# Types of Intermediary Organizations

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| **Specialized regranter:** IO is an expert in a geographic or subject area and receives funds from one or many sources to re-grant within its specialty. In addition, IO may provide information services, training and/or management and technical assistance to its re-grantees to improve their organizational performance and effectiveness. | - Relieves foundation of transactional or administrative burdens  
- IO may own funds that can be leveraged for regranting  
- IO staff apply stronger knowledge of field or region and its needs than foundation has or wishes to have internally  
- May help meet foundation’s pay-out obligations more quickly  
- Provides insulation for foundation from political or other risk  
- Local or regional IOs can establish or promote local identity and leadership and induce a greater measure of local responsibility for change  
- An IO can have greater prospects than a large foundation for leveling the “playing field” and creating partnerships with small nonprofits. | - Overhead costs may be high  
- Administrative burden diminishes but management burden increases  
- Lack of foundation’s direct involvement may risk loss of interest in foundation’s board or impede learning from grantee experience by foundation staff  
- IO priorities, standards, mode of dealing with grantees may differ from foundation’s  
- IO’s incentives to show success may align with similar interests in grantees to conceal problems, overstate success  
- Foundation gets no or little credit for successes; conversely, may be blamed for inappropriate grants made by IO  
- Grantees may resent the IO for:  
  - Breaking a direct relationship between them and the foundation;  
  - Removing the “seal of approval” of being an “Irvine” grantee;  
  - Competing with the grantees for scarce foundation resources;  
  - Imposing tougher requirements than the foundation. |
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| **Management of a program initiative:** The IO manages implementation of a program initiative, including site or grantee selection, monitoring, initiative-wide communications and meetings, and technical support to the grantees or sites. | • Ditto above for “specialized regranter.”  
• IO may possess specialized capabilities, credibility/legitimacy, leadership and networks essential to the success of the initiative that the foundation does not have or does not desire to build internally.  
• IO tends to examine individual grantees more freshly, more closely, and generally more expertly than foundations normally do given their greater specialization or knowledge.  
• IO exhibits greater tendency to ensure that grantees exercise accountability for fulfillment of their grant objectives than foundation program staff typically do. | • Ditto above for “specialized regranter.”  
• IOs tend to become the funder’s “public face” and agent in dealing with valued grantees. Roles or lines of accountability can easily be misperceived by grantees unless they are negotiated, established and clearly communicated upfront.  
• IOs new to this role may underestimate its difficulties. |
| **Foundation funding collaborative:** IO is a specialized regranter (see above), but one that is created by several foundations which pool their resources and then allocate those resources according to the direction of its members operating as a collaborative group. The IO may or may not be staffed and may or may not be incorporated as an independent entity. The funders’ collaborative sets its own grantmaking requirements and decision-making processes that are distinct from the foundation’s guidelines. | • Program officers from collaborating foundations can learn from each other about grantmaking approaches or understanding of issues  
• Funds are pooled from several foundations, creating a larger source of capital for grantmaking to address areas of foundation interest  
• A funders’ collaborative can create unified and coherent strategies among a group of funders in responding to a problem  
• Working through a collaborative shields the foundation from politically risky or controversial grants (e.g., needle exchange for HIV/AIDS prevention) | • Negotiation with other members of a foundations’ consortium may impose high burden on foundation program staff in terms of time  
• Risk of fractured governance of the IO if the collaborative members carry a first allegiance to their respective foundations and do not act in the interests of the collaborative  
• Risk that the lowest common denominator approaches are adopted by the IO  
• Changes in staffing or funding priorities in any collaborating foundation may impose delays, uncertainty, and/or need to re-negotiate basics |
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| **Technical assistance:** IO provides information services, training and/or management and technical assistance to a set of grantees to improve their organizational performance and effectiveness. | • IO improves the capacity of the foundation’s grantees to achieve project goals and advance their missions and in ways that the foundation is unable to offer directly to the grantees  
• IO can provide the funder with an informed perspective on grantee performance and needs and on overall grants program functioning | • TA provider IO may have incentive to overstate the impact of its work with the grantees  
• If the IO is perceived to report to the funder on grantee performance, grantee may be unwilling to be candid with the IO about its weaknesses and needs. |
| **Technical assistance:** IO provides information services, training and/or management and technical assistance to nonprofit organizations in a specific region or field to improve their organizational performance and effectiveness. | • IO develops capacity among nonprofits related to a program purpose or to a priority region of the foundation  
• Through the IO, the foundation can offer resources to nonprofits that may not otherwise qualify or receive a grant from Irvine | • IOs have their own capacity issues and are often under-funded, understaffed and unable to deliver the quantity or quality of services expected  
• Linkage between capacity building interventions and program outcomes not well understood; evaluation of IOs as TA providers remains elusive. |
| **Field builder:** IO is responsible for:  
- Developing or compiling information, resources and tools;  
- Identifying and promoting standards or best practices;  
- Fostering partnerships and networks of relations among existing organizations;  
- Creating or advancing a shared agenda in a specific field of endeavor. | • For emerging fields, IO fills an important gap in providing services, building connections, and increasing visibility.  
• IO may possess specialized capabilities, high visibility/credibility/legitimacy, leadership and networks that the foundation does not have or does not desire to build internally.  
• IO as field-builder leverages individual grants made by the foundation to influence a larger number of organizations or even a field of work. | • Field builder IO requires larger scale and longer term funding and therefore often needs to raise other funds than one foundation can offer in order to have the high profile and level of service to be successful  
• The outcomes of a field-builder IO are process-oriented and even more difficult to measure than technical assistance providers since field-builder IOs work across a whole field and change is slow and diffuse. |