

An Advocate for the Work: The Grants Management Role in Working with Intermediaries

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Grants management's intersection with foundation-intermediary work has not been addressed in the literature, though grants managers have a lively interest in the subject. Rich information about benefits, risks, and ways of working with intermediaries is available from PEAK Grantmaking's Issue Lab. This article explores and begins to define the grants manager's role in the foundation-intermediary relationship, a role that one grants manager described as "being an advocate for the work." PEAK Grantmaking hopes to test the experiences described here by three seasoned grants managers with their colleagues.

Context

Granting to an intermediary organization is a way for foundations to support work they have prioritized or want to test out, but which they prefer to fund indirectly. Many grantmakers work with intermediary organizations, which include: other grantmakers (such as public charity foundations); dedicated intermediaries (such as funders' collaboratives or Borealis Philanthropy); organizations that serve as vital centers of expertise in a field of work (including backbone organizations in collective action projects); and incubators (such as Tides Foundation) of newer, smaller organizations. As the examples suggest, these categories are not mutually exclusive; for simplicity's sake, we refer to the organizations here as "intermediaries," though most are also grantees^[1], and many are also grantmakers.

Re-granting and capacity building are two of the most common tasks that foundations fund through intermediaries. Granting to an intermediary organization may reflect a foundation's interest in a new, untested, and/or small but meaningful area of work. Many foundations also support large strategic efforts via intermediaries. The decision to work through an intermediary is typically influenced by questions of whether (or when) to add expertise in-house – versus relying on an external expert– and may represent a funder's commitment to keep administrative costs low, or to experiment with indirect funding before adding a new program area or new staff expertise. Other factors include the foundation's workload, and technical requirements (legal and language, for instance) posed by international grantmaking. Intermediaries may be located in the U.S. or abroad.

Depending on the grantmaker's needs, the relationship to an intermediary may be designed as a straightforward form of outsourcing that meets a specific foundation need. These relationships usually require limited or narrowly focused degrees of intermediary capacity and expertise, and typically entail little ongoing relationship between foundation and intermediary, once the agreement is struck. At other times, intermediaries are valued, actively engaged partners that help a foundation meet its goals through their specialized knowledge and deep experience in a field and established relationships with on-the-ground organizations.

What Grants Managers Bring To the Table

Grants managers offer three key supports to a foundation's work and success with intermediaries:

- technical knowledge,
- help with defining the relationship with an intermediary, and
- a panoramic view of how a foundation works with intermediaries.

Technical knowledge includes due diligence review, capacity assessment, and knowledge of the array of intermediaries with which the foundation has worked, and how relationships with them have been structured.

Grantmakers and intermediaries both say that **clearly, explicitly defining the foundation-intermediary relationship, mutual expectations, and agreement** are among the most important determinants of success in their work together. While relationship building is often a strength of program staff, grants managers can help ensure that options have been considered and lessons learned are applied.

In some foundations, grants management staff have **the fullest perspective on all grants** (or all in a specific area). This viewpoint means that grants managers can take note of and reap the lessons learned from an array of relationships with intermediaries, and also provide information about past performance.

Grants Managers as Team Members in Foundation-Intermediary Relationships

Grants managers see themselves and act as essential members of grantmaking teams. They may work closely with program staff in all stages of the intermediary relationship:

planning, development, and execution of foundation-intermediary agreements. In other cases, program officers first survey the field and begin conversations with the prospective intermediary before engaging the grants manager, who then conducts due diligence to inform the program officer's decision about moving forward. The Arcus Foundation sometimes uses Requests for Proposals to identify and begin the vetting process of prospective intermediaries. The grants manager is central to RFP development.

One grants manager noted that her foundation's current norm of including her in program meetings has evolved over time, as her value in the process has been recognized – and after a few instances when her inclusion at a later point in the process had unfortunate consequences. The Arcus Foundation's grants manager, Rachel Kimber, described her increasing role in the grants process as part of a larger trend of moving grants management “out of the back office to more of a collaborator role.”

Michelle Edwards of the Gates Foundation goes out of her way to remind members of her program team of ways she can be helpful to them. She holds office hours, attends some strategy sessions, and presents regular brief training refreshers, on topics such as expenditure responsibility and intermediary grants. “I want program staff to understand that we due diligence nerds also are really invested in the work. We want it to go smoothly. I encourage my colleagues: let them know you care, too,” she said.

Just as program staff talk with staff at intermediary organizations, grants managers also work directly with their intermediary counterparts. Christine Kim Tai Plautz, grants manager at Circle of Service Foundation, said these conversations typically get to the nitty gritty details, such as timing of grant payments and re-grant payments, specifics about grant report contents, and expectations about communications in instances of significant organizational change. These help foundations avoid what one grants manager described as “tripping points.”

All the grants managers interviewed said that their practice of involvement in the process of constructing relationships with intermediaries is rather informal. It has developed organically from practice, been tested over time, and adapted as needed, but none of their foundations have put their practices in writing or otherwise created formal protocols. This could mean that excellent practice is at risk when a change in grants manager occurs, especially in foundations where one person holds the position. PEAK Grantmaking could play a valuable role by helping grants managers to better institutionalize this aspect of their role.

Facilitating Values and Process Alignment?

PEAK Grantmaking wondered: do grants managers help ensure that the values embodied in best grantmaking practices used by their foundations (e.g., streamlined processes, staff responsiveness to applicant questions) are also used by intermediaries? The answer is yes and no.

One said that she does not inquire about the consistency between an intermediary's approach and her foundation's, unless program staff ask her to. She said that typically it is the program staff who would explore this arena. However, she described how she enacts one of the most central values of her foundation: respecting intermediaries' competence. She said, "Our way of grantmaking may not be best for them. We respect their approach and based on due diligence, have reason to believe they have the capacity to re-grant well. If they need to build that up, we could support that. We see them as a partner. Don't forget that some of the anchor organization intermediaries have been in the field a lot longer than we have."

The other grants managers described seeking alignment as part of getting to know and selecting the intermediary. One said, "Something resonates with our ways of doing things." She added that this is not as important if the relationship is about outsourcing work, but when it's about re-granting and providing assistance to other organizations, similar values are critical. Plautzn observed, "Honestly, most of the time it's the intermediary who raises values and that's a big selling point to us, because they're thinking about the organizations as we do."

In its RFPs, the Arcus Foundation spells out the ways in which its values must be shared by prospective intermediaries. Applicant intermediaries must have an equal employment opportunity policy that makes explicit reference to gender identity and/or expression, plus sexual orientation (an organizational value), as well as governance that ensures institutional transparency about decision-making and financial operations (a process value).

Safeguarding Foundation and Intermediary

In their interactions with foundation program staff and staff of intermediaries, grants managers are themselves intermediaries who help to protect and promote the interests and well-being of both organizations. Several examples surfaced in interviews.

- Grants managers help define and then keep an eye on the relationships between program staff and intermediaries, with the aim of ensuring a continuing best fit. For instance, early on, grants managers often help program officers consider and define their reporting expectations and needs. Does a program officer want to learn about the intermediary's success in adding funding sources to increase its organizational strength, or does she want to know about the results of work with the intermediary's re-grantees? Grants managers also talk with intermediaries about making reporting (and other aspects of the agreement) clear and feasible.

These conversations not only help to craft clear initial agreements, they lay the groundwork for possible change over time. Edwards described a relationship that was initially constructed to ensure close and very frequent reporting – weekly calls and monthly reports – from the intermediary leader to the program officer. Over time, the working relationship resulted in a great deal of mutual trust and shared vision. Some time thereafter, the intermediary noted in a grant report that the schedule had become taxing. The grants manager consulted with legal, finance, and program staff about restructuring the reporting agreement. While there is still frequent exchange, reporting is now annual, and staff of both institutions are less encumbered. Being open to re-evaluating and revising the structure of the relationship over time can lead to better outcomes for both parties. This grantmaker's commitment to the care and protection of the foundation and the intermediary is admirable – and characteristic of all three of the grants managers interviewed.

- Such attentiveness also includes tracking changes experienced by intermediaries, such as executive staff turnover or the loss or addition of a major funding source. Many times, transitions are weathered well and result in stronger intermediaries. Their organizational growth may call for revisions in how the foundation works with them, which grants managers may help reframe. Of course it is not always possible to meet the interests of both organizations; some intermediary changes result in performance problems that grants managers may want to highlight for program staff, and in some cases, lead to an end to the foundation-intermediary relationship.
- The involvement of grants managers throughout the process of developing the foundation-intermediary relationship also has the potential to remedy a vexing problem for intermediaries: the departure of the program officer who decided to engage the intermediary. When grants managers also participate, they can serve as invaluable institutional memory for the foundation, easing the transition of the

relationship to a new program officer and helping to preserve the integrity of original intent and focus.

- A grants manager commented that it can be easy for a program officer with limited intermediary experience to think that one previous experience can be the template for all others. Reminding program staff that this is rarely the case and offering options is a natural role for grants management staff.
- Sometimes grants managers support both parties by anticipating and helping to sidestep potential pitfalls. For instance, intermediaries are very sensitive to the relationship between foundation program officers and the organizations that receive re-grants from the intermediary. When program officers want direct involvement with the re-grantees, it is usually a flag that an intermediary is not the best approach to grantmaking or capacity building. Grants managers can talk with program staff about how and why a business-as-usual approach would be problematic, and encourage direct grantmaking instead, so that intermediaries are not inappropriately bypassed and program staff get what they need.

Another potential pitfall is “tipping” an intermediary, which would have serious consequences for foundation and intermediary. While avoiding this is the responsibility of intermediaries, a grants manager might use a “do no harm” approach, pointing out to an intermediary that tipping may become a possibility.

Conclusion

As noted above, PEAK Grantmaking would like to learn more from readers. How do the roles and benefits described here of grants managers’ engagement in the development and tending of foundation-intermediary relationships mirror your experience? Diverge from it? What value added by grants management is not mentioned? What considerations would you want colleagues to keep in mind? We’d like to hear from you.

The point of foundation-intermediary relationships is to benefit both organizations, along with the organizations in the field of shared interest. Grants managers, in tandem with program staff, help foundations realize their desired outcomes from granting to intermediary organizations. In their work with intermediary organizations, grants managers also help ensure a good fit in the structure of the relationship and clear expectations, while continuing to support the best work of the intermediary. In these ways, grants managers share a commitment to “advocate for the work.”

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Alice Cottingham is also the author of [Smarter Relationships, Better Results: Making the Most of Grantmakers' Work with Intermediaries](#).

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