

Intermediary funders have been the subject of increased support and attention in recent years. According to The Bridgespan Group, a nonprofit consulting firm, the number of organizations that can serve as intermediaries has increased substantially over the past 15 years. Intermediary grantmaking institutions have been established and funded — often with support from foundations — for a number of reasons, including but not limited to their proximity to communities, efficiency, expertise, and ability to facilitate collaboration across donors. The structures of these intermediaries are also varied, ranging from nonprofits that act as regrantors to donor collaboratives with pooled funds. The increased attention on intermediaries has sparked further discussion about why funders choose to use them. TERMINOLOGY Intermediary funder:

Recognizing there is no universally accepted definition for “intermediary funder,” CEP defines intermediaries as organizations that receive money from other institutional funding sources (“originating funders”) to distribute on their behalf. These include nonprofits that act as regrantors, donor collaboratives, and other structures. For the purposes of CEP’s research, this definition excludes donor-advised fund providers, community foundations, and giving circles. Originating funder: In this report, CEP uses the term “originating funder” to refer to a grantmaker that directly funds nonprofit organizations and intermediaries, as opposed to an organization that primarily regrants funds. Most research on intermediaries over the past decade has used data collected from either intermediaries themselves or originating funders seeking this kind of partnership, while relatively little is known about the experience of those funded by intermediary organizations. Using data from the past 10 years of our Grantee Perception Report (GPR), a comparative grantee survey used by hundreds of funders, the Center for Effective Philanthropy (CEP) aimed to learn more about the experiences of grantees that receive support from intermediary funders. Data for this report come from CEP’s Grantee Perception Report or GPR, which is a tool that funders commission to gather candid comparative feedback from their grantees. When a funder commissions a GPR, CEP sends confidential online surveys to their grantees about topics such as the funder–grantee relationship, the funder’s understanding of grantee organizations, and grantee perceptions of the funder’s impact. This research represents only the perspectives of those who have either participated in CEP’s GPR process or were interviewed by CEP’s research team. As a result, we don’t claim that these findings are broadly representative of all grantees of all intermediaries. However, to our knowledge, this is the largest set of data on grantees’ experiences with intermediaries that has been analyzed to date. This research was designed to answer the following questions: • What are the experiences of those that receive grants from intermediaries? • How do those experiences differ, if at all, from grantee experiences with originating funders? • To what extent do those experiences align with reasons cited by those in philanthropy for working with and through intermediaries? • What can be learned from intermediaries that are highly rated by grantees? To answer these questions, CEP analyzed data from 62,138 grantees of the 364 funders that commissioned a GPR between 2013 and 2023. Of these funders, 24 organizations — with responses from 3,444 grantees — are intermediaries. This enables us to compare the experiences of those receiving grants from intermediaries with the experiences of those receiving grants from originating funders in our dataset. CEP also conducted interviews with leaders from two intermediary organizations that received high GPR ratings compared with other intermediaries and originating funders, as well as representatives from five of their grantee organizations. These two intermediary funders, Groundswell Fund and the Conservation Lands Foundation, were profiled to highlight their perspectives on what factors contribute to more positive grantee experiences. More information about the methodology used for this research can be found in the Appendix. Intermediary funders represent a wide range of organizational characteristics and grantee experiences. There is a high degree of variation among the 24 intermediary funders in our dataset. These intermediaries range from newer to more established organizations and vary in assets, giving, and staff size (see Table 1). They focus on a variety of issue areas, including the arts, education, environment, health, and social justice. These intermediaries also work in different geographic areas, with some focusing on specific regions and others having a nationwide or global focus. Table 1. Characteristics of Funders That Conducted a GPR | Funder characteristics | Intermediaries | Originating funders | --- | --- | --- | Assets N = 20 | N = 304 | Range | ~\$2.5M to ~\$187M | \$0 to ~\$20B | Median | \$33M | \$360M | Annual giving N = 24 | N = 284 | Range | ~\$433K to ~\$80M | ~\$760K to ~\$7B | Median | \$8.9M | \$20.7M | Full-time equivalent staff N = 24 | N = 325 | Range | ~2 to ~330 staff | ~1 to ~400 staff | Median | 31 staff | 17 staff | We find that the grantee experience differs by intermediary funder, much like it does among originating funders. On average, however, grantees

of intermediaries do not report having a substantially more positive or negative experience than grantees of originating funders, though there are slight differences in the grantee experience that will be discussed in this report. This suggests that the form of the granting institution — whether an intermediary or not — is not the primary driver of the grantee experience.

TYPES OF INTERMEDIARY FUNDERS IN OUR DATASET

Among the 24 intermediaries in our dataset, about half are freestanding nonprofits that provide regranting programs for donors while raising money more broadly for their own grantmaking. There are also a meaningful number of donor collaboratives in this sample, consisting of organizations supported by a smaller number of funders that pool resources to focus on specific topics or geographic regions. There are a few intermediaries in our study that do not fit in either category due to their distinctive structures and the diverse funding roles they play. Grantees report that intermediaries demonstrate a similar level of impact on grantees' fields and similar levels of commitment to diversity, equity, and inclusion as originating funders. A commonly cited reason for grantmaking via intermediaries is that they may bring deeper expertise and impact to the fields in which they work. A report by social impact nonprofit Panorama Global highlights that one benefit of using intermediaries is their extensive subject matter expertise, which offers insight into current best practices within specific issue areas and fields. Based on GPR data, grantees indicate that intermediaries have a slightly better understanding of their fields, and they rate intermediaries as slightly more likely than originating funders to advance knowledge in these fields (see Figure 1). “Our intermediary funder was able for years to understand the strengths and weaknesses of the field, ask the right questions, set the right challenges, and help create collaboration opportunities,” says one grantee.

FIGURE 1. Statistically Significant Differences Between Intermediaries and Originating Funders in Grantees' Fields

Funder's Understanding of Grantees' Fields (N=56,774)	Intermediaries: 5.79 (scale 1-7, 7=expert)	Originating funders: 5.73 (scale 1-7, 7=expert)
Funder's Advancement of Knowledge in Grantees' Fields (N=48,442)	Intermediaries: 5.32 (scale 1-7, 7=leads new thinking/practice)	Originating funders: 5.21 (scale 1-7, 7=leads new thinking/practice)

The literature on intermediary organizations highlights that they can be well positioned for field building and advocacy. However, in our analyses, grantees indicate that intermediaries and originating funders have similar levels of impact on the fields in which grantees work. Funders and intermediaries have also suggested that intermediaries hold significant potential for advancing equity. Research by Bridgespan finds that intermediaries place a high priority on equity and diversity in their work. A report commissioned by the Robert Wood Johnson Foundation also identifies some common assumptions funders have about intermediaries, including their effectiveness in reaching organizations led by or focused on people of color. Yet, in our research, grantees report that intermediaries demonstrate similar levels of clear communications and explicit commitment to DEI as originating funders.

Groundswell Fund strengthens movements for reproductive and social justice in the United States by resourcing intersectional grassroots organizing and centering the leadership of women of color — particularly those who are Black, Indigenous, and transgender. Location: San Francisco, California Annual giving for 2023: \$17,200,000 Interviewee: angélique nguy?n green, Chief Advancement Officer Grantees interviewed: Santra Denis (Miami Workers Center), Tiek Johnson (Mama Sana Vibrant Woman), and Jess Gutfreund (Birth Center Equity)

Your grantees rated Groundswell higher than almost all of the intermediary funders in our dataset for its impact on grantee organizations and commitment to diversity, equity, and inclusion. In your opinion, what are some of the practices or approaches that contributed to this? angélique nguy?n green: One of the strongest factors in all of this is that the vast majority of staff at Groundswell come from organizing. So they've come from organizing for reproductive and gender justice, labor organizing, electoral organizing, community organizing in general. It helps make a difference when you have folks who have been in the work helping to guide the work and helping to establish what it means to be in the right relationship with grantee organizations. How do your funders influence your organization's grantmaking, if at all? nguy?n green: I would argue it's limited. We have been fortunate to raise much of our revenue in terms of general operating support, which gives us the maximum flexibility to conduct our own grantmaking. But I don't want to discount the fact that, at some point, you reach a threshold in terms of the funders that are willing to give you general operating or unrestricted support. Funders are able to restrict their giving to specific funds, like Groundswell's Birth Justice Fund, Catalyst Fund, Rapid Response Fund, Black Trans Fund, or Liberation Fund. This year, our core funds are relaunching and expanding their grantmaking advising committees, consisting of movement leaders, intermediaries, and potentially other funders. These committees play a key role in making grant decisions, aligning with Groundswell's commitment to participatory decision-making. Overall, we try to, as

much as we can, advocate for as much flexibility within the grants that we receive so that we can continue grantmaking as flexibly as possible for grantees. "At least with the intermediaries that I'm familiar with, there's a different dynamic than traditional philanthropy, a really special dynamic. Groundswell's ability to understand our electoral work, connect our expanded definition of reproductive justice to issues that may not necessarily seem related to reproductive justice, and coach the organization has been different. It's been special. It doesn't feel like a funder. It's been special to be able to be really honest about gaps and challenges." SANTRA DENIS, Leader of a Groundswell grantee organization Recently, discussions about funding through intermediaries have framed it as a way of giving that advances equity. Do you see it that way? nguy?n green: I do see it that way. I think in broader, larger philanthropic institutions, they tend to be a little bit more disconnected from folks coming from those communities that we are giving grants to. I think there's something to be said about coming from those spaces and already knowing the ways of communicating and relating and building relationships that are meaningful and transformational, not transactional. I think it's not just being able to build trusting relationships in order to have deeper conversations and transformational partnership, but there's also a level of understanding there. This is important to having an informed opinion about giving to the field, and that's also something I think has been the benefit to being an intermediary funder, but specifically an intermediary funder where your staff is coming from organizing. "Groundswell has demonstrated a model of philanthropy that actually feels so functional that I'm like, wow, there are really ways to bring this money through mechanisms that actually work for community." JESS GUTFREUND, Leader of a Groundswell grantee organization Are there any challenges that intermediary funders encounter when working with grantees that you think others in philanthropy should know about? nguy?n green: Our focus is on organizations that have the capacity to be really impactful if we invest in them. Not a lot of big foundations will take that risk, because they want to be able to show a beautifully designed impact report and say, "Look what our grantees have done with our investments." And our approach is more like, let's also lift up grantees who may not be hitting their targets but are working toward hitting their targets and can make a huge difference in their communities. And I think there's a challenge in that for intermediary funders, because our reports will then not include some of the things that our larger funders are expecting out of us. Are there any other funder practices that you can think of that would help empower intermediaries in terms of creating impact and building relationships between intermediaries and grantees? nguy?n green: I can't speak for all intermediaries, but for Groundswell, our strength has been to give as much unrestricted funding as possible. And that's harder to do when funders are not also giving unrestricted funding to us. So we need to see more movement there, from the foundation side, in terms of speaking to the commitments some funders have made to give more unrestricted support. "Our relationship with Groundswell has been super supportive in the sense that they're one of the few funders that allow us to have general admin funds. They allow us the autonomy to fund projects as we see fit." TIEK JOHNSON, Leader of a Groundswell grantee organization Is there anything else you would like to share? nguy?n green: As an intermediary funder we can leverage, in many ways, our position to hold some of these critical conversations beyond participatory grantmaking or trust-based philanthropy to really push boundaries — creating a space where philanthropy is more in line with the idea of collective liberation than it is with the current systems. I love being in a position to explore the question of how much bolder we can get and work with our grantees to figure out how else we can disrupt current approaches to philanthropy. "I know that Groundswell goes out and raises their money every year. And I know a lot of other foundations don't. And yet, Groundswell is the one that — pending their ability to raise the money — is in commitment to us. Whereas, interestingly, larger funders that have access to larger and more stable funding streams often demonstrate less commitment to us. I think that it's a little bit of an ironic juxtaposition between the two." JESS GUTFREUND, Leader of a Groundswell grantee organization "Groundswell is one of the more radical funders in the space, and it may be because of the way that they're structured and the way they do fundraising. We can go to them and we can talk about abortion, we can talk about gender and gender equity, we can talk about gender-nonconforming and gender-expansive folks. Groundswell has always been a space for us to be our full selves. I think that is some type of equity, some type of emotional relief, as opposed to sometimes being in other spaces where we are not able to show up in that way." TIEK JOHNSON, Leader of a Groundswell grantee organization "If not for some of these intermediaries, traditional or larger philanthropic partners wouldn't even know we exist. Hyperlocal and/or Black-led organizations are the organizations that are often left out. Intermediaries are really opening the door for us in ways that wouldn't be

open traditionally." SANTRA DENIS, Leader of a Groundswell grantee organization Grantees perceive intermediary funders as providing slightly more open and frequent communication, and slightly lower levels of trust and understanding of grantees' work compared with grantees of originating funders. Another reason why originating funders may choose to work with intermediaries is in the hope that intermediary funders will have stronger relationships with grantees. Panorama Global's report suggests that one reason for using intermediaries is their ability to develop deep relationships to communities and understand their needs, which can help address communication barriers between donors and those they aim to reach. However, while this is true of some of the intermediary funders as seen in the profile of the Conservation Lands Foundation — the evidence is mixed in terms of whether intermediary funders meaningfully and consistently outperform originating funders in their relationships and communications with grantees. Grantees of intermediary funders indicate that while intermediaries and originating funders are equally clear in communicating about their goals and strategies, grantees of intermediary funders are slightly more likely than grantees of originating funders to understand how their work fits into their funders' broader efforts (see Figure 2). "I found the conversations with funder staff to be extremely helpful in understanding the organization's priorities and how our work fit in with them," one grantee of an intermediary funder says. Grantees also find that, compared with other funders, intermediary funders are slightly more open to grantees' ideas about their strategies (see Figure 2). "We feel respected and heard when we offer feedback or suggestions on our intermediary funder's strategy and practices," another grantee comments. FIGURE 2. Statistically Significant Differences Between Intermediaries and Originating Funders in Funder-Grantee Communications Grantees' Understanding of How Their Work Fits into Funders' Broader Efforts (N=39,362) Intermediaries: 5.45 (scale 1-7, 7=thorough understanding) Originating funders: 5.37 (scale 1-7, 7=thorough understanding) Openness to Ideas From Grantees About Funder Strategy (N=56,701) Intermediaries: 5.46 (scale 1-7, 7=to a great extent) Originating funders: 5.32 (scale 1-7, 7=to a great extent) Grantees of intermediary funders are slightly more likely to be in contact with their funder monthly or more often, while grantees of originating funders are slightly more likely to have this contact a few times a year or less. "My intermediary funder has made contact frequently and been extremely clear and supportive in their communication with me," one grantee remarks. In contrast, grantees rate intermediary funders slightly lower than originating funders for both their impact on and understanding of grantees' organizations (see Figure 3). FIGURE 3. Statistically Significant Differences Between Intermediaries and Originating Funders for Impact on and Understanding of Grantee Organizations Funder's Impact on Grantee Organizations (N=59,881) Intermediaries: 6.06 (scale 1-7, 7=significant positive impact) Originating funders: 6.19 (scale 1-7, 7=significant positive impact) Funder's Understanding of Grantee Organizations (N=56,433) Intermediaries: 5.60 (scale 1-7, 7=thorough understanding) Originating funders: 5.76 (scale 1-7, 7=thorough understanding) Grantees also rate intermediary funders slightly lower in areas related to the funder-grantee relationship, including the funder's trust in grantees, compassion for those affected by grantees' work, and respect in their interactions (see Figure 4). "Consider building longer term relationships which more closely align with our strategic objectives; this will drive real and systemic change," one grantee suggests to their intermediary funder. FIGURE 4. Statistically Significant Differences Between Intermediaries and Originating Funders for Grantee Relationships (Ns range from 44,931-47,810) Trust in grantees: Intermediaries: 6.32, Originating funders: 6.38 (scale 1-7, 7=to a great extent) Compassion for those affected by grantees' work: Intermediaries: 6.18, Originating funders: 6.40 (scale 1-7, 7=to a great extent) Respectful interaction: Intermediaries: 6.50, Originating funders: 6.60 (scale 1-7, 7=to a great extent) The following table summarizes differences in the ratings grantees provide for intermediaries and originating funders. Table 2. Comparing Grantee Perceptions of Intermediaries and Originating Funders || Grantees of intermediaries rate slightly higher | No difference in ratings | Grantees of originating funders rate slightly higher | |---|---|---|---| | Understanding of grantees' fields | ? ||| | Advancing the state of knowledge of grantees' fields | ? ||| | Impact on grantees' fields | | ? ||| | Clear communications about diversity, equity, and inclusion | | ? ||| | Commitment to diversity, equity, and inclusion | | ? ||| | Grantees' understanding of how their work fits into the funder's broader efforts | ? ||| | Openness to grantee ideas about funder strategy | ? ||| | Clarity of communications about funder's goals and strategy | | ? ||| | Impact on grantees' organization | | ? ||| | Understanding of grantees' goals and strategy | | ? ||| | Trust in grantees | | ? ||| | Compassion for those affected by grantees' work | | ? ||| | Respectful interaction | | ? ||| | The mission of the Conservation Lands Foundation (CLF) is to protect, restore, and expand the National Conservation Lands through education, advocacy, and partnerships. Location: Durango, Colorado Annual giving for 2023: \$1,952,000 Interviewee: Jocelyn Torres,

Co-Interim Executive Director and Chief Conservation Officer Grantees interviewed: Shelly Kopinski (Get Outdoors Nevada) and Christine Canaly (San Luis Valley Ecosystem Council) Your grantees rated Conservation Lands Foundation higher than almost all of the intermediary funders in our dataset in terms of having strong relationships with its grantees. In your opinion, what are the practices or approaches that contributed to this? Jocelyn Torres: I think this is just maybe the way that our organization is structured and that we don't just pass on money to our grantees. We are really embedded in the work they are doing. As an example, we worked on the Avi Kwa Ame National Monument campaign in Nevada, and we had grantees that we gave money to engage in that coalition to do the work to get the designation. But we also heavily participated in that coalition. So we understood the pains that they were through and where we were hitting roadblocks. "Conservation Lands Foundation is hands-on. They are creating a movement, realizing that our work is long term, that this is going to take a while, and really trying to build that groundswell of people becoming advocates for their own public lands." CHRISTINE CANALY, Leader of a Conservation Lands Foundation grantee organization How do your funders influence your organization's grantmaking, if at all? Torres: It depends on the funder. There are definitely funders who have a much heavier-handed approach about the type of work that we should be doing and have very strong opinions on where their grant dollars should go. I think it is obviously always a challenge of finding the right balance between applying for and accepting those dollars, knowing that expectation, being able to connect that to the larger work that we're trying to accomplish, and not be overly burdensome to our grantees. So taking a lot of the brunt of those sorts of questions or expectations means that there is less of that pressure on our grantees. I feel like that is definitely our reality of being sort of in the middle of that world. Recently, discussions about funding through intermediaries have framed it as a way of giving that advances equity. Do you see it that way? Torres: I feel like this one is a double-edged sword. Sometimes, as an intermediary funder, we think, should we really be taking this money? Or could we just connect this funder directly with the group that we would be granting to, and then they could just build the relationship and get the money directly. And sometimes these organizations just don't have the capacity to fill out this extensive paperwork that funders are asking for. I have found, because of our pipeline model, we've seen our grantees on coalition calls, at events. The funding we're able to provide can then help them grow and get that relationship with other funders directly and eliminate us out of being in the middle. It's having the conversation with the grantee about what they're willing to handle and where they're hoping to grow. And if you can help facilitate that connection, or whether they still kind of need you, it's helping take some of that burden off. Also, there's not a whole lot of BIPOC organizations in the environmental space. That is slowly growing now. I think the fact that a lot of these groups are new and not established is sometimes seen as a risk that bigger funders don't want to take. And so we're able to create a kind of buffer for that. "CLF has less jargon, less filler, and all of that — even just in language and access to different tools. If you're an organization that's starting out, you don't have the institutional knowledge or institutional history. But CLF and other intermediary funders are able to just pinpoint the goal and how that aligns with their intention, versus checking 10 boxes worded in a specific way, or making a presentation, or having someone that has to come out to your site. I think it makes it much more accessible." SHELLY KOPINSKI, Leader of a Conservation Lands Foundation grantee organization Are there challenges that you think intermediary funders encounter when working with grantees that you think others in philanthropy should know more about? Torres: I think one of the top ones is just overcommunication. Because, as a funder in the middle, we're hearing things from both ends, but they're not necessarily hearing from each other, so we just very much try to make sure everyone's heard everything and that it's very well connected, or at least understood where everyone's coming from. "It speaks volumes that I've been asked by CLF to do 360 evaluations and give feedback to them, which is unheard of for other funders. I think that's super valuable, to be able to always feel it's a two-way street, and that we can have a conversation rather than just pushing papers." SHELLY KOPINSKI, Leader of a Conservation Lands Foundation grantee organization Is there any advice that you would give to funders who are interested in working with intermediaries? Torres: Treat relationships between intermediaries and their grantees as partnerships. You have to make sure that nonprofits are getting a benefit out of being our grantees. Like, what is the added bonus of being with CLF versus if they just apply directly to a large funder? I think being able to understand the value-add both ways is a really important conversation to have and to be transparent about in terms of what those expectations are. Also, when funders make intermediaries tell their grantees "You have to do this," I think that changes the dynamics of those relationships. It makes it harder to have longer-term relationships that are really built on

trust. "I think that CLF is really listening and letting the people on the ground take the lead. CLF manages and is fiscally responsible and is making sure things are getting done. And I totally respect that. But people on the ground really do have a strong sense of what's happening and how to move forward, and CLF is listening." CHRISTINE CANALY, Leader of a Conservation Lands Foundation grantee organization Is there anything else you would like to share? Torres: I cannot emphasize enough that building relationships with nonprofit grantees makes a huge difference. As we've learned from the pandemic, things can happen that completely shift the way you do your work, so having that relationship and being able to talk through ideas or challenges with our grantees makes for a better product at the end of the day. You might not have checked off everything that you said on the front end, but the overall goal is met. And that's, I think, the important part of this kind of relationship and funding structure. Grantees of intermediary funders report receiving grants that are somewhat smaller and less likely to be multiyear or unrestricted compared to grants received from originating funders. Grantees report differences in grant size, length, and flexibility between intermediaries and originating funders. While there is great variability in the size of grants provided by intermediaries and originating funders, grantees of intermediaries tend to receive smaller grants (see Figure 5). A lower proportion of grantees of intermediaries receive general operating support and multiyear grants compared with grantees of originating funders (see Figures 6 and 7). Grantees offer numerous suggestions to their intermediary funders about these grant characteristics. Just over a quarter of grantees of intermediary funders that offered a suggestion in the survey asked their funder to provide grants that are larger, longer, or not restricted to specific programs or projects. "We are in a multiyear relationship with our intermediary funder but are constrained to planning around yearly grants," one grantee describes. "When hiring someone to work on a project, I have to give a caveat that we only have a year of funding, even when there's an informal expectation that the project will extend multiple years." Another grantee of an intermediary funder comments that, "We would appreciate to be seen less as a contractor for rather short-term projects, but as a strategic partner with the possibility of multiyear and core funding." Of course, the constraints intermediary funders face in determining the size, length, or flexibility of their grants, as well as the process of making those decisions, can depend on the type and duration of funding commitment they receive from originating funders. This reflects the substantial variation in the types of relationships and degree of closeness intermediaries have with their funders. FIGURE 5. Differences in Grant Size (N=56,373) At the median, grantees report receiving: \$75,000 from intermediary funders VS. \$150,000 from other funders FIGURE 6. Percent of Grantees Receiving General Operating Support Grants (N=60,524) Among grantees of intermediary funders, 20% report receiving a general operating support grant. Among grantees of other funders, 27% report receiving a general operating support grant. FIGURE 7. Percent of Grantees Receiving Multiyear Grants (N=59,716) Among grantees of intermediary funders, 33% report receiving a multiyear grant. Among grantees of other funders, 58% report receiving a multiyear grant. Intermediary funders themselves have flagged that fundraising is a common constraint they face, and insufficient resources can affect their organization's sustainability and flexibility in the face of evolving needs. This can also affect the experiences of their grantees. "I never really know for much of the time how much funding will come, and the amounts are wildly inconsistent from year to year," one grantee writes in the GPR about their intermediary funder. "I do know that often the main reason why is because of the unique way that the intermediary is funded, and the fact that program officers do not know their budgets until certain points in the year." Another grantee mentions that "non-intermediary funders give us more money and never say, well, we can't guarantee next year because we don't know what we're going to raise. I hear that a lot from one intermediary organization we work with, though I don't hear that as much from my other intermediaries." This work represents the largest study of grantee experiences with intermediary funders to date. Our findings raise important considerations for intermediaries and originating funders alike, as both groups have much to gain from ensuring that intermediaries are as strong as they can be in their work with grantees. In some areas — such as understanding of and advancing knowledge in grantees' fields — intermediaries are rated slightly more positively than originating funders. But in other areas — such as impact on grantees' organizations and trust in grantees — intermediaries are rated slightly less positively on average. Nonetheless, the variation in grantee experience and perceptions across intermediaries is quite wide, as it is for originating funders. This indicates that, though intermediaries may face constraints that are different from those of other funders, certain practices and approaches can contribute to better grantee experiences and be adopted across a variety of organization types and structures. Our hope is that this research generates an open, honest conversation

about what it takes to create excellent intermediary funder-grantee experiences across the philanthropic sector. **FOR ORIGINATING FUNDERS THAT WORK WITH, OR WANT TO WORK WITH, INTERMEDIARY FUNDERS:** ? What kind of experience do you hope grantees have when working with the intermediaries you fund? ? Do you approach due diligence in ways that facilitate understanding grantees' experiences with intermediaries? ? Have you asked your intermediary funders what you are doing well and what you could be doing differently? ? Is the support you provide to your intermediaries enabling them to do the hard work of developing expertise and relationships, including providing grants that are structured to meet their goals? • Does the funding you provide to your intermediaries allow them to provide long-term and flexible funding to grantees? **FOR INTERMEDIARY FUNDERS:** ? Have you asked your grantees what you are doing well and what you could be doing differently? ? What do you need to build the strongest relationships with grantees? Do your funders understand the resources you need from them to implement your approach with excellence? ? To what extent do you feel you can be selective about the originating funders you work with? How do you approach due diligence with them? ? In what ways can intermediaries, both individually and collectively, advocate with originating funders so that, when it makes sense to do so, intermediaries can provide more grants that are meaningful, flexible, and long term? The findings presented in this report are based on data collected, analyzed, and interpreted by the Center for Effective Philanthropy. Information detailing the processes for collecting and analyzing the associated data can be found below.

Survey data discussed in this report were gathered through surveys administered to grantees as part of CEP's Grantee Perception Report process. Funders commission CEP to receive confidential feedback from their grantees on a range of issues, such as: ? Grant characteristics ? Funder-grantee relationships ? Perceptions of funder impact and understanding The GPR survey consists of about 50 items, many of which use seven-point Likert scales. All surveys are fielded online. Grantees are sent a brief email that includes a description of the GPR survey, a statement of confidentiality, and a link to their survey. This email is sent to the funder's main contact at the grantee organization. That contact could be the executive director, a member of the senior team, the project director, a member of the development staff, or a volunteer, among others. **SAMPLE** From 2013 to 2023, 364 funders commissioned a GPR, and 99,746 of their grantees were invited to participate in the GPR survey. The types of funders in our dataset vary (see Table 3). **Table 3. Types of Funders That Have Conducted a GPR (N=364)** | Funder type | Percent of funders |---|---| Intermediary | 7% | Community foundation | 12% | Corporate foundation | 7% | Family foundation | 26% | Health conversion foundation | 10% | Private foundation | 25% | Public charity | 4% | Other | 9% | Did not specify | 1% | Of the 99,746 grantees surveyed, 62,138 grantees responded, resulting in a response rate of 62 percent. Within this group, 24 intermediary funders invited 5,950 grantees, and 3,444 responded. CEP administered one survey per grant to the grantee, ensuring that there is only one response about each grantee's experience with the funder in the dataset. **QUANTITATIVE ANALYSIS** The unweighted quantitative survey data were examined using descriptive statistics, independent sample t-tests, chi-square tests, linear regressions, and logistic regressions. An alpha level of 0.05 was used to determine statistical significance for all testing conducted for this research. Effect sizes were examined for all analyses. All analyses reported in this research are of a small effect size. **QUALITATIVE ANALYSIS** Thematic and content analyses were conducted on responses from intermediary grantees for two of the open-ended items in the GPR. CEP randomly selected 20 percent of responses from intermediary grantees for each question. Codebooks were developed by reading through this sample of responses to identify common themes. Each coder used the codebook when categorizing responses, to ensure consistency and reliability. Using MAXQDA, a software program for qualitative and mixed methods data analysis, one coder coded all responses to the survey question, and a second coder coded 15 percent of those responses. An average interrater reliability (IRR) level of at least 80 percent was achieved for each codebook. Our IRR across items ranged from 95 percent to 97 percent. Quotations from the open-ended survey responses are included in the report. **INTERVIEWS** Funders Two intermediary funders, the Conservation Lands Foundation and Groundswell Fund, are profiled in this report. These funders were selected because, on average, their grantees rated them higher than the majority of other intermediaries in our sample for impact on grantee organizations; funder–grantee relationships; and/or commitment to diversity, equity, and inclusion. Interviews were conducted via Zoom and lasted up to one hour. Funder interviews were completed in April and May 2024 by one CEP staff member. A copy of the interview protocols can be found here. The interviews were recorded and transcribed. The interviewees reviewed their respective profiles and agreed to share them publicly in this report. Grantees The two intermediary funders profiled

were each asked to identify representatives from two to three of their grantees who could speak about the experience of working with intermediary funders. Representatives from two grantees of the Conservation Lands Foundation and three grantees of Groundswell Fund agreed to be interviewed, and excerpts of those interviews were included in the funder profile. Interviews were conducted via Zoom and lasted up to 30 minutes. Grantee interviews were completed in May 2024 by one CEP staff member. A copy of the interview protocols can be found [here](#). The interviews were recorded and transcribed. The interviewees were invited to review all quotations included in this report before they were shared publicly. Quotations from grantee interviews are also included in other sections of the report.

LIMITATIONS OF OUR RESEARCH As is true of survey research in general, it is not possible to draw causal conclusions from this data. It is important to keep in mind that funders choosing to commission a GPR are interested in obtaining feedback from their grantees, which may differentiate them from other philanthropic funders. Likewise, their selection of which grantees to fund may also differ from funders that do not choose to commission a GPR. This should be kept in mind when generalizing these findings.