



Community-Centric Grantmaking - Class 3

Grant Program Evaluation

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Estimated time to complete: 3 hours

Class Objectives

- Comprehend how evaluation advances the purpose, increases the profits and supports the people of your community foundation.
- Understand the components of evaluation.
- Foster Collaborative Learning: Building on what others have already learned rather than starting from scratch.
- Distinguish impact metrics from vanity metrics.
- Right-size your evaluation framework to the grant size, term
- Implement effective evaluation practices.
- Commit to transparency with grantees and community leaders.
- Learn about effective, meaningful feedback loops — with staff, board, grantees, community leaders.



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Module 1: Evaluation and Learning: Essential Steps in Effective Grantmaking

The final steps in creating an effective and purposeful grantmaking process are evaluation and learning. These steps help ensure that your community foundation stays focused on its mission and can assess the impact of its efforts.

The purpose of your community foundation is to support the community. Once you define the goals you want to achieve and how you plan to reach them, it's important to set up tools to track your progress. Without these tools, it's easy for programs to evolve in ways that may not align with the core goals or needs of the community.

Effective evaluation allows you to look beyond the immediate results of a grant program and understand its long-term effects. It's not only about the activities completed but about the meaningful changes that occur in the community due to the funding.

By tracking these outcomes, you can demonstrate to donors, stakeholders, and supporters that their contributions are having a real impact. This can help build continued support and even encourage increased contributions.

Additionally, evaluation creates accountability. It helps ensure that the foundation is fulfilling its mission and objectives effectively, and it provides transparency to staff, board members, and the community about how resources are being used.

Self-Reflection:

- What tools do we currently have in place to measure the outcomes of our grantmaking?
 - Take time to review any current tracking or evaluation processes. Are they sufficient, or do they need improvement?
- How do we ensure our grant programs remain aligned with our core mission and community needs?
 - Reflect on how often you check in with community stakeholders, staff, and board members to ensure your programs are still relevant.
- How do we communicate the impact of our grants to donors and other supporters?
 - Think about the most effective ways to share measurable outcomes and success stories with your supporters.

By integrating evaluation and learning into your grantmaking process, you ensure that your foundation remains on course to achieve meaningful results and is transparent about its work.



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Four Key Components of Effective Evaluation



Understand Impact: Measure outcomes and impact with a focus on systemic impact.



Right Size: The value of data collected must exceed the cost to collect it.



Collect Actionable Data: avoiding burden on grantees/partners to collect unnecessary data that will not be used.



Foster Collaborative Learning: Building on what others have already learned rather than starting from scratch.

Module 2: Four Key Components of Effective Evaluation

There are four essential components to an effective evaluation process:

1. Understand Impact: Measure Outcomes and Impact with a Focus on Systemic Change

When evaluating the impact of a grant program, it's crucial to think beyond immediate outputs and look at how the funding contributes to long-term, systemic change.

What is systemic impact?

To illustrate, consider this analogy: Imagine coming across a pond where many fish are floating dead on the surface. A typical reaction might be to focus on the dead fish themselves by removing them or figuring out what killed them. However, this approach is limited.

A more effective response would be to look upstream at the source of the water flowing into the pond. It might be polluted, which could explain why the fish are dying. By addressing the pollution, you can prevent future harm and restore the health of the entire ecosystem.



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This highlights the importance of root cause analysis and systems thinking. Instead of addressing only the symptoms of a problem, we need to investigate the underlying causes and develop sustainable solutions.

2. Right Size: Ensure the Value of Data Collected Exceeds the Cost of Collection

The value of the data you collect should always exceed the cost of gathering it. In other words, ask yourself: Is the juice worth the squeeze?

If the data you require is costly or time-consuming to collect, consider providing grant funds to support the nonprofit in gathering this information. If additional funding isn't feasible, then reduce the data collection requirements.

Reflect on what must be known about the impact or outcomes of a program. Could this information be gathered with a simple phone call or a short report? Keeping data collection manageable will help both you and your grantees maintain focus on the most essential outcomes.

3. Collect Actionable Data: Avoid Burdening Grantees with Unnecessary Data

It's important to avoid burdening your grantees with unnecessary data requests. As a funder, remember that you cannot achieve your mission without the essential work of your grantees. They are critical to your success, and asking for unnecessary data adds to their workload.

Only collect data that is meaningful, actionable, and will genuinely help improve your programs or inform your stakeholders.

4. Foster Collaborative Learning: Build on What Others Have Learned

We don't need to start from scratch every time. Much can be gained by building on the knowledge and lessons learned by others.

Consider how you can share the insights gained from your evaluations with others—whether they are other funders or grantees. What is the most effective way to share this information? It could be a report, a discussion forum, or another format that allows for meaningful exchange and learning.



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Self-Reflection:

- **What specific metrics or data do we currently collect for evaluating the impact of our grants?** Review your evaluation methods to ensure they align with your goals. Are they focused on systemic change, or are they too focused on short-term outputs?
- **How can we streamline the data collection process to reduce burden on our grantees?** Think about the last few grants you funded. Was there any data collected that ultimately wasn't useful? How can you adjust your process to ensure efficiency?
- **How can we contribute to a culture of collaborative learning in our sector?** Reflect on ways you can share evaluation results with others. Are there existing platforms or networks for collaboration, or would you need to create one?

Centering Community

To evaluate a grant program effectively, it's imperative to set clear expectations at the start of the grant. This helps ensure that both the funder and the grantee have a shared understanding of how impact will be measured and reported.

- It's imperative that you set clear expectation at the start of the grant to ensure that your grantee can report impact.
- Community Foundations and nonprofit grantees must agree on objectives and metrics that will be evaluated.
- Set objectives with an understanding that things may not go as planned. In these cases, determine what your action will be and communicate with the grantee.
- What are the costs associated with gathering metrics of success? Allow the nonprofit to build these costs into their grant budget.
- Balance the unique triangular relationship between the donor, community foundation, and nonprofit.

***Ask yourself what does success look like? Is it learning? Outreach?
Expanded programs?***

***Then ask, what will it take (financially, socially, timing, leadership, etc.) to
achieve success? What, if any, trade-offs will there be?***

Module 3: Setting Clear Expectations for Evaluation

To evaluate a grant program effectively, it's imperative to set clear expectations at the start of the grant. This helps ensure that both the funder and the grantee have a shared understanding of how impact will be measured and reported.



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Focus on Transparency and Shared Goals

Community foundations and nonprofit grantees should work together to identify meaningful objectives and appropriate metrics. It's important not to assume that the funder knows best when it comes to measuring success. Open conversations with grantees can help surface relevant, realistic indicators of progress.

At the same time, community foundations often need a common metric across all grantees in a portfolio to assess overall impact. For example, in a K-12 education initiative, a metric like year-over-year matriculation rate could provide a shared reference point that all grantees can report on.

Be Flexible and Communicate Often

Even the best-planned projects may not unfold as expected. Some grantees may need more time, adjustments to the budget, or a shift in scope. Funders should prepare for these possibilities and communicate openly with grantees about how changes will be handled.

Self-Reflection: Will you allow for project extensions or budget revisions? What criteria will guide that decision?

Support Realistic and Feasible Evaluation

There are real costs associated with collecting, analyzing, and reporting data. Grantees should be encouraged to include evaluation-related expenses in their grant budgets. These costs can include staff time, technology tools, and external evaluation support if needed.

Balance Stakeholder Interests

In grantmaking, there is often a triangular relationship among the donor, the community foundation, and the nonprofit. Typically, donors make gifts to the community foundation and then the community foundation makes grants to nonprofit organizations.

When developing evaluation metrics, community foundations should take care not to prioritize the interests of the donor or the nonprofit to the exclusion of the other. Metrics should be aligned with the shared purpose of the grant, and reflect what is useful and realistic for all involved.



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Self-Reflection:

- What does success look like for this grant program? Is it increased awareness, expanded access, improved outcomes, stronger partnerships, or something else?
- What are the tangible and intangible costs of achieving success? Consider financial, social, leadership, and timing-related factors.
- Are you using shared metrics across a portfolio? If so, are they flexible enough to be meaningful across different types of organizations?
- How often do you revisit evaluation expectations with your grantees? Could more regular check-ins help build trust and allow for course correction?

Action Activity:

Review a recent grant program. Write down the stated objectives, the metrics used to evaluate them, and what the grantees reported. Then reflect:

- Did the metrics truly reflect the outcomes you hoped for?
- Did the grantees feel supported in the process?
- What would you do differently next time?



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Module 4: Vanity Metrics vs. Success Metrics

When evaluating programs, it's important to understand the difference between vanity metrics and impact metrics (also called success metrics). Both can play a role in telling a story, but only one truly reflects whether your grantmaking efforts are making a difference.

Vanity Metrics

Vanity metrics are often easy to track and may look impressive in reports. These include things like:

- Number of event attendees
- Website visits
- Social media followers
- Number of grant applications received

These metrics may have some relevance, but by themselves, they don't help you understand whether real change is happening. They often focus on outputs rather than outcomes.

Impact (Success) Metrics

Impact metrics aim to measure what has actually changed as a result of the grant. These could include:

- Increased graduation rates
- Improved access to services
- Decreased poverty or unemployment rates
- Strengthened capacity of local organizations

These metrics often take more effort to define and track, but they offer a clearer picture of the results your funding supports.

Real-World Resource

There are many thoughtful approaches to measuring meaningful progress in rural communities. Take a moment to conduct an online search to access real world resources and explore the ways collective strategy groups and similar associations are taking to evaluate their programs.



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Self-Reflection:

- Which vanity metrics are we currently tracking? Do they tell us anything useful about real-world change?
- What are three impact metrics we could use to better understand the outcomes of a specific grant program?
- Are our grantees collecting data that reflects outcomes, or are they focused mostly on counts and activities? Why?
- How might we support grantees in shifting toward impact measurement? Can we fund data collection or provide training?

Like Goldilocks... Making your Evaluation Framework Just Right

Generally accepted practices:

- Large, specialized grants may require more significant reporting than smaller, general operating grants
- Grantees need time to produce outcomes and results
- Vanity metrics are easier to capture and provide some value
- Impact metrics are harder to measure, take more time and provide significant value
- The amount of time and money spent by the nonprofit to collect the metrics and data should be calculated into the budget of the grant request

Evaluation Frameworks:

- Focus on high-level systems change
- Prioritize learning
- Optimize improvement
- Solicit feedback

Module 5: Rightsizing Your Grant Reports

It's important to match the scale of your reporting requirements with the size and purpose of the grant. Overly burdensome reporting for smaller grants can waste time and resources—both for the grantee and the foundation.

General Guidelines:

- Large, targeted grants (especially those for specific projects or initiatives) typically warrant more robust reporting. You need data to understand whether your investment achieved the desired results.
- Smaller or general operating grants should involve streamlined reporting. These flexible funds support broad capacity, and excessive reporting can take time away from mission-critical work.



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Timing Matters:

Grantees may need more than one year to see meaningful outcomes. It may make sense to:

- Accept a progress report at the one-year mark
- Extend deadlines when appropriate
- Focus on what's most useful, not just what's easiest to measure

Self-Reflection:

- Are our reporting requirements proportional to the size and purpose of the grant?
- Do we expect final outcomes too soon after the grant is made?
- How can we adjust our reporting timelines or methods to better support learning and accountability?
- Are we compensating grantees for the time and resources required to measure impact?



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Module 6: Communications and Transparency

Grantees must know up front what they need to measure. How will you communicate these expectations?

Methods:

- Grant agreement
- Kick-off call or meeting
- Evaluation guidebook
- Website
- Email communication

Let's be honest. Changing how you evaluate grants and programs isn't always smooth. It takes time, thoughtful planning, and often many conversations to get it right.

Even with the best intentions, new evaluation practices can unintentionally create more work for your grantees or community partners. That's why it's important to build in flexibility and be open to revising your approach.

One of the most important tools in this process is trust. You can build trust by being transparent. Let your grantee partners know:

- You're committed to improving your grantmaking,
- You're open to feedback, and
- You understand that learning takes time and may involve some trial and error.

Keep the lines of communication open. Let grantees know why you're asking for certain data and how it will be used. This helps ensure the evaluation process remains useful—and fair—for everyone involved.



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Module 7: Set Expectations Early and Clearly

One of the most helpful things you can do for your grantees is to communicate clearly—at the beginning—what information you will need as part of their grant reports. When grantees know what to measure from the start, they can collect data consistently throughout the project. This not only saves time but also leads to stronger, more accurate reporting.

How Will You Share These Expectations?

Here are a few methods to consider:

- Grant Agreements
 - Include reporting expectations clearly in your grant agreement. These are formal documents that outline what the grantee will do with the funds. Consider using agreements rather than contracts if you want more flexibility in adapting the relationship. (Consult your legal team to determine what's best for your organization.)
- Kick-Off Call or Meeting
 - Especially useful for new grantees, a kickoff meeting gives space for questions and helps build a shared understanding from the beginning.
- Evaluation Guidebook
 - Consider creating a simple guide or one-pager outlining what you expect in reports, including definitions of terms and examples of impact. [The Truist Foundation has a helpful example.](#)
- Email Communication
 - Use scheduled emails (either manual or automated via your CRM) to remind grantees about upcoming due dates and key deliverables.
- Site Visits
 - These provide an opportunity to check in with grantees after the grant has started or even after it concludes. It's a great time to hear how things are going and adjust expectations if needed.
- Website
 - Use your website to publish clear reporting guidelines, deadlines, and FAQs.

Action Activity:

With your team, reflect on or discuss:

- Do our grantees have all the information they need at the start of the grant?
- Are we asking for data that they can realistically collect throughout the grant period?
- What is one thing we can do to improve how we communicate expectations to grantees?

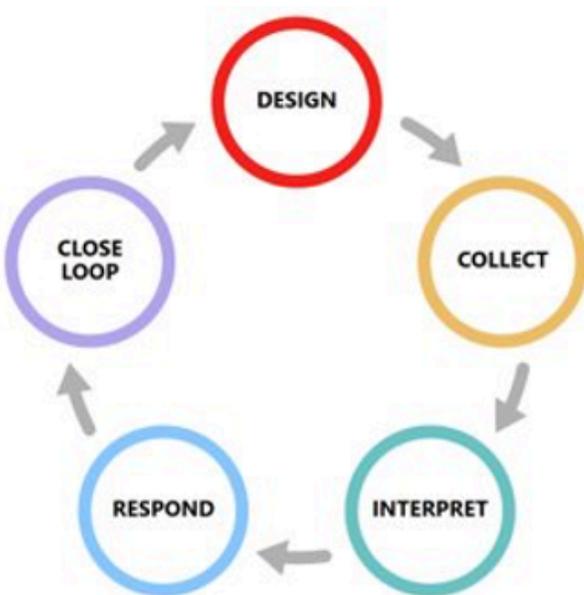


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Feedback Loops

A feedback loop is a structured process through which grantees can share honest input with funders—and funders can respond with transparency and, when possible, changes. It's not just about collecting feedback; it's about acting on it.*



Design

Work collaboratively to develop a survey that focuses on client experience - using Listen4Good core questions as a foundation.

Collect

Prepare the clients to offer candid opinions and tailor data collection to what works best for them.

Interpret

Use proven analytical tools to draw insights from client responses, with an emphasis on voices least heard.

Respond

Make organizational, programmatic, and operational changes based on client feedback.

Close Loop

Share results with your clients and explain how you're responding to what you've learned.

Listen4Good Suggested Core Questions

1. How likely are you to recommend this organization to a friend or family member? (0-10 scale)
2. What is this organization good at? (open-ended),
3. What could this organization do better? (open-ended)
4. How much of a positive difference has this organization made in your life? (1-5 scale)
5. Overall, how well has this organization met your needs?



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Roles & Responsibilities of a Board Member



Grantmaking Oversight

- Establish committee
- Review grant recommendations
- Evaluate effectiveness

Board members establish committees to review and recommend grant investments in the community. Approval by size of grant should be outlined at the discretion of the board, in addition to follow up funding considerations.

Module 8: The Role of the Board in Grantmaking Oversight

Your board plays a key role in upholding the charitable mission and vision of your Community Foundation. As fiduciaries, board members are ultimately responsible for ensuring that grantmaking decisions align with the foundation's purpose and serve the community effectively.

One way to strengthen this oversight is by establishing a grantmaking or evaluation committee. This committee can review grant recommendations, assess the effectiveness of funded programs, and help guide future funding strategies. Some foundations also set approval thresholds by grant size—smaller grants may be approved by staff, while larger ones require board or committee review.

Action Activity:

Consider what kind of committee would support your grantmaking goals.

- What types of expertise—lived or professional—would strengthen this group?
- What perspectives are important to include to reflect the community you serve?
- How will you define the committee's role in reviewing, approving, or evaluating grants?



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Roles & Responsibilities of a Nonprofit



Community Ambassador

- Lift up issues
- Feedback loop

When opportunities arise, nonprofit leaders can share the stories and impact of the community foundation, support learning, improve processes and policies, and engage community members in the advancement of the mission of the community foundation.

Module 9: The Value of Feedback from Nonprofit Partners

Nonprofit partners are vital sources of insight. Their feedback can strengthen your foundation's practices and deepen community impact. These leaders often play multiple roles:

- **Advocates and Ambassadors:** They can help tell the story of your foundation's impact in the community.
- **Trusted Voices:** They may identify challenges in your grantmaking process, highlight community needs, and share observations about how other funders are responding.
- **Collaborators:** Their input can help refine your policies, improve your reporting practices, and guide future strategy.

When you build trusted relationships with nonprofit partners, they are more likely to share honest feedback—and more willing to support shared learning and mission advancement.

Self Reflection: How do you currently invite feedback from grantees? What mechanisms (surveys, check-ins, site visits, informal conversations) are in place to gather input? How might you act on feedback to improve your process?



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Roles & Responsibilities of a Staff Member



Continuous Improvement

- Trust with community members
- Internal systems understanding

In many cases, staff members are responsible for reviewing and recommending grants. They can identify opportunities for illustrating impact and solutions from the community.

Module 10: The Importance of Staff Feedback

Your staff members are integral to the success of your foundation. They are often the bridge between the community and the foundation's operations, and their feedback can be invaluable for continuous improvement.

- **Internal Knowledge:** Staff members are familiar with your foundation's internal systems and processes. They understand what works well and where challenges arise.
- **Community Trust:** Many staff members have direct connections with community members, giving them unique insights into what's needed and how programs are truly impacting the community.
- **Grant Reviewers:** As key players in reviewing and recommending grants, staff can identify areas where your foundation can better illustrate and measure the impact of its work.

By seeking feedback from staff, you not only improve internal processes but also strengthen your relationship with the community you serve.

Self Reflection: How do you currently collect feedback from your staff about grantmaking processes? In what ways do staff feel empowered to suggest improvements or voice concerns? How can you ensure staff feedback is acted upon to improve grantmaking practices?



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Conclusion

In this class, we've explored the essential components of grant program evaluation and the importance of gathering feedback from various stakeholders. We discussed how a well-structured evaluation process helps ensure that your community foundation remains accountable to its mission and effectively measures the impact of its work. Whether it's through feedback from grantees, board members, or staff, the insights you gather will inform better decision-making and improve the foundation's ability to serve the community.

By aligning your evaluation efforts with clear objectives and measurable outcomes, and by fostering a culture of transparency and trust, you can enhance the effectiveness of your grantmaking and contribute to meaningful, sustainable community change.

Remember, evaluation is an ongoing learning process, and as you refine your practices, your foundation will grow in its capacity to make a positive impact. Keep engaging with your community and stakeholders, and continually seek ways to improve and adapt.