

# **Massachusetts Nonprofit Collaboration Fund**

## **Frequently Asked Questions**

### **What is the Fund?**

The Massachusetts Nonprofit Collaboration Fund is a newly developed funder collaborative designed to support exploration and implementation of **formal and sustained collaboration** between two or more nonprofit organizations. The fund will provide Massachusetts nonprofits with advice, tools, and grants.

The goal of the Fund is to normalize sustained collaboration by establishing an environment where service providers, funders, and consultants understand and regularly engage in the activity as a strategy for enhancing impact. It is part of the Sustained Collaboration Network (SCN) a national network of other peer models. ([sustainedcollab.org](http://sustainedcollab.org))

### **Will you target specific sectors or types of nonprofits?**

No. The Fund is sector-plural and is not intended to favor any specific sector. However, it will be intentional and narrow in its grantmaking, funding only formal and long-term collaborations between nonprofits.

### **How will you find potential grantees?**

The Initiative Manager, with support from the Governance Committee, will raise awareness across the Massachusetts nonprofit community. Outreach will include partnerships with umbrella organizations such as Philanthropy Massachusetts, Mass Nonprofit Network, Third Sector, and others. Additionally, we will host both live and virtual convenings for nonprofit leadership (staff and board members) and funders.

### **How large will the Fund be?**

We are initially targeting a fund size between \$1.5 million and \$2 million, consistent with the average size of other SCN collaboratives.

### **How big are the grants and what are they used for?**

Grant sizes in other sites typically range from \$25,000 to \$100,000, supporting either the exploration or implementation of a collaboration. Grants must fund clear and identifiable needs associated with collaboration, such as third-party legal, strategic, or consulting costs. Supported collaborations may include joint programming, joint ventures, shared back offices, co-location, mergers, and other formal partnerships. Grants will not go to programming or operations.

## **How long will the Fund last?**

Other collaboratives in the SCN typically secure three-year funding commitments from funders and often go through multiple renewal cycles.

Based on the anticipated size (\$1.5 - \$2 million), average grant sizes, and typical operating expenses (especially for the Initiative Manager), the Fund could be expected to operate for approximately 4 to 5 years.

## **What are typical "funder" levels and roles?**

Funders can be individuals, corporations, or foundations, and may help shape strategy, connect nonprofits, and support overall Fund impact.

There is no strict minimum, but funders are generally asked to contribute at least **\$25,000 per year for 3 years**. Contributions can be made upfront or pledged over multiple years.

Funders are expected to:

- o Care deeply about strengthening the nonprofit sector
- o Pool resources with others
- o Participate in governance and grant decision-making if they wish

## **What is the structure of the Fund?**

- o The Fund is a collaborative funding initiative, not a 501(c)(3) nonprofit.
- o Day-to-day operations are handled by an independent contractor serving as the Initiative Manager. The Initiative Manager plays a crucial role as a neutral, informed resource for nonprofits considering collaboration, separate from the funders themselves.
- o Funders make up the Governance Committee and, with support from the Initiative Manager, set grant guidelines and make key decisions.
- o The Fund uses a Fiscal Agent (currently SeaChange Capital Partners, a 501(c)(3) nonprofit) for receiving, holding, and disbursing funds. It does not require full fiscal sponsorship services.