



HEADWATERSTM

FOUNDATION *for* JUSTICE

The Transformation Fund

Application & Guidelines for Organizations

www.headwatersfoundation.org

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Guidelines & Application for Organizations

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"We have to act as if it were possible to radically transform the world. And we have to do it all the time." -Angela Davis

"I believe that if we can keep our values close, our imaginations open, and our stories fierce, we can and will win." - Thenmozhi Soundararajan

About the Fund

For more than 35 years, Headwaters has funded organizing, social change and community-leadership. In May 2020, Headwaters created The Transformation Fund in response to the murder of George Floyd and the uprising against systemic racism that followed. We wanted to move money quickly to frontline organizations as they cared for their communities and kept fighting against an ongoing culture of institutional violence and white supremacy. We also wanted to support the long-term movement work required for lasting change and collective liberation.

Since June, Headwaters has granted over [\\$1 million dollars in rapid response funding](#) to frontline organizations and communities through the first phase of this initiative.

We are now thrilled to launch the second phase of The Transformation Fund. Grants will provide \$25,000 of general operating support per year for three years, for a total of \$75,000. Grants will support BIPOC-led groups that use a community organizing approach to advance justice, collective liberation, and self-determination. Eligible organizations will demonstrate accountability to their community and have a track record of building power and transforming unjust systems or building new, more equitable ones.

Key Information At-a-Glance

Applications will be accepted starting Tuesday, November 17 via our grant portal. Applications are due by **5pm Central Time on Thursday, December 17**. Headwaters does not accept late or incomplete applications.

501c3, 501c4, and fiscally sponsored groups are eligible to apply. Coalitions of three or more organizations are also eligible to apply. (To apply as a coalition, please refer to the [Coalition Information Packet](#) on our website).

Applicant organizations will need to describe:

- how they use community organizing as a primary way to advance social change;
- how their leadership is reflective of and accountable to their community;
- the structures and systems behind the challenges their community faces; and
- their goals and strategies to engage community, build power, and advance justice

Organizations that received funding from the first phase of The Transformation Fund are eligible to apply. Current and past Headwaters grantees are eligible to apply, as well as organizations that are new to Headwaters.

A committee of community members will make collective decisions about which applications will be selected for funding. Committee members will share Headwaters' values, have a demonstrated commitment to community, and/or be connected to local movement-building and organizing. Applicants will be notified of final decisions in April 2021.

Core Criteria: Who is a Transformation Fund Grantee?

Headwaters Foundation for Justice (HFJ) believes that people who are closest to injustice have the wisdom and power to transform society. **The Transformation Fund grants support organizations that prioritize community organizing as the core strategy to engage and build power in their communities to advance equity and justice.**

We recognize and value that there are different approaches to community organizing; and that organizing looks different in every community.

While the work will differ, all Transformation Fund grantees will share the following characteristics:

- They are led by and for Black, Indigenous and People of Color (BIPOC) most directly affected by the issues the organization is working on. Meaning, a minimum of 51 percent of the organization's board of directors, staff, and community identify as BIPOC.
- The leadership is reflective of and accountable to its community.
- They continually build leadership from within their own membership, base, or community. Their members or base play a role in the organization's decision-making.
- They work to understand and address the root causes of the issues, not just the symptoms.
- They bring people together to build power they wouldn't have individually. We define power as "the capacity of a group of people to decide what they want and to act in an organized way to get it." (definition from "Class Action, Building Bridges Across the Class Divide.")
- They use that power to advance justice and create institutional, cultural, and/or structural change.

- They see themselves as part of a larger movement for social change, and work in relationship with other organizations towards strengthening that movement.
- They have an intersectional, cross-issue, collective liberation approach that makes connections between race, class, and gender.
- They have limited access to ongoing, mainstream funding sources.

Application Eligibility and Requirements

To be eligible an organization must:

- Be legally incorporated entity with 501(c)(3), **or**, 501(c)(4) status, **or** have a fiscal agent.
- Be based in and carry out its work in Minnesota.
- Satisfy reporting requirements for all previous Headwaters grants.

Ineligible Organizations and Activities

- Requests from organizations that primarily provide direct services.
- Projects sponsored by a government agency.
- Endowment funds or capital campaigns.
- Individuals; these grants are for organizations.
- Partisan efforts.
- Organizations who submit late or incomplete applications.

Coalition Efforts

Headwaters sees coalition efforts as an important approach to social change work. In addition to supporting individual organizations, The Transformation Fund is open to coalitions of BIPOC-led organizations.

An organization that applies as a Lead Applicant on behalf of a coalition may also complete a separate application for their organization. Funding decisions are independent of one another. To apply as a coalition, please refer to the [Coalition Information Packet](#) on our website.

Application Deadline

You must submit your organization's application by 5 p.m. Central Time on December 17, 2020 via our grant portal. We will not consider late or incomplete applications.

A complete application includes:

- Answers to all application questions.
- Board and staff list, including demographics, using the template we provide (see Appendix)
- If the organization is using a fiscal agent, the applicant must provide:
 - A letter from the fiscal agent's Executive Director verifying the fiscal relationship, dated within the last six months;
 - The fiscal agent's most recent audited financials (if your fiscal agent does not have audited financials, please attach their most recent 990, 990-EZ, or 990-N);
 - Your year-end income and expense report; and Your current balance sheet.

Proposal Narrative for Organizations

(To apply as a coalition, please refer to the [Coalition Information Packet](#) on our website).

Each question has a 400-word limit unless otherwise noted.

1. Organization Description

Provide a summary of your organization, including your mission, history, goals, and major successes.

2. Organizing for Social Change

Transformation Fund grants support organizations in Minnesota that are led by and for Black, Indigenous, and People of Color (BIPOC) and use a community organizing approach to advance equity and justice.

Organizations must have an organized constituency base; a clear analysis of structures and systems that challenge their community; and concrete goals and strategies to build power and change systems.

Please discuss the following areas as they relate to your organization:

- What problems, needs, or opportunities does your work address? What are the root causes of these issues?
- How does your organization build collective power?
- How will your work address the root causes and underlying power dynamics of the identified issues?

3. Constituency Leadership

Transformation Fund grants support BIPOC communities and leadership. Please discuss the following areas as they relate to your organization:

- Which communities are most directly impacted by the issues your organization addresses?
- How are individuals directly impacted by the issues involved in your organization's leadership?
- How does your organization develop leaders from within your community and base?

4. Decision-Making Power and Accountability

Explain how your senior leadership, staff, and board reflect and are accountable to the community your organization serves.

Please discuss the following areas as they relate to your organization:

- Who has decision-making power, and how are decisions made?
- How is your organization accountable to and reflective of your community?
- If your leadership, staff, or board does not reflect your communities, please explain why.
- Using the template we provide (see Appendix), please upload a list of your board of directors, key staff, and volunteers.

5. Work Plan

Please describe your work plan for the next two to three years. What are your overall goals and strategies? What are your planned activities and objectives? How will you know you are successful?

6. Racial Justice and Cross-Issue Analysis

We prioritize organizations that use an intersectional approach to work on racial, gender, and economic justice. Tell us how your organization draws connections across lines of race, gender, and class.

7. Partnerships

Headwaters believes partnerships are core to the work of social change. Tell us about a specific partnership you belong to and your role.

- What is the partnership's purpose and impact?
- What is your organization's role in the partnership? And, how has your organization impacted the work?
- How has the partnership impacted your organization and community?

Financial Information

Please note: Applicants are not required to submit any form of budget. Instead, we ask a series of finance related questions that help us understand what resources you are working with and how you plan to sustain the work.

1. Current foundation funders

List any current foundation funders in the space provided below. Include the name of the foundation and the amount they currently give.

2. Prospective foundation funders

List any prospective foundation funders in the space provided below. Include the name of the foundation and the amount you estimate they will give.

3. Status of foundation fundraising

Describe the status of your foundation fundraising efforts. We are interested in learning about any new grants you received in the last year, any funders that may be cycling off from supporting your work, and any other unexpected changes (good or bad) in your overall foundation fundraising.

4. Non-foundation fundraising

Are you trying any new approaches to fundraising (e.g. matching grants, grassroots fundraising, events, new appeals, major donor development, earned income)? If so, what results are you seeing?

5. Revenue and expenses

- a. What was your actual revenue for the most recently completed fiscal year?
- b. What was your actual expense for the most recently completed fiscal year?

6. Please indicate which of the following you are projecting for the current fiscal year

- a. Revenue: Increased revenue, Decreased revenue, Stable revenue
- b. Expenses: Increased expense, Decreased expense, Stable expense

7. Anticipated changes

We understand that we're in times of uncertainty, adaptation, and change. What do you anticipate might change in the next year or two from a financial perspective? For example: major new expenses, major savings, staff expansions or contractions, new programs or campaign expenses, or major capital costs (moving or expanding office space, major computer upgrades, new database, buying a building or building maintenance, etc.) (500 word limit)

Questions

Information Sessions are a great way to get your questions answered. Visit headwatersfoundation.org to RSVP for an upcoming session and to see our FAQs.

Additional Questions

For general questions, please contact:

Melissa Rudnick, Program Director, melissa@headwatersfoundation.org, 612-400-6266

For questions about accessing and navigating the grant portal, please contact:

Ray Martinez, Program Manager, ray@headwatersfoundation.org, 612-400-6262

Appendix

You can download the [Organization Board, Staff, and Leaders](#) template on our website.