

IMPACT100 SONOMA MEMBER FAQ FOR GRANTS 2024

In fall of 2022, we published an FAQ for members as we were coming out of the pandemic and establishing Impetus Grants for 2023 and into the future. You may read the FAQ explaining how we arrived at that and other decisions here. For 2024, we are piloting a new Encore Grant and address related member questions below.

What is new for Grants in 2024?

You might recall that during the 2022 grant year (our second year in a temporary pandemic stance), we appointed an independent ad hoc committee to interview Sonoma Valley nonprofits about how our grantmaking should move forward as we emerged from the crisis. This committee made three strong recommendations. We implemented two of them for the 2023 grant cycle: first, we established Impetus Grants as a continuing grant program, and second, we adopted a grant management software system.

The final recommendation from this committee was that we consider offering a multi-year (three-year) grant. A multi-year grant is challenging for Impact100 Sonoma to manage because we'd have to set aside the grant funds for all years from the grants pool of the year the initial award is made. (Each year's grant funds are distinct from another. They are set aside for the membership to vote on and disburse from that year's finalists.) For example, if we granted a three-year \$25,000 grant to a nonprofit in 2023, we'd pay out the first \$25,000 in 2023 and have to set aside the remaining \$50,000 (payable in 2024 and 2025) from the 2023 grants pool. We'd also have to feel confident that the nonprofit's financial situation in each of 2024 and 2025 wouldn't change in any significantly negative way. We knew that this type of grant was well liked by the nonprofits, so this past year we formed another committee to further evaluate the idea, and ultimately decided that a two-year grant was feasible.

The end result is that in 2024, **one** Impetus Grant recipient will be voted by the membership to receive the Encore Grant (that is, a second grant in the same amount) the following year. You can read full details about the Encore Grant in the Grants Overview section of our website <u>here</u>.

How does the Encore Grant differ from our previous Impact Grant of \$100,000?

Because the maximum amount of an Impetus Grant request is \$25,000, the maximum amount of the second Encore Grant also would be \$25,000, giving the recipient a total of \$50,000 to be used over the course of three years. If a nonprofit applying for a smaller amount receives the Encore Grant, the second amount will match the first request.

The previous Impact Grant awarded \$100,000 paid out at *one time*. While every nonprofit could use a large grant, smaller nonprofits are generally not able to absorb a grant of that size at once, thus

limiting the pool of potential applicants. In fact, we received fewer and less viable applications during the last few years of that grant. The Encore Grant will be open to any nonprofit that applies for an Impetus Grant, and the recipient will be able to capitalize on any momentum achieved from the Impetus Grant. We hope this incentive will encourage more complex and strategic proposals for the Encore Grant, and participation by organizations that will benefit from having a known source of funding for that second year. An Encore Grant has the potential to help propel an organization to the next level.

How does a nonprofit apply for an Encore Grant? Is it a separate process?

We have designed the Encore Grant application process to be as simple as possible. The Encore Grant application is nested within the Impetus Grant application, and the applicant need only answer a few additional questions and submit a second-year budget plan. Because the process is so straightforward, we expect to receive many applications. However, an applicant can be eliminated from the Encore Grant pool while remaining in the Impetus Grant pool, so the onus will be on our Grant Review Committees to select the best-of-the-best proposals as Encore Grant finalists for consideration by our membership to receive that second year of funding.

How do members vote for the Encore Grant?

We will provide detailed voting instructions when the time comes, but to put it simply, you will have two votes to make. First, you will be presented with the usual slate of Impetus Grant finalists, and you will vote for the multiple recipients you prefer. Next you will be presented with a smaller slate of Encore Grant finalists. These will be a subset of the Impetus Grant finalists. You will vote for ONE Encore Grant recipient, the one you believe will best build upon its Impetus Grant. (Note: You *must* include your choice for the Encore Grant within your Impetus Grant selections.)

We will tally the first slate to determine which organizations will receive an Impetus Grant, and then tally the second, smaller slate to determine which one will receive the Encore Grant. The Encore Grant recipient will be announced at the 2024 Awards Celebration in May and will receive the second year of funding in early 2025.

What does it mean when you say this is a "pilot" year?

It is important for the 2023 grant recipients (who are on a sit-out year) to understand that, even though 2024 is our 15th anniversary year, this is not a one-time anniversary grant. We fully intend to continue the program, but some of the details may change, as we don't know how certain aspects of the process will play out, and we may make some adjustments every year.

What should we be looking for in an Encore Grant proposal?

Our Impetus Grants offer "core" support for a nonprofit's mission, which means the organization's leaders decide what they most need to effectively fulfill their strategic purpose—not just support for programs, but for essential operating needs such as capital expenses, software, or salaries. Our grant committees and membership are showing that they understand how important funding these core requirements can be for an organization. For the Encore Grant, we are asking applicants to think a bit more strategically and give us a more complex proposal explaining how they will build upon their Impetus Grant for the longer term. We don't know how much this thinking will be reflected in our

first-year applications, and if necessary, we will adjust Encore Grant proposal expectations for the future.

What else should we know about the Encore Grant?

An especially exciting feature of the Encore Grant is the selection of Encore Partner members. We are offering the Encore Grant recipient a two-year sponsored membership for one woman of its choosing (or two women sharing a membership). Encore Partner members will be included in every activity during their term and eligible to vote during those grant cycles.

We have long considered ways to diversify our membership and develop stronger relationships with our grant recipient organizations, and we think this program can aid both efforts. Encore Partner membership fees will be funded out of our reserve funds (for example, from those set aside to sponsor members). We hope that our Encore Grant recipients will select women who might not otherwise be able to join Impact100 Sonoma, and that our members will welcome them and get to know them and their organization better. After their Encore Grant term is over, perhaps they will elect to renew their membership.

Is there anything the Grants Team would like to ask of members?

Why yes!

First, we encourage *all* members to read through the material in the Grants section of the website. We work very hard every year to update this content, yet sometimes we hear members repeat incorrect information that is very easily found there. You'll learn how our Impact100 Sonoma values inform our grantmaking, and understand everything from the applicant's perspective in our <u>Grants Overview</u>, <u>Application Process</u>, and <u>Applicant FAQ</u>. We hope reviewing these sections will answer any questions you might still have about the Encore Grant. And if not, please reach out and ask one of us! We are happy to answer, and hearing your feedback also helps us to better explain things for the next year. It's a win-win!

Second, even if you're unable to participate in the grant review process, useful information for all members is presented in the Grant Review section of the site, including important dates, our grantmaking history, and a full listing of grant recipients. You'll find it all at the bottom of this page. Perhaps you'll consider serving on a committee in the future!

Finally, we seek a very special person to assist us next year. We'd like to carve out the task of managing our Foundant grant management software system from the rest of the Grants Team work. Now that our Grants Oversight leaders have it up and running, we'd like management and updating of the system to become a separate, dedicated job. It isn't difficult to learn, but requires the attention of someone with an interest in and affinity for working with software programs. Contact Kathy, Dana, or Leslie for details.