First 5 LA
Community Opportunities Fund – Year 2
Final Report

Assessing Strategies to Increase the Capacity of Grantees

Altmayer Consulting, Inc.

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First 5 LA Community Opportunities Fund – Year 2
Evaluation Report: Assessing Strategies to Increase Capacity of Grantees

I. INTRODUCTION

First 5 LA created the Community Opportunities Fund (COF) to support the organizational capacity building efforts of organizations serving the needs of children 0-5 and their families throughout Los Angeles County. The fund’s intent was to be responsive to the needs and ideas of community agencies to address and sustain outcomes identified by First 5 LA as key to improving the safety, health and school readiness of the county’s youngest residents.

There have been four cycles of COF funding, beginning in 2008, and a total of 58 grants issued—46 capacity building grants and 12 policy grants. Grant amounts ranged from $50,000 to $500,000, and project lengths ranged from six months to a maximum of five years. In March 2012, we undertook an evaluation of the COF initiative, with a focus on the 34 COF capacity building grantees that have contract end dates on or before August 31, 2012 (“Year 1”). The focus of that report was to review the combined reported impact of those capacity building grants on the community.¹

In the second year of the evaluation, we conducted interviews with the 12 capacity building grantees whose grants were scheduled to end on August 31, 2013 (“Year 2”). We also conducted an online survey of those same grantees. The primary focus of this report is to build upon what was learned in the Year 1 evaluation and identify what types of investments and strategies were most effective in furthering organizational capacity within the grantee surveyed in Years 1 and 2.

Our review found that, as a whole, the COF capacity building grantees reported that the grants were largely a valuable tool to help secure long-term improvements² in their administrative and programmatic operations. Our evaluation developed findings and recommendations in three key areas:

- The reported success of different types of COF capacity building projects and strategies;
- The reported impact of technical assistance and program management provided to the COF grantees; and

¹ In summary, the Year 1 Report found that COF capacity building grantee reported success in securing long-term improvements in administrative and programmatic operations in four areas: (1) Strategic Reorganization, (2) Human Resources Development, (3) Organizational Skills, and (4) Systems and Infrastructure. A list of Year 1 and Year 2 grantees is included as Appendix A.

² For purposes of this evaluation, we considered “long-term improvements” to be any benefits that would be sustained for a period of at least three years beyond the completion of the COF project.
➢ How future capacity building programs may be structured to leverage and maximize the agency’s investments.

II. METHODOLOGY AND EVALUATION TOOLS

In order to frame the COF evaluation design and the diverse efforts of the 12 capacity building grantees, the evaluation team researched approaches to organizational capacity assessment and evaluation. The evaluation team considered different frameworks to evaluate the success of the COF capacity building grants and selected McKinsey and Company’s “Capacity Framework,” which provides a common vision and vocabulary for capacities (see Appendix B for a diagram and descriptions of the seven elements). In contrast to other frameworks, the McKinsey model applies specifically to non-profits and encompasses the whole organization (at any stage of development). The Framework’s seven elements are succinct while also being sufficiently descriptive to allow for consistent classification of accomplishments. The seven key elements necessary for an organization to achieve long-term capacity are described as follows:3

- **Aspirations:** An organization’s common sense of purpose and direction as evidenced by their mission, vision, and overarching goals;
- **Strategy:** A coherent set of actions and programs devised to fulfill the organization's overarching goals;
- **Organizational Skills:** The sum of the organization's capabilities, including performance measurement, planning, resource management, and external relationship building, among others;
- **Human Resources:** The collective capabilities, experiences, potential and commitment of the organization’s board, management team, staff, and volunteers;
- **Systems and Infrastructure:** The organization's planning, decision making, knowledge management, and administrative systems, as well as the physical and technological assets that support the organization;
- **Organizational Structure:** The combination of governance, organizational design, inter-functional coordination, and individual job descriptions, which shapes the organization's legal and management structure; and
- **Culture:** The connective tissue that binds together the organization, including shared values and practices, behavior norms, and most importantly, the organization's orientation towards performance.

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For purposes of analysis, we have combined Aspirations, Culture and Organizational Structure into one category as many of the projects involved tended to incorporate strategies from each of these elements. Accordingly, in the report we have organized the different grantee strategies into the following categories.

- Human Resources
- Organizational Skills
- Strategy
- Aspirations, Culture and Organizational Structure
- Systems and Infrastructure Implementation

It is important to note that our evaluation tools were designed to elicit feedback from COF grantees to identifying successful capacity building practices. Our evaluation did not involve any independent verification of program outcomes, but relied solely on the reported impacts of the grantees using the following three sources of data:

a. **Document Review**

Documents reviewed included COF proposals, budgets, logic models, scopes of work, evaluation reports, and progress reports, as available. The grantee document review served two purposes: preparation for the grantee interviews, and documentation of the intent of the grantees’ efforts and progress made towards short-term and intermediate outcomes and strategies employed.

The evaluators reviewed all of the documents for each grantee and completed the document review protocol in a consistent manner (see Appendix C for the Document Review Protocol). The protocol was then used to help direct the interviews as well as prepare for analysis. In at least one circumstance, the file provided by First 5 LA was incomplete and we obtained documentation directly from the grantee.

b. **Grantee Interviews**

Semi-structured interviews were used to increase our understanding of the COF funding’s impact on individual grantees. Unlike the online survey (discussed below), the grantee interviews were designed to generate an in-depth look at the impact of COF funding on grantee organizations and to identify the major lessons learned by grantees (see Appendix

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4 Prior to the interview, grantees were told that information from the interviews would be used to develop a report to First 5 LA that would include a summary of high-level impacts by categories of projects. They were also informed that some grantees may be highlighted as part of the report, but that no information would be revealed in the report that was not previously submitted as part of their reporting process. Finally, they were informed that notes from the interviews would be “confidential” and that any critiques made regarding the COF process and program management would not be attributed to individual grantees or interviewees.
D for the Interview Questions). We asked the grantee permission to interview the person most knowledgeable about the COF grant from the organization. We also asked that the grantee include other individuals in the meeting who may have a unique understanding of the grant and its impact on the organization. The intent was to schedule one interview session per grantee, but the team did conduct follow-up interviews when necessary due to scheduling logistics or unforeseen difficulties, or when further information was needed.

c. Online Survey

The Grantee Survey was a brief, self-administered survey completed by a representative from each of the funded organizations; it was administered using an online tool. The survey participants were usually the participants from the interviews, although in a few instances, the survey was filled out by a different member of the grantee staff who was more familiar with the nature of the questions being asked. Our request to the grantee included a link to an electronic version of the survey or, in four instances, the questions were asked as a separate portion of the in-person interview at the request of the grantee. Each agency was limited to one survey. The consent process included language indicating that participation in the survey is completely voluntary, and that informants may opt out of individual questions or the survey entirely. We also informed potential respondents that their answers will be kept confidential and not attributed to them or their organization.

The purpose of the online survey was to provide a more quantitative analysis of the impact of COF funding and technical assistance. While the survey has some usefulness in assessing the general satisfaction levels associated with technical assistance and program support, the tool was less valuable than our one-on-one interviews and, therefore, did not play a large factor in our analysis. (see Appendix E).
III. FINDINGS AND RECOMMENDATIONS

The following represents our findings and recommendations related to the capacity building grants for Years 1 and 2. We have divided this section into three parts. The first part is a summary of our findings related to the implementation of the individual capacity building grants. The second part provides findings related to First 5 LA’s project management of the COF grants and the technical assistance offered to the grantees. The final part offers a series of best practice recommendations as they relate to conducting capacity building projects moving forward.

A. Capacity Building Grants

Through our analysis, we began to identify particular themes associated with the different strategies employed by the capacity building grant. As these themes emerged, it allowed us to categorize the projects into five different key capacity building strategies taken from the McKinsey framework from above: Human Resources; Fundraising and Marketing; Program Development; Strategic and Organizational Development; and Systems and Infrastructure Implementation. While some COF grants encompass multiple elements of the framework, we used the primary goals and objectives of the project to categorize the work. For example, if a project involved the development of a new case management system that required some level of training, the project was listed as involving Systems and Infrastructure, rather than Human Resources.

The following table lists each grantee from Year 1 and 2 by the category of project they undertook as part of their COF.
<table>
<thead>
<tr>
<th>Human Resources</th>
<th>Organizational Skills</th>
<th>Strategy</th>
<th>Aspirations, Culture and Organizational Structure</th>
<th>Systems and Infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child Development Institute</td>
<td>Catholic Healthcare West</td>
<td>Bienvenidos</td>
<td>Center for Nonviolent Education and Parenting</td>
<td>Community Health Councils</td>
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<tr>
<td>The Early Childhood Parenting Center</td>
<td>Child Care Information Service</td>
<td>California Healthy Marriages Coalition</td>
<td>Low Income Investment Fund</td>
<td>Eisner Pediatric and Family Medical Center</td>
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<td>Junior Blind of America</td>
<td>Child Care Resource Center</td>
<td>Community Health Alliance of Pasadena</td>
<td>Westside Children's Center, Inc.</td>
<td>Foothill Family Services</td>
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<td>Miller Children's Hospital Lactation Support Group</td>
<td>Children's Law Center of Los Angeles</td>
<td>Connections for Children</td>
<td>Westside Infant-Family Network</td>
<td></td>
</tr>
<tr>
<td>Pathways LA</td>
<td>Exceptional Children's Foundation</td>
<td>INMED Partnership for Children</td>
<td>Child Development Consortium of Los Angeles</td>
<td>QueensCare Family Clinics</td>
</tr>
<tr>
<td>The Help Group Child and Family Center</td>
<td>Jumpstart for Young Children</td>
<td>Long Beach Day Nursery</td>
<td>Free Arts for Abused Children</td>
<td>St. Anne's</td>
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<tr>
<td>Hillsides</td>
<td>Mothers Club Community Center</td>
<td></td>
<td>Long Beach Early Childhood Education Committee</td>
<td>St. John's Well Child and Family Center, Inc.</td>
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<tr>
<td>Intercommunity Child Guidance Center</td>
<td>Para Los Niños</td>
<td></td>
<td>Mission City Community Network</td>
<td>The Village Family Services</td>
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<tr>
<td>Families First, Inc./Hollygrove</td>
<td>South Central LA Ministry Project</td>
<td></td>
<td>Venice Family Clinic</td>
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<td></td>
<td>South Central LA Regional Center</td>
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<td></td>
<td>Child and Family Center</td>
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<td></td>
<td>Proyecto Pastoral at Dolores Mission</td>
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<td>Worksite Wellness</td>
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Human Resources

Capacity building grants that provided training to grantee staff and volunteers represented a significant portion of the overall grants, and were classified as Human Resources. The nature of the training grants varied greatly, but examples of the types of projects included training professional staff to implement new programmatic protocols, training administrative staff on how to conduct program evaluations, and training volunteers to assist in the implementation of different aspects of key programs.

Successes in Achieving Goals and Objectives

Our interviews revealed that the vast majority of capacity building projects focused on training achieved some level of success. Broadly stated, the primary benefits achieved from these projects include one or more of the following:

- **Improved Quality of Services** -- Most of the agencies implementing human resource strategies used COF grants to improve the quality of the services being provided by their agency. Whether through the implementation of new curriculum or through the implementation of new systems of care, the trainings were designed to impact child outcomes. We found that while most of the long-term client impacts were still being evaluated by the agencies, most grantees indicated that these trainings showed anecdotal signs of success at the child-outcome level.

- **Improved Access to Services** -- Some agencies using training to expand their ability to provide services by developing an expanded volunteer base or by improving the efficiency of their services. Grantees reported that these programs showed initial success, but as will be discussed below, these projects did experience some challenges.

- **Improved Administrative Services** -- Some training projects were designed to assist the agencies in becoming more efficient with their administrative functions. These included trainings related to the implementation of software such as financial and evaluation systems. These were usually the byproduct of another component of the COF grant, but most agencies reported some level of success with these trainings.

Challenges

Overall, the COF projects that primarily focused on staff development experienced the most systematic challenges with their projects. The primary issue faced by grantees was how to sustain the impact of the training over time. Grantees faced two key problems: (1) a fading of knowledge over time and (2) the loss of trained staff and volunteers.
In almost all grants, grantees reported a positive impact based on the initial training. Most experienced either increased productivity or the ability to expand the scope of their programs. However, without refresher trainings to reinforce the initial training, some grantees experienced a fading of the initial benefits. This was especially true where staff and/or volunteers were not regularly engaged in an activity so that the training was not reinforced on a daily basis. Moreover, some agencies experienced setbacks when trainees left the agency. Whether through staff/volunteer attrition or volunteers simply losing interest, the loss of benefits associated with those who left agencies was particularly difficult.

As an example, one agency instituted an intensive training for approximately 60 volunteers to conduct parenting classes. The volunteers offered these classes monthly and, initially, the trainings were a success. However, as time moved on, volunteers left the program and, even for those that stayed, the agency indicated that the impact of the training faded. While the capacity building grant provided both programmatic successes and a volunteer structure that could be replicated moving forward, the challenges of sustaining the impact of the training was a significant hurdle.

On the positive side, some grantees were able to implement certain key best practices to extend the life of the training benefits. For example, one grantee adopted a “train-the-trainer” model by having long-time senior staff members – those least likely to leave their position – fully participate with the trainers to implement the training agency-wide. By doing so, this staff could both train new staff that came aboard later in the process and provide refresher classes to sustain the long-term benefits of the training. Another grantee ensured that trainings were recorded and all other training materials were documented and organized to allow for refresher trainings or the training of new staff.

**Finding:** Some grantees faced challenges sustaining the benefit of their training due to staff turnover or as the impact of the training began to fade over time.

**Recommendation:** Capacity building grants focused on training programs should incorporate tools that ensure grantees can sustain the benefits of training over time. These tools may include:

- **Training Refreshers** -- Training programs should include resources for periodic follow-up trainings to both reinforce the original training, but also provide new staff the opportunity to receive the basic elements of the training.

- **Train-the-Trainer** -- Adopting a train-the-trainer model allows organizations to provide more extensive and more frequent trainings to their staff which both boosts productivity, and also provides long-term sustainability of the training benefits.
• Training Documentation -- Programs that are able to document their training provide additional opportunities for their staff/volunteers to update their training or to provide training to new staff. Video or audio recording of training sessions is particularly helpful as they capture the original training in its entirety rather than relying on documentation that may be incomplete or less compelling.

**Human Resources**  
**Project Profile**

A COF grantee, Families First/Hollygrove, developed a capacity building program to expand their clinical skill set and provide a complete continuum of care by training their staff in two evidence-based practices, including Parent-Child Interaction Therapy (PCIT). Initially, the consultant retained by the grantee provided training to two supervisor-clinicians training in PCIT competencies. The training involved classroom sessions, but also included sessions with the clinicians in individual client therapy sessions to provide practical feedback. The supervisors worked closely with the trainers so that they would be able to provide future trainings to their clinicians. Subsequently, the supervisors were responsible for training four new clinicians on the PCIT competencies as well as working with the clinicians and their clients. This group became known as Team One and as the program expended, Team One became responsible for training future groups of clinicians.

At the time of the evaluation, the agency was still gathering evaluation data using various tools implemented as part of the training process (e.g. Child Behavior Checklist, Eyberg Child Behavior Inventory, etc.) However, the anecdotal feedback had been very positive. The agency has reported increased success with their clients by improving their clinicians’ knowledge base and quality of care. They have also reported benefits associated with networking and collaborating with experts in the field, something they had not been able to participate in previously.
Organizational Skills

Grants focused on enhancing the development capacity of agencies were particularly successful. These grants usually focused on hiring a staff person or consultant to provide new development strategies. The goals of these projects varied from developing campaigns to ensure the funding for a particular program to more broadly focusing on expanding the donor base for the agency.

Successes in Achieving Goals and Objectives

The intent of these projects was to increase the fundraising capacity of the agencies and the successes were evidenced in a number of ways:

- **Sustaining of Development Activities Beyond the COF Grant** -- Programs that funded the hiring of a staff person were almost universally able to retain the staff member or consulting support, either full-time or part-time, following the completion of the grant. This provided the agencies the long-term ability to fund their programs and activities.

- **Enhanced Marketing Materials** -- Grantees reported that the development of new marketing materials assisted the ability of grantees to expand their donor bases as well as generate additional revenue from current donors. This was particularly important to agencies attempting to expand client access to existing services.

- **Expanded Funding Base** -- A number of grantees stated that they had improved their capabilities and expertise in submitting grant applications to government agencies and foundations and, as such, were able to continue to fund or expand programs that began under the COF.

Challenges

While most grantees experienced challenges in implementing their projects, we did not identify any systematic issues faced in implementing these particular capacity building grants. Most of the challenges faced in this area had more to do with how to raise funds in a difficult economic environment. It forced agencies to be more aggressive in their fundraising and marketing activities. Some believed that, in the short run, merely sustaining existing levels of funding was a significant accomplishment.

**Finding:** Grantees focused on developing new sources for donations and grants were largely successful. These programs tended to center on developing a grant making function and/or expanding and more effectively utilizing their individual donor databases. In most instances, where a new individual was hired to provide the development function, that agency was able to retain that individual on staff even after the grant had concluded.
Organizational Skills Profile

COF grantee, Jumpstart, focused their capacity building effort on expanding their fundraising efforts to increase access to their kindergarten readiness programs. The scope of work for the project included the hiring of an additional member to their development staff.

The goal for the COF grant was to raise $1.3 million in new funding for the agency. The agency not only exceeded their goals in the first year, they were able to retain the new position moving forward. As a result, the newly enhanced development team was able to institutionalize divisions of labor that allowed for greater fundraising expertise and additional outreach to new donors. The fund development also expanded its social media presence and now provides monthly update to their constituents and weekly updates to their board.

One of the goals of the new funding was to implement a pilot project that involved deploying a model of providing services utilizing college student volunteers. As a result of the new program, the agency was able to expand its service to an additional 1000 children.
Strategy

Agencies that utilized COF funding to begin new programs and enhance existing programs were largely successful. The nature of these programs varied widely, but included projects to develop new services for the agency, enhance the quality of services provided or to expand existing services.

Examples of some of the programs created under the Year 2 grant cycle included the development of parent empowerment programs focused on teaching parents to advocate for their children, creation of a permanent therapeutic preschool program for children with severe socio-emotional problems, and expansion of an existing program to link families to healthcare services.

Successes in Achieving Goals and Objectives

The successes associated with program development were as broad as the type of grants being implemented. However, the nature of the grants ultimately had three common benefits:

- **Improved Service Quality** -- Many grantees used their COF grants to enhance existing programs so as to improve the overall quality of the services being provided. Whether through improved curriculum or more effective development of staff, these projects were reported to achieve measurable benefits.

- **Improved Access to Services** -- Grantees also used the COF grants to expand overall access to their services, thereby increasing the number of community members impacted by their program. The goal of these projects was to create initial funding for the project with the plan to utilize their success to obtain additional funding to sustain the program beyond their initial grant.

- **Increased Funding Opportunities** -- Based on the success of the new or expanded programs, many grantees state that they experience greater opportunities to generate new forms of revenue whether through new grant making or by expanding their ability to reach new donors.

Challenges

The primary concern of grantees for program development grants was how to sustain the new or expanded programs over the long-term. To ensure long-term sustainability, many of the grantees built into their plans a component to seek out additional funding. As an example, one grantee used the period during the capacity building grant to recruit new board members and, as part of that effort, expand the reach of its donor base. Another grantee used the creation of their new program to seek grant funding from other
governmental organizations and foundations to assist in funding the program moving forward. Finally, a third grantee used the revenue from the new services, as well as, grant funding to pay for the expanded services.

**Finding:** Grantees that sought to develop new programs were most successful when they combined their program development grants with a strategy to develop "new" sources of funding for these programs at the conclusion of the COF grant.

**Recommendation:** Capacity building grants that involve the creation of new services or the expansion of existing services should demonstrate within their application how those programs will become self sustaining at the conclusion of the project. For example, one strategy may require capacity building projects to combine program development with the implementation of strategies to ensure new fund development.

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**Strategy Profile**

COF grantee, Proyecto Pastoral, used the COF funding to hire a consultant to develop a program to train and empower parents to be advocates for their children. The goal of the program was to teach parents to serve as advocates both at the personal level for their children’s health or educational interests, but also to participate as an advocate for long-term systems change.

At the individual level, the program sought to train parents to (1) understand their children’s physical and educational development, (2) select better schools and healthcare providers to meet their children’s needs and (3) advocate for their children’s interests when their children’s development is not progressing as expected.

At the systems level, the program sought to train parents to be ambassadors in the community to support initiatives and changes at the local level (e.g., individual schools, school districts, etc.) and at the state level (e.g., hosting events with State officials, supporting State-wide ballot measures, etc.).

The program was particularly successful in sustaining and expanding on its programmatic strategy, in part, because it developed partnerships with other agencies to help conduct trainings and because the agency used their new program to solicit new sources of funding and was able to sustain the program beyond the life of the COF grant.
Aspirations, Culture and Organizational Structure

Agencies that were successful in conducting strategic planning and organizational restructuring grants were centered on strategies to clearly define their strategic priorities as well as recruit staff and Board Members that shared their vision. The projects ranged from developing new strategic plans to identifying new board members to revitalize the agency and providing new sources of donations.

Successes in Achieving Goals and Objectives

Evaluating the success of strategic planning and organizational development projects is problematic in this context because the intended benefits often have a longer-term horizon (e.g. three to five years). However, the grantees did indicate successes in the short-term which included:

- **Increased Organizational Focus** -- Our interviews suggested that most of the grantees believed that they had improved the overall effectiveness of their agency as part of the capacity building grant. This success was often attributed to a renewed focus within the agency on what was important to their clients. As one grantee indicated, “our staff had become content to perform same activities over and over again without considering the impact they were having on our clients.” With the increased organization focus, staff began to relate their tasks to the newly stated goals and objectives developed during the process.

- **Increased Capacity for Decision-Making** -- Grantees that used the grant as an opportunity to reorganize their decision-making structure and create formal committees to address key organizational issues expressed initial success. At a minimum, they believed the revised organizational structure had contributed to a new sense of ownership and energy within the organization.

- **Increased Awareness of Community Needs** -- One grantee used part of the COF funds to better understand the needs of the community through a series of surveys and interviews. These new surveys were developed, in part, to seek more direct input from the community through one-on-one engagement. Through these focused interviews, the agency believed it obtained a more accurate and complete understanding of the community’s needs and, therefore, were able to tailor their services more effectively.

Challenges

These successes, however, did not come without challenges. Many of the challenges are typical of strategic planning and organizational reorganization efforts and included boards that seemed uninterested in committing to change, limited staff time to focus on key issues.
and an overall lack of experience in these types of exercises. To this last point, at least two grantees indicated that they struggled with the process of identifying and retaining qualified consultant support. They had never gone through the process before and were not well connected with a qualified pool of candidates.

**Finding:** A critical success factor expressed by the agencies in pursuing this category of project was the retention of a qualified consultant to assist them in their efforts. Most agencies stated that they did not have the experience to conduct strategic planning or organizational development projects and had to rely on consultant support. Those agencies that reported less successful engagements largely attributed this lack of success to an inability to find consulting support to meet their needs.

**Recommendation:** Where grantees are largely relying on outside consultants to implement their project, First 5 LA should consider providing support to these agencies in identifying and soliciting qualified firms. First 5 LA has historically maintained a directory of specialized consultants that could be shared with grantees. Additionally, First 5 LA could assist those agencies in the procurement of these consultants.
Aspirations, Culture and Organizational Structure
Profile

COF grantee, Long Beach Early Childhood Education Committee, used their capacity building grant to develop a new organizational structure and develop strategies to address future growth. The grantee is a volunteer partnership of educators, policy makers and community members that promotes high quality early care and education. The grantee had previously been housed within a public agency and now was addressing the impact of being its own entity and governed as a partnership of community-based organizations.

The grant was designed to address two primary issues: long-term fiscal sustainability and the creation of an inclusive organizational structure to improve leadership and transparency within the partnership. The grantee retained a consultant to work with its members to produce a sustainability plan. The consultant began with an internal self-assessment of its members to better understand the culture of the partnership, the key benefits of being a member, and the perceived issues to be addressed.

Using the assessment, the consultant developed a sustainability plan. The issues addressed in the plan included:

- Expanding the size of the executive committee to increase transparency and create additional leadership opportunities
- Increasing membership commitment by creating new partnerships and making more members part of the decision-making process
- Developing a long-term marketing plan
- Developing a fiscal sponsorship arrangement

The agency believes the changes set forth in the sustainability plan will achieve the goals of long-term sustainability of the organization through greater participation and commitment of its members. The agency stated that, in part, the success they had was due to the selection of the “right” consultant who was able to understand their needs and develop a viable plan for moving forward.
Systems and Infrastructure Implementation

A number of agencies utilized their COF grant to provide necessary systems and infrastructure to their agency. While there were no Year 2 grantees that implemented systems or infrastructure projects, there were nine different such projects in Year 1 which resulted in significant achievements and impacts to the organizations.

The most common COF grant related to systems and infrastructure related to the purchase and implementation of important software systems for the agencies. These systems included performance management/evaluation software, financial systems, electronic health records systems, GIS software and case management systems. Other infrastructure purchases included medical equipment and web-design tools.

Successes in Achieving Goals and Objectives

These purchases had significant and demonstrable benefits to the agencies including:

- **Increased Ability to Leverage Funding**—The COF funds have had lasting benefits on positioning agencies to apply for more funding. For instance, with new data systems, agencies have been able to apply for federal grants, which typically require sophisticated reporting systems.

- **Improved Quality of Services**—Agencies have been able to improve their quality of services and coordination of care. With the implementation of the electronic medical records, a couple of agencies are now able to record an entire patient visit, including any laboratory uses, prescriptions, referral ordering, and follow-ups.

- **Improved Continuity of Care**—Improved coordination with parents of children receiving service has led to enhanced continuity of care and integration of services and operational efficiencies related to provider productivity and satisfaction and improved ability to assess patient risk factors.

- **Improved Organizational Efficiency**—Efficiency has also been a direct benefit that agencies have sustained. For instance, with a new accounting system, one agency was able to change the way they prepared their annual budget, reported on performance and responded to requests from funders for specific data requests.

Challenges

Typical with system implementation projects, the most common challenge faced by grantees was creating the staff time necessary to fully implement the projects. While most engagements included some consultant support to install and customize the systems, staff still faced the hurdle of learning and adapting their practices to a new system. While these challenges were largely anticipated by grantees who built in training programs for their
staff related to the implementation, many agencies did not understand how disruptive the change of a core software system could be.

**Finding:** Grants that provided systems and infrastructure improvements were largely successful in improving the efficiency and effectiveness of the gathering and reporting of information to end-users. Because these systems only required a “one-time” investment, agencies were expecting to sustain the benefits far beyond the life of the grant.

**Recommendation:** Ensure that system implementation and similar grants include a component for staff training. While most system implementations include a minimal component for training, some grantees stated that they underestimated what level of training was actually required.

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**Systems and Infrastructure Profile**

COF grantee, Foothill Family Services, is dedicated to empowering children and families to overcome challenges and achieve success in relationships, school and work. The agency provides a wide range of therapeutic and support services to children and their families. The agency used their COF funding to develop an Electronic Health Record System (EHRS) that was a requirement for Department of Mental Health (DMH) contractors for billing and other purposes.

The COF investment provided numerous benefits to the organization. Not only did the agency meet compliance with DMH requirements well ahead of schedule, having the EHRS in place has improved service delivery through more timely access to integrated clinical records by professional staff. The EHRS has also improved numerous administrative processes (e.g., billing, scheduling) and enabled better management of caseloads and response to increased demand for services. The EHRS has enabled additional efficiencies through the use of online and other software tools.

All of these changes—along with the capacity to now generate reports for potential funders and the board—has put the agency in a much stronger, more sustainable position.
Program Management and Technical Assistance

The following section presents our findings and recommendations related to the program management and technical support functions provided by First 5 LA. This section will be broken down into three parts: Program Management, Technical Assistance, and Organizational Assessment Tools.

Program Management

For purposes of this evaluation, we reviewed the role of First 5 LA in assisting the grantees in the COF solicitation process and, once the project was approved, the role of day-to-day grants management. These functions included:

- Assisting the applicants in the COF application process;
- Assisting the applicants with the development of their logic model;
- Designing reporting requirements;
- Ensuring compliance with grant documents; and,
- Approval of any changes to the scope of work.

Grantees expressed mostly positive feedback regarding First 5 LA’s role as program manager. In our interviews, grantees continually used terms like “professional”, “responsive”, and “helpful” to describe First 5 LA staff. They were especially approving of the solicitation process that they described as “well organized” and “straight-forward.” For the day-to-day program management function, grantees expressed both praise for the aforementioned “professionalism” and “helpfulness” of staff, but they also expressed frustration over two issues: changes in the reporting requirements and changes in First 5 LA program staff.

With respect to the reporting requirements, a number of grantees believed that changes to the reporting format and scope that occurred during the duration of their contract were confusing and burdensome. A few of the grantees suggested that developing both mid-year and end-of-year reports was difficult, especially for smaller agencies with a minimal administrative staff. Some were unclear as to the purpose of the reports as they never received any feedback from First 5 LA staff about their submissions.

Similarly, many of the grantees expressed frustration over changes in First 5 LA staffing. In fact over 30% of grantees in the online survey suggested that changes in staffing negatively impacted their ability to implement the project. The primary concern was the required time spent by the grantees to educate new First 5 LA staff about their program, any changes that had been made, and the progress made on the project to date.
**Recommendation:** While staffing changes are inevitable, it is important for First 5 LA to anticipate and consider the impact of staffing changes on the grantees they are managing. The impact of changes, while seemingly minor, often create changes in expectations that must be addressed by the grantees.

**Recommendation:** First 5 LA should consider assigning subject matter experts to oversee capacity building grantees rather than relying on one officer to oversee the entire program. This strategy would have two benefits. First, the program officers would potentially be able to provide assistance to grantees on how other similarly situated grantees are addressing issues or even provide samples of best practices being implemented by other agencies. And second, the program officer may be able to assist the grantee in their project by utilizing their contacts to create networking opportunities for the grantees, something many grantees stated would be a significant benefit to them.

**Technical Assistance**

As part of the COF grant, First 5 LA offered technical assistance to grantees in the form of individual “coaches” to provide support to grantees as well as group sessions to provide more generalized assistance on particular issues. These services were provided by two outside consulting firms retained by First 5 LA.

The impact of the technical assistance offered by First 5 LA varied greatly depending upon the nature of the project and the sophistication of individual grantees. In the aggregate, however, there was a general consensus that the technical assistance resources could have been structured by First 5 LA more effectively.

Initially, the purpose of the technical assistance was not clear to many grantees. Some grantees assumed the technical assistance was limited to the scope of work of their original capacity building project. Other grantees utilized the technical assistance to assist in projects “outside” the specific parameters of the project but related to the overall goal of capacity building. More importantly, however, the skills of the individual providing the technical assistance did not necessarily match the nature of the project. Especially with respect to projects involving training or systems implementation, the grantees simply did not utilize the services. In the online survey, only 45% of the grantees stated that they were “very satisfied” or “somewhat satisfied” with the technical assistance with 55% of respondents indicating that the question simply was not applicable because they did not utilize the services in any meaningful way.

**Recommendation:** Technical assistance should be provided to grantees on a “need” basis. While the totality of the resources provided for technical assistance may have been sufficient, those services were not directed to grantees with the greatest needs. In future capacity building efforts, First 5 LA should (1) be clear to grantees as to the purpose of
technical assistance and (2) develop a process to assign technical assistance where it will have the greatest impact.

**Organizational Assessment Tools**

Each of the grantees was required to undergo an assessment using the Core Capacity Assessment Test (CCAT) at the beginning of the grant. The CCAT is an online survey that measures a nonprofit organization’s effectiveness in relation to leadership, adaptability, management, and technical capacities. The intent of the CCAT was to provide the grantee an opportunity to obtain an organizational assessment of their agency prior to embarking on their capacity building project.\(^5\)

Similar to the offer of technical assistance, the CCAT assessment had a mixed reaction from grantees. Our interviews revealed three types of reactions to the CCAT: (1) the CCAT was a useful tool in identifying unresolved organizational issues, (2) the CCAT was useful to identify issues, but the grantee did not have the resources to address those issues, and (3) the CCAT was not beneficial. In all, only 25% of grantees indicated that the CCAT was useful with 75% stating it was not useful.

The helpfulness of the CCAT was largely dependant on the size and nature of the organization. Larger organizations tended to dismiss the CCAT because they already had taken the CCAT or had built into their processes elements a periodic organizational review. The smaller organizations were more likely to benefit from the CCAT, but the benefit was largely dependant on whether they had the resources to address the necessary issues.

**Recommendation:** Organizational assessment tools can be an effective means to support capacity building. First 5 LA should consider two strategies to more effectively utilize the CCAT. First, the CCAT should be offered to agencies prior to the development of their grant request. This could help organizations diagnose and address the most critical organizational issues. Second, First 5 LA should consider maintaining separate funding to provide technical assistance to agencies that identify significant organizational issues that are not related to their original capacity building grant.

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\(^5\) It is unclear from our interviews with staff and grantees how agencies were to benefit from the assessment other than having the opportunity to identify potential organizational weaknesses. For example, grantees were not universally told they could used their technical assistance to address the issues raised in the Assessment.
Best Practice Capacity Building Recommendations

Over the past two years, we have interviewed 34 different grantees whose projects varied widely in size, scope and the sophistication of the organization implementing the grant. Our interviews, as well as, our research on capacity building have led us to a number of more generalized conclusions regarding capacity building recommendations. The following is a summary of those recommendations:

**Recommendation:** Promote networking among local providers. A large number of small to medium sized grantees stated that they did feel connected to others providing similar services. They believe they are missing opportunities to learn from each other and form partnerships to provide more efficient and effective services. This finding was echoed in a report entitled, “An Analysis of Non-Profit Capacity Building in the Mid-Ohio Valley.” In this comprehensive capacity building study, they recommended creating the opportunity for networks that could provide resources such as Networking Lunches, Regional Discussion Board for Non-Profits, Peer-to-Peer Mentoring, Document Sharing and Resource Templates, Sharing of Back Office Services and Support for Organizations Considering Merging. They believed that creating a peer-to-peer learning environment could have long-term and lasting benefits to those who participate. 6

**Recommendation:** Publicize capacity building success stories to the non-profit community. Some grantees stated that they were not aware of what types of capacity building programs were successful for other organizations and what types of capacity building strategies they should consider. Whether through a periodic newsletter or something less formal, First 5 LA should consider promoting best practices and idea sharing within the 0-5 provider community.

**Recommendation:** Offer workshops on key capacity building strategies. A number of grantees indicated that they would benefit greatly from greater access to workshops on issues facing nonprofits (e.g. fundraising, board governances, evaluation, strategic planning, etc.). These could be organized by First 5 LA, but utilize peers to provide the actual workshops.

IV. **Conclusion**

Capacity building grants are a valuable tool to help community-based organizations build long-term improvements in their administrative and programmatic operations. Many

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foundations and government agencies have used capacity building grants as a catalyst within their non-profit communities to generate new energy within organizations and promote best practices.

Our prior evaluation concluded that the COF has had significant impacts on the totality of the grantees evaluated. That conclusion was affirmed in this evaluation. In this report, however, we have focused on providing First 5 LA with a series of recommendations about how to improve capacity building efforts moving forward. These recommendations focus on improving both the process for implementing capacity building projects, but also ensuring that future grantees adopt certain best practices to ensure the long-term success of their projects.

Grantees universally applauded the efforts of First 5 LA in developing a capacity building program. With the recommending changes, future First 5 LA capacity building effort can be even more successful and impactful.
### Appendix A: Grantees

<table>
<thead>
<tr>
<th>Year 1 -- Capacity Building Grantees</th>
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<tbody>
<tr>
<td>Bienvenidos Children’s Center</td>
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<tr>
<td>California Healthy Marriages Coalition</td>
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<tr>
<td>Catholic Healthcare West</td>
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<tr>
<td>Center for Nonviolent Education and Parenting</td>
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<tr>
<td>Child Care Information Service</td>
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<tr>
<td>Child Care Resource Center</td>
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<tr>
<td>Child Development Institute</td>
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<tr>
<td>Community Health Councils</td>
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<tr>
<td>Community Health Alliance of Pasadena</td>
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<tr>
<td>Connections for Children</td>
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<tr>
<td>The Early Childhood Parenting Center</td>
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<tr>
<td>Eisner Pediatric &amp; Family Medical Center</td>
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<tr>
<td>Foothill Family Services</td>
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<tr>
<td>Friends of the Family</td>
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<tr>
<td>The Help Group Child and Family Center</td>
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<tr>
<td>INMED Partnership for Children</td>
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<tr>
<td>Junior Blind of America</td>
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<tr>
<td>Long Beach Day Nursery</td>
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<tr>
<td>Low Income Investment Fund</td>
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<tr>
<td>Miller Children’s Hospital Lactation Support Program</td>
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<tr>
<td>Mission City Community Network</td>
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<tr>
<td>Mothers Club Community Center</td>
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<tr>
<td>Para Los Niños</td>
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<tr>
<td>Pathways LA</td>
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<tr>
<td>QueensCare Family Clinics</td>
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<tr>
<td>South Central Los Angeles Regional Center</td>
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<tr>
<td>South Central Los Angeles Ministry Project</td>
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<tr>
<td>St. Anne’s</td>
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<tr>
<td>St. John’s Well Child and Family Center, Inc.</td>
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<tr>
<td>Venice Family Clinic</td>
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<tr>
<td>The Village Family Services</td>
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<tr>
<td>Westside Children’s Center, Inc.</td>
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<tr>
<td>Westside Infant-Family Network</td>
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<tr>
<td>Year 2 -- Capacity Building Grantees</td>
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<tr>
<td>Child and Family Center</td>
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<tr>
<td>Child Development Consortium of Los Angeles</td>
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<tr>
<td>Exceptional Children’s Foundation</td>
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<tr>
<td>Families First, Inc./Hollygrove</td>
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<tr>
<td>Free Arts for Abused Children</td>
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<tr>
<td>Hillsides</td>
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<tr>
<td>Intercommunity Child Guidance Center</td>
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<tr>
<td>Jumpstart for Young Children</td>
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<tr>
<td>Long Beach Early Childhood Education Committee</td>
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<tr>
<td>Proyecto Pastoral at Dolores Mission</td>
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<tr>
<td>The Children’s Law Center of Los Angeles</td>
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<tr>
<td>Worksite Wellness LA</td>
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</tbody>
</table>
Appendix B: McKinsey’s Seven Elements of Nonprofit Capacity

- **Aspirations:** An organization’s mission, vision, and overarching goals, which collectively articulate its common sense of purpose and direction
- **Strategy:** The coherent set of actions and programs aimed at fulfilling the organization’s overarching goals
- **Organizational Skills:** The sum of the organization’s capabilities, including such things (among others) as performance measurement, planning, resource management, and external relationship building
- **Human Resources:** The collective capabilities, experiences, potential and commitment of the organization’s board, management team, staff, and volunteers
- **Systems and Infrastructure:** The organization’s planning, decision making, knowledge management, and administrative systems, as well as the physical and technological assets that support the organization
- **Organizational Structure:** The combination of governance, organizational design, interfunctional coordination, and individual job descriptions that shapes the organization’s legal and management structure
- **Culture:** The connective tissue that binds together the organization, including shared values and practices, behavior norms, and most important, the organization’s orientation towards performance.

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Appendix C: COF Document Review Protocol Form

<table>
<thead>
<tr>
<th>Name of Reviewer:</th>
<th>Date of Review:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Program Name:</th>
<th>Dates of contract:</th>
<th>Cycle #:</th>
</tr>
</thead>
</table>

**Documents Reviewed (select all that apply):**

- [ ] Proposal / Budget
- [ ] Scope of Work / Logic Model
- [ ] Evaluation Report

**Most Recent Progress Report(s):**

- [ ] Mid-year (FY): ________________
- [ ] End of year (FY): ____________

**Proposal / Budget:**

**Summarize the proposed activities and intended result(s):**

**Looking at the grantee’s budget, what are they proposing to spend money on:**
Scope of Work / Logic Model:

*Instructions:* Review each grantee’s Scope of Work (SOW) and Logic Model. Summarize the short-term and long-term outcomes:

<table>
<thead>
<tr>
<th>Short Term Goals</th>
<th>Long-Term Outcomes</th>
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</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

Mid-Year and End of Year Progress Reports:

*Instructions:* Review the last available progress report (mid year or end of year) and answer the following questions to the best of your knowledge. If unsure of something, please document so that follow up can occur at grantee interviews.

1. Progress to outcomes (did they achieve what they set out to achieve)?

2. Key lessons learned identified

3. Key challenges identified

4. Major changes to scope, if any

5. Potential follow-up questions for interview
Evaluation Report:

*Instructions:* Review Evaluation Report, as available and answer the following questions. If unsure of something, please document so that follow up can occur at grantee interviews.

<p>| | |</p>
<table>
<thead>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td><strong>What are the key evaluation questions?</strong></td>
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<tr>
<td>2.</td>
<td><strong>Briefly describe methodology used</strong> (e.g., survey/focus group, type of data collection and analysis, etc.)</td>
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<tr>
<td>3.</td>
<td><strong>What were the key findings?</strong></td>
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<td>4.</td>
<td><strong>What recommendations, if any, are offered?</strong></td>
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<tr>
<td>5.</td>
<td><strong>Did the grantee achieve what they set out to achieve?</strong></td>
</tr>
</tbody>
</table>
Appendix D: Capacity Building Grantee Interview Questions Protocol

1. General Characteristics of the Grantees
   - Which of the following describes your total number of staff for the COF funded organization/agency?
     - Less than 10
     - 11-50
     - 51-100
     - 101-199
     - 200-299
     - 300+
   - What range best describes the annual operating budget for your organization in the current or most recent Fiscal Year?
     - <$500,000
     - $500,000 – $2 million
     - $2 million – $5 million
     - $5 million – $10
     - More than $10 million

2. Organizational Capacity Building
   - What were the objective(s) of the capacity building project?
   - What were the key activities associated with achieving those objectives?
   - Did the technical assistance provided by First 5 LA assist you in achieving those objectives?
   - How successful were you in achieving the objectives?
     - How did you measure/evaluating success?
   - What challenges did you undergo during the process (i.e., staffing changes, scheduling issues, etc.)?
     - What were the key lessons learned that you would use to improve future capacity building projects?

3. Fiscal Health
   - Overall, did changes in capacity affect the financial health of your organization?
• Have you expanded your income development activities (e.g., grant writing, contracting, fundraising)?
• Have you diversified your funding sources?
• What were some of the barriers to improving the fiscal health of your organization?
• What additional changes do you foresee to ensuring your program’s sustainability going forward?

4. Quality:
• Overall, how did COF activities improve the quality of the programs or services provided directly to clients?
• How will the organization build upon these successes going forward?

5. Expanded Access:
• How did COF capacity building affect access to services on the part of clients or community members?
• What are the challenges to improving access going forward?
• How might capacity building activities help you sustain the positive outcomes mentioned above?

6. Technical Assistance:
• Was the technical assistance provided by First 5 LA valuable in assisting you achieve the objectives of the project?
• Was the technical assistance valuable to your organization in any other way?
• Do you have any recommendations for First 5 LA concerning TA?

7. Overall Support
• Were you satisfied with the support provide by First 5 LA staff in the implementation of your project?
• Were there any ways that First 5 LA helped (or hindered) what you were able to achieve from your COF grant?

8. Do you have anything further to add?
Appendix E: Capacity Building Grantees
Online Survey Questions

1. At the beginning of the COF grant, did your organization receive a formal organizational capacity assessment using the Core Capacity Assessment Tool (CCAT)?
   - Yes
   - No
   - Don't know

1a. If yes, how useful was the CCAT to your organization’s ability to improve capacity?
   - Very useful
   - Useful
   - Not at all useful
   - Did not complete CCAT (N/A)
   - Don’t recall / Don’t know

1b. If very useful or useful, briefly describe in what ways have you used the results of the CCAT?

1c. If somewhat or not at all useful, briefly describe why it was of limited use?

2. During your COF grant period, which of the following types of Technical Assistance (TA) was provided to your organization? (Select all)
   - One-on-one assistance from Center for Nonprofit Management
   - Group sessions / trainings
   - We did not receive TA
   - Don’t know
   - Other: __________________________

3. Overall, how satisfied were you with the following types of TA your organization received? Note: Check “N/A” if particular type of TA was never received:

<table>
<thead>
<tr>
<th></th>
<th>Very Satisfied</th>
<th>Somewhat Satisfied</th>
<th>Not at all Satisfied</th>
<th>Not Applicable</th>
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</thead>
<tbody>
<tr>
<td>One-on-one assistance</td>
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<tr>
<td>Group sessions/trainings</td>
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</table>
Please briefly list the reasons why you were very satisfied, somewhat, or not at all satisfied:

4. Please rate the degree to which COF funding from First 5 LA impacted the ability of your organization to achieve (or improve) each of the following areas:

<table>
<thead>
<tr>
<th>Area</th>
<th>Very positively affected</th>
<th>Somewhat positively affected</th>
<th>No Effect</th>
<th>N/A – was not the focus</th>
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<tbody>
<tr>
<td>Develop or refine organization’s mission, vision, goals</td>
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<tr>
<td>Develop or refine organization’s strategic plan</td>
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<tr>
<td>Build organizational skills to implement strategic plan</td>
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<tr>
<td>Build organizational skills to improve quality of services provided</td>
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<tr>
<td>Hire new staff</td>
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<tr>
<td>Evaluate programs</td>
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<tr>
<td>Increase or diversify funding sources</td>
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<tr>
<td>Acquire new technology (e.g., software, billing, etc.)</td>
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<tr>
<td>Use technology or information systems more effectively</td>
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<tr>
<td>Market program/services</td>
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<tr>
<td>Strengthen partnerships/collaborative relationships</td>
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<tr>
<td>Recruit new board members</td>
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</table>

5. Was the COF funding the first grant your agency received from First 5 LA?
   - [ ] Yes
   - [ ] No
   - [ ] Don’t know

6. Since receiving COF funding, has your agency applied for other grants from First 5 LA?
   - [ ] Yes
   - [ ] No
   - [ ] Don’t know

7. Since receiving COF funding, has your agency received any additional First 5 LA grants?
   - [ ] Yes
   - [ ] No
   - [ ] Don’t know
7a. If yes, please specify: ______________________________

8. Did your organization experience significant staffing changes during the term of your COF contract?
   □ Yes
   □ No
   □ Don’t know

8b. If so, how did it affect your ability to implement the COF grant?
   □ It was a positive change
   □ It was a negative change
   □ It did not have an effect on our ability to implement the COF grant

9. Did you experience a change in First 5 LA staff during the term of your COF contract?
   □ Yes
   □ No
   □ Don’t know

9a. If so, how did it affect your ability to implement the COF grant?
   □ It was a positive change
   □ It was a negative change
   □ It did not have an effect on our ability to implement the COF grant

10. If you have any other feedback regarding interactions with First 5 LA you would like to share, please provide here: _______________