



## Building and Investing in Financial Resilience Participant Application

Through generous support from the Mellon Foundation, [Nonprofit Finance Fund \(NFF\)](#) is offering an exciting opportunity for up to ten (10) audio and/or audio-visual organizations to participate in the Building and Investing in Financial Resilience initiative. Eligible organizations are those whose mission includes community-led approaches to the preservation and stewardship of audio and/or audio-visual collections reflective of communities that have historically been underrepresented in mainstream narratives.

This initiative is designed to support organizations at a decision point around business model change and have a vision of how additional financial investment could optimize their impact. We believe organizational leaders who have a firm understanding of their financial health and increased fluency around finance will be better positioned to carry on the important work of preserving, stewarding and providing access to the voices and stories of the communities they serve.

Over a 3-year period, this integrated program will include:

- **Customized one-on-one consulting** to support planning for growth and adaptability from [NFF's consultants](#),
- **In-person and virtual convenings** designed to foster peer-building and peer-learning on a variety of subjects, beyond financial concepts, that may be necessary for organizational adaptability and resilience;
- **Participation stipends of \$20,000 over the period of the initiative** to defray the cost of participating in this initiative as well as travel and per diem costs expected for in-person gatherings (organizations will receive \$7,500 in year 1, \$5,000 in year 2, \$5,000 in year 3 and \$2,500 upon completion); and
- **The opportunity to apply to the Mellon Foundation for a change capital grant** that will support business model shifts and build long-term resilience. In a past iteration of this initiative, applicants were each awarded \$1MM in Change Capital funding. Please visit this [link](#) for more details of how the funds were used.

In addition, this initiative also aims to disseminate learnings broadly to the field of audio and/or audio-visual organizations. While this initiative is largely designed to focus on the health of an individual organization, we understand that the health of organizations is directly related to the larger ecosystem or field. Throughout the course of the initiative, we will aim to share successes and challenges in real time and share salient learnings with other organizations, considered peers to the cohort and have shared mission goals and community-led approaches, to develop financial strength and adaptability.

### **What is Change Capital?**

**Change capital** is a large, one-time investment into an organization intended to support changes to its business model in a significant way. Change capital covers the up-front investment needed to move an organization from its current operations to its new model. It is extraordinary, one-time support during a time of transformational change.

Organizations applying for this program should be interested in preparing for business model change. The activities of this program are designed to prepare participants to develop their requests for change capital funding, primarily through deep financial planning and projections work.

Change Capital is part of the [NFF's Full Cost Framework](#).

### **Criteria for Selection**

This is a competitive process, and no more than 10 organizations will be selected. Using the application (Appendix 1) and one or two follow on conversations, the NFF team will evaluate applications per the following criteria. For further definition of specific terms, please see Appendix 2: Definitions and FAQs.

- **How is the organization utilizing preserved and archived audio and/or audio-visual materials?** Organization demonstrates consistent efforts to preserve audio and/or audio-visual materials and formats, in a way that enables community access and storytelling.
- **Does the organization utilize community-led approaches in its work?** Organization can clearly demonstrate community-led approaches in its work and programs.
- **Does the organization address or incorporate racial equity in its work?** Organization can describe how their work addresses and intersects with racial equity.
- **Does the organization have capacity to engage?** Engagement will take your time and capacity. We believe this level of effort is required for success. Please see the timeline for further clarity on the milestones and timing expected for the initiative.
- **Does the applicant have interest in, and can benefit from, financial capacity-building?** We know that, for most social sector leaders, finance is not the most appealing of topics. However, much of this initiative will involve engaging with NFF consultants around financial management concepts. We hope you keep an open mind around how finances can be exciting and ultimately helpful towards your mission goals.
- **Does the application demonstrate clarity around how they would like their business model to change or shift?** The application includes a clear articulation or demonstrates how change capital funding and investment would support the organization to achieve both their financial and mission goals. Examples of this can include planned reduction or growth in organizational structure, strategic shifts to mission delivery, adapting a new revenue model, among other things.

- **Does the applicant have access to financial information?** Much of our work will require up to date financial information and data from your organization, including budget (both actuals and projected), cash flow, internal balance sheet, audits and/or 990's.
- **How well will the applicant complement other participants?** To foster group learning and peer exchanges, we aim to select a cohort of participants that can complement each other. Given a component of this work aims to build knowledge in service of the field, we are also seeking applicants that are willing to support field wide dissemination of learnings that may advance conversations around financial viability and adaptability in your field and for other peer groups.
- **Is this organization a 501(c)3 or a project affiliated with a 501(c)3?** This initiative is designed for independent nonprofits or mission aligned projects that are affiliated or hosted within larger nonprofits.

#### **Who is not eligible to participate?**

- Individual storytelling artists
- Organizations that do not hold 501(c)3 designation or projects that are not fiscally sponsored by or affiliated/hosted within a nonprofit organization
- Organizations whose preservation work does not involve audio and/or audio-visual formats (i.e, organizations whose work only includes photos or still-images will not be included).
- Organizations who cannot demonstrate community-led approaches to its preservation and collection of audio-visual materials
- Organizations who have not addressed barriers to access in their preservation work

#### **Major Activities and Expected Time Commitment**

All organizations selected to participate are expected to make up to a 3 year commitment to the project, as follows. Note timing is estimated.

##### **Year 1 (9/2024 – 9/2025)**

- Pre-program and demographics survey (30 minutes)
- Introductory phone session with NFF (1 Hour)
- Virtual Kick Off Convening for all program participants (1 hour)
- In-person Financial Leadership Clinic (FLC) and convening. The FLC is designed as a kick off meeting of all program participants. It is estimated to be 2 days. Location is currently TBD and will take place in October 2024. Please see Appendix 2 for more details.
- Post FLC, consulting will begin. In partnership with your NFF consultants, you will begin to define the scope of your work together and the change capital request (up to 10 hours/month including both virtual sessions with your consultant and work between sessions)

##### **Year 2 (9/2025-9/2026):**

- Consulting will continue (up to 10 hours/month)

- 2 or 3 virtual convenings (1.5 hours each) that will cover financial management concepts critical for financial planning
- Submit change capital requests

**Year 3 (09/2026-09/2027):**

- Follow-on coaching with NFF (up to 2 hours/month) to support implementation and any other financial strategy needs
- In-person, final convening (location TBD, 1.5 to 2 days)
- Post-program survey (1 hour)
- Completion interview (1 hour)

**Who from my organization should participate?**

- Executive Director – participation of the executive director of the nonprofit is required
- Optional: Senior-level staff member with financial responsibility (i.e. those holding responsibilities of chief financial officer/finance director, chief operating officer/operations director, or similar leadership role)
- Optional: Board representative

We acknowledge that organizations may operate under various organizational structures. Convening and customized consulting will require engagement with senior-level decision makers, with participation varying based on the nature of each organization and working session. While the positions described above may not exist in every organization, we intend to engage with folks who manage similar functions. In the application form below, you will have the opportunity to explain who from your organization will participate.

**Application Procedures**

1. Complete application form (Appendix 1) and submit together with requested attachments via this [link](#) by August 18<sup>th</sup>, 2024, 11:59 PM. Please direct any questions [investinginresilience@nff.org](mailto:investinginresilience@nff.org).
2. Participate in at least one follow-up discussion (if invited) with NFF staff. This conversation will be an opportunity for NFF to clarify any questions which emerge from the application and for applicants to ask questions and further gauge whether participating in this initiative is right for the organization at this moment.
3. Currently, we hope decisions will be made and communicated to applicants by mid-September.

**Who is NFF?**

NFF is a nonprofit lender, consultant, and advocate for putting money to work in better ways for social good. We believe the best way to do this is to support community-centered organizations led by and serving people of color to have access to the financial resources and knowledge needed to realize the community's aspirations. We are part of a growing movement to correct a legacy of racist, systemic underfunding. We acknowledge that our access to financial and social capital, and that we have historically been a white-led organization, gives us a privilege that many organizations on the front lines fighting inequity do not have. We are transforming how we work to share that privilege more intentionally, to use our position to advocate for changing funding practices to become more equitable, and to actively support community-centered organizations in championing their needs.

**Who is the Mellon Foundation?**

The Andrew W. Mellon Foundation is the nation's largest supporter of the arts and humanities. Since 1969, the Foundation has been guided by its core belief that the humanities and arts are essential to human understanding. The Foundation believes that the arts and humanities are where we express our complex humanity, and that everyone deserves the beauty, transcendence, and freedom that can be found there. Through our grants, we seek to build just communities enriched by meaning and empowered by critical thinking, where ideas and imagination can thrive. Learn more at [mellon.org](http://mellon.org).

## APPENDIX 1:

### Building and Investing in Financial Resilience Cohort

#### Application Form

Directions: Please submit your application via **FormAssembly** ([link here.](#)) For your convenience, we are including a word document of the application and the information we are requesting.

Organization: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ Zip: \_\_\_\_\_

Primary Contact Person: \_\_\_\_\_

Title/Position: \_\_\_\_\_

Contact Phone: \_\_\_\_\_ Contact Email: \_\_\_\_\_

Website: \_\_\_\_\_

Number of Staff: \_\_\_\_ full-time \_\_\_\_ part-time \_\_\_\_ Number of volunteers: \_\_\_\_\_

Year Founded: \_\_\_\_\_

Please provide brief responses to the following questions. The paragraph lengths are suggestions, please use the space that best suits your needs.

1. Please provide a summary of your organization's mission, history, and major programs and/or activities. (2 paragraphs)
2. If applicable, please describe any relationship to a hosting organization (ex: Library, University, Fiscal Sponsor)
3. Please describe size of your collection and what kinds of formats are used. Share recent examples and efforts in your organization that address audio and/or audio-visual preservation. (1 to 3 paragraphs)
4. Which community/communities do you serve? (1 paragraph)
5. How does your organization incorporate community-led approaches into its work? (1 to 3 paragraphs)

6. How does your organization's work address or intersect with racial equity. (1-3 paragraphs)
7. How would your organization benefit from the *Building and Investing in Financial Resilience* Initiative at this time? How would you describe your organization's major opportunities and challenges? (3 paragraphs)
8. What specific financial issue or set of issues do you hope to clarify or address during this initiative? (1-2 paragraphs)
9. How would the communities you serve benefit from your participation in this initiative? (1 paragraph)
10. What is your organization's financial decision-making process? If you were about to make a major financial decision (such as hiring new staff, spending down a reserve, or investing substantially in new technology), what steps would you take internally? Which staff, board, or partners would need to be involved in these decisions? (1-3 paragraphs)
11. Is your organization currently engaged in any major initiatives beyond the normal course of business, such as a strategic planning process? (If applicable, 1 paragraph)
12. Who are the key staff and board representatives who would be participating in this initiative, including the Financial Leadership Clinic? Please provide names, their roles and/or relationship to your organization/project.
13. Please submit the following with your written application:
  - a. If available, financial statements (audits or IRS Form 990s) for last three to five years. If these documents are not available, please provide internal income statements and, if available, balance sheets.
  - b. Current fiscal year budget
  - c. If none are available, please explain which documents you use to manage your finances.

**Deadline to Apply: August 18th 2024**

If you have any questions in the meantime,  
please e-mail [investinginresilience@nff.org](mailto:investinginresilience@nff.org)

## Appendix 2

### Definitions and Frequently Asked Questions (FAQs)

1. How do you define “Community Led” in this space?
  - a. Community-led approaches prioritize the voices, needs, and agency of the community. As such, ‘community led’ approaches encourage active participation from local community members in decision-making processes related to the preservation and management of audiovisual materials. Community-led approaches involve collaboration, shared knowledge, and engagement with the people directly connected to images, stories or voices being preserved. This approach recognizes inherent power dynamics between the organization and the communities and emphasize non-extractive practices, genuine ownership, and alignment with the community’s expressed values and goals.
2. How do you define racial equity in this space?
  - a. Racial equity in audio and/or audio-visual preservation efforts involves proactively offering opportunities and resources for all racial groups and all of the intersecting identities within those groups. Our approach to racial equity aims to dismantle systemic barriers that have historically disadvantaged communities of color and seeks to address historical silences/erasures/misinformation, prioritizes community-led organizations and utilizes inclusive and participatory practices. We Invite all participants to consider how they are situated in work that advances multi-racial solidarity in support of racial equity.
3. What if we are all volunteer led?
  - a. Volunteer led organizations will be considered for this initiative provided that the organization’s leaders can commit to the time commitment described above.
4. How do you define ‘business model’?
  - a. The business model refers to how an organization makes and spends money in service to its mission.
5. What should we expect from participating in the Financial Leadership Clinic?
  - a. A Financial Leadership Clinic (FLC) is an interactive examination of what every nonprofit leader needs to know about the role finance plays in supporting nonprofit mission and program. Typically, hosted as an in-person, two-day event, this interactive clinic is a unique opportunity to bring your key staff and board members together in a peer-based setting to examine the crucial financial underpinnings of your organization.

The two-day clinic begins with an interactive teaching session on core nonprofit financial concepts, including reading financial statements, identifying business model drivers from financial information, and using financial planning and management tools to help make sound financial decisions. Working with NFF staff and peer organizations, participants will work to “tell the story” of their organization’s financial situation, and access language and tools to articulate this story and resource needs to staff, board members, potential funders and other constituents.



NFF will adapt the content to who is in the cohort. An updated agenda will be shared with the cohort prior to the FLC.

6. Will organizations or projects 'affiliated' with larger institutions meet the eligibility criteria?
  - a. Yes, organizations and projects affiliated with larger institutions will be considered. Because the focus of this initiative, however, participants must have sufficient access and autonomy over their strategy and financial decision making to pursue business model change and authentically prioritize community voice in its approach.
  - b. Note that Mellon Foundation grants have often stated that no indirect may be taken by host institutions, such as universities.
7. We are an organization that solely preserves 'still image' archives? Can we still apply?
  - a. No, this program focuses on audio and/or audio-visual archives.
8. Can coalitions of organizations apply?
  - a. Because this initiative focuses on building financial resiliency of one organization, a single entity needs to apply to the program. For coalitions that have near or equal partnership on audio and/or audio-visual materials, we suggest choosing the organization that most fully meets the eligibility criteria apply as the lead representative.