

Transform Your Impact: Funding that Gets Results

Ensure a steady income for your organization with this new model.



By Karen Eber Davis

Traditional government funding can actually do more harm than good. Its stop-start nature means that nonprofits must forever start and then discard even promising programs.

There is a better way. Community Based Care of Central Florida (CBC) has developed a powerful new approach to working with government funders. It's a model that can create enduring mission impact.

CBC serves children in the welfare system by developing community-based services for children and families. The organization obtains government funds in bulk, with funding commitments for up to 10 years. It can use its surpluses to keep children from entering the welfare system.

With the money, CBC accepts the responsibility, the risk, and these conditions:

- All who need services must be served.
- No waiting list is allowed.
- If children need more services than the funds provide, CBC must raise the money itself.

What does this mean in practice?

- **CBC ends up with greater control** of its income.
- **The lengthy contract** gives CBC an incentive to serve children immediately.
- **The time and expense** associated with any child being "in the system" is minimized.
- **Those who produce results** are rewarded.
- **As a result of this new model**, the number of foster children has been reduced by 35%. In the bigger picture, for years Florida languished at the bottom of state-by-state comparisons in this area. Today, according to Right for Kids, it ranks among the top five.

How It Works

Instead of government officials prescribing detailed procedure by grant application processes, governments buy results. By promising that it will produce results, the nonprofit stabilizes its income.


This new exchange provides greater value to all: the government, the nonprofit, taxpayers, and the organization's clients. Fundamentally, a tried and true but challenging value exchange is transformed into one that's far more successful.

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How to Implement This New Funding Approach

You can use the strategy to obtain more value, whatever sources of income your nonprofit receives. "If you want to transform your relationship with government agencies, expect a multi-year effort to overcome inertia," advises Glen Casel, the president/CEO of CBC. "You also need a champion, such as your trade association, who has a voice and can give you a voice."

Here are five steps you can take to explore alternative funding models for your organization:

- 1. Find and learn about models that work**, like the one used by the CBC.
- 2. Identify changes** that will create more results.
- 3. Learn about your funding sources' challenges.** What results do they want? What are their frustrations with the current process?
- 4. Commit to a change.** Explore what you're willing to give to make the change.
- 5. Talk to your trade associations and peers** to identify possible solutions and next steps. 



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