

SOCIAL CAPITAL'S FOUNDATION FUNDING & PARTNERING GUIDELINES

Social Capital Foundation supports the work of committed, transparent and rigorous organizations that are direct implementers of development programs. Partners can be international NGO, local NGO, community-based organisations or social entrepreneurs. SCF is willing to engage in multi-stakeholder partnerships with organisations that pursue similar goals and vision.

Social Capital Foundation believes that long term partnerships are necessary to achieve sustainable impact; hence desires to engage with partners that are willing to share a long run collaboration journey.

SCF builds partnership based on trust, strategic dialogue and shared vision, understanding that partner's work and communities' processes are the most important pieces of any intervention. SCF acts providing support as necessary, according to commonly agreed priorities, specially aiming at increasing impact and achieving lasting development outcomes. In this sense, projects are built as flexible programs where understanding, learning, gathering evidence and adapting activities as necessary is key.

Partnering with SCF's is viable for organisations that provide strong leadership, commitment to results, transparency, honesty, openness to strategic dialogue; openness to knowledge sharing and learning, open to continuous adaptation with a keen interest in monitoring and evaluation.

Funding instruments

Understanding that the life cycle of development organizations may evolve over time and different type of investments are necessary to deliver impact, SCF has structured diverse funding instruments:

- **Project grants** – for implementation of partner's programs in specific geographical areas & specific development outcomes. Each project should contribute to a "key impact goal" and a "key learning question" that would allow for monitoring, knowledge management and sharing while implementation. Learning outcomes shall be shared with SCF and, on agreement, with other partners. Project grants can range between 20,000 and 100,000 euros/annually for a period of 1 to 3 years.
- **Innovation project grants** – for projects with a specific innovation component or pilot projects. These projects allow for experimentation and require the definition of a specific monitoring scheme to analyse results, adapt and readjust. Innovation project grants can range between 20,000 and 100,000 euros/annually for 1 to 3 years.
- **Capacity building grants** – for organizational development and operational support. Expenses covered range from basic running costs, to investing in MIS & technology, monitoring and evaluation systems; staff training; exchange visits (especially encouraged between partners); communication and marketing. Capacity building grants can range between 2000 USD and 20 000 USD annually, for 1, 2 or 3 years. Amounts will be agreed based on size of partner's budget and rationale of expenses. Capacity building grants are eligible for partners that have been working with the foundation for at least 2 years and have proved good results.
- **Results based funds** – this type of funding is similar to project grants but will require fulfilment of certain conditions during project implementation which will effect the continued grant support. This fund is especially applicable to new partners, with which

we are building trust and a long-term relationship. The project grant will integrate a set of predetermined commonly agreed goals to be achieved.

- **Reimbursable funds** – flexible funding line that can offer loans/seed capital to organisations with a clear impact strategy that present a potentially viable business model. Loan size can range between 10,000 to 100,000 euros and conditions will be agreed upon existing business plan & financial accounts.
- **Small emergency fund** – SCF makes an annual reserve to support emergency expenses. This fund can cover situations affecting our partners (or communities they support) due to specific severe circumstances, or some specific requests from other organisations that require an extraordinary support. Amounts range from 2,000 to 5,000 euros, subject to revision according to specific circumstances to be considered on a case by case basis.

Becoming a partner

First spend time reading a researching our current partner base, to find strategic fit with our existing initiatives. We are focusing our assets in an effort to achieve objectives in several intervention areas and will only add new partners that fit within these areas.

In writing an e-mail to maria@socialcapitalfoundation.org with a motivation letter expressing your interest in becoming a partner. This letter (max 2 pages) should contain a brief description of your core activities and principal areas of expertise, overall results, why there is a match with foundation's mission and why would you require foundation's support. Please, enclose latest annual reports, available public strategy papers and audited accounts. We will contact you for an interview in the course of several weeks.

Criteria for partner selection

SCF undertakes a due diligence process of potential partners, analysing the following criteria:

Mission alignment with SCF & strategic perspectives fit	<p>Commitment to deliver interventions that can sustainably and deeply benefit vulnerable youth and eagerness to improve impact</p> <p>Clear future strategy where there is potential to add value</p> <p>Geographic coherence with SCF's priority countries</p>
Strong leadership and management team	<p>The organization must have clear leadership which is committed, aligned to mission, has strategic vision and capacity to drive the organization forward.</p> <p>Show deep respect for target groups and local contexts</p> <p>Caring and helping their staff to develop and grow professionally and personally</p>
Good/solid theory of change - impact path	<p>Good and informed understanding of the development problem it is trying to address and a meaningful solution with good evidence of outcomes/impact that is locally implemented and is coherent with expressed goals</p>
Additionality of SCF contribution & partnership	<p>SCF is able to provide valuable support to the partner; the recognition of potential value is explicit and appreciated by both parties</p>
Monitoring and evaluation interest/effort	<p>The organization must be interested in monitoring and evaluation, use data to monitor impact, have some systems in place (even if they are not fully developed) and the topic is incorporated in its strategy</p>
Knowledge management/learning interest/effort	<p>The organization must be interested in learning and already develop some activities to gather knowledge from interventions (even if rather informally). The topic is explicitly interesting to them and have capacity to integrate learning & innovate & are open to share publicly</p>
Transparency and fluent info exchange	<p>The interaction with partner is fluent, appreciative and open to exchange information</p>
Contribution to network of SCF's partners	<p>SCF's is able to identify synergies or areas for potential learning for other partners</p>
Financial situation	<p>Assess financial situation of the organization: Sustainability; Coherence with implementation model & theory of change; Evolution of balance</p> <p>Sources of income; Type of expenses; Audited</p>
Quality of existing network of support/donors/partnerships	<p>Assess whether the organisation has a network of partners and relations to support their work</p>