



Fund-Host Alignment

EXHIBIT 2: Fund Activities Matched with Fit-for-Purpose Host Archetypes

Collaborative Fund Characteristics		Desired Services and Capacities in Host Organizations	Fit-for-Purpose Host Archetype
 Purpose and Activities	Pooled grantmaking – Primary purpose of the fund is to pool and regrant funds.	<ul style="list-style-type: none"> Comprehensive fiscal sponsorship services 	<ul style="list-style-type: none"> (potentially) All types
	Direct program implementation/campaign execution – While fund may engage in grant-making, it also hires staff to implement programs directly.	<ul style="list-style-type: none"> Comprehensive fiscal sponsorship services Comprehensive HR systems and support 	<ul style="list-style-type: none"> Fiscal sponsorship specialist
 Governance	Donor-driven – Donors shape the fund's regranting and/or programmatic activities.	<ul style="list-style-type: none"> DAF services (for direct control) Comprehensive fiscal sponsorship services with an advisory board structure 	<ul style="list-style-type: none"> Donor Advised Funds Basic provider Fiscal sponsorship specialist
	Staff-led – Project director has primary responsibility for managing the fund's activities.	<ul style="list-style-type: none"> Comprehensive fiscal sponsorship services Comprehensive HR systems and support 	<ul style="list-style-type: none"> Fiscal sponsorship specialist Movement-driven regrantor
	Field-led – Fund establishes a participatory governance structure, devolving decision-making authority to grantees and/or field leaders.	<ul style="list-style-type: none"> Expertise in participatory grant-making & governance expertise Proximate leadership and frontline experience and/or deep landscape knowledge 	<ul style="list-style-type: none"> Movement-driven regrantor
 Visibility	Low Profile – Fund may not have high visibility across the field; not a strategic priority for the foundation even while it is important programmatically	<ul style="list-style-type: none"> (potentially) All types 	<ul style="list-style-type: none"> (potentially) All types
	High Profile – Ideas and support for the fund may come from the foundation leader. Fund may get more scrutiny but also more support	<ul style="list-style-type: none"> Comprehensive fiscal sponsorship services 	<ul style="list-style-type: none"> Fiscal sponsorship specialist
 Complexity of Financial Transactions	More Complex – Fund involves numerous and varied financial transactions (e.g., grants and contracts to different types of entities: nonprofit, for-profit, foreign NGOs, etc.)	<ul style="list-style-type: none"> Deep operational and administrative capacity Charitability compliance expertise 	<ul style="list-style-type: none"> Fiscal sponsorship specialist
	Less complex – Fund involves a relatively small number of simple transactions (e.g., simple regranting entity focused on US nonprofits).	<ul style="list-style-type: none"> Basic, cost-effective operational capacities 	<ul style="list-style-type: none"> Basic provider



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Collaborative Fund Characteristics		Desired Services and Capacities in Host Organizations	Fit-for-Purpose Host Archetype
<p>Type of Capital</p>	<p>Purely charitable – Fund only engages in charitable activities using 501(c)(3) capital.</p>	<ul style="list-style-type: none"> 501(c)(3) fiscal sponsor/host organization 	<ul style="list-style-type: none"> (potentially) All types
	<p>Political – Fund funds or directly executes political activities such as candidate endorsements.</p>	<ul style="list-style-type: none"> 501(c)(4) fiscal sponsor/host organization Compliance expertise regarding political activity (potentially) Compliance expertise regarding state and federal lobbying rules 	<ul style="list-style-type: none"> Fiscal sponsorship specialist Movement level regrantor
	<p>Investment – Fund makes impact investments (e.g., recoverable grants, loans, etc.)</p>	<ul style="list-style-type: none"> Charitability compliance expertise Financial diligence and valuation expertise (potentially) LLC host organization 	<ul style="list-style-type: none"> Fiscal sponsorship specialist
	<p>Multiple – Fund deploys multiple forms of social impact capital.</p>	<ul style="list-style-type: none"> Multi-entity fiscal sponsorship/ investment platform 	<ul style="list-style-type: none"> Fiscal sponsorship specialist
<p>Geography</p>	<p>Place-based – Fund’s investments are focused in a specific city or region and may seek to facilitate coordinated activities among grantees in that region (e.g., for disaster relief, etc.)</p>	<ul style="list-style-type: none"> Place-based knowledge, experience, relationships, and trust 	<ul style="list-style-type: none"> Place-based hosts
	<p>National/multi-state – Fund’s grantee pool is national or focused on multiple states.</p>	<ul style="list-style-type: none"> Comprehensive fiscal sponsorship services 	<ul style="list-style-type: none"> (potentially) All types, except for place-based
	<p>Global – Fund’s investments and activities are international in scope and include foreign NGOs.</p>	<ul style="list-style-type: none"> Charitability compliance expertise Competency with foreign banking rules, foreign exchange expertise, Relationships with international Professional Employment Organizations (PEOs) International regulatory expertise, knowledge of global charitable laws 	<ul style="list-style-type: none"> Fiscal sponsorship specialist



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EXHIBIT 2: Fund Activities Matched with Fit-for-Purpose Host Archetypes, continued

Collaborative Fund Characteristics		Desired Services and Capacities in Host Organizations	Fit-for-Purpose Host Archetype
 Time Horizon	Time delimited – Fund established for a fixed time horizon, with definitive plans to sunset.	<ul style="list-style-type: none"> Comprehensive fiscal sponsorship services 	<ul style="list-style-type: none"> Basic provider Fiscal sponsorship specialist
	Long-term – Fund established as a permanent/enduring entity.	<ul style="list-style-type: none"> (potentially) Fiscal sponsor that has spin-out supports 	<ul style="list-style-type: none"> (potentially) All types
 Funding Security	Secure funding commitments – Fund enjoys multi-year funding commitments.	<ul style="list-style-type: none"> Comprehensive fiscal sponsorship services 	<ul style="list-style-type: none"> (potentially) All types
	Year-to-year funding commitments – Fund must renew its funding annually.	<ul style="list-style-type: none"> Fundraising services in addition to fiscal sponsorship services 	<ul style="list-style-type: none"> Subject matter experts Movement-driven regrantors
 Staffing Needs	Donor, Consultant, or Contractor Led – Fund does not have dedicated staff to move	<ul style="list-style-type: none"> (Potentially) all types 	<ul style="list-style-type: none"> (potentially) All types
	Fully Staffed – Collaborative intends to have permanent staff	<ul style="list-style-type: none"> Human capital management fluency Familiarity with multi-jurisdictional employment matters Comprehensive fiscal sponsorship services Well-developed HR expertise, policies, and benefits 	<ul style="list-style-type: none"> Fiscal sponsorship specialist