Collaboration in Vermont's Nonprofit Sector

A Collaborative Summary of Typologies and Framework for the Vermont Nonprofit Community

This document was created in partnership between UVM's Master of Public Administration Students, Leaves of Change VT, and Common Good VT.

Background

Collaboration and coordination are central to how work gets done across the social services and nonprofit sectors. Yet nonprofits are often challenged to find clear models, examples, and definitions for the different types of collaboration available to them. The Lodestar Foundation's 2014 Collaborative Survey, the Collective Impact Forum, and the Tamarack Institute's collaboration continuum all provide useful foundations for understanding the complexities of forging and nurturing collaborations. As the operating environment for nonprofits grows more chaotic, organizations are showing signs of increased competition, burnout, and default decision-making. A fuller spectrum of collaboration types can offer nonprofits alternatives to default closures or mergers, and can help protect mission impact amid funding cuts.

To understand how Vermont nonprofits are currently collaborating, what tools and approaches are in use, and where gaps and needs exist, Leaves of Change VT, with support from Common Good VT, UVM's Leahy Institute of Rural Development and Master of Public Administration students, the Vermont Council on Rural Development, and the Alchemist Foundation led a year-long series of surveys, interviews, and convenings with hundreds of Vermont nonprofits representing 36 collaborative structures. The Collaboration Typologies presented here are the primary outcome of that work. Related outcomes include the design and launch of the Vermont Nonprofit HelpDesk; CoLab, a collaborative laboratory for nonprofits exploring collaboration and shared services; a shared services hub pilot at Common Good VT; and a Grants Hub pilot at UVM.

Key Findings: Collaboration Success Factors

Many findings echo Lodestar and Tamarack: successful collaborations rest on trust, a co-created purpose, and a backbone organization or dedicated coordinator. Vermont's research deepened these factors, surfacing critical nuances, including:

- **Shared purpose is negotiated and revisited.** Partners collectively agree on a shared purpose and return to it regularly to assess and adjust.
- **Linked success.** Partners recognize the connection between the health of individual organizations and the success of the collaboration as a whole.
- **Full organizational commitment.** Staff, leadership, and boards across all participating organizations must be invested in the shared purpose, not just a single representative.
- **Clarity on the "hearth tender."** Partners share a clear, agreed-upon understanding of the backbone entity's or coordinator's role.
- **Built-in flexibility.** Partners maintain the willingness and capacity to adjust roles or purpose as conditions change, with a defined check-in process rather than organic drift.
- **Radical honesty.** Trust is the foundation, but it is tested and reinforced through radical honesty between collaborators.
- **Defined decision-making processes.** Collaborations establish, use, and refine clear processes for decisions and problem-solving.

Typologies of Vermont Collaborations

The typologies below give practitioners definitions and characteristics for different collaboration models; no group fits perfectly within one typology, but each provides a way to recognize how a model might look in practice. Characteristics are drawn specifically from the Vermont experience. Data on organizations moving between typologies was collected but is not presented here.

The research points to five distinct, and potentially sequential, types of nonprofit collaboration in Vermont: Informal Collaborative Bodies (Mutual Aid); Formal Coordination (Sector Coordination Bodies); Formal Association or Umbrella Bodies; Formal Collective Impact/Collaborative Bodies; and Formal Shared Services (Membership, Fractional Services, Fiscal Sponsorship, and Resource Sharing). Shared Services are included here as an emerging model of growing interest across Vermont. See the Collaboration Spectrum diagram below for a visual overview of these typologies.

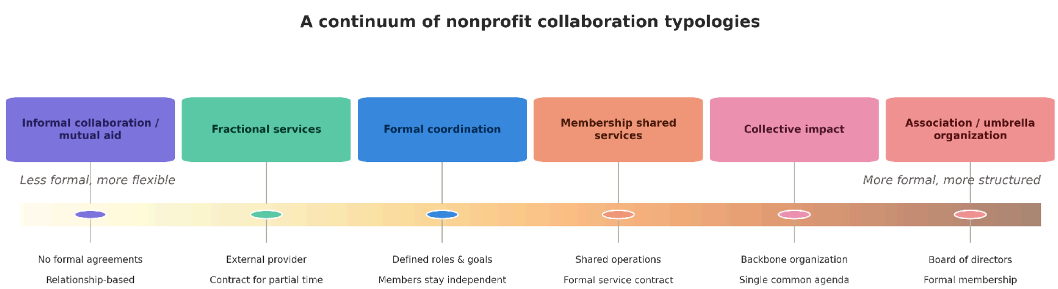

Figure 1. A continuum of Vermont nonprofit collaboration typologies, from least to most formal.

1. Informal Collaboration (Mutual Aid)

Small groups of Vermont community members collaborate informally through mutual aid networks, which became especially prevalent during COVID-19 and after the 2024 flooding events. Key characteristics: **informal structure** (not formally registered, though some eventually use a fiscal sponsor for fundraising); **peer-to-peer** organization without hierarchy; **time-bound** life cycles that typically end once the driving issue subsides, though some groups persist for years; **purpose-driven** formation around a specific challenge; and **trust-based** membership, built on personal knowledge or shared confidence in intent.

Vermont examples: The People's Kitchen; Community Recovery Organizations (CROs).

2. Formal Coordination (Sector Coordination Bodies)

Coordinating organizations systematically share information, align activities, and direct resources toward a joint goal. Vermont examples share **governing agreements** (written by-laws or formal agreements defining roles and expectations); **mission alignment**, typically within the same or adjacent sector; an **information and standard-setting focus**, including sector-wide standards and joint calendars; and **dedicated coordination** supporting communication and shared work, typically a volunteer member.

Vermont examples: VOAD (Vermont Organizations Active in Disaster); VOREC (Vermont Outdoor Recreation Economic Collaborative); LINT (Lamoille Interagency Network).

3. Formal Association or Umbrella Bodies

These collaborations bring organizations together under a separately registered, almost always membership-based parent entity. Vermont associations share **same-sector membership**; an **advocacy and learning focus**; **board-led governance**, typically by member executive directors; **independent fundraising**, separate from support to individual members and used to cover coordination costs; and serve as a **platform for shared services**, such as a shared grant writer or lobbyist.

Vermont examples: VCAP (Vermont Community Action Partnership); VAMHAR (Vermont Association for Mental Health and Addiction Recovery); United Ways of Vermont; Parent-Child Centers.

4. Formal Collaboration / Collective Impact

Collective Impact shapes longer-term collaboration through five core conditions: a **common agenda**; **shared measurement** against common metrics; **mutually reinforcing activities**; **continuous communication**; and **backbone support**. In Vermont, these collaborations are geographically organized with cross-sector participants, supported by a dedicated coordinator with a clearly defined role, focused on regional issues and joint solutions, and structured to evolve over time.

Vermont examples: NEK Collaborative (Northeast Kingdom); VT Network Against Sexual and Domestic Violence; Workforce Collaborative Centers in Brattleboro and the Lamoille Equity Team.

5. Formal Shared Services: Three Models (and an Emerging Fourth)

Shared services arrangements let two or more organizations share resources — commonly IT, accounting, or office space — beyond traditional organizational boundaries. While often promoted to reduce overhead, they can raise costs or serve as a platform for deeper collaboration. Two key distinctions between the models presented below are who initiates the sharing and how the sharing occurs.

- **Membership Model.** Like-minded nonprofits, often already connected through an umbrella or association, build trust and agree to share services. Members pay fees for an agreed-upon service menu and help shape what it includes; fees also fund a coordinator.
- **Fractional Service Provider.** A provider — nonprofit or not — offers a menu of services for a fee, typically replacing an internal staff role. In Vermont this model is used almost exclusively for shared accounting and financial support through technical assistance providers.
- **Fiscal Sponsorship.** Shared 501(c) status gives emerging groups access to grants and tax-free fundraising. This model has become increasingly popular among mutual aid and informal community groups seeking funding.

Vermont examples: Membership Model — Council on Aging, RPV (Rural Partnership of Vermont); Fractional Service Providers — Aris, QuickStart; Fiscal Sponsorship — Tiny Seed Project, CROS (Community Resilience Organizations).

An **emerging Pooled Resource model** is being explored by a small group of Vermont nonprofits and Common Good VT. Like other shared service models, Pooled Resources provides access to expensive but needed resources for small nonprofits. Vermont's Association Health Insurance pools once provided such a platform; in New York, the Nonprofit Center of the Berkshires is currently piloting a pooled resource model for nonprofit health insurance. In Vermont, 2019 legislative changes prohibited continued use of Association health plans — a policy now under legislative reconsideration.