



CLIENT STORY

Sisters of Charity Foundation of Cleveland & Kansas Health Foundation

Rx for Success: Measuring Giving Impact

Two health conversion foundations strengthen their impact through in-depth analysis and insightful strategies for grantmaking

Health conversion foundations, formed from the sale of assets or the conversion of nonprofit hospitals and health facilities to for-profit organizations, are rapidly becoming major financial forces in their local communities and beyond. These foundations were established to support the communities that the former medical facilities served, and as such, most are eager to show the positive results of their grantmaking and philanthropy to the community.

Thus, with a close and critical eye on their own activities, health conversion foundations-like many other grantmakers-are looking to more extensively measure the impact of their giving so they can fully understand the actual, quantifiable results of their projects, programs and initiatives. Two foundations in particular, Sisters of Charity Foundation of Cleveland and Kansas Health Foundation, have developed sophisticated systems to track and report on their activities, helping them to better focus their grantmaking.

A philosophy of introspection

For the Sisters of Charity Foundation of Cleveland, a request for evaluation laid the groundwork for comprehensive measurement. A newer Foundation established in 1996, the Foundation was anxious to assess its progress. After its third year of grantmaking, the board and its parent health system asked them to conduct an evaluation. "Being such a new foundation, it was a challenge to be

asked to do a major evaluation so quickly," admits Cynthia Drennan, program officer and one of the first staff members. An outside evaluator came in and looked retrospectively at all of their activities, examining both the responsive grantmaking as well as the Foundation's processes. Ultimately, this evaluation led to a Strategic Plan-and subsequently to the development of a formal Evaluation Plan involving various levels of monitoring, reporting, tracking and measurement.

Likewise, for the Kansas Health Foundation, measurement has long been a part of the organization's philosophy. Their leadership emphasizes the interconnectedness of program areas, and the importance of measurable outcomes and how they span program areas. "We know that we must have a strategic approach to our grantmaking so that we use our dollars as wisely as possible," states Chris Power, program officer for the Foundation. "And, as a strategic grantmaker, we need to be able to track various aspects of our grantmaking." Since 1989, the Foundation has relied upon the MicroEdge® GIFTS® grants management system to help them store and retrieve the information they need.

"GIFTS has provided the framework for easy reporting of valuable information that enables the Foundation to examine previous years and uncover trends-all for the purpose of improving our grantmaking."

-Nancy Claassen
Grants Manager,
Kansas Health Foundation

More sophisticated evaluation

At the Kansas Health Foundation, measuring progress and impact has been a focus of the Foundation for a long time. Their major initiatives are outcome focused, and for each of these initiatives, an independent outside evaluation is done to see if outcomes have been met. Over time, as the Foundation grew more sophisticated in their evaluation techniques, they became increasingly interested in electronically capturing data for analysis. "We were having a hard time tracking in-depth evaluation information within our current implementation," declares Nancy Claassen,

grants manager for the Foundation. "At that time, we had to go to the paper file to get the information we needed."

As the Sisters of Charity Foundation of Cleveland matured, the Foundation narrowed down its initially broad goal areas and introduced several initiatives. In time, their strategic plan led to the development of four additional plans, all requiring various levels of tracking and reporting. "We revamped GIFTS a bit more to reflect all the changes brought about by the strategic plan," says Cynthia. That meant going back to the basics and examining their coding structures, forms and grantmaking procedures. While they were making great use of the flexibility of GIFTS, the Foundation began to stretch the capabilities of their system. It was clear that the Sisters of Charity Foundation of Cleveland needed more fields in which to track the many aspects of their evaluation and measurement strategies. This was particularly important for the Foundation because they wanted all of this data in a format that could be charted and reported on, to provide objective and specific information for their various audience and stakeholders.

A flexible solution

While both foundations were using GIFTS extensively, they needed to capture a great deal of highly customized information, for which there were no corresponding fields available in the standard GIFTS database. Both organizations re-examined their solution and discovered the GIFTS Customizer Module, an enhancement that provided additional custom fields and data entry screens within the GIFTS framework. "Now, with GIFTS, our ability to track information has grown exponentially," asserts Chris Power from Kansas Health Foundation.

"[GIFTS] helps the Foundation make the best-informed decisions we can."

-Cynthia Drennan
Program Officer,
Sisters of Charity
Foundation of Cleveland

Measuring more than dollars

Sisters of Charity Foundation of Cleveland

Sisters of Charity Foundation of Cleveland utilizes a variety of assessment and review processes for grants, which vary from program to program. "GIFTS supports our best practices by enabling us to consistently apply each program area's specific guidelines throughout our review and evaluation. This helps the Foundation make the best-informed decisions we can about the grants we award," asserts Cynthia Drennan.

While GIFTS facilitates the Foundation's individual grant proposal reviews, it also provides powerful tools that help the Foundation conduct analysis and measurement across four levels, to:

- ◆ evaluate the success of individual grants;
- ◆ assess progress in program areas by aggregating results of individual grants in the specific focus areas;
- ◆ evaluate impact on issues addressed through broader initiatives;
- ◆ and from the foundation level-to review internal effectiveness and community perceptions.

By doing so they can look at such things as the actual services provided, number served, lessons, and outcomes across these categories, and then compare, contrast and aggregate this information on an annual basis. "Using GIFTS, we are able to integrate a wealth of data and get a better feel on an ongoing basis as to how we are doing," affirms Cynthia.

Throughout each of these levels, the Foundation also considers broader values such as collaboration-whether they have been successful in their efforts at convening and helping others to collaborate; impact on community concerns; and their leverage-whether the foundation's grants have enabled or helped individual grantees get funding from other sources.

The Foundation's upcoming challenge now is to look at their strategic plan over these four years and to evaluate and measure their effectiveness, consistency with goals, and progress in the areas of workflow and procedure. And they have another significant objective on the horizon: the Foundation has initiated dialogue with two sister foundations in an effort to develop a common reporting tool and measurement strategy. GIFTS will serve as the backbone for this new system, providing the basic infrastructure, tracking system and data management capabilities.

Kansas Health Foundation

With an extensive coding structure, the Kansas Health Foundation uses measurement data to kick off their annual strategic planning process and for year-end assessments and state of the foundation reports for the board.

The Foundation uses in-depth evaluation data throughout each stage of their giving: planning, pre-evaluation, evaluation and post-evaluation measurement. Data is tracked and categorized in a standard manner, grants are assigned numerical values based upon the relative significance of the grant with respect to need and potential impact, and based upon their feasibility - the likelihood of success given the program's context and strategy. These numerical values help foundation staff better understand and examine possible correlations between strategies and outcomes, and the viability of proposals. "GIFTS facilitates our analysis," explains Chris. "It gives us the ability to track and report on our activities in a way that lets us analyze and examine our work to ensure that we are consistent with our strategies."

Since 1989, the Kansas Health Foundation has relied upon the MicroEdge GIFTS grants management system to help them store and retrieve the information they need.

An extensive coding structure allows grants to be categorized on many different levels. The strategic level identifies how consistent a grant is with the program area's mission and strategic plan, while operating level examines how much staff implementation and involvement is required for the grant. The funding approach classification demonstrates whether a grant targets systems, communities or individuals. Finally, the Foundation also identifies its role in the grant, i.e., catalyst, convener, educator, leverager, researcher/evaluator or funder. From these various coding structures, the Foundation can obtain a comprehensive view of their giving activities, along with other demographic data such as age group, number served, geographic area served, gender, etc. The Foundation also tracks key data that forms the basis of a comprehensive evaluation completion report and grant file closing report. These reports track the evaluations, outcomes, capabilities, lessons learned and intended impact for each individual grant, providing a summary in a consistent format that is stored electronically in the grant record, always available for review.

"GIFTS has provided the framework for easy reporting of valuable information that enables the Foundation to examine previous years and uncover trends-all for the purpose of improving our grantmaking," affirms Nancy Claassen. To that end, the Kansas Health Foundation has undertaken a very intense task-to go back and input years of information (data that used to be kept manually) into their GIFTS database, in order to examine prior trends and obtain a comprehensive, retrospective analysis of their giving.

With their enhanced GIFTS systems, both foundations are now gathering and analyzing a remarkable amount of giving data that has helped improve their programs and better meet their organizational objectives. Their vanguard philosophies of always looking both back in time and ahead to the future are now clearly making an impact in the philanthropic community.

About The Foundations

Kansas Health Foundation

Formed as the philanthropic arm of Wesley Hospital in Wichita in 1978, the Foundation later became an independent grantmaking entity. In 1985, endowed with the proceeds from the sale of the hospital, the Foundation set out to respond to the needs of the people of Kansas. The Kansas Health Foundation is a private philanthropic organization dedicated to improving the health of all Kansans. Using strategic grantmaking, the Foundation focuses on four program areas: Children's Health, Leadership, Public Health, and Policy. For more information on Kansas Health Foundation, visit www.kansashealth.org. To learn more about Kansas Health Foundation's best practices discussed in this article, contact Nancy Claassen by email at nclaassen@khf.org or by phone at (316) 262-7676.

Saint Ann / Sisters of Charity Foundation of Cleveland

The Saint Ann Foundation and the Sisters of Charity Foundation of Cleveland continue the ministry of the Sisters of Charity of St. Augustine by focusing on a preferential option for the poor as emphasized in the social teachings of the Catholic Church. The Foundations have different histories and program areas but are administered jointly.

The Sisters of Charity Foundation of Cleveland was established in 1996 with \$46 million in funds made available from the purchase of a 50 percent interest in a partnership formed with Columbia HCA from the conveyed assets of St. Vincent Charity Hospital and St. John West Shore Hospital. The Saint Ann Foundation, the nation's first "healthcare

conversion" foundation was established in 1973 with an \$8 million endowment from the sale of the Saint Ann Hospital, a maternity hospital in Cleveland. The hospital, a ministry of the Sisters of Charity of St. Augustine, opened in 1873 and served thousands of area residents until its closing 100 years later. For more information on the Saint Ann / Sisters of Charity Foundation of Cleveland, visit www.socstannfdn.org. To hear more about the measurement strategies utilized by Sisters of Charity Foundation of Cleveland, contact Cynthia Drennan by email at cdrennan@socstannfdn.org or by phone at (216) 241-9300.

About MicroEdge

MicroEdge, Inc., a subsidiary of Advent Software, Inc. is the leading provider of software and services to the giving community worldwide. As people and organizations use a wide diversity of vehicles for charitable giving, the MicroEdge suite of Windows and Web-based software delivers a powerful, integrated, and open framework upon which such effective charitable giving can be made. MicroEdge is committed to providing the best technology toolset to help foundations, corporations, government agencies, donors, advisors and financial institutions work with one another to raise, invest, manage and award charitable dollars.

GIFTS is a flexible and highly adaptable, multipurpose database that streamlines and simplifies every aspect of grant award and administration. The GIFTS Customizer Module provides simple and easy-to-use tools for creating additional data fields and data entry screens in GIFTS.

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