



INDEPENDENT  
SECTOR

**MODEL PARTNERSHIPS FOR IMPACT**

# THE CRICKET ISLAND FOUNDATION AND COMMUNITIES UNITED

2016

## MODEL PARTNERSHIPS FOR IMPACT

The Cricket Island Foundation and  
Communities United

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### About Independent Sector

Independent Sector is the leadership network for nonprofits, foundations, and corporations committed to advancing the common good. Our nonpartisan coalition's networks collectively represent tens of thousands of organizations and individuals locally, nationally, and globally.

### Our Vision & Purpose

We envision a world of engaged individuals, robust institutions, and vibrant communities working together to improve lives and the natural world, and strengthen democratic societies. To help create this future, we lead and catalyze the charitable community, partnering with government, business, and individuals to advance the common good.

### Independent Sector

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Independent Sector (IS) works to enhance grantee and funder organizations to ensure both are effectively helping society's most vulnerable populations. From Independent Sector's cornerstone Building Value Together Initiative, which outlined practices to help foundations and nonprofits achieve successful outcomes, to Charting Impact to Threads, IS has addressed how nonprofits and foundations can have healthier relationships with one another and best fulfill their organizational missions to strengthen the communities they serve.

IS is committed to being responsive to the sector and the knowledge gleaned during our 15 cross-country Threads conversations with 80 partner organizations. In every city IS visited, one consistent impediment to meeting mission was raised: the strained relationships between grantees and funders. IS seeks to respond to what we heard by building upon previous work by IS and others, and adding to the depth of knowledge needed to move grantee/funder 'power dynamics' in a more productive direction.

Our first contribution to this conversation is a series of eight case studies, featuring grantee and funder pairs, who exemplify healthy relationships and illuminate the practices and behaviors that contribute to a positive power dynamic.





## Retaining a nonprofit's ability to be responsive to their community strengthens the community itself, as well as the relationship between grantee and funder.

"Our partnership has been messy, without a clear path or metrics, but that was the point. We created an organic learning space without a specific five-year outcome. It is the environment, centered on learning, that has amplified our impact more than we ever anticipated." This is how Jenny Arwade, co-executive director of Communities United, describes her relationship with The Cricket Island Foundation. Arwade sees the difference this positioning makes for her organization. "I am always struck when I am completing [other] grant reports that 'what have you learned?' is the last question after reporting 10 pages of outcomes. How different would this report look if it was the first question?"

"I spend a lot of time re-training our grantees on how to engage with funders," says Elizabeth Sak, executive director of The Cricket Island Foundation.

"When we start working with new organizations, they sometimes don't completely believe us when we say we want to be partners, to sit on the same side of the table as them. We don't have written reports, we have conversations to check in on how an organization is doing, where they need support. Our whole model is to give the organizations breathing room so they can focus on having deeper impact."

The Cricket Island Foundation (CIF) was founded in 2001 with the mission to develop the capacity and commitment of young people to improve their lives and communities, as well as the world around them. CIF supports organizations that offer meaningful opportunities for youth to contribute to positive societal change<sup>1</sup>. Each year, CIF provides about \$1.8 million in general operating support to organizations which generally make up 10-20% of each nonprofit's budget<sup>2</sup>. They provide long-term general operating support to organizations which are supplemented by small grants that focus on capacity building<sup>3</sup>. After 8-10 years, they reduce their grant award, requiring grantees to secure matching funds to help ensure they are becoming more sustainable and not becoming too dependent on any one source. They help grantees identify and secure other sources. This transparency made a big difference to Arwade when she was introduced to CIF.

"The expectation of step-down funding, and our requirement to show matching funds was set right from the beginning. Sustainability has always been a shared goal, and the key strategy to get there has been long-term general operating support and a commitment to shared learning through a sustainability lens. CIF understands they can't give us a two-year grant and expect us to be sustainable," says Arwade. In fact, CIF, which has provided renewable cycles of three or five-year funding, is experimenting with expanding it to even longer horizons. "We fund emerging organizations who are often struggling to find philanthropic partners; it takes a while to figure out how best to gain traction and we get that," says Sak.

Sak, who has been the executive director since 2008, finds this approach to funding makes relationships with her partners healthier.

"You can't have a healthy relationship if they have to ask you for money every year. To me, healthier relationships means moving away from traditional models of funding outcomes or programs which force nonprofits to do the 'pretzel dance,' to redefine their work every year. We want to take nonprofits out of this and give them room to thrive and breathe. Nonprofits need to retain their right to be responsive to issues in the communities in which they are working."

Communities United (CU) was founded in 2000 and at that time was experimenting with how best to elevate youth voices to spur community change in Chicago. The organization, which began as a small community group of Albany Park residents providing a voice for low-income working families, is now a \$2 million a year organization with the mission of developing local leadership and empowering communities to identify and address the root causes of inequity at the neighborhood, city, state, and national levels<sup>4,5</sup>. "Our work is about creating transformation at the individual, community, and systems level. It's not just about changing policy, it's about reflecting on our personal journeys, developing a sense of shared experience, and realizing our collective ability to create transformative change."

1. "About Us." The Cricket Island Foundation. Accessed June 30, 2016. <http://www.cricketisland.org/about/>.
2. "Form 990-PF" GuideStar. Accessed June 30, 2016 <http://www.guidestar.org/FinDocuments/2014/341/925/2014-341925915-0c004b43-F.pdf>
3. "Our Approach to Grantmaking." The Cricket Island Foundation. Accessed June 30, 2016. <http://www.cricketisland.org/grantmaking/approach/>.

4. "The Communities United Story." Communities United. Accessed June 30, 2016. <http://communitiesunited.org/about-us/who-we-are>.
5. "Communities United." GuideStar Profile. Accessed June 30, 2016. <http://www.guidestar.org/profile/36-4394374>.



Arwade, who has been with CU since 2001, remembers one of her first conversations with CIF and recognizing the potential of the relationship. “They asked us if we were a learning organization. That was a pivotal point in our relationship. Asking that question changed the power dynamic. Holding ourselves accountable to ongoing learning made it a deeper partnership.”

The first small grant CU received from CIF was in 2005, but the relationship really took root three years later, in 2008, when CIF provided its first large five-year grant. CIF decided to launch a pilot program in Chicago and initially invited 30 organizations to an information session to learn about the youth-led social change work being done in the area. Over time, the list of potential partners narrowed and 7 were invited to apply to be part of CIF’s inaugural Chicago cohort. Sak says of CIF’s model, “For all of our partners, we share the same vision of how we work together, how to build organizational capacity, and how to help make organizations stronger and more sustainable; to do this, we don’t necessarily need to share the nonprofits’ organizational goals.”

## The Work of the Relationship

Structuring the relationship as a pilot, centered in learning, proved advantageous to both CIF and CU because it gave both organizations the ability to co-create, proactively offer feedback, and address challenges together. On CIF’s side, it provided them a space to go to CU when there had been a lot of turn-over in staffing at the foundation. “We knew we were not able to be the partner we wanted to be in the beginning because of turn-over. We went to them and were transparent about this and said ‘please help us know how we can do better.’” For Arwade, this was a unique invitation.

“Their transparency with us was refreshing and reassuring. They looked to us for leadership and we took them up on it which deepened the relationship.”

Arwade also added that CU had the opportunity to get to know the CIF Board of Directors which has been critical to the relationship.

“Over the years, staff and young people from CU have regularly engaged with the CIF board of directors in dialogues about the work, not just traditional site visits. This has made a big difference. The care and respect that board members have is felt by the young people. These are transformational experiences for board members and youth alike.”

## The Impact of the Relationship

Throughout their work together, CU and CIF have proactively approached each other for partnership outside of the financial relationship in various ways, such as leveraging human or social capital to strengthen systems change efforts, or collaborating on writing articles about the benefits of capacity building.

For example, when a national funder collaborative of which CIF is a part met with representatives of the U.S. Department of Education about the school-to-prison pipeline, the funders proactively requested from CU stories of young people impacted by harsh discipline to help inform the analysis of the problem across all publicly-funded schools. That conversation leveraged collective impact and added to critical local and national momentum on the issue.

In addition, CIF put CU in touch with other CIF grantees who were in or past step-down funding stages so CU could learn from their experiences. These non-financial opportunities strengthened CU’s work as well as that of other CIF grantees in Chicago. It enabled them to mobilize around shared opportunities, rather than deriving their planning from pre-determined metrics.

Beyond the policy wins, CU is able to serve as a model for new cities where CIF works. “We define ‘outcomes’ in a different way besides numbers because we are looking to change the process,

not just the numbers. As an intergenerational organization, half of our staff has come from our youth organizing efforts, half of our Board is young people. That is a powerful statement that transforms organizational decision making, sustainability, and capacity building. This has helped us expand into larger geographic areas, engage more youth, and enable young people to take on deeper challenges at a systems level,” says Arwade.

## **The Future of the Relationship**

In terms of funding, both organizations are aligned in that they are in a step-down mode, but the partnership will not end. Sak says of CU, “I want to use them as a case study on how to maintain authenticity in communities in which you are working. How do you take what you have learned, share it with other social justice organizations, and wrestle with maintaining your values as you grow?” Arwade says of CIF, “They are a critical partner because we are connected in a field to create systems-level change. CIF is committed to field-building which means we will continue to stay in partnership to ensure that there continue to be strong supports for youth organizing. There is such a limited opportunity to connect around organizational growth and development and there is so much potential to expand this work on a broader field model.”







# SECTOR LEARNING

This is one of a series of case studies that grounds IS' larger post-Threads power dynamic work by providing the cornerstone for a set of prototype tools to help aid the transfer of healthy behaviors, practices, and conditions from one relationship to another. This case study reflects a number of transferable behaviors, practices, and conditions, including but not limited to:

- **Deep Board engagement. CIF's board met routinely with CU.** Half of the CU board reflects the constituency they serve. Both have helped lead to deeper engagement and change across both organizations.
- **Cohort Learning.** Both CU and CIF have found value in a learning cohort to identify opportunities for larger impact than if they had been an individual grantee.
- **Focusing on learning.** Designing an authentic learning space allowed both CU and CIF to identify areas for collaboration which may not have otherwise been apparent if they entered the relationship with specific metrics and goals.
- **Embodying a learning organization.** The shared frame between CIF and CU as learning organizations allowed for past failures to inform how they moved forward and advanced their work.
- **Providing clear expectations of step-down funding.** Being explicit about how long funding will last, and by connecting CU with other resources to aid in sustainability, helped build trust and mutual accountability between CIF and CU.
- **Retaining a nonprofit's right to be responsive to issues in the communities in which they are working.** By providing both financial and nonfinancial opportunities, CIF and CU were able to meet the needs of the communities they serve by evolving their program, rather than administering the same program year over year.



# METHODOLOGY

Through a variety of sources, including, but not limited to, IS' Power Dynamic Advisory Group recommendations and IS member suggestions, we identified a universe of 112 potential examples of healthy grantee/funder relationships. From this initial universe, 40 nonprofits and foundations, constituting 20 pairs who believed they had healthy relationships, were interviewed via telephone for 45 minutes each between May 20 and June 15, 2016. Grantee and funder interviews were conducted separately so alignment between pairs could be better assessed.

All case studies were evaluated against the following set of criteria developed in partnership with IS' Power Dynamic Advisory Group. For the purpose of this work, a healthy relationship was defined as:

1. Alignment between the grantee/funder responses.
2. Embodying a relationship that is authentic/honest, representing the opportunities and challenges which come with partnership.
3. Discussing, at all or with some frequency, both productive and unproductive aspects to partnership.
4. Having jointly developed terms of the relationship/what the future looks like.
5. Illustrating demonstrative impact in their communities as a result of their work together.

Other factors which may have been considered in the determination of the final case studies, but did not rise to the level of required criteria were: (1) IS membership status; and (2) availability of the Center for Effective Philanthropy Grantee Perception Report (GPR - *the GPR provides funders with comparative, actionable feedback from their grantees based on responses to a customizable online survey*).

Each case study selected represents the experience of the specific individuals who participated in that particular grantee/funder pair. It is only meant to represent that individual relationship. The collection of case studies was selected to represent the diversity of the sector. This diversity includes but is not limited to: size of the organization's scale of investments, geography, and focus of organization. In showcasing a range of relationships within the sector, it illustrates the differences which make our sector fundamental to providing a vital voice to our most vulnerable populations.

*The views expressed in this case study reflect the experience of those interviewed and not the views of IS. Each case study was chosen based on a series of criteria and evaluated by a panel of nonprofit and philanthropic sector professionals.*



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