



Intermediary organizations are vital and funders need to increase funding going to them

Posted on [November 27, 2023](#) by [Vu](#)

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[Image description: Beautiful bluish/purple mushrooms growing out of the ground, shiny and almost translucent, like jellyfish. They have gills, a ring halfway up a slender stem. In the background is taller white mushroom, blurred.

Image by [adege on Pixabay](#)]

A while ago, I wrote about how [intermediary organizations are like mycelium](#), which is the rootlike structure of mushrooms. Like mycelium, these orgs are vital to the nonprofit field, as they provide several critical functions, including bringing funding to other nonprofits, connecting orgs to one another, disseminating vital information, fostering communication, and mobilizing orgs for advocacy. And they even help organizations at the end of their lives to exit gracefully, the way mushrooms help break down decaying matters and return them to the earth to feed and generate new life.

Yes, that was a very nerdy post, even nerdier than my piece that employs [Star Trek analogies to talk about the future of the nonprofit sector](#). (Nerd alert: one of the newer Star Trek shows, Discovery, has a technology that uses a vast invisible mycelium-in-space network to warp its eponymous spaceship instantaneously anywhere in the universe, and one of its main characters is named Paul Stamets, after

the [legendary mushroom expert](#)).

But anyway, I'm bringing this up because over the past several years, intermediary organizations—which include state nonprofit associations, capacity building orgs, passthrough funders, collectives of orgs rallied around a particular field or issue such as art or climate change, etc.—have been even more critical. During the pandemic, when there was chaos everywhere, these organizations became essential hubs of information, resources, and action. They got funding as well as food, PPEs, and other supplies to nonprofits and to community members. They mobilized and organized nonprofits to speak up collectively, as well as represent nonprofits who were too busy dealing with increased demands for services to be able to speak for themselves. The results of many of these organizations' work can be seen today.

Which is why it has been so disappointing and frustrating to me to hear, and to see, that many funders are going back to their same habits of ignoring and deprioritizing the funding of intermediary organizations. Several intermediary organizations just told me that their current funders just announced they will be phasing out funding. At a recent conference I spoke at, arts intermediaries got together to discuss the grim situation and how they needed to adapt.

Intermediaries have always had trouble with funding. This is due to a combination of several factors. One is that their missions are not considered very appealing when compared to more “heart-tugging” direct causes. Two is that with society’s general disdain of “overhead” and “indirect” expenses, intermediaries’ work many seem nebulous or superfluous. And three is that funders and donors like outcomes that are short-term and easy to understand, and oftentimes the outcomes that intermediaries are working towards—such as mobilizing their members to change inequitable laws—may be neither simple nor short-term.

The pandemic, though, should have revealed to funders how pivotal intermediaries are, and that they should be invested in with MORE funding, not less. Besides their vital role in the sector when things seem “normal,” it is foolish to believe that the pandemic is done and that nothing like that will ever happen again. We should be operating with the mindset that the future will include mass disruptive events such as other pandemics, natural disasters, etc. While intermediaries have been playing pivotal roles during COVID, the lack of investment in them before the pandemic meant many organizations were stressed to the breaking point. We should not take them for granted, and instead should be strengthening them now in anticipation of the future.

Also, elections are coming up and democracy hangs in the balance. Intermediaries mobilize organizations and people around policy and advocacy, help develop the capacity of organizations so they can help their constituents to vote, allow donors and funders to get money out quickly to the nonprofits that could do the most effective work, support candidates from marginalized communities to be elected, etc. They are absolutely essential at this moment when democracy in the US is facing an existential threat.

To the funders who are cutting back funding to intermediaries, or who are thinking about doing it, please reconsider. You are weakening a pivotal element of the nonprofit sector. If your excuse is that “there is only so much money to go around,” you know this is not true. Over 1.4 Trillion US dollars are stored up in foundation endowments and Donor-Advised Funds. Increase your payout rates so that you can fund direct service organizations, as well as all the intermediary organizations that are essential to the effectiveness of our sector in solving entrenched problems.

Nonprofits, advocate for the intermediary organizations in your field and geographic area. Think back to all the support they’ve provided you over the years, especially over the past three years of the pandemic. Ask these intermediaries what you can do to help. Join as members (and pay your membership dues!), and encourage other organizations to do the same. And before I get annoying comments about how some intermediaries take up too much funding and don’t provide much value, etc., yes, like with everything else, there are good orgs and crappy ones. Support the ones that are doing good.

Intermediary organizations, you are awesome and so essential to our sector. Thank you for the past three years, when many of you worked overtime to support nonprofits that were stretched to the limit, while being stretched to the limit yourselves. Please do not just learn to “adapt” to many funders’ narrow thinking in reducing funding to you. Do not accept the narrative perpetuated by funders that funding is limited. Speak up, educate people, write open letters to funders, write op-eds in the media, mobilize your members to advocate on your behalf.

Intermediary organizations, like mycelium, play a vital role in connecting, nourishing, and sustaining nonprofits and communities. Because they are often invisible, we frequently take them for granted. We need to ensure they have the resources they need to continue weaving the network of change that allows our sector to boldly go into the future.

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Posted in [Capacity Building](#), [nonprofit field](#)

PUBLISHED BY

Vu

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Best Newest Oldest

J **Jessie** 2 months ago

I've never commented before but I read most of your articles - thank you so much for speaking up for intermediary organizations like mine! An intermediary organization for my region has been recommended multiple times in various reports, including by local government, yet it's a constant battle to get funders to see us as legitimate.

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 **LTJaeger** 2 months ago

Great article, Vu (as usual), and very timely. As the Executive Director of an organization that is a combination of an intermediary agency and a direct service provider, I can relate 100%. Adding to the frustration, our intermediary role is one that is mandated to exist in both federal and state law, and part of why we do it is we can be more effective AND less expensive than local government. They fund us in part because it would cost them significantly more than if they did it in house. In recent years we have expanded our direct service programs, in part because funders/local government viewed us as "just a pass through organization" and minimized our role in the community. We had to expand our direct service components in order to get more respect for the work we do in the intermediary capacity.

I could write quite a bit more about the positive impacts we've had around non-profit funding (for other organizations) and leadership in our intermediary capacity, but I don't want to make this so lengthy that no one reads it, so I'll stop now. But I wanted to acknowledge and echo your points in this article. Thanks much~

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 **Kim** 2 months ago

Thanks so much for this post, Vu! As an ED of an intermediary organization, funding has always been extremely difficult. When donors support us, we secure millions for the direct-service organizations in our network (We just secured \$56 million for them and our budget is about \$425K with three part time people. Spinning gold!). I have a few major donors who really get what we do and are supportive, but foundations and corporations don't think we are flashy enough. Corporations and maddening workplace giving campaigns want to know what \$10 will buy so they can market it. Honestly, that buys less than a minute in front of a legislator to make the case for state funding for the direct-service organizations (we of course do not get any of that state funding). The thinking is twisted and unfortunate because networks like ours are imperative to gain access to the biggest pot of money - tax money that should be used for important community programs. We have been working hard on our messaging to help our donors understand. The individuals get it fortunately so we have them to hopefully sustain us until we are no longer needed (my dream). Keep up the important work, intermediary organizations!

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T **Tamara Fox** 2 months ago

I think many funders are going back to "the way things were" before the pandemic. It's as if we've learned nothing. Thanks for shining a spotlight on the value of intermediaries, Vu.

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 **williams** 2 months ago

Thank you SO much for recognizing the power of the Arts in the social justice space. At www.creativeacts.us we have been working for more than 18 years to try to help people understand the impact the arts can have on healing, equity, reentry, in-prison transformation and many, many other areas. You just mentioning the arts in this context helps. Thank you again.

2 0 Reply • Share >

E **Eric Rubio** 2 months ago

2 months ago

I've only ever worked at the front line/direct service level, but will chime in here to shout-out the intermediary organizations that have served my organizations: Chorus America and the League of American Orchestras. Both do extraordinarily helpful work in advocacy, curating resources for professional and organizational development, and so much more.

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Jen Lewis

2 months ago

As former Interim ED of an arts services organization, I really appreciate your shout out to us. We had been subsisting on un-and under-paid labor for the last decade at least, memberships dropped significantly, and forecasts were showing we would run out of money in 3 years. After 36 years of service, we closed. It's so painful and a huge blow to our community. And, we could not keep going without some significant resources. I hope funders hear your call and our cautionary tale. Something will rise from the ashes.

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Janice Klein

2 months ago

As the ED of an intermediary organization, and involved in a number of others, I really appreciate this post. Our primary federal granting agency for the sector has only one grant that is open to our type of organization; the rest are only for direct service ones. That includes a major grant for organizing professional development training, including workshops and conference - something that an intermediary organization has much more experience to take on.

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M

MrLaRo

2 months ago

I do not work for an intermediary org.
This post reminds me (yet again) why I take the time to read your posts.
So essential, so well put, and I'm not seeing it written/talked about much elsewhere.

Also...shout-out to mycelium!

0 0 Reply • Share ›

S

Sarah Weber

2 months ago edited

Thank you, Vu! As an ED of an intermediary org working in the arts sector, we have are part of a collective that has been working hard over the past few months to make our state agency sees the value of our work as it contemplates defunding us. It is rare that our work is seen and valued by funders because we are not "direct service" providers. But we help the helpers! We are the connective tissue, the disseminators of information, the advocates...all the things you have written. It just feels really nice to have someone with a platform acknowledge our work and our space in the nonprofit ecosystem. Thank you!

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@Nonpr... · 10h

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 **Vu Le (with one E)**
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Naila Ayad 
@Nail... · Jan 13

The saddest short story I've ever read... 

635 89K 

 **Vu Le (with one E)**
reposted

Edward Sn... 
@Sno... · Jan 13

No matter your politics, it should appall you that the media outlets which claim to care the most about "misinformation" suppressed coverage of South Africa's case against the Gaza genocide, but fully covered Israel's defense the next day—intentionally denying you the full story.

1K 58K 

Vu Le (with o...) 
@Non... · Jan 13

RT @Aldanmarki: "We urge the American terrorist to return to his homeland and address the racism against African Americans, and stop protec..."

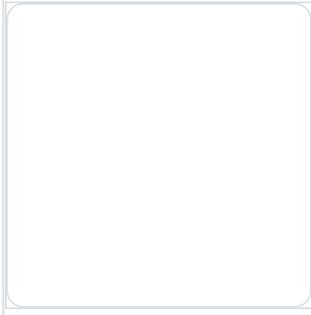
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Massive Attack
 @Mas... · Jan 12

112 48K

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Al Jazeera...
 @AJE... · Jan 12

"My physician friends in Gaza have been screaming that the international community needs to make this stop."

Canadian doctor Ben Thomson was suspended from his hospital and targeted online after speaking up for Palestine, yet he remains committed to demanding a ceasefire.



172 6K

Vu Le (with one E) reposted
naledi
 @nale... · Jan 12

Replying to [@naledimashishi](#)

LOL now they're blaming the destruction on Hamas. Israel has done nothing. It's all Hamas misfiring rockets and booby trapping buildings 😏

The civilians that died were all Hamas. Even the children were Hamas. Even the babies were Hamas.

Aid not being able to get in? Hamas

16 1K

Vu Le (with one E) reposted

Robert (Durd...) 
@realr... · Jan 11

Reminder: Yemen has not killed anyone. Not one. The US is preparing to go to war over Yemen blockading Israeli ships, ie to protect Israel's bottom line.

1K 95K 

 **Vu Le (with one E)** reposted

Robert Reich 
@RBR... · Jan 10

Indiana has joined the growing list of GOP-controlled states looking to roll back child labor laws.

This is happening as child labor violations have risen nearly 300% nationwide since 2015.

Are profits really more important than the safety of children?

66 1K 

Vu Le (with o...) 
@Nonp... · Jan 9

"Funders, do you have Main Character Syndrome and are engaging in crappy funding practices? We're coming for you!"

nonprofitaf.com

Funders, do you have Main Character Syndrome and ar...

1 29 

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Sheila Katz 
@Sheil... · Jan 8

Reminder: Jewish law permits abortion and requires it when the life of the pregnant person is at risk.

Laws limiting or restricting access to abortion violate our religious freedom.

250 25K

Vu Le (with one E) reposted

Progressiv... @ProgI... · Jan 8

BREAKING: More than 900 popular movements, unions, political parties, and other organizations have signed an open letter calling on states to support South Africa's Genocide Convention case against Israel.

Black Alliance for Peace and 8 others

186 21K

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Tariq Habash @tariq... · Jan 4

Here is my resignation letter in it's entirety. My words:

357 9K

Vu Le (with one E) reposted

sarah @saho... · Jan 7

BREAKING: Israel murdered two more Palestinian journalists today, Hamza Wael Al Dahdouh and Mustafa Thuraya.

Israel has now killed 110 journalists in Gaza in 92 days.

110 journalists.

This is the highest toll of journalists killed during a "war" in modern history.

98 2K

Vu Le (with one E) reposted
Stop the ...
 @STWuk · Jan 6

Solidarity to all the Oxford marchers demanding a permanent #CeasefireNow

267 4K

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Muhamm...
 @Muha... · Jan 4

Israel tests US weapons in Gaza

325 21K

Vu Le (with one E) reposted
Maha Hussaini
 @Maha... · Jan 5

Israeli aerial, artillery, and naval shelling has been ongoing for hours across the different districts of the Gaza Strip from the south to the north. Hundreds of casualties reported, mostly in areas designated as "safe" by the Israeli army.

15 536

Vu Le (with one E) reposted
philip lewis
 @Phil_L... · Jan 4

Americans worth more than \$100 million sat on \$8.5 trillion in untaxed profits in 2022, a report found — money that may never be taxed unless Congress closes a loophole shielding the investments of the ultrarich

huffpost.com
The Ultrawealthy Have Made \$8.5 Trillion — And None Of...

233 8K

Vu Le (with one E) reposted
Quds New...
@Quds... · Jan 5

Jordan's minister of Foreign Affairs, Ayman Safadi, announces that his country backs South Africa's genocide case against Israel in the ICJ. He added that the Jordanian government is working on a legal file to follow up on the case.

Turkey, Malaysia, and the Organization of...

277 7K

Vu Le (with one E) reposted
Ivy
@plant... · Jan 3

Hey babe! COVID numbers are EXTREMELY high right now. 1 in 3 people will get Covid in January. Wear a mask! Surgical and cloth masks are no longer effective for new variants. Wear a n95, kn94 or similar! Keep yourself and your community safe ❤️

25 4K

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