More Than a Check: Inside a Place-Based Funder Where Donors Offer Non-Monetary Support

Mike Scutari | January 11, 2024

Launched in 1998, Chicago's Springboard Foundation Fund provides grantees, most of which offer after-school and supplemental education programs, with up to five years of <u>general operating support</u> and access to convenings and capacity-building grants. It onboards an average of six new organizations annually and has moved \$8.1 million in grants to 178 start-up nonprofits since its inception.

What's especially interesting about Springboard is that some of its donors act as funders, program officers, consultants and ambassadors all rolled into one. These individuals — referred to as "members" — can also become "Grantee Champions" that attend site visits and other meetings, present and listen to the summaries of visits, vote on its Springboard Award winner, and recruit new members.

"As part of our mission, we say our members use their time, talent, knowledge and network to support grantees," said Executive Director Sejal Shah-Mayers via email. "It's really that last piece that we wanted to create space for in conversations."

This approach has resonated with grantees. To celebrate Springboard's 25th anniversary, stakeholders reached out to previous grantees to gauge the impact of its support. According to Shah-Mayers, 100% of respondents said its collaborative model "was the best they have experienced in philanthropy."

At a time when the term "hands-on donor" can have <u>a charged connotation</u>, Springboard's model reflects its founders' belief that its deeply engaged

benefactors can be invaluable allies to nascent organizations. "Without question, our grantees are dedicated, hard working and incredibly savvy with or without Springboard," Shah-Mayers said. "I do believe it's a combination of how they leverage Springboard resources and their own leadership that makes them sustainable."

A focus on start-up organizations

Springboard was founded in 1998 by Doug Mabie, the managing director at the investment firm Robert W. Baird & Co. and nine friends. Springboard's model "has a lot in common with giving circles in that the funds are pooled and the grantmaking decisions are made as a group among our active members," said Shah-Myers, who joined Springboard in 2012. "Where it is a little different is, by using Grantee Champions, we are attempting to tap into personal networks to help grantees address obstacles or meet goals."

Maria Whelan, whom Shah-Myers called "a wonderful champion for education at the trust at the time," played a pivotal role in Springboard's formation by sharing research documenting the profound impact afterschool educational programs had on students in disinvested neighborhoods. The findings resonated with Mabie and some of Springboard's earliest members, who decided to center the funder's mission on supporting newer organizations serving children three years or younger.

The decision to fund organizations that were in what Shah-Myers calls "the start-up phase" is a key component of Springboard's model. "Time and time again, we hear that nobody wants to fund an organization without somebody already having funded it first. It is a challenging cycle to be stuck in," she said. "Springboard is proud to have 'unstuck' some terrific organizations here in Chicago by making some early bets on start-up nonprofits and their intrepid leaders that have encouraged others to support, too."

To this point, Springboard's survey of previous grantee leaders found that 92% of respondents believed its funding made other funders more comfortable in providing support. Springboard's 2023 class of six grantee organizations can be found here. The cohort includes The ARK Entrepreneurial Center, which increases opportunities for inner-city youth through entrepreneurial development, and arts nonprofit the Collaborative Institute of Cultural Arts.

Grantee Champion roles and responsibilities

Individuals must make a gift of at least \$5,000 to become an active Springboard member, and according to Shah-Myers, the average gift is roughly \$7,500. Springboard currently receives financial support from 47 active members, who can opt to take a more active role by becoming Grantee Champions.

Springboard grants are open to any <u>youth development organization</u> based in Chicago serving Chicago public school students and young Chicagoans. In the introductory phase of the process, the Springboard team sends the nonprofit a quick survey and a representative speaks with a nonprofit leader to learn more about its programming. If Springboard staff think it's a good fit, they'll ask the nonprofit to fill out a proposal narrative. Next, Shah-Myers and Springboard's President Doug Sharfstein, Vice President Susan Stelter and two leaders from organizations that previously received Springboard grants review the applications and decide which ones warrant a site visit.

Here's how a Grantee Champion can fit into the application process. In the fall, a Champion will meet with the applicant to discuss goals, challenges and areas where they can be of assistance. Applications are due in January and Grantee Champions attend site visits between February and April. In the summer, the Grantee Champion checks in with the nonprofit to provide feedback, discuss progress and revisit challenges. Springboard awards

grants in August, after which Grantee Champions can continue to interact with recipient organizations.

The Grantee Champion/nonprofit relationship "allows us to hold space for a conversation with a grantee about what's going great and where they might need help," Shah-Myers said. "And generally speaking, when a member can help, they are very happy to do so."

For instance, Shah-Myers explained how a member racked up frequent flier miles and donated them to a grantee leader, who used them to purchase airfare to attend a conference where she met a rep from the National Endowment of the Arts (NEA). They kept in touch, and the leader's nonprofit is now an NEA grantee.

A model that resonates with grantees

We here at IP have made it a habit of encouraging foundations to ramp up general operations support. Data suggests they still have <u>a long way to go</u>, but I was pleased to discover that Springboard's grantees appreciated the no-strings-attached funding. According to Shah-Myers, Springboard's survey of previous grantee leaders found that 100% of respondents "mentioned the importance of unrestricted funding, which empowered them to allocate the funds where they were needed most and manage their organization in the most effective manner."

That seems to be a key factor in ensuring that a model in which donors are hands-on still allows grantees their autonomy. Often, a heavily involved donor will try to call the shots or make demands regarding how funds are used. General support seems to allow donor involvement to be more supportive than prescriptive.

Grantees can apply for <u>capacity-building grants</u> through an opportunity called the Management Suite. These can be smaller grants, for a grant-writing class for the executive director, for example, or for larger projects

like creating a strategic plan. Springboard spends anywhere between \$15,000 to \$30,000 on these grants annually. Springboard pays for 70% of grants up to \$3,500, and the nonprofit covers the balance. "We find it's important for grantees to have a co-investment in the project in order for it to be meaningful and successful," Shah-Myers said. "We've definitely seen that the grantees that take advantage of multiple management suite grants to help boost their capacity are often the organizations that are the most sustainable down the road."

In addition, Springboard convenes grantees three times a year to discuss topics like board development, social media for marketing, financial planning and fundraising. Springboard's breadth of services, coupled with its "hands-on donors" (the good kind!) suggests that — to paraphrase a familiar proverb — it takes a village to help a start-up organization thrive. And once again, its grantees seem overwhelmingly to concur. Shah-Myers noted that 100% of respondents in its survey expressed the belief that Springboard's model "successfully created a collaborative and supportive community."

None of this is to say Shah-Myers and her team are resting on their laurels. "We are always looking to partner with other funders who are interested in diversifying their grant portfolios or helping provide the next stage of funding to Springboard grantees," she said. "Every year, there is something new and we are excited for our anniversary year and beyond."