

## **Greater Cleveland COVID-19 Rapid Response Fund**

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### **Why a collaborative COVID-19 Rapid Response Fund?**

In January 2020, the World Health Organization declared the outbreak of a novel coronavirus and the disease it causes (commonly abbreviated “COVID-19”) a “public health emergency of international concern”. On March 11, COVID-19 was characterized as a global pandemic. National, regional and local responses to COVID-19 are expected to disrupt nearly every aspect of lives, contributing to substantial social and economic strain. These pain points are likely to be felt most deeply in marginalized communities, especially those who are low-income.

This unprecedented pandemic necessitates the deployment of quick, nimble funds that are responsive to emerging community needs and not inhibited by the restrictions that often accompany public funds. According to the Center for Disaster Philanthropy (CDP), the only national resource dedicated to disaster-related giving:

*Collaboration between funders is extremely important as it holds the power to convene a host of stakeholders for strategic planning, fosters a long-term outlook among many government and nongovernment members of a region, and pools funds for projects that otherwise might not be possible.*

It is in this spirit that community foundations nationwide have begun to launch pooled funding streams, in partnership with their philanthropic foundation partners, to respond to the COVID-19 crisis.

The Cleveland Foundation, in partnership with the George Gund Foundation, Mt. Sinai Health Care Foundation, Saint Luke’s Foundation, Sisters of Charity Foundation of Cleveland, and United Way of Greater Cleveland together propose coalescing around several key strategies in launching a similar fund to support the nonprofit organizations and the families they serve throughout Greater Cleveland. The Greater Cleveland COVID-19 Rapid Response Fund will foster collaboration and alignment among philanthropic and government partners and donors.

This fund would complement but in no way replace the critical need for significant public investment to address both health and economic impact.

### **Why should the community foundation convene such a fund?**

Community foundations are uniquely positioned to host responsive funds due to their traditional intermediary role working with individual donors, other philanthropic institutions, governments, and nonprofits. The Cleveland Foundation has hosted multiple such funds in recent years. For example, a fund was established to aid Puerto Rico in dealing with the aftermath of Hurricane Maria. While emergency response funds may have different structures, the foundation is seen as natural convener and has the capability to receive funds and deploy them quickly and thoughtfully. We understand that this will not be the only emergency response fund. There are many needs in the community and various organizations and stakeholders may be best suited to focus on specific needs or populations.

### **About the Greater Cleveland COVID-19 Rapid Response Fund**

Administered by the Cleveland Foundation, the Greater Cleveland COVID-19 Rapid Response Fund will provide flexible resources to organizations in our region (Cuyahoga, Lake and Geauga Counties) impacted by the COVID-19 outbreak. In the immediate term, resources will be deployed to address the urgent health, basic human services, and economic needs of disproportionately impacted communities and individuals. This will include approaches that are tailored to the specific cultural, historic, and language needs of the disproportionately impacted priority population.

The Fund is designed to complement the work of public health officials and expand local capacity to address aspects of the outbreak as efficiently as possible. Initially, general operating grants may be deployed to support organizations that comprise the community safety net (e.g., food assistance, homeless shelters and housing assistance, credit counseling, etc.) and have strong experience meeting the needs of populations that are expected to be disproportionately impacted by the COVID-19 crisis.

Targeted priority populations include:

- People over 60 years of age, people with compromised immune systems, those who are pregnant, and others with increased health risks associated with the novel coronavirus;
- Low-income residents;
- Homeless people
- Residents without health insurance and/or access to paid time off work;
- People with limited English language proficiency;
- Healthcare, service workers, and part-time workers;
- People of color;
- People with disabilities, and
- Other populations emerging with needs as crisis unfolds.

During Phase I, the Fund will concentrate most of its support with organizations that are able to deploy resources quickly to meet rapidly evolving community needs. These effective organizations will have: necessary infrastructure, staff and financial capacity to rapidly alter or expand programs and services; expertise meeting health and human services and economic needs; staff and board structures that are well-suited to meet the needs of historically marginalized communities; and the relationships and activities tailored to priority populations and emerging needs.

The government is by far the largest funder of services for at-risk, marginalized and under-resourced populations. In fact, public-sector resources dwarf those available from private philanthropy. Thus, the Fund anticipates deploying grants for public policy research, analysis, and communications. Such funding would be designed to promote evidence-based and timely public sector financial investment and needed regulatory, administrative, and/or program adaptations to address the COVID-19 crisis. Such nonpartisan engagement with the public sector is essential if philanthropy is to maximize its impact and ensure it deploys resources efficiently to the community that complement, rather than displace, public sector investment. This will also help to ensure resources are directed to the highest priority needs and the organizations that are most capable of tackling the rapidly evolving situation. Areas where the Fund could support public policy analysis and advocacy include, but are not limited to, unemployment benefits, Medicaid eligibility, children's health care, and housing, food and social service programs.

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While we recognize the extraordinary financial challenges posed by this crisis, the Fund will not prioritize support for organizations who have lost revenue or are likely to lose future revenue due to canceled events or programs, or larger public institutions that are strained by increased demand for services. As the long-term impacts of COVID-19 unfold, we will continue to work with the funder collaborative to assess and evolve our funding strategies.

### **Funding Restrictions**

The Greater Cleveland COVID-19 Rapid Response Fund will only provide grant support to 501(c)(3) nonprofit organizations, groups fiscally sponsored by a 501(c)(3) nonprofit organization, or other charitable organizations able to receive a tax-deductible contribution, such as schools, faith-based organizations, and other public entities. The Fund will not make grants to individuals or businesses directly, labor unions, or other 501(c)4, 501(c)5, and 501(c)6 organizations.

### **Funding Partners**

The Cleveland Foundation will administer the Fund in partnership with other philanthropic and community partners. This is an opportunity to engage in a renewed tradition of cross-sector collaboration, including partnership with city, county, and state governments; businesses and corporations; philanthropic funders; the United Way, and others.

The Fund will be open to any individual or organization wishing to contribute. However, the Fund seeks to attract large, flexible dollars that can be deployed as the wide-ranging effects of this pandemic unfold. Therefore, we seek minimum donations of \$50,000. We assume funder partners will also be working with their individual grantees to respond to the crisis.

To date, the following foundations that have expressed interest in contributing to the fund: the George Gund Foundation, the Mt. Sinai Health Care Foundation, the Sisters of Charity Foundation of Cleveland, and the Saint Luke's Foundation.

### **Governance and Distributions of Funds: Phase I**

Distribution of Funds will be overseen by a board of advisors with one representative from each of the funding partners. Although the Fund is expected to exercise consensus-based decision-making, it will deploy majority vote when good faith efforts at consensus cannot be reached. Each funding partner organization would have one vote in the grant approval process. Other partners would serve in an advisory capacity.

Initially, Fund partners will set funding criteria that is informed by key government and community stakeholders (e.g., the City/County Emergency Operations Center). Once criteria are agreed upon, partners will proactively identify potential grant recipients with guidance from community advisors, seek information from those potential grantees, and recommend grant funding.

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Over time, Fund partners may wish to create alternative processes for grantmaking (e.g., Request for Proposals) to uncover opportunities that a group-directed process may miss.

Funds will be released on a rolling basis as fundraising continues throughout the life cycle of the crisis, making it possible to move resources quickly and adapt to evolving needs in subsequent funding phases.

### Structure of the Greater Cleveland COVID-19 Rapid Response Fund

- Geographic Focus: Funds would be distributed to organizations working with communities who are disproportionately impacted by the novel coronavirus. Cleveland Foundation dollars will be directed to the three counties in its service area: Cuyahoga, Lake and Geauga. Other Fund partners are welcomed can designate their dollars to a specific funding footprint, but not to a specific organization.
- Overall fundraising goal and size of grants: Given the urgent nature of this outbreak, the Fund is being established with no parameters for the size of the funding pool. The Seattle Foundation has raised over \$9 million its first week of operating a similar pooled fund. Other community responsive funds are being launched with no minimum contribution requirements. We expect there will be some variation between short- and long-term needs. The size of grants would be dependent on the amount raised. However, with other large disasters, grants have ranged between \$5,000 and \$100,000.
- Contributions: Contributions should be directed to the Cleveland Foundation, preferably by credit card or wire transfer as to expediate the funding process. Foundation Advancement and Finance staff will be coming into the office weekly to pick up and process checks (to this fund and any other), but there will be a lag time between the time a check arrives and the time it gets posted.
- Time limit: Would seek to make first grants soon. For now, the Fund would be a spend-down fund through 2020.
- Communications: The Cleveland Foundation communications team will coordinate and lead messaging for the Fund with support funding partners' communications staff. For now, only total amount of resources in the Fund would be identified, not individual amounts.
- Advisory Council: TBD

### We also seek to support:

- Grants that can serve as demonstration projects from which others can learn.
- Grants that enhance projects funded with public dollars; and/or are complementary to other recovery efforts.
- Establish a structure whereby grantees can collaborate, thereby leveraging new resources and maximizing impact (e.g., environmental organizations, public policy groups, arts and cultural

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nonprofits, community engagement organizations, and media outlets are all working collaboratively to address the pandemic).

- Encourage and support collaboration among grantees, public health entities, emergency management personnel, first-responders, and long-term recovery group members.

### **Overall suggestions from Center for Disaster Philanthropy**

- An ongoing and developing crisis like this is a good time to be flexible in funding.
- Allow local leaders and organizations on the ground to develop the programming as needs arise.
- There are going to be multiple phases and needs in this crisis – the medical response situation, support for research and assisting vulnerable people who have been impacted.
- Be planful about your giving. Don't just react to the latest media report.

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