



Capacity Building Initiative 2012 Strategic Restructuring Request for Proposals

Questions? Contact Kate Shirah (Kate@rexendowment.org or 919-838-1183).

Capacity Building Grant Application Notification of Intent to Apply or Letters of Intent must be e-mailed by noon on Tuesday, February 14, 2012 to: Kate@rexendowment.org

The John Rex Endowment invests in the development and support of activities, programs and organizations that improve the health of underserved people in Wake County. The John Rex Endowment supports visible and measurable improvements in the health of children and youth by improving access to health services, by promoting healthy behaviors and by providing opportunities for growth and development.

Grantmaking Rationale

The Capacity Building Initiative (CBI) is a funding area of the John Rex Endowment to:

- Strengthen the organizational capacity of nonprofits that address the health and well-being of underserved children and/or youth in Wake County; and
- Ensure these organizations can sustain their programs and services so they can contribute to healthy lives of our target population.

Funding Guidelines

Eligibility

The John Rex Endowment uses these criteria to determine eligibility:

- 501(c)(3) tax status
- In operation for at least three years
- Operating budget of \$10 million or less
- Primary focus on
 - providing physical, mental or behavioral health services to Wake County children and/or youth, or
 - fulfilling a core function in the provision of programs and services for underserved Wake County children and/or youth, or
 - ensuring healthy child/youth-specific spaces and environments in Wake County
- Local or regional service area (applications from statewide organizations will be considered if (1) they have a strong policy advocacy component that impacts Wake County children and/or youth, or (2) their programs and services address a need that is not met by a local or regional organization)

We encourage applications from organizations providing services to geographic regions of the county outside of Raleigh.

Note: CBI applications and awards do not impact an organization's eligibility for or consideration as part of other John Rex Endowment grant opportunities.

Expectations of Grantees

An underlying philosophy that informs our consideration of applications is that capacity building work is not easy work: there are no magical solutions and the level of benefit to organizations directly correlates to the level of time and effort invested by organizations. We expect that grantees approach this work with the understanding that, even with the use of a consultant, staff and board members should be adequately prepared for their role and responsibilities to ensure the work has value.

Those organizations new to working with the John Rex Endowment must be available for a grant implementation meeting at the beginning of the grant term. All grantees must be able to submit a final written report.

Funding Availability for Strategic Restructuring Assessment and Planning

Strategic Restructuring grants support two or more organizations assessing the feasibility of and implementation needs for alliances or integrations, such as consolidated administrative functions, shared staff positions, or mergers.

We expect that most Strategic Restructuring grants will be completed within 12-18 months. However, there is no minimum or maximum grant term for any type of support.

The John Rex Endowment will pay for an annual membership in the NC Center for Nonprofits for the year in which the grant term begins; the membership fee should be included in the budget request. Grantees are responsible for all communication and coordination of membership with the NC Center for Nonprofits.

Requirements for Strategic Restructuring Assessment and Planning Projects

Two or more organizations interested in exploring strategic restructuring options may apply for funds to assess the feasibility of an alliance or integration and, if applicable, plan for the implementation of the alliance or integration. One lead organization must be selected as the applicant. This support is provided with the understanding that moving forward with an alliance or integration is uncertain and dependent on the findings of the feasibility assessment.

Organizations that have already conducted a feasibility assessment and related planning work within the past year and wish to request support for implementation activities should apply for a Capacity Building grant.

Criteria for Priority Consideration

- A mission and primary programs, services, or activities that strongly align with the John Rex Endowment's mission.
- Evidence of an approach that is based on established best practices and most likely to lead to the desired outcomes for the organization.
- Reflection on recent or expected economic, political, or social changes and their potential impact on the organization and the strategic restructuring process.

Consultant Qualifications and Criteria

An outside consultant is required.

Please note that the John Rex Endowment does not endorse or recommend any particular consultants or consultant agencies. Should you need assistance in identifying a consultant to work with your organization, we have a directory of consultants in the area. In addition, we have created a guide that details our perspective on working with consultants as well as resources that can assist organizations in managing the process of engaging and working with consultants. Both the directory and guide are available for download on our website (<http://www.rexendowment.org/funding-process/capacity-building-request-proposals>).

We require evidence that the organization has interviewed at minimum two consultants in their selection process. Release from this requirement can be requested if the following conditions are met: (1) the organization has been working with a particular consultant and is requesting funds for continued and/or similar

work, or (2) the organization has engaged the consultant in the past for similar work. Similar work is defined as work that requires the same skillset or knowledge expertise.

In addition, we expect these criteria for consultants that are leading a strategic restructuring assessment and planning process through John Rex Endowment funding:

- Complies with State of NC regulations and licensure requirements as applicable
- A minimum of three years nonprofit experience (as staff, board, volunteer, or consultant)
- A minimum of two years recent experience in a nonprofit consulting role
- Demonstrated skill in conducting strategic restructuring assessment and planning processes
- Demonstrated effectiveness in working in a consulting role with nonprofit clients

Application Instructions

Application Assistance

Questions? Contact Kate Shirah (Kate@rexendowment.org or 919-838-1183).

Proposal Process and Timeline

Organizations may have only one active CBI grant at a time. The CBI grant review process is competitive, regardless of whether an organization has received prior John Rex Endowment CBI funding. CBI proposals will be accepted during all three funding cycles: the Summer Award Cycle, the Fall Award Cycle, and the Winter Award Cycle.

The Strategic Restructuring grant review process involves these steps:

- Organizations planning to apply for a Strategic Restructuring grant must submit a letter of intent via e-mail (Kate@rexendowment.org) to be considered for full review. Applicants will be sent an e-mail confirming receipt of their intent (please follow up should you not receive confirmation).
- Applications for a Strategic Restructuring grant must be submitted as a **hard copy** (Attn: Kate Shirah; John Rex Endowment; 712 W. North Street; Raleigh, NC; 27603) and **via e-mail or disc** (Kate@rexendowment.org). Applicants will be sent an e-mail confirming receipt of their application (please follow up should you not receive confirmation).
- The John Rex Endowment's Health Improvement Committee will review submitted proposals and applicants will be notified of status following the meeting.
- The Health Improvement Committee will take funding recommendations to the Board of Directors and applicants will be notified of status following the Board meeting.
- Approved grants cannot have a start date earlier than six weeks following the Board meeting.

| DEADLINES | Summer Grant Award Cycle | Fall Grant Award Cycle | Winter Grant Award Cycle |
|-----------------------------------|---------------------------------|-------------------------------|---------------------------------|
| Letter of Intent Due | Noon on Tuesday, February 14 | Noon on Tuesday, June 12 | Noon on Tuesday, October 9 |
| Application Due | Noon on Tuesday, April 10 | Noon on Tuesday, August 14 | Noon on Tuesday, December 11 |
| Review Status Notification | End of May | End of September | End of January 2013 |
| Award Notification | Mid- June | Mid-October | Mid- February 2013 |
| Earliest Grant Start Date | August 1 | December 1 | April 1 |

Proposal Instructions

Letter of Intent

The letter of intent must not exceed two pages and must be typed using a font size of 10 pt or larger. Do not send any attachments. The letter of intent must include the following information in the order listed:

1. Include a primary and alternate contact name, telephone number, and e-mail address.
2. What are the names of the organizations requesting support for strategic restructuring assessment and planning work? Designate which organization will serve as the lead organization for application. Why was this organization selected as the lead organization?
3. Briefly describe each organization's mission, population served, and programs and services.
4. What are the current geographic service areas covered by each organization? If any geographic service areas extend beyond Wake County, what percentage of work involves direct services to Wake County children and/or youth? If direct services to Wake County children and/or youth are not provided, describe how the work benefits Wake County children and/or youth. For statewide organizations, please describe (1) the advocacy work that impacts Wake County children and/or youth, and/or (2) what need the organization addresses that is not met by local or regional organizations serving Wake County.
5. How long has each organization been in operation? When did each organization receive its 501(c)(3) status?
6. Provide a rationale for your interest in strategic restructuring and summarize any activities leading up your decision to apply for these funds.
7. Describe the nature and scope of the strategic restructuring assessment and planning work including:
 - A. What alliance/integration options will be considered
 - B. Expected deliverables of the assessment and planning work
8. State the estimated amount of your budget request for this work.

Full Proposal

Only one hard copy is required, no staples, paper clips, or other binding. Do not send any attachments except those specified in these guidelines: any additional attachments received will not be provided to reviewers.

1. Complete the John Rex Endowment's proposal cover page.
2. Complete a narrative that argues the case for funding of your capacity building work. You should include all of the sections listed below using the section titles as provided. At minimum, you must answer each question listed under the section title. You may cut and paste any repeat information from your letter of intent. You may choose to include additional content as appropriate. The narrative must be typed using a font size of 10 pt or larger and must not exceed six pages. Recommended word counts are provided for each section; nevertheless, we expect that section lengths may fall outside of these recommendations depending on the nature of the proposal.
 - A. Organizational Information (*recommended 800 words or less*)
 - 1) Briefly describe each organization's mission, population served, and programs and services.
 - 2) What is the geographic service area of each organization?
 - 3) Quantify and/or qualify the impact of each organization's work on Wake County children and/or youth.

- 4) Quantify and/or qualify the percentage of each organization's programs and services that benefit Wake County children and/or youth directly and/or indirectly. If applicable, include the number of unique children and/or youth served by each organization.
- 5) Articulate whether and how the organizations plays a critical role for Wake County children and/or youth in addressing a particular need or needs. For statewide organizations, please describe (1) the advocacy component of work that impacts Wake County children and/or youth, and/or (2) what need the organization addresses that is not met by local or regional organizations serving Wake County.
- 6) How long has each organization been in operation? When did each organization receive its 501(c)(3) status?

B. Organizational Interest and Commitment (*recommended 500 words or less*)

- 1) Describe the individual organization's and/or mutually-shared interests in exploring strategic restructuring options.
- 2) Why is the timing right to undertake this work now? Include a summary description of any activities leading up to your decision to apply for this support.
- 3) Indicate the date on which the proposed exploration for strategic restructuring was discussed and approved by each organization's Board. For CBI funding, the John Rex Endowment is requiring organizations to have Board approval for the work being conducted. We strongly feel that sustaining the impact of capacity building over the long-term requires ownership of and commitment to the process by organization leadership and staff.
- 4) Do you expect any turnover on any organization's Board in the coming year? If so, how might these changes in the Board impact follow through on this work?
- 5) Articulate your expectations regarding the amount of time board members and management staff will need to invest in this work to ensure its value.

C. Project Description (*recommended 800 words or less*)

- 1) Succinctly state the nature and scope of the strategic restructuring assessment and planning work for which you are submitting a request. Please include what alliance/integration options will be assessed.
- 2) What are the major activities—key steps required to successfully complete the strategic restructuring assessment and planning work—associated with this project? Required for each activity: detail individual(s) responsible; specific deliverables expected; the date by which the activity will be completed; and, if applicable, the estimated hours responsible individual(s) would spend on the activity. You may use a table format (see Example Work and Evaluation Plan) to present this information. Regardless of format, this information is included in the six-page limit for the narrative.
- 3) What, if any, potential challenges or obstacles might affect the progress of this work?

D. Consultant Description (*recommended 350 words or less*)

- 1) Provide the name, phone number, and email address for the consultant who will assist in or carry out this work. If you are working with more than one consultant, provide names and contact information for all consultants. Designate which consultant will serve as the primary contact.
- 2) Describe how you selected this consultant. With how many consultants did you speak? Who were involved in the decision making regarding the selection of the consultant? What was the selection process?
- 3) Why did you select this consultant? Why did you think they would be a good fit for this effort?
- 4) Articulate how the consultant meets these John Rex Endowment criteria:
 - Minimum of three years nonprofit experience (as staff, board, volunteer, or consultant)
 - Minimum of two years experience in a nonprofit consulting role
 - Demonstrated skill and expertise in strategic restructuring consultation
 - Demonstrated effectiveness in working in a consulting role with nonprofit clients

Note: A consultant contract should be kept on file with your agency and available to the John Rex Endowment if requested.

- E. Outcomes (*recommended 300 words or less*)
- 1) What are the desired short and long term results of a successful strategic restructuring process?
 - 2) What do you see as the potential impact on the work and mission of the organizations involved?
- F. Project Finances (*recommended 250 words or less*)
- 1) Summarize what the requested amount of funds will be used for in support of this project.
 - 2) (If applicable) Provide justification if your budget request includes personnel expenses. For each personnel line item, document: (a) the planned activities or responsibilities of the staff member, (b) a brief rationale as to why these activities or responsibilities must be carried out by this particular staff member, (c) the number of estimated hours the staff member will spend on carrying out each activity or responsibility, and (d) the percent time and dollar amount of support requested specific to the grant term (e.g., 2% FTE for 3 months for a total request of \$800).
 - 3) (If applicable) Provide justification for any budget line items that are atypical or not self-explanatory.

Personnel Expenses: The John Rex Endowment will consider personnel costs only IF they apply directly to the proposed capacity building work and fall outside of typical operating activities. For example, the John Rex Endowment will not provide funding for staff to conduct fundraising activities as that can be categorized as a normal job duty or responsibility.

Note: A detailed budget justification for all expenses should be kept on file with your agency and available to the John Rex Endowment if requested.

3. Please attach these supporting documents:

- A. The proposed project budget using the John Rex Endowment's budget form. John Rex Endowment funds are to be used to cover both direct and indirect expenses associated with the assessment. Indirect expenses must be included at 10% of requested direct expenses. If desired, please include the cost of annual membership with the NC Center for Nonprofits.
- 1) Direct expenses—costs that are clearly and easily attributable to the assessment—include personnel expenses and project expenses such as consultant expenses, education and training fees, and convening or meeting expenses.
 - 2) Indirect expenses (not to exceed 10% of John Rex Endowment-paid direct expenses), or overhead costs, such as rent, utilities, housekeeping, bookkeeping, and internet charges.
- B. A list of your organization's board of directors with affiliations and key management staff including position titles.
- C. For the John Rex Endowment's financial review of the organization, please provide the following supporting documents:
- 1) Your organization's operating budget for the current fiscal year showing revenue (with sources) and expenses.
 - 2) Your organization's most recent independent financial audit. If an audit is not available please state why.
 - 3) The two most recent financial statements including (1) Statement of Financial Position (Balance Sheet), and (2) Statement of Activities (Income Statement).
- D. A copy of the consultant's resume (if applicable).
- E. A completed partner agreement form for non-lead organizations involved in the strategic restructuring assessment and planning process.

4. Complete the John Rex Endowment's proposal signature page.