Oak Foundation
Triangle Capacity-Building Project

Overview

One of the cross-cutting themes of Oak`s grant-making strategy is assisting organizational capacity building. The aim is to create strong nonprofit organizations that are able to act effectively and efficiently in their chosen field, and to effectively fulfill their missions. Oak thereby identifies and offers supporting initiatives that can strengthen partner organizations to be more viable.

Oak Foundation seeks to build effective organizations among grantees based in Chatham, Durham, Orange and Wake Counties within North Carolina by providing grants which support organizational strengthening. Oak is partnering with Triangle Community Foundation to lead this initiative.

This project includes grants for individual organizational assessment and customized capacity-building activities, as well as additional technical assistance through a series of training opportunities.

Grants	**Assessment Grants:** Funding is available for organizational assessments to identify strengths and capacity challenges. Maximum grant size: $5,000. Additional information about Assessment Grants can be found on page two.
	Capacity-Building Grants: Organizations that receive Assessment Grants, or have completed an assessment within the past 12 months, are eligible to apply for Capacity Building Grants. These grants will assist in the implementation of strategies to improve organizational effectiveness around those issues that have been revealed during the assessment. Maximum grant size: $25,000. Additional information about Capacity Building Grants can be found on page three.
Trainings	A series of training opportunities is offered at no cost for grantees to address common challenges and develop leadership capacity. Five half-day workshops will be offered for staff members from each organization. Workshops will be held approximately quarterly from May 2017 until June 2018. Participation is encouraged, but not required.
Application Procedure	All proposals must be submitted using Triangle Community Foundation's online grant management system. Information about creating a profile and using the system is available at http://trianglecf.org/nonprofits/resources-for-nonprofits/online-grant-application-portal/ .
	A committee of Oak Foundation and Triangle Community Foundation staff will review proposals and recommend grants.
Important Dates	Applications for Assessment Grants will be reviewed on a rolling basis until October 1, 2017. Assessments should be completed and summary reports submitted within 90 days to apply for a Capacity Building Grant.
Inquires	Rachel Aiken, Nonprofit Services Associate, Triangle Community Foundation Rachel@trianglecf.org 919-474-8370 ext. 4005

Assessment Grants

Funding is available for organizational assessments to identify strengths and capacity challenges. Maximum grant size: $5,000. Oak considers that organizational assessments provide a mechanism for an organization to look at its own progress and to determine what changes should be made towards capacity building or institutional strengthening. Specifically, assessment[1] strengthens an organization's capacity for reflection, which is a key component in any learning organization, and helps organizations deal with the expectations of external stakeholders. Broad assessment allows for staff and board leadership to reflect on everyday programming and procedures of the organization, as well as big picture mission and goals, allowing prioritization and avoiding misdirected energy and resources.

A broad review of the organization will help provide context when examining individual components of operation. Oak Foundation recommends that assessments include a review of each of the following core capacities further defined on page 5[2]:

- Leadership and Governance	- Fund development	- Technology
- Mission, vision, and strategy	- Financial Management	- Collaboration
- Diversity, Equity, and Inclusion	- Communications	- Evaluation and Learning
- Program design and delivery		

Selecting a Consultant and Assessment Tool

Oak Foundation strongly encourages organizations to work with a consultant who can facilitate the assessment and help design and develop a capacity-building plan with recommendations tailored to the nonprofit's needs.
The main aspects of this phase will be:

- To conduct an organizational capacity assessment of the organization;
- To take the results of the assessment and prioritize them; and
- To assist the organization in preparing a capacity-building plan.

A list of Triangle Area consultants is available at http://trianglecf.org/award/oak-foundations-triangle-capacity-building/ . If your organization would like to work with a consultant not included on this list, please contact Triangle Community Foundation.

Application Procedure

All proposals for Assessment Grants must be submitted using Triangle Community Foundation's online grant management system. Information about creating a profile and using the system is available on the Foundation's website. The application materials can be accessed after an account has been created by entering the access code below on the left side of the screen.
Online grant portal: http://trianglecf.org/nonprofits/resources-for-nonprofits/online-grant-application-portal/
Access Code: **OakCB1718**

Granting decisions will be made based on:

- Organization readiness, including support from board and staff leadership, and desire for self-reflection.
- Feasibility of assessment plan.

If your organization completed an assessment within the past twelve months or is currently participating in an assessment, you are not eligible to receive assessment funding, however you may be eligible to apply for a Capacity-Building grant and participation in training opportunities. Your organization will be asked to share information from your recent assessment and submit a proposal for Capacity-Building funds. Please contact Triangle Community Foundation to learn more.

Assessment Grants and Reporting

Funds for assessment will be reviewed and awarded on a rolling basis until October 1, 2017. Please allow three weeks for proposal review. Maximum grant size will be $5,000. Grantees will be required to provide a summary report of the assessment findings and the capacity building plan. A summary report template will be provided. Assessments should be completed and summary reports submitted within 90 days to apply for a Capacity-Building Grant.

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[1] Assessment is participatory process (all staff, at all levels, and governing board participate) and it is normally facilitated by an external consultant or facilitator.
[2] Grantmakers for Effective Organizations, *Strengthening Nonprofit Capacity Core Concepts in Capacity Building* (Washington, DC; GEO 2016). Available at http://www.geofunders.org

Capacity-Building Grants
Organizations that receive Assessment Grants, or have completed an assessment within the last 12 months, are eligible to apply for Capacity-Building Grants. These grants will assist in the implementation of strategies to improve organizational effectiveness as revealed during an organizational assessment. Oak Foundation encourages organizations to utilize consultants or field experts to assist in leading or implementing funded organizational capacity-building projects when necessary. Funds will be awarded on a rolling basis, following the submission of a summary assessment report and a proposal for a Capacity-Building Grant. Maximum grant size will be $25,000.

Examples of capacity-building activities that will be considered for support are included in on pages 6 and 7.

In the selection of the grantees, priority will be given to proposals that clearly demonstrate the sustainability of the capacity-building actions proposed. Oak looks to fund actions which have a long-term positive impact on organizational viability.

Oak Foundation will not consider:
- Ongoing program activities
- Contributions to endowment or capital campaigns
- Deficit or debt financing
- Grants solely for the purpose of re-granting
- Grants to individuals

Application Procedure
The application materials for Capacity-Building funding can only be accessed after an organization has completed an Assessment and provided an Assessment summary report. All proposals for Capacity Building Grants must be submitted using Triangle Community Foundation's online grant management system. Information about creating a profile and using the system is available on the Foundation's website.
Online grant portal: http://trianglecf.org/nonprofits/resources-for-nonprofits/online-grant-application-portal/
*Access Code: **OakCB1718***

Grants will be made based on:
- Connection to assessment findings and clarity of project plan.
- Feasibility for obtaining project outcomes.
- Resource allocation and organization readiness.

Funds for capacity building will be reviewed and awarded on a rolling basis until January 1, 2018.

Reporting
Applicants will be asked to complete a Capacity-Building Project Workplan as a part of the grant application. The Workplan can be updated at any time. At the end of the default one-year grant period, grantees will be asked to share an updated Workplan as a part of the grant report materials. The grant period may be adjusted at the request of the grantee. Grantees may be asked to meet periodically with Oak Foundation and/or Triangle Community Foundation staff.

Capacity-Building Guide
Introduction
Fundamentally, Oak Foundation views capacity building as means of enhancing (not driving) its core business of grant-making. The purpose of Oak`s capacity-building support is to improve and enhance grants outcomes by strengthening the organizational capacities of partners.

Oak Foundation looks to provide to its grantees support for organizational assessment and capacity building. Oak considers that organizational assessments provide a mechanism for an organization to look at its own progress and to determine what changes should be made towards capacity building or institutional strengthening. Specifically, assessment[3] strengthens an organization`s capacity for reflection, which is a key component in any learning organization, and helps organizations deal with the expectations of external stakeholders.

This document highlights the objectives, scope, approach, principles, resources and expertise needed to conduct an organizational assessment and capacity-building project. It is meant to be a resource for organizations and assessment/capacity building providers.

Definitions[4]
Nonprofit Effectiveness: the ability of an organization or a network to fulfil its mission through a blend of sound management, strong governance and a persistent rededication to assessing and achieving results.
Capacity: refers to a wide range of capabilities, knowledge and resources that nonprofits need in order to be effective.
Capacity building: the funding and technical assistance necessary to help nonprofits increase specific capabilities to deliver stronger programs, take risks, build connections, innovate and iterate.
Technical assistance: a term sometimes used interchangeably with capacity building. It is the process by which organizations obtain the necessary knowledge, tools and other resources to develop, implement and assess targeted improvements in their work. This process is often supported by a consultant or expert.

Specific Objectives of the Organizational Assessment
The specific objective of an assessment is for an organization, with the assistance of a skilled consultant or facilitator, to look at its own operation and to determine what changes should be made towards capacity building or institutional strengthening. The main aspects of this work are:
- To conduct a review of the organization's core capacities to identify strengths and challenges;
- To take the results of the assessment, determine next steps, and prioritize them; and
- To assist the organization in preparing a capacity-building plan.

Assessment Approach and Methodology
Oak invites the applicant to propose its own assessment methodology. Within the proposal for assessment funding, the organization must provide a detailed description of the work to be performed, who will be involved, and how it will evaluate its core capacities.

Suggested Phases for Assessment:
1) Assessment Planning Phase: Conduct pre-assessment work to further scope the assessment and its requirements, to develop staff involvement and awareness, and to identify relevant organizational stakeholders to be involved. Build a relationship between the consultant/contractor and the organization.
2) Diagnosis Phase: Conduct the organizational capacity assessment, which may include policy/procedure review, surveys, focus groups or retreats. The assessment phase will result in a thorough evaluation of internal capacities showing both strengths and weaknesses which can be mapped, analyzed and then prioritized.

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[3] Assessment is participatory process (all staff, at all levels, and governing board participate) and it is normally facilitated by an external consultant or facilitator.

[4] Grantmakers for Effective Organizations, *Strengthening Nonprofit Capacity Core Concepts in Capacity Building* (Washington, DC; GEO 2016). Available at http://www.geofunders.org

3) Assessment Review Phase: Using the results of the assessment, stakeholders determine the capacity building priorities for the organization, and potentially assign responsibility for implementation to members of the organization, thereby ensuring that acceptance of the outcomes and commitment for action is developed broadly within the organization. A summary of the assessment will be shared with Oak Foundation using the Assessment Executive Summary form.

4) Capacity Building Planning Phase: The results of the prioritization will be used to design a tailored capacity-building plan for the enhancement of the organizations' internal capacities in the short, medium and long term, including a clear timeline, a list of investment needs, and cost estimates. The consultant should assist the organization in preparing this plan. The plan will be summarized and shared with Oak Foundation using Capacity Building Workplan document. A list of sample capacity-building activities can be found in this document.

5) Implementation, Managing, and Monitoring Phase: The capacity-building plan will be implemented.

Duration:
The overall assessment process should be completed within 90 days of the signed grant agreement. The duration of each phase of the assessment should be defined in the methodology proposed. The grant period for subsequent Capacity-Building grants will be one year, unless otherwise requested by the organization.

Governance and Accountability
While Oak Foundation is supporting this work, the primary accountability of the consultant/contractor is with the governance structures and management of the organization. They should be viewed as the client and ultimate beneficiary.

Guiding Principles and Values
While the organization and consultant/contractor are encouraged to propose their appropriate approach to the work, Oak has a number of specific principles and values that should be considered in the design and performance of the task:
- The assessment should be detailed and wide ranging on key internal organizational capacities further defined in this document.
- Guided self-assessment/self-diagnosis by the client is the preferred organizational assessment method. A self-assessment process contributes to enhanced ownership of the assessment outcomes and hence a commitment to deal with the issues uncovered than would an external audit-type review.
- Appropriate involvement of the organization (board, management, staff), and stakeholders should be incorporated into the project methodology. Notably that decision-making is regular, open and transparent.
- Information and data developed during the assessment and planning process should be made fully available to the organization.

Core Capacities for Assessment
A broad review of the organization will help provide context when examining individual components of operation. Oak Foundation requests that all assessments to include a review of each of the following core capacities as developed by Grantmakers for Effective Organizations[5].

An organization's capacity needs will vary depending on a range of factors, such as its size, age, program models, revenue base, or the capacities of complementary organizations working in the same community or field.

While all of these capacities are important, it may not be necessary for one organization to be equally strong on all capacities, and certain capacities may be more critical at certain points in the organization's development than others.
- **Leadership and Governance:** staff and board leadership skills, capacity to support talent development for all staff, executive transition planning, ability to steward effective organizational culture, internal processes and polices, and infrastructure
- **Mission, Vision and Strategy:** organizational planning, assessment and strategy development
- **Diversity, Equity and Inclusion:** attention to equity throughout the organization's practices and work
- **Program Design and Delivery:** capacity to design and deliver effective programs

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[5] Core capacities adapted from Grantmakers for Effective Organizations, *Strengthening Nonprofit Capacity Core Concepts in Capacity Building* (Washington, DC; GEO 2016). Available at http://www.geofunders.org

- **Fund Development:** fundraising strategy and planning, plus skills and internal systems for fundraising and other revenue-generating activities
- **Financial Management:** skills and systems for accounting, budgeting, financial planning and other activities to ensure financial health
- **Communications:** skills and capacities in marketing, online presence, media relations and social media to raise awareness and attract attention and resources to the organization or issue
- **Technology:** information technology systems, digital data and infrastructure, and staff skills to use technology to facilitate the work
- **Collaboration:** skills and mindset to create and sustain strategic relationships with colleague organizations, stakeholders and decision-makers that can help advance the mission and possibly spark collaboration
- **Evaluation and Learning:** capacity to gather data, measure impact, close feedback loops and assess lessons learned in order to strengthen the organization's work over time

Professional Qualifications
The consultant/contractor for the assessment and capacity-building support should exhibit:
- Extensive experience in: organizational design, organizational development, change management and diagnostic skills for nonprofit organizations.
- Capability to see the big picture, understand the context in which organizations function and specialized knowledge on how organizations function.
- In-depth knowledge of specific intervention methodologies.
- Deep expertise in group and human dynamics.
- Ability to facilitate group and inter-personal work.
- Be non-judgmental and create learning opportunities for the organization.

Budget and Payment
The maximum amount to be granted from Oak Foundation for organizational assessment is $5,000, payment will be made upon signature of grant agreement. The maximum amount to be granted for subsequent capacity building is $25,000, payment will be made upon signature of grant agreement.

Costs to be considered:
- Consultant/contractors fees.
- Direct costs (i.e. staff retreat, travel, accommodation, materials, etc.).
- Time of staff to participate in the process.

Capacity-Building Activities
The following are examples of capacity building activities that will be considered for funding through Oak Foundation's Capacity-Building Project.

Assessment Area	Capacity Building Activity	Definition
Leadership & Governance	Board/Governance Development	Support to improve Board functioning: assessments, training, etc.
	Leadership Development	Cultivating and developing organizational leaders, second tier leadership, and planning for leadership transition, team leadership development
	Human resources	Support for organization`s HR (staff development), including volunteer management. HR (staff policies and procedures) goes under Internal policies and procedures
	Internal policies and procedures	Support for development of internal policies and procedures
	Integrated security	Building capacity to deal with security concerns: security assessments, build necessary infrastructure, training for safety and wellbeing programs for staff

	Compliance with national regulations	Support for organizations to comply with legal, administrative, tax, fiscal and financial regulations
Mission, Vision, & Strategy	Strategic planning (including strategic restructuring)	Support the development of strategic plans, brand or identity, mission and vision, theory of change (including upscaling, developing existing programs or services in new geographies, mergers, consolidations, joint ventures, spin-offs)
	Business planning and development	Support given for the development of business modeling and plans, profit generating subsidiaries, alternative income generating activities, social enterprises
Diversity, Equity, & Inclusion	Equity assessment	Review of policies and programs to develop equitable practices
Program Design & Delivery	Program design	Support for designing clear and strategic programs
	Program implementation	Support given to organization to ensure delivery of efficient, effective and quality projects and programs, including service delivery or new (response) systems or programs
	Advocacy, campaigning, lobbying	Assistance in developing advocacy, campaigning, lobbying (skills, projects)
Fund Development	Fund development/Resource mobilization	Support for development of fundraising strategy, for development of a diverse portfolio of resources (including selling services and corporate engagement)
Financial Management	Financial management	Support to develop and maintain good financial planning and budgeting, financial accountability, financial systems and statements, management accounting, auditing
	Business planning and Infrastructure	Planning for revenue-generating activities, support for renting or buying facilities and providing financial resources for operations (equipment, systems, software)
Communication	Communications	Support given to organizations to communicate effectively with stakeholders (strategies and skills): communication plans, practices and tools; website development, messaging
Technology	Data management and new technologies	Support for general data management (documentation, database, information collection), including introducing the use of new tools or technology to the field. Important to make distinction between development of technologies for one organization or for the field
Collaboration	Merger	Support for strategic restructuring including merger exploration
	Relationship building	Support for developing external relationships and partnerships; including shared services and collective impact
Evaluation & Learning	Organizational development	Support for organizational change/development processes: assessments, development plans, implementation of change processes
	Research	Support to build research expertise of the organization, support for new research for the sector
	Learning, Monitoring and Evaluation	Support to design and implement effective monitoring and evaluation system (including impact assessment)