

COLLABORATIVE  
FUND FOR **WOMEN'S**  
ECONOMIC  
DEVELOPMENT

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THE  
COLLABORATIVE  
FUND MODEL:  
EFFECTIVE  
STRATEGIES FOR  
GRANTMAKING

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COLLABORATIVE FUND  
FOR **YOUTH-LED**  
SOCIAL CHANGE



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THE COLLABORATIVE  
FUND MODEL: EFFECTIVE STRATEGIES  
FOR GRANTMAKING

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## MISSION STATEMENT

The Ms. Foundation supports the efforts of women and girls to govern their own lives and influence the world around them. Through its leadership, expertise and financial support, the Foundation champions an equitable society by effecting change in public consciousness, law, philanthropy and social policy.

## BELIEFS AND VALUES STATEMENT

Our work is guided by our vision of a just and safe world where power and possibility are not limited by gender, race, class or sexual orientation. We believe that equity and inclusion are the cornerstones of a true democracy in which the worth and dignity of every person is valued.

# AN OVERVIEW

Cooperation among grantmakers exists along a continuum. On one end, philanthropists come together to exchange information with little, if any, negotiation or agreement required. These shorter-term relations exist without any clearly defined mission, structure or planning effort. Slightly more involved are one-time funding partnerships, often guided by an initiating donor, and study groups of donors organized around a problem or issue where each donor reserves the right to fund independently.

Coordination requires some planning and division of roles and opens communication channels between organizations. A more durable and pervasive relationship marks pooled or collaborative funds where donors share a common interest and may participate in the re-granting decisions. Participants bring separate organizations into a new structure with full commitment to a common mission. Such relationships require comprehensive planning

ways to work toward a common goal. The Ms. Foundation for Women was one of the first funders to establish a true collaborative fund in which donors pooled resources and made all decisions collectively. Collaborative grantmaking is becoming especially attractive in emerging fields where the ability to leverage resources, educate donors, document lessons and build capacity is crucial. And the Ms. Foundation, a pioneer of this approach, is frequently asked to share aspects of its collaborative grantmaking model with others.

**“The Ms. Foundation was looking for a high leverage, high impact method of funding and field building when we developed our collaborative fund model,”**

*Sara K. Gould, executive director, Ms. Foundation for Women*

and well-defined communication. In such collaboratives, each partner contributes its resources and reputation and shares the results and rewards.<sup>1</sup>

Increasing numbers of funders, committed to a field and intrigued by the benefits of collaboration, are putting their heads together and figuring out new

*Patterns of Cooperation Among Grantmakers* is designed for grantmaking organizations and individual philanthropists thinking about creating or participating in a funding collaborative. In addition to describing the elements of the Ms. Foundation collaborative fund model, it attempts to capture some of the benefits of collaborative grantmaking, and some of the difficulties that can arise along the way.

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<sup>1</sup> From Michel Winer and Karen Ray, *“Collaboration Handbook: Creating, Sustaining, and Enjoying the Journey,”* Amherst Wilder Foundation, 1994; and Alice C. Buhl, *Patterns of Cooperation Among Grantmakers, Council on Foundations, Inc.: Washington, D.C., 1991.*

# THE MS. FOUNDATION FOR WOMEN'S COLLABORATIVE FUNDS

The Ms. Foundation currently manages two collaborative funds, the Collaborative Fund for Women's Economic Development (CFWED) and the Collaborative Fund for Youth-Led Social Change (CFYS). The Ms. Foundation administers the Funds, contributes as a donor, provides technical assistance to grantees and learning opportunities for all partners, and documents and disseminates lessons learned. About 80 percent of money in each fund goes towards the grantmaking, capacity building and learning components. The remainder supports the staffing and administrative functions.

*"Trusting women and girls to make the decisions about what their families and communities need by recognizing them as authorities on their own lives is the bedrock of the Ms. Foundation's work. It is this trust that has inspired so many donors to partner with the Ms. Foundation in our Collaborative Funds."* Marie Wilson, President, Ms. Foundation for Women

The Collaborative Fund for Women's Economic Development provides crucial financial and technical support to organizations across the country that help low-income women start and expand microenterprises and cooperative businesses. Each grantee receives \$150,000 over three years and participates actively in capacity building and learning activities. By providing low-income women with business training and credit and linking them with lucrative markets, the Fund's grantees facilitate the flow of much needed capital into

low-income communities and create opportunities for families to become self-sufficient. Since the creation of this Collaborative Fund in 1990, the Ms. Foundation has partnered with 40 foundations and individuals to leverage over \$10 million in three rounds of funding. Please see *Appendix A* for more details on the Collaborative Fund for Women's Economic Development.

The Collaborative Fund for Youth-Led Social Change, launched in October 2001, is a national partnership among funders, youth and program staff of grantee organizations, and other experts. Its goal is to support and strengthen youth organizations that work at the intersection of comprehensive youth development, youth-led social change action, and gender-conscious programming.

Grantees will receive \$35,000 per year for up to three years. Members of this Collaborative are dedicated to strengthening the related youth fields by focusing on how youth can be supported as social change agents in both single and mixed-gender settings. The first round of this Fund, called the Collaborative Fund for Healthy Girls/Healthy Women, leveraged over \$4 million to build a national infrastructure to identify and support effective programs for girls. In the second round, the Ms. Foundation modified the name and

objectives of the Fund to reflect lessons learned in the first round and changes in the burgeoning youth development and civic engagement fields. Please see *Appendix B* for more details on the Collaborative Fund for Youth-Led Social Change.

These innovative Collaborative Funds are recognized nationally as preeminent philanthropic models. They are each made up of funders who have agreed to pool

**“The Ms. Foundation Collaborative Fund sets the standard for substantive engagement, commitment to learning and respect for individual grantmakers.”** *Anita Nager, formerly New York Community Trust*

resources and let the pool be allocated by the decisions of Collaborative members operating as a group. Members of the Ms. Foundation Collaborative Funds are engaged in all phases of the grantmaking process, designing the Requests for Proposals, reviewing proposals, conducting site visits, and engaging in capacity building and learning activities. Both donor partners and grantees have expressed a high degree of satisfaction with the Funds.

### **Adapting the Model**

The Ms. Foundation has adapted the collaborative funding model internally and has helped other organizations adapt the model to their needs. Internally, it has created donor circles that closely resemble collaborative funds, but are exclusively for individual donors. These tend to have lower minimum contributions than the collaborative funds, and therefore provide smaller grants and less technical assistance to grantees. As in

collaborative funds, donor circle members determine funding criteria and make grant decisions as a group. For example, the Foundation’s Democracy Funding Circle (DFC) was formed in 1996 in response to the increasingly conservative political climate that threatens to roll back gains made by the civil rights, women’s, environmental, and gay rights movements. The DFC’s nine individual donors support efforts that promote a progressive vision of democracy and encourage collaboration between women’s organizations and other progressive forces to address challenges from the right.

The Ms. Foundation has shared aspects of its collaborative grantmaking model with many other organizations, including the Funders’ Collaborative on Youth Organizing, the National Rural Funders Collaborative, and the State Strategies Fund. In 1997, the Canadian Women’s Foundation, inspired and guided by the Ms. Foundation, established the Women and Economic Development Consortium, a five-year funding partnership providing grants and technical assistance to women’s organizations across Canada to increase capacity to help low-income women become active participants in the Canadian economy. Satisfaction among the Consortium’s donor partners and grantees is high as the Consortium enters into its second five-year funding cycle. According to Debra Campbell, manager, the Consortium “took the institutional learning [of the Canadian Women’s Foundation] up ten notches and brought us to prominence in the field.”

# WHY START A COLLABORATIVE FUND?

A collaborative fund comprises an alliance of donors, grantees, and other experts for strategic grantmaking and learning in a field. It is a mechanism to:

- leverage significant resources;
- educate new and experienced donors;
- build grantee capacity; and
- advance learning in a field.

When thinking about starting a Foundation, Cyndie McLachlan and her family were instinctively drawn to supporting girls, but they didn't know what the current issues were and how they should go about

building a foundation for girls. It was the decision to join the Collaborative Fund for Healthy Girls/Healthy Women that helped them identify the issues and learn the process for grantmaking and learning.

"The Collaborative Fund was like a road map for the Girl's Best Friend Foundation," say McLachlan. "We heard from girls, and learnt together what the issues were and how a foundation can work for girls."

some have gone on to fund women's enterprise development outside of the Fund.

For donor partners, collaborative funds are also an opportunity for considerable leverage. With a contribution that could otherwise fund just one project, they are able to support and learn from many projects across the country. Members of a collaborative

fund are generally expected to contribute a minimum amount of money to a fund over a fixed period of time.

In both of the Ms. Foundation's funds, each institutional donor makes a minimum contribution of \$50,000 a year for a three-year period and each individual donor contributes a minimum of \$25,000 a year.<sup>2</sup>

Donor contributions should not drain budgets already allocated for a substantive area or deter donors from continuing their own initiatives. Rather, collaborative funds aim to enhance the individual portfolios of donors as well as attract new streams of capital for a field.

## Leverage Resources

Collaborative funds are a way for both the host foundation and the donor partners to leverage considerable resources. With its own contribution of \$450,000 over 10 years to the Collaborative Fund for Women's Economic Development, for example, the Ms. Foundation has directly leveraged over \$10 million from other funders. Indirectly, it has leveraged much more by bringing new funders into the enterprise development field. Of the 40 donors who have participated in the Fund since its inception, over half were new to the field when they joined, and

## Educate New and Experienced Donors

"The Ms. Collaborative Fund is one of the best funder collaboratives I've been involved with. I was able to learn a tremendous amount about microenterprise in an atmosphere that was both supportive and collegial." Diane Feeney, French American Charitable Trust<sup>3</sup>

<sup>2</sup> There is also a "sponsorship" category for donors who contribute less than the minimum but only participate in the learning components of the Funds.

<sup>3</sup> Diane Feeney, *One Foundation's Perspective*, in *Family Matters*, Council on Foundations: Washington, DC, vol. 4, no. 3, Summer 1999.



Ms. Foundation collaborative funds seek out a variety of donor partners, aiming for a mix of large national foundations, small family funds and individual donors. Donor partners also exhibit a range of experience in a field, from those who are themselves expert to those who want to learn about grantmaking or a specific field. Each donor has the ability to provide expertise and valuable connections as well as dollars to the fund.

Over the course of a collaborative, donor partners attend a series of meetings to determine learning objectives and selection criteria and select grantees. They also participate in site visits and retreats with grantees.

Donors new to a field can significantly shorten their learning curves through exposure to the expertise of more experienced donors, collaborative staff, grantees and a host of resource people engaged by the collaborative. Participation in a collaborative can be akin to a long-term seminar in a field.

For donors already experienced in the field, a collaborative is a mechanism to spread the lessons they have learned and to bring more resources to a field about which they care. For a large national donor or a donor who has experience in a field, sending a newer program officer to collaborative fund meetings and events can serve as a way to educate new staff about a substantive field in which the donor is engaged.

### **Build Grantee Capacity**

Collaborative funds enable foundations to pool resources to support grantee capacity building and to create learning networks among grantees and donors. The Ms. Foundation provides capacity building assistance to grantees of its collaborative funds by underwriting financial management and organizational development consultations, sponsoring training events, and providing funds to upgrade their data collection and analyzing systems. Networking and lateral learning also greatly improve grantees' capacity to effectively carry out their programs. Grantee staff is also encouraged to teach others in the field, enhancing their visibility and further spreading their innovations a cross the country.

### **Advance Learning in a Field**

A fund's unique collaboration among donors and grantees across the country offers an excellent opportunity to advance learning and build capacity in a field. A multi-faceted learning component, significant in all Ms. Foundation collaborative funds, aims to identify and document best practice in the design and implementation of program models as well as broadly disseminate learning to inform and influence research, practice and policy.

While a collaborative fund can be established for a field in any stage of development, there is often greater value added by organizing a collaboration of donors in a new or emergent field. Collaboration in a new field promotes learning, spreads the risk among donors and can accelerate the development of a field. For example, in 1994 the Ms. Foundation convened experts and commissioned reports on the status of programs for girls and young women. This field analysis unearthed the lack of resources and programs that effectively served girls and young women. This early work resulted in the Collaborative Fund for Healthy Girls/ Healthy Women, which set out to increase funding for girls' programs and build a knowledge base on effective programs for girls and young women.

The Ms. Foundation has also learned that the role of a collaborative fund will change as a field matures. Collaborative funds therefore benefit from ongoing efforts to clarify their niche in fields as they move forward. For example, in its first two rounds, the goal of the Collaborative Fund for Women's Economic Development was to strengthen model projects while increasing the knowledge base on current approaches in women's enterprise development. Its work over a decade enabled enterprise development organizations to implement a range of effective strategies to move women and their families out of poverty. As the organizations in the field matured, many reached a stage where they could increase their impact by growing in size, influencing policy and spreading innovation by adapting their models to other settings. Thus, the objectives in the third round of the Fund changed to reflect this new maturity in the field.

# HOSTING A COLLABORATIVE FUND

**A**n organization that hosts a collaborative must be adept at playing multiple roles. It must staff the collaborative programmatically, administer the money in the fund, provide technical assistance and guide best practice research and, if possible, sit as a donor partner at the table. Strong leadership is needed to facilitate participation in a democratic way. Moreover, a visionary leader can maintain enthusiasm, organize logistics and create buy-in in the beginning.

Hosting a collaborative also takes a high degree of organizational capacity. A host organization must realistically assess its capacity as it relates to facilitation skills, time, and technology. A host organization should be willing to prioritize the activity of the collaborative within its larger mission, allowing it to draw upon the time and attention of the executive director and senior staff to support its work.

*“Serving as a host organization to a funding collaborative took the Canadian Women’s Foundation to a whole new level.”* Debra Campbell, *Canadian Women’s Foundation*

A host organization must also have the ability to cater to the needs of a dual constituency. It must cultivate and manage complex relationships with donor partners as well as grantees, each of which can present a wide range of demands and interests. To be success-

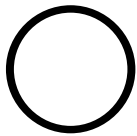
ful in these roles, a host organization must be viewed as trustworthy and accessible. For this, a mature staff is often required.

A host organization should also have intellectual capital in a field. The host has to have a good sense of the directions in which the field is moving and be able to use its expertise to guide the direction of the collaborative. Even if the host does not have an abundance of in-house expertise, it must be able to serve as a bridge-builder, linking people in the field together.

Given the requisite capacity, launching a collaborative fund can propel the host organization to become a leader in a field. It gives the organization a heightened platform from which to effectively network and advocate and an increased standing in the field. The organizational capacity of the host is also likely to be strengthened.

Donor partners will to some extent invest in building the business and managerial skills of the host organization in the process of investing in the fund. Moreover, the host has an ability to cultivate close working relationships with a range of donors with whom it might not otherwise have contact. Some donor partners in the Ms. Foundation’s funds have become very invested in the institution as a whole, contributing to other programs and even joining the Foundation’s Board of Directors.

# THE COLLABORATIVE FUND PROCESS



Over the past decade, the Ms. Foundation has developed and refined a unique collaborative funding model with four phases:

1. Internal planning;
2. Collaborative education and planning;
3. Grant selection; and
4. Research, monitoring and capacity building.

This process integrally involves donor partners in the planning and grantmaking phases and both donors and grantees in the research, monitoring and capacity building phase. Each phase is described in detail below and in the chart on page 8.

While categorized here as four distinct phases for the sake of clarity, the phases are fluid, blending into and overlapping with one another. Each Ms. Foundation collaborative fund has adapted this general model to best suit the field in which it operates. This adaptability is one of the model's strengths.

Nevertheless, some aspects of the Ms. Foundation collaborative model are sacrosanct. Fundamental to the model

is the notion that true collaboration among donors and grantees is the best way to achieve its ambitious goals. Thus, collaborative staff aim to achieve a balance of staff leadership and informed partner participation with sufficient opportunity for substantive discussion and decision-making among the donor and grantee partners.

To the extent possible, all donor partner decisions are made by consensus. This does not mean that everyone always agrees with everyone else, or that the process waits until they do. It means that donor partners must decide whether they endorse, or can at least live with, any proposal that is on the table. In determining this, they must bring an open mind, listen well to others, ask clarifying questions, gauge where others in the group are, and then make a decision. If they strongly agree with or feel neutral about a proposal, then they are part of the consensus. If they feel strongly enough not to join a developing consensus, then more discussion ensues, or the group decides to make the decision in a different way.

Using consensus decision-making requires trust between the partners, and is aided significantly by clear vision, goals, objectives and selection criteria

Armed with the lessons learned from the Collaborative Fund for Healthy Girls/ Healthy Women and the current status of youth development and youth civic engage-

ment, the Ms. Foundation and a core group of donor partners designed a proposal for potential donors that addressed the key issues in the field today—the need for youth to have the skills

and tools to make positive change in their communities. This would require youth organizations to work at the intersection of comprehensive youth development, youth-led social

change and gender-conscious programming. This proposal became the basis of the second round of the fund, renamed the Collaborative Fund for Youth-Led Social Change.

<b>PHASE 1: Internal Planning</b> <i>6 months – 1 year*</i>	<b>PHASE 2: Collaborative Education and Planning</b> <i>6 months – 1 year*</i>	<b>PHASE 3: Grantee Selection</b> <i>8 months – 1 year*</i>	<b>PHASE 4: Research, Monitoring and Capacity Building, up to 4 years*</b>
<p>Development of broad strategic goals for</p> <ul style="list-style-type: none"> <li>■ the host foundation</li> <li>■ the collaborative process</li> <li>■ the collaborative fund’s grantmaking</li> </ul> <p>Goals encompass</p> <ul style="list-style-type: none"> <li>■ impact on the field</li> <li>■ impact on grantees</li> <li>■ impact on donor partners and broader donor community</li> <li>■ impact of grants on the lives of program participants</li> </ul> <p>Establishment of fund targets based on anticipated number and size of grants, staffing, administrative and learning component costs</p> <p>Determination of parameters and requirements of partnership</p> <p>Determination of financial contribution of host foundation</p> <p>Development of strategy to attract donor partners</p> <p>Involvement of “anchor” donor partners</p>	<p>Series of meetings of donor partners for the purpose of</p> <ul style="list-style-type: none"> <li>■ increased learning about the field with the help of outside resource people</li> <li>■ collaborative goal setting</li> <li>■ determination of learning objectives</li> <li>■ determination of selection criteria and drafting of <i>Call for Letters of Intent</i></li> <li>■ planning of grantmaking process</li> </ul>	<p>Distribution of <i>Call for Letters of Intent</i></p> <p>Development of methodology for vetting letters and collecting data</p> <p>Review of letters of intent by staff</p> <p>Recommendations to donor partners of applicants from whom to solicit full proposals; final selection at donor partner meeting</p> <p>Development of <i>Full Proposal Guidelines</i></p> <p>Solicitation of full proposals</p> <p>Development of methodology for vetting full proposals</p> <p>Review of full proposals by staff and donor partners</p> <p>Selection of applicants to site visit</p> <p>Site visits by staff and donor partners</p> <p>Selection of grantees by staff and donor partners</p>	<p>Research and Monitoring:</p> <ul style="list-style-type: none"> <li>■ participatory determination of objectives of learning component, measurements and methodology; involving grantees, donors and outside resource people</li> <li>■ data collection by grantees</li> <li>■ periodic grantee narrative and financial reports</li> <li>■ mid-grant site visits</li> <li>■ production and dissemination of reports and manuals on lessons learned</li> </ul> <p>Capacity Building:</p> <ul style="list-style-type: none"> <li>■ Continued learning among donor partners</li> <li>■ Training and networking opportunities for grantees</li> <li>■ Opportunities for donor partners and grantees to meet</li> <li>■ Peer-to-peer assistance among grantees</li> </ul> <p><i>* While categorized here as four distinct phases for the sake of clarity, the phases are fluid, blending into and overlapping with one another.</i></p>

established early in the fund’s development. Donor partners can refer back to these in looking for guidance as they make any given decision. In ten years of using consensus decision-making in collaborative funds, the Ms. Foundation has only needed to resort to a voting process two times to make particularly difficult decisions.

In-person meetings go a long way to cementing relationships and establishing trust. The planning and grantmaking phases involve the most meetings—

five or six in-person meetings over a period of one and a half to two years. The research, monitoring and capacity building phase involves fewer meetings, generally two per year.

### Phase 1: Internal Planning

Before involving outside partners, the host foundation needs to determine its own goals for launching a collaborative fund. It is in this early stage that the host foundation assesses the needs in the field and

envisions the impacts it wants the collaborative fund to have on its own institution, the field, philanthropy, grantees and program participants. This is a time to ensure that the host foundation’s leadership and board are fully behind the process.

Key steps in this stage include establishing preliminary targets for the size of the fund, determining the requirements for partnership, developing a strategy to attract donor partners and writing a proposal. The Ms. Foundation has found that it is important to involve some “anchor donors” in this initial planning phase—

<p>The Ms. Foundation uses a two-stage grant selection process, first requesting short letters of intent and then inviting selected groups to submit full proposals. Since the Ms. Foundation has received anywhere</p>	<p>from 250 to 600 letters of intent per funding round, this two-stage process is most efficient for both applicants and collaborative staff. Funds with a smaller scope—either geographically or thematically—may be</p>	<p>able to move directly to a Request for Proposals. In the two-stage process, while the Call for Letters of Intent is in the field, staff work with donor partners to develop Full Proposal Guidelines.</p>
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funders who come in early with a significant contribution and a willingness to participate in fund planning and design. Depending on how new the host organization is to the field or to collaborative funding, this phase could take anywhere from six months to a year.

**Phase 2: Collaborative Education and Planning**

The host foundation’s internal planning process flows into a phase of collaborative planning. As additional donor partners join the fund, the members and staff work to raise their level of understanding of the issues by reviewing key research in the field and engaging in discussions with practitioners and other experts. Bringing in outside experts gives donor partners a perspective broader than that of the collaborative staff and also contributes to staff learning.

<p>In selecting grantees for the collaborative funds, staff collect data from applicants on the type, size and leadership</p>	<p>of their organization; the geographical location and setting; the gender, race and ethnicity of constituents; the</p>	<p>type of program for which they are requesting support; and the sector(s) in which they are active. This exten-</p>	<p>sive data collection effort provides the collaborative members with a comprehensive picture of the field.</p>
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As a group, the collaborative fund staff and donor partners determine the goals they want to accomplish, the learning objectives for the fund, the selection criteria and the grantmaking timeline. Staff translate these decisions into a draft Call for Letters of Intent, which is edited and approved by donor partners.

This stage is especially important for building trust among collaborative fund members. Therefore, while some of the work can be done by e-mail and conference call, it is essential to a collaborative’s success that partners meet several times in person

during this phase. In the Ms. Foundation’s experience, this phase has involved three to four all-day in-person meetings and several conference calls.

**Phase 3: Grant Selection**

Collaborative staff review and rank the letters of intent according to the criteria established by the donor partners. At a donor meeting, staff describe the

whole applicant pool and make recommendations to donor partners about which applicants should be invited to submit full proposals. Donor partners review these recommendations and make the final decisions about which applicants to invite. When full proposals arrive, each donor partner reads several and participates in site visits to applicants. In the Ms. Foundation’s collaborative funds, this phase has lasted eight to twelve months and has involved two or three in-person meetings lasting one or two days each.

Reviewing proposals and visiting applicants provides tremendous opportunities for learning about the types of organizations and programs active in the field. Discussions during this phase help the donor partners and staff to hone a fund’s learning objectives. Every

attempt is made to come to all grantmaking decisions by consensus. However, if a vote is necessary, all partners present, no matter how much they have contributed, have an equal vote.

**Phase 4: Research, Monitoring and Capacity Building**

A central objective of the Ms. Foundation’s collaborative funds is to increase the knowledge base in a field. Each fund therefore has a multifaceted *learning component* that

While the Collaborative Fund for Women’s Economic Development works closely with grantee program staff in designing the learning component, the Collaborative Fund for	Healthy Girls/Healthy Women heightened the participatory aspect of the model, involving the youth participants of the programs as well. The girls and young women were trained by Ms.	Foundation staff and consultants to use participatory research methods such as photojournaling and interviews to document how program participation affected girls’ lives.
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involves best practice research, monitoring of grantee progress and outcomes and grantee capacity building. Once grantees are selected, they become full partners in this phase, working with staff and donor partners to refine learning objectives, engage in the research, and design capacity building and networking opportunities.

Throughout the planning and grantmaking phases, staff and donor partners work intensively to determine a set of learning questions for the fund. These not only

guide grant selection, but also lay the groundwork for best practice research. Dissemination of learning to a wide audience occurs through reports, conference presentations, conference calls and listservs. The Ms. Foundation monitors grantee progress through periodic reports and data collection and analysis carried out by the grantees themselves. Donors receive annual or semi-annual narrative and financial reports from collaborative staff and learn firsthand about grantee progress at periodic grantee-donor retreats and mid-grant site visits.

Collaborative funds also add value by providing technical assistance to grantees through retreats, one-on-one consultations and site visits. In the Ms. Foundation collaboratives, grantees determine the areas in which

they need assistance. These have included organizational and financial management, data collection and analysis, program design, media strategy and community outreach. The retreats have been especially important opportunities for grantees and donors to come together to learn and network. The collaborative funds pay for grantee travel and lodging.

The research, monitoring and capacity building phase lasts for the duration of the three-year grants plus about one year to compile and disseminate findings. During this period, donor partners attend about two meetings a year, including the grantee/donor retreats, and participate in mid-grant site visits.

**“Participating in the Ms. Foundation Collaborative helped me to make smarter grants in the field. The site visits in particular made the learning come alive.”** *Mary Louise Mussoline, Brico Fund*

The Ms. Foundation has occasionally provided grantees with small capacity building grants. A capacity building grant of \$2,000 from the	Collaborative Fund for Healthy Girls/Healthy Women enabled the Girls’ Resiliency Project in rural West Virginia to hire and train two interns	as youth researchers. In the Collaborative Fund for Women’s Economic Development, since the third round involves intensive data	collection by grantees, the Ms. Foundation provided each organization with \$5,000 grants to build up their data collection capacity.
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# BENEFITS FOR DONORS

In addition to a collaborative fund's ability to leverage resources, expedite learning, and disseminate information, there are a number of other benefits that accrue to donor partners.

## Community of Interest

Collaboratives create a community of interest and ownership of issues among donors. They allow donors to get to know new organizations and provide opportunities to share information about organizations of which they are already aware. Collaboratives can provide a national perspective and access to a wide range of donors in a field.

*"The Collaborative was our first funding source. The Ms. Foundation took a chance on us. Our program didn't even exist before the collaborative and there's no guarantee we'd exist today without it."* Que Dang, former program director of the HOPE program

*The collaborative added another layer to the Gaea Foundation's grantmaking. We had the opportunity to learn about different girls programs that would have been difficult for us to find out about on our own. I've also learned so much from the other donors who are part of the collaborative."* Cindy Clay, Gaea Foundation

## Deeper Understanding

Collaboratives also afford the donor an opportunity to explore an issue on a deeper level. They foster an exchange of ideas, informing and strengthening the decision-making process. And the learning flows in two directions—lessons from the collaborative can influence a donor's broader grantmaking strategy and a

donor's broader grantmaking experiences in turn influence the collaborative.

*"The Collaborative catapulted me, both personally and professionally, into girls funding. It also gave Moriah the ability to fund programs across the country that we wouldn't have been able to support otherwise."* Karen Zeitlin, executive director, Girl's Best Friend Foundation, formerly of the Moriah Fund

## Risk Sharing

Collaboratives help shield a funder's risk in entering a new line of work. They also enable donors to take greater risks in funding young organizations or new strategies proposed by more established organizations.

## Grantmaking Advice

For smaller donors, collaboratives provide a significant source of advice on grantmaking more generally. Donors learn the craft of philanthropy—drafting letters of intent and requests for proposals, selecting grantees by rating proposals and participating in site visits, and implementing a learning component. Several donors have borrowed elements of the Ms. Foundation's letter of intent and full proposal process to use in their own grantmaking initiatives. Others became increasingly aware of the importance of documenting the learning about success and failure to guide future investments.

## Staffing

Collaboratives benefit donors with few or no staff, such as small family foundations and individuals. Collaborative

“Participating in a collaborative has afforded me an opportunity too often absent when making grants directly—I can leave the legwork to the collaborative staff and focus my attention more on the big picture issues.” *Mary Louise Mussoline, Brico Fund*

staff not only do the legwork involved in managing the many components of a collaborative fund, but also share their deep expertise in the field with fund partners.

### **Networking**

Networks developed through a Collaborative Fund can be useful in the day-to-day work of the donor partners. At a recent meeting of the Collaborative Fund for

Women’s Economic Development, for example, it became clear that two corporate donors shared an interest in funding around border issues in the southwestern United States. Surprised at the connectedness of their interests, both donors noted that while they compete on the street as businesses, the Collaborative provided a neutral venue for them to work together.

### **Experience Collaborating**

Finally, foundations that have long encouraged collaboration among their grantees can learn firsthand about just what collaboration requires from undertaking the effort themselves.



# BENEFITS FOR GRANTEES

**W**hile enormously beneficial for donors, funding collaboratives also offer significant benefits for grantees.

## Flexible Funding

Multi-year grants provide grantee organizations with flexible resources that allow them to move to the next stage of practice in such areas as program design, strategic planning, staff development and, possibly, replication. Flexible funding enables groups to experiment with programs that can then successfully compete for local and national public monies as well as more risk-averse private sources of support. Indeed, many of the innovative techniques used by the growing number of girls' development and microenterprise programs nationwide were pioneered by Collaborative Fund grantees in their work with women and girls in low-income communities.

The Ms. Foundation has also used the collaborative mechanism to leverage emergency funds for grantees. Shortly after the Collaborative Fund for Women's

Economic Development made its second round grants, President Clinton signed the welfare reform bill in August 1996. Grantees let Ms. Foundation staff know that they had an incredible opportunity to impact policy as each state devised its welfare reform plan. Collaborative Fund staff turned to donor partners who promptly capitalized a \$114,000 Welfare Reform Mini-Grants Fund. These funds enabled grantees to have significant influence on state welfare reform programs. Both Collaborative Funds have institutionalized this model by establishing Special Opportunity Funds.

## Introduction to New Donors

Collaboratives introduce grantees to donor partners, who often go on to fund the grantees independently. This relationship often helps to further enhance the work of the collaborative fund as donors independently provide additional resources for administrative and programmatic work of fund grantees. For example, with its Welfare Reform Mini-Grant, the Good Faith Fund in Arkansas proved to itself and its parent organization that it could have a significant impact on public

Participation in a collaborative fund can help small projects move to scale. The intensive technical assistance has enabled many organizations to become larger and more stable. Some have even replicated their model.

The Girls Resiliency Program was funded by the Collaborative Fund for Healthy Girls/Healthy Women as a small project with a fiscal agent. Within the three-year grant period, they expanded to become their own

501(c)3 and developed multiple projects. Another grantee, the Center for Young Women's Development in San Francisco, was replicated in two other locations—Young Women United for Oakland and Sister Outsider in New York City.

During the second round of the Collaborative Fund for Women's Economic Development, a grantee in El Paso, La Mujer Obrera, was engaged in an intensive effort to

secure \$40 million in support from the U.S. Department of Labor for workforce development training for displaced women workers. At a Collaborative Fund retreat, all of the grantees banded together to write a letter of support to the Secretary of Labor, and worked late into the night helping La Mujer staff craft a proposal. The City of El Paso received the funding, resulting in a significant increase in La Mujer Obrera's capacity to serve low-income women.

policy. This resulted in a new institutional commitment to engage actively in advocacy and hire a full-time policy director, whose salary was funded by a CFWED partner.

### Seed New Innovation

Collaboratives can provide funding to test new innovations that can later be supported by larger funders. The Good Faith Fund again offers a prime example of this leveraging effect. With CFWED support, it piloted a women's mentoring program that it had learned about through a Ms. Foundation-funded peer exchange with another CFWED grantee. Based on the success

*"The Ms. Foundation Collaborative has enabled us to develop very quickly the kind of quality programming that then can attract a more conservative stream of funding from our local area. The Ms. Foundation took the risk."* Penny Penrose, executive director, The Good Faith Fund

of this program, the Good Faith Fund was designated a Women's Business Center by the Small Business Administration and won a \$750,000 government grant.

### Peer Networking

Perhaps the biggest value a collaborative can provide to a grantee organization is the opportunity for peer networking. Collaboratives allow grantees to become part of a community, to feel a sense of belonging to a larger field. It enables grantees to use lessons learned from the field to improve programming and more successfully advocate for change. And opportunities for structured shared learning can provide tremendous staff development opportunities.

*"The Collaborative has given us the sense of a new girl's movement emerging. It's a movement with common goals, strategies, and a shared commitment to change the status quo."* Nadia Moritz, program staff partner, Young Women's Project

### Capacity Building

Collaboratives can offer grantees intensive capacity building assistance in the context of a long-term, con-

sistent working relationship. Grantees share organizational difficulties with collaborative staff and get high quality assistance in return. Given their national perspective, collaborative fund staff can often connect grantees to sources of training and assistance they may not have been aware of otherwise.

*"We were nearly overwhelmed with the breadth of the programs presented at the retreat. We learned so very much. Perhaps the best part was developing relationships with other women (and a few men) who are working to improve family economic conditions all over this country."* Crystal Pohl, Native Americans for Community Action

### Expertise and Connections of Donor Partners

Nor do grantees need to rely exclusively on the assistance from collaborative staff. Grantee staff can harness the resources of the donors so that the collaborative staff need not

possess all the expertise in-house. Donor partners can help grantees both with substantive issues and with their extensive contacts. For example, one donor in the Collaborative Fund for Women's Economic Development introduced several grantees that help women market clothing and crafts to her daughter who runs a high-end mail order catalog.

### Facilitate Communication and Networking

Grantees note the high level of understanding and support exhibited by donor partners, allowing for richer and more honest communication between grantees and donors. Collaboratives can foster links between grantees and other key actors such as policymakers, industry leaders, opinion makers, women of wealth and women in corporate leadership.

*"The Collaborative has given me so many opportunities and connections I would not have had. You get to meet all these women who've done amazing things. It's inspiring to see older women who have struggled successfully. It makes you feel like you can do anything, and like you're part of something larger."* Desi Rodrigues, young woman partner, Native Action

### Learning Component

A learning component helps grantees increase their capacity to collect valuable data for the long-term. And documenting lessons from the combined experience of grantee organizations can build the capacity of organizations to implement effective programs and to advocate for public and private sector policies con-

ducive to the success of such programs. A focus on learning can also strengthen the institutional and financial stability of organizations and can help increase the number and types of donors supportive of the field. Ms. Foundation Collaborative Fund data collection requirements have spurred several grantees to invest in and improve their data collection systems.

The resulting lessons learned have inspired these organizations to significantly alter the services they provide to better adapt to the needs of program participants.

<p>The Collaborative Fund for Healthy Girls/Healthy Women trained program staff and youth participants of grantee organizations as researchers, enabling a true participatory research project to col-</p>	<p>lect and analyze data on the effectiveness of their programs. Three original assessment tools, co-developed by grantee partners and a small research team, enabled grantees to assess their work each</p>	<p>year and make necessary adjustments. Collaborative Fund grantees, as well as other youth organizations, continue to use the tools to collect data on program and organizational effectiveness.</p>
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# BENEFITS FOR A FIELD

The benefits of collaborative funds reach beyond their own donors and grantees to the broader fields in which they operate.

## Provide Focus and Advance Learning

A collaborative of donors and grantees helps maintain a focus for a field, generating coherent strategies to address issues of field building. Through the documentation and dissemination of best practices, a collaborative can synthesize the needs of a field and enable organizations to expand and deepen their impact. It has the potential to define new frontiers for donors as well as grantees, thereby speeding the evolution of a field. And by focusing on a group of grantees, collaboratives are more likely to identify gaps in service and strategic opportunities for the field.

## Seed New Innovation

Collaboratives also play an important role in seeding new innovation. The Collaborative Fund for Healthy Girls/Healthy Women's participatory

**“Bringing all our voices, experiences and resources together in a collaborative effort is a very efficient and effective way to move a field forward.”**

*Lindsay Shea, Collaborative Fund Donor Partner*

evaluation research project involved girls and community members in its planning and application. The Fund expects that the lessons learned in developing this process will show the value of participatory research for all youth programs. The Collaborative Fund for Women's Economic Development funded experimental approaches that

have now become staples in the microenterprise field. For example, in the early 1990s, the Fund supported some of the earliest efforts to network self-employed people in a particular sector to reduce costs and gain access to wider markets.

## Connections Between Fields

Collaboratives that span a number of fields can help to strengthen and build connections between fields. The Collaborative Fund for Youth-Led Social Change, for example, spans the fields of youth development, youth civic engagement and gender-conscious programming, aiming to challenge and help organizations combine the best of what the fields have to offer youth.

## Broadening the Network

*“When we look at the history of the Jacobs Family Foundation, we will look to the Ms. Foundation Collaborative as pivotal,” Jennifer Vanica, Jacobs Family Foundation*

Host staff's attention to donor partners can especially attract a particular kind of donor to a collaborative fund—family foundations, special funds (such as Women's Funds and issue-based funds) and individual donors—who benefit from and appreciate the heightened respect and attention given to grantmakers. Participation of family foundations and individuals in the Collaborative Fund for Women's Economic Development grew from \$312,000 in the first round to \$2.3 million in the third round. In the Collaborative Fund for Youth-Led

As a former Presidential Award winner, I can say that the excellence and leadership that the award recognized was facilitated and fostered by the dedicated support and array of services from the Ms. Foundation. *Connie Evans, President, WSEP Ventures*

Social Change, six individuals came in as early supporters, many contributing above the minimum required. By creating such an attractive and innovative fundraising mechanism, the Ms. Foundation has been able to bring a whole new category of donor to the fields in which it works. These donors often turn out to be the biggest champions in the field, spreading the work to an even broader network.

### **Increasing Funding**

As discussed above, collaboratives should aim to increase overall funding for a field. Many of the donor partners who had never before funded in a field often end up making their own grants to collaborative fund grantees and other organizations in a field, amplifying the impact

of the collaborative fund. Grantees also use collaborative fund support to launch experimental programs that later attract government and corporate support.

### **Policy Impact**

Collaborative funds can harness the collective power of a group of committed funders and practitioners to impact public policy in a field. The size and reputation of a fund gives the host organization added legitimacy with policy makers and enables staff to bring best practice lessons to bear on national policy. In the microenterprise field, for example, CFWED staff helped link local grantees to national public policy campaigns, and often provided forums for grantees and donors to meet with high-level federal officials. Several CFWED grantees, and the Ms. Foundation itself, received Presidential Awards for Excellence in Microenterprise Development in White House events, which generated significant publicity for the field and served as forums to advance policy positions.

# OVERCOMING CHALLENGES

**W**hile the benefits to the host foundation, donor partners, grantees and the field are significant, successful collaboration can be challenging.

The following is a listing of some of the difficulties that can arise as well as possible solutions that a host organization might employ.

## **Collaboratives move slowly.**

It can take a whole year between sending out letters of intent and making grants. Schedules of large numbers of people must be coordinated. While consensus building is powerful and positive, it too is time consuming. *It is thus especially important that collaboratives adhere closely to the schedules and timelines they establish and communicate these clearly to donors and grantees.*

## **Collaboratives require a great investment in time.**

While collaborative funds do decrease the administrative burdens on a donor, the time demands remain significant. *It is incumbent upon collaborative staff to ensure that most donors most of the time find collaborative meetings to be beneficial. There should be a balance between information and learning for donors and for grantees. Some collaboratives have dealt with this issue by calling a meeting only when there is a critical mass of issues on the table.*

## **Diversity of donor needs.**

The collaborative model depends on the careful cultivation and balancing of various partners' interests and commitment. Host staff must be attentive to addressing the diversity of donor needs. Large and small

donors as well as those experienced and less experienced in a field come to a collaborative for various reasons. Moreover, all donors do not have the same relationship to the money that they invest. Someone who donates to a fund from his/her own personal money (an individual donor or small family foundation, for example) often has a different type of relationship to the process than an independent foundation with its own endowment.

*It is thus important for collaborative staff to understand donors' values and motivations for their grantmaking decisions. It is also important to clarify the roles, expectations and responsibilities (including issues of control, supervision and autonomy) of the donors and the collaborative staff early on in the collaborative process. The level of participation and degree of involvement can vary from donor to donor, allowing each to contribute according to their own time and level of interest.*

## **Standing of the host organization.**

It can be the case that the host organization is not perceived as an equal in the collaborative process. *It is thus helpful if the host organization can contribute financially to the collaborative fund, thereby strengthening its leadership role. The Ms. Foundation contributes to both CFWED and CFYS, and its president or executive director sit at the table as a donor partner, while other staff serve to facilitate meetings and administer the Funds.*

## **Grantee selection.**

The grantmaking stage of a funding collaborative can get especially intense as donors express their preferences and passions for particular applicants. *It is thus*

important to have a clear process for grantee selection in place before the grantmaking phase begins, always bring the discussion back to the fund's goals and learning objectives, and build trust among donor partners.

### **Retention of donors' interest.**

Collaboratives generally operate for a period of several years. Donors can lose interest in the collaborative, especially after the grantmaking decisions have been made. Moreover, over a period of years, a donor's interest and commitment to a field can wane. *To assess a collaborative fund's effectiveness with donors, the Ms. Foundation periodically asks donor partners to comment on their experiences in the fund. Collaboratives can make an effort to schedule conference calls between meetings to keep donor partners up to date. Staff also can communicate frequently to donors with concise but vivid reports. Overall, it is part of the staff's job to keep up to date on where donors, particularly institutional donors, are heading and to work with program officers to try to anticipate and accommodate a donor's changing needs and interests.*

### **Turnover of representation.**

Over time, donor partners can send different staff representatives to collaborative meetings. *At every meeting, collaborative staff must make sure to run*

*“While I know some of my field staff are going to find the Ms. Foundation documentation requirement daunting, I am dying to know outcomes. It is a helpful tool for the organization and the field, even though I will hear grumbling about it from the front line staff.” Anita Moeller, Acre Family Day Care*

*through the history of the collaborative to date and clearly spell out the decisions that have already been made and timelines for next steps in an effort to keep new donor representatives apprised and engaged.*

Yet turnover raises issues not just about information shared, but the need to continually build relationships and promote the culture of the collaborative. *One solution is to support donor representatives in promoting the engagement of their organization through board presentations and other means of education on-site at the*

*donor partner's place of business. The host must also make sure to find opportunities for personal contact with new donor representatives. It is also important for new collaborative fund staff to devote a lot of time to building relationships with fund partners.*

### **Cultivating donor partners.**

A collaborative needs to build open processes for the recruitment and integration of new partners. A lot of staff contact with new donors is often required to bring them into a fund. *Strategies include assigning longer term donors as mentors to new donors, crafting an agenda that facilitates communication between new and old donors, and being careful to flag situations where it appears that donors new to the collaborative are not getting connected.*

### **Demands of evaluation and learning components.**

Many collaboratives impose stringent evaluation or learning components on their grantees. While more burdensome than a typical grant, the opportunity for learning can also greatly benefit a grantee organization. *Yet to ease the burden on the grantees, collaborative donors must begin by setting clear and fair expectations and helping their grantees develop realistic goals and outcomes based on their level of resources and organizational*

*capacity. It also helps if the collaborative is flexible with outcomes and understands learning curves. Ms. Foundation collaboratives for example, give grantees the opportunity to reassess their objectives annually.*

*Donors should also consider providing a percentage of resources to be used specifically for evaluation as well as providing grantees with opportunities for consultation, training and on-site technical assistance.*

### **Grantee confidentiality.**

When collaborative staff involved in grantmaking decisions also provide technical assistance to grantee organizations, confidentiality issues arise. Being funded by a collaborative can be seen as a double-edged sword by grantees, who get funding and assistance on the one hand, but have to reveal weaknesses to a donor in

order to get the technical assistance they need. Furthermore, confidentiality issues between collaborative staff and donor partners must be managed. Collaborative staff can address this by building trust with grantees over time and establishing an environment that rewards honorable failure. Honesty in revealing areas of

to explain to all applicants and donors that the collaborative is choosing organizations based on specific and clearly stated goals and program priorities and the need to create a well-rounded portfolio of grantees, and that the selection process is extremely competitive. Staff can also guide groups who do not receive support to other sources of funding and technical assistance.

<p>The Collaborative Fund for Healthy Girls/Healthy Women addressed confidentiality of grantee-collected data through the use of</p>	<p>the "Learning Team" (an independent research team) as neutral intermediary. The Learning Team shared the results of overall</p>	<p>data gathered with Fund partners without revealing the names of the grantee organizations that provided the data.</p>
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weakness or concern can be encouraged and not penalized. Collaborative staff can also refer grantees to outside technical assistance providers. While some donors may be more sensitive and respectful of the confidentiality issues than others, a policy can be set up front about what information gleaned by staff will and will not be shared with donor partners.

**Organizations not selected for funding.**

Applicants who are not funded by a collaborative may fear that they have lost their chance of being funded by donor partners. To address this, staff should make a point

new donors join and others leave after each cycle. Some collaboratives have developed into permanent independent entities. Others have seen their mission change with the changing needs of the field. Donor partners and collaborative staff must be mindful of lifespan issues both to facilitate the ability to draw upon and extend the success of the collaboration as well as to know when the time has come to refocus or conclude its mission. In any event, before each round a collaborative should take a new look at the context and the field in which it operates. It should also continually seek ways of supporting the engagement of donor partners in future activities in the field.

**Exit scenarios.**

Collaboratives usually operate with a set time framework, a three-year grant cycle for example. Yet the vision of the collaborative can be built around a more indefinite lifetime, as



# CONCLUSION:

## FOUR MAIN FACTORS FOR SUCCESS

The Ms. Foundation has identified four key factors for the success of a collaborative fund.

### **Time to build trust and comfort.**

The four-stage process—internal planning, collaborative education and planning, grantee selection and research, monitoring and capacity building—builds a high and rare level of trust and comfort among donor partners, among grantees, and between donors and grantees.

### **A web of connections.**

Collaborative relationships are nurtured by building a web of connections. Donor partners meet among themselves several times to review proposals, track grantee progress and learn from experts in the field. They also participate in initial and mid-grant site visits. Periodic retreats bring donors and grantees together to share information and build technical skills, and grantees share information through peer exchanges, listservs and conference calls. In these ways, collaborations facilitate the building of bridges within a field in addition to the building of a field overall.

“The Ms. Foundation Collaborative Fund doesn’t simply award grants. Ms. Foundation staff and donors see to it that their grantees have opportunities to meet with, retreat with, and learn from other women and...programs across the country. They provide amazing growth experiences for our staff...They funnel information and resources to us that we have difficulty accessing on our own. The money is needed and we are all grateful for our grants. But the networking with other grantees, funders and consultants is equally important.” *Penny Penrose, Good Faith Fund*

### **Skilled staff.**

Collaboration must be staffed. Moreover, staffing a collaborative requires someone with excellent skills at facilitation. Each Ms. Foundation collaborative employs a full-time program officer who manages the fund, with the support of a program assistant and the supervision of a program director who each dedicate a considerable portion of their time to the fund.

### **Value-added partnership.**

A value-added consensus-based collaborative approach yields outcomes far greater than any donor could achieve alone. It focuses on what a collective of donors can do better than a single donor going it alone. A collaborative is all about partnership. From a fund’s invention and design through its realization and reflections, all of its elements have been the product of teamwork by grantee program staff and participants, donors, researchers and collaborative staff. The power of working together, of networking, of sharing information and ideas about a field is the driving force of a collaborative. There is no question this high degree of collaboration adds an extra challenge to the work; there is also no question it yields immeasurable richness, relevance, and meaning for those involved, and for its outcomes and implications.

# APPENDIX A:

## COLLABORATIVE FUND FOR WOMEN'S ECONOMIC DEVELOPMENT

**F**ounded in 1991, the Collaborative Fund for Women's Economic Development (CFWED) is a national partnership among large and small national foundations, family foundations, community foundations and individual donors who pool their financial resources and expertise to support women's enterprise development programs across the country. The Fund's overarching goal is to strengthen, expand and replicate successful model projects and increase the knowledge base on innovative approaches to economic development, thereby helping practitioners and funders apply the lessons that have been learned.

Now in its third round and having invested over \$10 million in the field of women's enterprise development, CFWED is a proven mechanism to leverage significant resources for the field; educate new and experienced funders about the lessons practitioner groups are learning; document and disseminate these lessons; and build the capacity of enterprise development organizations by providing them with multi-year funding, training and technical assistance. Donor

partners participate in every aspect of grantmaking, from designing the request for proposals, to reviewing proposals, conducting site visits, selecting grantees, monitoring grantee progress and learning from their experiences. The Ms. Foundation for Women administers the Collaborative Fund, participates in the fund as a donor, and works in an ongoing technical assistance relationship with grantee organizations.

The third round of CFWED pools approximately \$5 million from 24 donors partners for grants, technical assistance and best practice research. The 16 grantee organizations across the country put low-income women on the road to self-sufficiency by helping them start and expand microenterprises and community-based business. Reflecting its continued commitment to sustainable poverty alleviation strategies for low-income women and the continued need to increase and diversify resources for the field, the objectives of the third round are to:

- Increase funding for economic development projects benefiting low-income women;

### THIRD ROUND OF CFWED

In collaboration with our donor and grantee partners and Ms. Foundation staff, we have designed three components within this round of CFWED:

#### **Enterprise Development Grants:**

In April 2001, CFWED made three-year grants to 16 organizations pursuing a range of strategies that create jobs for low-income women through microenterprise development, sectoral networks and social purpose businesses;

#### **Special Opportunity Fund:**

A mini-fund that will enable grantees to respond to opportunities and challenges that cannot be anticipated and for which a small infusion of timely money can make a significant difference;

#### **Learning Component:**

Activities that advance best practices and develop capacity in the field including data collection, documenting and dissemination of learnings, training and technical assistance and donor/grantee retreats. Best practice research will be conducted in various areas identified by the grantee partners, the priority of which are Caregiving (childcare and healthcare), Follow-up Technical Assistance and Social-Purpose Businesses.

- Educate funders about women's economic development through a cost-effective structure and peer learning model;
- Support effective program strategies and promote continued innovation and experimentation; and
- Further learning about how enterprise development, as part of a broader set of asset building and work force development strategies, can create ladders for women and their families to move out of poverty and attain long-term economic security.

### Third Round Donor Partners

Appalachian Regional Commission  
 Bambi MacDonald Estate  
 Brico Fund  
 Annie E. Casey Foundation  
 Charles Stewart Mott Foundation  
 Chase Manhattan Foundation  
 Citigroup Foundation  
 Edna McConnell Clark Foundation  
 Flora Family Foundation  
 French American Charitable Trust  
 Ford Foundation  
 Carol Guyer  
 Hitachi Foundation  
 Hite Foundation  
 Jacobs Family Foundation  
 John Merck Fund  
 Albert A. List Foundation  
 McKay Foundation  
 MacArthur Foundation  
 Ms. Foundation for Women  
 Lindsay Shea

Alvin and Fanny Thalheimer Foundation  
 Wendling Foundation  
 Wells Fargo

### Minimum Grant Requirements During Grant Selection Phase

\$150,000 over three years for foundations  
 \$75,000 over three years for individuals

*Donor partners who join now that the grant selection phase is over do not need to meet these minimum requirements*

### Grantee Partners

Acre Family Day Care, Lowell, MA  
 Appalachian by Design, Lewisburg, WV  
 Childspace Cooperative Development Inc., Philadelphia, PA  
 Cobb Microenterprise Council, Kennesaw, GA  
 Detroit Entrepreneurship Institute, Detroit, MI  
 El Puente Community Development Corp., El Paso, TX  
 Good Faith Fund, Pine Bluff, AR  
 Institute for Social and Economic Development, Des Moines, IA  
 Maine Centers for Women, Work and Community, Augusta, ME  
 Native Americans for Community Action, Flagstaff, AZ  
 New Hampshire Community Loan Fund for Quality Care Partners, Manchester, NH

Paraprofessional Healthcare Institute for Home Care Associates, Philadelphia, PA  
 People Incorporated of Southwest Virginia, Abingdon, VA  
 Women's Action to Gain Economic Security, Oakland, CA  
 Women's Economic Self Sufficiency Team, Albuquerque, NM  
 Women's Rural Entrepreneurial Network, Bethlehem, NH

### Staff

Program Director (0.75 FTE)  
 Program Officer (1 FTE)  
 Program Associate (0.5 FTE)

### Phases of Work

- Internal planning
- Collaborative education and planning
- Grant selection
- Research, monitoring and capacity building

### Timeline

Five years

### Budget

\$5.2 million

For additional information on the CFWED or its learning areas, please contact Yma Gordon, program officer, at (212) 742-2300 ext. 358.

For CFWED publications, please visit [www.ms.foundation.org](http://www.ms.foundation.org) or call 212-742-2300 ext. 329.

# APPENDIX B:

## COLLABORATIVE FUND FOR YOUTH-LED SOCIAL CHANGE

The Collaborative Fund for Youth-Led Social Change (CFYS) is a national partnership among funders, youth and program staff of grantee organizations, and other experts. Our goal is to support and strengthen youth organizations that combine comprehensive youth development and social change action with a gender-conscious approach. The Fund includes three years of grantmaking, technical assistance and learning opportunities for all partners.

The first Collaborative Fund for Healthy Girls/Healthy Women and its wealth of collected data demonstrated that healthy girls build healthy communities, and that diverse leadership opportunities help girls grow into strong and vital women. Perhaps most important, we learned that girls, given the proper support and structure, can and want to be social change agents and contribute positively to their wider communities. The new Collaborative Fund for Youth-Led Social Change will partner with girls' and young women's organizations and take up the new challenge of exploring how mixed-

gender programs best serve the needs and strengths of both young women and young men as they work together for positive systemic change in their communities.

It is clear that more work is needed to understand what fosters and sustains social change action among youth. Our goal is to support and enhance the work of youth organizations as they combine the best of positive youth development and youth engagement with a gender analysis. We believe that combining efforts to build individual skills and capacities (youth development) with programs that support young people's abilities to create positive systemic change (youth-led social change/youth civic engagement) holds the greatest promise for improving the lives and futures of youth and their communities.

### DONOR CATEGORIES

#### Current Partners

The Brico Fund  
Susie Tompkins Buell Foundation  
Diana Princess of Wales Memorial Fund (U.S.)  
Dobkin Family Foundation  
Girl's Best Friend Foundation and  
Cyndie McLachlan

Based on current opportunities and prior experience, the new Collaborative Fund for Youth-led Social Change will advance best by:

- Supporting and documenting gender-conscious social change models that combine positive youth development and youth-led social change;
- Strengthening the connections between girl-serving and youth-serving organizations;
- Increasing funding to support innovative girl-only programs and gender-conscious mixed-gender programs.

Greater Milwaukee Foundation  
and the Women's Fund of the  
Greater Milwaukee Foundation  
Polly Howells  
Amy Liss  
The Martin Family Foundation  
The Moriah Fund  
The Charles Stewart Mott  
Foundation (planning grant)  
Ms. Foundation for Women  
Lindsay Shea  
Starry Night Fund  
Surdna Foundation  
Women's Foundation of Colorado

#### Current Sponsors

Levi Strauss Foundation

**Minimum Grant Requirements**

\$150,000 over three years  
for foundations

\$75,000 over three years  
for individuals

**Grantee Partners**

To be determined by June 2002

**Staff**

Program Director (0.15 FTE)

Program Officer (1 FTE)

Program Associate (0.5 FTE)

**Phases of Work**

- Internal planning
- Collaborative education and planning
- Grant selection
- Research, monitoring and capacity building

**Timeline**

Four years

**Budget**

\$2.9 million

For additional information on the CFYS or on its learning areas, please contact Marisha Wignaraja, program officer, at (212) 742-2300 ext. 315.

For publications, please visit [www.ms.foundation.org](http://www.ms.foundation.org) or call 212-742-2300, ext. 330.

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## **About the Author**

Julie Peterson serves as a con-

sultant to various foundations and nonprofit organizations in the areas of criminal justice and juvenile justice, youth development, community and economic development, and foundation practices. Formerly a program officer at the Edna McConnell Clark Foundation, she is a 1986 graduate of Harvard Law School.



