



Activate Fund Nonprofit Fundamentals Program Guidelines

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1. Executive Summary

Co.act Detroit is shaping a grantmaking strategy for investing in nonprofit organizations and enhancing the connectivity in the nonprofit sector. As part of this strategy, Co.act Detroit is launching the Activate Fund Nonprofit Fundamentals Grant Program to invest \$1 million into nonprofit organizations' capacity to effect transformative impact in their communities. Inspired by recommendations from the report "Building a Network: Recommendations for Redefining Capacity Building in Southeast Michigan," our grantmaking strategy focuses on strengthening nonprofit capacity in two ways:

1. Build Nonprofit Organizations' Internal Capacity to Fulfill Their Missions.

We believe that nonprofit organizations must have their internal needs met before they can effectively meet the needs of the populations they serve. The report identified these 7 capacity areas impact nonprofits' ability to meet mission: Talent, Operations, Funding & Resources, Organizational Culture, Strategy & Planning, Program Development, Leadership & Governance.

2. Build Nonprofit Organizations' Capacity to Work Collaboratively.

We believe that working in collaboration allows nonprofits to multiply strength, resources, and knowledge. This, in turn, allows them to have transformative impact beyond the scope of what a single organization could achieve working on its own.

Like the recommendations in 'Building a Network,' Co.act Detroit's grantmaking strategy is founded on a deep commitment to advancing racial and social equity - both within the nonprofit sector and in local communities. Through the Activate Fund we seek to provide funding for and facilitate access to high quality technical assistance for nonprofit organizations, recognizing systemic barriers which often limit access.

Learn more about Building a Network at www.mi-community.org/buildinganetwork.

What the Activate Fund Supports

What has your organization been wanting to implement, but hasn't been able to activate? Competitive applications will feature ideas that are *catalytic and demonstrable* in nature - initiatives that help organizations fulfill mission and elevate their work to the next level. Risk-taking and experimentation are highly encouraged!

Applicants will self-identify their own needs within the (4) priority areas of capacity building listed and defined below. We invite applicants to focus on a compelling 'wish list' idea, rather than making a request to fill a standard budget gap.



Activate Fund Nonprofit Fundamentals Grants: Priority Areas of Investment

- **Funding and Resources**

Definition: Build the capacity of nonprofits to secure 1. Income through fundraising, philanthropic giving, and earned income streams 2. Non-monetary resources (pro bono services, volunteers, in kind donations).

- **Operations**

Definition: Build the capacity of nonprofits to manage operational functions such as budgeting and accounting, data and technology, organizational policies and procedures, communications, and human resources.

- **Organizational Culture**

Definition: Build the capacity of nonprofits to critically examine and challenge the attitudes, practices, and values which shape how they operate internally, and how they engage with their constituents and actors within the nonprofit ecosystem.

- **Program Development, Management and Evaluation**

Definition: Build the capacity of nonprofits to develop and manage programs and services which are responsive to community needs and voice, and to evaluate the effectiveness of those programs and services.

2. How The Activate Fund Works

Activate Fund Goals and Program Elements

The primary goal of the **Activate Fund - Nonprofit Fundamentals Grant Program** is to increase the capacity of individual nonprofit organizations to elevate the impact of their work. Each applicant is invited to conceive and submit a grant proposal that aligns with one or more of the four strategic areas of need (See Section 2 for details).



Successful grantees will benefit from the following elements of the program:

Grantee Coaching Support

As part of the grant program, each grantee will be supported with a coach whose role it is to provide individualized support and technical assistance throughout the grant process to address needs that you identify.

Nonprofit Principles and Practices Assessment

Each grantee, with support from their coach, will participate in the Principles and Practices Assessment, administered by Michigan Nonprofit Association. This holistic look of each organization to identify areas of strength and opportunities for growth, in order to understand the context of how your organization is doing in key areas.

Customized Action Plan for Implementing Your Grant

Post-assessment, each nonprofit will work with its coach to refine the proposed grant scope (as submitted) and then carry it out, including the search for and procurement of service providers to support each grantee's execution of the refined grant scope.

This customized and flexible approach strives to recognize and supplement the expertise of each nonprofit with coaching and connections to professional services that address specific nonprofit needs and desired outcomes. The Activate Fund also recognizes the deep value of peer learning, so we've added an optional leadership cohort opportunity for all grantees.

Leadership Cohort / Peer Learning.

Grantees may also choose to participate in an elective leadership cohort with fellow Activate Fund grantees to engage in peer learning opportunities, sharing experiences and making recommendations to strengthen our nonprofit sector and its capacity for driving positive social change in Southeast Michigan.

How the Activate Fund is Structured

The Activate Fund will award 20* grants up to \$50,000*.

Grant award amounts will be determined based on review of the grantees' application submissions. However, Co.act Detroit will remain flexible and review grant adjustments on a case-by-case basis after grantees complete the Nonprofit Principles and Practices assessment and develop a customized action plan with their coach, post-award.

**These amounts are a guideline and Co.act Detroit reserves the right to adjust the number of grantees and/or grant amounts.*

3. Award Details

What Activate Fund Grantees Receive

1. Grants

Capacity Building grants up to \$50,000 for at least one of the following service areas:

- Funding and resources
- Operations
- Organizational Culture
- Program Development, Implementation and Evaluation

Organizations may apply for more than one capacity building service as long as the combined service costs do not exceed \$50,000 and can reasonably be completed within the grant period.

There is flexibility, post-award, to adjust the grant purpose and (\$) amount as grantees may uncover additional needs or different priorities through one-on-one coaching and the Principles and Practices assessment. Requests to adjust the original grant scope will be submitted in writing for review by the Co.act team. Written approval must be received from Co.act by the grantee prior to procuring professional services to implement the grant scope.

2. Technical Assistance

● Grantee Coaching Support

Michigan Community Resources (“MCR”) will provide each grantee with a coach shortly after the grant award. Coaches will assist grantees pre/post assessment, and will provide guidance in developing an action plan to implement the grant. Coaches will also assist with grant scope refinement, service provider identification, scope development and procurement assistance.



- **Nonprofit Principles and Practices Assessment**

Principles Michigan Nonprofit Association will administer the Nonprofit Principles and Practices Assessment for each grantee, including up to 5 hours of pre and post assessment support to ensure that each grantee is maximizing its benefit to their organization.

Professional Consulting Services

For grantees whose grant proposal requires professional consulting services and/or product vendors, the Activate Fund will provide direct access to a list of service providers who were successful in their application to provide services for Activate Fund grantees. Grant funds may be used to procure professional consulting services that align with the grantee's approved scope of work.

3. Leadership Development

Opportunity to co-create and design a leadership cohort and peer learning experience including:

- Regular convenings of grantees to exchange ideas and resources
- Cohort workshop training that will be provided based on collective Principles and Practices evaluation results and input from grantees

4. Eligibility Criteria

Eligibility Criteria

1. **501c3 Status:** Organizations must be a registered 501c(3) in good standing with the IRS
2. **Geography Served:** Organizations must serve at least one of the following counties: Wayne, Oakland, Macomb or Washtenaw
3. Organization is seeking funding for at least one of four eligible **capacity areas**:
 - a. Funding and resources
 - b. Operations
 - c. Organizational Culture
 - d. Program Development, Implementation and Evaluation

Who is *Ineligible* to Apply?

- Individuals.
- Organizations that require a fiscal sponsor.
- Organizations that discriminate on the basis of race, color, religion, gender, national origin, citizenship status, age, disability, sexual orientation or veteran status.
- Organizations that require membership in certain religions or advance a particular religious faith. (Faith-based organizations may be eligible if they welcome and serve all members of the community regardless of religious belief.)
- For-profit organizations or organizations operated to benefit for-profit organizations.
- Community college, college and university programs that concentrate primarily on degree-granting activities.



5. Application Process

How to Apply

Applications must be submitted online through **Submittable** at www.submittable.coactdetroit.com by **11:59pm EST March 31, 2020**.

Applications must answer all required questions and attach:

- Cover letter signed by executive or board leadership
- Most recent certified financial audit or financial review (within the last fiscal year)*
- Total project budget (required template here)
- List of Board of Directors or Trustees
- Operating budget for current fiscal year
- IRS 501(c)(3) federal tax-exemption letter
- Organization's diversity/equity/inclusion philosophy

**Applicants must provide a complete annual independent audit, an annual tax return (990/990 EZ), an active board of directors and an IRS determination letter verifying non-profit status. New initiatives or non-profits must present equivalent financial documentation such as audited financial statements or a board-approved budget.*

Incomplete/partial applications will not be considered and deemed ineligible.

To complete an application in person, visit the offices of:

Coact Detroit

6568 Woodward

Detroit, MI 48202

[Transportation Information](#)

Interested applicants will be given access to a computer and wifi to submit their materials online.

To avoid multiple visits, bring printed or electronic copies of all required attachments.

To avoid long wait times, schedule an appointment ahead of time during Application Office Hours. The schedule of events will be posted at www.coactdetroit.org.



Application Assistance:

Information sessions will be held periodically at multiple locations during the application period. The schedule of events will be posted at www.coactdetroit.org.

Applicants seeking one-on-one assistance may attend Office Hours sessions that will also be hosted at least once per application period. The schedule of events will be posted at www.coactdetroit.org.

Application Confirmation:

Applicants will receive an automatic confirmation email after submission. It may take several days to process applications. Please note that an email address is required to receive confirmation that an application has been received.

6. Selection Process

We expect to receive a highly competitive pool of proposals from across Southeast Michigan. Grant awards are provided on a competitive basis due to limited resources. The following outline describes our selection criteria for the Nonprofit Fundamentals grant awards.

Review Committee and Jury

A diverse committee of community leaders and Co.act staff will review proposals and produce a recommendation slate of grant awards to Co.act, which retains final decision-making authority over grant awards.

Step One: Eligibility Review by Co.act Staff - To advance, applicants must meet all eligibility criteria

- Applicant can verify they are a registered 501c3 in good standing with the IRS
- Applicant serves one of the four eligible counties
- Grant request is within the maximum grant award and falls within the eligible capacity areas

Applicants that do not meet the eligibility requirements will be notified that they are ineligible for the program.



Applicants shall self-select the type of capacity building service they wish to apply for. There are a number of resources within Coact's network of capacity building partners to help organizations determine their top needs before applying.

Step Two: Scoring Review by Review Committee

- Every eligible application will receive at least two scores from the review committee
- Applications with the highest scores will be considered 'finalists' by the review committee and will be advanced for a final review by the jury.

Step Three: Finalist Review and Recommendation by Jury

- The jury will take into account aggregate scores as well as applicant's organization and leadership demographic data to ensure a diverse and representative grantee cohort that fosters a culture of peer learning is selected
- The jury will convene for a discussion and make a final recommendation to Co.act for grantee awards. Co.act reserves the right to make final decisions regarding grant awards

Grantee Award Notification by Co.act Detroit

- All applicants will be notified whether they are selected in writing
- Applicants that were not selected will be provided with insight on the decision. Where possible, applicants will also be connected to additional resources at Coact or through Coact's network of capacity building partners. All applicants may take the MNA Principles and Practices Assessment regardless of the outcome of the grant application.

Scoring Criteria:

Applicants will be scored based on **four** criteria:

1. **Demonstrable and Catalytic Impact** - Will this grant help the applicant fulfill their organization's mission and take their work to the next level?
 - a. Very Impactful
 - b. Somewhat Impactful
 - c. Not Impactful
2. **Feasibility** - Can this grant request reasonably be completed within the grant period (12 months) and within a \$50k budget?
 - a. Barring unforeseen circumstances, yes
 - b. Likely to be completed
 - c. Possible but not likely
 - d. This cannot be completed in the grant period
3. **Alignment with Coact Values and Approach to Capacity Building** - Does the applicant demonstrate alignment with Coact's Values?
 - a. Very aligned
 - b. Somewhat aligned
 - c. Not aligned



- 4. Commitment to Peer Learning** - Is the grantee willing to participate in a peer learning community and fully participate in the capacity building process throughout the grant term?
- a. Participant seems committed and eager to participate
 - b. Participant seems agreeable to whatever is asked
 - c. Participant seems disinterested or unable to commit to full participation

Proposals will be reviewed for:	What this means:
Receiving this grant will yield Demonstrable & Catalytic Impact for the organization	What impact will funds have on improving the grantee's ability to carry out their mission? How will funds support the grantee in executing game-changing strategies to overcome barriers or serve communities in new and innovative ways?
Alignment with Coact Detroit Values	<p><i>It's equally a priority grantees share and embody the <u>values of Co.act Detroit</u> -</i></p> <ul style="list-style-type: none"> ● Transparency/Trust ● Equity, Access and Inclusion ● Quality/Excellence ● Collaborative Learning Culture ● Disruption of Status Quo
Alignment and commitment to Capacity Building rooted in racial and social equity	<p><u>Coact Detroit Approach to Capacity Building</u></p> <ul style="list-style-type: none"> ● <i>Collaborative vs. prescriptive, relational vs. transactional, authentic partnership</i> ● <i>Commitment to organizational development and professional growth</i> ● <i>Approach to capacity building rooted in a social justice and racial equity lens</i> ● <i>Expertise and monetary potential are mutually valued and respected</i> ● <i>Innovative problem solving and willingness to take risks</i>



	<p>It's a priority for the grantee cohort to be diverse and representative of the communities served representing both a diverse range of organizations (<i>i.e. organization size, geography served, years operating, etc.</i>) and individual leadership (<i>racial and gender equity</i>)</p>
<p>Peer Learning Community</p>	<p>Grantees will also be intentionally selected to foster a culture of peer learning opportunities. Competitive applicants are equally committed to sharing their expertise and unique perspectives through participation in a peer learning community, completion of surveys, interviews and other opportunities to share their unique experience.</p>

GranteeTimeline

Grant Application Period	Feb 27 - March 31, 2020
Grant Applications Due	March 31, 2020 11:59pm EST
Jury Review and Selection	April 2020
Grant Awards	May 2020
Awardee Convening	May-June 2020
Grant Period	April 2020 - March 2021
Principles & Practices Assessment	May-June 2020
MNA Technical Assistance + Action Plan	June-July 2020
Finalize Scope of Work (MCR Coaches)	July 2020
Obtain Service Provider bid(s)	July 2020



Co.act Detroit	August 2020
Second grantee convening - review aggregate Principles & Practices results	August 2020
Complete Technical Assistance	Sept. 2020 - March 2021
Grantee convening #3 - facilitated session	October 2020
Grantee convening #4 - report out	January 2021

7. Assistance Award Details

Section 7 content can be moved to Grant Agreement

Service Providers

Co.act Detroit will issue a public Request for Proposals (RFP) and retain an active list of technical service providers with demonstrated experience supporting nonprofit capacity building. Grantees are encouraged to use a service provider from Co.act Detroit's approved list.

Applicants will have the opportunity to recommend preferred service providers during application and share the public RFP with their network during the open call for submissions.

Request for Proposals

Grantees will draft a scope and Request for Proposals (RFP) for their individual capacity building service(s). Assistance will be provided by Michigan Community Resources in the form of a Resource Navigator to support the RFP development, issuance and selection process. The RFP will be informed by the grantees application and Principles & Practices assessment.



It is not required but encouraged that grantees solicit more than one proposal for professional services in order to compare approach scope, fee and timeline

Payment for Services

Grant funds will be disbursed directly to grantees upon completion of approved milestones as determined by the grantee, Coact staff, and the grantees Resource Navigator. Grantees are responsible for direct payments to service providers. Invoices and verification of capacity building services may be required by Coact at the end of the grant period or as part of the grant report. Requests for Coact to pay grant funds directly to service providers must be submitted in writing and will be reviewed and approved on a case by case basis.

8. Additional Information

Section 8 content can be moved to Grant Agreement

Doing Things Differently

- *Grantee selection - while basic eligibility has been outlined criteria are intentionally broad in nature with more emphasis on curating a diverse cohort that is committed to peer learning, demonstrates commitment to organizational and professional development, and shares Co.act Detroit's values and approach to capacity building*
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- *Collaboration with an emphasis on nonprofit expertise - nonprofits will self-identify how grant funds would best support their work and have the freedom to select a service provider from a vetted list of quality partners who also share Co.act Detroit's values and approach to capacity building. Grantees will receive a robust organizational health assessment, dedicated coach and flexibility to request a budget adjustment post-award. Grantees, Co.act Detroit and Intermediary Partners will co-create a personalized action plan to guide how grantees can best utilize capacity building resources and connect with other programs and services*
- *Holistic approach - Experience has shown capacity building is most successful when grantees engage and use multiple programs. These organizations commit time to the process of organizational improvement and find value in capacity building services.*



The Activate Fund layers resources beyond the capacity building grant itself to provide added value and embody the relational nature of working together toward organizational improvement and professional development

Expectation of Grantees

Grantees will be expected to participate in all aspects of the program terms and conditions outlined below, including attending events where they will be connected to other grantees and resources. They may also be asked to share their story through a variety of media opportunities. These types of opportunities will be determined after grantees are announced.

All grantees are expected to sign a grant agreement.

Program Terms & Conditions

- **Grant period** is from April 2020-March 2021. Grantees agree to make a just and reasonable effort to spend grant funds within the grant period.
 - Grantees will be asked to meet a mid-term milestone in August 2020. Co.act will work closely with grantees to ensure that all requirements are in place for grant disbursement before the end of August, so that grant forfeiture can be avoided.
- Grantees are required to complete a Principles and Practices **assessment** with Michigan Nonprofit Association and exhaust MNA technical assistance prior to grant funds being disbursed
 - If organization has completed the assessment within the past twelve months a second assessment will not be required unless there have been significant changes in leadership or other substantial shifts to the organization's focus, mission or work. Organizations will have the option to complete a second assessment if they choose.
 - Organizations will proceed directly to the post-assessment review step and discuss the applicability of their past results with MNA and their Activate Fund coach
 - Once post-assessment is complete and approved to proceed without a secondary assessment, organizations will exhaust any post-assessment TA with MNA that has not yet been used prior to engaging a service provider using their Activate Fund grant.
- As a result of the assessment the capacity priorities for an organization may change. Co.act Detroit and the grantee agree to remain **flexible** and open to requests for revisions to the capacity grant scope of work, capacity area and grant amount. These changes will be reviewed by Activate Fund staff and approved on a case by case basis.
- Grantees agree to regular check-ins with a dedicated **coaching** assistant



- Coaches are available through the Activate Fund award as an added resource to grantees. It is the responsibility of the grantee to contact and schedule check-ins with their coach.
 - Coaches from Michigan Community Resources (MCR) are available through the Activate Fund award as an added resource to grantees to help navigate grant processes, procuring service providers and more. Grantees are encouraged to check in regularly with their coach throughout the grant process.
 - Grantees will be required to have one check-in with their coach before July 31st to finalize the grant scope of work. Subsequent check-ins are intended to be a value-add for grantees and are at the discretion of the grantee.
- A minimum of one check-in by **July 31st, 2020** is required to maintain an active grant status
 - Post-assessment, grantees agree to work with their coach to establish a scope of work, project deliverables and milestones, and make every reasonable effort to finalize a contract by **August 15th 2020**.
 - Coact Detroit must review proposed scope of work prior to grant disbursement. Funds will be disbursed directly to the grantee in full no later than **August 31st, 2020**. Grantees will manage the disbursement of funds to service providers directly with the support of Activate Fund coaches. Co.act Detroit strongly recommends grantees pay service providers in several installments throughout the contract period.
 - Grantees that wish to have Co.act Detroit disburse to service provider directly may submit a written request in partnership with support from their coach that will be reviewed on a case by case basis.
 - Grantees agree to submitting any and all required **status reports** within the requested timeframe both during the grant period and for up to twelve months post grant period to support impact measurement of the fund and long-term impact of funds to the organization. Reports may include but are not limited to: grantee surveys, status reports, final grant report.
 - As part of the award, grantees will have the opportunity to shape and participate in a **peer learning community** with a minimum of three convenings during the grant period. Convenings will be shaped and co-designed with Co.act, Co.act's partners, advisory committee and grantees. Topics may include but are not limited to leadership development, best and next practice trainings, collaborative problem solving and experience sharing.
 - Failure to comply with these terms or deadlines may result in termination and forfeiture of the grant award at the sole discretion of Coact Detroit.



- Funds will be expended in accordance with the budgets included in the application submitted by the Grantee and will not be expended for any purpose other than the Grant Purpose without Co.act Detroit's prior written approval.
- Any funds not expended during the grant term must be promptly returned to Co.act Detroit unless an extension of the grant period has been approved.
- The Grantee will request in writing and receive advance approval from Co.act Detroit for:
 - Substantive changes to the services or purpose of funds
 - Substantive changes to the budget which amount to more than 10% of the award
 - Extensions of the grant period beyond the end of the term
- The Grantee agrees to inform Co.act Detroit on a timely basis of any circumstances that could substantially affect the work being supported by the Activate Fund grant. Such circumstances would include, but not be limited to, changes in the Grantee's leadership, project staffing, funding or tax-exempt status.

Confidentiality

Applicant proprietary and confidential data will not be shared beyond the purposes of review during the award selection process and providing business support. Applicant data will not be sold.

Disclaimer

The information contained herein is subject to the actual grant award documents and the written terms and conditions of the Activate Fund program, as the same may be amended from time to time. Coact Detroit reserves the right to make the final determination of any person's or organization's eligibility and/or qualifications for program benefits, and to make allocation of program benefits as it may, in sole discretion deem appropriate.