DONOR FUNDING TO NETWORKS: DONOR CASE STUDY D

This case study is one of nine capturing the experience and insights from a diverse set of donors about how they fund networks. It is part of an in-depth research project undertaken by Collective Mind to help both donors and networks to improve funding to and fundraising for networks.

All case studies were developed by the respondents using a provided template and have been anonymized to allow us to share them publicly. Other research products – including nine case studies of networks and a "how to" guide for network funding and fundraising – are also available at www.collectivemindglobal.org.

Each donor case study provides insights on:
- The donor's funding strategy
- The donor's operational approach to funding/grantee management
- The challenges and reflections of the donor

DONOR D PROFILE

- **Donor location**: U.S.
- **Geographic funding scope**: Makes grants to local, national, regional, and global organizations and networks with an emphasis on Francophone West Africa, Mesoamerica, South and Southeast Asia, and the US Southeast
- **Types of networks funded**: NA
- **Types of funding provided to networks**: Offers multi-year general operating, flexible, and unrestricted funds to networks, independent organizations, and grassroots groups
- **Percentage of network grantees**: NA
- **Donor's definition of networks**: An intentional, organized infrastructure whose purpose is to coordinate strategies for the benefit of the whole

ORGANIZATIONAL FUNDING STRATEGY

WHAT TYPES OF FUNDING DO YOU PROVIDE TO NETWORKS?

We aim to offer multi-year general operating, flexible, and unrestricted funds, restricted accompaniment support for organizational strengthening, communications strengthening, digital and holistic safety, to the best of our ability. These grants are offered to all grantee partners – not just to networks or independent organizations or grassroots groups.

HOW FLEXIBLE ARE THE FUNDS THAT YOU PROVIDE TO NETWORKS? HOW LONG-TERM ARE THOSE FUNDS?

If the grants can be made to groups that have equivalency determination, the funds are unrestricted in the full sense of the word. If they do not have equivalency determination, we try to make expenditure responsibilities that are as flexible as possible (i.e., support the full operations of an organization including all administrative costs, etc.).

WHAT CONDITIONS, IF ANY, DO YOU PLACE ON YOUR FUNDING TO NETWORKS?

We don't have any conditions per se, although payments must be made through the legal organization named in our contracts, for example, with a dedicated organizational bank account (rather than to an individual). We try to support organizations in obtaining equivalency determination so that funds are truly unrestricted and flexible. Otherwise, grants are expenditure responsibility, which carry additional reporting and limitations to the use of funds.

HOW DO YOU SELECT THE NETWORKS THAT YOU FUND?

We don't have open calls or RFP processes; our grantmaking is by invitation. Therefore, it primarily relies on the program team's expertise, experience, and relationship-building capabilities and efforts. Due diligence is conducted through meetings and conversations with the potential groups as well as with funder colleagues and members of the ecosystem in which the group operates, reviewing their publicly available materials (websites, annual reports, publications, etc.). Internally, we review our regional portfolio to see the interconnection with other grantee partners and the value the network can bring to support the ecosystem in the region. Once we receive the group's proposal, we also inquire about information from the references they provide. If we need to, we have follow-up communication to clarify notes in their proposal or ask for additional information. After the grant has been approved, we will usually hold a short meeting to answer questions about the grant and the group's plans for implementing its work and use of the funds.

ORGANIZATIONAL FUNDING MANAGEMENT

HOW DO YOU OVERSEE THE USE OF YOUR FUNDS?

We have at least one report (narrative and financial) per grant depending on its duration. For one-year grants, one final report is due one month after the grant period ends. For two- and three-year grants, there will be additional interim reports at the one-year mark, and a final report as mentioned.

DO YOU CHANGE YOUR APPROACH AND PROCEDURES TO WORK WITH NETWORKS AS COMPARED WITH OTHER GRANTEES?

No, we don't change our approach in our regional programs, but there is flexibility that takes into account grantees' needs. Most organizations reach out if deadlines won't be feasible, and we defer to what is convenient to them.

WHAT OUTPUTS, OUTCOMES, OR IMPACTS DO YOU REQUIRE NETWORKS TO DEMONSTRATE FOR THEIR FUNDING FROM YOU?

We are not prescriptive as to how the network produces work and reports it. Metrics are self-defined.

WHAT DO YOU SEE AS YOUR ORGANIZATION'S ROLE WITHIN THE NETWORKS YOU FUND?

Our grantee partners see a potential role for us as a convener.

DONOR REFLECTIONS

WHAT ARE THE TYPICAL CHALLENGES YOU ENCOUNTER IN FUNDING NETWORKS?

One of the networks we are monitoring has yet to receive any grant support for general operations and so they are new and inexperienced in terms of requesting and receiving donor funds as well as administering them. We have provided pro-bono capacity-building services to them for fundraising, for example, conducting a workshop on how to draft competitive proposals. Recently, another foundation provided a restricted grant to help them build out infrastructure and is planning to offer additional help through financial literacy training for creating and implementing budgets, long-term financial sustainability practices, prospecting for grants and other revenue streams, etc. We are interested in supporting this network in the near future, and will likely recommend an initial $100,000 (our minimum grant amount in most cases) for two years. The network (and each individual group member) is in a growth process, so the aforementioned issues are to be expected. I have no doubt that they can learn and employ new tools in an effective way.

WHAT INFLUENCE DO YOU HAVE WITHIN THE NETWORK?

As someone who works in a private foundation based in the Global North, is fluent in English, and has an advanced degree from a U.S. university, I recognize that I hold a position of privilege and have to wield power in a way that is as equitable as possible. I have facilitated fundraising workshops and info sessions for organization members during the network's biannual convening. I see these sessions as part of my advocacy for these historically under-resourced communities.

WHAT LESSONS HAVE YOU LEARNED FROM WORKING WITH NETWORKS?

The group uses participatory decision-making and every vote from the assembly holds weight. Consensus decision-making is deliberate and therefore takes more time. It's built on trust and process. It serves as an equalizer of sorts in a space where not all members come with the same levels of access and resources, with the goal of leveling the field, even if temporarily.

HAVE YOU INTEGRATED THESE LESSONS INTO YOUR ORGANIZATION'S STRATEGY AND/OR OPERATIONS?

It's difficult because we don't employ a participatory grantmaking approach to our final grant decisions. We operate on an invitation system that is built around the program officers' knowledge and relationships to make grant recommendations, which are then approved by our CEO. As a small private foundation whose most immediate internal

project is to focus on developing an evaluation framework and is already a resource-heavy process, we won't likely take on an equally taxing process such as participatory grantmaking anytime soon.

HOW WOULD YOU CHANGE THE WAYS IN WHICH YOU FUND NETWORKS?

Be more open to seeding or being a first funder for emergent networks.

IN YOUR VIEW, HOW CAN DONORS BE MOST SUPPORTIVE TO NETWORKS? HOW CAN NETWORKS BE MOST RESPONSIVE TO DONORS?

Be willing to accept proposals and reports created for other funders, for example. Networks can be administratively taxed because of the coordination work they do. Lessening some of the administrative burden can support them in focusing on actually doing the work.