

# Measuring the Work of Intermediaries in the St. Louis Region



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## Introduction

This guide serves to encourage funders and intermediaries to think about intermediary nonprofit organizations and their outcomes differently as well as explain how these two groups can partner successfully to create change. “We do not fund intermediaries” is often times used as a blanket statement by funders. This statement has led many nonprofit organizations to claim “we are not an intermediary” to avoid getting lumped into a certain bucket when they are in fact an intermediary organization. This guide will give insight into both the communications struggles and best practices that funders and intermediaries encounter with one another and give examples of successful funder/intermediary partnerships.

As the Gateway Center for Giving (the Center) learned through this exploratory process, even if a funder says that they do not fund intermediaries that is not always the case. Often they fund intermediaries for special projects. One reason grantmakers give for not funding intermediaries is that the intermediary organizations have a difficult time quantifying their results. Frequently intermediaries push themselves to identify traditional “direct-service” outcomes for work that is removed from the individual client. This guide offers intermediaries tips on ways to better explain their short and long-term outcomes in a way that is easily understood by funders.

The Center engaged in conversations with over 35 individuals from funding and intermediary organizations in an attempt to understand how these two groups can better communicate and understand each other’s needs. There is no one answer as to why some funders are hesitant to fund intermediaries, but it is clear that having understandable outcomes would help to advance the conversation between these two groups.



## Background

In early 2011, the Gateway Center for Giving with funding from the Missouri Foundation for Health set out to create a report that illustrated the number, type, and benefit of intermediaries in the St. Louis community. The report - [Understanding the Intermediary Infrastructure in St. Louis](#)- was developed over the course of four months with the help of an intern and a steering committee composed of representatives from the Deaconess Foundation, the Whitaker Foundation, and the Maternal, Child and Family Health Coalition. The findings were presented to the funding community to help them better understand the intermediary infrastructure in St. Louis. Funders were intrigued by the role and overall contribution intermediaries play in the community but noted that assessing and measuring the outcomes of intermediary nonprofit organizations continues to pose significant challenges.

*“A funder will fund a nonprofit- intermediary or direct service- based on the value that they add and a persuasive outcome is one of the ways that a funder will decide to fund that organization.”*

## What is an intermediary?

An intermediary exists between organizations who have resources and the organizations who need resources. Local intermediaries are a means of efficiently and effectively connecting and delivering a range of support services for the nonprofit community. Typically local intermediary organizations engage in one or more of the following tasks:

- Engaging, convening, and supporting service providing constituencies;
- Promoting quality standards and accountability;
- Brokering and leveraging resources (including fiscal responsibilities);
- Promoting advocacy for effective policies.

An intermediary works to address the systems that impact individuals affected by a community issue. A direct service provider typically works with individuals affected by an issue. Intermediaries take a more macro-level approach to community problems and need to show how addressing the systems will ultimately impact the individual by changing the conditions that created the problem.

## Using This Guide

This is intended to be used as a practical guide for intermediaries and funders.

- ❖ *Intermediaries* may use this guide to better understand the key elements required to develop an outcome measurement plan and more accurately measure outcomes as well as define realistic program outcomes. Intermediaries hope that funders will use this report to better understand the struggles related to trying to measure short-term impacts on long-term systems.
- ❖ *Funders* may use this guide to understand whether the outcomes that intermediaries are proposing are realistic and how those outcomes should be evaluated. Funders hope that intermediaries will use this report to help them describe community impact in a way that is easily understood by funders.

Additionally this guide offers tips on how funders and intermediaries can address some of the common struggles these two groups often encounter when trying to work with one another. This guide is organized by intermediary type. In our first report we grouped intermediaries into four main buckets: **advocacy, capacity building, collaborative, and resource brokering/fiscal**. This report offers best practices for outcome measurement by intermediary type.

## CONTENTS

Introduction & Background	2
What is an intermediary?	3
Using This Guide	3
Intermediaries and Outcomes	4
Types of Intermediaries	4
Funder and Intermediary Relationships	8
Partnering for Impact	8
From the Funder's Perspective	9
Intermediary Success Stories	11
Challenges to Effective Relationships & Communication	13
Strengths and Limitations of Logic Models	14
Tips for Funders and Intermediaries	15
Working Together More Effectively	16
Project Methodology	17
Acknowledgements	17
Resources	18

## Intermediaries and Outcomes

Intermediaries often have a unique set of outcomes- outcomes that can differ immensely from that of a direct service provider. This guide serves to:

- Help decipher the challenges to effective relationships and communication between funders and intermediaries.
- Offer general advice on how the two groups can work together more effectively.
- Offer examples of successful funder/intermediary partnerships.
- Help funders understand appropriate outcomes by which to evaluate the work of intermediaries.
- Help intermediaries articulate their value proposition through appropriate outcomes.
- Provide local and national resources and examples as best practices for both groups.



## Types of Intermediaries

In our first report, *Understanding the Intermediary Landscape in St. Louis*, we identified four main types of intermediaries: **advocacy, capacity building, collaborative, and resource brokering/fiscal**. It is important to understand that most intermediaries function in multiple roles and most do not fall into just one of these four categories. Additionally, some intermediaries provide direct services to the community in addition to being in the intermediary role. This can be both an opportunity and a challenge.

Intermediaries who also provide some level of direct services benefit from a first-hand understanding of community needs. However, those direct services provided by intermediaries can create role confusion on the part of the funder and the intermediary. Providing direct service can also create a competitive environment among organizations working collaboratively with the intermediary.

Below are the definitions of the four main types of intermediaries and a discussion of some examples of outcomes that have worked for the intermediaries in those categories when communicating their value to funders.

### Advocacy

An advocacy intermediary works to raise public awareness or change legislation on the local, state or federal level surrounding a particular issue. Advocacy intermediaries play a major role in nonprofit advocacy and lobbying at a time when many direct service nonprofits are shying away from such activities. These intermediaries can advocate on behalf of organizations that lack the resources or legal ability to do so or are concerned about speaking out on their own. Advocacy intermediaries also provide the resources and training many nonprofit organizations need to engage effectively in the policy process. Many advocacy intermediaries lack sufficient resources to be proactive and tend to primarily working in a defensive reaction mode.<sup>1</sup>

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<sup>1</sup> Lessans Geller, Stephanie and Salamon, Lester M. Communiqué No. 13. Listening Post Project Roundtable on Nonprofit Advocacy and Lobbying. Johns Hopkins University. Washington, D.C. [http://www.ccss.jhu.edu/pdfs/LP\\_Communique/LP\\_Communique13.pdf](http://www.ccss.jhu.edu/pdfs/LP_Communique/LP_Communique13.pdf)



Foundations often prefer to fund efforts that have measurable outcomes and fairly immediate results. Policy work is difficult to measure and often takes a long time to achieve impact thus making it more difficult to gain funding support.

Advocacy intermediaries need to be able to make the case for funders to support nonprofit policy advocacy and lobbying efforts. This can be done by educating current and potential funders on the existing advocacy laws/regulations and the value of nonprofit policy advocacy. Showing prior success is also a good way to make the case. *For additional resources related to advocacy intermediaries please see [Appendices 3, 8, & 9](#).*

### **Lead Prevention Coalition<sup>2</sup>**

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**What information has Lead Prevention Coalition presented when trying to communicate its value to funders?:**

- Our ability to identify service gaps and assist community partners to develop niche services.
- Demonstrated impact of awareness/education/advocacy initiatives based on various metrics, and policy and legislative change.
- As a "hybrid" agency providing both intermediary and direct services, we have a unique ability to take the "front line views of constituents" and translate that to highlight the "human impact" of current policy and proposed systems change.
- How we multiply funder dollars by creating lasting community capacity with peer teaching networks and technical assistance/training of direct service providers.
- Our advocacy is solution focused, based on best practices and local needs.

#### ***Teen Pregnancy and Prevention Partnership***

*When trying to explain outcomes, Alison Hile, Executive Director, does not try to make the long term correlation between her organization's work and a decrease in teen pregnancy. Rather, she focuses on the outcomes that are measurable such as changes in behavior, education, and attitude. "The most successful meetings related to our advocacy work take place over lunch- lunches that are not funded by grantmakers. Relationships are everything. Is there a way to ask for money to build relationships other than through general operating support?"*

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<sup>2</sup> The St. Louis Lead Prevention Coalition is a diverse group of individual and public and private organizations working together to reduce and eliminate lead exposure in the St. Louis metro area, especially among children. It works to develop regional initiatives that can be delivered at a neighborhood level. <http://www.leadprevention.org/>

<sup>3</sup> The Teen Pregnancy & Prevention Partnership promotes adolescent sexual health and teen pregnancy prevention by uniting Missouri through advocacy, collaboration, training, and public awareness. <http://www.teenpregnancy-stl.org/>

## Capacity Building

A capacity building intermediary improves organizational effectiveness required to strengthen the nonprofit's impact and enhance program outcomes through the development of an organization's core skills and capabilities, such as leadership, management, governance, finance, fund-raising, evaluation and more. Services include leadership and peer learning, consulting, training, resources and grants/technical assistance. The belief is that strong nonprofit organizations lead to strong programs and ultimately, greater impact in the community. *For additional resources related to capacity building intermediaries please see [Appendices 2, 6, & 7](#).*

## Nonprofit Services Center (NSC)<sup>4</sup>

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### What information has Nonprofit Services Center presented when trying to communicate its value to funders?:

NSC presents data on current issues affecting organizational development and sustainability as well as success stories about innovation and real impact achieved creates a vibrant community. Grounded in evidence-based research, NSC provides reports, metrics and dashboards to demonstrate outcomes using the following key indicators:

- Improved ability to respond to changes in external and internal environments.
- Increased awareness and understanding of the environment or culture in which they operate.
- Ability to identify existing assets and employ new knowledge and skills to build, grow and sustain resources.
- Expanded networks and collaborative partnerships through peer learning opportunities.
- Percentages for: improved financial stability, increased number of people served; improved program quality; Increased ability to apply trainings to enhance their work and share knowledge gained with key staff and board; and Increased benefit to their role as a leader.

## Collaborative

A collaborative intermediary facilitates the convening of two or more entities working together to pursue a common goal. They serve as the lead organization for the collaborative partnership, leading the development of work plans, creating and managing collaborative performance measurement systems and tools.

One type of collaborative intermediary is a community coalition. Proponents of community coalitions reason that coalitions 1) create a “critical mass” of interested persons and necessary resources to affect change, 2) reduce competition between members and avoid duplication of effort through improved communication and trust building, and 3) promote multi-level, multifaceted interventions that work synergistically to address complex public health problems.<sup>5</sup> Proponents further claim that community-based coalitions are likely to achieve durable change because they create new linkages and modes of collaboration between groups and organizations, negotiate broad support from community members and other stakeholders, and advocate for supportive policies and legislation. The cost of forming, developing, and maintaining coalitions, however, is substantial, and the benefits—as opposed to alternative means of interaction among stakeholders—have not been well defined<sup>6</sup>. *For additional resources related to collaborative intermediaries please see [Appendices 3, 4, & 5](#).*

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<sup>4</sup> NSC is a nonprofit management support organization (MSO) that provides a variety of program modalities to support nonprofits where they are in their organizational life cycle. Having multiple levels of capacity building support enables customized organizational growth for the purpose of improving service delivery and program impact. <http://www.nonprofitservices.org/>

<sup>5</sup> Feighery E, Rogers T. Building and maintaining effective coalitions. Second edition. Palo Alto, CA: Health Promotion Resource Center, Stanford Center of Research in Disease Prevention; 1990.

<sup>6</sup> A Model-Driven Approach to Qualitatively Assessing the Added Value of Community Coalitions. Journal of Urban Health: Bulletin of the New York Academy of Medicine, Vol 88, Suppl. 1. 2011.

**What information has Maternal, Child and Family Health Coalition presented when trying to communicate its value to funders?:**

- Used local data to explain the problem facing the community.
- Explained how needs assessments conducted by the coalition will be used by over 700 individuals and 190 organizations.
- Discussed specifically how they plan to convene key stakeholders, citing evidence-based practices.
- Identified process measures and milestones such as number of participants and change in participant's knowledge.
- Demonstrated results from previous collaboration efforts.

*Resource Brokering/Fiscal*

A resource brokering intermediary draws in and increases resources to service the sector. This typically involves a fiscal role; however, resources also include volunteers and other categories in addition to finances. The intermediary may serve as a fiscal agent, or pass-through for public or private funds, overseeing the selection of recipients, transmittal of grants, and monitoring compliance and effectiveness of support. This can also include influencing the funding priorities which increases resources to a given issue where funds may not pass through the intermediary.

*ARCHS*<sup>8</sup>

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**What information has ARCHS presented when trying to communicate its value to funders?:**

ARCHS uses a strategic combination of programmatic, fiscal agent and evaluation measures to demonstrate its value and return on investment as an intermediary. Examples include:

- Leveraged Dollar Formula- documentation of resources provided beyond the funder's core dollars including: Other funds; Donated goods and services; Volunteers
- Evaluation/Logic Model Platform- documentation of:
  - Qualitative and quantitative program results achieved (outputs/outcomes)
  - Change in attitudes, knowledge and/or behavior
  - Required demographics and numbers served
- Infrastructure Support- documentation of:
  - Audits (program and financial)- Adherence to funder scopes of work; Dollars spent on programming
  - Capacity building (technical assistance/professional development)- Number of hours; Programs and people served; Knowledge gained
  - Convening for specific regional collaborations focused on singular issues and supported by multiple funders- Research/data collected and analyzed; Results achieved (funding/programming, etc.)
- Brand Identity Management- documentation of the promotion of the funder: Media placements; Social media impressions

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<sup>7</sup> The Maternal, Child and Family Health Coalition (MCFHC) is dedicated to improving birth outcomes, promoting healthy families, and building healthy communities. The MCFHC mobilizes the region through education and advocacy to address women's health and health care services and prenatal care for all women, maternal mental health, immunizations, healthy and sustainable homes. <http://www.stl-mcfhc.org/>

<sup>8</sup> Area Resources for Community and Human Services (ARCHS) is a strategic grant management organization committed to improving the lives of Greater St. Louis' residents. ARCHS provides funders with the programmatic and fiscal infrastructure needed to implement their programs and offers capacity building support to service delivery organizations. <http://www.stlarchs.org/>

## Funder and Intermediary Relationships

There are a number of types of funder/intermediary relationships. Understanding the varying nature of these relationships is important to both groups when determining how best to partner. It is also important to note that multiple types of funding relationships can take place concurrently.

- **Traditional Grant Relationship-** An intermediary applies for a grant from a funder to complete work on a specific project or for general operating support.
- **Contract-Vendor Relationship-** A funder approaches an intermediary regarding a particular project or initiative. While this project or initiative may not have been in the intermediary's business plan it still relates to the work that the intermediary is doing and satisfies the needs of the requesting funder.
- **Informal Relationship-** A relationship develops over time where the funder has grown to deeply understand the work of a particular intermediary and functions as a partner and sounding board rather than providing only funding.

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*“It is difficult for funders to incorporate the idea of funding the operations of an intermediary, primarily because its key functions-convening, promoting standards, brokering resources and promoting effective policies-fall outside the vision which the funder has for use of its resources.*

*A new way to think about the relationship between an intermediary and a funder may be as partners (or consultants or even vendors), whereby the intermediary helps the funder achieve its goals by extending its reach.*

*But, in order for this to happen, intermediaries must adopt a marketing orientation. That is, they must first determine what needs funders have, and then propose to develop “products” or services to meet those needs. The current “sales” approach is not working. A sales approach attempts to sell products or services which the intermediary has already developed, presumably for another funder.”*

*--- Don Cuvo, Former Executive Director, St. Louis Mental Health Board*

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## Partnering for Impact

### The Regional Arts Commission<sup>9</sup>

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The Regional Arts Commission (RAC) is in a unique position as both a funder and an intermediary.

#### RAC as a Funder

Receiving public funds through the hotel motel tax of St. Louis City and County, RAC funds more than 200 organizations—both arts and non-arts—in the region. Grants to organizations include general operating support and program support as well as grants to intermediaries providing services to organizations or artists to strengthen the field. RAC encourages the development of evaluation strategies and urge grantees to state outcomes and community impact as part of their final reporting requirements.



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<sup>9</sup> The Regional Arts Commission promotes, encourages, and foster the arts and cultural institutions in St. Louis City and County and to contribute to the economic development of the area through a strong presence of the arts. The mission of RAC is to create an environment that nurtures artists as well as arts and cultural organizations. <http://www.art-stl.com/>



## RAC as an Intermediary

In its role as an intermediary, RAC’s work includes capacity building, convening, research, and facilitating collaborations. The Commission has received federal funds through the National Endowment for the Arts, as well as several national foundations including the Kresge Foundation. Projects initiated by RAC include the Major Marketing Initiative (MMI) Database for the Arts (DART) project and the EmcArts New Pathways program providing capacity building for many RAC funded organizations. Two regional arts-based community development conferences and an initiative to expand the Community Arts Training Institute also have been supported by foundation grants. RAC also conducts arts-related research. The Commission’s research on the needs of local artists and developers will create templates for partnerships and serve as a catalyst for strategic community action.

## The St. Louis Mental Health Board<sup>10</sup>

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The St. Louis Mental Health Board (MHB) utilizes a variety of approaches and strategies to distribute funds in the City of St. Louis. Its newest investment strategy utilizes intermediaries to serve as investment managers of MHB funds. The intermediaries are uniquely qualified to achieve greater impact in a particular sector or service area because they have existing relationships with service providers through a membership structure or affiliation.



One example of this investment management strategy is MHB’s relationship with Maternal, Child, and Family Health Coalition (MCFHC) whereby they serve as a fiscal agent of MHB funds for perinatal mental health. MCFHC oversees the selection of recipients, transmittal of grants, and monitors compliance and effectiveness of service and outcome achievement. Concurrently, MHB provides monitoring and oversight of MCFHC’s performance by requiring monthly reports and fiscal accountability. This unique relationship allows MHB to extend its reach through focused investments while utilizing the expertise of the intermediaries.



## From the Funder’s Perspective

What leads a grantmaker to fund a particular intermediary? Was it their grant application? Was it their leadership team? Was it the organization’s reputation in the community? Here are some examples from grantmakers about what made a particular intermediary stand out thus resulting in funding.

### The Incarnate Word Foundation

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Margaret Eigsti, Program Manager at the Incarnate Word Foundation notes, “The Foundation looks for a number of qualities in an intermediary application. The most important characteristic is that the organization is able to document the true impact that it is having on people’s lives on the community. This impact can be shown in different ways. Evidence of impact that is especially valued by the Foundation is a clear articulation of what services the intermediary is providing to the nonprofit community and which entities in the community are reaching out for these services. We want to know that the intermediary is integral to the services being provided in the community and that it is collaborating to work towards the same goals as direct service providers. Other important qualities in an intermediary application are very similar to those of any other organization applying to the Foundation. We want to see that the organization is filling a gap in services and that the organization is financially stable with diversified, sustainable funding.”

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<sup>10</sup> The St. Louis Mental Health Board is the Substance Abuse/Mental Health and Children’s Services authority for the City of St. Louis. As such, MHB administers public funds for behavioral health and children’s services for the benefit of city residents. <http://www.stlmhb.com>

## Whitaker Foundation<sup>11</sup>

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“As a funder, we can sometimes spot a trend or common need. Sometimes this is offering a shared educational opportunity or getting a group together to address a shared problem. For instance, several years ago the Whitaker



Foundation worked with the Incarnate Word Foundation to bring the Project for Public Spaces (PPS) to St. Louis. We noticed that a number of our agencies—whether approaching the problem from the vantage point of our focus areas—arts and urban parks, or from those of the Incarnate Word Foundation- neighborhood stabilization, were involved in placemaking, trying to learn what made neighborhoods and cities work. Our foundations funded a convening through PPS as intermediary. The participants included grantees, local public space officials and for profit representatives. The foundations spotted the need for the conversation, but the expertise on the topic rested with the agencies themselves.”-- Christy Gray, Executive Director of the Whitaker Foundation

## PNC<sup>12</sup>

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Not all grantmakers divide direct service nonprofits and intermediary nonprofits into two separate buckets for assessing who will receive funding. Debbie Marshall, Vice President of Community Investment at PNC, notes "PNC takes a strategic approach to grantmaking – defining funding priorities, identifying key elements of grantmaking efforts and partnering with organizations aligned with our funding priorities to achieve maximum impact with available resources. While providing grants is the fundamental component of grantmaking, PNC strives to be more comprehensive. Nonprofit intermediaries serve unique roles – advisory or advocacy role – in strategy implementation. The experience, information and connections intermediaries have is valuable in bringing together key constituents and improving grantmaking efforts.”

Three steps PNC takes when considering funding a nonprofit and/or intermediary:

- Talk with organization to ensure it is a good fit.
- Help organization draft proposal and revise.
- Company committee reviews proposal.



## JF Roblee Foundation<sup>13</sup>

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“All else equal, the JF Roblee Foundation is more likely to fund an intermediary because of the strong impact an intermediary organization can have on broad based issues,” notes Kathy Doellefeld-Clancy of the JF Roblee Foundation. “Our organization believes that a strong intermediary can have a broader impact than a single agency. Especially when funds are tight in the community, funding an intermediary can be more critical than ever. We look at a number of factors when considering funding an intermediary including:”

- Does the intermediary have credibility and expertise in the field?
- Is the intermediary respected in the field in which they serve?
- Is there a need for intermediary services in the specific program area the organization is considering funding?

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<sup>11</sup> The Whitaker Foundation is a private foundation that encourages the preservation and use of parks and believes in enriching lives through arts. <http://thewhitakerfoundation.org/>

<sup>12</sup> PNC Arts Alive is a two-year, \$1-million program that challenges visual and performing arts organizations to put forth their best, most original thinking in expanding audience participation and engagement. <http://www.pncartsalive.com/stlouis/>

<sup>13</sup> The Joseph H. and Florence A. Roblee Foundation is dedicated to promoting change by supporting organizations that address significant social issues, improve quality of life, and help individuals fulfill their potential. <http://www.robleefoundation.org>

## Intermediary Success Stories

### Maternal, Child and Family Health Coalition

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In 1998, for the first time the federal government made funds widely available for communities to address high infant mortality through a program called Healthy Start. To qualify, communities had to have infant mortality rate that exceeded the national rate. The St. Louis region experienced some of the worst rates of infant death in the country and easily met that criterion. However, communities also had to have worked together to address their high infant mortality through a coalition for at least two year prior to applying. Unfortunately,



St. Louis did not have a maternal and child health coalition and was viewed by the federal government as unsuccessful at collaboration. Public health leaders in St. Louis vowed to be prepared if Healthy Start funds were made available again. Through the support of Vision for Children at Risk and March of Dimes, the Maternal, Child and Family Health Coalition (MCFHC) was launched in 1999.

In 2001, Healthy Start funds were again available. Through the March of Dimes, the MCFHC was successful in securing a Healthy Start grant for St. Louis. Now in its 10th year, the St. Louis Healthy Start program has been granted \$7 million and is funded into 2014. These funds would never have been available to this community without the MCFHC. These funds have expanded access to case management and home visitation for high risk pregnant women and their infants, an evidence-based early childhood intervention. A recent study of the St. Louis Healthy program by St. Louis University found that women in the program have fewer lower-birth weight and premature babies when compared with similar women not enrolled in the program.

### Vision for Children at Risk<sup>14</sup>

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Intermediary organizations often add value by generating financial resources for the community and the constituencies that they serve. Intermediaries are most effective in this role when the goal is developing a collaborative initiative that requires facilitating collaboration among stakeholders and providing technical assistance to meet needs related to the grant application process. Vision for Children at Risk, for example, serves as the backbone support organization for the St. Louis Metropolitan Children's Agenda and has played a key role over the course of its history in bringing in more than \$20 million dollars in new resources to the St. Louis area. The formula for generating these funds has been to:

- identify a critical community need;
- convene key stakeholders around the problem to develop strategies for addressing it;
- Secure a funding source to support the strategies.

Sometimes this process takes place with a funding opportunity identified at the front end. On other occasions the strategy for addressing the community needs is developed first and the funding source identified and secured later.



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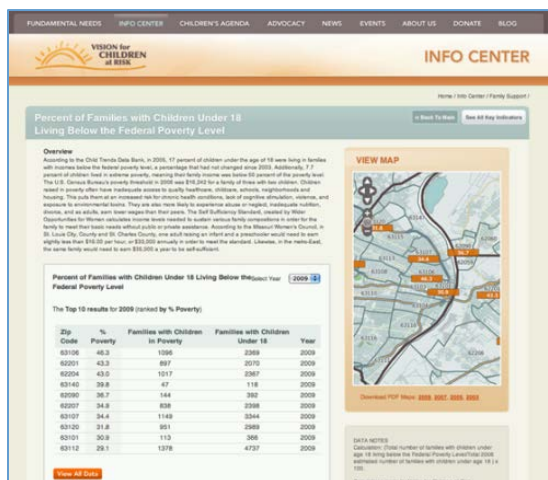
<sup>14</sup> The mission of Vision for Children at Risk is to promote the well-being of children and youth in the St. Louis metropolitan area, targeting particularly those young people who face serious socio-economic risk. <http://visionforchildren.org>

Resources may come as one-time large grants, such as the \$7.2 million awarded to St. Louis by the U. S. Department of Justice for its centerpiece SafeFutures program addressing issues related to gangs, violence and drug involvement. On other occasions the resources continue to flow over time to support an initiative or organizational capacity that has been newly established in the community. Through the work of intermediaries –often in collaboration with local funders – VCR and the St. Louis Children’s Agenda have been successful in bringing in significant new funding to the region for initiatives addressing child abuse/neglect, early childhood development, youth employment, and violence prevention. These resources do not go to support the operations of the intermediary. They are instead directed to advancing strategic community initiatives with funding going to other community agencies that are usually providers of direct client services.

### Data Provision by Intermediary Organization to Support Strategic Community Action

If action taken by the community to address problems and opportunities is to be strategic and effective, it must be supported by the best available data and policy information. Nonprofits providing direct services, public sector agencies, and funders frequently lack significant research capacity, but intermediary organizations with expertise in a particular field are often able to develop the information needed to inform critical community issues and share it with other

stakeholders. The result is higher quality data that is readily available produced at a lower cost.



In addressing issues related to children, youth and families in the St. Louis region, Vision for Children at Risk (VCR) for 20 years has performed several important research functions, making the data and policy information available to the community via its reports and Children’s Policy Forum website. Three types of research are produced: (1) community level assessment of problems and needs; (2) inventorying and analysis of available community program and service assets; and (3) identifying evidenced-based “best practice approaches” that can be used to shape strategies to address community needs.

## Challenges to Effective Relationships and Communication

Interviews with funders and intermediaries found that there are common struggles when it comes to these two groups effectively communicating and working with one another. Some of these are highlighted on this page and the next. It is important to note that in many cases these are generalizations. These challenges do not apply to all funders and intermediaries.

### Intermediary Challenges

- Intermediary staff find it hard to explain what they do and link it to the outcomes funders want to see. The causal link is hard to make.
- Funders often want to fund projects, not general operating support. Funders often view core intermediary functions as operating support rather than programs. For example, convening is a core program of intermediaries but is considered operating support by funders.
- Intermediary outcomes are hard to measure using traditional “direct-service metrics” as many of the results they gather are qualitative rather than quantitative.
- Intermediaries find it hard to complete the logic model that many funders require. They spend time trying to tweak the work they are doing to fit the required logic model which often results in a confusing presentation of outcomes to the funder.
- Funders often want more information about the long term impact of funding but do not often provide funds or staff to assess the impact over time.
- Intermediaries are dependent on the agencies they support to provide them with good outcomes data.
- Funders want the data collected by intermediaries but don’t want to fund the collection of it.
- Intermediaries find it hard to link their role to community change. It is hard to measure the value added of the intermediary.
- Intermediaries often are the backbone organization for collaborations among many direct service providers. Though funders say they want this to occur, they often do not pay for it.
- Intermediaries have a different way of generating dollars than most direct service providing organizations- they do not typically have a large individual donor base. Their revenue must come from grants and program/service income. Intermediaries often struggle to convince foundations to give the badly needed unrestricted grants that could be used for general operating support.

*“The challenge of defining concrete outcomes has created a big barrier to funding. It’s a great loss when we fail to value the intuitive. Einstein’s statement: ‘Not everything that counts can be counted, and not everything that can be counted counts’, is worth remembering.”*  
-- JF Roblee Foundation, Kathy Doellefeld-Clancy

## Funder Challenges

- Funders find it hard to see the immediate impact of their grant dollars since many intermediaries do not have projects where there are short term effects.
- Funders want to know what their dollars are influencing. They are not always able to clearly see that their dollars invested in intermediaries will reach the community and how many people will be impacted by those dollars.
- Funders need metrics to use when explaining to board and internal decision-makers why they should fund an organization. Not all intermediaries are able to use metrics to explain their outcomes.
- Funders want stronger reasons to invest in intermediaries as opposed to the agencies that the intermediaries support. Funders view direct service organizations as safer investments.
- Funders are not seeing the value of intermediaries presented to them in a way that is easily understood.
- Funders do not know how to measure the long term sustainability of the outcomes that intermediaries produce. They would like intermediaries to help them better understand this information.
- Funders do not know how much to spend on evaluating the outcomes of intermediaries (as well as direct-service providers).
- Funders are facing increased scrutiny to “prove” their grantees produced measurable results.

## Strengths and Limitations of Logic Models

As stated on previous page, intermediaries find it hard to define their outcomes using the logic model format. This begs the question, are logic models right for intermediaries? Many funders are now using logic models to drive nonprofits to think about their outcomes. Logic models help to describe project elements in a way that encourages understanding between a variety of projects and can be an effective tool to communicate the effect of a project. “It can help determine whether planned actions are likely to lead to the desired results. It displays the sequence of actions that describe what the program is and will do – how investments link to results. Logic models typically include the following:

- Inputs: resources, contributions, investments that go into the program
- Outputs: activities, services, events and products that reach people who participate or who are targeted
- Outcomes: results or changes for individuals, groups, communities, organizations, communities, or systems
- Assumptions: the beliefs we have about the program, the people involved, and the context and the way we think the program will work
- External Factors: the environment in which the program exists includes a variety of external factors that interact with and influence the program action.<sup>15</sup>”

Unfortunately, most logic models are structured in a way that is short term in nature. As a result the outcomes and outputs get muddled because for most intermediaries there are relatively few short term outcomes. To appease funders, intermediaries tweak their work to fit the required logic model and the end result is a confusing presentation to the funder.

Logic models are not necessarily one size fits all. This is not to say that funders should stop using logic models but they made want to consider using a logic model that fit the types of outcomes that intermediaries achieve. The appendix to this guide includes a number of sample logic models that can be modified to fit the needs of many types of intermediary organizations.

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<sup>15</sup> University of Wisconsin-Extension- <http://www.uwex.edu/ces/pdande/evaluation/evallogicmodel.html>

## Tips for Funders and Intermediaries

### *Tips for Funders*

- Consider providing general operating support for activities that have long-term outcomes, such as convening collaborations.
- Do not look at outcome measures as a one-size fits all model. Outcomes are important but they are just one tool in effective grantmaking.
- Do not directly compare nonprofits that provide direct services to intermediary nonprofits. The two types of organizations are going to have different types of outcomes.
- Include evaluation up front in the grant making process. Funders and grantees need to jointly determine how they are going to evaluate outcomes before the grant is even made. Evaluation should be looked at as a strategy rather than a way for grantors to keep grantees accountable.
- Strengthen the intermediaries you support through funding for capacity building. Strengthening an intermediary will go a long way towards strengthening the end clients they support.
- Partner as contractors or vendors with the intermediary organization rather than just provide a grant to them to ensure the most effective use of your grant dollars.

### *Tips for Intermediaries*

- To help make the business case for your organization, scan literature for best practices in the field. Show evidence for why your organization's activities are important. For example, use national literature to show that planning and convening typically results in x,y,z outcomes.
- Know what the funder is interested in before you approach them. Build the relationship with the funder and know in advance whether a funder would be receptive to your grant application.
- Educate funders! Most do not know what an intermediary is and what types of outcomes should be expected from an intermediary. Funders will not fund what they don't understand.
- Prove your value to funders through small projects and build trust.
- Use more interim indicators to let a funder know you are on the right path. Even though most outcomes are long term there needs to be evidence of progress after one-year. Break down the intermediate steps you can evaluate such as penetration levels, sustained partnerships, and measures around convenings.



## Recommendations on How Funders and Intermediaries Can Work Together More Effectively

1. *Funders and intermediaries may want to explore new ways of partnering together* because the traditional funder/nonprofit relationship is not always effective when it comes to working with intermediaries. Funders should attempt to focus on the change that intermediaries are working towards. With direct service agencies it makes sense to have a compliance-driven relationship because agencies have short-term outcomes they are working towards. With intermediaries, it's not about short-term outcomes. It's about long-term change. For intermediaries, consider starting with informal relationships with funders- invite them to an event, presentation, anything that gives the intermediary the chance to promote the organization outside of a grant application. Funders may wish to engage the intermediary in a conversation about what type of change they want in the community and how they may be able to partner with the intermediary to realize that change. Intermediaries may have information about community needs that can help inform funding priorities.
2. *Funders should consider being more involved with intermediaries* beyond just holding them accountable for the funds they receive. An example of how this can work would be having the company/funding organization sit on the board of the intermediary organization that is being funded. While that individual will not be involved with the funding decisions, they are able to help guide the organization.
3. *Funders and intermediaries should try to create a trusting, and honest relationship.* Accountability is an important piece of this relationship but it can be informal. For example, an intermediary should be able to call a funder and say, "This is what we did today and this is how the community responded. This is how we are going to work going forward."
4. *Funders should consider funding evaluation for intermediaries.* Funders report that they struggle to understand the outcome that intermediaries provide and intermediaries report that they struggle to develop clear intermediate and long-term outcomes. Supporting intermediaries (and all nonprofits) in learning how to better explain and evaluate their outcomes will go a long way in helping the organization understand itself better and the organization's ability to draw in other funds.





## Project Methodology

The [Gateway Center for Giving](#) worked over the course of eight months with its funding partners, a steering committee, and a group of key stakeholders to develop this guide. A committee made up of funders, intermediaries, and researchers was brought together to ensure that best practices in the field of outcome measurement are being used. The committee also suggested people and organizations in the community to bring into the conversation. Key stakeholders were interviewed either one-on-one or in small groups to glean their knowledge on the topic of outcome measurement as it relates to intermediaries. Gateway Center for Giving Program and Information Manager, Lindsey Linzer, was the staff lead for this report and a graduate student intern, Amber Yun, led the information gathering and compilation of the data for this project.

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- [Missouri Foundation for Health](#)
- [Nonprofit Services Center](#)
- [St. Louis Mental Health Board](#)
- [University of Missouri- St. Louis](#)
- [Vision for Children at Risk](#)
- [Volunteer Lawyers and Accountants for the Arts](#)
- [Whitaker Foundation](#)

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## Resources

Topic	Title	About	Link
General	Working with Intermediaries Global Grant Making through Partner Organizations	Making grants through an intermediary is often the simplest way to fund internationally, and sometimes the most effective. GrantCraft asked a handful of experienced grantmakers and experts about the keys to finding, working with, and getting the most from international intermediaries.	<a href="http://www.grantcraft.org/?pageid=1327">http://www.grantcraft.org/?pageid=1327</a>
General	Local Intermediary Organizations: Connecting the Dots for Children, Youth, and Families	Local intermediary organizations are a promising approach for efficiently and effectively connecting and delivering a range of supportive services. Introducing policymakers and program developers to local intermediary organizations, this issue brief was a collaboration of six organizations.	<a href="http://www.jff.org/publications/education/local-intermediary-organizations-connect/270">http://www.jff.org/publications/education/local-intermediary-organizations-connect/270</a>
General	Toward More Effective Use of Intermediaries	Report and Discussion Guide. This is about the use, misuse, and better use of intermediary organizations. Its purpose is to identify “best practices” of foundations—or, more properly, to distinguish more effective from less effective practices- in selecting, tasking, and relating to intermediaries.	<a href="http://foundationcenter.org/gainknowledge/research/pdf/practicematters_01_paper.pdf">http://foundationcenter.org/gainknowledge/research/pdf/practicematters_01_paper.pdf</a> <a href="http://foundationcenter.org/gainknowledge/research/pdf/practicematters_01_guide.pdf">http://foundationcenter.org/gainknowledge/research/pdf/practicematters_01_guide.pdf</a>
General	Funder-Intermediary Relationships: Promise & Pitfalls	Fieldstone Alliance hoped to learn more about critical success factors that lead to positive, mutually beneficial relationships between funders and intermediaries. An online survey was used to gather experiences from both funders and intermediaries. These success factors could then be used by both funders and intermediaries as a guide when developing contracts or grants, and as a tool to manage the ongoing work of the partnership.	<a href="http://www.fieldstonealliance.org/client/Funder-Intermediary_Survey_Report.pdf">http://www.fieldstonealliance.org/client/Funder-Intermediary_Survey_Report.pdf</a>
Advocacy	Alliance for Justice: Build Your Advocacy Grantmaking	Advocacy is challenging to evaluate and measure. To assist funders and grantee organizations with assessing both the results of advocacy efforts and the ability of organizations to sustain those efforts over time, Alliance for Justice developed two assessment tools.	<a href="http://www.advocacyevaluation.org/">http://www.advocacyevaluation.org/</a>
Advocacy	Listening Post Project Roundtable on Nonprofit Advocacy and Lobbying	To explore nonprofit involvement in the policy process in greater depth and identify the steps that might be taken to boost the scope, scale, and effectiveness of nonprofit policy advocacy, the Listening Post Project convened a Roundtable in July 2008. This report outlines the findings and offers strategies.	<a href="http://www.ccss.jhu.edu/pdfs/LP_Communique/LP_Communique13.pdf">http://www.ccss.jhu.edu/pdfs/LP_Communique/LP_Communique13.pdf</a>
Advocacy/ Capacity Building	Advocacy Core Capacity Assessment Tool	A comprehensive tool administered independently to multiple people in an organization to assess advocacy capacities through survey questions about the organization’s actions. Questions are categorized by leadership, adaptive, management and technical capacities. The tool aggregates independent respondents to reduce biases that arise through group dynamics	<a href="http://www.tccgrp.com">http://www.tccgrp.com</a>
Capacity Building	Strengthening Nonprofits: A Capacity Builder’s Resource Library	The Compassion Capital Fund (CCF) provided capacity building grants to expand and strengthen the role of nonprofit organizations in their ability to provide social services to low-income individuals. This library is born out of the expansive set of resources created by the National Resource Center during that time period, to be shared and to continue the legacy of CCF’s capacity building work.	<a href="http://www.strengtheningnonprofits.org/">http://www.strengtheningnonprofits.org/</a>
Capacity Building	Deeper Capacity Building for Greater Impact	This paper by TCC Group provides tangible examples of design options, best practices, and common challenges of Long Term Capacity Building initiatives.	<a href="http://www.tccgrp.com/pdfs/deepercapbuilding.pdf">http://www.tccgrp.com/pdfs/deepercapbuilding.pdf</a>

Topic	Title	About	Link
Collaborative	Evaluating Collaboratives: Reaching the Potential	Frustrated with the traditional methods for evaluating partnerships, the University of Wisconsin- Extension developed a manual to guide through the process of evaluating collaboratives.	<a href="http://learningstore.uwex.edu/assets/pdfs/G3658-8.PDF">http://learningstore.uwex.edu/assets/pdfs/G3658-8.PDF</a>
Collaborative	A Model-Driven Approach to Qualitatively Assessing the Added Value of Community Coalitions	The literature includes evaluations of coalition structure, composition, and functioning; evaluations of community-level changes achieved through coalition activities; and the association between coalition characteristics and various indicators of success.	<a href="http://www.springerlink.com/content/r4n18723862u323m/">http://www.springerlink.com/content/r4n18723862u323m/</a>
Evaluation	Measuring Outcomes	The Measuring Outcomes guidebook will be helpful to any organization interested in learning more about implementing or improving its procedures for measuring outcomes.	<a href="http://www.strengtheningnonprofits.org/resources/guidebooks/MeasuringOutcomes.pdf">http://www.strengtheningnonprofits.org/resources/guidebooks/MeasuringOutcomes.pdf</a>
Evaluation	Learning As We Go- Making Evaluation Work for Everybody	This paper distills what the TCC Group has learned about evaluative learning and provides information and tools to help you take next steps so everyone can use evaluation as a learning tool.	<a href="http://www.tccgrp.com/pdfs/per_brief_lawg.pdf">http://www.tccgrp.com/pdfs/per_brief_lawg.pdf</a>
Evaluation	How Are We Doing: One Foundation's Efforts to Gauge Its Effectiveness	This article chronicles the steps (and mis-steps) in the Wallace's Foundation's efforts to find a way to gauge their own organizational effectiveness.	<a href="http://www.wallacefoundation.org/knowledge-center/advancing-philanthropy/Documents/How-Are-We-Doing-Foundations-Effort-to-Gauge-its-Effectiveness.pdf">http://www.wallacefoundation.org/knowledge-center/advancing-philanthropy/Documents/How-Are-We-Doing-Foundations-Effort-to-Gauge-its-Effectiveness.pdf</a>

*[Please see the Appendix to this report for additional examples related to outcomes and logic models.](#)*



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