



Arabella Advisors Impact Report 2021–2022

# Helping Changemakers Go from Idea to Impact

Arabella enables clients across the philanthropic sector to tackle society’s biggest challenges more efficiently, effectively, and equitably. Here’s a look at how we do it.



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# How Arabella Helps

The team at Arabella envisions a world in which the planet is protected, democracy is defended, equity is enhanced, and communities are strengthened. A collective desire to achieve this vision animates our work and drives us forward. At the same time, we recognize that Arabella cannot achieve the better future we envision working alone. On the contrary, our primary role is to help other changemakers, providing needed support and guidance while always staying true to our [firm's values](#) and our commitments as a B Corporation. After almost two decades supporting a wide range of philanthropic donors and changemakers, working across the country and around the world, we have identified four primary ways Arabella can (and does) help them achieve greater impact:

- **Move more resources**
- **Use the right vehicles**
- **Be efficient and effective**
- **Elevate equity**

This report tells the story of how we helped our clients in each of the above ways during 2021–2022, both through the advisory support we provide for private donors and through the operational support we provide to fiscal sponsor nonprofits and the projects they host. We share this report to showcase the inspiring work of many of our partners and to lift up lessons we have learned that may help others achieve their own changemaking goals.

To better understand how Arabella envisions our role in helping changemakers, click the image below to watch a brief video.

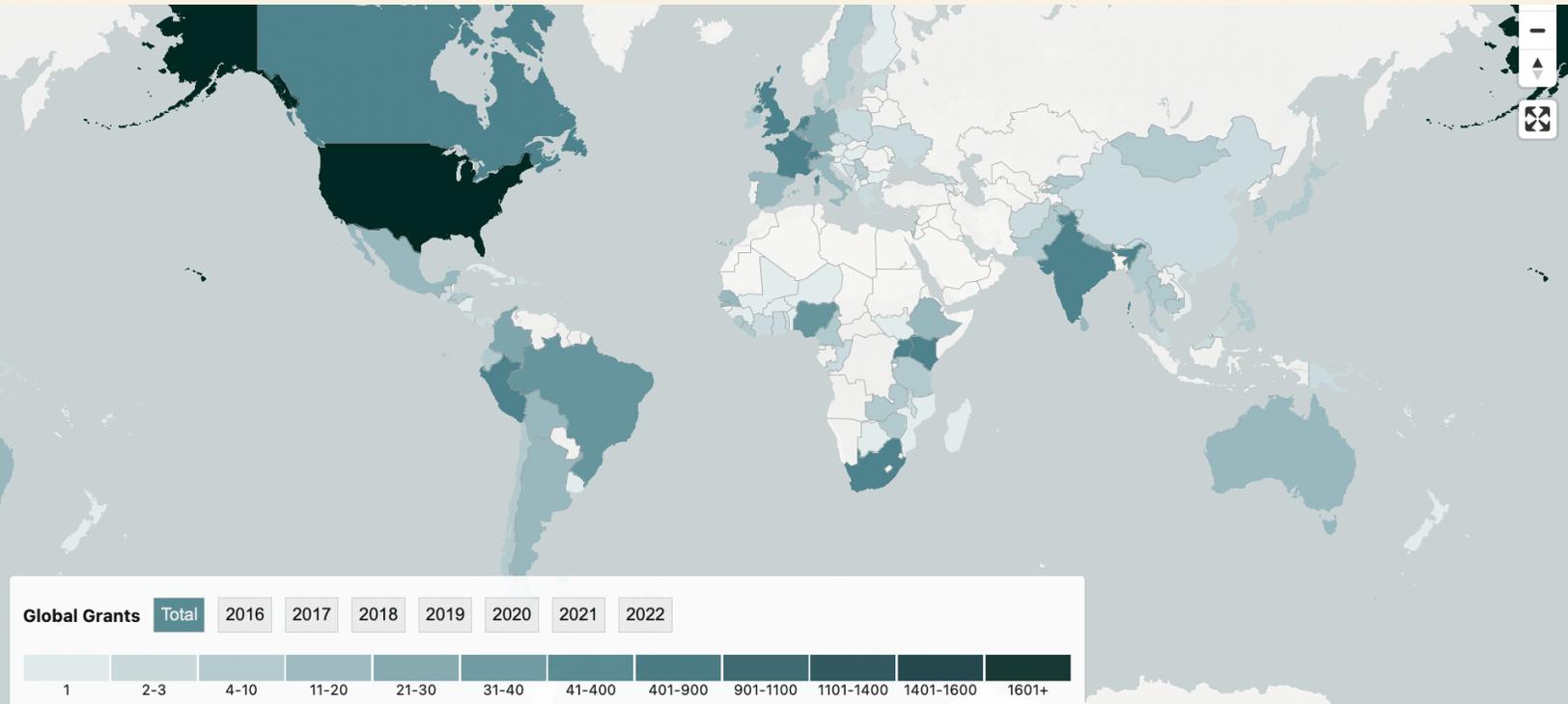


## How Arabella Helps

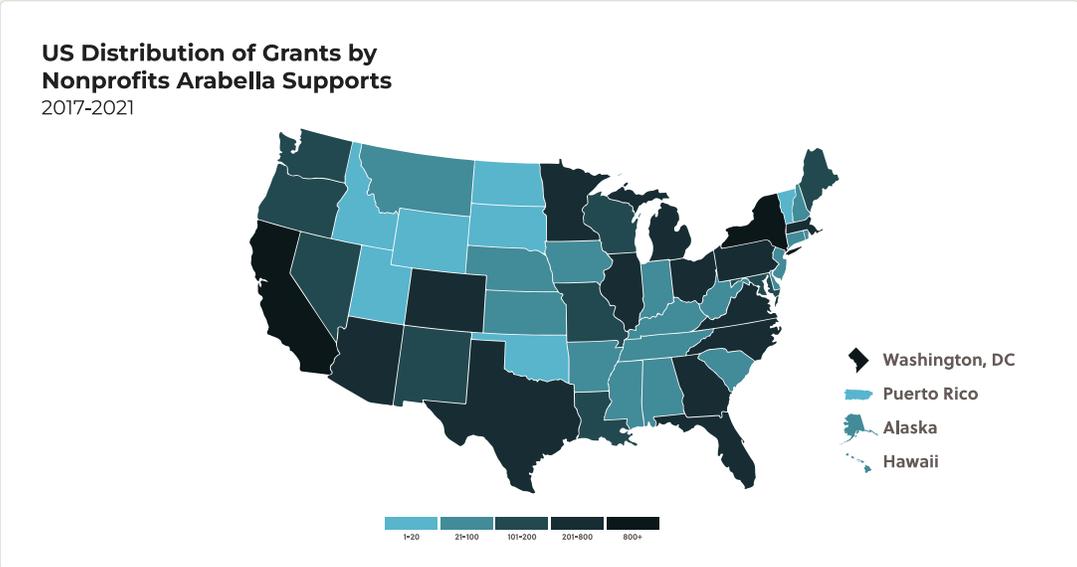
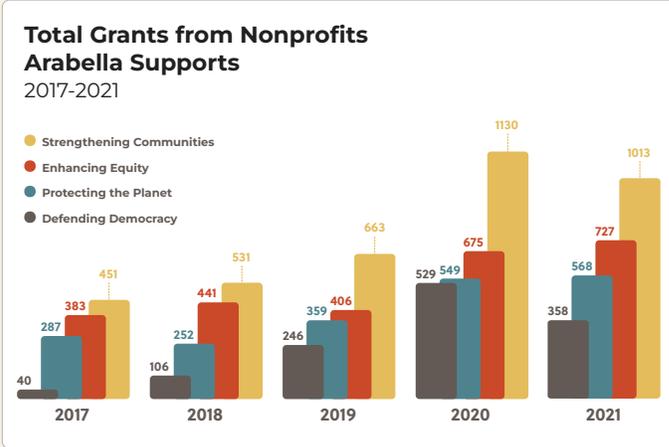
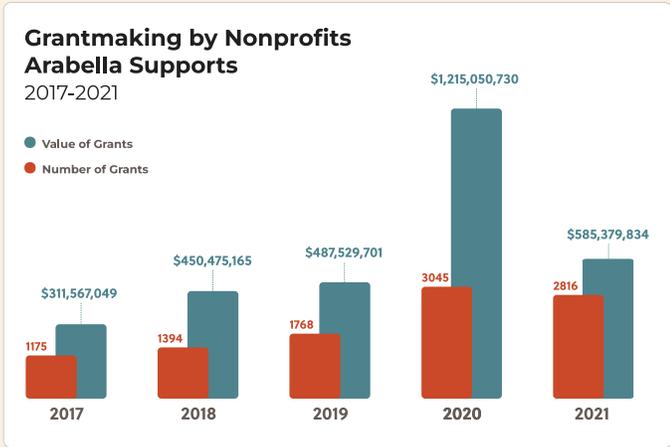
# Move More Resources

Our [previous impact report](#) highlighted the unprecedented amount of resources our clients, and the sector as a whole, poured into solving systemic challenges that the COVID-19 pandemic and other events of 2020 laid bare. Following that major influx of support, the need to deploy resources for philanthropic purposes remains great. The world is facing complex, interconnected, and existential challenges, and the public and private sectors are unable to do all of the work alone. The philanthropic sector has crucial roles to play, and collectively we need to deploy more resources for good.

Arabella helps our fiscal sponsor clients do just that. In 2021, Arabella worked hand-in-hand with these clients to deploy more than half a billion dollars in grants to more than 2,800 grantees working in more than 100 countries and almost every state in the United States. These grants supported efforts ranging from expanding access to mental health services to mitigating the effects of environmental injustice, and much more.



Arabella teams provide our fiscal sponsor clients with the administrative and operational support necessary to carry out their work. Arabella’s legal and compliance teams make sure that grants comply with all relevant laws, regulations, and agreements; Arabella accountants help ensure that the money gets where it’s supposed to go; and Arabella HR experts support hundreds of hiring processes and handle benefits administration on behalf of the nonprofits’ employees. Through that support, we’re proud to help advance the incredible work and impact of our fiscal sponsor clients, the projects they host, and the donors that fund those projects. (To better understand the power of the fiscal sponsorship model, see the recent [impact report from our client and partner, the New Venture Fund.](#))



## Use the Right Vehicles

To maximize their impact, funders need to give at a greater scale to support organizations and projects doing frontline work. The vast majority of philanthropic giving goes to 501(c)(3) public charities serving communities across the country and around the world. Notably, grants to 501(c)(3)s comprise the vast majority of Arabella's clients' giving.

Such giving is the lifeblood of the philanthropic sector and, of course, is essential to a functioning and compassionate society. At the same time, nearly 20 years of experience teaches us that basic grantmaking is only the start. We need to go beyond traditional grantmaking and deploy resources using a variety of vehicles and approaches. These include vehicles specifically designed to build the capacity of frontline charitable organizations and projects; support for advocates working for needed local, regional, and federal policy changes; impact investments that advance a more inclusive economy; donor collaboratives that capitalize on shared knowledge as much as pooled funding; and much more.

**Impact investments.** Over the past decade, we have seen more and more changemakers use impact investments to advance their visions for a better world. These investments have the potential to complement grantmaking in bold ways. Similar to how philanthropy can unlock government funding and power, impact investments allow changemakers to access the vast resources of private markets to achieve impact.

**Donor collaboratives.** Today's toughest challenges are too big for any one donor or group to solve. Thankfully, by collaborating effectively with others, changemakers can amplify their impact. We have seen an increasing number of donors and partners pool their funds, including a diverse set of assets such as their knowledge, networks, and different types of capital. For example, we have supported large institutional donors by thoughtfully designing collaborative structures and governance processes so they can effectively partner with individuals, families, and corporate funders with shared goals to drive impact.

**Support for advocates.** Lasting change often requires addressing structural and systemic challenges through changes in public policy. Arabella supports partners, including 501(c)(4) social welfare organizations, that use advocacy tools to work for needed change. For example, Arabella is proud to provide operational support to the Sixteen Thirty Fund, which in 2022 engaged with community leaders in multiple states to help advance ballot measures protecting important rights, including access to abortion services, securing the right and opportunity to vote, and increasing the minimum wage. (To learn more about the Sixteen Thirty Fund's work, [click here.](#))



### Rewiring America: Paving the way for a historic federal deal to support electrification

Rewiring America, a hosted project at the Windward Fund, has a bold vision to address the climate crisis: electrify all 121 million households across the United States. To make the transition from fossil fuels to electrification more accessible, Rewiring America and its 501(c)(4) Rewiring America Action Fund mobilize policymakers to support energy independence from fossil fuels, provide resources to support consumers, and build the mainstream electrification movement. In 2022, Rewiring America's tireless engagement supported the passage of the Inflation Reduction Act (IRA), which offers up to \$858 billion to help make efficiency and electrification upgrades, especially for historically disinvested communities. Since then, Rewiring America has launched a massive public education campaign to help households access IRA rebate funds and transition to electrification.



## **SPARC: Breaking down policy barriers to make groundbreaking research accessible to all**

Every year, \$80 billion in taxpayer money supports academic and scholarly research into some of the most urgent issues of our time. However, paywalls prevent most taxpayers from accessing the results. The Scholarly Publishing and Academic Resource Coalition (SPARC), hosted at the New Venture Fund, aims to change that. Through policy advocacy, SPARC promotes open sharing of knowledge and democratized research access. Thanks in part to SPARC's ongoing engagement, the White House Office of Science and Technology Policy issued updated policy guidance in August 2022 to make the results of taxpayer-funded research freely available to the public. SPARC is now supporting the implementation of this transformative policy, helping to ensure government resources support equitable outcomes.



## **BlueCommons: Deploying cutting-edge financing to improve water sustainability and address scarcity**

Climate change has stressed our nation's water infrastructure and reserves, and funding allocated to fix this has been minimal. BlueCommons, a hosted project at the New Venture Fund, is an innovative "blue bank" that funds projects to improve water sustainability and address scarcity. Through approaches such as combining philanthropic funds and private capital, performance contracts and other mechanisms to lower investment risk, and a set of four revolving loan funds that blend grant and other capital to support on-the-ground organizations, BlueCommons can promote impactful projects that are otherwise unable to access public funding or traditional commercial financing. BlueCommons is also able to recover and recycle investments from its funds, enabling further investments in water conservation and sustainable water infrastructure.



## **Fund for a Safer Future: Joining forces to advocate for common-sense gun reform**

In 2011, a group of dedicated funders formed the Fund for a Safer Future (FSF), the only national donor collaborative dedicated to gun violence. Today, FSF has 35 members who pool their expertise and financial resources to reduce gun injuries and deaths. With support from Arabella and the New Venture Fund, FSF has made more than \$20 million in grants to reduce gun violence, and it has supported gun violence prevention research, community mobilization, litigation strategies, and education and advocacy campaigns. In 2022, FSF's research and advocacy helped seed the ground for the Bipartisan Safer Communities Act, widely considered the most significant federal gun safety policy to be enacted in nearly 30 years.



## How Arabella Helps

# Be Efficient and Effective

Changemakers strive for efficiency and effectiveness to help ensure that the right resources reach the right people at the right times and places to make a difference. We know that it is hard work, and our job is to make it easier by freeing up changemakers' time and strategically and proficiently channeling their resources. By doing so, we can stretch their philanthropic gifts further. We also work closely with organizations to advise on their operational strategy and their organizational design. Our partners often have extensive issue expertise, which is necessary for effective change. However, without the knowledge of how to implement ideas, issue expertise can only make so much impact. Arabella's team of creative problem solvers can make sure organizations of any size or at any stage of their lifecycle have the right people, partners, and platforms to carry out their work. By complementing organizations' issue expertise with our operational and organizational advising, we help ensure they are putting their resources to the best possible use.

## Climate and Clean Energy Equity Fund: Leveraging fiscal sponsorship to jumpstart massive investments to fight climate change

Launched in 2016, the Climate and Clean Energy Equity Fund (the Equity Fund) supports community organizations that are building power to ensure state and federal policy changes have equitable impacts. The Equity Fund sought fiscal sponsorship with New Venture Fund due to its expertise and economies of scale. In the years since, the Equity Fund has grown exponentially, issuing \$22 million to 104 grantee partners in 2021 alone and over \$125 million since its launch. Also in 2021, the Equity Fund decided to spin out from NVF and launch as an independent nonprofit. Arabella partnered with the Equity Fund to support this transition and integrate the work of the Equity Fund's 501(c)(4), helping position the project to continue to build its impact.



Living United for Change in Arizona (LUCHA)





## **Irving Harris Foundation Tenets Initiative: Refreshing internal structures to provide more equitable mental health services for children**

Housed within the Irving Harris Foundation, the Tenets Initiative aims to make mental health services for infants and young children more equitable and inclusive. During the pandemic, demand for the initiative's diversity, equity, and inclusion workshops skyrocketed, but it lacked the scale to meet demand. It engaged Arabella to recommend how it might update its structures to work at scale. We assessed the initiative's governance and decision-making structures, identifying areas of strength and cumbersome processes or internal culture and capacity constraints that created inefficiencies. Our recommendations identified ways for the initiative to prepare for expansion, including multiple pathways based on its operational readiness. As a result, the initiative is confident in its ability to adjust its structure for its next phase of its work.

## **Pfizer Foundation Accelerating Health Equity Initiative: Designing and launching a grantmaking program to support Black health**

When the Pfizer Foundation wanted to launch a new grant program in 2021 that focused on advancing health equity in Black communities, it turned to Arabella as its longtime strategic partner for support. Our grantmaking experts helped the foundation develop a strategy that targeted tangible outcomes aligned with the five social determinants of health. With Arabella's implementation support, the Pfizer Foundation awarded grant funding to 15 organizations focused on improving health outcomes in Black communities. It also engaged Arabella to facilitate a grantee learning community to help organizations collect and report impact data. Ultimately, the Accelerating Health Equity initiative is poised to help address the inequities that have split US health outcomes along racial lines for too long.



## Elevate Equity

To drive true and lasting change on society's most pressing issues, funders and changemakers need to continue to elevate and address structural inequities both in and through the practice of philanthropy. Arabella supports our partners by designing equitable grantmaking processes and governance practices as well as by deploying funds to directly impacted communities. Unfortunately, grantmaking processes have historically reinforced harmful power dynamics between the funder and the grantee, among others. Through participatory processes and our streamlined grantmaking approach, we ensure community voices are driving decisions about where resources go, dismantling power structures and mitigating structural inequities in the process. In the wake of the widespread protests about racial injustice in 2020, corporations across the country made bold commitments to support communities of color. Many turned to Arabella to support thoughtful processes for getting those funds into the right hands. Over the past two years, we have facilitated moving more than \$60 million in funding to underrepresented communities on behalf of large financial institutions such as Goldman Sachs' One Million Black Women initiative and JPMorgan Chase's Annual Challenge. In doing so, our team took great care in ensuring funding was distributed in ways that lifted up communities and challenged the historic power structures of philanthropy.



### Google.org Environmental Justice Data Fund: Designing an inclusive grantmaking process to support data-driven environmental justice work

In 2021, Google.org, the philanthropic branch of Google, was preparing to launch its Environmental Justice Data Fund (EJDF). This initiative would support frontline communities that have been disproportionately impacted by climate change, thereby empowering them to address past harm and prepare for a climate-resilient future. Google.org engaged Arabella and the Windward Fund for strategic and operational support. Arabella helped EJDF establish an advisory board of nine environmental justice leaders and launch an open request for proposals process welcoming rolling submissions from diverse organizations. We also set aside funding for local community-led organizations requesting smaller capacity-building grants. By the end of 2022, Google.org distributed \$9 million to 90 grassroots organizations using data to advance environmental justice for all.

### North Bay Arts Fund: Creating a participatory grantmaking cohort to promote equitable arts philanthropy

In recent years, more funders have chosen to place decision-making power in the hands of communities affected by the grants they issue. Knowing that collective decision-making could empower small community-based arts organizations, the Performing Arts Program of the Hewlett Foundation wanted to help other Bay Area arts funders adopt participatory approaches. After launching the North Bay Arts Fund (NBAF) as a fiscally sponsored project at the New Venture Fund, the Hewlett Foundation supported Arabella's work facilitating NBAF's advisory board work, identifying mission-aligned regranteeing partners, and supporting learning through workshops and curriculum on participatory grantmaking. NBAF members are learning how to share power and incorporate lived experience into their decision-making, leading to more equitable arts investments in the Bay Area.



Eric Monrad, courtesy The Imaginists



## Looking Forward

During the past 17 years, Arabella has built a team that is able to support changemakers across the philanthropic sector working on a remarkably wide range of issues and efforts like the ones described above. From the start, our goal has been to provide a full suite of services to support our clients as they work to address and solve some of society's biggest challenges.

In September 2022, Arabella announced [the acquisition of Kiwi Partners](#), a New York-based firm that provides support in the form of accounting, HR, and consulting services to a wide variety of nonprofit organizations. The union of Kiwi and Arabella was grounded in our recognition that effective nonprofit operations are critical to the impact of all sorts of philanthropic work. Thanks to the skills and professionalism of our Kiwi colleagues and the teams now working alongside them, we have already begun to deepen our collective capacity to support a broader set of nonprofit partners.

Even as we were completing this report, Arabella announced that Redstone Strategy Group is also joining our team. Like Arabella, Redstone has long been committed to helping to solve urgent social problems, working closely with leading foundations and nonprofits. Going forward, it will continue to provide the strategic support, coalition-building, and incubation of new ideas and initiatives for which it is known, now operating as a division of Arabella and with support from the broader Arabella team.

With the addition of Kiwi and Redstone, Arabella is better positioned than ever to help an even broader set of changemakers accomplish their impact goals—by moving more resources, using the right vehicles, being efficient and effective, elevating equity, and more. We are humbled by the opportunity we have going forward to support so many people and groups working to build a better future for all. We are also tremendously proud that, because of the work we do together, our clients are able to do good better and create the greatest impact possible in our rapidly changing world.

That world is filled with complex and daunting challenges. Thankfully, it is also filled with good people who are working to address those challenges, sometimes in the face of entrenched opposition. At Arabella, we have the distinct pleasure and privilege of working with many of those changemakers. Our mission, as ever, is to help them turn inspiring ideas into life-changing impact.





## About Arabella Advisors

Arabella Advisors provides guidance and support to changemakers pursuing significant social and environmental impact. An award-winning consulting firm and certified B Corporation, Arabella is dedicated to making philanthropic work more efficient, effective, and equitable.

For more information, visit: [www.arabellaadvisors.com](http://www.arabellaadvisors.com)

