

INVESTING IN THE
SUSTAINABILITY OF
YOUTH PROGRAMS:

AN ASSESSMENT TOOL FOR FUNDERS



The **FINANCE**
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Introduction

Philanthropic investment is critical to the design, development, and support of innovative community-based youth programs. Private funding sources, including grants from foundations and corporations and donations from groups and individuals, have become one of the most important sources of support for innovative youth programs and services and have contributed to dramatic changes in the field. Private investment has provided support for the startup and expansion of youth services, research and evaluation efforts to better understand the effects and effectiveness of programs, and efforts to build the capacity of program leaders to operate high-quality programs. Yet most private funding, especially grants from foundations, is time-limited and tends to provide support only through the startup and demonstration phase. Rarely do foundations provide ongoing operating support. Increasingly, however, foundation officers explicitly expect their grantees to sustain community-based programs and services beyond initial funding. Moreover, sustainability is an outcome that many foundation boards expect from their grantmaking and that they use to measure their own success.

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The goals of foundation investments in youth programs and services vary widely. Not every grant is meant to lead to a sustainable program. For some foundations, the investment is geared toward *testing new approaches* and learning about what works and what doesn't, regardless of whether that particular grantee continues to offer programs and services beyond the grant period. For those grants that carry an expectation of sustainability, that goal can be defined in several different ways.

In some cases, *sustaining ideas*—a particular approach or service delivery model—or *relationships*—a collaboration or set of partnerships—is the primary goal. For many initiatives, success means the survival of the *grantee organization* and its ability to serve youth after grant funding ends. For other initiatives, success may include not just “keeping it going”—but *going to scale* or replicating the approach in other locations.

Regardless of the specific outcomes, every foundation investing in youth programs and services seeks a positive return on investment. For those foundations with a goal of continued provision of services, philanthropic leaders face several challenges in supporting the sustainability of the programs in which

they invest. Most foundations do not intend to provide long-term ongoing operating support for the organizations they fund. Grants to these organizations typically range between one and five years; a three-year timeframe is the most common grant period.¹ For those initiatives focused on startup or expansion, such a timeframe is relatively short to plan for new programs and services, hire staff, and launch a new effort. Moreover, it offers limited time to conduct an evaluation in the field or to be able to see any movement in longer-term youth indicators. Programs leaders commonly face the prospect of identifying new funding before programs are well established and able to demonstrate real results. For those foundations supporting youth-serving organizations that are smaller and/or newer, issues of sustainability are even more critical.

Accordingly, foundation executives need effective exit strategies. For many promising programs, the end of a foundation grant leads to significant instability and disruption. Program leaders lament that their program officers do not discuss sustainability early enough and fail to create explicit expectations and clear responsibilities for sustainability.² And program officers are distressed that program leaders have not done a better job of planning for the end of foundation support.

This brief and accompanying assessment tool is intended to help foundation leaders address the challenges of sustainability. The brief begins with a framework for thinking about sustainability, introduces an assessment tool funders can use in a variety of ways to support sustainability in their grantmaking, and concludes with guidance on how to use and adapt this tool for particular purposes.

¹ Amanda Szekely and Heather Clapp Padgett, *Sustaining 21st Century Community Learning Centers: What Works for Programs and How Policymakers Can Help* (Washington, D.C.: The Finance Project, September 2006).

² The Cornerstone Consulting Group, *End Games: The Challenge of Sustainability* (Baltimore, MD.: The Annie E. Casey Foundation, April 2002).

A Framework for Thinking About Sustainability

During the past decade, foundation funders have focused increasingly on measuring the results of their grants to determine the value and success of their investments—to what extent has their grantmaking contributed to improved results for youth and their families. Most funders create mutually agreed-upon results with their grantees to ensure everyone has clear expectations for the use of grant funds. These results likely include short-term measures of effort, such as the quality of services provided or the number of youth served, as well as longer-term measures of effect, such as changes in behavior at school, improvement in self-esteem, or improved academic performance. However, if the philanthropic goal is to see those outcomes continue—a much richer return on investment—then, in making investment decisions and gauging the success of grant making, philanthropists want to consider not only the positive results of their grants, but also grantees' *capacity to continue this work* after funding ends.

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The capacity of youth-serving organizations to sustain their work depends on their leaders' ability to marshal a range of resources critical to their long-term success. Based on its technical assistance experience with a wide range of organizations and initiatives nationwide, The Finance Project has identified eight elements that are key to sustainability.³

1. **Vision.** Have a clear picture of what needs to be sustained, which starts with clearly articulating what the organization wants to achieve through its work and then clearly identifying the strategies and activities that will get it there.
2. **Results Orientation.** Define “success” for the initiative, measure progress over time, and adjust the work based on what is learned.
3. **Strategic Financing Orientation.** Estimate the resources the organization will need and develop financing strategies and funding sources to provide a stable base of resources over time.
4. **Broad-Based Community Support.** Consider whose support is needed and develop appropriate outreach efforts and vehicles for community involvement in the initiative.

³ Cheryl D. Hayes, *Sustaining Comprehensive Community Initiatives: Key Elements for Success* (Washington, D.C.: The Finance Project, April 2002).

5. **Key Champions.** Rally leaders from businesses, faith-based institutions, government agencies, and other parts of the community and persuade them to use their power and influence to generate support for the initiative.
6. **Adaptability to Changing Conditions.** Be proactive in the policy environment and adjust to changing social, economic, and political trends in the community.
7. **Strong Internal Systems.** Build strong systems and structures, such as fiscal management, information, personnel, and governance.
8. **Sustainability Plan.** Create a written plan the organization can use to manage and market its work.

These eight elements cover a lot of ground. What the framework highlights is that sustainability is about much more than finding dollars to support local efforts. Building a sustainable initiative encompasses everything from clearly conceptualizing the effort, engaging diverse stakeholders to make it happen, and implementing and managing the initiative effectively. Clearly, sustainability planning should not be a one-time process undertaken near the end of a grant cycle. Nor should sustainability planning be undertaken simply to obtain the funding to hold a grantee over until the next funding crisis. Effectively planning for sustainability involves building competencies into ongoing planning and program operations to help ensure that program leaders have the resources they will need to operate successfully over time.

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One final note on the underlying framework and approach to sustainability: this brief does not assume that everything a foundation invests in *should* be sustained. Sometimes grants are made to test new ideas or support local initiatives, such as a public education campaign, that have a natural conclusion and will not be continued beyond the funding period. Likewise, not all programs and activities that receive funding are successful. Some fail to achieve desired results. When this happens, program leaders and investors need to step back, assess why, and determine whether corrections can be made or the program or activities should cease. This framework encourages both investors and program leaders to be thoughtful and intentional in making decisions about what programs and services *should* be sustained.

Funder's Sustainability Assessment Tool

The Funder's Sustainability Assessment Tool can help foundation executives infuse sustainability more explicitly into their grantmaking. The assessment tool is a diagnostic aimed at helping benchmark a grantee's strengths and weaknesses related to sustainability.⁴ The tool is organized by the eight elements of sustainability and is used to gauge the strength of a grantee's capacity relative to those elements, such as the extent to which leaders have a clear and compelling vision for their work or use data to make decisions about their program.

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A brief word concerning language. Just as the goals for sustaining community-based youth programs and initiatives may vary, the terms used to describe these efforts and their leaders also differ. Some foundation leaders refer to their grantees as part of an "initiative"; others may use the term "organization" or "site." To avoid repetition, this tool uses "grantee" to mean an organization, initiative, collaborative, site, program, or other entity that is trying to sustain its work. It also uses "grantee's leaders" to mean staff, board members, volunteers, or other key stakeholders involved in an initiative or program.

The assessment tool uses a five-point rating scale that asks the user to rate the grantee's progress in developing various capacities. The ratings range from "are in the planning phases" to "have exceeded the foundation's expectations." Funders can use this tool in a variety of ways at different points in time in their grantmaking. Uses of the tool include the following:

- **Assessing the capacity-building needs of grantees.** The assessment tool can provide funders with important information about what additional support may be needed to build the capacity of their grantees related to sustainability over the course of a grant. Results of the assessment process can help identify technical assistance needs as well as create clear expectations for improvement, helping to better position that grantee to sustain their work after a grant ends.
- **Gauging progress over the life cycle of a grant.** The assessment tool can also be used to create a baseline at the beginning of a grant, and then used periodically during the grant period to gauge progress related to sustainability. An ongoing assessment process can help

⁴ This tool is adapted from The Finance Project's Sustainability Self-Assessment Tool, published in Module I of the *Sustainability Planning Workbook*. That version of the tool is intended for use by initiatives seeking to benchmark their own progress related to sustainability issues.

foundation officers and their grantees to be intentional in their efforts to build sustainability into their work.

- **Determining whether or not to continue to fund a grantee** for an additional round of funding. This tool can also be used to support decisionmaking on continued investment in a particular grantee, such as a decision to award a grantee another round of funding. In this case, philanthropists will want to pay special attention to what extent that grantee has met expectations as well as their progress in developing capacity to sustain the work.

Funders will likely use various sources of information in rating grantee progress, including data from foundation-led or local evaluations or information gathered during site visits or through progress reports. If the foundation has created a common set of performance measures for its grantees, these measures should be included where applicable throughout the tool. The tool also includes space to add information related to the elements of sustainability that funders believe is particularly important for their grantees.

Tips on Using and Adapting the Funder's Assessment Tool

The assessment tool is flexible and can be used to meet several related grantmaking needs, including assessing the sustainability potential of a grantee, measuring progress toward achieving sustainability throughout a grant period, and identifying technical needs to enhance a grantee's likelihood of achieving sustainability goals. However, to make the most of this tool, funders need to be clear about why they want the information and how they will use it in their internal decisionmaking and in their work with grantees.

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Funders vary greatly in how they approach their investments – such as the purpose of grantmaking and the process they use in selecting investments. Some funders see a grant as a true partnership with a community or an organization in which both entities assume responsibility for an investment's success. Other funders view the relationship as more contractual. Some foundations initiate projects, while other foundations respond to community requests. How funders use this assessment tool—and for what purpose—will depend on the approach and philosophy of their foundation. The most important factor in using this tool is to be clear on the intended purpose. In using and adapting this tool, funders should take the following into account.

- **Share the tool with potential grantees up front.** The tool can help create clear expectations related to sustainability and delineate each party's responsibilities.
- **Consider using the tool in partnership with grantees.** The tool can be a useful way to focus a discussion with a grantee throughout the life cycle of a funder's investment. Using the tool in partnership with grantees is particularly useful when funders are trying to identify technical assistance needs.
- **Consider pairing an assessment with a site visit.** If used to track progress or to support ongoing funding decisions, completing an assessment in conjunction with a site visit can provide a useful framework to help structure conversations with grantees.

- **Tailor language as needed.** Use whatever terminology is meaningful. The foundation's core values and/or principles in grantmaking should be reflected in any adaptations of the tool's language. For example, the section of the tool related to broad-based community support includes a specific focus on youth engagement. A particular funder may have other stakeholders who are critical to its theory of change and who warrant special attention in the tool.
- **Consider using a facilitator.** A facilitator can provide a neutral voice in discussions between funders and their grantees and help to ensure productive and focused conversations.
- **Align section on youth results with existing results frameworks.** The specific results a funder is seeking from its investments will likely vary from one initiative to another. Moreover, some investments may be focused on individual youth, while others may focus on systems-level change. The results section of the tool should be aligned with initial anticipated grant outcomes as well as other evaluation tools and activities.
- **Adjust the scale as needed.** Consider if modifications are needed depending on the foundation's philosophy and approach and the stage of the foundation's investment.
- **Consider other sources of data.** What other information would be useful in helping to fully understand the sustainability of a grantee, such as discussions with clients or interviews with board members? Is there information the grantee would like considered as part of the assessment?
- **Focus on issues, not numbers.** The tool is not intended to produce a "fund—don't fund" answer in and of itself. The ratings, by themselves, are not the most critical piece of the analysis. The most useful part of the assessment is the story it tells about a grantee—its progress, strengths, and weaknesses—that can support investment decisions.

Conclusion

Sustaining promising youth initiatives will continue to be a challenge in an era of scarce resources and unmet demand. Yet, as foundation boards become more focused on ensuring that the community programs they launch are likely to continue after their initial support is gone, measuring the sustainability potential of their grantees and understanding better how to boost local capacity to keep promising programs and services are important concerns. Foundation executives increasingly are being asked to think about their grantmaking not only as providing funding for interesting and worthwhile projects, but also as building capacity to leverage and magnify positive results.

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Thinking about sustainability up front in the grantmaking process and communicating expectations about sustainability early and often within the foundation, among community partners, and with grantees can focus attention on issues that often make it difficult to continue promising community-based youth programs and services. It can also help identify the resources and strategies that are most likely to help promising initiatives become sustainable. This tool is a vehicle for helping foundation executives better understand how to enhance sustainability in making grant decisions and supporting their grantees in order to continue to contribute to positive results for youth and their families.

Funder's Sustainability Assessment Tool

The Funder's Sustainability Assessment Tool can help funders benchmark a grantee's progress by identifying strengths and weaknesses based on the basic elements needed for sustainability and can serve as the basis for assessing the grantee's potential for sustaining its work.

The tool uses a five-point scale to determine to what extent the grantee has made progress on marshalling resources critical to sustainability.

- 1 = Are in the planning phases of this task.
- 2 = Have begun to implement this task.
- 3 = Have made solid progress in implementing this task.
- 4 = Have met the foundation's expectations in implementing this task.
- 5 = Have exceeded the foundation's expectations in completing this task.

ELEMENT ONE: Vision						
The grantee's leaders know what they want to sustain.						
	1	2	3	4	5	Types of information, data sources, and performance measures.
A. The grantee's leaders have developed a clear vision for their work that is shared among key partners and stakeholders.						
B. The grantee's leaders have decided what they want to sustain.						
C. The grantee's leaders have analyzed and can articulate how the grantee fits (or would like to fit) within the larger community and/or state.						
D. Other relevant information.						

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ELEMENT TWO: Results Orientation						
The grantee incorporates processes to establish and track indicators and performance measures. The grantee's leaders use that information to improve their work over time.						
	1	2	3	4	5	Types of information, data sources, and performance measures.
Achieving Desired Results						
A. The grantee is making a difference in lives of participating youth and/or strengthening the systems that serve youth. <i>[Insert specific youth and/or systems outcomes identified for this particular grant.]</i>						
Using Data to Make Good Decisions						
B. The grantee's leaders have identified indicators and performance measures and collect data to track the performance of their work.						
C. The grantee's leaders use data on these measures to plan their work and budget their resources.						
D. The grantee's leaders examine data on these measures, including input from youth, to find ideas for ways to improve their work.						
E. Other relevant information.						

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ELEMENT THREE: Strategic Financing Orientation						
The grantee's leaders have identified a variety of financing strategies that could support the grantee. The grantee has a plan to pursue those strategies and is following that plan.						
	1	2	3	4	5	Types of information, data sources, and performance measures.
Achieving Desired Results						
A. The grantee's leaders know how much funding is needed to sustain their work.						
B. The grantee's leaders have identified relevant federal and state funding sources and are taking steps to access these sources.						
C. The grantee's leaders have built public-private partnerships to leverage funding, create leadership, and garner technical expertise in support of their work.						
D. Other relevant information.						

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ELEMENT FOUR: Broad-Based Community Support						
The grantee's leaders take steps to involve the community in their work and gain community support based on the grantee's positive impact on youth.						
	1	2	3	4	5	Types of information, data sources, and performance measures.
A. The grantee has a plan to establish a desired identity and reputation within the community.						
Youth Engagement						
B. The grantee's leaders engage youth as key decisionmakers in grantee governance to improve their work and build ownership and support.						
C. The grantee's leaders engage youth as key representatives of the grantee and advocates for changes in policy and practice.						
Other Stakeholder Engagement						
D. In addition to youth, the grantee's leaders involve diverse stakeholders in their work to improve their work and build ownership and support.						
E. The grantee's leaders package data in user-friendly formats and communicate the information regularly to the community, the media, key stakeholders, potential funders, and others.						
F. Other relevant information.						

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ELEMENT FIVE: Key Champions						
The grantee's leaders have identified potential champions they need to approach on an individual level and are following a plan to do so.						
	1	2	3	4	5	Types of information, data sources, and performance measures.
A. The grantee's leaders have identified key senior decisionmakers at the community and state levels who can influence their sustainability.						
B. The grantee's leaders have designed and implemented a plan for tailored outreach to these key decisionmakers that includes appropriate messengers and messages.						
C. The grantee's leaders use various strategies to encourage and support youth advocates.						
D. Other relevant information.						

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ELEMENT SIX: Adaptability to Changing Conditions						
The grantee's leaders seek new opportunities for resource and policy development and are able to respond to new opportunities as they arise.						
	1	2	3	4	5	Types of information, data sources, and performance measures.
A. The grantee's leaders have identified opportunities to participate in efforts to improve the overall policy environment.						
B. The grantee's leaders have determined how they can improve their ability to participate in these efforts and have followed through to increase the likelihood of being able to participate.						
C. The grantee's leaders actively participate in decision-making processes about changes in policy and practice.						
D. Other relevant information.						

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ELEMENT SEVEN: Strong Internal Systems					
The grantee has strong internal processes that ensure continuous quality improvement.					
	1	2	3	4	5
A. The grantee has a well-defined team of staff, advisory or governance group members, volunteers, and others whom it needs to accomplish its mission.					Types of information, data sources, and performance measures.
B. The grantee has strong fiscal processes that inform leaders of its current financial status and alert them to emerging financing concerns.					
C. The grantee has strong internal systems (e.g., auditing, management information, procurement, and personnel) to maintain quality control over its work.					
D. Other relevant information.					

ELEMENT EIGHT: Sustainability Plan					
The grantee has a sustainability plan that enables it to set priorities and take action.					
	1	2	3	4	5
A. The grantee's leaders have a long-term plan for what they want to accomplish that includes strategies to garner needed resources and overcome identified barriers.					Types of information, data sources, and performance measures.
B. The grantee's leaders have a process to reassess and adjust their plan periodically.					
C. Other relevant information.					

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About The Finance Project

Helping leaders finance and sustain initiatives that lead to better futures for children, families, and communities.

The Finance Project is an independent nonprofit research, consulting, technical assistance, and training firm for public- and private-sector leaders nationwide. It specializes in helping leaders plan and implement financing and sustainability strategies for initiatives that benefit children, families, and communities. Through a broad array of tools, products, and services, The Finance Project helps leaders make smart investment decisions, develop sound financing strategies, and build solid partnerships. To learn more, visit www.financeproject.org.

Sustaining and Expanding Youth Programs and Policies

This publication is part of a series of tools and resources on financing and sustaining youth programming developed by The Finance Project with support from Philip Morris USA. These tools and resources are intended to help program developers, policymakers, funders, and community leaders develop innovative strategies for implementing, financing, and sustaining effective programs and policies. To access these resources and for more information on this project, visit www.financeproject.org/irc/yp.asp.



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