Beyond the typical grant: Alternative ways to fund disasters

August 11, 2022

CENTER FOR DISASTER PHILANTHROPY
HOW TO PARTICIPATE

Submit questions.
Use Q & A box at the bottom of your screen.

Use #CDP4Recovery to tweet along.
Follow CDP: @funds4disaster

Complete the survey.
The link will open as you exit the webinar.

Look for the fully captioned webinar recording and summary at disasterphilanthropy.org.
Live captioning is available now via Zoom. Click on Closed Caption/Live Transcript to access it.

Photo Source: Canva
Thank you to our co-sponsors
Land Acknowledgment

“Acknowledgment is a simple, powerful way of showing respect and a step toward correcting the stories and practices that erase Indigenous people’s history and culture and toward inviting and honoring the truth.”

https://usdac.us/nativeland

CDP’s Land Acknowledgment is inspired by Dawn Knickerbocker, Native Americans in Philanthropy.
GOALS

At the end of the webinar, funders will:

1. Understand different tools for funding beyond grants.
2. Be aware of opportunities to fund organizations without 501(c)(3) status, domestically and internationally.
3. Learn from notable donors supporting diverse programs worldwide in new and effective ways.
How philanthropy provides funding

“While grants may be appropriate in certain circumstances, grant funding – often short-term, inflexible and project-specific – neither suits rapidly evolving situations on the ground nor enables local organizations to prioritize their solutions and develop financial sustainability for the longer term.”

- Riva Kantowitz, Radical Flexibility Fund
What philanthropy supports

Total volumes and proportion of funding to local and national responders, 2016–2021

Source: Development Initiatives
Thank you to our guests for joining us today.

#CDP4Recovery

Baylen Campbell
Director of Community Impact
Invest Appalachia

Courtney Eskew
Director of Vetting and Grants Management
GlobalGiving

Lita Ugarte Pardi
Programs and Knowledge Director
PEAK Grantmaking
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Adjusting to support grassroots & grasstips organizations

- Consider deeply engaging with and/or supporting organizations that have community connections and the ability to regrant to grassroots and grasstips organizations
- Revisit your outreach strategies and platforms
- Offer more than 2 opportunities annually for organizations to apply for funding
- Consider the size of your grant
- Build organizational capacity in addition to supporting their efforts
- Narrow the power gap
Courtney Eskew

Director of Vetting and Grants Management

GlobalGiving

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$20-30 billion is devoted every year to international humanitarian assistance.

But only 2% reaches local changemakers.

98% is channeled to a few large nonprofits with tighter and tighter restrictions on how it can be used.

Sources: Global Humanitarian Assistance Report, International Federation of Red Cross and Red Crescent Societies
Photo: Give Clean Water To Kids in Ethiopia by Splash
Baylen Campbell

Director of Community Impact

Invest Appalachia

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Invest Appalachia Catalytic Capital Products:

- **Technical Assistance Grant**: Contract-based grant payment for technical assistance related to an individual project or overall pipeline development; unsecured
- **Targeted Coordination Grant**: Contract-based grant payment for pipeline coordination, project development, and pre-development services that advance a cluster of projects or increase investment readiness; unsecured
- **Credit Enhancement**: Loan guarantees, zero interest loans, & direct project subsidies that are head or deployed to absorb risk for borrowers and other sources of capital in a project or deal; unsecured
- **Conditional Repayment Grant**: Equity-like loans with flexible conditions for non-extractive repayment (revenue-based, benchmarked, etc.); unsecured
What is Impact Investment?

Impact Investing - An evolving tool for philanthropic and impact organizations that seek to help build resilient, prosperous, equitable communities through leveraging the power of capital to create measurable positive social change and/or environmental impact.

- Unlike grantmaking, though, the funds circle back around to the foundation, often with a moderate financial return so that the dollars can be recycled into the community. Funds also are invested in alignment with community priorities.
- Impact Investments can either come from a grant budget, and count towards the 5% annual payout requirement (PRIs), or can come directly from the endowment (MRIs).
- Building equitable markets → community wealth → resilience → Powerbuilding
- Investing in Main Street rather than Wall Street
Fiscal Sponsors

- Comprehensive
  - Fiscal sponsor assumes 100% of ownership & responsibility over project/program
  - Project/program becomes a part of the fiscal sponsor’s organization

- Fundraising/Grant Relationship
  - Project/program is owned by the organization, not the fiscal sponsor
  - Fiscal sponsor retains ability to direct funds raised to other organizations that will meet the charitable purpose, though that typically happens only under egregious circumstances
How we partner with Corporate Philanthropy on disaster response

- Employee and consumer giving activations
- Philanthropic consultation and disaster planning
- Global disaster grantmaking
- Disaster fund management
- Cause marketing + social campaigns
- API integration
MEET AFRIQIYAH & LORAINE

Challenge
Help women business owners get through the pandemic with disaster relief grants.

Solution
GlobalGiving created The Red Backpack Fund in partnership with Spanx and Sara Blakely.

Framework
IRS Publication 3833 (Rev. 12-2014)

Results
$5.4 Million awarded to 1,080 grantees across the US and its territories within 6 months.
Invest Appalachia’s model: Community Engagement & Resilience

- IA’s model was developed through a 5-year multi-stakeholder engagement process
- Representative Board and built in community accountability mechanism - Community Advisory Council: Sets CC Priorities, impact refinement, feedback loops
- Inclusive pipeline development that leverages regional partner capacity (Foundations, CDFIs, Banks, CHDOs, non-profits)
- Infusing other community engagement models: Good Neighbor Initiative, Studio Appalachia.
- Ecosystem coordinator: locally rooted capacity building, alignment across partner strategies, regional collaborations
- Utilizing local expertise to determine priority needs and advance a pipeline of projects.

Investment Worthy → Investment Ready
Grantmaking with urgency

- Decide how urgently you need to respond
- Identify past grantees you could support
- Determine which aspects of your process can change or be eliminated
- Award general operating support grants (if not already doing this)
- Right-size your grants
- Be transparent with your community
Q&A

Submit questions using the Q & A box at the bottom of your screen.

#CDP4Recovery

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PEAK Grantmaking
NEXT STEPS AND ACTIONS

1. Use a variety of funding tools, not only grants.

2. Consider supporting non-501(c)(3) organizations.

3. Fund locally.

Photo Source: Canva
Expert Resources

Disaster Philanthropy Playbook

Website
- Blogs, Issue Insights, Disaster Profiles, Weekly Disaster Updates

Webinars

Special Reports
- Measuring the State of Disaster Philanthropy
- COVID-19 and Philanthropy
- U.S. Household Disaster Giving Report

CDP Staff
- Speaking engagements, Analyses, Opinion Pieces, Consulting Services

disasterphilanthropy.org
OUR UPCOMING EVENTS

Global hunger crisis with focus on the Horn of Africa

September 7

Mobile homes and disaster

October 13

disasterphilanthropy.org/events

Photo Source: Andrew Neel via Unsplash
Thank You

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