

## **Impact100 Philadelphia Grant Amount Policy for 2010 and future years**

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### ***Background:***

Since last summer, the board of directors and many members of Impact100 Philadelphia have discussed whether our grant-making might be more effective if the funding reached more recipients. We recognize and value the significance of a \$100,000 grant, but have been uncomfortable with the year-to-year variability of the grant amount, and the potential for a single grant to increase far beyond \$100,000.

The original Impact100 model from Cincinnati defines the grant amount as a minimum of \$100,000. Membership donations are split into multiple grants only when the total reaches a multiple of \$100,000 (i.e., \$200,000, then \$300,000, etc.) For example, if the year-end membership is 210, two grants of \$105,000 are awarded. But if membership is 190, only one grant of \$190,000 is awarded.

The board decided in Fall, 2008 to follow the Cincinnati model for the 2009 grant, but to revisit the issue in the spring. In May, 2009, after a series of discussions, the board approved a new grant policy.

### ***New Policy for the 2010 Grant and Future Years:***

Beginning with the 2010 grant year, Impact100 Philadelphia will cap its grant at \$100,000 for any one recipient. Funds in excess of an even multiple of \$100,000 will be granted to one or more of the other finalists. How the excess amount is allocated will depend upon its magnitude.

- If the excess amount is \$80,000 to \$99,000, it will be awarded as a single project grant to the first runner-up. Grant application forms will include a question about the feasibility of project implementation if an amount less than \$100,000 is awarded.
- If the excess amount is between \$1,000 and \$79,000, it will be awarded in increments of up to \$20,000 in operating funds to the runner(s)-up, as determined by a detailed schedule.

Because membership donations are due by 12/1 each year, the excess amount will be known prior to the start of the application period in January, and the details will be publicized to the membership and nonprofit community.

### ***Reasons for the Policy Change:***

- No uncertainty for the applicants; improved proposals and projects. The maximum grant amount is known year after year, giving applicants more time to plan.
- Broader impact. Our funding will reach more organizations. We expect the region to derive greater benefit from excess amounts awarded to more organizations, instead of added to a grantee's \$100,000.
- More time for our review process. Application deadlines can be shifted earlier, since the \$100,000 amount will be known far in advance, and more time can be reserved for member participation in the review process.

One of Impact100's goals is to promote informed giving. All organizations receiving funding, either project or operating grants, will be vetted thoroughly during our grant review process.