Wikimedia Foundation

Funds Dissemination Project

Advisory Group Meeting #1

May 2012

The Bridgespan Group

Goals for our discussion today

- Review the project objectives and approach
- Discuss the Advisory Group's role and process
- Begin to understand Wikimedia's current fundraising and granting activities
- Begin to explore options for the design of the Funds Dissemination Committee
- Discuss next steps

Context and objectives for our work

- Over the past several years, the Wikimedia community has been engaged in a discussion about how to most effectively raise and disseminate funds across the movement

- During the Wikimedia Conference 2012 in Berlin, the Board of Trustees resolved to create a Funds Dissemination Committee (FDC) to advise the Board on how to disseminate movement funds across the community

- The purpose of our work together is to advise the Executive Director of the Wikimedia Foundation on the development of a recommendation to the Wikimedia Board of Trustees on the following:
  - The role, structure, and function of the Funds Dissemination Committee
  - The broader set of processes and policies to disseminate movement funds (e.g., the role and function of the Grants Advisory Committee, the reimbursement process)

Project approach and timeline

April | May | June | July | August

PHASE I:BUILD A FACTBASE

- Understand the strengths and challenges of the current situation
- Define success
- Explore external examples
- Interview key stakeholders

PHASE II: DEVELOP RECOMMENDATIONS

- Refine options for improving processes and structures
- Engage in dialogue with stakeholders about options
- Support WMF Executive Director in the development of a recommendation for Wikimedia Board of Trustees

PHASE III: DETAIL SOLUTION & PREPARE FOR IMPLEMENTATION

- Develop relevant documentation and templates
- Define staffing plan to support funds dissemination
- Design transition plan to implement approach, highlighting 3, 6, 12, and 18 month roll out
- Define learning agenda and approach to refining processes over time

As currently envisioned, the role of the Advisory Group is to provide guidance and oversight over this process

The proposed purpose of the Advisory Group will be to:

- Guide the development of recommendations for the WMF Board of Trustees in the design of the Funds Dissemination Committee and funds dissemination process, supported by The Bridgespan Group (April – June 2012)
  - WMF Executive Director, Sue Gardner, will provide the ultimate recommendation to the Board in June, but will seek advice and input from this group

- Support the implementation of the new Funds Dissemination Committee and process (roughly July - October 2012)

- Provide guidance and feedback during the FDC's early stages, as needed, helping to refine the funds dissemination process (roughly October 2012 - December 2013)

- Do you have any questions about the role of the Advisory Group or the process of our work together?

Establishing clear design principles for the funds dissemination process will help guide our work

DRAFT FOR DISCUSSION

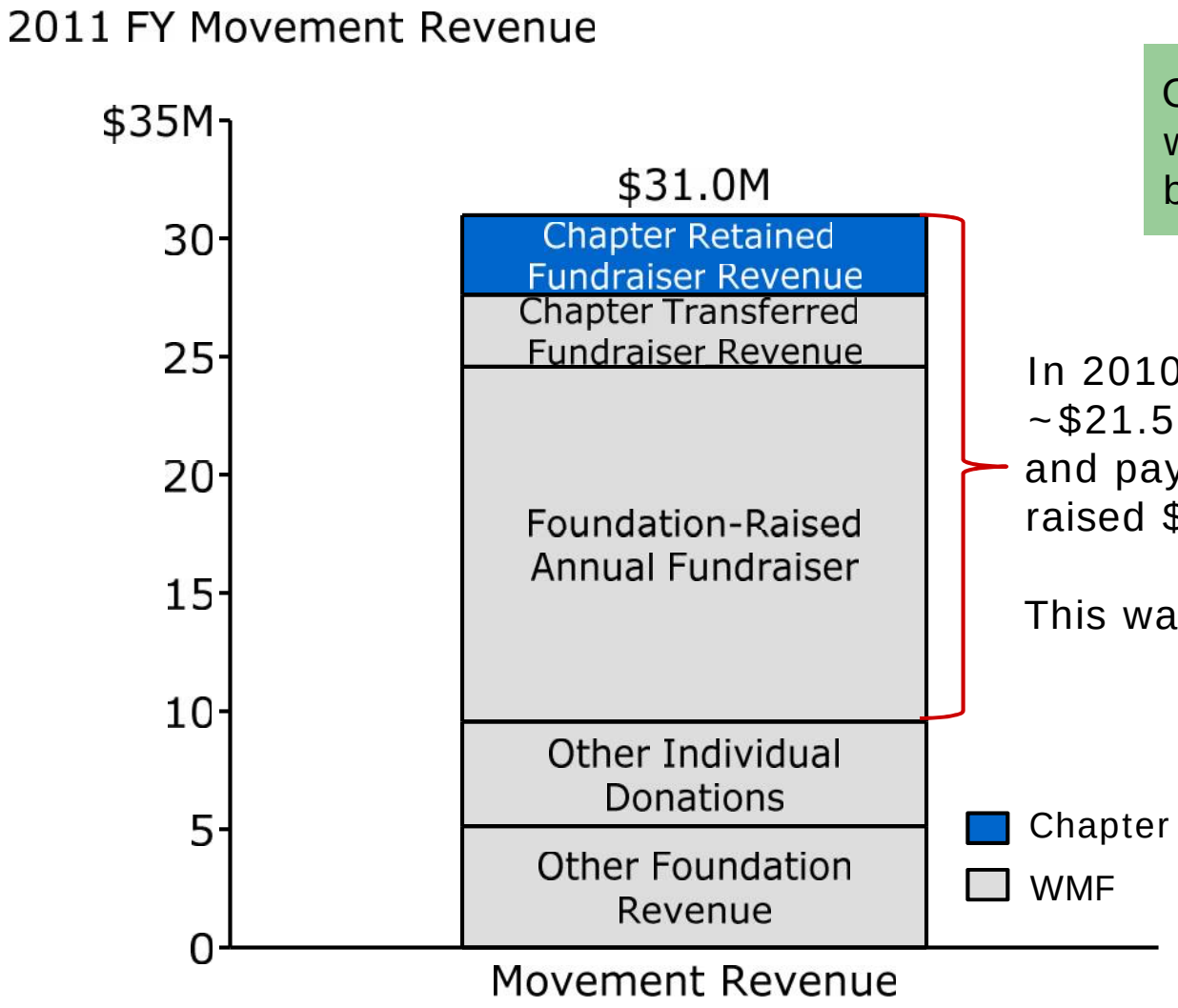
1. Support pursuit of the Wikimedia mission
2. Be open and transparent
3. Promote decentralization and diversity
4. Foster innovation while supporting stability and healthy growth within the Wikimedia community
5. Ensure fiduciary responsibility to the Wikimedia donor community and meet regulatory requirements
6. Enable simple, user-friendly processes with clear deadlines and expectations
7. Maintain clear roles and responsibilities for the decision-making process
8. Drive to continual improvement and higher standards

- Do you agree with these design principles? How might you refine them?
- What are the most important implications of these principles on the design of the funds dissemination process?

Note: See http://meta.wikimedia.org/wiki/Funds_Dissemination_Committee/Design_principles for full set of design principles

In FY11, Wikimedia as movement raised ~$31M from multiple sources

PRELIMINARY



Over the next few weeks we will compile chapter revenue by source and expenses

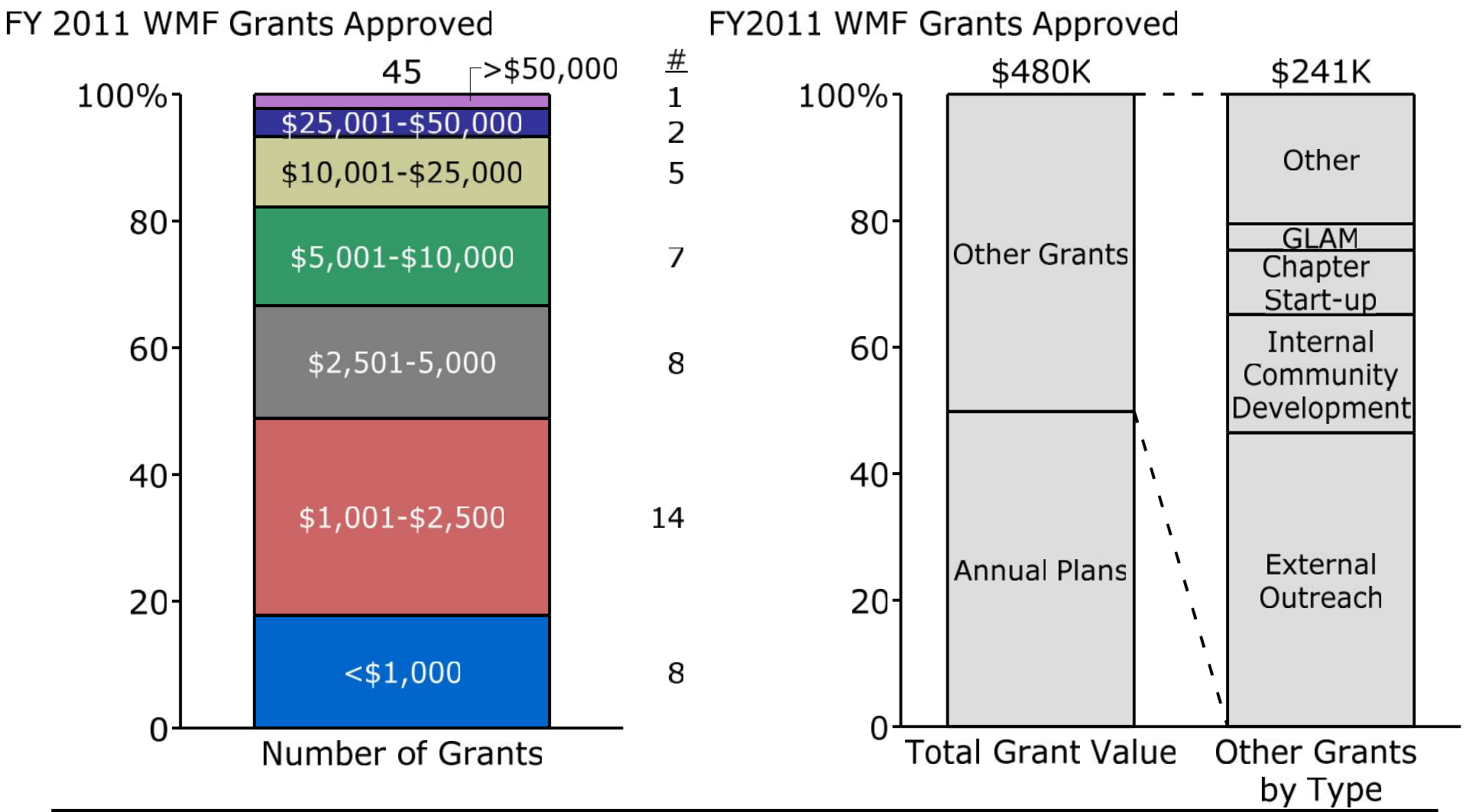
In 2010, the annual fundraiser raised ~$21.5M; the foundation raised $15M and payment-processing chapters raised $6.5M

This was recognized in FY11

Note: Does not include other non annual fundraiser revenue raised and retained by chapters; Other income includes restricted funding, special events, grants, and investment income
Source: WMF AR 2011; Wikimedia Chapters Plan 2011-2012

Last year, the Foundation approved 45 grants; chapter annual plans made up ~50% of funds

PRELIMINARY

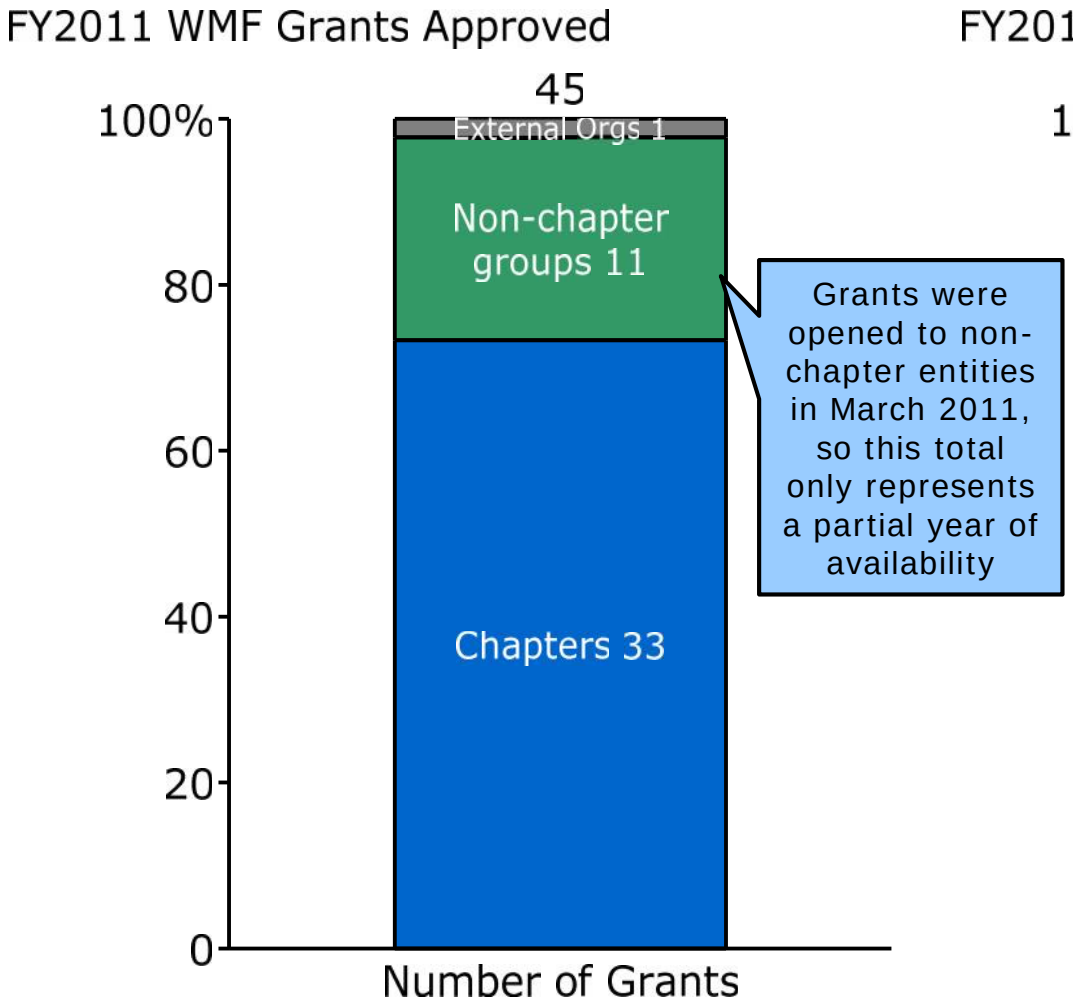


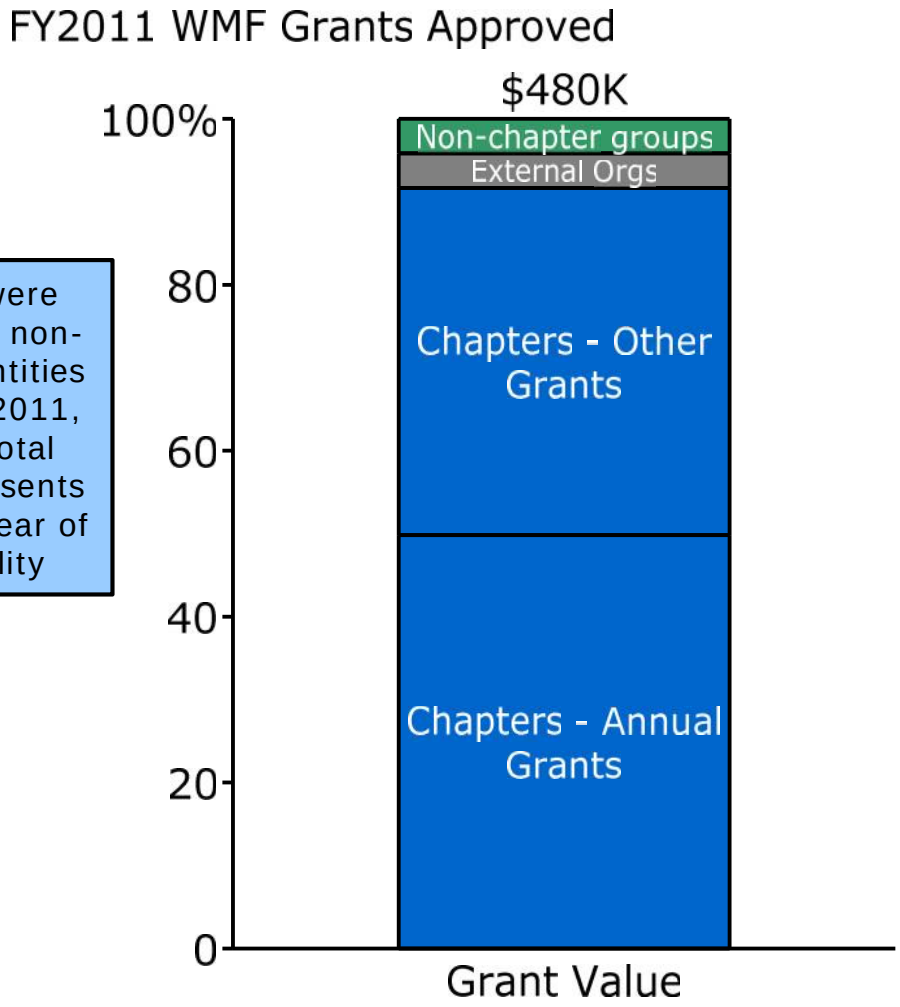
For fiscal 2010-2011, 5 of 50 grants requested were not approved

Note: Other Categories included projects that could not be classified, contests, and participation grants
Source: WMF Grants Requested 2010 - 2012

These grants were given to a host of entities within the community, with chapters making up the majority

PRELIMINARY





Source: WMF Grants Requested 2010 - 2012

As a starting point for the design, let's discuss the key roles important for the funds dissemination process

DRAFT FOR DISCUSSION

Board of Trustees

- Designates scope of funds that the FDC can allocate
- Approves (or vetoes) the FDC's recommendations on fund dissemination (to fulfill their fiduciary duty)

Should the board approve slate or line-item decisions?

Funds Dissemination Committee

- Makes recommendations about funds dissemination to the Board of Trustees

What type of grants (e.g., size, grantee, type of activity) should be within the purview of the FDC?

Dedicated FDC support staff at Foundation

- Coordinates the grant application process
- Conducts due-diligence on grant applications
- Supports the FDC in decision-making
- Evaluates grant outcomes and reports to the FDC

What level of support should FDC staff provide to grant applicants?

- Do you agree with the high-level roles and responsibilities outlined here?
- What are your initial responses to the questions posed?

Note: See http://meta.wikimedia.org/wiki/Funds_Dissemination_Committee/Draft_Charter for the broader list of design questions we will address

The FDC has a critical role to play in ensuring movement funds are “well spent”

Two dimensions of “well spent” are important:

Strategic quality

Extent to which funded activities achieve important results for the Wikimedia movement

Quality of execution

Extent to which funded activities are carried out effectively

- What should be the role of the FDC in ensuring funds are “well spent” along the dimensions outlined?
- In the near term, what criteria might the FDC use to determine whether funds are likely to be well spent?
  - -How might this evolve over time as processes mature and expectations are set?

Over the next few weeks we will continue to gather input and begin to draft a design on Meta

Activity	Who
1. Conduct benchmarks – More detail on the following page	Bridgespan
2. Complete interviews – Remaining Board interviews – Community members (as demand exists- open invitation has been submitted)	Bridgespan
3. Continue to analyze financials – Gather remaining data, where gaps exist – Analyze key categories/trends in grant requests	Bridgespan
4. Begin to draft the FDC design – Bridgespan will draft initial FDC design recommendations and post on Meta for input/iteration	Bridgespan
5. Gather input and feedback from the community – All work will be posted on Meta to gather input	Advisory Board and Bridgespan

- Our next Advisory Group meeting is June 9th, where we will discuss a near-final recommendation (Board materials are due June 15th)
- Over the next month, the Advisory Group members should stay up-to-date on Meta, reading takeaways from interviews and benchmarks and following input from the community

We are planning to explore 4-6 organizations to understand their approach to funds dissemination

Key questions to explore

- What is the funds dissemination process at this organization?
- How are funding requests evaluated? How are tradeoffs made?
- How are funding decisions tied to strategy?
- What due diligence is conducted?
- How are grants monitored/evaluated?

Organizations we are exploring

- Network organizations with distributed funds dissemination:
  - The American Red Cross
  - World Vision?
  - Mozilla?
  - Greenpeace?
- Grant-making organizations:
  - International Development Exchange
  - Central American Women's Fund
  - Packard Foundation
  - Global Fund for Women?

A note on the goals (and limitations) of benchmarks

- Effective benchmarks will:
  - -Provide a starting point for identifying options
  - -Highlight some of the strengths and weaknesses of different options
- Effective benchmarks will NOT:
  - -Be perfectly accurate points of comparison
  - -Prescribe answers
  - -Be easy to find

We have conducted a number of leadership interviews and will engage in open dialogue throughout this process

Board member interviews

Completed:

- Kat Walsh
- Stu West
- Bishakha Datta
- Phoebe Ayers
- SJ Klein
- Matt Halprin
- Ting Chen
- Jan-Bart de Vreede

Not yet completed:

- Arne Klempert
- Jimmy Wales

Other community interviews

- Interviews with chapter reps and leadership at the Wikimedia Conference in Berlin*
  - -Tomer Ashur, WM Israel
  - -Yu Jeromy Chan, Chapters Committee, Hong Kong
  - -Jon Davies, WM UK
  - -Craig Franklin, WM Austrailia
  - -Tomasz Ganicz, WM Poland
  - -Christophe Henner, WM France
  - -Àlex Hinojo and Joan Gomà, Amical Viquipèdia
  - -Holger Motzkau and Jakob Hammarbäck, WM Sweden
  - -David Richfield, WM South Africa
  - -Pavel Richter and Delphine Ménard, WM Germany
  - -Simon Van Studinski, WM Denmark

Engagement through wiki

- Posted open invitations for interviews to village pumps of 10 most active Wikipedias:
  - -English
  - -German
  - -French
  - -Spanish
  - -Italian
  - -Polish
  - -Russian
  - -Japanese
  - -Chinese
  - -Portuguese

Note: We have had only one response from these outreach efforts

- Open invitation for feedback on FDC page on Meta
- Outreach through several Wikimedia mailing lists
- Outreach to active individuals in the Wikimedia community

* Not comprehensive; we did not collect the names of everyone with whom we spoke