



THE CHICAGO COMMUNITY TRUST

EQUITY • OPPORTUNITY • PROSPERITY

Income Growth Solutions RFP

RFP Release Date:	March 27, 2024
Information Sessions:	April 4, April 11
LOI Deadline:	April 16, 2024, at 11:59 p.m.
Full Application Deadline:	June 4, 2024, at 11:59 p.m.
Site Visits:	June 10, 2024 – July 12, 2024
Funding Decisions:	August 23, 2024
Announcements:	Late August

Background:

We at the Trust know that all employment and educational opportunities should be pathways to financial stability, economic mobility, and wealth creation that can be maintained and passed along to the next generation. We also know that for many Chicagoans, this is not the case currently. Our system was not built for everyone to thrive. Creating a system that works for everyone drives our work. We know that a Chicago where the racial and ethnic wealth gap is closed is a Chicago where everyone can thrive no matter their job title, role, or where they learn. We know changing the system is integral to making that vision a reality. But our people cannot wait, and as we saw in the first iteration of this request for proposals (RFP), they are not waiting. In Chicago, many organizations are using their resources, knowledge, and willpower to build the change we know is necessary for achieving our goals. The core purpose of this RFP is to amplify the great work happening in our communities to stakeholders in the region and around the country. We want to take the solutions that come from our grant recipients and showcase what is already making a difference in the lives of our community. The Income Growth Solutions funding program intends to support and learn from the connections between education, employment, and the financial health needed to turn income into wealth. The Trust is inviting organizations to apply for one-year project grants aligned with the following priorities:

- Supporting student postsecondary and credential completion with limited debt burden.
- Increasing quality employment opportunities that provide for worker power, advancement, and retention.
- Implementing programs and pilots that address financial challenges facing households by growing financial security and health.

The Income Growth Solutions funding program is for nonprofits and community-based organizations supporting the connections between education, quality work opportunities, and **financial health** needed to turn income into wealth. Income growth alone is not enough to build wealth. Our team believes the “core tenets of financial health – including the ability to meet expenses, manage debt, and safeguard assets – are necessary to build wealth.”¹ We are looking to support programs that build the financial security and resiliency of participants while spurring income growth.

¹ <https://finhealthnetwork.org/wp-content/uploads/2023/01/Financial-Health-Pulse-2022-Chicago-Report.pdf#page=15>

This grantmaking engagement will include grant recipient convenings and symposia to connect grant recipients with other members of the Growing Household Wealth portfolio and other partners working in this space. Successful grant applicants will also be required to submit midterm and final reports on the grant and related activities. Grant recipient convenings and grant reports serve an important role in the learning community we wish to create. Highlighting and elevating the work being done in Chicago will further build professional connections and promote collaboration among organizations utilizing the different levers for turning income into wealth.

Need/Opportunity Statement:

The Chicago region is filled with people with the potential to lead this region now and in the future. There is ample human and physical capital to ensure Chicago residents and their communities are thriving. However, an inequitable system has produced an economy that works for some and not all. Equity, coordination, collaboration, and inclusivity have not historically been at the center of the region's efforts to grow or maintain wealth. Whether as entrepreneurs, workers, or students, Chicagoans of all racial and ethnic backgrounds should feel confident in their ability to meet their current needs while preparing to pass along some measure of economic security to the next generation.

As we highlighted in last year's RFP, a common instruction for Black and Latine people trying to increase personal net worth is to pursue a four-year college degree because this credential can help overcome years of **occupational segregation**. Yet higher education degree attainment in a vacuum is not enough to address the racial and ethnic wealth gap. In fact, the rising costs of college and the associated student loan debt burden make pursuing an education an additional driver of the wealth gap. Studies have found that "12 years after college, the typical white borrower owed 65 percent of their original student loan amount, but Black borrowers actually owed more than their original amount"² whether they completed the degree or not. Twelve years after college, Latine bachelor's degree holders "had only paid down 20 percent of their loans."³ The promise of education and its transformational impact has been replaced with a system of **predatory inclusion** that promises economic and social growth while delivering more inequality. Grant recipients have addressed these inequities by providing financial support to participants through a wide array of wraparound supports including assistance in accessing seed funding for 529 accounts and paid opportunities in social enterprises.

Many of our grant recipients' activities provide examples of how the Chicago region can improve the lives of workers and students while they move toward employment or life after their postsecondary experience. **Worker power**, access to paid leave, retirement savings and education savings, job stability, and professional development and advancement opportunities have taken on greater importance in the overall picture of economic stability. Nonprofits and coalitions have been calling for all employment opportunities to include greater access to these dimensions of quality.⁴ Even as income grows, gaps in financial health (a key component in wealth growth) persist. "Among white residents with household incomes of \$100,000 or more, nearly 7 in 10 are financially healthy (69%), compared with just 40 percent of Black and 44

² https://partnershipfcc.org/wp-content/uploads/2021/11/PCC_PricedOut_BlackStudents.pdf#page=24

³ https://partnershipfcc.org/wp-content/uploads/2021/11/PCC_LatineStudentsReport.pdf#page=24

⁴ https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4275555

percent of Latine residents.⁵ The pathway to economic stability – growing and then maintaining wealth – for Black and Latine people in Chicago must include multiple elements to ensure residents and their families have the quality of life they wish for and deserve.

Though we would like for there to be a cure-all in closing the racial and ethnic wealth gap, no one thing will address the generations of policies and practices that have put our region in the position it is in today. We could remain frustrated at the slow pace of progress in our communities or get discouraged when we hear the pathways to economic mobility our friends and loved ones have chosen will not be as fruitful. Or, we could make a different choice. We could choose to recognize the Chicago region as a place where a comprehensive, supportive ecosystem isn't a dream but within our grasp. When we all commit to doing what it takes to create change at the individual and systems level, we can do extraordinary things for Black and Latine Chicagoans. Through this funding program, the Trust seeks to identify, amplify, and support the solutions our community is already enacting to make wealth-building and maintenance the norm.

Goals and Outcomes:

The Income Growth Solutions RFP advances the Trust's 10-year goal to increase the growth of wealth of Black and Latine households relative to white households. This RFP also advances the Growing Household Wealth goals to:

- Increase access to financial solutions that improve individual and household economic stability
 - Changes in personal financial well-being (e.g., financial aid access, credit building, banking use, access to barrier reduction, etc.)
 - Changes in access to counseling and coaching (e.g., financial planning, financial aid counseling)
- Expand economic opportunities for Black and Latine Chicagoans to access careers
 - Increase in participants obtaining quality employment
 - Increase in number of participants who report obtaining a promotion or title change
 - Increase in % of participants retaining employment after program completion (e.g., 6 months, 9 months, 1 year after completion)
 - Increase in % of students retained (e.g., the first/second year or through program completion)
 - Increased capacity of staff to collect data on key demographics
 - Increased partnerships with employers, 2-year, and/or 4-year institutions
 - Increase in participation of Black and Latine individuals

Priority Strategies and Activities:

Organizations invited to submit a full application will be evaluated based on the organization's experience with and connection to one or more of the following priority areas for the Growing Household Wealth Income strategy:

- Quality employment⁶ opportunities: programs demonstrating connections of job placement with **career pathways** to wage growth, broad benefits coverage, and a supportive work environment.

⁵ <https://finhealthnetwork.org/wp-content/uploads/2023/01/Financial-Health-Pulse-2022-Chicago-Report.pdf#page=23>

⁶ What constitutes a quality job and quality employment comes from the full framework described in the report "A Good Job, Not Just Any Job" https://lep.illinois.edu/wp-content/uploads/2022/09/A-Good-Job-Not-Just-Any-Job-9_1_22.pdf

- Example programs from last year’s grantmaking include manufacturing career pathways programs, comprehensive workforce development and compensation, and demand-driven career pathway support.
- The Trust will also provide funding specifically for vocational education and training for individuals 18 and older. Eligible programs will feature activities related to craft skills, mechanics, and engineering. Example training programs could include carpentry, electricians, plumbing, mechanical engineering, civil engineering, computer engineering, biomechanics, and engineering. This opportunity within the RFP is funded by the Dan A. Nicholson Fund.
- **Quality education opportunities:** programs demonstrating connections from postsecondary and credential completion to career pathways with limited debt burden.
 - Examples programs from last year’s grantmaking include college and career success initiatives, support for college completion for 1st generation students, and on-campus holistic wrap-around support for students pursuing specific majors.
- **Quality financial health opportunities:** programs demonstrating the ability to help workers and students navigate and participate in financial products, planning, and solutions that put them in the best position to access asset-building vehicles such as homeownership.
 - Example programs from last year’s grantmaking include support for financial opportunity centers and a financial services and workforce development program.

Through this strategy, the Trust’s Growing Household Wealth portfolio has previously funded nonprofits in the Chicago region focused on workforce training and retention, worker power, postsecondary student support, and other related nonprofits.

Grantmaking Criteria:

This funding opportunity is for project support only. Organizations invited to submit a full application will be evaluated based on their capacity to provide services rooted in best practices meeting the priority strategies outlined in this funding program.

Grant Amounts Available and Grant Term:

The Income Growth Solutions grant opportunity is for one year of project support. Grant recipients are expected to meet the Trust’s requirements for submitting financial and narrative reports at the midpoint and end of the grant cycle.

The Trust will award one-year grants between \$100,000 and \$200,000 in this grant cycle.

Eligible Applicants:

To be eligible for a grant award, an applicant must be:

- A nonprofit organization with evidence that it (a) has been recognized by the Internal Revenue Service as an organization described in Section 501(c)(3) of the Code; (b) is fiscally sponsored by a Section 501(c)(3) organization; (c) or is a governmental unit within the meaning of Section 170(c)(1) of the Code;
- Described in Section 170(b)(1)(A) of the Code, other than a “disqualified supporting organization” within the meaning of Section 4966(d)(4) of the Code; and
- Located within or primarily serving residents of Cook County, Illinois.

Sponsored organizations without 501(c)(3) status must identify their fiscal sponsor as soon as possible and ask them to complete an organization profile in The Chicago Community Trust’s grants management system, GrantCentral, before the sponsored organization’s application submission. Fiscal sponsors can complete and certify an organization profile in GrantCentral at <https://community-cct.force.com/grantcentral/sl>.

Ineligible Uses:

- Capital campaigns or endowments
- Inherently religious activities

Evaluation and Learning:

Sharing successes or challenges in achieving measures of progress is critical to our collective learning, decision-making, and impact.

The Trust is committed to achieving our long-term goals and outcomes. We are developing outcome measures internally and with our partners that inform progress toward our shared mission. Your project outcomes should be informed by why you think the project or strategy will lead to the anticipated result or long-term change (i.e., your theory of change). After you identify those outcomes, please develop specific, time-limited measures of progress. For shorter-term grants (one year), these outcomes may not be achieved during the project's duration. Measures of Progress provide measurable and reportable evidence that a proposed project or organization has effectively achieved – or is on the path to achieving – its objectives. These are what can be measured during the term of the grant period, contribute to your longer-term outcomes, and are aligned with the Trust's strategic priorities. We also recognize there could be challenges to implementing any grant, many of which are not under the control of grant recipients and prevent you from achieving your targets. Consequently, grant recipients will be encouraged to advise Trust staff of any barriers to implementing their respective projects. Learning with you about the progress made towards your outcomes and measures is part of the Trust's evaluation and learning efforts.

For potential grant recipients for whom developing metrics or workplans is a new activity or for those wanting to learn more about developing Measures of Progress, the Trust provides webinars, in-person sessions, and opportunities for ongoing peer learning. Further details on schedules and to register may be found in GrantCentral at <https://community-cct.force.com/grantcentral/s/>.

Successful grant applicants should expect to participate in learning convenings, opportunities for symposia, and midterm and final grant reporting.

Collection of Diversity, Equity, and Inclusion Demographic Data:

The Trust asks grant seekers to provide demographic data on board and staff as well as clients/beneficiaries of programs and services. The Trust believes the board and staff composition of grant recipients should be inclusive and reflect the diversity of the demographics of the region and the individuals they serve. Diversity for the Trust encompasses but is not limited to ethnicity, race, gender, sexual orientation and identification, age, economic circumstance, class, disability, geography, and philosophy. For this reason, the Trust does take into consideration the demographic makeup of a grant applicant's board, staff, and clients as an important proposal evaluation criterion.

Application Process:

The application process has two steps: a letter of inquiry (LOI) phase and a full application phase. Only select LOI applicants will be invited to the full application phase. All LOI applicants will be notified whether they will be invited to the full application phase, and invited applicants will be given ample time to complete the full application.

Applicants must complete their application via GrantCentral, The Chicago Community Trust's online grants management system. To access an application, log into GrantCentral at <https://community-cct.force.com/grantcentral/s/>.

Applicants must complete an Organization Profile, which is on the last tab within their GrantCentral account. If the Organization Profile was completed for a previous funding opportunity, it must be reviewed and, if needed, updated and certified before application submission.

Sponsored organizations without 501(c)(3) status must identify their fiscal sponsor as soon as possible and ask them to complete an organization profile in GrantCentral before the sponsored organization's application submission. Fiscal sponsors can complete and certify an organization profile in GrantCentral at <https://community-cct.force.com/grantcentral/s/>.

The Trust will not consider late or incomplete LOIs or Full Applications. Applicants may receive a site visit, telephone call, or other communication from foundation staff as part of the application review process.

Submission Deadlines and Other Key Dates:

- The LOI deadline is **April 16, 2024**. The LOIs will be reviewed by a committee of reviewers from The Chicago Community Trust.
- Applicants will be notified by **May 2, 2024**, if they are invited to submit a Full Application. Those applicants who will not be invited to submit a Full Application will also be notified by this date.
- The Full Application deadline is **June 4, 2024**. The Full Applications will be reviewed by the same review committee as the LOIs.
- Site visits will be conducted by review committee members between **June 10 and July 12, 2024**.
- Funding decisions will be made by **August 23, 2024**.
- Applicants will be notified of awards by **August 27, 2024**. Those applicants who were invited to submit a Full Application but not chosen for funding also will be notified at this time.

Information Sessions:

Virtual LOI Information sessions are tentatively scheduled for the following dates:

- April 4, 2024
- April 11, 2024

These sessions will provide an overview of the Income strategy and clarify key points in this RFP. The content covered will be the same in each session, so there is no need to attend each. In addition, there will be time for organizations to ask any questions about this funding opportunity. The Income team will follow up with a frequently asked questions document and any slides used.

Contact Information:

For technical questions regarding GrantCentral, email grants@cct.org.

For programmatic and application content questions, email Caleb Herod at cherod@cct.org.

Glossary:

Financial Health⁷ – A composite framework that considers the totality of a person’s financial life. People who are considered Financially Healthy are able to spend, save, borrow, and plan in ways that will enable them to be resilient and pursue opportunities.

Occupational Segregation⁸ - Occupational segregation occurs when one demographic group is overrepresented or underrepresented in a certain job category. It diminishes wages and working conditions for all workers in a job where marginalized groups are overrepresented, contributes to overall wage gaps based on immutable and often intersecting demographic characteristics, and limits economic growth.

Predatory Inclusion⁹ – A process whereby members of a marginalized group are provided with access to a good, service, or opportunity from which they have historically been excluded but under conditions that jeopardize the benefits of access.

Worker Power¹⁰ – Workers’ ability to obtain better wages and working conditions. Working conditions include many aspects of the job, including the ability of workers to influence their employers’ decisions.

Career Pathways¹¹ – A combination of rigorous and high-quality education, training, and other services that aligns both vertically and horizontally across Secondary Education, Adult Education, Workforce Training and Development, Career and Technical Education, and Postsecondary Education systems, pathways, and programs. A career pathway also includes multiple entry and exit points to allow individuals to build their skills as they progress along a continuum of education and training and advance in sector-specific employment.

⁷ <https://finhealthnetwork.org/wp-content/uploads/2023/01/Financial-Health-Pulse-2022-Chicago-Report.pdf#page=5>

⁸ <https://www.americanprogress.org/article/occupational-segregation-in-america/>

⁹ Seamster, Louise & Charron-Chénier, Raphaël. (2017). Predatory Inclusion and Education Debt: Rethinking the Racial Wealth Gap. *Social Currents*. 4. 10.1177/2329496516686620.

¹⁰ <https://www.workrisenetwork.org/sites/default/files/2022-08/correctedworker-power-economic-mobility-landscape-report.pdf#page=7>

¹¹ https://edsystemsniu.org/wp-content/uploads/2018/11/CP_Dictionary_11-13-18_FINAL.pdf#page=9