DONOR FUNDING TO NETWORKS: NETWORK CASE STUDY H

This case study is one of nine case studies capturing the experience and insights from a diverse set of networks about how they mobilize and manage funds. 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 donors and a "how to" guide for network funding and fundraising – are also available at www.collectivemindglobal.org.

Each network case study provides insights on:
- The network's funding needs and sources
- How the network's funding needs are met
- The network's relationships with their donors
- The challenges and reflections of the network

NETWORK H PROFILE

- **Network (secretariat) location**: California, U.S.
- **Geographic scope (of activities, members)**: A statewide "network of networks" that has participating collaboratives from across California
- **Network functions undertaken by the network**: Information sharing, filtering, amplification, and diffusion; knowledge generation, exchange, and management; problem solving and innovation; learning and capacity building; community building; thought leadership and field-building
- **Number of members**: A volunteer-led network of with approximately 34 participating collaboratives as part of the network, each of which consists of dozens of organizations, agencies, institutions, and other stakeholders
- **Number of staff**: A contracted coordinator, in addition to volunteer-based steering committee members and consultants contracted for additional capacity for leading network initiatives

NETWORK FUNDING NEEDS AND SOURCES

WHAT'S YOUR YEARLY (OR OTHER REGULAR) BUDGET?

Our budget is 165,000.00 USD annually. This includes coordination and administrative support, meetings, convenings, and other events.

WHAT DOES YOUR NETWORK NEED FUNDING FOR?

We need funding for collaborative capacity via coordinator support, network-led initiatives, and network convenings, meetings and other events.

WHAT TYPES OF DONORS DO YOU RECEIVE FUNDS FROM?

We currently receive funds from four foundations and three private funders.

DO YOU HAVE CORE FUNDING OR ONLY FUNDING EARMARKED FOR SPECIFIC ACTIVITIES/PROGRAMS? HOW FLEXIBLE ARE THE FUNDS THAT YOU HAVE FROM DONORS?

It is mixed, with approximately 75% of funding as discretionary, but not sustained. They will sunset after a three-year period.

HOW LONG-TERM ARE THE FUNDS THAT YOU HAVE FROM DONORS?

Three years.

DO YOU HAVE OTHER MEANS TO GENERATE FUNDING FOR YOUR NETWORK BEYOND DONOR FUNDING?

We have volunteer-led grant writing and network ambassadors who seek support via individual grants as needs/opportunities emerge. We have also instituted a donation portal, hosted by our fiscal sponsor.

MEETING NETWORK FUNDING NEEDS

HOW DO YOU FUNDRAISE/MOBILIZE RESOURCES?

We employ conventional donor cultivation techniques. We have a strategic roadmap through 2023 where we derive case statements, and engage, build, and sustain existing funder relationships. Currently, our facilitator and steering committee member leads fundraising efforts, with support offered strategically by other steering committee members according to focal area.

ARE YOU ABLE TO MOBILIZE ADEQUATE FUNDS BOTH OVERALL AND FOR THE SPECIFIC TYPES OF NEEDS YOU HAVE? WHAT PERCENTAGE OF YOUR FUNDING NEEDS DID YOU COVER IN 2021?

Yes, we have adequate operational support through 2023, however, we still see gaps in long-term funding for convenings, project initiatives, and consulting support to advance initiatives.

WHAT ARE THE PROCESSES LIKE TO SECURE FUNDS FROM DONORS? WHAT ARE THE CHALLENGES OF THE APPLICATION, SELECTION, AND/OR NEGOTIATION PROCESSES?

In the context of agency-based funding, challenges include capacity to prepare grants, insurance requirements, limited indirect costs funding, and the duration of time elapsed before payment is received after invoicing.

In the context of philanthropic giving, challenges include capacity to prepare grant reporting, applications and RFPs, and capacity to continue participating in donor-led initiatives defined within the grant.

REQUIREMENTS AND RELATIONSHIPS WITH DONORS

WHY DO YOU BELIEVE YOUR DONORS FUND YOUR NETWORK?

Our donors believe in our impact, process, and the unique role our network plays within our issue area, as well as our ability to support local and regional partnerships with a statewide voice. Donors also believe in the leadership of the network.

WHAT REQUIREMENTS OR CONDITIONS DO YOUR DONORS PUT IN PLACE IN RETURN FOR THEIR FUNDING?

Typically, none, however, several donors request that the network exports learnings, innovations, and products broadly at regional, state, and national levels.

HOW DO YOU MANAGE YOUR FUNDS AND DONOR REQUIREMENTS?

From 2016 – 2021, we had a different fiscal sponsor and they managed all funding and accounting. In 2022, a new fiscal will take on this role. All expended funds have to be aligned with our strategic roadmap for 2021-23 and overseen by the network coordinator or steering committee.

HOW DO YOU TRACK ACTIVITIES, OUTPUTS, AND OUTCOMES FROM YOUR FUNDING? ARE YOU ABLE TO DEMONSTRATE OUTCOMES AND/OR IMPACTS FROM YOUR DONOR FUNDING?

Funding activities, outputs, and outcomes are tracked through project management structures to identify all tasks, timelines, and outputs. The network's coordinator, in concert with the steering committee, network working groups, and consultants are tasked with undertaking the work plans and generating outputs. Outcomes are typically derived from the 2021-23 strategic roadmap and are usually co-created with the donor/funder. Depending on the type of outcome, they are tracked either quantitatively or qualitatively.

WHAT DO YOU STRUGGLE WITH IN MANAGING YOUR DONOR FUNDING?

The network uses standard accounting practices to manage funds.

DO DONORS PLAY OTHER ROLES IN THE NETWORK BESIDES FUNDING?

Our donors are excellent connections and I tend to treat them as part of our network, understanding what their needs and interests are and connecting them with opportunities or others when it seems prudent.

Our first foundation partner must have in some way pointed the second funder our way, but I haven't gotten up the nerve to ask yet. We also got a notice for a foundation grant opportunity for a grant I'd never seen before, and I suspect that invite came from connections between the different foundations as well.

NETWORK REFLECTIONS

WHAT ARE YOUR KEY CHALLENGES IN MOBILIZING ADEQUATE RESOURCES? WHAT WOULD MAKE IT EASIER TO FIND AND MOBILIZE DONOR FUNDING?

Key challenges are capacity building for collaborative infrastructure, and sustained funding for stewardship action at scale, both of which are difficult areas to fund. We as a field still need to bring forward the tangible impact of these activities so that funders better understand them. We also see a need for a paradigm shift within the funding world to see the value and impact of collaborative networks and emergent solutions.

WHAT DO YOU THINK IS MORE DIFFICULT ABOUT FUNDRAISING A NETWORK COMPARED TO AN ORGANIZATION?

We perceive that funders struggle seeing the accountability of networks i.e. who is fundamentally responsible for the outcomes and stewardship of their funding.

WHAT DISCONNECTS DO YOU SEE OR EXPERIENCE BETWEEN WHAT DONORS CAN/WILL FUND AND WHAT YOUR NETWORK NEEDS?

Disconnects exist around the collaborative capacity needed to scale our work to achieve greater outcomes and impact.

HOW ARE YOUR DONORS' REQUIREMENTS OR CONDITIONS EITHER HELPFUL OR PROBLEMATIC?

Primarily agency-based funding is challenging because of limitations set on indirect costs, as well as long timeframes between invoice and payment.

HOW WOULD YOU CHANGE THE WAYS IN WHICH YOU RECEIVE DONOR FUNDING? (E.G. AMOUNTS, SELECTION, DONOR ROLE, FUND MANAGEMENT, ETC.)

It would be beneficial to have clear timeframes where grantees can receive blocks of funding at predictable schedules, rather than invoicing for work done across the funding period.

WHAT INFLUENCE DO THE DONORS HAVE WITHIN THE NETWORK?

See above. Donors contribute as key thought leaders and provide strategic guidance across the network's focal areas, in addition to serving as problem-solvers across the network as it seeks pathways for capacity building. Funders also connect us with other donors and resources to continue the network's work.

HOW ARE YOUR DONORS MOST HELPFUL AND SUPPORTIVE OF THE NETWORK?

- They provide flexibility
- They support emergent ideas, process, and outcomes
- They provide connections to other funding opportunities within their networks
- They participate in the work of the network where they believe there is shared value

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