IZUMI FOUNDATION

"Trends Among US Grantmakers - Achieving the Most Impact Abroad"

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INTRODUCTION

In late 2010 and early 2011, the Izumi Foundation Program Director went on a learning tour to understand the values and processes that characterize today's landscape of global health and development philanthropy. As part of the Izumi Foundation's strategic planning process, the Board of Directors sought to know other donor organizations' answers to the following questions:

- How do you find innovative and reliable grantees?
- Do you accept unsolicited letters of inquiry?
- What does your proposal process entail, and why did you design it as such?
- How do you select grantees? What due diligence activities do you conduct?
- How do you say "No" when there are so many good projects?
- Do you have a country or regional focus? How do you choose where to sponsor projects?
- Do you conduct site visits, and in what stage of the relationship do you use them?
- How important is rigorous M&E? Do you measure impact with quantitative or qualitative metrics? How do you decide which indicators to track?
- What are your reporting requirements, and how frequently do you request reports or progress updates?
- Are you strict about reporting and proposal renewal deadlines?
- Do you have limits on overhead? Why or why not?
- How long do you typically fund grantees?
- When do you graduate grantees and for what reasons? How much notice do you give grantees before you terminate funding?
- What overall philosophy guides your grantmaking activities? How do you view and manage your relationship with grantees?
- How do you leverage your funding? Do you provide any non-financial support to grantees or the philanthropic community?

The Izumi Foundation Program Director interviewed foundations, philanthropists and philanthropy consultants on the east and west coasts and collected answers to these questions. The Izumi Foundation hopes to learn from our peers, and plans to incorporate these insights into our 2012-2015 Strategic Plan. We would like to share this summary of our findings with other donors in hopes that this document will be a useful source of information and point of discussion for others in the field. Please keep in mind that the information contained in this report describes trends among the foundations as reported by the individuals interviewed and is not representative of the entire field.

Interviewees were selected based on recommendations made by grantees, attendees at relevant meetings and conferences, and experts in the Foundation's global health and philanthropy network. While not all organizations surveyed focus on global giving or health grantmaking in particular, most had at least some global health grants within their portfolios.* We would like to thank all organizations who participated in this valuable process:

<u>Foundation and Donor Organizations</u>:

- Absolute Return for Kids US, San Francisco, CA
- American Jewish World Services, New York, NY
- The Ansara Family Fund at the Boston Foundation, Boston, MA
- Eleos Foundation, Santa Barbara, CA
- Elma Philanthropies, New York, NY
- Give2Asia, San Francisco, CA
- The How Fund, San Francisco, CA
- J.C. Flowers Foundation, New York, NY
- Linked Foundation, Santa Barbara, CA
- Mulago Foundation, San Francisco, CA
- New Field Foundation, San Francisco, CA
- Passport Foundation, San Francisco, CA
- Peery Foundation, Palo Alto, CA
- Pershing Square Foundation, New York, NY
- Open Society Foundations, New York, NY
- The Starr Foundation, New York, NY
- Strategic Grant Partners, Boston, MA
- Tipping Point, San Francisco, CA
- William and Flora Hewlett Foundation, Menlo Park, CA

Philanthropic Consultants & Health Experts:

- Hope Consulting, San Francisco, CA
- MicroCredit Enterprises/Opportunity Collaboration, San Francisco, CA
- New Philanthropy Advisors, Boston, MA
- University of California, San Francisco (UCSF) Global Health Group Health Systems Initiative, San Francisco, CA

**Tipping Point and Strategic Grant Partners are the two foundations that are not currently working internationally. They were included in this survey due to their interesting and strong model of grantmaking which can be easily applied to an international landscape.*

BACKGROUND ON THE IZUMI FOUNDATION

The Izumi Foundation gives assistance to the world's poorest people by supporting programs that improve health in developing countries. Created in 1998 by the lay Buddhist order Shinnyo-en, the foundation is one of seven foundations supported by the Buddhist order that expresses Shinnyo-en's values of compassion, concern for others, and altruism.

The Izumi Foundation looks for promising, practical innovations that reduce the burden of infectious disease while also strengthening the ability of communities to keep children and families healthy. Our aim is to do as much as possible, with limited resources, to improve the health outcomes of people living in the most impoverished areas of Africa, Latin America, and the Caribbean.

The Izumi Foundation provides resources to organizations that share its commitment to delivering lasting, cost-effective improvements that build local health care capacity.

We support projects in five areas:

- infectious diseases with high morbidity and mortality
- neglected tropical diseases
- malnutrition
- maternal and neonatal health
- health care infrastructure

To maximize the impact of our giving, we restrict our geographic focus to Africa, Latin America, and the Caribbean. We periodically review our geographic priorities, taking into account the recommendations of the United Nations and partner organizations. Izumi currently works in 14 priority countries, which are subject to change based on political and social conditions.

Our priority countries include:

- Burkina Faso
- Ethiopia
- Ghana
- Kenya
- Lesotho

- Malawi
- Rwanda
- South Africa
- Swaziland
- Tanzania
- Uganda
- Bolivia
- Guatemala
- Haiti

On a case-by-case basis, we support projects in 15 secondary countries, primarily in the area of neglected tropical diseases.

Our secondary countries include:

- Botswana
- Gambia
- Madagascar
- Mali
- Mozambique
- Namibia
- Niger
- Nigeria
- Senegal
- Zambia
- El Salvador
- Guyana
- Honduras
- Nicaragua
- Paraguay

For more information, please visit our website at www.izumi.org.

RESULTS OF INTERVIEWS

Interviews with foundations, philanthropists and philanthropy consultants revealed several key values and processes around global health and development philanthropy. After transcribing each one-on-one interview, the results were summarized and categorized to illuminate decision making trends. Our findings are organized under broad categories and common themes below.

I. Finding the Right Grantees

Vetting through Networking

- Networking is the single most important way that donors identify new grantees.
- Most funders do not take unsolicited Letters of Inquiry (LOIs); a handful of donors still allow online LOIs or read unsolicited LOIs, but few of these are funded.
- Respondents repeatedly emphasized the importance of building networks and strong relationships as the best way to find appropriate grantees. Foundations that make themselves informed and visible by taking the time to meet, listen and travel are best positioned to connect with organizations that are a good funding match.
- It is common to rely heavily on networks for partner referrals to find projects. Foundations can save time and money if other donors have already vetted, conducted site visits or done due diligence for a potential grantee. Donors often fund many of the same groups as others in their network in order to lower risk and maximize efficiency.
- Some foundations have in-country consultants who also help identify potential grantees.
- Some pointed out that the downside of relying solely on networks for finding new grantees is that some of the best grantees might not have access to these networks. Finding some sort of balance between the LOI and word of mouth process would therefore be ideal.

Evaluating Organizational Fit: Strong Leaders, Strong Organizations

- When asked how they select which organizations to fund, foundations frequently described the criterion of "fit." Many organizations fund projects that adhere to a particular *theory of change*, though often this theory is quite broad allowing many different project types to qualify for funding.

- Respondents often stressed the importance of getting to know grantees and believing in the person leading the project. They advised donors to look for strong leaders with vision who can push an organization to evolve.
- Some interviewees cautioned that while strong leaders are valuable, a project may not be sustainable if an organization is too dependent on one person.
- More than one respondent suggested studying organizational charts to understand an organization's culture, philosophy and stability. This can be a good way to assess whether people within an organization are interchangeable and assess the likelihood of the organization struggling should the leader leave.
- Two foundations have created score cards for grantee selection. This tool helps them set stricter criteria, be more systematic about selecting grantees, and learn to say NO.
- Still, the majority of foundations make funding decisions through more fluid processes that consider leaders, personal relationships, ideas and potential for impact rather than on whether or not grantees fit a rigid set of criteria.

II. Assessing & Selecting Grantees

Giving Borders to Your Giving

- Respondents are divided about the relationship between impact and the geographic scope of their work.
- Some organizations have clear reasons for choosing the countries where they work, while for others geographic focus is guided by personal preference or referrals from other donors. Some follow an idea or opportunity focus rather than a country focus. One donor rationalized this by noting that some of the best ideas come from the most dysfunctional places and that adhering to a strict geographic territory limits potential impact. In this case taking the leap to work outside of a traditional focus area can at times yield significant results.
- Others believe that geographically concentrating funding maximizes impact. They argue that geographic focus can expand networks that help grantees and allow the donor to better monitor and support sites.
- Most interviewees felt that having existing networks is the most important determining factor in deciding where to support new projects; these networks can indicate whether political or economic conditions will hinder a project's success.

Protecting Your Investment by Ensuring Eyes and Ears on the Ground

- Site visits are used by many donors for vetting potential grantees and for monitoring current projects.
- Some foundations felt that quality assessment and monitoring is impossible to do from far away, making site visits a critical part of the grantmaking process.
- Many foundations conduct site visits before grants are awarded; almost all will visit sites at least once during the grant process.
- A number of donors overcome costs of international site visits by having local staff, foundation advisors and/or program consultants in the field that can regularly monitor sites and make visits to vet new grantees.
- Other foundations instead rely on referrals from donors who have already visited a particular site or make regular visits there themselves, making it unnecessary to carry out their own visits. This saves considerable time and money.

Creating a Low Burden Proposal and Renewal Process

- A number of foundations stated that they do not require *new* proposals. Instead, many funders collect documents organizations should already have, such as a recent strategic or business plan.
- Many foundations—especially those that do not require written proposals—give incredible weight to an organization's financials, looking closely at the past 3 year audits for information such as:
    - Assets and liabilities
    - Current and quick ratios
    - Cash on hand- preferably a minimum of 3 months to avoid cash flow issues
    - Significant financial changes over the past three years
- For those funders that continue to require new proposals, the proposal and budget are often developed through an 'iterative process' of discussion and negotiation. The conversation centers on listening to what the grantee needs, rather than pressuring the grantee to accommodate the donor's preferences.
- By keeping proposals short and concise, many foundations strive to minimize the amount of time grantees spend away from the important work that they are seeking support for.
- Likewise, easy grant renewal also reduces the paperwork required to continue support for a project that is already in progress and is demonstrating results. Most renew a grant immediately so that the grantee is not left with a gap in funding, which could derail a project in the interim.

III. Length and Type of Funding

Why Limits on Overhead Can Be Impractical

- Most respondents have stopped setting limits on overhead, this is because:
  - Funding "projects", rather than "organizations", requires grantees to spend their time reworking their budgets to the donors liking, rather than be transparent about the budget they need for success.
  - Overhead is not a reliable measurement—for example, some NGOs get millions of dollars of product donations, which make overhead percentages look low.
  - As NGOs need overhead to survive and grow their operations, they often cover their costs by following the money and creating projects where there are Requests for Proposals (RFPs). As a result, the projects that are rolled out can sometimes reflect donors' priorities rather than what those in the field believe is necessary.
- Those who do have any sort of overhead restrictions determine overhead rates on a case-by-case basis. Those who described overhead limits said they allow around 15% or more, with some permitting as high as 50% overhead.
- Some donors allowed smaller organizations just starting out to have more overhead in their budget, recognizing that it is impossible for new groups to build a strong organization without significant overhead investments.
- Restrictions or not, the general feeling is that donors shouldn't be too cheap on overhead. As one respondent expressed, "If donors truly care about the field work they are supporting, they should help build the long-term capacity of the organizations, and investments in overhead are one way to do this."

The Trend toward General Support Grants

- Reflective of the philosophy around overhead, there is a trend towards flexible funding and general support grants. Some funders exclusively provide what they call "organizational strengthening" or "organizational effectiveness" grants, "unrestricted" grants or "core support" grants. These help build organizations, allowing them to construct good financial and reporting systems, and create a business model or strategy.
- Some foundations were "shocked" that others still gave "project" grants with line items. Key reasons given for the shift towards general support grants include:
  - Organizations are best-suited to decide what they need to go forward. Funders should expect impact at a reasonable cost and allow grantees to

deliver that impact however they see fit.

- General support grants can cover essential items for project operations, such as the funds to purchase a vehicle, often critical to reaching the populations served by an organization. If donors are unwilling to pay for such inputs, how will an organization reach the populations they serve? Who is going to fund these items? What will happen if all donors refuse to fund such inputs? Without them an organization won't be able to do their work, yet such key costs are often difficult to find funding for.
- Institutional strengthening and support is critical to an organization's effectiveness. One person remarked, "Do you want to starve an organization by telling them they cannot use funds in the way they need to keep their systems strong? Is it fair to require organizations to submit fancy reports and budgets and then not pay them to have good people in place that can produce these things for you?"

The Importance of Respecting the Budget Presented to You

- In several cases, interviewees responded that if they do not like the budget or business plan provided to them, they will not ask the grantee to rework it. Rather they choose not to fund the organization, recognizing that it is not the right philosophical match. One respondent explained: "If you are asking a banker to make you money in the stock market you would not give them money to invest and then tell them how to invest it. If you are asking an organization to make an impact on the health of a population, why would you give them the money and then tell them how to spend it to achieve this impact?"
- Many organizations who take this approach do not want to waste time by making the grantee tweak the budget here and there to meet donor preferences. One respondent explained, "I do not want to waste their time or mine by micro-managing."
- Many donors felt that budget requirements are about trust in an individual leader and an organization. If you trust them then you should trust them fully and trust the budget that they present. Providing organizations with organizational rather than project specific grants is one way to demonstrate your confidence in an organization and their ability to be effective and efficient in their work.

Determining an Efficient Length of Funding

Long Term Funding Approach

- Some organizations do not have an exact limit for how long they fund an organization. The period of funding is often determined by the performance of the grant and the availability of funds.
- Many donors sustain relatively long-term funding partnerships, supporting groups 7 years or longer. These funders acknowledged that some donors lose interest in funding the same thing over time, preferring the excitement of new opportunities without considering the consequences for project beneficiaries of short-term funding.
- Foundations that choose to stay with certain organizations for a number of years recognize that the grantee is working on big problems that are not solved overnight. Therefore, they try to support the same, well-aligned grantees over time.
- One respondent explained the philosophy of his foundation's commitment to long-term grants: "Foundations are in the position to find something and stay with it, because they are doing good work. If you're saving lives, why stop?"
- Proponents of long-term funding believe that length of support should be long enough both to give an organization time to prove that something works and to find new funding at the end of the support period.
- One respondent said that it is important to think about how to help organizations move along a continuum more easily, from early stage to transitional to the later stage of replication and expansion, rather than jump in with short-term funding only to leave as quickly.
- Several interviewees felt that an organization could achieve much more if they were guaranteed a minimum of three years of funding upfront. This would allow them to take more risks and better plan program roll-out, staff recruitment and training, and supplies procurement. Waiting in anticipation at the end of each year to learn whether they will get the funds they need to continue creates a lag time and causes inefficiencies. In addition, applying for funds takes staff time that could be better used doing the grantee's *real* work.

Results-Based Funding Approach

- Though it was less common, a few foundations expressed concern that guaranteeing long-term funding upfront may lead groups to work less hard or be less efficient. One respondent believes that when an organization knows they won't get paid unless they produce results, they will have the fire to work

harder and smarter. This group requires grantees to apply for funds on an annual basis; however, assuming the work is good, the renewal for an additional year of funding is almost automatic.

- One respondent expressed the opinion that funding the same groups for too many years is unproductive. This respondent believes that if 90% of a donor's grantees are repeats, they are not doing their job. Over commitment means a donor is funding because of a relationship, rather than results. A better breakdown might be 65%-70% repeat and 30%-35% new grantees.
- One respondent explained that funding the same groups for too long and giving out too many multi-year grants can box the donor in and prevent them from funding promising new opportunities that come along.
- One organization relies on a *Tranche system*, where a grantee must reach annual or biennial milestones to secure the next level of funding, reducing the likelihood of sustaining funding based on relationship alone.
- Another donor will keep funding a group as long as there's *exponential growth*. This means that it is harder each year to get funding, but if the grantee continuously grows and improves they will continue to get funds.

Graduating Grantees

- All respondents felt that it is critical to give grantees adequate time if their funding will not be renewed. Grantees rely on donor support, and sudden termination in funding could have negative implications for project beneficiaries.
- Among the donor groups surveyed, it is rare for donors to terminate funding without a year's notice.
- Some donors give grantees a final grant, even if a project is not performing as well as expected, to give them time to get other funders in place or taper off a service over time. *Tie-off grants* are one type of transitional grant that are used. They may include 1-2 years notice before the end of a grant and/or matching funds for the final grant, allowing grantees to attract other donors to take over support of the project.
- Some stressed that a final year of funding should be built into any grant, in order to provide support for attending conferences, meeting new donors, and cultivating sound financial management, grant writing and reporting skills.

IV. Achieving and Measuring Impact

What Constitutes Effective Monitoring and Evaluation?

Varied Approaches Among Foundations

- Multiple foundations are currently giving special attention to strengthening Monitoring and Evaluation (M&E). One interviewee called M&E "the eternal quest," describing the difficulty of strategic, objective quantification of impact.
- Opinions on the importance of rigorous M&E were varied, though the common view is that quantitative evaluation is integral to measuring an organization's success.
- Reporting requirements range from quarterly to yearly and vary in terms of quantitative rigor. For some, reporting is paperless and consists of informal phone conversations; for others, comprehensive narrative and financial reports are solicited.

Quantitative Versus Qualitative Metrics

- Advocates of *quantitative* measurement argue that data-driven organizations with short-, medium- and long-term indicators will be better equipped to attract funds from other donors.
- *Qualitative* reports and anecdotal stories from the field were described as pleasing Boards and working for small foundations, but some felt that they give little information about relative program impacts. This can make it difficult to decide whether an investment with one group yields a better outcome than it would with another group.

Working with Grantees to Determine Appropriate Metrics

- The majority of donors said that they discuss project goals and measurement with their grantees, and select mutually agreed upon indicators rather than pre-determining metrics for the grantee.
- Some foundations tilt M&E towards business metrics directed by the project leader. This approach trusts the leader to set appropriate milestones for the organization, and the donor then asks the leader how they should hold the organization accountable using these milestones.
- Another approach is to ask grantees for expected, achieved and hoped for outcomes in progress reports, and then hold them responsible for the expected outcomes at the close of the next reporting cycle.

Keeping it Simple

- Some cautioned that an overuse of metrics can waste time, making it essential to figure out how each metric can be useful and aligns with program goals.
- Many highlighted that while they mandate reporting, they try to make it short and not too time consuming. For example, grantees may be asked to fill out a spreadsheet of predetermined indicators and/or prepare a one paragraph narrative. Many donors stressed that they do not want to be yet another donor burdening the grantee with paperwork that would keep them from their real work.
- One respondent explained one reason why her Foundation does not require rigorous M&E and allows the grantee to take the lead in determining indicators: "Leaders are under a microscope and are under so much pressure to meet annual benchmarks. I could never in a million years do what grantees do. I don't want them to burn out, especially the leader."
- Some funders look for strong, built-in M&E systems when selecting grantees; however, smaller grants may not be sufficient to include a large evaluation component. In these cases, donors might look for existing benchmarks that can be easily applied to the current grant without adding extra work.
- Foundations with limited capacity to conduct or supervise M&E activities might consider funding larger groups that are required to do M&E for other donors.

Magnifying Impact without Increasing Funding

- With the recent economic downturn, more foundations are focusing on providing assistance beyond dollars as a way to leverage their limited resources.
- As one interviewee put it, traditional philanthropy was just "giving away money." Foundations are now looking to be more creative and catalytic, making use of strategies such as thought partnerships, donor networking and impact investing.

Information Sharing

- Because most foundations interviewed were fairly small, they want to best leverage what they learn by sharing with those working in the same areas.
- For a small foundation, engaging "*thought partners*" or hiring advisors can be a very cost-effective way to operate. Rather than formal partnerships through funding, *thought partners* are trusted people in your network that you can

call on for skills, think through opportunities with, and learn alongside.

- One respondent encouraged foundations to *Open Source* everything so others can learn from their work, challenges and successes.
- A few organizations hold some sort of regular or irregular grantees meeting, while others expressed an interest in doing so. This takes time, but can be valuable in that it allows grantees, donors and practitioners to network and share best practices information.
- Another Foundation is forming a *Brain Trust*: a philanthropic group with funding partners that will create a vehicle to bring attention to high performing organizations, combine funds, jointly manage due diligence, create meaningful networks, and more effectively target money to top performers.

Technical Support and Donor Introductions

- In addition to grant awards, many donors are providing technical or management support to grantees, either through their own expertise, or through volunteer or paid consultants in their networks. Support might include training in financial systems and accountability, computer skills, grant writing or management training. Helping grantees improve in these areas is often just as valuable as providing grants for project operations.
- Some foundations host events with the potential to be catalytic. One foundation hosts regular events to bring donors, entrepreneurs and the community together, featuring specific grantees or impact investment opportunities, educating potential donors and attracting other investors once proof of concept has been established.

Trend toward Impact Investing

- Several organizations are including impact investments in their portfolios rather than awarding 100% grants.
- The Global Impact Investing Network (GIIN) defines impact investments as those which "…aim to solve social or environmental challenges while generating financial profit." This includes, "…investments that range from producing a return of principal capital to offering market-rate or even market-beating financial returns."[1]
- Advocates of impact investing believe that this method has greater potential

[1]The Global Impact Investing Network (GIIN), http://www.thegiin.org/cgi-bin/iowa/investing/index.html#1

for sustainability than traditional grantmaking. Many also believe that impact investing should complement philanthropy and opens up untapped resources to address social problems.

V. Overall Grantmaking Philosophy

Partnering with Grantees

- The majority of donors agree: grantees should be viewed and treated as true partners. One funder even suggested dropping use of the term "grantee" altogether. Partnership should be about helping grantees take on challenges and supporting their needs. This is behind beliefs about flexibility with overhead and collaboration in M&E.
- Grantmakers should minimize workload as much as possible, understanding field conditions and the multiple demands grantees face and consequently try to harmonize proposal and reporting requirements with what other donors require.
- Some foundations view the grantee as 'the locus of expertise.' As such, donors should not tell grantees how to do their jobs. Instead, they should consider "respect in reverse," inquiring: "How can we help YOU most effectively?" and, "What can we do to help YOU achieve more?"
- Otherwise, as one respondent asked, "What is the point of grantmaking? For donors to dictate to grantees what they want them to do because it makes donors feel good and meets THEIR needs? Or, are donors really trying to achieve impact?"
- One respondent described the role her Foundation plays with grantees: "we provide money yes, but we also provide compassion, partnership, empathy, moral and organizational support and a listening ear as challenges arise. My grantees are not my employees, they are my partners."

Open Communication and Clarity about Expectations

- Trust and personal relationships are considered critical to successful philanthropy. Working personal relationships enable grantees to be honest with the donor about the challenges they're facing and what they need for the project to succeed, rather than worry transparency about problems will jeopardize grant renewal. If the grantee feels they are able to touch-base informally, the donor will be kept up-to-date about progress and challenges.
- With respect to deadlines, donors described that relationships with grantees have been most fruitful when they were clear and open about their

expectations with respect to reporting deadlines, budgeting requirements and M&E. This gives grantees the best chance to meet donor requirements and expectations.

- Almost all donors expressed that while missing a deadline or requesting an extension on a report was okay, they felt equally that high-performing grantees should be able to get things in on time. Timeliness shows that the grantee is capable and respectful.
- Still, most foundations prided themselves on being flexible and understanding of field conditions and the multiple demands grantees face- making allowances for late reporting and happily granting extensions as long as there was communication in advance.

TAKE HOME MESSAGES

- **Develop Strong Networks for Finding the Right Grantees**
  Identifying grantees through networks is a good way to find an appropriate funding match and can often minimize the cost and time of vetting new grantees. Allowing some space for letters of inquiry (LOIs) ensures that good grantees who do not have access to donor networks are still considered for funding.

- **Focus on Leadership and Organizational Structure to Gauge Success**
  Many donors look for strong leaders that they believe in and extend this trust to their organizations. Considering the structure of an organization is an important counterbalance to ensure that the work of the organization is not entirely dependent on one person.

- **Consider Both the Advantages of Focus and the Benefits of Risk Taking when Selecting Grantees**
  While focusing grantmaking to a specific region or theme can increase impact due to improved networks and partnerships, inclined donors might want to be open to a degree of experimentation and risk taking in their grantmaking, as serious problems seldom have clear-cut solutions. Funding the occasional organization or project outside of one's normal country or idea focus can yield impressive, unanticipated results for those willing to take some risks. At the same time it is important not to get off track of an organization's mission.

- **View the Grantee-Donor Relationship as a True Partnership**
  Remember that grantees are the ones with expertise in the field and carry out the work on a day-to-day basis. Donors should view themselves as partners, asking grantees what help they need most rather than directing the work from above. This recipe will have the best chance of achieving real impact.

- **Minimize Grantee Workload to Make Time for "Real Work"**
  Donors should be aware of the numerous reporting demands made on grantees by multiple funders. Accordingly, they should do their best to make things easy for grantees, rather than burden them with requirements and restrictions that consume time they could be spending in the field.

- **Work with Grantees to Mutually Define M&E Indicators**
  Allow grantees to take the lead in determining which indicators will be measured to assess a program's effectiveness. This will minimize the time grantees spend reporting on different indicators for different donors, and will also yield results that are most useful to the grantee in modifying their own work, ultimately increasing their impact.

- **Recognize the Value of Overhead and General Support Grants**
  Once you have established trust in an organization and believe in their work, be generous with overhead, recognizing that organizations need overhead to operate on a day-to-day basis. If every organization refuses to pay their fair share of overhead, then who will cover the costs of things such as time spent in writing the reports required by donors? Consider the benefits of General Support Grants.

- **Appreciate the Value of Longer Term Funding**
  Educate yourself on the relationship between time and results in development work, understanding that social change does not happen over a one year grant. Critically examine your own motivations for funding and consider whether you might offer longer grants even if it is less exciting to work on the same projects over time.

- **Consider Non-Financial Ways You Can Increase Impact**
  Think about all the assets you have as a donor and the ways in which these can be useful to grantees. Might you provide them with some technical skills that they are lacking? Could you host an event featuring their work or introduce them to another donor who might want to support them? Could you help them get to conferences where they can gain experience giving presentations, network, and learn from leaders in their field? Keep in mind that while all organizations need funds, they can also benefit extensively from other assets that you can bring to the table.

Final Words

Thank you again to everyone who participated in this work.
We hope that you have found this summary useful!