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Key Findings and Recommendations from Harold K.L. Castle Foundation's 2024 Grantee Perception Report

Prepared by the Center for Effective Philanthropy

In September 2024, the Center for Effective Philanthropy (CEP) conducted a survey of Harold K.L. Castle Foundation's ("the Foundation's" or "Castle's") grantees. The memo below outlines CEP's summary of key strengths, opportunities, and recommendations. Harold K.L. Castle Foundation's grantee perceptions should be interpreted in light of its own goals and strategies.

This memo accompanies the comprehensive survey results from 65 respondents (a 52 percent response rate) found in Castle's interactive online report at <https://cep.surveymethods.org> and in the downloadable online materials, including grantees' written comments. Harold K.L. Castle Foundation's full report also contains more information about survey analysis and methodology.¹

Overview

The Center for Effective Philanthropy is pleased to share the findings from Harold K.L. Castle's 2024 Grantee Perception Report (GPR). This represents the Foundation's fourth GPR and first since 2019.

- ▶ Grantees' ratings place the Foundation above the typical funder in CEP's comparative dataset – as well as above the typical funder in its custom cohort of peer funders – across most survey measures. These ratings have largely remained steady since 2019.
- ▶ Relative to other funders, the Foundation's impact on and understanding of grantees' fields, communities, and organizations are viewed positively. Castle's grantees also provide strong ratings on questions related to the Foundation's relationship-building approach and communications.
 - Qualitative feedback highlights Castle's staff as a strength. In the words of one grantee: "I trust their staff and am proud of the trust and collaborative spirit we have."
- ▶ Alongside Castle's strengths, analysis of grantee ratings and written comments also reveals potential areas for improvement. Specifically, opportunities may exist to strengthen the Foundation's potential impact on grantees by revisiting grantmaking characteristics, namely via multi-year, general operating support, as well as a broader range for the types of projects the

¹ Throughout this summary, Castle's ratings are defined as higher than typical when it is rated above the 65th percentile in CEP's overall dataset, lower than typical when it is rated below the 35th percentile, and typical when ratings fall in between those thresholds. Ratings described as "significantly" higher or lower reflect statistically significant differences at a P-value less than or equal to 0.1.

Foundation is willing to fund. Also, further clarifying Castle’s communications related to diversity, equity and inclusion may enhance the Foundation’s partnership with grantees to an even higher degree.

Strong Impact on Grantees’ Fields & Communities

Grantees provide ratings in the top 20 percent of CEP’s comparative dataset for Castle’s impact on grantees’ fields, local communities, and public policy, as well as above the typical funder in its custom cohort of peer funders. As one grantee notes, “[The Foundation] is a powerful connector of local stakeholders, including funders, community-based organizations, employers, and government. It consistently demonstrates leadership in advancing innovative ideas to support the local community.”

- ▶ When asked about Castle’s understanding of the fields in which grantees work, grantees rate Castle higher than grantees at most other funders. Similarly, scores are in the top 10 percent of CEP’s overall dataset for how well the Foundation understands the social, cultural, or socioeconomic factors that affect grantees’ work.
 - Grantees reiterate the Foundation’s deep affinity for grantees and their contexts via written comments. Per one grantee, “Castle is the most supportive consistent funder. They go above and beyond to know and understand our situation and the success and challenges of those around us supporting the community to rise.”
- ▶ A few grantees suggest that the Foundation expand the areas or types of projects it is willing to fund, particularly in considering the geographic scope and systems-level focus of its core grantmaking. “Continue to look at the bigger physical picture of needs outside the Windward community,” writes one grantee. “By focusing only on Windward community, the Foundation is missing so much.”

Diversity, Equity, and Inclusion

- ▶ Castle receives ratings that are in line with those of the typical funder – in both CEP’s overall dataset and the Foundation’s custom cohort – for the clarity of its communications related to diversity, equity, and inclusion (DEI). What’s more, the Foundation is also rated close to the median for whether it demonstrates an explicit commitment to DEI.
 - At the same time, ratings place the Foundation in the 97th percentile – higher than almost all other funders in CEP’s dataset – for how well the Foundation understands the needs of the people and communities that grantees serve. This dynamic is reflected in qualitative feedback, as well. One grantee comments that “[the Foundation is] unafraid to speak up and advocate for disenfranchised populations or smaller organizations.... [They] understand the ecology of social welfare [and] justice issues, specifically unique to Hawaii.”
- ▶ Seventy two percent of grantees – a typical proportion – indicate that their grant from the Foundation is meant to benefit historically disadvantaged groups. Of note, 94 percent of these grantees indicate that Native Hawaiian individuals or communities are a primary population served by their Castle grant. Sixty-eight percent of grantees indicate that Pacific Islander individuals or communities are a primary population served by their Castle grant.



“The Foundation is part of our 'ohana in our community. Their staff and leaders are very involved in participating with the broader community in areas that are important to the long-term vitality of the community. Their input and leadership [are] highly valued and respected in our community, and I believe it is a true collaborative partnership.”



“The Foundation is very influential in our local community and our field more broadly. Their vision casts a lot of hope for the future and they are deeply committed to their mission as is evidenced through their work as funding and thought partners.”

Positive Impact on Grantee Organizations, with Opportunity to Deepen Through Grantmaking Strategy and Support Beyond the Grant

Grantees provide ratings higher than those of the typical funder for the Foundation’s overall impact on their organizations, and for Castle’s understanding of their organization’s strategy and goals. These positive sentiments are reflected in written comments, with grantees saying that “the funding provided by the Foundation is invaluable,” and that “[Castle] helped us live out our mission and vision and carry out the impacts that we aspired.”

Grantmaking Characteristics

- ▶ CEP’s broader research suggests that grantees’ perceptions of a funder’s impact on their organizations are strongly associated with the characteristics of their grant – specifically its size, length, and whether the grant is restricted. To this end:
 - The median Castle grant size of \$75K is typical when compared to most other funders in CEP’s dataset.
 - A typical proportion of grantees (48 percent) report receiving multi-year funding from the Foundation. This represents a slight increase compared to 2019, when 35 percent of grantees reported receiving multi-year awards from Castle.
 - Nine percent of Castle grantees indicate that their funding is unrestricted, a figure that places Castle among the bottom third of funders in CEP’s dataset and lower than the typical funder in its custom cohort.
 - Forty-five percent of written suggestions from Castle grantees relate to grantmaking characteristics: requests for longer grants, more unrestricted support, or expansion to the projects the Foundation is willing to fund.

Support Beyond the Grant

- ▶ Per CEP’s field-wide research, in addition to the types of grants that the Foundation provides, another way to enhance grantees’ work is through its support beyond the grant – or nonmonetary assistance – provided to grantees.
- ▶ Sixty-two percent of Castle grantees – a typical proportion – report receiving some form of non-monetary support from the Foundation.
 - Most commonly, grantees report utilizing program-related assistance, field-building assistance, and fundraising and development assistance from the Foundation.

- A handful of grantees request that the Foundation provide even more of these types of support, specifically capacity building assistance, field-building assistance, and connections to others in the Foundation’s network.
- ▶ What’s more, this type of assistance seems to matter: those grantees who report receiving at least one type of non-monetary support rate Castle significantly higher on several key measures, including the extent to which the Foundation has affected public policy and advanced the state of knowledge in grantees’ fields, as well as for the Foundation’s overall understanding of grantee’s fields and its understanding of the contextual factors influencing grantee’s work.
- ▶ Overall, Castle’s non-monetary assistance is viewed positively by those who receive it: grantees provide ratings at the 91st percentile when asked whether the support from Castle met an important need, and the 89th for whether the assistance strengthened grantee organizations and/or programs.
 - Notably, though, perceptions of non-monetary support differ based on program. While 92 percent of Climate and Ocean Resiliency grantees indicated receiving at least one form on non-monetary assistance, their ratings fall in the bottom quarter of CEP’s dataset for the extent to which the support met an important need, strengthened their organizations or program, and was a worthwhile use of time. Meanwhile, ratings from their counterparts fall in in the top third of the comparative dataset on those same measures.
- ▶ Grantees also provide positive feedback for Foundation staff as a resource in offering assistance beyond the grant. Specifically, over 70 percent of grantees indicate that Foundation staff is “very helpful” with initial project scoping and development, as well as project work plan development.



“It would be helpful to discuss what multi-year funding could look like. Although we have received support for multiple years, each of those opportunities have been on a year-to-year basis. Multi-year funding provides a sense of security and a foundation of trust [between a grantee and a funding partner] that we are dedicated to doing this work together over time.”



“The Foundation partners exceptionally well with my organization. Through its support and partnership, the Foundation increases my organization's support for and commitment to our Hawai'i work.”

Trusting Relationships and Clear, Transparent Communication

Both quantitative and qualitative feedback highlight the strong relationships that Castle cultivates with its grantees as being a major strength. Castle’s grantees provide strong scores on measures related to the Foundation’s relationship-building approach and communications, with ratings placing Castle among the top quartile of funders in CEP’s comparative dataset. In written comments, grantees describe Foundation staff as “helpful,” “supportive,” and “knowledgeable.”

- ▶ When asked how clearly Castle communicates its goals and strategies, grantees provide ratings in the top ten percent of CEP’s overall dataset and at the top of its custom cohort. Grantees also provide higher than typical ratings for the consistency of information provided by Castle.
 - Ratings are in the top 10 percent of funders for how well grantees understand the ways in which their funded work fits into the Foundation’s broader efforts. At the same time,

a few grantees still do request “greater clarity about how our work relates to other grants at the Foundation.”

- ▶ Grantees perceptions of how responsive staff at the Foundation are have significantly increased since 2019, now placing Castle among the top 15 percent of funders in CEP’s comparative dataset, and at the very top of the Foundation’s custom cohort.
- ▶ In addition, Castle ratings are among the top quarter of funders for how comfortable grantees feel approaching the Foundation, the extent to which Castle exhibited trust in grantee organization’s staff, and the extent to which the Foundation exhibited candor about their perspectives.
 - These positive perceptions of staff are echoed in qualitative comments. As one grantee puts it, “[I] could not be more appreciative of the interaction with our Program Officer. Always thoughtful, open, and with a deep understanding of education in Hawaii.”
 - Furthermore, in a custom question asked only of Castle grantees about how the Foundation’s approachability has changed since the COVID-19 pandemic, *all* grantees responded that the Foundation was either more approachable, or there was no change in the Foundation’s approachability.
- ▶ About half of grantees report experiencing a site visit from Castle at some point during their grant. Compared to their counterparts, these grantees rate significantly higher for a few measures throughout the report, including: the Foundation’s understanding of contextual factors that affect grantee’s work, the Foundation’s effect on advancement of knowledge in the field, extent that Castle demonstrates candor and compassion, the Foundation’s transparency and grantees understanding of how their funded work fits into the Foundation’s broader efforts.



“Overall, my experience with the Foundation was absolutely painless. I felt embraced as part of their ‘ohana – a true testament to their thoroughness and precision in communicating their mission and goals. They fostered an environment where I felt comfortable asking questions about the process.... The entire staff was incredibly supportive and encouraging, making this a truly positive partnership.”



“This has been one of the best grant experiences and relationships I have had. Our grant manager is open and knowledgeable in the space we are operating in and provides good guidance and feedback. He allows us to make our own decisions and is always available for thought partnership.”

Streamlined Selection Processes and Straightforward Reporting Process

Grantees now report spending 10 hours at the median on the Foundation’s proposal and selection process – half the amount of time they reported in 2019. Castle grantees also report spending slightly fewer hours at the median on the reporting and evaluation process (seven hours in 2024 compared to 10 hours in 2019).

- ▶ These figures result in a typical “dollar return” for grantees – \$3.4K grant dollars awarded by Castle for every hour spent on its process requirements. This figure has increased from 2019 when the dollar return was \$2.2K grant dollars per each process requirement hour.
- ▶ Some grantees recognize and appreciate the streamlined selection and proposal processes, writing about how “their grant application process is clear and straightforward.” Still, others

suggest the Foundation do more to streamline or adjust. As one grantee comments: “The written application and reporting are rigid and it's difficult to fit into the structures they outline.”

- ▶ Castle receives ratings in the top 10 percent of CEP’s overall dataset for the extent to which Castle is clear and transparent about the criteria Castle uses to decide whether a proposal will be funded or declined. Perhaps undergirding this rating, grantees mention that staff are a resource during this process. As one grantee comments, “We’re able to talk through the grant application with Foundation staff [and] edit our grant based on the needs of our community.”
- ▶ Additionally, Castle receives higher than typical ratings for the extent to which the Foundation is clear and transparent about the Foundation’s selection process requirements and timelines.
- ▶ Ratings from grantees for how straightforward, relevant, and helpful the Foundation’s reporting process was all fall in the top 20 percent of funders in CEP’s dataset, and near the top of Castle’s custom cohort.
 - On a slightly less positive note, perceptions of how *adaptable* the reporting process is are similar to the typical funder in CEP’s overall dataset and near the bottom of the Foundation’s custom cohort. This rating was significantly lower for grantees who had a prior funding relationship with Castle compared to first-time grantees.
- ▶ In a series of custom questions about grantees experiences with the Fluxx portal, grantee perceptions of this resources have largely remained stable since 2019.
 - The most positive rating in this set of questions (an average of 6.53 on a seven-point scale) is for grantees’ agreement that Foundation staff quickly assisted them with any questions. On most other questions – including understanding of what is necessary to create a profile, what information is required to complete the online application process, and ease of navigating within the Fluxx portal – average ratings fall between 5.0 and 6.0.
 - One measure receives a comparatively lower, more neutral rating (an average rating of 4.87 on a seven-point scale): grantee’s agreement that they *did not* have to request assistance from Foundation staff in order to use Fluxx.



“[Shorter] proposal and reporting requirements would be welcome, if possible, given the regularity of our communications.”



“The combination of perusing the website and talking with staff gave us a good idea that the proposal would be in alignment with what they were looking to fund. Process of submittal was clear, easy and support was available as needed.”

CEP Recommendations

Based on this grantee feedback, CEP recommends that the Harold K.L. Castle Foundation consider the following in order to build on its strengths and address potential areas for improvement:

- ▶ Celebrate and recognize the sustained high ratings across a number of report measures, including overall impact on grantees organizations, fields, and communities, relationship-building

approach, and communication with grantees. Spend time identifying the decisions, values, and approaches contributing to these results and continue reinforcing these strengths.

- ▶ Assess approaches to further build on the strong perceptions of Castle’s impact, including:
 - In considering grantee feedback requesting more multi-year and unrestricted funding, leverage this moment to have conversations around the kinds of grants that are aligned with Castle’s strategies. Discuss how – if at all – Castle can adjust its grant awards or even its funding areas to better support grantee and community needs.
 - Providing further targeted assistance beyond the grant where staff capacity allows, and evaluate how to ensure these are most relevant and useful to all grantees.
 - Utilizing site visits more broadly as an impactful way to strengthen relationships with grantees and enhance mutual understanding.
- ▶ If a priority, communicate more clearly with grantees how the Foundation is explicitly committed to diversity, equity, and inclusion. Consider how to connect this vision to grantees’ work and the populations they serve.
- ▶ Finetune elements of Castle’s grants processes, specifically by streamlining processes even further – perhaps for longer-time grantee partners. Additionally, revisit aspects of the reporting process to ensure it is more adaptable in aligning with grantees’ specific learning goals.

Contact Information

Joseph Lee

Senior Manager, Assessment and Advisory Services
josephl@cep.org

Kara Doyle

Analyst, Assessment and Advisory Services
karad@cep.org