



A Field of Interest Fund of the Santa Barbara Foundation

Where the **Power of Business**

Meets the *Passion of Giving*

Social Venture Partners Santa Barbara 2011 Investment Program Guidelines for Environmental Protection, Energy Efficiency & Energy Alternative Mission Nonprofits

Overview of the 2011 “Green Economy” Cycle

Social Venture Partners Santa Barbara (SVPSB) is a membership organization featuring an innovative, highly-engaged approach to philanthropy. SVPSB “investments” do not follow the traditional investment model. We seek to leverage the investment of Partner time, expertise, and money to build long-term capacity with selected nonprofit organizations. Our investments are typically over a 3 year period and require a collaborative working arrangement with both Board and staff to effect high impact change.

Our focus is on creating self-sustaining nonprofits using basic business principles and a longer than average investment period. We define capacity building as: the development of core skills, management practices, strategies, and systems to enhance an organization’s effectiveness, sustainability and ability to fulfill its mission. Our investment process is rigorous and unique with direct Partner involvement with applicants every step of the way. SVPSB works in partnership *with* nonprofits to improve their ability to deliver effective programs and fulfill their mission. Each selected investment will have a team of Partners working closely with their Board and staff over a 3 year timeframe, ultimately achieving self-sufficiency.

For the 2011 investment cycle, we are seeking partnerships with organizations whose primary focus is in environmental protection, energy efficiency and/or energy alternatives to current petroleum use. Our goal with these investments is to develop visible outcomes and more permanent solutions to problems, to deliver tangible results in Santa Barbara County, and potentially serve as a model for efforts elsewhere in the state and country.

Applicants may focus on building capacity to expand current efforts and or to carry them out more effectively, on innovations that seek to improve approaches to solving problems in our primary focus area, and/or on replication of programs that have proven results in other communities. We are particularly interested in three kinds of capacity building for this focus area:

- Development of a “social environmental enterprise” which will not only tackle a relevant problem in Santa Barbara but also develop an eventual stream of net revenue and/or expanded employment and can over several years become self-sustaining;
- Collaboration/activity integration among non-profits in related areas that will leverage resources for a more effective impact; and/or
- Growth of the base of Santa Barbara-based non-profit “eco-entrepreneurs” who develop innovative programs for environmental protection, energy efficiency and new energy alternatives.

These investments are not to solely support general operating funds or purely advocacy efforts, but investments will incorporate reasonable overhead rate expenses.

A few examples of SVP-chapter backed “social enterprises” are the Good Cookie business here in Santa Barbara (<http://thegoodcookie.org/index.html>), the Capital Good Fund microfinance initiative in Rhode Island (<http://capitalgoodfund.org/index.php/microfinance/about-us/>) and the Genesys Works effort of the Minnesota SVP chapter (www.genesys.org).

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If you wish to learn more about interesting collaboration models, please look at the work backed by the Lodestar Foundation and its prize competition for best collaborations (<http://www.thecollaborationprize.org/Home.aspx>). SVPSB is open to a wide array of approaches to innovative, capacity-building efforts by Santa Barbara County non-profits.

Who May Apply

- Organizations that
 - are classified as a 501(c)(3) public charity or operate under a 501(c)(3) sponsor;
 - have significant operations based in Santa Barbara County, strategic capacity-building needs that would fit with our giving model, and local staff and Board members who want to utilize our volunteering and mentoring resources on those initiatives;
 - have a clearly articulated mission, a strong, effective leadership team, and a long-term vision for the organization; and
 - have alignment between the Board of Directors and the staff regarding the short and long term goals.

Special instructions on LOI response formats and budgets will be provided to those organizations wishing to make a joint LOI application.

Funding Restrictions

- Investment requests will not be considered for auctions or fundraising events, debt reduction, endowment funds, capital campaigns, litigation or legal expenses.
- Full applications following the LOI process are accepted on an invitation-only basis, though we will consider inquiries if the organization fits our criteria.
- SVPSB will not consider requests from individuals and organizations that discriminate on the basis of race, religion, gender, sexual orientation, or national origin.
- SVPSB will not entertain requests from religious organizations for sectarian purposes, sports teams and political or lobbying organizations.
- SVPSB will not consider nonprofits that solely focus on advocacy, policy development, or research or lobbying organizations.
- Funds requested must be used to enhance the organization's capacity for long term-effectiveness and sustainability.
- Unrestricted funds invested by SVPSB may not be used for any SVPSB "Funding Criteria" prohibited purposes.

Investment Process

Investment Seeker Workshops & Small Group Discussions will be held on January 10, 2010 from 9:30 – 11:30 am and repeated from 1:00 – 3:00 pm at the Santa Barbara Foundation, 15 East Carrillo Street, Santa Barbara. Each Workshop will last two hours. Following the group presentation in the first hour, applicants will have an opportunity, if they wish, to interact privately with a number of Partners and our Executive Director in informal small group sessions to briefly test their ideas, obtain initial feedback and seek further information about the investment process. Please indicate your interest in scheduling such a fifteen to twenty minute session when you sign-up for the workshop; slots will be allocated on a first come, first served basis.

Organizations should make every effort to attend the Investment Seeker's Workshops where we will outline the investment process and provide more information about SVPSB. Key staff and Board members are encouraged to attend together. An RSVP is required. RSVP to Joan Young via email at jyoung@svpsb.org. You will receive information on the location and other information in advance of the workshop. If it is impossible for representatives to attend on that date, please contact Joan Young to explain your circumstances and we will consider whether we will provide alternate times for discussion.

SVPSB will make an initial investment to one or more organizations with the intent of establishing a longer-term relationship (typically 3 years). Initial awards are for one-year of funds for a multi-year work plan. Subsequent year awards are conditional upon SVPSB and the recipient having achieved a constructive working relationship and achievement of the award year work plan objectives. We are seeking proposals that demonstrate the desire and capacity to partner with SVPSB. For examples of successful SVP partnership please review links at our web site www.svpsb.org. First-year investments are anticipated to range from \$20,000 to \$25,000, with the financial commitment leveraged by the in kind support in the form of Partners' time and expertise valued at 3 or 4 times the amount of the cash investment. In addition, if circumstances warrant, SVPSB will assist the recipient organization with raising additional cash funds to achieve the capacity building objectives. Over a three-year time frame, the value of SVPSB direct work plan investments and co-investments may total \$300,000 - \$500,000.

SVPSB provides Partners' strategic consulting assistance to help build the organizational capacity, management, and infrastructure of investees. Partners offer volunteer assistance in areas such as:

- Strategic Planning
- Financial Management
- Marketing and Public Relations
- Program Evaluation and Performance Management
- Legal Guidance
- Leadership Development
- Human Resources
- Real Estate
- Information Technology

Letter of Interest (LOI)

The LOI Application can be found on our website, www.svpsb.org. Any questions regarding the LOI can be directed to our Partners and our Executive Director at the Investment Seeker Workshops on January 10, 2010.

The LOI must be submitted by midnight on Monday, February 23, 2011 to Joan Young, Executive Director via email to jyoung@svpsb.org. SVPSB will acknowledge receipt of all LOIs. After evaluating LOIs, SVPSB will invite full investment proposals from a select number of applicants. LOI finalists will receive a list of areas that need amplification and clarification.

Full Investment Proposals

SVPSB strongly encourages potential investees to evaluate and examine SVPSB's criteria and examples of Social Venture Partner success stories to determine how to most effectively work with us. Organizations can find this information on our web site www.svpsb.org. Applicants are encouraged to review the on line Capacity Assessment Tool to understand SVPSB's perspective on capacity building. Additional information will be supplied outlining specific criteria for a successful investment partnership.

Investment seekers who are invited to submit full proposals will receive the SVPSB's investment application via email. SVPSB uses the Foundation Roundtable Common Grant Application. Training on proposal preparation and the Foundation Roundtable application is offered by the Nonprofit Support Center in Santa Barbara: 681-1040 and in Santa Maria: 928-2503.

Investment proposals must be received by 5 PM on Wednesday, April 8, 2011. Investments are submitted via email to SVPSB to jyoung@svpsb.org. Please contact Joan Young, Executive Director at jyoung@svpsb.org with any questions.

Key Dates for 2010 Investment Cycle

2011 Cycle RFP Issued	Wednesday, December 15, 2010
Investment seeker Workshop & Small Group Session	Monday, January 10, 2011
Letter of Interest Due	Monday, February 23, 2011
Full Proposals Invited	Friday, March 4, 2011
Full Proposals Due	Wednesday, April 8, 2011
Site Visits	Between April 11 – April 29, 2011
Investment Award Announcement	Friday, May 20, 2011
Investment Work Planning Begins	Monday, June 1, 2011