Headwaters Foundation

2023

Evaluation & Learning Data Book

Last Updated: May 2024

In conventional philanthropy, the foundation sets the metrics of success and requires the grantees to demonstrate that their work is meeting them. This is typically done by grantees spending countless hours on reports and evaluating their work against fixed goals even if the context has changed. The grantee turns in a report and hopes that it is read. It's a one-way street where the grantee is accountable to the funder. **Headwaters takes a different approach to evaluation.**

We aim to ensure that the outcomes the Foundation is driving toward are dictated by our partners, not us. We created a reporting process that centers learning together, positioning grantees and the foundation as true partners in the work to improve health in Western Montana. We also developed accountability metrics to hold ourselves accountable to the communities we serve. **Headwaters evaluates for three purposes:**

1) **Accountability.** We hold ourselves accountable to the community, our partners, and our mission, and aim to ensure alignment between our commitments and our actions.
2) **Learning.** We use evaluation to gauge progress toward the outcomes defined (by our partners) in our Theory of Change, and to help us learn as we go.
3) **Tracking Long-Term Trends.** We monitor population-level data to see if the strategies we invest in are contributing to positive trends.

Evaluation Purposes | How We Measure Impact

EVALUATION PURPOSES

Learning

Looking through the prism of learning offers a different view of evaluation. Rather than an accountability exercise, it becomes a powerful tool for improvement. Rather than a function "outside" an organization, evaluation is a part of every staff and board member's job. It enhances the capacity of grantmakers and their grantees, as well as governments and communities, to understand and solve problems more effectively.

"Evaluation in Philanthropy"; Grantmakers for Effective Organizations, 2010
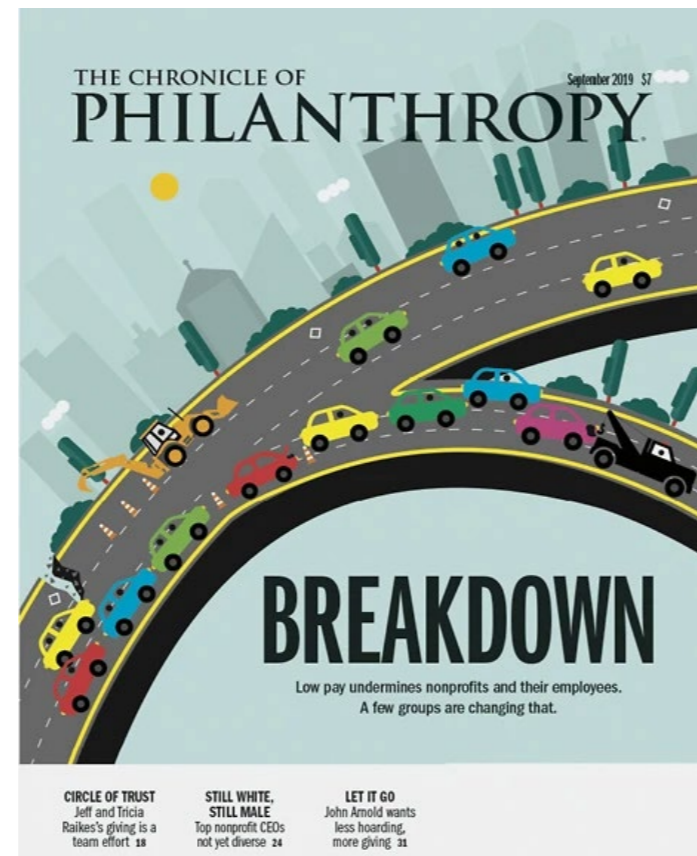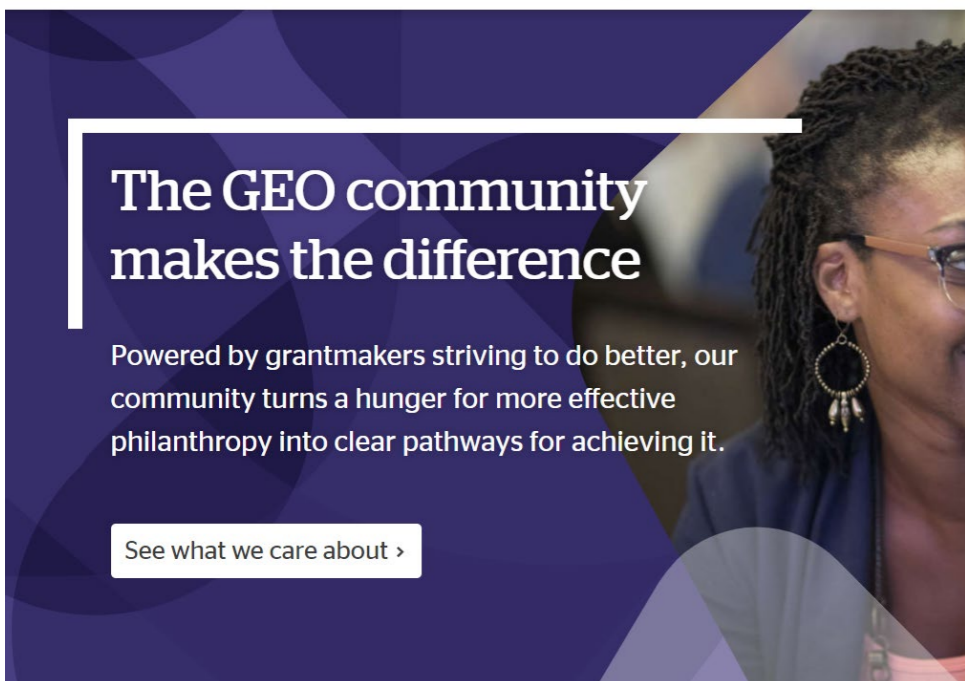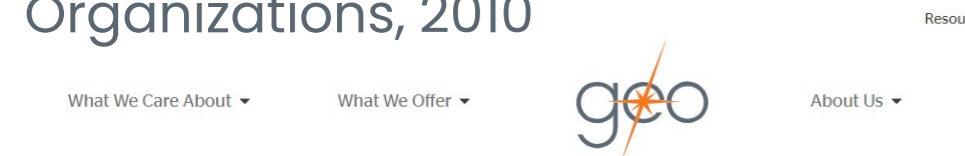
Accountability

When someone has a mission-based job, it is often harder to measure and hold them accountable. Evaluation standards should be based on specific goals, something measurable, attainable, and easily understood by both the employee and the manager.
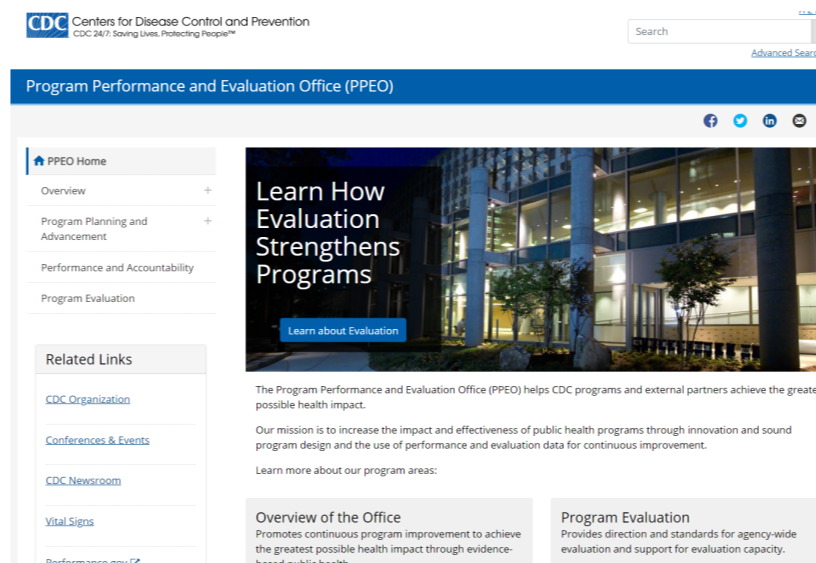
"Performance Evaluations Can Help Workers Improve and Reach Their Goals"; The Chronicle of Philanthropy, April 22, 2004

Long-Term Outcome Indicators

This data helps us measure whether the program is achieving expected effects/changes in the long- term. Some programs refer to their longest-term/most distal outcome indicators as impact indicators. Because outcome indicators measure the changes that occur over time, indicators should be measured at least at baseline (before the program/project begins) and at the end of the project. Long-term outcomes are often difficult to measure and attribute to a single program. However, that does not mean a program should not try to determine how they are contributing to the health impact of interest (e.g., decrease in morbidity related to particular health issue).

From the CDC Program Performance and Evaluation Office

EVALUATION FOR ACCOUNTABILITY

This section captures data about our work and accountability measures.

LIVING OUR VALUES

This section captures data and what we are learning about the extent to which we are living our values as a Foundation.

NUMBER OF ORGANIZATIONS FUNDED IN 2023

Legend:
- Number of organizations funded
- Number that have programs/services that serve Native Americans
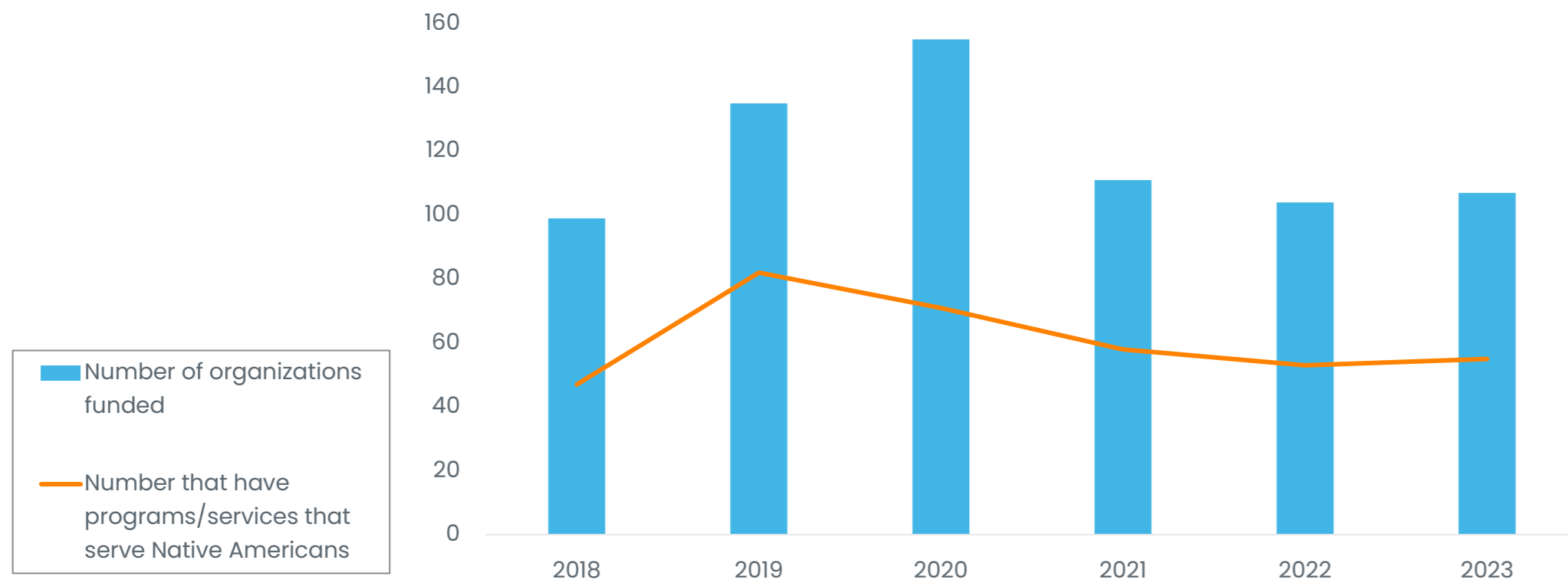
OF GRANTS AWARDED BY FUNDING CATEGORY 2023

- EARLY CHILDHOOD: **8**
- CAPACITY BUILDING: **12**
- NATIVE AMERICAN HEALTH AND WELLBEING: **4**
- POLICY GRANTS: **10**
- GO! GRANTS: **81**

COUNTIES SERVED BY ORGANIZATIONS FUNDED IN 2023

FUNDS GIVEN BY GRANT TYPE 2023

- $600,000
- $1,475,000
- $500,000
- $650,000
- $880,000

Legend:
- GO! Grants
- Policy Grants
- Native American Health and Wellbeing
- Capacity Building
- Early Childhood

LIVING OUR VALUES

This section captures data and what we are learning about the extent to which we are living our values as a Foundation.
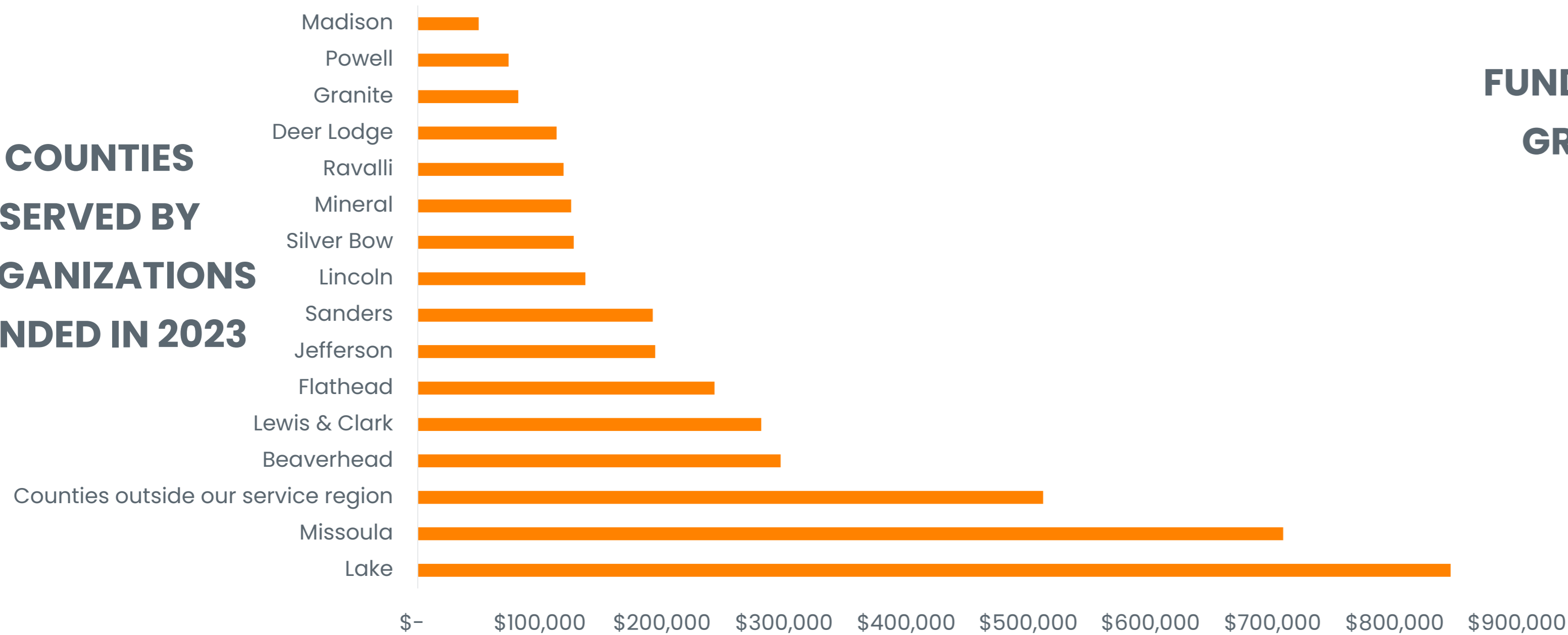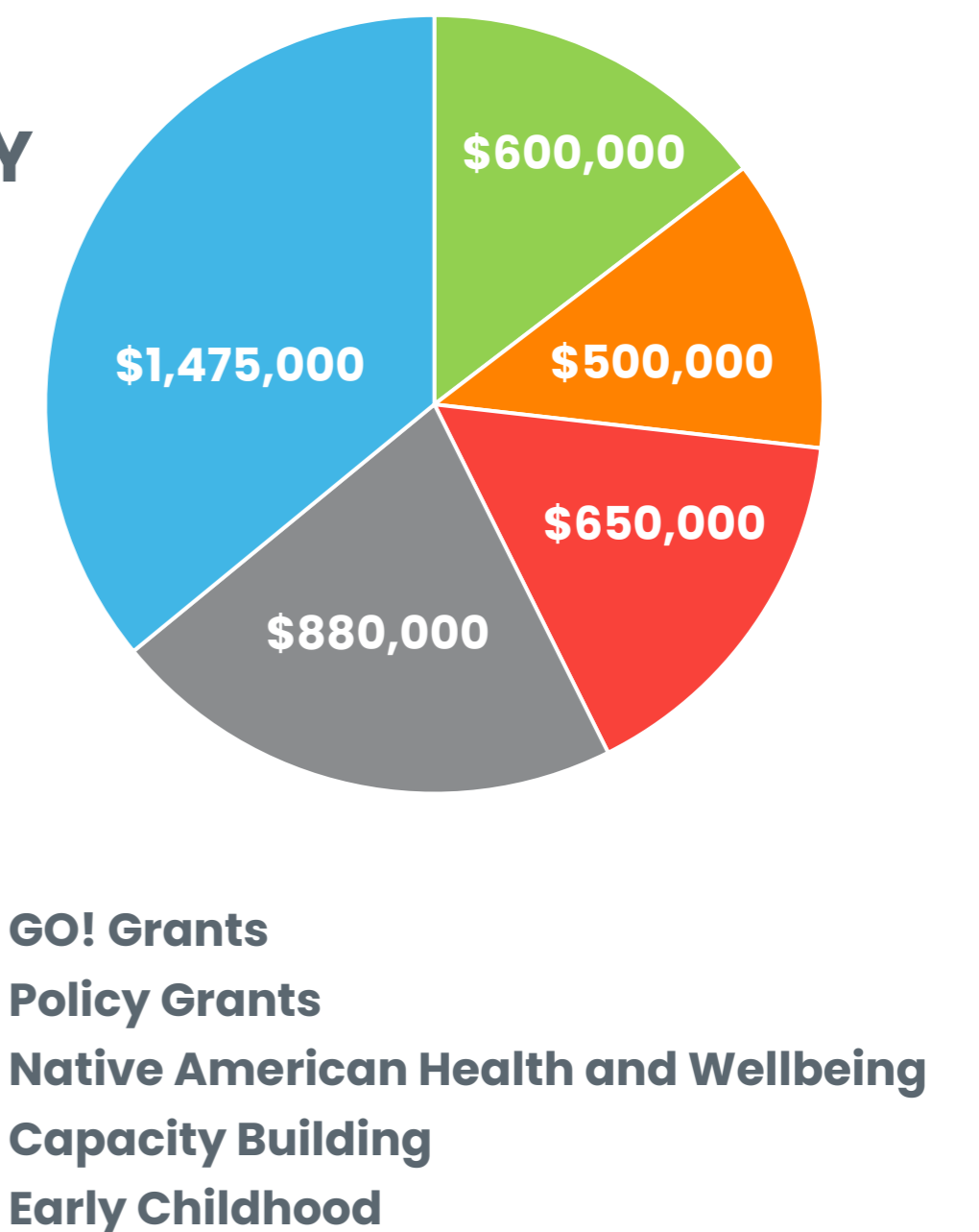
Soliciting and Acting on Feedback

As a trust-based funder and learning organization, feedback is vital to us. However, the power dynamics that exist in philanthropy discourage grantees from providing constructive criticism to their funders. **Upon grant paid status, we send a short survey asking the grantee to share their experience. The results are overwhelmingly positive.** In fact, in 2023, we only received positive responses.

To obtain a clearer idea of how we are doing, in 2022, we contracted with the Center for Effective Philanthropy (CEP) to compile a **Grantee Perception Report** (GPR). This survey is sent by a third-party (CEP), is completely anonymous, and benchmarks our results against similar foundations. You can read about the results here. We will repeat the GPR every 3-5 years. We also encourage grantees to use tools like Grant Advisor to anonymously review their funders at any time.

2023 Grantee Survey Responses

"Headwaters' grant process is productive and useful. The data requested always helps us evaluate our own goals. The simplicity, support, and quick response make applying stress free. Hoping other funders will follow your lead."
–Mineral County Help, February 2023

"The Headwaters grant application process is straight forward and not difficult, even for someone who isn't entirely adept at online applications. We appreciate having this opportunity to apply for operational funds, so again, thank you Headwaters!" **–Mineral County Community Foundation, February 2023**

"We value our relationship with Headwaters so much. The ease of the application and the option to either submit an interview-based final report or a traditional final report is so helpful and allows us to focus our time on what's most important - the children in our care." **–Watson's Children Shelter, March 2023**

"The Headwaters staff were extremely helpful, kind and patient. It made the already simplified grant application even less stressful. So grateful for the work the Headwaters Foundation is doing to make changes across the state and greatly appreciate the clean and concise application to be a part of that change."
–Anaconda Community Market, May 2023

"I have NEVER-repeat-NEVER worked with a foundation that had such a simplified application and reporting process! Not only are you funding really important work in our state, you are making it so easy for organizations to partner with your foundation. I wish all foundations were like Headwaters. Thanks so much for your support and for your trust in community organizations-you really are walking the walk." **–Supporters of Abuse-Free Environments, June 2023**

"I can't emphasize enough how much we value our relationship with Headwaters. You are the gold star for foundations and we brag about this partnership to others often." **–Montana Free Press, June 2023**

"This experience was absolutely amazing. I was surprised on the ease of the application and the speedy disbursement time frame." **–Boys and Girls Club of Glacier Country, July 2023**

"I believe that Headwaters has been the easiest Foundation to work with and has been so patient as we have many different departments on campus that have to sign off. I appreciate all the hard work and professionalism that they have shown. Thank you to all who have been involved in our grant application and process, we greatly appreciate you." **–Salish Kootenai College Institutional Advancement, October 2023**

LIVING OUR VALUES

This section captures data and what we are learning about the extent to which we are living our values as a Foundation.

Confluence Center

We opened Confluence Center for nonprofit rentals in early 2023. The space is an accessible and user-friendly venue where leaders can gather to catalyze positive change for their communities. Going into 2023, Headwaters staff aimed to host a minimum of 24 events at Confluence Center to gauge community demand and gather feedback from attendees. Below are results and learnings from 2023.

In 2023...

- **198** events were hosted
- By **70** nonprofit organizations
- Over **1,200** people attended
- Events included board meetings, public presentations, fundraisers and more.

**Confluence is leading by encouraging the space to be:**

- **Low waste and sustainable** by encouraging reusable and compostable wares and offering recycling and compost on-site.
- **Inclusive and accessible** by offering all-gender restrooms, keeping aisles clear and advertising ADA building features to guests.
- **Collaborative** by partnering with local groups, nonprofits, and businesses for public events and trainings.

Lessons from the inaugural year:

As rentals increased and feedback was gathered, **key takeaways** emerged to influence 2024 programming.
- **Many nonprofits don't have office space**, or they don't have the amenities to support a productive meeting.
- **Nonprofits need affordable, accessible venues** to learn and connect.
- **User-friendly technology and accessibility features** result in higher attendance and increased efficiency.
- **Streamlined reservation system** has resulted in a high number of rentals- all of which take in-person connection from Headwaters' staff.

ISSUE AREAS

Groups gathered to support their programmatic efforts, many of which overlap with Headwaters' mission. (This chart displays self-reported data from optional post-event survey.)

Related Issue Areas
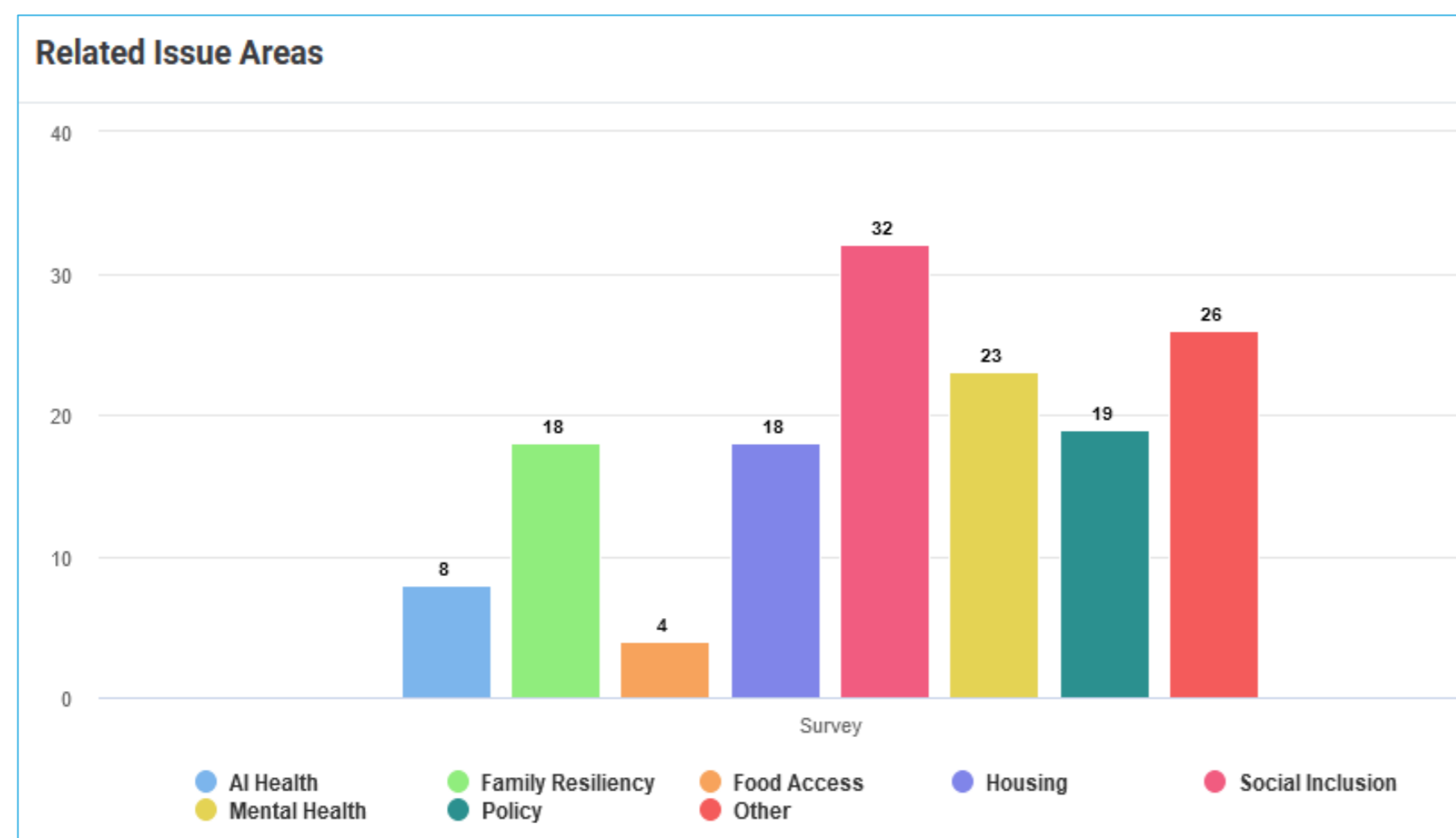
OUTCOMES

Use of Confluence Center promoted nonprofit goals. This chart shows self-reported outcomes from an optional post-event survey, which included stronger relationships and collaboration, increased capacity and leadership, and more.
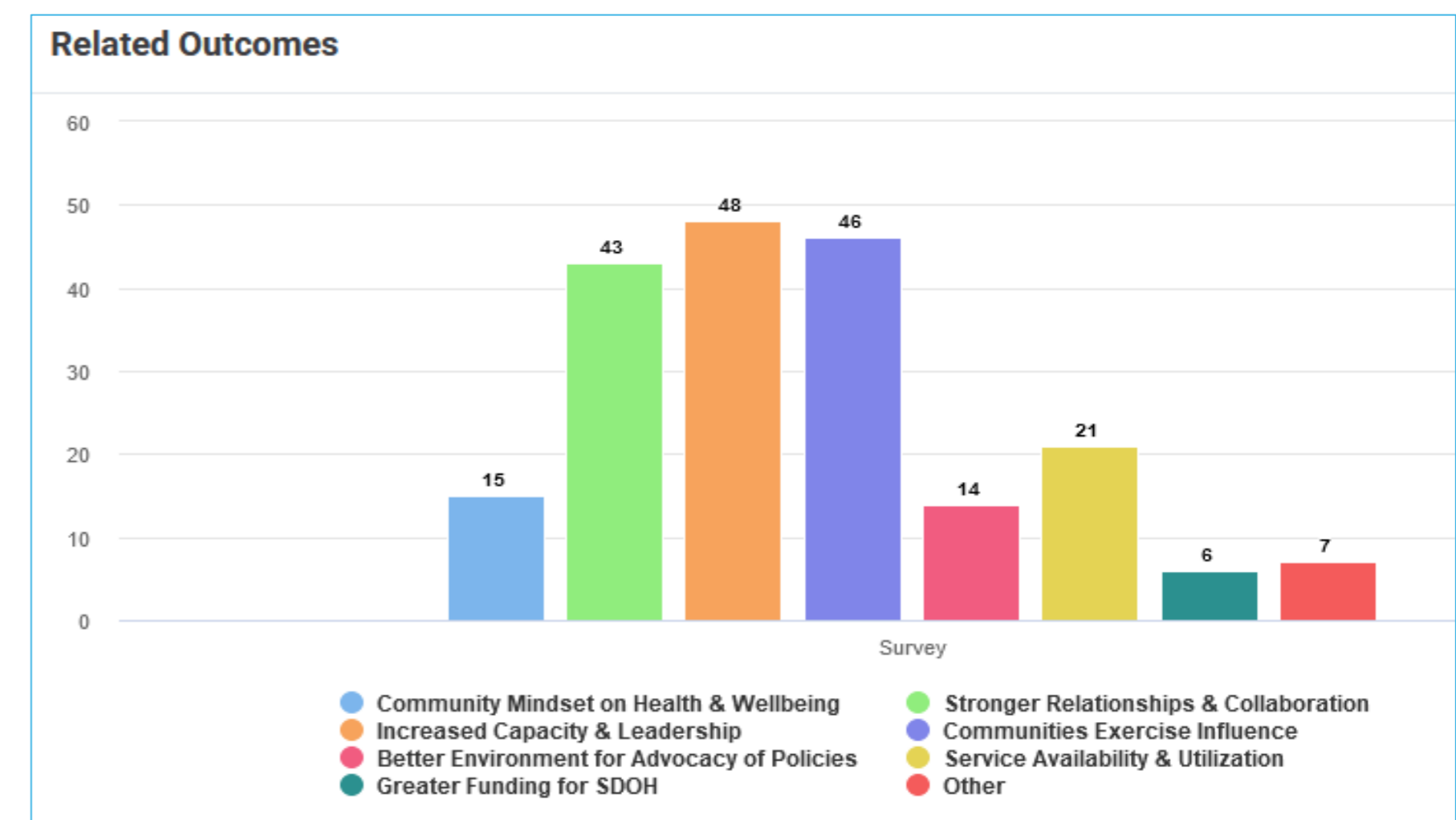
Related Outcomes

LIVING OUR VALUES

This section captures data and what we are learning about the extent to which we are living our values as a Foundation.

How did staff's 2023 Beyond the Check work contribute to the outcomes in our Theory of Change?

2023

Support Beyond the Check Provided by Headwaters

14 convenings/meetings
12 webinars/conferences
35 tools provided
97 thought partnership hours
10 Blogs/Articles/Podcasts

	Trust-Based Philanthropy	Increased Capacity	Service Availability	Multi-Sector Collab	Narrative Shift	Under-represented Voices	Better Policy Environment	Funding for SDOH
Blogs, Articles, Podcasts	7	1	2	2	1	1	1	2
Convening/ Meetings	7	2	0	2	1	1	2	3
Webinars/ Conferences	12	1	0	0	0	0	0	0
Thought Partnership Hours	52	17	3	12	1	2	0	32
Tools Provided	11	3	5	0	4	3	2	1
Total	89	24	10	16	7	7	5	38

ACHIEVING OUR GOALS

This section captures progress toward our 2023 goals.

2023 Headwaters Goals Dashboard

Theory of Change Outcomes

- Underrepresented voices
- Stronger relationships, coordination, and collaboration
- Increase in services available for SDOH
- Increased capacity and leadership
- Cultural and narrative shifts take place
- Better environment for the advocacy of policies
- Greater funding for reducing social and economic barriers to health and wellbeing
- Trust-based philanthropy

Overall work plan level of delivery confidence: ●

Delivery Confidence Key:

- ● = No significant risk to delivery
- ● = Some risk to
- ● = Significant risk to delivery
- ⚑ = Goal behind schedule
- = Leaving work
- = New to work plan
- = Updated deadline

Related Theory of Change Outcomes		Annual Goals	Delivery Confidence	Update	Q1 2023 Jan - Mar	Q2 2023 Apr- Jun	Q3 2023 Jul - Sep	Q4 2023 Oct - Dec	Q1 2023 Jan - Mar
	Grantmaking	By end of Q4, award $4.1 million in grants that support our strategic framework, program plan, and mission	●		▨▨▨▨				
		By end of Q2, develop an allocation plan for the $14 million gift	●	⚑	▨▨▨▨				
	Technical Assistance	By end of Q4, provide technical assistance support to a minimum of 12 grantee partners	●		▨▨▨▨				
	Convenings	By end of Q4, host 3-4 grantee/partner convenings that support program goals	●		▨▨▨▨				
	Funder Organizing	By end of Q4, participate in at least 3 collaborative funder efforts that will increase investments in SDOH issues in Western MT	●		▨▨▨▨				
	Strategic Refresh	By end of Q3, host 3-5 grantee stakeholder input meetings for strategic refinement	●		▨▨▨				
		By the end of Q4, the board approves a new long-term strategic framework	●		▨▨▨▨				
	Strategic Presence and Influence	By end of Q4, increase online presence/reach (by 20-25%) in order to amplify content that supports our programs and the work of our grantee partners	●		▨▨▨▨				
		By end of Q4, participate as a thought leader to least 12 program-related stakeholder conversations at the local, state, and national levels	●		▨▨▨▨				
	Learning	By end of Q2, learn from and develop practices addressing results of CEP Grantee Perception Report	●		▨				
		By end of Q4, hold at least two sessions to digest the learning book with board and grantees	●		▨▨▨				
	Confluence Center	By end of Q4, host a minimum of 24 events in the Confluence Center benefitting grantees and advancing Headwaters' mission	●		▨▨▨▨				
	Finance	By end of Q4, staff will track and manage all actual expenditures, ensuring we do not exceed 5% of the approved budget.	●		▨▨▨▨				
		By end of Q4, demonstrate that we are in legal and ethical compliance with all foundation requirements.	●		▨▨▨▨				
	Operations	By end of Q1, implement operating policies for Confluence Center	●		▨				
		By end of Q4, demonstrate a high level of staff satisfaction through staff survey	●		▨▨▨▨				
	Board	By end of Q4, staff 4 board meetings and quarterly meetings of all board committees.	●		▨▨▨▨				
		By end of Q4, conduct ~~quarterly surveys to determine board satisfaction with board meeting operations and~~ annual board self-assssment survey	●	see goal description	▨▨▨▨				

EVALUATION FOR LEARNING

This section captures data and what we are learning about progress toward the seven outcomes in our theory of change. This data should inform future programmatic and strategic decisions by Headwaters' Board, staff and grantees.

The basis of our learning and evaluation framework is our **Theory of Change** . The Theory of Change was developed by an external consultant who interviewed dozens of our grantee partners across our program areas. Rather than define success and ask for feedback, they first asked grantee partners what indicators they used to assess their progress and what mattered to them when defining success.

What we heard was that organizations are working to **change long-held mindsets** in their communities around health and the factors that influence it. They are working to **engage community members who face the most barriers to health in the decisions** that have real implications for them, whether that's a parent who is struggling to afford childcare and put food on the table, or a community member who has lost access to housing. They are working **to bring information (such as research or stories) to policymakers** that will allow them to be better informed as they make decisions that affect people's health. Organizations shared that **building strong, meaningful relationships** with other organizations outside of their sector is critical to the long-term changes they seek, so they measure impact by the depth of their partnerships. Many organizations spoke about the need for more people to know about their services, especially preventative programs. Everyone spoke about the need for **more funding in Montana overall** for preventative programs focused on reducing social and economic barriers to health. Universally, organizations said that they could achieve more of these desired outcomes if funders invested in the **leadership and capacity** of their organizations.

Community-Designed Theory of Change

How We Measure Impact

Headwaters Foundation Theory of Change

Our purpose

Why we do our work: Western Montanans face high social and economic barriers to health and wellbeing, particularly families living in poverty and American Indians.

How we do our work: Headwaters Foundation was born from community and believes in democratizing philanthropy. We strive to be humble, mindful, and accountable to the people of Western Montana. We believe community-driven efforts will create positive changes upstream in the lives of Western Montanans, reducing the social and economic barriers to their health and wellbeing.

Our strategies

Strategic Initiatives
Policy and Influence
GO! Grants
Sponsorship
Strategic Communications
Capacity Building
Philanthropic Engagement

Outcomes we hope to see...

Cultural and narrative shifts take place that prioritize health as a community responsibility instead of an individual one

There are **stronger relationships and collaboration** between organizations from different sectors

Underrepresented voices engage in policy advocacy

Outcomes we expect to see...

Increased capacity and leadership for systems change in the organizations and collaboratives we support

There is an **increase in services** available for SDOH

A **better environment for the advocacy of policies** that reduce social and economic barriers to health

There is **greater funding for reducing social and economic barriers to health and wellbeing**, from both public and private sources

Our work is built on a bedrock of trust-based philanthropy and partnerships

Impacts to which we contribute

Reduced social and economic barriers to Western Montanans' health and wellbeing, particularly for families living in poverty and American Indians

An increase in **health equity in Western Montana** where all, especially communities who face high barriers to health and wellbeing, are **healthy and thriving**

Headwaters Foundation
BE THE SOURCE OF CHANGE

INCREASED CAPACITY & LEADERSHIP FOR SYSTEMS CHANGE

Increased capacity and leadership for systems change in the organizations and collaboratives we support.

❖ To what extent and in what ways is the **capacity and leadership of organizations and collaboratives** with whom we partner changing?

❖ How is our support contributing to changes in capacity and leadership and what types of support do they still need?

38 grants closed in 2023 demonstrated this outcome in their work.

Strong organizations are the glue of our theory of change. In 2023, we invested **$1,005,000** from our capacity building fund into the communities we serve. However, this outcome is present in *all* our work. In 2023, staff completed 50 reports (across all grant types) where they saw an increase in capacity and leadership for systems change. These 50 reports represent **$7,411,500** in funding.

Observations from grant reporting data:
- We invest in **people power** at organizations. Funding from our Strategic Initiative and Policy grants contributed to funding at least **38 staff positions** in 2022-2023!
- Flexible positions and **flexible funding** are key for sustaining social change work.
- Our general operating grants support **leadership building** and **succession planning**.
- **Infrastructure support** is important to help organizations develop things like systems, handbooks, and plans for new leaders.
- When organizations are fully staffed, they **collaborate more and collaborate better**. An example is the recent creation of a health reporting infrastructure in Montana through partnerships between a large national newsroom and a Montana independent, nonprofit press.
- Once capacity increases, organizations can **focus more on strategy**, including strategic communications.
- Investing in **targeted technical assistance** for grant partners is the most supportive type of assistance (as opposed to broad, more generalized support).
- Without **multi-year grant commitments**, organizations tend to hire contract positions, which can result in weaker systems and less forward-thinking work due to the inability to plan for staffing the work long-term.

While our support has contributed to significant improvements in capacity and leadership across various initiatives and organizations, there are some areas where additional support may be needed:

- Some organizations faced **staffing challenges** due to factors like lack of available childcare, which may require additional support in terms of childcare assistance or flexible work policies.
- While many organizations have seen growth in capacity, **ongoing support** may be necessary to sustain and further enhance their effectiveness.
- Supporting **leadership development** programs and initiatives could help organizations cultivate and retain effective leaders who can drive their missions forward.

Increased capacity and leadership for systems change in the organizations and collaboratives we support.

❖ To what extent and in what ways is the **capacity and leadership of organizations and collaboratives** with whom we partner changing?

❖ How is our support contributing to changes in capacity and leadership and what types of support do they still need?

Headwaters supported a STAR-T secondary trauma **resilience training** for grant partners in 2023, a need identified by partners in 2022. Out of the initial introductory training, at least two organizations pursued additional training for their staff using a small grant from Headwaters.

As you can see in the chart below, GO! Grantees (smaller, rural organizations) experienced the smallest increase in staff capacity in 2023. These organizations are serving their communities amongst staffing shortages and a drastic increase in community need for services. One rural food bank saw a 50% increase in households served over one year. Other struggles include growing pains, inflation, engaging the community when community members encounter barriers to participation such as transportation, and losing sources of funding. **There are too few opportunities for general operating funding for smaller, rural organizations.**

Capacity building is also present in our work beyond grantmaking. 60% of nonprofits that held an event at Confluence Center in 2023 said that the event resulted in increased organizational or leadership capacity. In 2023, Headwaters' staff reported almost 30 instances of work **"beyond the check"** that increased organizational or leadership capacity, including legal and accounting support, video production to support organizations' communications, hosting or facilitating convenings, and providing support and advice during leadership transitions.

Key Lessons Learned
• Capacity needs are somewhat inevitable, as staff transitions are inevitable.
• Building capacity takes time. At the five-year mark, we are seeing shifts in capacity that may not have occurred had we stopped or changed our funding after a year or two. The 38 Strategic Initiative and Policy grants that saw an increase in staff capacity in the last year have received an average of five grants from Headwaters.
• Events like a pandemic, organizations getting their 501(c)3 status, and sudden leadership transitions can affect an organization's capacity, but this is when they need more funding and support, not less.

How grantees answered the question, "did you experience an increase in staff capacity this past year" by grant type (grants closed in 2023)

■ Strategic Initiative Grants (n=19)
■ Policy Grants (n=8)
■ GO Grants (n=62)
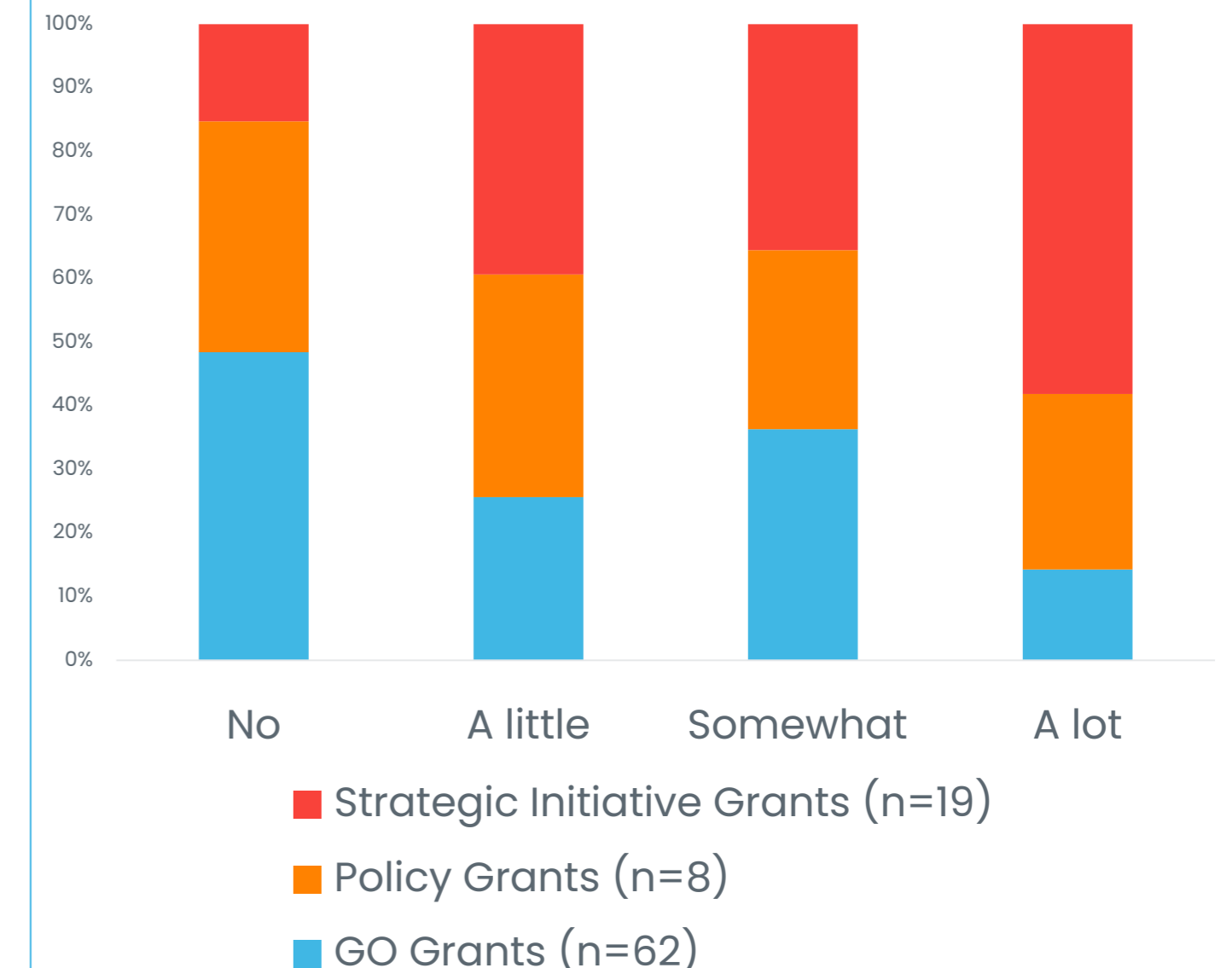
There is an increase in services available for social determinants of health.

❖ To what extent and in what ways are organizations **offering new or different services** to benefit their communities?

❖ To what extent are these services **reaching those who need them most?**

53 grants closed in 2023 demonstrated this outcome in their work.

Key strategies for increasing service availability:
- Strengthening **community relationships** leads to an increased awareness and use of services. Organizations who partner with other organizations in their communities have seen an increase in the use of their services by sharing referrals or collaborating in other ways.
- **Raising awareness** of new programs and services is essential for their utilization. Implementing a dedicated outreach strategy is key to the success of these programs and reaching target audiences and clients. There is a significant need for communications support among organizations to improve service delivery.

Community voice drives solutions:
- **Responding to the evolving needs of communities** and clients is essential for successful programming. For example, Lowell Community School Project heard that children required additional support beyond the school day. They integrated mental and behavioral health services and engagement activities during afterschool hours. As a result, they experienced increased participation in afterschool programs, greater utilization of wraparound supports, and the surrounding neighborhoods saw a reduction in crime rates.
- Rural communities are finding **innovative ways to support families despite isolation challenges**. For example, Zero to Five Lincoln County launched a Community Resource Van to deliver essential services to remote areas, increasing access for the populations that need them most.

Ongoing impacts of COVID and it's implications on service availability:
- We are still observing an increased need for new or different services related to COVID-19, such as food distribution and legal aid. As **COVID relief funding starts to decline**, how will this impact the communities that now rely on these services? How might this reduction in funding affect Headwaters' efforts?
- As a result of COVID-19, many organizations continue to offer **hybrid options (virtual or in-person) for accessing services or training**. This model has made it easier for rural communities to access services. Organizations have been able to expand their reach and see increased engagement by providing programs and services in multiple ways.

Pathways to systems change leadership:
- In rural communities, **programs and services are often non-existent and must be established** to gain supporters and engagement, serving **as a pathway to systems change** efforts. Transitioning from programming to systems change strategies requires strong leadership and the ability to educate and involve partners in the next phase of work.
- Given that communities require unique and adaptable access to services and programming that support health, it's important for Headwaters to consider approaches that provide some **direct service support as a means to build capacity for systems change work.** This includes maintaining our GO! Grants program and finding more pathways to leadership and larger funding opportunities for GO! Grant recipients.

There is stronger collaboration between organizations from different sectors.

❖ How are communities **coming together** to address social and economic barriers to health and wellbeing?

❖ To what extent are communities **aligned** on the problem they are working to address and the strategies to address the challenge? What facilitated their development? Where are there still tensions?

30 grants closed in 2023 demonstrated this outcome in their work.

As a funder dedicated to supporting community driven change, Headwaters has made significant investments in collaborative work at both local and statewide levels, including on the Flathead Reservation and within Native-led health systems. Over years of funding collaborative efforts, themes have emerged regarding what successful multi-sector collaboration looks like and how Headwaters' role as a funder and supporter of the work has evolved over time.

Key components for strong multi-sector collaboration:
- **A shared agenda.** Collaboratives that are working together toward a commonly defined 'north star' find stronger alignment on the issue they are working to resolve. Additionally, having clarity on roles and decision-making structure supports collaboratives in advancing their priorities.
  - *Example*: Within a houselessness coalition, partners share an agenda and are willing to advocate for policies that do not directly support individual members but rather benefit the system as a whole. This example shows **strong collaboration for a coordinated agenda**, even when it means having to set aside personal preferences or agendas.
- **Communities define who should be at the table.** Community members know the voices and resources in their communities. Headwaters has learned that rather than being too prescriptive about who should be engaged in the work, it's helpful to encourage collaboratives to think about the importance of including diverse perspectives as a strategy for building deeper community support.
- Strong multi-sector collaboration is supported by **strong leadership and facilitation**, someone who can remind participants what their 'north star' or common goal is.
- Resourcing collaboratives with **technical assistance** such as support in data, research, communications, strategic planning, and evaluation increases the impact of the collective effort and can serve as extended capacity for work that is often led by volunteers.

Key Lessons Learned
- **Collaborative work requires dedication.** Collaboratives have had to find creative ways to engage participants and ensure long-term involvement. In Lincoln County, some organizations have included participation in the early childhood coalition as part of job descriptions. This approach has helped maintain consistent representation from organizations even during employee transitions.
- **It's challenging to bring together people with diverse opinions.** Collaborative leaders need to be equipped to help people think beyond of their own silos and adopt a broader perspective to share power and change systems for collective good.
- **Honoring Indigenous culture and approaches** to collective work challenges Headwaters to rethink outcomes. Our definitions and understanding of what constitutes "systems change" does not always align with those of our partners.
- As a funder, **Headwaters strengthens collaboration by serving as a thought partner, networker and convenor,** creating space for new partnerships and making connections where we see alignment in bodies of work.

Cultural and narrative shifts take place that prioritize health as a community responsibility instead of an individual one.

❖ How are **mindsets changing** about how social and economic factors contribute to health and wellbeing?

❖ How are our **strategic communications** and complementary activities contributing to this change?

24 grants closed in 2023 demonstrated this outcome in their work.

Partners are working to change narratives on three levels – individual, community and systemic. This is enlightening as we often think about narrative change as big-picture, systemic shifts – but it can be as simple as moving kids to see how capable they are, or teens to recognize that legislators are just people, like them. We should continue to support the myriad ways grantees approach narrative change as we think through which strategies to prioritize.

On the individual level, Championship Boxing has worked to change youth's personal narratives about what is possible for them. Western Native Voice trained a group of teens in lobbying and took them to the Capitol, changing their perceptions of who can be a leader. **On the community level,** the Early Childhood Coalition of Beaverhead County has created a space dedicated to parent education and family support, strengthening the narrative that supported families means healthier kids. **On the systemic level**, Montana Advocates for Children (MAC) published 18 data-driven letters to the editor and op-eds in Montana papers to educate the public and provide a supportive narrative for investments in childcare, contributing to public policy efforts to expand access.

Asset-based, solutions-oriented framing was a theme in 2023. Several partners reported that making their work, reporting and communications solutions-oriented while celebrating the strengths of their constituents had a positive impact. We can amplify this trend by modeling it and offering resources or training on asset-based framing to partners.

Several partners expressed the **need for narrative change around houselessness** in the face of Montana's housing crisis, toward narratives that reflect the humanity of houseless people and that value safety and dignity for all, not just homeowners, and center housing as a right, not a way to build wealth.

To change public narratives, partners need the tools to craft powerful messages and capture and amplify stories. We worked to provide these tools in a few ways beyond grantmaking:

We held a convening called '[Action Lab: Messaging for Impact](#).' Attendees from the housing, food security and addiction recovery fields valued the opportunity to gather with others in their issue areas, deeply consider their messaging, evaluate whether they are shifting or reinforcing existing harmful narratives, and set goals. Such gatherings are invaluable for nonprofit leaders who rarely get the chance to pause and reflect on the bigger picture. Funders can provide this permission, along with guidance, space and structure which can be very impactful. We also offered follow-up funding for participants to continue to work together and with the facilitator to refine their messaging.

We also offered storytelling support by **pairing partners with local filmmakers** and coordinating a **video production training cohort**. 5 grantees received videos, and 18 participated in the training cohort. In a follow-up survey, video training participants agreed that the skills they gained would strengthen their communications and fundraising efforts.

UNDERREPRESENTED VOICES ENGAGE IN POLICY ADVOCACY

Underrepresented voices engage in policy advocacy.

❖ To what extent and in what ways do our efforts and those of our partners **involve the people we want to serve** (i.e., families living in poverty, parents, American Indians)?

❖ How is the leadership landscape changing in Montana as a result of these efforts?

❖ How are these efforts contributing to shifts in policy or narrative change at the local, state, or national levels?

13 grants closed in 2023 demonstrated this outcome in their work.

In 2023, we saw many examples of organizations involving their constituents in their work in meaningful ways.

- A lived expert was hired as a temporary staff member to set up a **Food Advisory Board of lived experts,** resulting in shifts in policy priorities based on their input. When lived experts expressed that SNAP benefits are useless without places to use them, the organization began to focus on the location of grocery stores accepting SNAP benefits in addition to measuring the uptake of SNAP benefits.

- **Youth action boards** and youth leadership programs have emerged as a strategy to involve youth in policy work. In one example, Native youth presented at a School Board meeting to advocate for greater support for Indian Education for All.

- *Have a Heart for Kids Day* brought parents and caregivers to the Capitol to advocate for more investment in early childhood and provided an avenue for local early childhood coalitions to plug their members into statewide advocacy efforts.

- One organization focused on addiction and recovery is **led by a lived expert.** In addition to running the nonprofit, he provides testimony on bills, serves on boards, and provides peer support for those in recovery. The organization's **board of directors is also made up of lived experts,** providing meaningful leadership opportunities for them.

- **Sharing stories** has emerged as a tactic to destigmatize experiences and advocate on issues. Examples include elevating the stories of Montanans in health reporting, youth with lived experience creating videos to destigmatize houselessness, sharing stories and poems written by incarcerated LGBTQ+ youth with juvenile judicial system decisionmakers, and including lived expert stories in research reports.

- **Advocacy efforts** by lived experts include providing trainings to reduce fear of the policymaking process, email engagement, testifying, submitting comments to policymakers, holding relationships with legislators, organizing listening sessions, and letting the community decide what policy they want to organize and advocate around.

- For **service delivery** organizations, letting the people served have a say in the planning and delivery of services is an important way to engage lived experts in the work.

What's needed to effectively engage constituents?

- Several organizations believe in the **power of personal voice** and expressed a desire to do more engagement with the people they focus on. They have requested trainings to develop their skills and resources to do this work well.

- Organizations doing this work are finding it challenging to effectively compensate lived experts for their contributions. Providing too little feels like it does not honor their work, but paying too much could result in some losing needed benefits if it puts them just over the income threshold to qualify. Organizations would like support to address this challenge more comprehensively in the long-term.

Key Lessons Learned

- Organizations see tremendous value in engaging underrepresented voices in their work. It has resulted in changes in some organizations' policy priorities and more thoughtful service delivery from providers as they learn what their clients need.
- The sharing of personal stories is contributing to positive narratives around who uses services and why.
- Lived experts are participating in policymaking discussions and finding pathways to their own leadership.

A better environment for the advocacy of policies that reduce social and economic barriers to health.

❖ What does the **health policy environment** look like in Western Montana and how is it changing?
❖ How can the Foundation **adapt support offered** to partners to help them operate more effectively in this environment?
❖ What strategies deployed by communities / partners have been effective in **mobilizing** Western Montanans to get involved in policy advocacy?

13 grants closed in 2023 demonstrated this outcome in their work.

In 2023, we saw our investments lead to strong impacts in the policy advocacy environment.

- **Montana Advocates for Children (MAC)** successfully advanced legislation securing a historic $14 million investment to expand access to childcare for Montana families and increase flexibility for childcare business owners to provide in-home care. Key strategies included building a strong base of grassroots supporters, collecting and sharing stories to highlight the importance of childcare investments, conducting policy trainings, and holding one-on-one meetings with legislators.
- **The Home Visiting Coalition** engaged home visiting providers from across Montana in policy work, overcoming their previous fear of participating in the legislative process. The coalition focused on administrative advocacy with DPHHS to use TANF funds as a long-term funding source. They also advocated for Medicaid reimbursement for certain elements of home visiting services and provided technical support to Native nations applying for Tribal home visiting program funds.
- **The Coalition to Solve Homelessness** is comprised of temporary housing programs, housing developers, and other stakeholders committed to addressing Montana's housing crisis. They used statewide and local homelessness data and stories to create digestible fact sheets and conducted educational efforts through committee hearings and direct conversations with legislators.
- **Montana Nonprofit Association** (MNA) gathered feedback from nonprofits to determine their advocacy support needs. They expanded their focus from issues specifically affecting nonprofit governance and funding to providing a unified nonprofit voice on broader issues like childcare, housing and Medicaid rates.

On the health reporting front, examples of policy impacts include:

- Investigative journalism calling for solutions to Montana's housing crisis influenced the formation of a **Governor's Housing Task Force,** which made legislative recommendations that passed in the 2023 session. Coalitions and nonprofits played a key role in these housing wins by conducting significant legislative education through committee hearings, direct conversations with legislators, creating data fact sheets, and more.
- Kaiser Health News was the first Montana media organization to report that the state health department proposed granting **religious exemptions for vaccines to kids and staff in childcare facilities**. The widely distributed article included interviews with local and national childcare workers who expressed strong opposition to the plan. In the face of so much opposition, the legislative committee overseeing the health department voted to block the rule's implementation for at least six months.
- One organization found that **contracting with an external communications expert** to prioritize media outreach was a productive way to generate media coverage and build long-term relationships with reporters, while allowing staff to focus on their day-to-day work. A general operating grant to Habitat for Humanity enabled them to shift some funding toward strategic communications to influence housing policy.

A better environment for the advocacy of policies that reduce social and economic barriers to health.

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The use of data and research to advance equitable health policies is another trend we saw.

- The **Montana Consortium for Urban Indian Health** is engaged in "legal epidemiology" to identify variations in laws over time and across jurisdictions that can be used to **compare differences in health outcomes contributing to health disparities** among Native American populations. They are assessing the alignment of state laws with the Indian Self-Determination & Education Assistance Act concering medical licensure and reciprocity between states. Once completed, the results of this study may influence policies to increase Native Americans' access to healthcare providers in Montana.

- **Montana Budget and Policy Center (MBPC) works closely with Montana Women Vote to integrate the perspective of lived experts into their policy analysis and research**. MBPC is conducting research on policies that support renters, a population left out of recent property tax rebates, despite paying property taxes through rent.

- The **American Indian Governance and Policy Institute** developed the social determinants of health for Native Americans framework, which been referenced as a resource by the State Health Assessment Steering Committee to help structure the State Health Assessment and the State Health Improvement Plan.

Key Lessons Learned

- Policy work is long-term and requires **flexibility and willingness to adapt** when needed. One coalition recognized the need to shift to local-level advocacy after County Commissioners issued a letter that was harmful to people experiencing houselessness.

- **Engaging in policy and advocacy work can be intimidating** due to lack of knowledge on how to effectively participate. Creating opportunities for organizations to learn from those further along in their policy advocacy journey may inspire less experienced organizations to get involved.

- **Collaboration among organizations, coalitions, and stakeholders is essential for effective advocacy.** This includes partnerships between advocacy groups, media organizations, governmental agencies, and Tribal leaders to advance shared goals and initiatives.

- **Coalitions need coordination capacity.** Each coalition member has their own organizational goals and priorities to manage. Therefore, it's essential to fund coordination capacity to ensure the necessary work to keep members aligned and engaged continues.

There is greater funding for reducing social and economic barriers to health and wellbeing, from both public and private sources.

❖ How is **public and private funding** for health and wellbeing – in particular, for reducing social and economic barriers – changing in Western Montana?

❖ How are we helping to **make connections** for our partners and bring in additional funding for these issues?

In late 2021, Headwaters invested substantial funds with the goal of **leveraging federal funding**. This is reflected in the chart below, which shows an increase in funds leveraged after 2021. Our investments in home visiting have resulted in diverse funding sources, including a tobacco settlement, matching funds, a fund at MT Community Foundation, and private foundation funding.

Grantees have been able to **utilize American Rescue Plan Act (ARPA) funds effectively.** For example, Flint Creek Childcare used a $7,500 GO! Grant as part of a match to receive $1 million in ARPA funds. However, 2024 is the final year for state and local governments to make spending decisions on ARPA funds, so this funding source will soon disappear.

GO! Grantees have been particularly successful at leveraging funds, gaining an average of $4.88 for every Headwaters' dollar granted since 2021. **Coalitions, collaboratives, and other partnerships** have proven advantageous for increasing funding. This is demonstrated by the success of Zero to Five Collaboratives in Jefferson and Beaverhead Counties, the work of Montana Advocates for Children, and various housing coalitions.

This outcome is also a key focus of our team's **Beyond the Check** work. In 2023, staff reported 41 instances of providing support to leverage or increase funds for addressing social and economic barriers to health. This included meetings with grantees, funders, non-grantee nonprofits, funder groups, businesses, and government agencies.

There were several instances where **providing funds to hire or contract grant-writing/fundraising support** led to increased funds leveraged. For example, adding a Family Liaison position in the St. Regis School district resulted in additional public funding and inspired other communities to consider implementing similar roles in their school districts.

Understanding **how the funding landscape in Montana is evolving** would be an excellent research project to undertake in the coming years. We also aim to better understand our role in leveraging funds. What would the funding landscape look like in Western Montana if we were not here?

34 grants closed in 2023 demonstrated this outcome in their work.

Our grantees leveraged **$2,224,385** in **private funds** from our grants in 2023.

Our grantees leveraged **$5,909,741** in **public funds** from our grants in 2023.

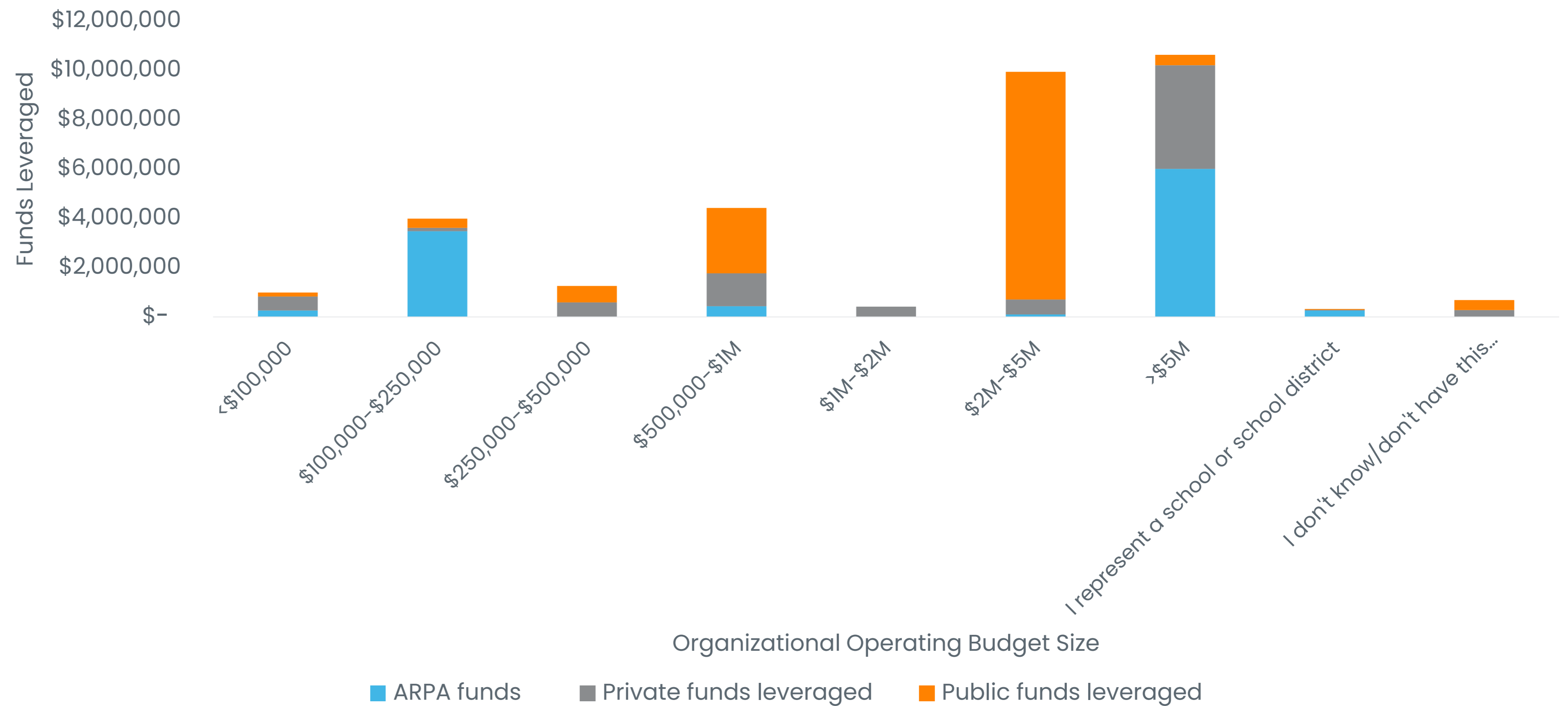Our grantees leveraged **$1,411,797** in **American Rescue Plan Act (ARPA) funds** from our grants in 2023.
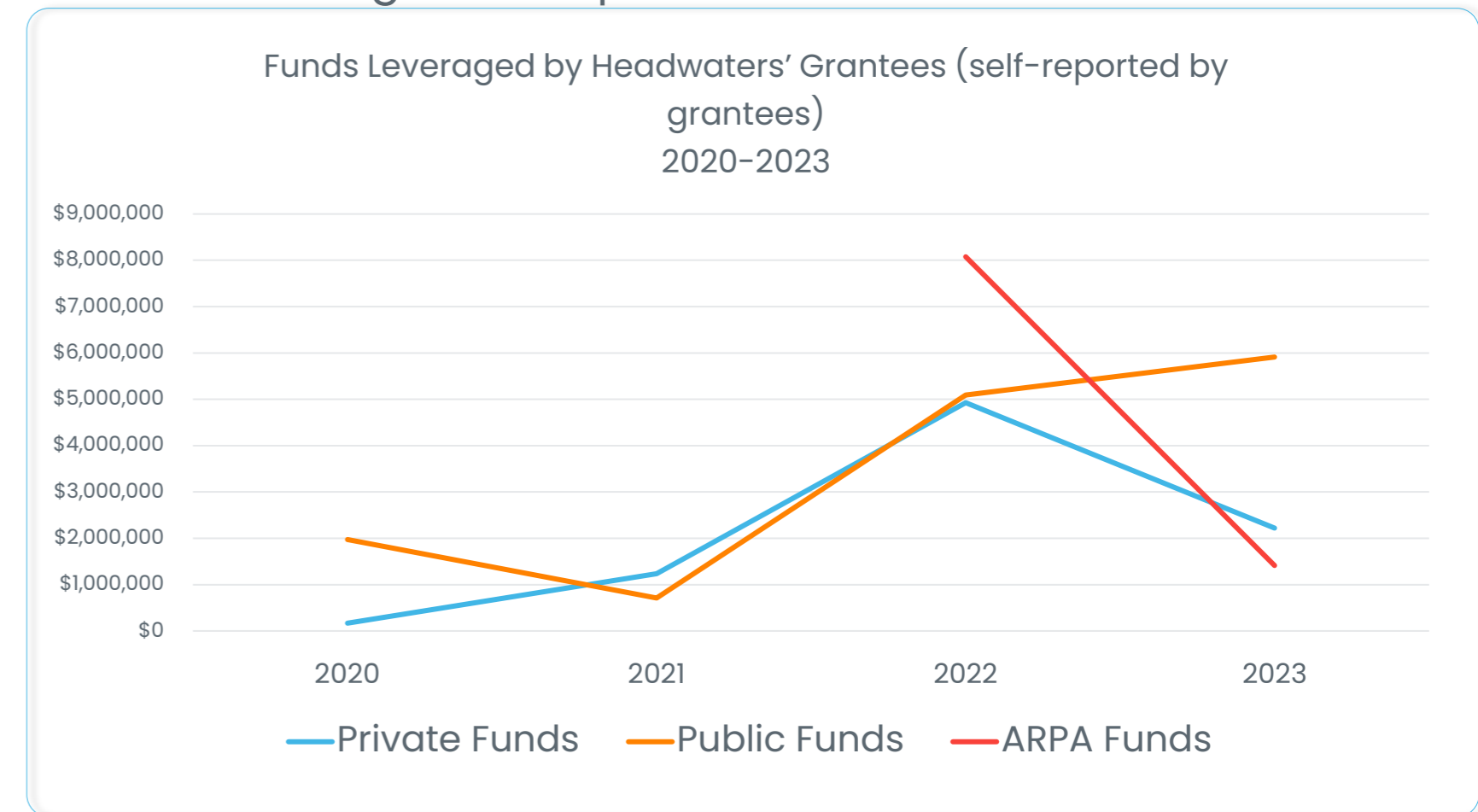
Funds Leveraged by Headwaters' Grantees (self-reported by grantees) 2020-2023

There is greater funding for reducing social and economic barriers to health and wellbeing, from both public and private sources.

❖ How is **public and private funding** for health and wellbeing – in particular, for reducing social and economic barriers – changing in Western Montana?

❖ How are we helping to **make connections** for our partners and bring in additional funding for these issues?

Below, we present the funds leveraged by grantees for any completed reports for grants given in 2021, 2022, and 2023 (representing 258 grants). While further dedicated study is needed, this data suggests that among our grantees, ARPA funds have been awarded to either large organizations with budgets of over $5 million, or smaller, rural GO! Grantee organizations with budgets in the $100,000–250,000 range.

Funds Leveraged (y-axis): $-, $2,000,000, $4,000,000, $6,000,000, $8,000,000, $10,000,000, $12,000,000

Organizational Operating Budget Size (x-axis): <$100,000; $100,000–$250,000; $250,000–$500,000; $500,000–$1M; $1M–$2M; $2M–$5M; >$5M; I represent a school or school district; I don't know/don't have this…

■ ARPA funds ■ Private funds leveraged ■ Public funds leveraged

TRUST-BASED PHILANTHROPY AND PARTNERSHIPS

Increased trusting, candid relationships among those working to create health equity in Western Montana.

❖ To what extent and in what ways are we developing **trust-based relationships** with our partners that support thought partnership and our partners' independence and learning? How are we being responsive to different partners' needs? What could we do differently?

❖ To what extent and in what ways is the **landscape of philanthropy changing nationally and within Montana** to be more trust-based? How is this approach changing the nature of relationships between organizations working together on health equity/SDOH in Montana?

43 grants closed in 2023 demonstrated this outcome in their work.

Grantees report appreciation for:

- Our easy and fast **application process**,
- **Flexibility** in funding,
- Our **understanding** that the work takes time,
- The **collaborative relationship** they have with the Headwaters team,
- **Conversation-based reporting** and receiving discussion topics in advance,
- Being invited to **choose their own metrics of success**,
- **Beyond-the-check support** including thought partnership,
- Headwaters' **willingness to take risks** like funding policy work and new projects,
- The **connections** our team makes to other funders or other nonprofits doing similar work, and
- Having our **support** through transitions.

One grantee described our approach as **a focus on systems and the organization as a whole** rather than program metrics where "we're [the grantee] in service to the funder's goals."

A Native partner noted that our way of grantmaking **fits well with their cultural models**.

❖ There may be an opportunity to use our platform to increase funder awareness of offering **simple no-cost grant end date extensions.** Several grantees expressed appreciation for this and noted that other funders often do not provide it.

❖ Staff continue to dedicate substantial time to **sharing trust-based philanthropy practices with other funders** through conferences, webinars, and one-on-one meetings. In one instance, a funder who met with Headwaters to learn more about our relationship-based and capacity-building approach ended up making an $85k grant to a Headwaters' grantee.

❖ **The impact of TBP outreach is evident across philanthropy**. A 2023 survey by TBP Project of 396 grantmaking professionals showed that the "majority of respondents made and sustained trust-based changes since 2020, but the results are uneven across various practices. The highest ranked changes were streamlined applications and reports (90%), unrestricted grants (71%), and support beyond the check (71%). The lowest ranked changes were verbal reporting (51%) and multi-year grants (47%)." 60% of survey respondents ranked feedback from grantees as a contributing factor to organizational change. The top barriers to implementation included board misalignment, capacity and time constraints, and lack of clarity and understanding. Staff can use these results to guide our outreach efforts moving forward.

TRACKING LONG–TERM OUTCOMES

This section captures data about population health in Montana, to help us better understand long-term trends. Our intention is to, over time, contribute to positive changes in these areas of population health.

Like a check engine light, long-term indicators point us to areas in need of further investigation. Indicators do not tell us why something is happening, rather, they encourage us to ask more questions and dig deeper for root causes.

Headwaters tracks long-term indicators to keep a pulse on systems change. Unlike measures of accountability or learning, long-term indicators are influenced by many factors that go beyond the work of the foundation or our grantees. These indicators are products of systems, not programs. Systems take time to change and that change, once achieved, requires maintenance to sustain. Systems are also complex and full of trade-offs. No single indicator will tell us the overall health of the system, rather, we must track a handful of related indicators that give us a high-level sense of the overall system's functioning, while also pointing us toward further inquiry to uncover root causes, challenges, and opportunities.

They say numbers don't lie, but the questions we ask, the data we collect, and how we report that data are products of human systems and prone to bias. Headwaters is not a research entity and is reliant on others to collect and analyze data. We recognize that we must be mindful consumers of the data available to us, including the implicit biases inherent in what questions were asked, of whom, the method of data collection or analysis, and even what questions were not answered and what data was not collected.
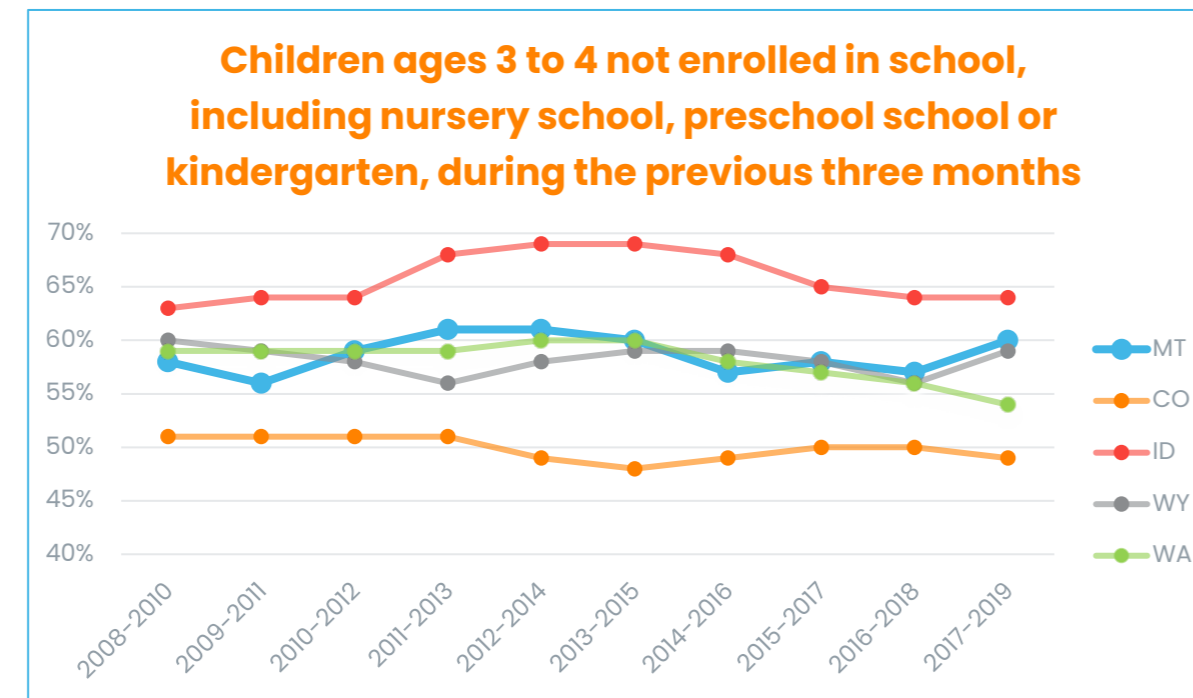
Measuring Progress | How We Use Long-Term Health Data

LONG TERM INDICATORS
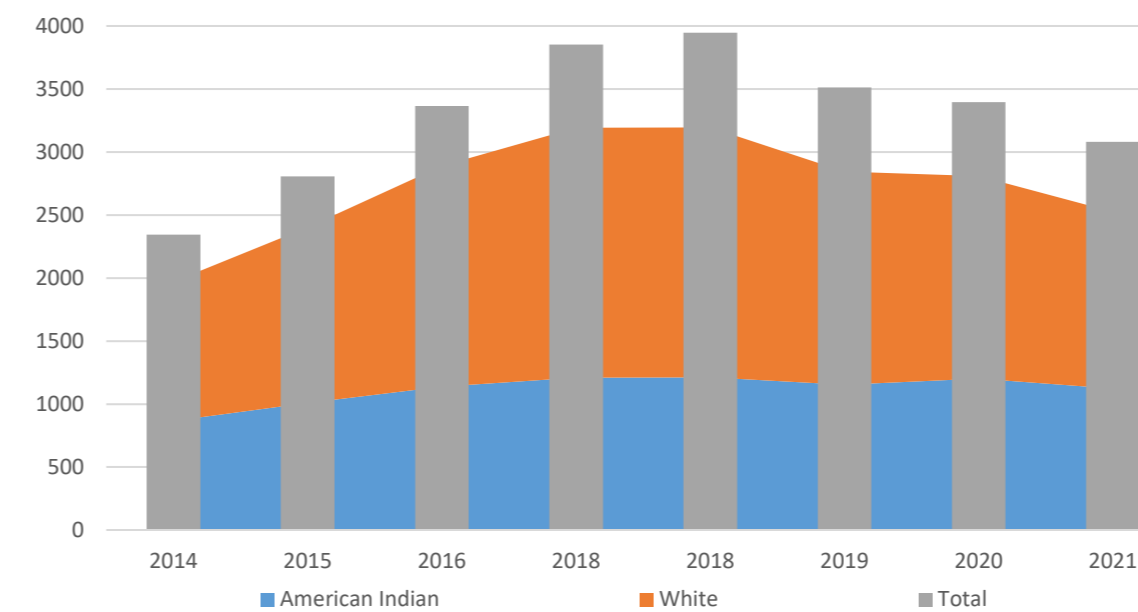
OUR INTENDED LONG-TERM IMPACT:

Reduced social and economic barriers that keep Western Montanans from being healthy, particularly for families living in poverty and American Indians.
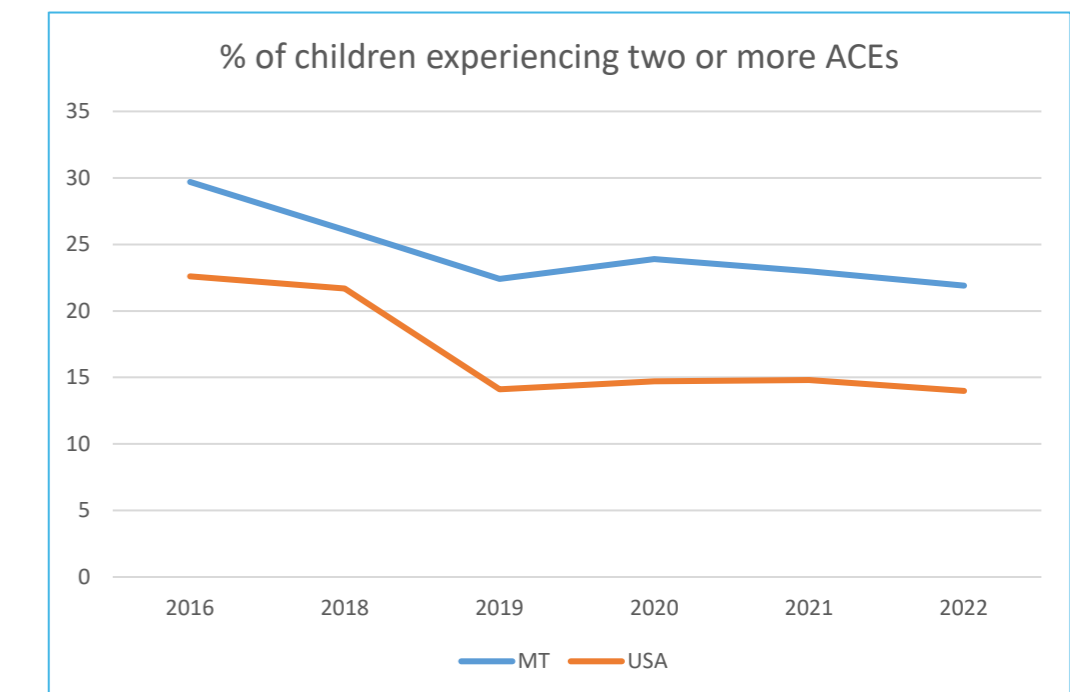
FAMILY RESILIENCY & EARLY CHILDHOOD

Children ages 3 to 4 not enrolled in school, including nursery school, preschool school or kindergarten, during the previous three months

Legend: MT, CO, ID, WY, WA

https://datacenter.kidscount.org/data/tables/9010-young-children-not-in-school?loc=28&loct=2#detailed/2/28/false/1757,1687,1652,1564,1491,1443,1218,1049,995,932/any/17975,17976

Children in foster care by race in Montana

American Indian | White | Total

National KIDS COUNT

Montana ranks 48/50 for adverse childhood experiences by state, followed by Wyoming and New Mexico.

% of children experiencing two or more ACEs

MT | USA

https://www.americashealthrankings.org/

HOUSING SECURITY
https://nlihc.org/housing-needs-by-state/montana

KEY FACTS

28,632 OR 21%
Renter households that are extremely low income

-15,741
Shortage of rental homes affordable and available for extremely low income renters

$26,500
Maximum income for 4-person extremely low income household (state level)

$40,098
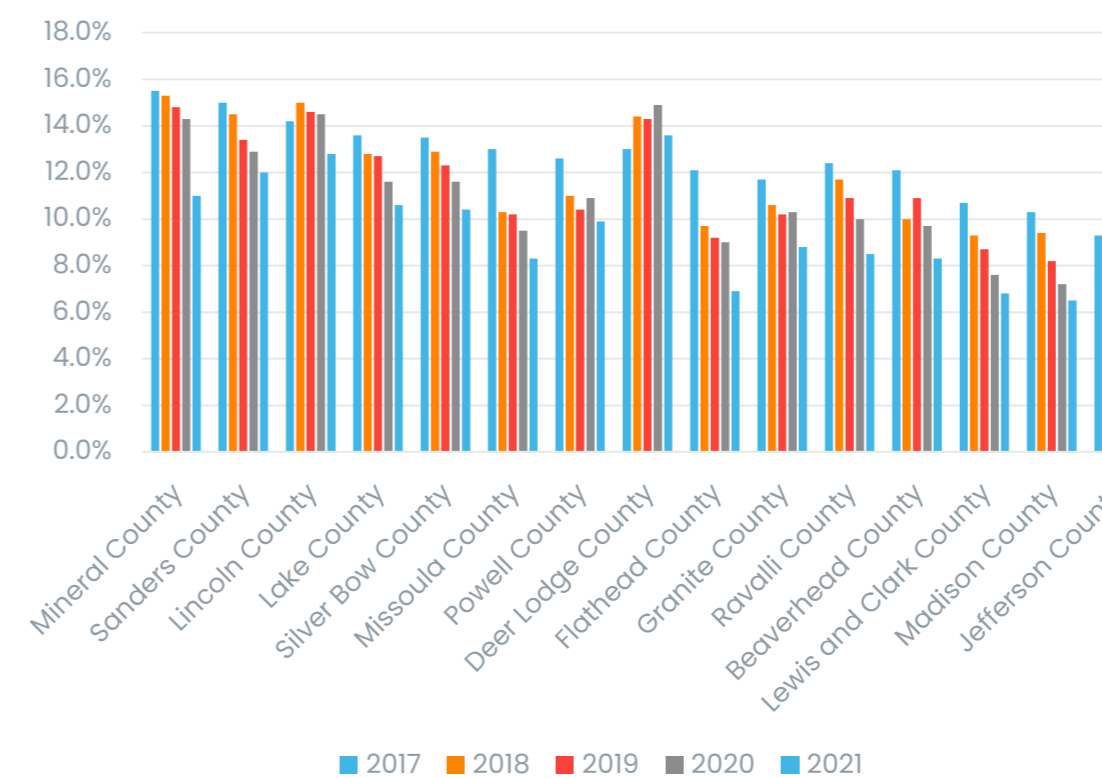Annual household income needed to afford a two-bedroom rental home at HUD's Fair Market Rent.

65%
Percent of extremely low income renter households with severe cost burden

TRUSTED DATA SOURCES

- County Health Rankings & Roadmaps (University of Wisconsin-Madison Population Health Institute & the Robert Wood Johnson Foundation)
- America's Health Rankings (United Health Foundation)
- Community Opportunity Map (Casey Family Programs)
- Kids Count (Annie E. Casey Foundation)
- Feeding America
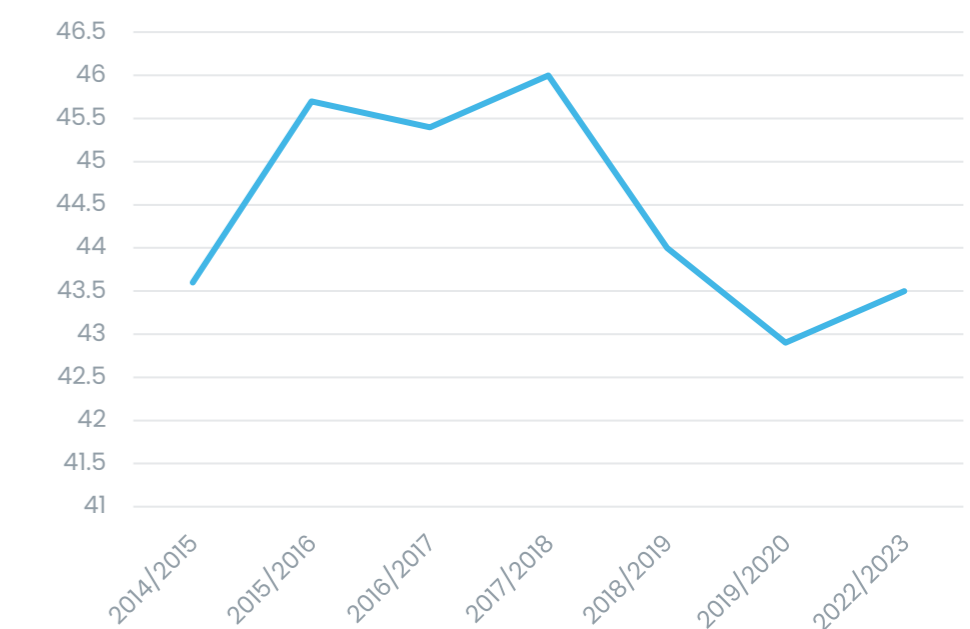- Montana Department of Public Health & Human Services, Interactive Dashboards

FOOD SECURITY

Percent Food Insecure

Counties: Mineral County, Sanders County, Lincoln County, Lake County, Silver Bow County, Missoula County, Powell County, Deer Lodge County, Flathead County, Granite County, Ravalli County, Beaverhead County, Lewis and Clark County, Madison County, Jefferson County

2017 | 2018 | 2019 | 2020 | 2021

https://map.feedingamerica.org/?_ga=2.82294421.241278379.1639777233-857061865.1639777233

% eligible recipients of free or reduced price lunch, Montana

Years: 2014/2015, 2015/2016, 2016/2017, 2017/2018, 2018/2019, 2019/2020, 2022/2023

National KIDS COUNT