MEMPHIS
CDC CAPACITY BUILDING FUND
2019
BACKGROUND

CDC CAPACITY FUND
CAPACITY BUILDING FUND TIMELINE

2015

- CDC Industry Report published
- Industry demonstrate considerable resourcefulness and has potential for significant growth
- Org strength of CDCs has a direct impact on people and revitalization of communities served

2016

- Capacity Fund Advisory Committee formed
- CDC trade association, CDCs, bankers, philanthropy, government
- Developed fund’s mission, vision, strategy, policies and procedures

2017

- First Round of Funding
- 17 CDCs funded

2018

- Second Round of Funding
- 11 CDCs funded
WHY CDCs?

National best practices confirm that CDCs are critical neighborhood improvement infrastructure.

The local industry has demonstrated considerable resourcefulness and has the potential for significant growth.

The organizational strength of CDCs has a direct impact on the people and revitalization of the communities they serve.

We firmly believe that when invested in, nurtured and operating with sufficient capacity, CDCs can deliver and support measurable community transformation to impoverished neighborhoods that have languished for decades.
CDC CAPACITY FUND

ABOUT THE FUND
VISION & MISSION FOR THE FUND

VISION
To have a robust, effective network of CDCs that are capable of serving as backbone agencies for scaled revitalization efforts that significantly enhance the quality of life in Memphis’ distressed neighborhoods, thus serving as catalysts for equitable economic growth and advancement.

MISSION
To build the capacity of Memphis’ CDC industry through efficient and transparent grant making, technical assistance and connection to resources.
1. Grantee organizations must meet the definition of a CDC.

2. Direct service programs will not be funded with one exception. CDCs that are Level IV on the CAT may apply for funding for program dollars.

3. Grantee organizations will receive funding of up to $30,000 for a capacity building project, subject to fall into one of four areas:
   a) Financial Management
   b) Human Capacity
   c) Systems Management
   d) Organizational Management & Development

4. Awarded CDCs must create and implement a Capacity Workplan with the support of BLDG Memphis. (Returning CDCs need to update their Workplan)
## FUND IMPACT

- 18 CDCs have been funded; 10 CDCs funded for two consecutive years.

- Invested $612,340 in direct awards and technical assistance across 18 distressed neighborhoods

### CDC 1
- Purchased a fundraising database to identify over 1300 potential donors and greatly improve fundraising activities

### CDC 2
- Accessed 5 million dollars in New Market Tax Credits; $30,000 grant to create an LLC; last remaining financing needed to complete their commercial development deal

### CDC 3
- Purchased Quick Books software and computer equipment; set up financial management system; raised more money as a result of better financials and hired 2 PT staff
RFP + APPLICATION

CDC CAPACITY FUND
CAPACITY GRANT ELIGIBILITY REQUIREMENTS

- 501(c)(3) MUST BE A CDC
- Completion of CAT
- Functioning Board
- Operating for 1 year or more with budget
- Budget Template
- Paid Staff/Volunteer Support
- WheretoGive Profile
HOW WE DEFINE A CDC?

Non-profit, community-based organization focused on the physical and economic revitalization of the areas in which they are located, typically low-income, underserved neighborhoods that have experienced significant disinvestment.

CDCs generally provide services in one or more program areas, such as resident empowerment, housing and commercial development, workforce development, neighborhood planning, and they serve as a backbone agency for community collaboration and engagement.
CDC FUND APPLICATION
## SECTION ONE

<table>
<thead>
<tr>
<th>Organization Information</th>
<th>CDC name, mailing address, website (optional)</th>
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</thead>
<tbody>
<tr>
<td></td>
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<tr>
<td>Executive Director, Board of Director, and/or Grants Manager name and contact info</td>
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<tr>
<td>Organization’s mission statement and budget and actuals (FY18, FY19, and FY20 – budget only)</td>
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SECTION TWO

<table>
<thead>
<tr>
<th>Organization Narrative</th>
<th>Description of CDC primary focus areas and programs (goals, outcomes, description and number of people served, description and number of projects completed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Summary of organization’s approach to equitable community development (<em>definition in application</em>)</td>
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<tr>
<td></td>
<td>Summary of organization’s commitment and approach to serving as a “community quarterback” (<em>definition in application</em>)</td>
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<tr>
<td>Capacity Building Project Narrative</td>
<td>Description of capacity building grant project, goals, anticipated results, key indicators to measure</td>
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<td></td>
<td>Description of how grant project will advance the organization and the neighborhood it serves</td>
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<td>Category in which grant project fits</td>
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<tr>
<td></td>
<td>Grant project budget template</td>
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<td></td>
<td>Description of how grant project was determined (CAT, self-identified, other data sources)</td>
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<tr>
<td></td>
<td>Description of leverage funding sources (<em>hiring staff requires matching funds</em>)</td>
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</tbody>
</table>
SECTION THREE (PROGRAM ADVANCEMENT, LEVEL IV CDCS ONLY)

<table>
<thead>
<tr>
<th>Program Advancement</th>
<th>Description of grant project, anticipated results – short, mid-term, and long-term, key indicators to measure</th>
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<tbody>
<tr>
<td>Project Narrative</td>
<td>Category of Program Advancement grant project (operational support or program support)</td>
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<tr>
<td></td>
<td>If applying for program support, identify if program is New or Existing.</td>
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<tr>
<td></td>
<td>Grant project budget template</td>
</tr>
<tr>
<td></td>
<td>Description of leverage funding sources (<em>hiring staff requires matching funds</em>)</td>
</tr>
<tr>
<td>PDF, Word or Excel Documents ONLY</td>
<td>Required Documentation</td>
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<tr>
<td>IRS 501(c)(3) Letter</td>
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<tr>
<td>CDC Fund Organizational Budget Template, March 2019</td>
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<tr>
<td>Executive Board List/Roster</td>
<td></td>
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<tr>
<td>Recent Minutes from Board of Directors Meeting (within the last quarter)</td>
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<tr>
<td>List of Staff (Fulltime/Part-time) or Volunteers</td>
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<tr>
<td>CAT letter indicating CAT assessment completed within last 3 years</td>
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</table>
FOCUS AREAS FUNDED

Financial Management
- Office Operations
- Financial Management Training
- Accounting Assistance

Human Capacity
- Consultant/Intern
- Staff
- Grant Writing/Fundraising
- Case Management

Systems Management
- Updating Systems
- Updating Technology
- Technical Skills Training

Organizational Management & Development
- Program Development & Evaluation
- Marketing & Communications
- Legal Affairs
- Leadership Development
HOW WE MEASURE IMPACT

CDC CAPACITY FUND
CDC CAPACITY BUILDING FUND

**KEY INDICATORS**

### Financial Management
- ($) Revenue, expenses, net surplus (loss)
- (% Annual expense budget covered by current funding)
- (#) Months of cash available at current spending rate
- (%) Revenue mix
- (#) Funders at various levels, ($ amount, (%) revenue contributed

### Human Capacity
- (#) Functioning Boards
- (#) Staff hours dedicated to each program
- (#) FTE & PTE/staff
- (#) Volunteers
- (%) Staff and volunteer satisfaction

### Systems Management
- (#) Have/actively use accounting, customer & donor relationship software
- (#) Cloud back-up system
- (#) Have/use out-come measurement tool
- (#) Have/use survey tool

### Organizational Management & Development
- (#) Marketing/communications plans in place
- (#) Participation in leadership development
- (#) Communication channels actively used
- (%) Resident & stakeholder satisfaction
WHAT IS THE CAPACITY ASSESSMENT TOOL (CAT)?

- Administered by BLDG Memphis
- Online, self assessment completed by Executive Director and at least one Board Member
- Snapshot and benchmark of organizational capacity in five areas:
  - organizational development
  - business and financial structure
  - community outreach
  - housing development and management
  - economic development
LIVEGIVEmidsouth.org is a powerful community information system – the “choose your own adventure” for positive change.

WHEREweLIVEmidsouth.org is a resource for uncovering the data you need – using 160+ indicators – to stay informed about issues that impact our community. Want to know educational attainment by ZIP code? Or how accessible bus stops are in your neighborhood? WHEREweLIVE can show you.

WHEREtoGIVEmidsouth.org connects you to the nonprofits working to meet the needs of our community. Organizations create profiles and provide information about their mission, management, financials, governance, and programs.

Be part of the system that connects you to the nonprofit news, funding opportunities, trainings, and more. Create a profile on LIVEGIVEmidsouth.org.
Upcoming Profile Sessions:

**How to Build a Profile**
This is the first session you should attend if you do not yet have a profile. During this session, we cover how different organizations and funders use the LIVEGIVEmidSouth system, how to complete the profile, resources for completing the profile, and how to maintain it annually.

*April 3 (Evening session) | April 9 | May 15*

**How to Navigate Profile Challenges**
If you have started your profile, but are finding you need hands on assistance completing it - this is the session for you. Bring the items that are keeping you from getting published, and we will work on our profiles as a group.

*April 3 | May 1*

**Design Lab: Financial Reporting**
Held in partnership with Momentum Nonprofit Partners, this session is a deep dive in the common financial reports for nonprofits. Join us to demystify financial reporting such as 990s, audits, and profit and loss statements. Even if you are not a CPA, it’s your responsibility to understand these reports and what they tell you about the sustainability of your organization!

*April 4*
GRANT ADMINISTRATION

1. **Facilitate/Assess**
   LIFT Grants Director and BLDG Memphis Capacity Builder

2. **Review/Recommend**
   Grant committee comprised of funders, community members, and a LIFT Board Member

3. **Approval**
   LIFT Board of Directors
APPLICATION PROCESS

CDCs
- Attend Information Session
- Complete Application
- Submit

Community LIFT
- Review
- Notification & Award Grants
- Evaluation
2019 TIMELINE

RFP Announced
March 13, 2018

CAT and WheretoGive Profile
March - April 2019

Application Released
April 23, 2018

Application Deadline
March 26, 2019

Selection & Announcement of Grantees
May 2018

Funds Released
June 2018
Q&A