonprofit-starvation-cycle
[104] Center for Effective Philanthropy, "Nonprofit Challenges: What Foundations Can Do," May 2013. Available at: http://www.effectivephilanthropy.org/portfolio-items/nonprofit-challenges/
[105] Corporation for National and Community Service, "Social Innovation Fund Notice of Funding Availability FY 2015," March 17, 2015. Available at: http://www.nationalservice.gov/documents/main-menu/2015/social-innovation-fund-nofa-fy-2015
[106] For example: Grantmakers for Effective Organizations, "Support Nonprofit Resilience: Capacity Building." Available at: http://www.geofunders.org/smarter-grantmaking/nonprofit-resilience/capacity-building
[107] Leap of Reason, "The Performance Imperative Campaign." Available at: http://leapofreason.org/performance-imperative/

provided by the intermediary.

- ***Realistic Scaling Plans:*** As described earlier in this report, in SIF's early days, many subgrantees ran into problems when their scaling plans were too aggressive and outstripped their capacity. Since 2012, SIF has warned that programs with less evidence should be scaled more modestly.

- ***Fundraising Ability:*** Subgrantees were usually required to raise matching dollars, although sometimes they were assisted or subsidized by the intermediaries. When subgrantee match dollars were needed, the demonstrated ability to raise them could make or break a subgrantee application. One substantial barrier that was widely noted by the intermediaries in the interviews, however, is the federal prohibition on the use of federal funds and matching dollars to build this capacity. Most felt it undermined their project's sustainability.

- ***Financial Management and Compliance Systems:*** As a federal grant, SIF carried with it substantial financial reporting requirements, including cost principles determined by OMB, employee timesheets, inventory management, and more. Many of the intermediaries were also weak on federal financial management compliance, since they had never before managed a federal grant. But others did have this experience and knew how important it was for the subgrantees to have it too. "It's helpful when they have a good back office that can manage federal grants," said one.

- ***Performance Management Systems:*** Performance management differs from evaluation in many ways,[108] but it is highly complementary and was seen as a valuable tool by the intermediaries. Performance management systems can provide outcomes data that managers and frontline personnel can use in real-time, facilitating rapid and continuous improvement. "Organizations that had strong performance management systems established were able to ramp up faster than ones that had to refine their theory of change and logic models, and required more planning work," said Kate Barrett of the GreenLight Fund.

- ***Evaluation Capacity:*** Evaluations are central to Social Innovation Fund grants. While relatively few nonprofits nationwide use third-party evaluators or employ full time staff to monitor their performance,[109] the intermediaries said that their most successful subgrantees had experience with one or both.

  "We want to see the commitment in the budget. A good number of them weren't prepared for what we were asking. What kind of evaluation have they done? Have they managed one of those before?" asked one intermediary. "We have two or three organizations with RCTs and depths of experience," said another. "They are some of the strongest in the region."

**Lower Capacity Nonprofits**

Building high-capacity organizations like these was SIF at its best. But there is an argument to be made that, in its focus on high-capacity nonprofits, SIF has been leaving too many other nonprofits and communities behind.

Poorly-resourced intermediaries working with less well-resourced community-based organizations have been at a disadvantage. The Foundation for a Healthy Kentucky described the challenges its subgrantees faced in a report it released in January on its project,[110] called the Kentucky Healthy Future Initiative.[111]

> The Social Innovation Fund by name calls out innovation. In interpreting the initial goals of SIF, the Foundation funded new and innovative programs that were aimed at addressing the unmet health or health care needs of Kentuckians. During the course of participation, it became clear that what was innovative about SIF was the federal funding mechanism of using intermediaries to support local communities, but that the initiative was really better suited for replicating existing programs or, at a minimum,

[108] Karen Walker and Kristin Anderson Moore, "Performance Management and Evaluation: What's the Difference?" Child Trends, January 2011. http://www.childtrends.org/?publications=performance-management-and-evaluation-whats-the-difference-2

[109] Center for Effective Philanthropy, "Assessing to Achieve High Performance: What Nonprofits Are Doing and How Foundations Can Help," April 2015, p. 12. Available at: http://www.effectivephilanthropy.org/portfolio-items/assessing-to-achieve-high-performance-what-nonprofits-are-doing-and-how-foundations-can-help/

[110] Foundation for a Healthy Kentucky / Center for Community Health and Evaluation, "Kentucky Health Futures Initiative: Final Evaluation Report," January 2015. Available at: http://www.healthy-ky.org/sites/default/files/KHFI_Eval_Report_2014_FINAL%2003-31-15.pdf

[111] See: http://www.healthy-ky.org/our-focus/healthy-futures-initiative

> investing in well-established programs that had some level of sophistication around organization systems and evaluation.

As was true for other less well-resourced SIF initiatives, lack of resources caused problems, especially with evaluations:

> SIF required an external evaluator for the sub-grantee projects; as a result each sub-grantee hired an evaluator. They then allocated their entire modest evaluation budget to an external evaluator who was not, for the most part, the person who would be doing the data collection. The result was that there was no funding to support the on-the-ground data collection, so staff and volunteers were being asked to collect data in addition to their other job responsibilities.

Like the other intermediaries, the foundation invested in its grantees, but in this case it was not enough.

> For capacity building to be effective it needs to meet programs where they are and build incrementally. For the KHFI sub-grantees, the chasm between the level of program evaluation that they were used to doing to the "strong level of evidence"—randomized control trials—that was being promoted by SIF was insurmountable.

The Foundation for a Healthy Kentucky was not alone. These barriers have been present to some degree across most of the smaller, regional projects.

Despite these challenges, a solution may have been found at some of the other SIF programs. Like the regional intermediaries, some of the nationally-focused intermediaries were also working with low-resourced subgrantees. One was LISC, which made initial subgrant awards to 47 sites around the country to operate its Financial Opportunities Centers.[112]

Unlike the regional intermediaries, LISC was running a program with a unified portfolio of subgrantees that were all running substantially similar programs with a single, unified evaluation plan. This allowed it to save on evaluation costs. Also, unlike the regional grantees, while LISC was also providing smaller grants to less well-resourced organizations, the organization itself is a high-capacity intermediary with substantial experience with federal grants[113] and an annual budget over $100 million.[114]

This comparison suggests two solutions. First, regional grantmakers should also shift to a unified portfolio strategy with unified evaluation plans. This seems to be happening with the shift to collective impact models in SIF's 2014 competition.[115] Second, the resource disparities should be addressed, first through targeted relief by SIF as has already happened in one case, and also by reforming the match requirement.

More broadly, these lessons about capacity building are not limited to the Social Innovation Fund. They are applicable to the public and nonprofit sectors more broadly. Simply put, achieving results requires investment.

The nonprofit starvation cycle should be broken, not just for some nonprofits, but for all. Confronting this challenge will help ensure that the progress now emerging from SIF is more widely shared across every nonprofit in every community in America, large and small.

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[112] This has now reached 75 sites, according to LISC. (Interview: 4/24/15)

[113] Kirsten Breckinridge, Corporation for National and Community Service, "Local Initiatives Support Corporation – Building on a Legacy of Federal Investments," April 15, 2014. Available at: http://nationalservice.tumblr.com/post/82799847841/local-initiatives-support-corporation-building

[114] LISC, "By the Numbers | LISC 2014 Annual Report." Available at: http://www.lisc.org/annualreport/2014/numbers.html

[115] As noted earlier, this would depend on whether the funded interventions are substantially the same, as is the case for unified portfolios, or are complementary, but different, which may present the same problems.

# Conclusion

## Recommendations

The Social Innovation Fund has already experienced some early success. While this early progress is encouraging, the program could be improved in several ways.

- ***Match Requirements:*** SIF's current match requirement is one of its main weaknesses. As currently structured, it appears to have exacerbated existing resource disparities among the grantees, with adverse effects on both capacity building and evaluations.

  The match should be reformed, although carefully to ensure that the changes do not merely reduce resources for existing SIF projects.

  A promising short term solution is for SIF to provide targeted relief to intermediaries serving communities that are philanthropically underserved, something it already has authority to do and has in one instance. Even in such cases, relief should be provided carefully, with the understanding that savings will be reinvested in subgrantee projects, particularly evaluations.

  It should also consider reversing its standards prohibiting "restricted" funds, since these seem to have hurt efforts to obtain state and local public funding, which is likely the best source of sustainable resources for SIF projects in the long run. If necessary, the concept could be tested in a single competition before rolling it out more widely. More broadly, Congress should also consider allowing the use of federal dollars for match purposes, a decision that could help push these other, much larger federal programs in the direction of supporting evidence.

- ***Federal Oversight of Evaluations:*** SIF's oversight of local evaluations was an often difficult process for everyone involved. But the experiences of the first year's cohort revealed the importance of this federal role. Without such oversight, it is unclear whether local evaluations would meet high standards or be sufficiently independent to be credible. SIF's current oversight role should be maintained.

- ***Intermediary Transparency:*** SIF's intermediary-based funding model, rooted in venture philanthropy, appears to be one of its central strengths. As intended, it appears to be building significant capacity in both the intermediaries and their subgrantees, helping to overcome the "nonprofit starvation cycle" that has plagued the nonprofit sector.

  The model is threatened, however, by one potentially critical weakness: a lack of transparency in the intermediary grantmaking process. At present, the subgrantee selection process is not as transparent as the federal process for selecting the intermediaries. Whereas SIF publicly posts winning applications, lists of reviewers, and application materials from past competitions online, most of the intermediaries have not.[116]

  While there is no evidence that there have been any problems to date, the lack of transparency among intermediaries presents a potential threat to the program and should be addressed.[117]

- ***Regulatory Reform:*** Federal regulatory burdens, including federal financial regulations and criminal background checks, were widely viewed as burdensome by the intermediaries. These burdens are not directly attributable to SIF, but to broader regulations instituted by CNCS (in the

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[116] Exemplary exceptions include the GreenLight Fund (see http://greenlightfund.org/sif/sif-initiative);
the Mayor's Fund to Advance New York City,
http://www.nyc.gov/html/ceo/html/initiatives/sif_archive.shtml ; and
Twin Cities United Way
https://www.gtcuw.org/our_impact/for_nonprofits/funding/current_funding_opportunities/sif/subgrantee_selection/

[117] A lack of transparency sparked controversy in SIF's first year. This was subsequently resolved through the adoption of its current, highly transparent application process. See Suzanne Perry, "Social Innovation Fund to Release Details About Application Process Amid Questions," *Chronicle of Philanthropy*, August 20, 2010. Available at: https://philanthropy.com/article/Federal-Agency-Releases/160091

case of criminal background checks) or federal grant regulations more generally. SIF has done what it can to provide technical assistance.

There are two possible options to address this problem. First, Congress or the administration could direct CNCS and SIF to review the existing requirements and make recommendations about how to reduce the burdens without substantially undercutting public safety or taxpayer accountability, which are their main purposes. Any such recommendations could be piloted by SIF, with potential benefits for all federal grantmaking.

Second, SIF could encourage intermediaries that work with disconnected youth to apply for regulatory waivers under the new Performance Partnership Pilots (P3) program that was recently enacted by Congress. Exchanging regulatory flexibility for increased performance-based accountability and more transparency appears to be a promising option for SIF-funded programs, which appear uniquely positioned to show the value of this approach.

- ***Nonprofit Capacity Building:*** One of the Social Innovation Fund's central features is its focus on building capacity in nonprofit organizations so that they can meet SIF's extraordinarily high evidence-building objectives. SIF is providing a substantial platform for testing the efficacy of nonprofit capacity building.

  The early results of this test are in. Nonprofits and intermediaries that were better resourced and had greater capacity were more likely to succeed. Those with less capacity were more likely to fall short.

  Unlike the other recommendations, which focus primarily on SIF as a federal program, this recommendation is for public sector grantmakers and philanthropy more broadly. If such grantmakers wish to invest in outcomes, they must be more willing to invest in the nonprofit capacity that will make those outcomes possible.

  Those that arbitrarily limit overhead are complicit in maintaining a nonprofit starvation cycle that undermines the very goals they are attempting to achieve. Such limitations should be pushed aside and replaced with proactive investment in the capacities needed for success.

It is important to conclude by noting that these recommendations, if adopted, would merely improve on SIF's current progress. The Social Innovation Fund has already logged five additions to the evidence base, with more likely on the way.

Just as important as these early results, however, are the lessons about what it took to achieve them. The nonprofits and intermediaries that were most likely to succeed were those that were fully-resourced, not just in terms of funding, but also in important capacities ranging from seemingly mundane compliance and financial management systems to more advanced performance management and evaluation capabilities.

Such capacities are not uniform in the nonprofit sector. Where they were lacking, it showed.

One of SIF's central lessons is that achieving results requires investment. Such investment should not be limited to an elite few. Truly bending the curve of social progress requires making similar investments in every nonprofit and every community across the country, large and small.

# Appendix A: Evidence Tiers

The Social Innovation Fund uses the following definitions of evidence, recognizing that there are multiple levels of development within each tier. These definitions are consistent with those used by the Office of Management and Budget.

- **Preliminary evidence** means evidence that is based on a reasonable hypothesis supported by credible research findings. Thus, research that has yielded promising results for either the program model or a similar program model will meet CNCS's criteria.

  Examples of research that meet the standards include:

  1. Outcome studies that track participants through a program and measure participants' responses at the end of the program; and
  2. Third-party pre- and post-test research that determines whether participants have improved on an intended outcome.

- **Moderate evidence** means evidence from previous studies on the program, the designs of which can support causal conclusions (i.e., studies with high internal validity), but have limited generalizability (i.e., moderate external validity). This also can include studies for which the reverse is true—studies that only support moderate causal conclusions but have broad general applicability.

  The following would constitute moderate evidence:

  1. At least one well-designed and well-implemented experimental or quasi-experimental study supporting the effectiveness of the practice strategy, or program, with small sample sizes or other conditions of implementation or analysis that limit generalizability;
  2. At least one well-designed and well-implemented experimental or quasi-experimental study that does not demonstrate equivalence between the intervention and comparison groups at program entry but that has no other major flaws related to internal validity; or
  3. Correlational research with strong statistical controls for selection bias and for discerning the influence of internal factors.

- **Strong evidence** means evidence from previous studies on the program, the designs of which can support causal conclusions (i.e., studies with high internal validity), and that, in total, include enough of the range of participants and settings to support scaling up to the state, regional, or national level (i.e., studies with high external validity).

  The following are examples of strong evidence:

  1. More than one well-designed and well-implemented experimental study or well-designed and well-implemented quasi-experimental study that supports the effectiveness of the practice, strategy, or program; or
  2. One large, well-designed and well-implemented randomized controlled, multi-site trial that supports the effectiveness of the practice, strategy, or program.

Source: CNCS, "Social Innovation Fund Notice of Funding Availability FY 2015," March 17, 2015. Available at: http://www.nationalservice.gov/documents/main-menu/2015/social-innovation-fund-nofa-fy-2015

## Appendix B: SIF Grantmaking Intermediaries

The following is a comprehensive list of the 27 intermediaries for the 2010-2014 grant years, the year of their grant, and their corresponding SIF project pages.

AARP Foundation (2014)
http://www.aarp.org/aarp-foundation/grants/sif-grant-rfa.html

AIDS United (2010)
http://www.aidsunited.org/Programs-0024-Grantmaking/Access-to-Care.aspx

The Boston Foundation (2014)
http://www.tbf.org/tbf/55/success-boston

Capital Area United Way (2012)
http://www.nationalservice.gov/programs/social-innovation-fund/previous-competitions/2012/capital-area-united-way

Capital Impact Partners (2011)
http://www.affordableownership.org/chip/

Corporation for Supportive Housing (2011)
http://www.csh.org/sifoverview

The Edna McConnell Clark Foundation (2010)
http://www.emcf.org/capital-aggregation/emcf-the-social-innovation-fund/

Foundation for a Healthy Kentucky (2010)
http://www.healthy-ky.org/our-focus/healthy-futures-initiative

GreenLight Fund (2012)
http://greenlightfund.org/sif/sif-initiative

Jobs for the Future / National Fund for Workforce Solutions (2010)
http://nfwsolutions.org/initiatives/social-innovation-fund

Jobs for the Future / Opportunity Works (2014)
http://www.jff.org/initiatives/back-track-designs/opportunity-works

The John A. Hartford Foundation (2012)
http://www.jhartfound.org/grants-strategy/current-strategies/models-of-care/social-innovation-fund/

Local Initiatives Support Corporation (LISC) (2010)
http://www.lisc.org/section/ourwork/national/family/foc

Mayor's Fund to Advance New York City / Center for Economic Opportunity (CEO) (2010)
http://www.nyc.gov/html/ceo/html/initiatives/sif.shtml

Methodist Healthcare Ministries of South Texas (2014)
http://www.mhm.org/programs/sitexas

Mile High United Way (2011)
http://www.unitedwaydenver.org/social-innovation-fund

Missouri Foundation for Health (2010)
https://www.mffh.org/Page.aspx?id=485

New Profit Inc. (2010)
http://www.newprofit.org/our-work/focus-funds/pathways-fund/

REDF (2010)
http://redf.org/partners/government/

Share Our Strength (2014)
https://www.nokidhungry.org/page/NoKidHungryCommunities

Silicon Valley Community Foundation (2014)
http://www.siliconvalleycf.org/thebiglift

Twin Cities Strive / Greater Twin Cities United Way (2012)
https://www.gtcuw.org/our_impact/for_nonprofits/funding/current_funding_opportunities/sif/

U.S. Soccer Foundation (2011)
http://www.ussoccerfoundation.org/our-programs/soccer-for-success

United Way for Southeastern Michigan (2011)
http://www.nationalservice.gov/programs/social-innovation-fund/previous-competitions/2011/se-michigan

United Way of Greater Cincinnati (2010)
http://www.nationalservice.gov/programs/social-innovation-fund/previous-competitions/2010/greater-cincinnati

United Way of Greenville County (2014)
http://www.nationalservice.gov/programs/social-innovation-fund/previous-competitions/2014/united-way-greenville-county

Venture Philanthropy Partners (2010)
http://www.vppartners.org/portfolio/youthconnect

# Appendix C: SIF Funders

The following is a partial list of current and past SIF funders. It is drawn from information posted publicly by the Social Innovation Fund and supplemented, in some instances, by information supplied by the intermediaries.

- Altman Foundation
- Andrew Jergens Foundation
- Annie E. Casey Foundation
- Anschutz Foundation
- Applebaum Family Foundation
- Arthur M. Blank Family Foundation
- Benificus Foundation
- Bloomberg Philanthropies
- Blue Ridge Foundation New York
- Boeing
- Bristol-Myers Squibb
- Bush Foundation
- California Endowment
- Carnegie Corporation of New York
- Carol Ann and Ralph V. Haile, Jr. / U.S. Bank Foundation
- Catholic Charities of San Antonio
- Citi Foundation
- City of Memphis
- Conrad N. Hilton Foundation
- Craig Young Family Foundation
- Daniel and Susan Pfau Foundation
- Duke Endowment
- Duke Energy Foundation
- Ewing Marion Kauffman Foundation
- Fannie Mae
- FirstMerit Bank
- Ford Foundation
- Ford Motor Company
- Fresno Regional Foundation
- Fund for Our Economic Future
- Gates Family Foundation
- General Mills Foundation
- General Motors Foundation
- George Kaiser Family Foundation
- George R. Roberts
- Goldman Sachs
- Greater Cincinnati Foundation
- Greater Twin Cities United Way
- Hall Family Foundation
- Harry and Jeanette Weinberg Foundation
- Hemera Foundation
- Hewlett Foundation
- Hitachi Foundation
- Ira W. DeCamp Foundation
- Jacob G. Schmidlapp Trust , Fifth Third Bank, Trustee
- Jacob & Valeria Langeloth Foundation
- John D. & Catherine T. MacArthur Foundation
- John S. and James L. Knight Foundation
- Joyce Foundation
- JP Morgan Chase & Co.
- JPB Foundation
- JPMorgan Chase Foundation
- KnowledgeWorks Foundation
- Kresge Foundation
- Matilda R. Wilson Fund
- Max and Marjorie Fischer Foundation
- Melville Charitable Trust
- MetLife Foundation
- Microsoft Corporation
- Mitchell Kapor Foundation
- Morgan Stanley
- New York Community Trust
- Nicholson Foundation
- Oak Foundation
- Open Society Foundations
- P&G Fund
- Penzance Foundation
- Pinkerton Foundation
- Piton Foundation
- PricewaterhouseCoopers LLC
- Prudential Foundation
- Robin Hood Foundation
- Rockefeller Foundation
- Samberg Family Foundation
- SeaChange Capital Partners
- SC Ministry Foundation
- St. Paul Foundation
- Starr Foundation
- State Street Foundation
- Stone Family Foundation
- Strive Partnership
- Surdna Foundation
- Thomas J. Emery Memorial
- Tiger Foundation
- Tipping Point Community
- Tulsa Community Foundation
- UniHealth
- United Health Foundation
- United Way of Greater Kansas City
- United Way of San Antonio and Bexar County
- United Way of the Mid-South
- University of Minnesota Foundation
- Victoria Foundation
- W.K. Kellogg Foundation
- Wallace Foundation
- Walmart Foundation
- Walter and Elise Haas Fund
- Weingart Foundation
- William & Lisa Ford Foundation
- Women’s Foundation for a Greater Memphis