

Final Narrative and Financial Reporting Form for all Wallace Global Fund Grants

Reporting Form Instructions

WGF suggests this form be completed by relevant project personnel. The Fund hopes this format reduces the amount of time and paperwork grantees spend on grant reporting; we welcome your feedback.

As described in the legal and binding Project Agreement signed by each grantee, the Wallace Global Fund requires the submission of project reports. Furthermore, the Fund's Board of Directors has requested reporting on specific elements of all grant projects. In order to aid in the efficient development of project reports, the Fund has prepared a brief set of questions which should facilitate prompt review and approval by Wallace Global Fund staff.

All reports should be clear and candid. Punctual receipt of reports is expected. Please contact the Fund prior to the due date should you anticipate a delay in the delivery of reports, as brief, no-cost extensions can be authorized on an as-needed basis.

Organization Information

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Narrative Report

Project Title

General Support for the Media Consortium

Original Program/Project Description

Program/Project Description

In 2014, the Media Consortium undertook a strategic planning process to determine how we can best achieve our vision of building a progressive infrastructure for the independent news media in our next decade. Creating that infrastructure is our goal as we enter 2015.

As part of the planning process, we sent out surveys, held focus groups, and spent a day at our annual meeting in structured conversation. Two points became clear:

1. Our members rely on us. When asked during our planning meeting what members would do if we ceased to exist, one member exclaimed: Build a new Media Consortium!

2. While our members appreciate our mission to build their impact, they also rely on us for technical and business support. When we asked our member organizations what we could do for them, one replied: "Sometimes, we need more technical training, sometimes we need a better means for fostering collaboration and creating new partnerships. Sometimes, we just need funding for important projects. This year in particular, we've found a great need to protect the rights of the press in particular. I'm so grateful for the purpose that TMC serves!"

As a result, the objectives we set for ourselves were:

1. Build sustainability for the Media Consortium, so we can continue to serve members. Specifically, we seek to locate non-foundation revenue streams.
2. Add technical training and offer more business services, especially around revenue generation.
3. Find new ways to deepen our mission to grow the impact of the independent news sector. Specifically, as a result of a larger study of the media ecosystem (summarized in the attached narrative) we seek to add more local news outlets in order to build up local/national reporting collaborations and partnerships.

As we enter 2015, we are increasingly clear that the best strategy to fulfill all of these objectives is to merge with a sister organization, the Association for Alternative Newsmedia (AAN), which represents 180 local alternative newsweeklies. AAN's main arm is a 501c6 trade association, with an annual budget of \$630,000. AAN also has a dormant 501c3.

1. **SUSTAINABILITY.** AAN's 501c6 is funded by membership, sponsorship and business service revenue. By joining our 70 outlets to their 180 outlets, the two organizations will jointly be able to attract more exhibitor and sponsorship revenue at conferences. Meanwhile, the newly reorganized TMC-AAN 501c3 will create more opportunities for impact, which will bring more foundation funding to the 501c3.

2. **TECH and BIZ SUPPORT.** The Media Consortium will be able to expand our marketing-focused business services to AAN members. AAN will extend its C-Xense mobile ad network to TMC members. In addition, TMC members will gain the use of AAN's legal counsel. The two organizations will be able to offer members three meetings a year: a leadership retreat, a 2-3 day workshop series, and a conference.

3. IMPACT. The Media Consortium's mission has always been around impact. That mission will find a home in the new 501c3. The joint organization will be able to develop impact in three new ways:

a) Localize National Content and Nationalize Local Content. Having a local/national network will allow us to create robustly reported and deeply investigated stories that will reflect what is happening locally and that can change policy nationally. Best of all, these stories, because they will be reported by a number of local reporters, will contain the diversity of viewpoints that are too often missing in today's bifurcated, partisan news outlets.

Voting rights is the kind of story that would benefit from this local/national reporting. As PRWatch's Alec Exposed project shows, reporters can build impact and change policy by compiling numerous local instances to tell a national story. We hope to undertake a collaboration of this kind in 2015 around voting rights and we've already found a model that works: a national outlet provides an in-depth overview; local alt-weeklies run that report as a cover story plus send local reporters out to create a local sidebar; the national reporter then pulls these sidebars together into a new national story.

b) Cross-Pollinate Audiences. Today's news economy deliberately segments and silos audiences. Too often, that means important stories are missed. For example, last summer, the Media Consortium partnered reporters from Earth Island Journal, Making Contact and Grist with reporters from Truthout and PR Watch in order to tell the story of how BigAg companies were spending dark money to elect politicians and judges who would ignore the damage pesticides were causing to the people and land of Kauai.

In 2015, we plan to create more collaborations around money in politics that will cross silos, helping audiences understand how this kind of dark money can affect different aspects of everyday life.

c) Pool Reporters to enable Investigative Reporting. With razor-thin budgets, most news outlets can't afford the cost of a six month investigation, let alone one that crosses state and national boundaries. An independent news network, however, can solve the cost of investigative reporting and travel-based reporting by pooling reporters. Pool reporters have long been used in war zones and other areas where sending reporters is limited by external factors.

This fall, for example, the Media Consortium has arranged for pool reporters to cover two different media policy issues. In College Station, Texas, freelancer Teddy Wilson will report on Commissioner Pai's net neutrality town hall. In New York, Truthout reporter Mike Ludwig will report on Quartz's Next Billion event, which will certainly feature Facebook's zero-rating scheme. In each case, we are leveraging foundation funding or pooling outlets' money to send a reporter to a place other reporters from our outlets cannot be, with the invitation to other outlets to share the reporting on their sites.

Along with these objectives and strategies, the Media Consortium (and the new organization it becomes) will continue to offer a detailed palette of programs, including our ongoing impact experiment and an exciting video journalism project. With your support, we look forward to a very exciting second decade.

Using the original proposal's evaluation framework as a guide, what did the project accomplish, measured against the original objectives?

The primary goal of our proposal as outlined in 2014 was to build economic sustainability for our organization and for the independent news sector; our strategy was to work on a merger with the Association for Alternative Newsmedia. We followed through on that strategy but found we didn't have a ready partner.

In February 2015, after two years of talks with the AAN staff, we held a joint conference with their association to test whether our memberships could be joined. That conference proved successful in that our members enjoyed interacting with each other. For reasons noted below, however, we decided after that conference to pursue a strategic partnership with AAN rather than a merger.

In fall of 2015, we achieved the first successful strategic partnership with AAN by partnering to win a deep discount on Chartbeat software for our members. This initiative helped fulfill another objective we had for 2015, which was to increase our tech and business support.

A second aspect of this strategic partnership has involved the presence of TMC's director on the AAN foundation board. There, Kaiser is working to bring in funding to enhance local/national partnerships in order to build impact, another discreet objective that guided our proposal.

Did the project encounter any unanticipated problems, or even anticipated resistance? If so, please describe the problems and the adjustments required in the original strategy.

Our 2015 strategy was guided by the assumption that merging with AAN would first and foremost provide a means to economic sustainability by lowering joint costs and bringing in more sponsor and foundation revenue. However, that is not what happened when we tested this strategy with our first joint conference. Increasing the AAN conference size by 33% did bring in more exhibitors than AAN had been able to pull previously. However, instead of experiencing cost savings, the Media Consortium lost a significant amount of money. What concerned us particularly was that AAN, as the larger partner, had insisted on handling contracts/expenses for the conference, but went far over budget. We also were never able to get a final financial report and accounting of those expenses.

We also found, to our great surprise, that the AAN board had not been informed by their staff and executive leadership about merger plans. This shocked us because we had begun these talks in 2013 at the staff level. In February 2014 AAN Executive Director Shackelford spoke at our business meeting when TMC decided to move towards a merger. In July 2014, a group of TMC "ambassadors" attended the AAN annual conference and spoke to their executive committee members. In October 2014 TMC Director Kaiser attended the AAN leadership retreat and spoke to the AAN executive board. So the fact that the full AAN board and membership had not heard about a potential merger by February 2015 indicated to us that there might be a deep leadership problem at AAN.

After an apparently tumultuous board meeting on the last day of their conference, the AAN board

proposed a joint AAN-TMC board retreat, minus executive directors, in June of 2015 to talk about a potential merger. The result of that meeting was that both groups felt a need to dial back on merger talks, and instead explore strategic partnerships. We believe a strategic partnership will yield the same technical and business benefits as a merger, and that we can continue to work with the AAN Foundation board on impact projects. (Our official joint TMC-AAN statement on this partnership is uploaded to this report).

Impact--the belief that our national and regional outlets should partner with local and community outlets--first drew us to AAN. Experiencing a roadblock there, we pivoted to look for partners in community media. Our staff spent the summer of 2015 attending a wide range of conferences and symposia focused on engaging communities, particularly communities of color. Our conclusion from that research was that Media Consortium outlets first needed to adopt a race equity lens for their work before we could offer ourselves as full partners with community media. We have thus initiated a strategy around racial equity for 2016.

In the short term, our new focus on racial equity may well bring us additional foundation funds. That is not, however, why we undertook the work. We continue to believe that independent news must make connections between local and national news media in order to serve the public (see Kaiser's in-depth report on the benefits of a more unified independent news media sector). From an impact standpoint, starting with community media rather than local alts will actually increase our impact. In a sense, then, we see the problems we faced with AAN as fortunate as they forced us to leave behind the easier work of "progressive" connections and do the harder work of racial equity.

Would you consider this grant a success or not? Provide a brief explanation of this assessment. (i.e., Did it achieve the goals/objectives laid out in the proposal?)

This grant did not enable us to achieve the goals and objectives laid out in our initial proposal. Instead, it enabled us to go far beyond our initial objectives around economic sustainability and progressive media connections to a much more worthy and more impactful goal of racial equity and inclusion.

If the Wallace Global grant had been restricted to a specific project, we would have had to give back the money--by the time of our joint AAN/TMC conference in February 2016 we learned that our objective of merging with AAN was probably going to fail. However, the fact that this grant provided general support gave us the freedom to pivot and to "fail forward."

We used the money from this grant to cover our travel and staff expenses as we researched how our outlets could better engage with community media. The results are just becoming apparent. Our TMC2016 conference, which focused on race equity, was a huge success. Working with our member outlets, we have developed a racial equity project which will start with engaging communities around immigration. Our members and our stakeholders are energized, and we are already helping our members make more impact. We believe we are on the right path, and thank Wallace Global for its continued generous support.

Financial Report

The following is a list of the pending and secured funding sources listed on your application. In the spaces provided below this list, please enter up to five additional sources of funding obtained since your application was submitted.

Funding Pending 1 Name

Voqal Fund (supplemental Grant)

Funding Pending 1 Amount

25000

Funding Pending 2 Name

Media Democracy Fund (2015 grant)

Funding Pending 2 Amount

25000

Funding Pending 3 Name

CHSF Mental Health Project Grant w/ AAN

Funding Pending 3 Amount

10000

Funding Pending 4 Name**Funding Pending 4 Amount**

0

Funding Secured 1 Name

Voqal Fund (multi-year grant)

Funding Secured 1 Amount

30000

Funding Secured 2 Name

Member Fees

Funding Secured 2 Amount

27500

Funding Secured 3 Name

Service Fees

Funding Secured 3 Amount

9160

Funding Secured 4 Name**Funding Secured 4 Amount**

0

Actual Funder 1 Name

Wallace Global Fund

Actual_Funder 1 Amount

60,000

Actual Funder 2 Name

Quixote Foundation

Actual Funder 2 Amount

10,000

Actual Funder 3 Name

Media Democracy Fund

Actual Funder 3 Amount

25,000

Actual Funder 4 Name

Member Fees

Actual Funder 4 Amount

22,125

Actual Funder 5 Name

Voqal (multi-year grant)

Actual Funder 5 Amount

69,480

Explanation of substantial line item variations (over 20%), all of which must have received prior WGF approval

We had anticipated that we would be able to run a media policy workshop; we had been asked for a proposal from EEJF but they turned us down;

We did OK this change with our program officer at Media Democracy Fund.

Our conference costs for our joint meeting with AAN were \$17,000 higher than expected;

We had anticipated earning \$9,000 in registration and paying out \$10,000 in costs, with a net loss of \$1,000.

Instead, we had to re-negotiate and give AAN all our reg fees in addition to \$18K in cash, with a net loss of \$18,000.

Working together was supposed to lower costs for both of us; instead, costs were raised.

As a note, TMC came out positive for our 2016 conference; the 2015 conference was a real aberration for us.

Attachments

Title	File Name
1. Organizational Budget	Jan-Dec TMC 2015 financial report.xlsx
2. Program/Project Budget	Final Budget 2015.xlsx
3. Supporting Documentation 1 (optional)	AAN-TMC Report 11-15-15.docx
4. Supporting Documentation 2 (optional)	Building one independent news sector-Kaiser.docx

Files attached to this form may be deleted 120 days after submission.