

CASE STUDY- Rainier Valley Corps

Rainier Valley Corps (RVC), is a 501c3 tax-exempt charitable organization based in Seattle, Washington. Founded in 2014, RVC's mission is to promote social justice by cultivating leaders of color, strengthening organizations led by communities of color, and fostering collaboration between diverse communities. Their vision is for a world in which communities of color have the power to fulfill the dreams for their communities.

RVC currently provides operations support to 12 partner organizations located in the greater Seattle area. Partner organizations are led by people of color and doing impactful work within communities of color. Partners' values and actions must be highly aligned with RVC's values of community, equity, integrity, action, and transformation.

RVC offers partners a variety of services including: collaboration, on-going capacity-building coaching, fellowship programs and operational support. The intention is for a cohort of partners to build power by strengthening relationships, centralizing operations, and receiving customized services – while also preserving their independent missions and programs.

“We really believe the power of this model comes from the cohort of organizations joining together and pooling resources in a way that still allows them to maintain their identity.” - Ananda Valenzuela, Managing Director, Rainier Valley Corps

RVC defines their service delivery as a holistic approach. Partners are fiscally sponsored to access centralized accounting and finance, human resources, and legal services and insurance. They also receive capacity building support, including mentorship, organizational assessment, strategic planning, fundraising support, and peer learning opportunities.

“For us, holistic means more than just providing finance support or human resources support. It means meeting the partner where they are and supplementing their weaknesses with your strengths.” - Ananda Valenzuela, Managing Director, Rainier Valley Corps

RVC is also committed to building longer-term relationships with partners, and providing a different long-term option for doing nonprofit work instead of pursuing independent 501c3 status..

“We want to really embrace the beauty and independence of having this array of small grassroots organizations that are different sizes and working in different communities, seeing that as great and not something that needs to be fixed.”- Ananda Valenzuela, Managing Director, Rainier Valley Corps

FUNDING MODEL

Because RVC is still in the startup phase, activities are currently largely subsidized by philanthropy. Partners receiving operational support pay approximately 12% of monthly expenses for fiscal sponsorship.

RETHINKING OVERHEAD

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Over time, this funding model is expected to evolve and become more self-sustaining. The goal is for service fees to eventually cover 100% of direct costs for operational support. Capacity building services will continue to be funded through grants and donations.

KEY WINS

Just eight months after launch, RVC described a key win through the experiences of a partner organization:

The partner was underfunded and over-committed with an excessive number of programs. During RVC's intake process, it was revealed that the Founder and Executive Director, a former refugee, was not receiving a salary. This situation did not align with RVC's value of equity and needed to change. As part of operations support, intensive capacity-building coaching was provided. The partner's needs, vision, and goals were assessed. Support was provided to improve the partner's grant application strategy and funder relationships. Through fiscal sponsorship, the partner's budgeting and financial management was improved and more reasonable goals and outcomes were set. The Executive Director could then be hired and paid.

LESSONS LEARNED

- Ensure that the intake process for new partners is aligned with organizational values and decision-making. RVC is in the process of changing their partner approval process to include input from existing partners because their decision-making strategy requires that all who are impacted by a decision have the chance to contribute feedback before a decision is made. Because operational support is offered to a cohort of partners, all partners need to be able to provide input when a new partner is being considered.
- Understand that some organizations have negative impressions about fiscal sponsorship and there is a need to dispel misconceptions. Some of RVC's partners and potential partners revealed concerns that fiscal sponsorship would hurt their relationships with funders and reduce their funding potential. Others feared that a fiscal sponsor would have too much power over their mission and programs. This feedback led RVC to facilitate numerous in-depth conversations with potential partner organizations about autonomy, decision-making, and funding.

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