2011 Reports from the Field:

Community and Place-based Foundations and the Knight Community Information Challenge

February 2011

The Knight Community Information Challenge

Program goals
- Help communities become better informed and engaged about issues that are relevant and important to them
- Increase engagement of community and place-based foundations in addressing community information needs locally

Total grantmaking (2008-2012) $24M

Key figures to date (2008-2010)
- Number of first-round applicants: 523
- Grants made: $12.6M
- Range of grantees' asset sizes: $1M - $4,5B
- Number of grants: 65
- Average grant size: $197K

Average Annual Financial Contribution to Local Information and Media
- KCIC Grantees: At least $400K
- Private, Place-Based Foundations: At least $450K
- Community Foundations: At least $115K

Source: FSG 2010 surveys of grantees (n=58), private place-based foundations (n=37), and community foundations (n=106).

For More Information

- **Journalism and Media Grant making, Five Things You Need To Know, Five Ways To Get Started**
  A guide for community and place-based foundations on funding information, news and media
  http://www.kflinks.com/fivethings

- **Community Information Toolkit: Building Stronger Communities through Information Exchange**
  A guide for assessing the information needs in your community
  http://www.infotoolkit.org

- **Opportunities for Foundation Leadership: Meeting Community Information Needs**
  A multimedia presentation of the stories behind three Community Information Challenge grantees that have strengthened their leadership roles through their Challenge projects
  http://www.informationneeds.org/leadership

- **IMPACT: A Practical Guide to Evaluating Your Community Information Project**
  A guide with examples and tools for collecting information about the effectiveness and impact of community information projects
  http://www.informationneeds.org/evaluation

- **State of Funding in Information and Media Among Community and Place-based Foundations**
  A report of findings from a field-wide survey of community and place-based foundations focused on their awareness of and commitment to addressing community information needs
  http://www.kflinks.com/stateoffunding

- **Reports from the Field (2010)**
  A summary and analysis of findings on progress and outcomes from the first year of implementation of the Community Information Challenge
  http://www.kflinks.com/reportsfromthefield2010

Introduction

For any community in a democracy, the availability of credible information and its exchange are critical elements for addressing social issues and improving the lives of citizens. Information and news underpin our ability to achieve results we want to see in education, public health, environmental sustainability and other important areas. In essence, none of our communities' challenges can be understood or addressed without quality information.

Recognizing that community and place-based foundations play an important role as stewards in their communities, the John S. and James L. Knight Foundation launched the Knight Community Information Challenge (KCIC) in 2008. A five year, $24 million initiative, the KCIC encourages community and place-based foundations to get involved in addressing information as a core community issue. Since the initiative began, scores of foundations have recognized their ability to advance their particular goals for a better community by strengthening their local media and information ecology. Furthermore, community and place-based foundations who are participating in this effort are seeing how supporting information and media has provided them with a unique leadership opportunity in their community.

In this second annual publication of Reports from the Field, published by Knight Foundation and FSG, we share with you what we're learning about how communities are becoming more informed and engaged and what roles community and place-based foundations are playing in advancing this effort.

In this report, we highlight:

- **How the field is getting involved:** Community and place-based foundations are increasingly engaging in both grant making and non-grant making activities that support community information projects.

- **What opportunities are emerging:** This new work is leading to new impact and offering new opportunities for a heightened leadership role for foundations.

- **How foundations are making progress:** Community and place-based foundations and their partners are beginning to see outcomes both online and on the ground in their communities.

- **Where challenges remain:** While foundations are making progress in reaching and engaging their communities, many projects continue to face two critical challenges: building effective partnerships and addressing sustainability.

How Foundations Are Getting Involved

Momentum is building. Community and place-based foundations are investing in information projects in their communities. In 2010, average annual contributions in the field ranged from $115K by community foundations to $450K by place-based foundations.[1]

In the field, there is an **increasing interest and commitment to addressing information as a core need** among community and place-based foundations. Foundations say that their funding has increased over the past three years, and expect that their funding will continue to increase in the future (see Figure 1). Notably, foundations report this at a time when they have been hit by the worst economic recession in decades. As Terry Mazany, CEO of the **Chicago Community Trust**, recently said,

"We're all doing significant retrenchment and recalibration because of the economic times."

Historic Funding to Information and Media

In the past 3 years, our funding has...

Future Funding to Information and Media

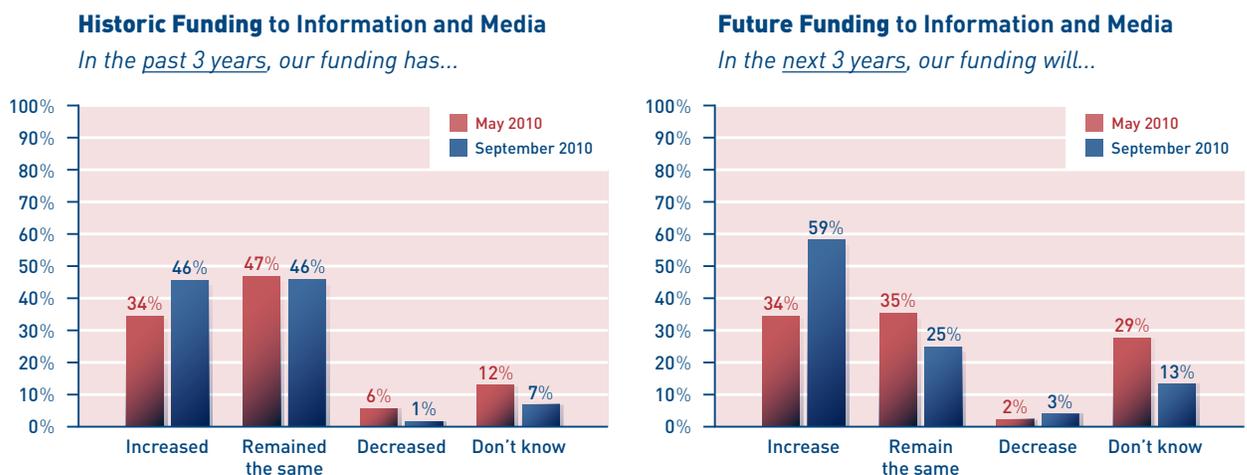*In the next 3 years, our funding will...*

Figure 1. Funding Trends in Information and Media

Source: Survey in May 2010: n=125 community and place-based foundations; survey in September 2010: n=146 community foundations

---

Yet Chicago and others see investing in the civic infrastructure of their communities, including information, as a critical aspect of effectively addressing community needs.

Among the foundations that are increasing their commitment is the **Community Foundation of Greater Buffalo**. Since launching their online hub *GrowWNY*, they've started to see information needs in other areas of their community. In 2010, the foundation committed more than $146K to address information needs locally beyond their KCIC project, providing support to map hazardous waste sites in the region and supporting documentary filmmaking on important local issues. This reflects a subtle, but important shift in the grant making strategy of the Foundation, as Cara Matteliano, Vice President, Program, at the Community Foundation of Greater Buffalo explains:

> *"We now see online community information as an integral part of building a movement around community change. As a result, our expectations for collective action have sharply increased for ourselves and our grantees. We don't just see ourselves as funding research projects, but rather as funding online tools that can be used to inform. We think about information as a grantable project more than we would have before GrowWNY, which has made us push other grantees in the community information direction where we would not have done that before. The way we learn, take action, and make grants is forever changed."*

Why Foundations Are Getting Involved

Many foundations see investing in information as a powerful way to strengthen the core community issues that they care about, whether they are trying to impact health policy, early childhood education or environmental sustainability. For example, the **Community Foundation Serving Boulder County**'s awareness campaign *Ready. Set. Learn.* aimed to increase funding for early childhood education in Boulder County by informing voters about a ballot initiative in the November election. In November 2010, 61% of the population voted to support the initiative. As the Foundation's Chris Barge said,

> *"Our initial investment of $100K in* Ready. Set. Learn. *has turned into $5M every year for our kids — to expand preschool and full day kindergarten for low-income students."*

For Boulder, addressing an information need in the community helped bolster an area the foundation was already investing in and ultimately helped the community improve educational opportunities for its young people. **As they get involved, community and place-based foundations are also increasing their awareness, knowledge and commitment with regard to information needs** and are seeing information and media as integral to the core community issues they are trying to address. Two-thirds of KCIC grantees funded in 2008 (Round 1) and 2009 (Round 2) reported that their boards' support for addressing community information needs had greatly increased in the past three years. As Elizabeth Sullivan, Vice President of Community Investment at the **Community Foundation of Southeast Michigan** attests,

> *"We are now more aware that information and the use of the internet are vital components to our programmatic work. We are incorporating these aspects into our ongoing discussions with community organizations and into the grant review and funding processes."*

Opportunities for Community Leadership

Community and Placed-based Foundations	+	Information	=	Opportunities for Leadership

- Greater visibility
- New Insights
- New skills and capacity
- New partnerships
- Community collaborations
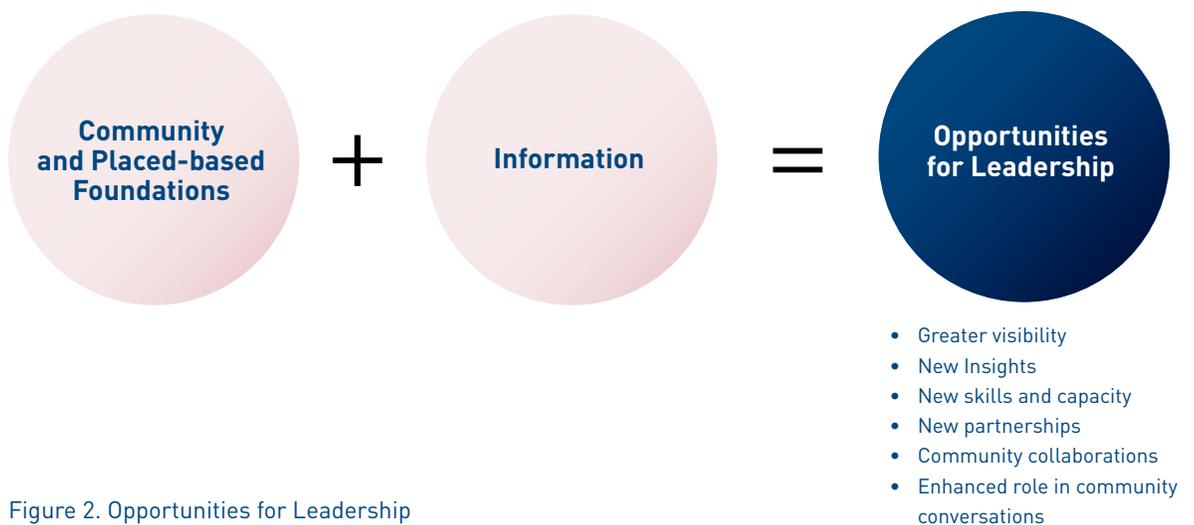- Enhanced role in community conversations

Figure 2. Opportunities for Leadership

In the past year, we have seen how helping address local information needs has provided community and place-based foundations with a unique leadership opportunity and tangible benefits for their organization. Specifically, foundations are:

- **Amplifying their visibility and local or national prominence** – For emerging and well-established foundation leaders alike, involvement with information projects has helped to raise their visibility in the community. KCIC grantees overwhelmingly report that stakeholders in the community now see their foundation as a leader and resource for addressing community information needs.[2] As Kelly Lucas, CEO of the **Community Foundation of Greater South Wood County** explained:

    "We were approached by Wood County Health Department because they were aware of our work related to KCIC and were specifically interested in learning more about outreach efforts to those in the digital divide. Our ongoing assessment work and engagement efforts position us as a viable source for help with community information efforts."

---

[2] 73% (30 of 41) Round 1 and 2 grantees

- **Developing new insights** – **The Chicago Community Trust** learned a lot about the information needs in their community as they were launching their KCIC project, *Community News Matters*. Early on, they invested in research to assess the local information and news landscape. Being open to other people's perspectives on the problem and potential solutions helped the Trust understand their information landscape. Vivian Vahlberg, Project Director for the *Community News Matters* program added,

  "Community foundations know what to do when there is something new. They conduct research, convene people who know more about the issue than they do, and try to find the expertise they need to guide them along the way. That's exactly what the Trust did. We commissioned the New News Report, which helped answer the question, What does this mean for action? This process is what a community foundation does for any new area; so while community information is a new and different area for many foundations, it's not the moon!"

- **Developing new institutional skills and capacity** –When the **Community Foundation for Palm Beach and Martin Counties** launched *YourPBC.org*, an online directory of local nonprofits and community issues, the Foundation knew that organizations were struggling to apply social media and digital technology to their work in a meaningful way. *YourPBC.org* helped build other organizations' capacities to use and apply digital tools to further their impact. In the process of implementing the project, the foundation increased its own social media capacity and integrated a better information infrastructure into its own practices as well. This new approach represents an evolution in the way the Foundation does business.

  "The Board and staff are far more knowledgeable about new information technologies and are very excited about the long term potential of social media to advance the Foundation's mission in the community," CEO Leslie Lilly explains. *"Informational technologies are reshaping our grant making, internal and external communications, and the methods by which the Foundation works with donors, grant seekers, volunteers and audiences more broadly."*

- **Facilitating new partnerships** – The **Central Carolina Community Foundation** (CCCF) has used their involvement in their KCIC-funded community information project *BGTIME* to build collaborations with community organizations with whom they had little or no previous relationship. As a result of their KCIC project, CCCF is now partnering with the local library system to host a regional literacy summit to bring thought leaders together around making South Carolina the most literate state in the country by 2030. In addition, CCCF has built a relationship with Columbia's major daily newspaper, *The State*, and major universities, which provide an opportunity for influence and impact well beyond the initial vision and scope for *BGTIME*. CEO JoAnn Turnquist said of their role in fostering collaboration:

  "The community foundation is engaging people in a process so that they can - in a systematic way - engage with the issue, instead of simply gnashing their teeth."

- **Generating new collaborations and programs** – **The William Penn Foundation** has long been influential in forging stronger connections between new media organizations and legacy media, such as newspapers and radio in Philadelphia. With a relatively small amount of grant money, the William Penn Foundation has created an incentive for collaboration by requiring grantees such as the *Philadelphia Public School Notebook* and others to reach out to other local media outlets, such as their local NPR affiliate WHYY, to determine why, when, and how to collaborate more formally. For William Penn Foundation, this type of collaboration ensures that its residents are more informed about issues that matter to the health of the community. As their KCIC implementing partner, Paul Socolar of the *Notebook* shared,

  > *"It has been exciting to see the Foundation take on a larger and more strategic role in funding collaborations between news and media organizations."*

- **Enhancing their role in community conversations** – In **Park City**, the new community foundation used their KCIC project to take on the role of community leader. Before their KCIC project, *ParkCityGreen.org*, the **Park City Foundation** was relatively unknown among local civic and business leaders. But, through the project, they began convening stakeholders and raising awareness about the impact of climate change on their ski-dependent community. This lent credibility to their work and helped them gain the community's trust. As Tom Bakaly, City Manager, Park City Municipal and project partner said,

  > *"With* ParkCityGreen, *the foundation had the opportunity to be a leader on a huge issue for this community. There is a lot more educating to do, but (this) opportunity jump started it."*

As community and place-based foundations take on different leadership roles in their communities, we see two common threads emerging across KCIC grantees. They are doing more than just funding – they are designing and implementing, convening, raising awareness, conducting research and building capacity – in order to achieve impact in their community. And their catalytic leadership is closely aligned with their commitment to addressing information needs. The **Rhode Island Foundation**, a 2010 KCIC winner, has partnered closely with local public media to create *Rhode Island Community Forums*, getting involved not only as a funder, but also by providing marketing and communications support, for live in-person and online community forums on a range of topics. Their KCIC project is now part of a broader effort to advance education policy, with the Foundation leading an advocacy campaign to educate the public about the need for a more equitable, fair funding formula for education in the state. As Melanie Coon, Vice President for Communications and Marketing at the Rhode Island Foundation explains,

  > *"When I applied for the KCIC grant, I saw [our project] as a way to complement the Foundation's new strategy around leadership. And since then, our perception of the Foundation's role in getting information out and engaging the public has definitely increased in the past year."*

Community Information Needs Are Being Addressed

Community and place-based foundations and their partners are addressing community information needs in the following ways:

- **News** – *Strengthening credible professional news sources*, such as Community Foundation for **Greater New Haven**'s *Valley Independent Sentinel*, which launched in 2009 to fill an information void in Connecticut's Lower Naugatuck Valley that had existed for 17 years when the previous local print newspaper shut down

- **Voice** – *Providing places where residents (e.g. youth, educators, the community at-large)* can share news and information with their communities, such as **The Skillman Foundation**'s *Our Life in the D*, a neighborhood youth journalism project in Detroit, managed by the nonprofit advocacy organization Michigan's Children

- **Capacity** – *Building community capacity to address information needs and use digital tools*, such as the *Open Indicators Consortium*'s data visualization tool to help community foundations such as the **Community Foundation of Greater Lowell** and **The Boston Foundation** report community data in more compelling and accessible ways

- **Awareness** – *Creating awareness campaigns about community issues*, such as **Northern Chautauqua Community Foundation**'s *Amazing County*, an online contest designed to build residents' awareness about local community assets and instill civic pride

- **Action** – *Providing platforms for civic engagement and action*, such as *IdeaMN*, a statewide idea generation platform to engage residents on critical issues led by the **Minnesota Community Foundation**

Foundations are making a difference with their community information projects. They are improving residents' access to and participation in local news and information, increasing the capacity of organizations to address information needs of residents, and helping residents become more aware of and engaged in addressing community problems. While their projects are still evolving, we are excited to share a few of the highlights to date.

KCIC projects are beginning to see progress. In last year's report, we noted that it was too early for many new KCIC projects to realize the outcomes of their efforts, but we are now hearing more stories of success as projects launch and grow. Below, we have highlighted the outcomes that community information projects most often pursue and stories from grantees that are seeing progress because of their efforts.

Project-level outcome	Community-level outcomes	Community impact
	More informed communities **More civically engaged communities**	
Increasingly reached target audience		**Changed public policy**
	Information ecosystem changes	
Increasingly engaged target audience	**Greater media attention to local issues** **Greater collaboration among community organizations** **Greater information or media capacity**	**Changed individuals' behavior**

Figure 3. Common Project Outcomes

Project - level outcomes
Growing an Online Community in Grand Rapids

The **Grand Rapids Community Foundatio**n believed residents were hungry to contribute to local news and information and engage in community issues, but lacked the tools to do so. They saw the KCIC as an opportunity to empower underrepresented voices in Grand Rapids and increase the flow of local news and information. Early on, the Foundation and their partner Grand Rapids Community Media Center established a presence on Facebook to engage audiences online and launched a campaign to recruit and train citizen journalists to produce content for their new hyper-local website *TheRapidian.org*. Since the site launch in the fall of 2009, *The Rapidian* has drawn from a pool of more than 400 journalists and has witnessed a steady increase in web traffic. In a year, they have seen 35% growth in number of unique visits to the website each week, with one-third of their traffic coming from Facebook.[3] Social media has helped *The Rapidian* tap into their journalists' networks and increase their reach. In Fall 2010, *The Rapidian* had nearly 2,000 Facebook fans and Twitter followers and 3,500 weekly unique visits on their website. Their most frequent social media contributors regularly fuel exposure to approximately 30,000 more Twitter users each week. With new neighborhood-based news bureaus opening in 2011, *The Rapidian* continues to work on increasing the diversity of community voices represented on its website and the overall flow of news and information through their project.

Community - level outcomes
Using Social Networks to Increase Representation in the 2010 Census

The **California Community Foundation** (CCF) sought to increase census participation among hard to reach, young Latino populations in Los Angeles County. Their *Be Counted. Represent.* campaign required a combination of online and offline strategies to repeat the 70% participation rate among young Latinos achieved in 2000. Virginia Mosquedas of CCF, reported that young people were *"walking door to door in their neighborhoods"* and giving presentations at church meetings to educate community members about the benefits of participating in the census. Their partner, Voto Latino, also reached out to their target population using mobile and online social media platforms. Their strategies resulted in a 3% increase in participation among their target audience in Los Angeles county; surpassing their goal means being able to count – and represent – 480,000 additional residents.

---

[3] FSG analysis, October 2010

Community - level outcomes
Inspiring Community Engagement to Stop Gang Violence in New York City

The New York Community Trust and its partner DCTV are using digital media to curb youth violence with their project, *Beyond Bullets*. The project is probably best known for disseminating youth-created videos on gun violence both online and offline to increase community awareness and discourse about gun violence prevention, particularly among New York City youth. In addition to generating increasing traffic on the project's website **(http://www. beyondbullets.org)**, Facebook and Twitter, DCTV has been able to translate their online media content to engage audiences offline by holding screenings, panel discussions, and workshops. As Stephanie Skaff, director of *Beyond Bullets*, DCTV's anti-gun violence media campaign reports, *"Our events drum up attention for our website and help galvanize teenagers and community leaders toward action. It is an ideal equation: direct community outreach plus sustainable online activities."* Over 800 young people in New York attended the 12 screenings and panel discussions in 2010. Local news outlets including the *New York Times*, *El Diario*, and *WNYC* radio are reporting on DCTV's work, and local elected officials are speaking out about the issue. For example, *Beyond Bullets* youth participants recently joined New York City Mayor Michael Bloomberg at City Hall to organize support for background checks for gun purchases following the Tucson shooting of U.S. representative Gabrielle Giffords. More importantly, *Beyond Bullets* is getting youth to see an alternative to street life, gang culture, and violence.

Information Ecosystem
Getting Akron Nonprofits to be Digital Media Experts

In 2010, the **Akron Community Foundation** set out to better prepare local nonprofits to incorporate digital media into their marketing and outreach efforts. When they were approached by a local independent journalist with access to unused production equipment, the Foundation saw an opportunity to use this untapped resource to improve the effectiveness of nonprofits in their community – many of whom are the Foundation's grantees. With its new *Akron Digital Media Center*, the Akron Community Foundation developed and started delivering a training curriculum last summer. They reached out to grantees and offered digital media training where none was available before, without really knowing what kind of response they would get. Chris Miller, Director of the *Akron Digital Media Center* explained, *"We thought we might get 10 or 20 people to show up, but the response has been overwhelming. We've trained 225 people in seven months. Now, citizens are coming in on a daily basis to learn more beyond the original curriculum."* A new web portal at *akronist.com* will be coming online in 2011, so that the Foundation's newly trained nonprofits will be able to upload their digital content, further expand their reach and build a community of residents engaged in local issues.

Community Impact
Influencing Regional Environmental Policy in the San Francisco Bay Area

In a few instances, projects are beginning to contribute to broader systemic change, particularly around local policy issues. The **Silicon Valley Community Foundation** had an early win with *Envision Bay Area* (EBA), a project to educate residents about sustainable city planning and development. As they were developing their online tool, they shared compelling data forecasting greenhouse gas emissions with their regional planning commission. As Margot Rawlins, Initiative Officer of the Silicon Valley Community Foundation describes,

> *"Using the EBA data, we showed that a reduction (in greenhouse gases) of 15% would have a much more positive impact on the region... EBA data convinced the regional planning board to overrule the initial staff-recommended 10% greenhouse gas reduction target with the higher target of 15%. This was a substantial win in influencing government decisions and setting more aggressive environmental targets, and it happened before our initiative was even public."*

These stories are just a handful of the examples of progress community information projects are making. While early project outcomes are promising, foundations and their partners still face certain obstacles to implementing and sustaining their projects.

Challenges Remain – And New Solutions Are Emerging

Partnerships Are Vital

It should be clear from the stories above that foundations are most effective when they have excellent community partners to help them design, implement and sustain their information projects. Nearly all KCIC grantees have multiple (more than six, on average) outreach, content and funding partners that are helping to support community information projects, including **media organizations, nonprofits, universities, local government agencies** (including libraries), and **private foundations**. Without this outside support, foundations struggle to get their projects off the ground or see their projects gain traction in their communities. As William Mass, Co-Director for the *Open Indicators Consortium*, a project of the **Community Foundation of Greater Lowell** explained,

> *"What foundations are grappling with is finding the human resources within their organizations to advance a project like this. Without partnerships it couldn't be done."*

At the same time, building effective partnerships can be difficult. KCIC grantees offered their reflections and advice on how to find, build and maintain KCIC partnerships.

- **Knowledgeable, aligned partners are important resources for community information projects.** For foundations, it has been particularly important to balance internal expertise with skills that are not as common in the field, i.e., media, journalism and technology expertise. While grantees may be able to find the skills they need from partners, it may be more difficult to find alignment. As one grantee indicated,

> *"We are dealing with this issue from a broad information perspective and our partners are coming at it from an advocacy perspective, and reconciling these two perspectives can be difficult."*

- **Establishing a good partnership structure is, therefore, critical to overcoming different perspectives and interests.** Not all partnerships come easy. Good management of key partner relationships is critical, and requires clear definition of roles and responsibilities. The impact of not doing this well can be very resource- and time-intensive.

    "To be completely honest, I felt like we lost 8-9 months of real opportunity because we went down the wrong path of project management with our partner," reported one grantee. *"I think we should have set up better ground rules from the beginning."*

- **Finally, building trusted partnerships can take time if relationships with community partners do not already exist.** Michigan's Children, the **Skillman Foundation**'s partner on the KCIC project, *Our Life in the D*, learned that this important foundational step was time-consuming, but necessary to engage young people in their project and achieve their goals. As Jack Kresnak explained,

    "Developing an MOU took us 6 months to hire 12 kids (6 in each neighborhood), because we had to start from scratch, and building partnerships and trust…. Trying to find the right groups that were amenable to our approach took a long time."

If successful partnerships can be built, then working with other community organizations has benefits for community and place-based foundations beyond good implementation. As Kelly Lucas of the **Community Foundation of Greater South Wood County** said,

    "Partnering with others is a means of enhancing your project. When multiple organizations come together to address the same issues, new solutions can be sparked that benefit all."

The Sustainability Challenge

The changing information and media landscape is a hotbed of innovation. In this highly uncertain environment, community and place-based foundations and their partners are experimenting with new ways to address and support information needs. As they experiment, KCIC projects are also seeking alternatives to traditional news models that are no longer sustainable. As communities consider ways to improve the sustainability of their news and information efforts, there are five key variables to consider:

- Social Impact
- Focused Business Strategy
- Economic Viability
- Capacity to Deliver
- Adaptability

CWV Sustainability Assessment Framework For a nonprofit or a social enterprise, sustainability means the organization does and is positioned to continue to **create long lasting** and rel**evant social impact**.				
Social Impact	**Focused Business Strategy**	**Economic Viability**	**Capacity to Deliver**	**Adaptability**
Results of efforts taken by organizations or individuals that solve or positively advance social issues by producing a positive change in attitude, behavior or condition for the target constituency.	Understanding of what has to happen to achieve the organization's social goals and choices the organization makes about how to accomplish those goals.	Financial health of the organization; sustainable organizations have a surplus or breakeven operating model that will carry the organization's work forward in the long-term.	Human resources, infrastructure and operational systems needed to produce social impact and execute the business strategy.	Ability to drive innovation by updating and/or developing programs, services and/or products in response to changes in customer needs, behaviors and the operating environment.

Figure 4. Sustainability Framework

Source: Community Wealth Ventures (CWV) in partnership with the Annie E. Casey Foundation and the John S. and James L. Knight Foundation. Comparative Review: Nonprofit Online News Organizations (forthcoming)

The KCIC examples below illustrate how the issue of sustainability involves addressing these interrelated variables:

- **SOCIAL IMPACT: Capitalize on the mission.** Like other nonprofit ventures, community information projects raise capital by making a compelling case for why they deserve support. Building on the social benefit aspect of their community information projects, community and place-based foundations are having success leveraging other philanthropic resources. In the past year, KCIC grantees have harnessed nearly **$7M in financial contributions from other sources**, including private foundations, individual donors and corporate sponsors. Prominent national foundations including the Ford Foundation, **W.K. Kellogg Foundation**, **MacArthur Foundation**, **Open Society Foundations**, **Robert Wood Johnson Foundation**, **Surdna Foundation** and the **William and Flora Hewlett Foundation** are all supporting individual community information projects.

- **FOCUSED BUSINESS STRATEGY: Seek the connection between target audience and ongoing business strategy**.

  - **The William Penn Foundation**'s *Notebook* project, for example, worked with a consultant to assess the opportunity for increasing memberships as an ongoing revenue stream. The *Notebook* team expected to adopt an NPR-style membership program built around incentives and swag. Through this research, however, they learned that their audience valued the "public good" aspect of the *Notebook* more than branded backpacks. Their consultant helped them better communicate their unique value proposition to their audience, and the web team made their 2010 membership drive a prominent feature of their website, with banner ads and simple "click to donate" calls to action. By year end, the Notebook had nearly doubled their membership from 254 to more than 440.

  - Online advertising is another opportunity to connect project progress to sustainability. With its project the *Florida Independent*, the **Gulf Coast Community Foundation of Venice** has found increasing alignment between building a loyal online audience and potential revenue from online advertising. As Mark Pritchett, Vice President for Community Investment explains,

    "One of things I have noticed is that the Florida Independent*'s Google Ads have improved in their quality, which means it could become a stronger revenue stream. We don't really control the ads, so better quality means that we have more people in our target audience visiting the* Florida Independent.*"*

- **ECONOMIC VIABILITY: Scale and diverse funding sources lead to greater economic health**. Information projects with a longer track record have had more time to try various business models and achieve viability. For instance, the *MinnPost*, which has a significant readership (93,000 average weekly visits compared to 10,000 average weekly visits for other KCIC projects), showed its first budget surplus in 2010 after five years of experience. Notably, their operating support comes from a mix of foundation support, individual donations (including more than 1,200 members), corporate advertising and sponsorships, and event revenue. *MinnPost*'s example is an important one, given that many projects are still at an early implementation stage and slowly building their readership.

- **CAPACITY TO DELIVER: Partnerships increase project capacity to perform beyond one organization's financial means**. As noted above, partnership activities and resources are vital to project success. A partnership with the state's press association was critical to the successful launch of *Write for Arkansas*, a project of the **Arkansas Community Foundation** that is helping to place young journalists in local newsrooms around the state. The Arkansas Press Association is providing outreach and some direct funding to the project and its participants.

  "The Arkansas Press Association is extremely pleased with the partnership so far. They are sponsors of Write for Arkansas *and regularly feature it in their communications to the state's publishers,"*

  explained Sarah Kinser, Communications Director at Arkansas Community Foundation. To date, the project has boosted the state's journalism capacity with five additional paid journalists staffed at five community newspapers around the state. While small in number, these additional reporters are having a significant impact on the capacity of these small organizations to credibly and reliably report in-depth on issues of local concern. These efforts are getting the Foundation and their partner closer to their goal of bolstering the quality of small-town reporting in the state.

- ADAPTABILITY: Experimenting, learning and adapting are key to identifying a sustainable business model.   The *New Jersey Spotlight*, an investigative news project of the **New Jersey Foundation**, provides a good example of an adaptive approach to sustainability. When the Spotlight launched in early 2010, the team defined an initial business model based on assumptions that did not reflect the reality of the market. After a few months of implementation, they found that two of the income streams they were hoping to generate were not realistic. After a quick re-assessment, the team set out to explore more flexible ways to bundle a wide range of monetization tools (e.g., ads, webinars, events, content sponsorship) that they could link to specific content and audiences that would interest local companies. Their ability to know their audience, create a compelling value proposition, learn and adapt quickly allowed them to experiment with new income sources and close more than seven deals with local companies in their first year. This new revenue stream is helping the project transition away from the philanthropic funding that helped launch the project.
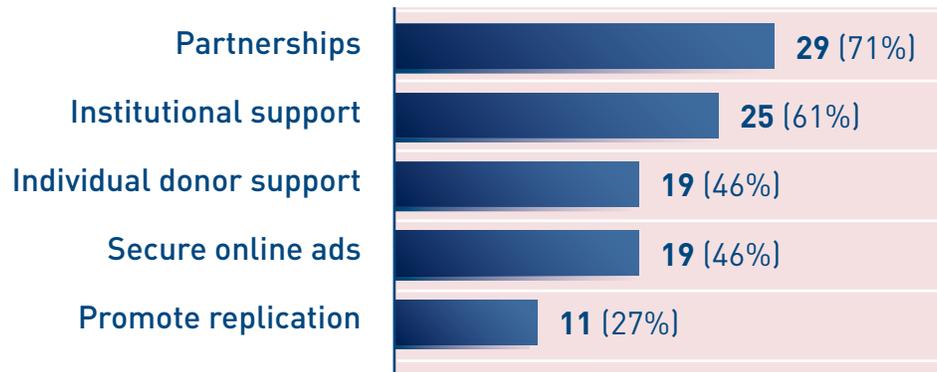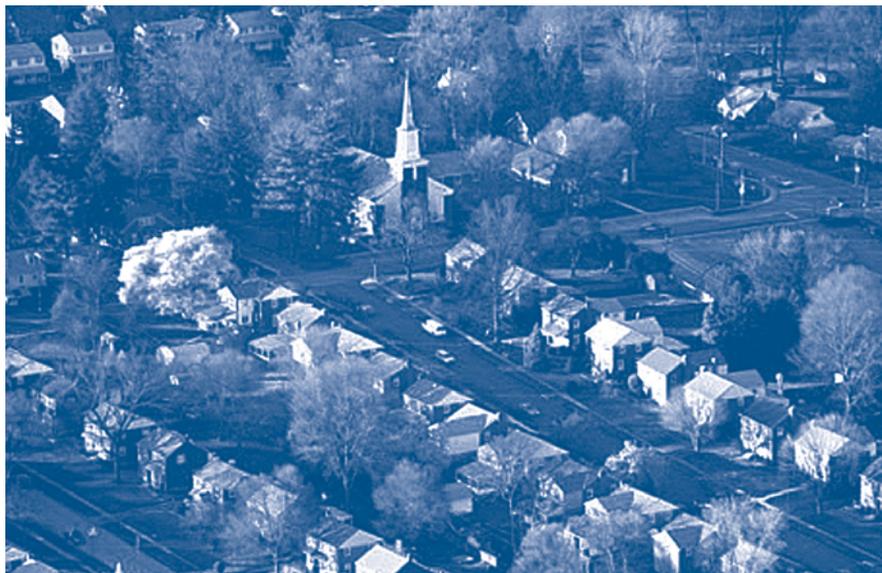
Figure 5. KCIC Grantees' Approaches to Sustainability

Category	Value
Partnerships	29 (71%)
Institutional support	25 (61%)
Individual donor support	19 (46%)
Secure online ads	19 (46%)
Promote replication	11 (27%)

At the core of the sustainability challenge rests the ability of information and media projects to articulate and demonstrate their social value, experiment with new technologies, engage and build communities around their efforts, and leverage that value proposition to develop a strong financial base.

As projects mature, it is unclear what specific role community and place-based foundations will play in sustaining their information projects. To date, eleven KCIC-funded projects have completed their challenge grants. Five of the eleven report that they are not sure whether they will continue funding in the future. Some are planning to transfer their project to a partner as an exit strategy for the foundation; in these cases, ongoing project sustainability will not necessarily be resolved, but rather will become the challenge and responsibility of the receiving organization. Meanwhile, nonprofit partners themselves are experimenting with a variety of practices for generating recurring revenue. As William Penn Foundation partner Paul Socolar of The *Philadelphia Public School Notebook* says:

> *"It seems like everyone is struggling with the business model. Some of us can point to some small things that are working, but there is no answer yet to how you sustain these projects."*

At the outset of the KCIC initiative, Knight Foundation recognized the need for experimentation in the way that community news and information is produced, disseminated and supported. As projects continue to seek sustainable sources of financing, adapt their approach and experiment with technology, we will surface practices that work and share them with the field.

What's Next
for the KCIC?

2011 is a critical year for the Knight Community Information Challenge. As the KCIC enters its fourth year of programming and grant making, we are strongly encouraged by the increasing involvement and successes of community and place-based foundations to date. As the field gains experience, we see three ways that foundations are having real, positive impact in their community: foundations are supporting new sources of community news and media and strengthening the exchange of information in their communities; they're increasing their impact on a range of community issues, using information as a key tool for success; and they are demonstrating their capabilities as community leaders in addressing community information needs.

Questions about progress toward increasing the engagement of community and place-based foundations and creating more informed and engaged communities remain.

- Beyond their individual KCIC projects, what long-term roles will community and place-based foundations play in addressing community information needs?

- What online and offline strategies are proving most effective for reaching and engaging target audiences in communities? What is the interplay between the two activities?

- To what extent will community information projects be able to make progress toward community-level outcomes and impact?

- What practices support the long-term sustainability of community information projects?

In this installment of *Reports from the Field*, we've explored how community and place-based foundations address information needs in their communities. Their progress is a testament to what's working in the field. Knight Foundation is committed to continuing to support this growing movement, and we are eager to hear more stories, share best practices, with the field, and learn alongside you in the year to come.

KCIC Grantees (By Cluster, Round)

	Voice (n=11)	News (n=22)	Awareness (n=5)	Action (n=11)	Capacity (n=11)
ROUND 1	San Antonio Area Foundation Grand Rapids CF Coral Gables CF San Diego Foundation	Chicago Community Trust Berks County CF Marajen-Stevick Foundation The Boston Foundation CF of Greater New Haven Minneapolis Foundation William Penn Foundation	CF Serving Boulder County	Minnesota CF CF for Palm Beach and Martin Cos Park City Foundation CF for Greater Buffalo	CF Serving Richmond & Central Virginia Central Carolina CF Foundation for the Carolinas CF of Greater South Wood County Manatee CF CF of South Alabama
ROUND 2	Akron CF New York Community Trust Skillman Foundation	Arkansas CF New Jersey Foundation Gulf Coast CF of Venice Hartford Foundation Lander CF Health Foundation of South Florida	California CF Northern Chautauqua CF CF Serving Boulder County	ACT for Alexandria CF of North Florida Duluth Superior Area CF Rhode Island Foundation CF of Southeast Michigan Silicon Valley CF	Center County CF River Partnership of CFs Greater Lowell CF
ROUND 3	Hawaii CF California Endowment Raymond Wean Foundation Cleveland Foundation	Alaska CF Dade CF El Paso CF Greater New Orleans Foundation CF Serving Boulder County Seattle Foundation Tulsa Foundation New York Community Trust Pittsburgh Foundation	West Anniston Foundation	CF of Greater Dubuque	Black Hills Area CF Austin CF

For detailed project descriptions, go to **informationneeds.org**

About

John S. and James L. Knight Foundation

The John S. and James L. Knight Foundation advances journalism in the digital age and invests in the vitality of communities where the Knight brothers once owned newspapers. Knight Foundation focuses on projects that promote informed and engaged communities and lead to transformational change. The Knight Community Information Challenge is part of the foundation's Media Innovation Initiative, a $100-million plus effort to meet America's information needs. The Challenge is a $24-million contest that helps community and place-based foundations find creative ways to use new media and technology to keep residents informed and engaged.

For more information on the challenge, visit **informationneeds.org**.

FSG

FSG is a nonprofit consulting firm specializing in strategy, evaluation and research, founded in 2000 as Foundation Strategy Group and celebrating a decade of global social impact. Today, FSG works across sectors in every region of the globe – partnering with foundations, corporations, nonprofits and governments to develop more effective solutions to the world's most challenging issues. FSG brings together leaders that are hungry to exchange information, elevate learning and to create collective impact in discovering better ways to solve the world's most difficult social problems.

For more information, visit **fsg.org**.