

Journalism Grantmaking

New Funding, Models and Partnerships to Sustain and Grow the Field

By Sarah Armour-Jones, Consultant to Media Impact Funders

September 2019



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EXECUTIVE SUMMARY







s business models that previously supported newspapers and local news coverage have collapsed, philanthropy is playing an increasingly significant role in supporting journalism—especially local and investigative work, as well as identifying new business models that will work in a competitive digital media landscape. According to the Institute for Nonprofit News' INN Index 2018, nonprofit newsrooms receive nearly 60 percent of their budgets from foundations, and an additional 30 percent from individual donations.

Journalism-focused philanthropy has nearly quadrupled since 2009, when just under 300 funders made \$69 million in grants to just over 300 recipient organizations in the United States, according to data from our media grants map, developed in partnership with Candid (formerly Foundation Center and GuideStar). By 2017, over 1,200 funders made over \$255 million in journalism grants to 925 organizations.

Philanthropy-supported journalism is not new, but the scale of funding for journalism projects, sustainability, experiments and collaborations is new, and growing. As the world grapples with increasing quantities of information sources, coupled with misinformation and waning trust in media, funders are stepping up to help news organizations rebuild trust with audiences, report on local communities, and advance important new journalistic collaborations on issues critical to the public interest.

This sense of urgency among the philanthropic sector is a positive sign amidst very challenging trends across newsrooms, particularly in small, rural communities and for local news overall.

A new Pew Research Center report examines demographic differences in local news consumption, coverage and trust and shows that:

- Few adults pay for local news—only 14% overall and only 9% among those ages 30-49 report paying for local news.
- Only 50% of respondents said local news media mostly cover the area where they live.
- 57% of respondents with a high school education or less believe that local journalists are "in touch with their community," whereas 72% of those with a college degree do.

Funders have a long history of supporting social issue media; since 2013, Media Impact Funders (MIF) has been tracking grantmaking in the growing fields of media and philanthropy with our media grants data map, developed in partnership with Candid. In 2016, we released a report on trends in media grantmaking, which revealed the field is growing rapidly and is far larger than previously expected.

Following that research, with support from the Bill & Melinda Gates Foundation, we examined the international funding picture in our 2019 report, *Global Media Philanthropy: What Funders Need to Know About Data, Trends and Pressing Issues Facing the Field.* Having focused on broad national and international trends and data, MIF is creating a series of smaller reports to identify trends, questions and examples of innovation around key issues of interest to our members and supporters.

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KEY HIGHLIGHTS:

- Since 2009, 17,750 grants were made to 2,369
 U.S.-based organizations for journalism-related projects (excluding journalism education).
- Since 2009, 3,106 funders gave \$1.7 billion in journalism-related grants. Of that, \$306 million was directed toward the Newseum.
- Excluding grants to the Newseum, the top 9 journalism funders to U.S.-based organizations have given \$550 million, via 1,776 grants since 2009.
- Of the \$1.7 billion:
 - » \$326 million was for investigative journalism projects
 - » \$88 million was for constituency journalism projects
 - » \$42 million for citizen journalism projects
 - » \$185 million for advocacy journalism projects
 - » \$1.6 billion for projects in the journalism, news and information, general category

In spring 2019, we published *Radio & Audio Grantmaking: Reaching New Audiences Through Old Platforms* on audio and radio funding, and examined how both formats are being used to reach new audiences, spark civic engagement and dialogue across diverse communities, examine science, advance disability education, and much more.

With continuing concern about the state of the news ecosystem among MIF members, this report focuses on journalism philanthropy in the U.S., with a special emphasis on community foundation support for local journalism. Presenting and identifying funding models and best practices for supporting local journalism was identified as one of four key learning priorities during MIF's year-long strategic planning process. In addition, engaging with community foundations that support a range of media projects was identified as a key area of concern.

Data at a Glance

Journalism-focused philanthropy has nearly quadrupled since 2009, when just under 300 funders made \$69 million in grants to just over 300 recipient organizations in the United States. By 2017, over 1,200 funders made over \$255 million in journalism grants to 925 organizations.¹

Despite significant shocks to the news media ecosystem, there are promising signs of hope, and philanthropy is playing a critically important role in advancing new business models, reporting collaborations and innovative partnerships.

For example, the William Penn Foundation, along with the Lenfest Institute and the National Geographic Society, have just announced the creation of two environmental journalism collaborative reporting networks to focus on solutions-oriented journalism about the Delaware and Ohio River Watersheds, long plagued by the effects of industrial pollution. The reporting networks aim to establish a new model for national-local newsroom partnerships, with the goal of creating long-term collaborative

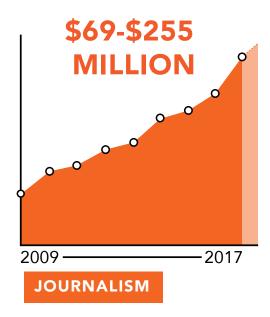
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- Since 2009, 114 community foundations gave \$68.5 million of the \$1.7 billion (excluding Newseum grants), or 5 percent.
- The top 10 community foundations that give journalism grants made \$44.2 million in grants, 64 percent of total grants.

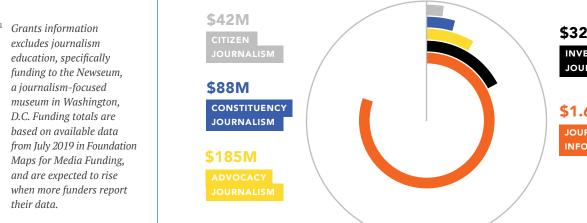
JOURNALISM GRANTS TO US-BASED ORGANIZATIONS, 2009-2017

(excluding Journalism Education)



GRANTS STARTING IN YEAR(S) 2009-2017

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\$326M

INVESTIGATIVE JOURNALISM

\$1.6B

JOURNALISM, NEWS AND INFORMATION, GENERAL

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environmental reporting at a time when most local news sources cannot afford such important but expensive coverage.

And the Colorado Media Project, created in response to the collapse of several Colorado papers, is the result of deep collaboration, discussions among new journalism leaders and financial investments by several philanthropies. The new journalistic effort brings together journalists, entrepreneurs, local citizens and community leaders to share space, equipment and ideas, providing a roadmap for other communities facing the loss of local papers and the need for creative solutions.

Funders are also creating new ways for independent news sources to raise funds from individuals and increase their fundraising capacity through NewsMatch, a matching-gift campaign supported through an open collaboration fund at the Miami Foundation. In 2018, 154 newsrooms raised \$7.6 million from individual donors, foundations and companies. More than 50,000 new donors supported a nonprofit newsroom for the first time.

These inspiring examples are not meant to sugar-coat the significant and ongoing struggles

facing journalism outlets big and small. Announcements of layoffs and closures continue throughout the country, and many communities lack a single source of quality news focused on local issues. However, the funder community has responded with urgency to this journalistic and civic collapse with a range of approaches—from increased funding to supporting new partnerships that strengthen journalism overall.

Media Impact Funders offers a range of resources for funders interested in learning more about journalism funding, impact assessment and data. MIF also facilitates the Journalism Funders Network, a diverse group of more than 50 philanthropic organizations working in journalism and media. Through convenings, original research reports and fieldbuilding activities, MIF aims to strengthen connections among members and offer funders opportunities to discuss their current work among peers. As part of that work, MIF also convenes a monthly journalism funders webinar and an annual meeting to increase opportunities for shared learning and networking. Go to mediaimpactfunders.org/journalism-funders/to learn more.

JOURNALISM GRANTMAKING

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Introduction

As business models that previously supported newspapers and local news coverage have collapsed, philanthropy is playing an increasingly significant role in supporting journalism—especially local and investigative work, as well as identifying new business models that will work in a competitive digital media landscape. According to the Institute for Nonprofit News' INN Index 2018, nonprofit newsrooms receive nearly 60 percent of their budgets from foundations, and an additional 30 percent from individual donations.

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This sense of urgency among the philanthropic sector is a positive sign amidst very challenging trends across newsrooms, particularly in small, rural communities and for local news overall. A new Pew Research Center report examines demographic differences in local news consumption, coverage and trust and shows that:

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In spring 2019, we published *Radio & Audio Grantmaking*: *Reaching New Audiences Through Old Platforms* on audio and radio funding, and examined how both formats are being used to reach new audiences, spark civic engagement and

² Grants information excludes journalism education, specifically funding to the Newseum, a journalism-focused museum in Washington, D.C. Funding totals are based on available data from July 2019 in Foundation Maps for Media Funding, and are expected to rise when more funders report their data.

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With continuing concern about the state of the news ecosystem among MIF members, this report focuses on journalism philanthropy in the U.S., with a special emphasis on community foundation support for local journalism. Presenting and identifying funding models and best practices for supporting local journalism was identified as one of four key learning priorities during MIF's year-long strategic

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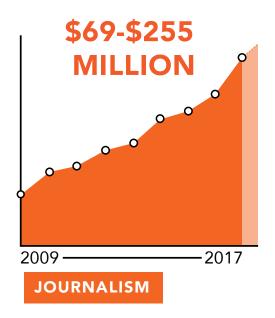
planning process. In addition, engaging with community foundations that support a range of media projects was identified as a key area of concern.

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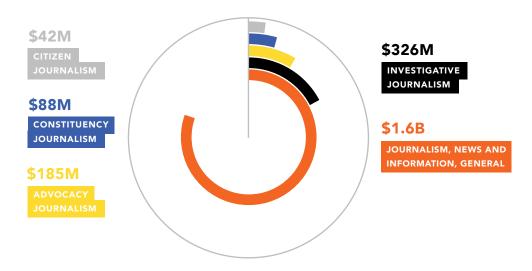
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The scope of support is broad, as are the types of funders making journalism grants. From experiments with new business models and local coverage to state-based investigative reporting and regional environmental journalism, community foundations, individuals and some of the largest national foundations are increasingly working collaboratively to stabilize and reimagine local and regional journalism.

For example, individual giving and fundraising capacity-building is being supported substantially through NewsMatch, founded in 2016 by the Knight Foundation and joined by foundations including the Democracy Fund, Ethics and Excellence in Journalism Foundation, Facebook Journalism Project, Colorado Media Project, MacArthur Foundation, the Jonathan Logan Family Foundation, the Rita Allen Foundation, the Wyncote Foundation, and the Present Progressive Fund at Schwab Charitable. Through NewsMatch, 154 newsrooms raised \$7.6 million from individual donors, foundations and

companies in 2018. More than 50,000 new donors supported a nonprofit newsroom for the first time.

Community foundations, which are publicly supported philanthropic organizations that create permanent funds to support a range of activities to benefit the public in a given community, have long supported journalism projects, local public media stations and national reporting efforts of interest to their donors. Knowing that an informed and engaged community can better hold power to account, advocate for broad community needs and create more representative government, support for local, quality journalism aligns well with the goals of community foundations. While not on scale with larger national funders and not often making headlines for their work, community foundations have played a critically important role in advancing quality news and information, and are increasingly key partners in inspiring news collaborations, bringing their local expertise and convening power to the table.

Our media grants data map features a constellation view, which visualizes data that allows funders and media makers to immediately see which organizations are coming together around a specific topic, and to see the different levels of support. This is a constellation view of community foundation funders of the Connecticut News Project.



How Community Foundations Fit Into the Journalism Funding Picture:

- » Since 2009, 114 community foundations gave \$68.5 million of the \$1.4 billion (excluding Newseum grants), or 5 percent.
- » The top 10 community foundations for journalismrelated work made \$44.2 million in grants, or 64 percent of total community foundation support for journalism.*
- » Of \$17 million in community foundation support for investigative journalism, more than \$6 million—or 35 percent—was directed toward two national investigative news outlets: ProPublica and the Center for Investigative Reporting.
- » According to the data map, 8 states—Alaska, Utah, North Dakota, South Dakota, Montana, Kentucky, West Virginia and Delaware—do not have a single community foundation that makes journalism-related grants.

*The top 10 community foundations for journalism funding: the Silicon Valley Community Foundation; San Francisco Foundation; Foundation for the Carolinas; Boston Foundation; New York Community Trust; Rochester Area Community Foundation; The Pittsburgh Foundation; Seattle Foundation; Miami Foundation and Tulsa Community Foundation



Keeping it local

Funder: Austin Community Foundation

Grantee: Texas Observer Year: 2017, over 1 year Amount: \$25,000

Purpose: For general support of the bi-monthly magazine and texasobserver.org news site, which focuses on exposing injustice in Texas and sharing impact-driven stories that are ignored or underreported

by other media.

Funder: Community Foundation for Southeast Michigan

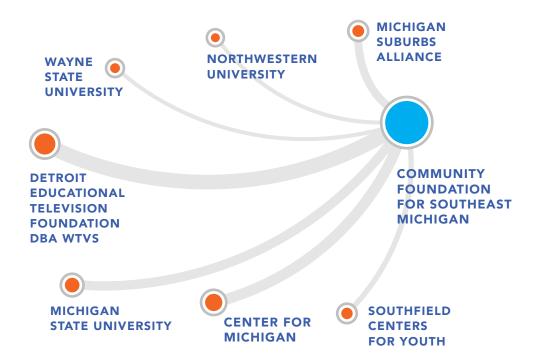
Grantee: Center for Michigan Year: 2016, over 1 year Amount: \$75,000

Purpose: For support of online journalism and

nonpartisan public engagement programs. The Center's mission is to encourage greater understanding of and involvement in policy issues among Michigan's citizens

and ensure their voices are heard.

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Collaborative news models

Funder: The Philadelphia Foundation

Grantee: Spotlight PA (via The Lenfest Institute for

Journalism)

Year: 2018, over 1 year Amount: \$50,000

Purpose: For investigative journalism support at Spotlight PA, which serves as a collaborative journalism resource for all newsrooms in the state of Pennsylvania to investigate and tell stories of statewide importance. Current partners include *The Philadelphia Inquirer, Pittsburgh Post-Gazette* and *PennLive/The Patriot-News, PA Post*, a project of *WITF*,

Funder: Central Indiana Community Foundation

Grantee: Chalkbeat Indiana Year: 2015, over 1 year Amount: \$25,000

Purpose: For general support of Chalkbeat Indiana. Chalkbeat is a single-issue nonprofit news organization focused on efforts to improve education. Emphasizing education at the local level, coverage is rooted in local communities. To date, Chalkbeat reports from and about seven locations: Chicago, Colorado, Detroit, Indiana,

Newark, N.J., New York, and Tennessee.

Investigative reporting

and LNP Media Group/The Caucus.

Funder: Tulsa Community Foundation

Grantee: Oklahoma Watch Year: 2015, over 1 year Amount: \$1 million

Purpose: For general support of Oklahoma Watch, whose mission is to produce in-depth and investigative journalism on public-policy and quality-of-life issues

facing the state.

Funder: Silicon Valley Community Foundation

Grantee: ProPublica Year: 2016, over 1 year Amount: \$500,000

Purpose: For general support of ProPublica, an independent, nonprofit newsroom that produces investigative journalism focusing on abuses of

power and betrayals of public trust.

Advocacy journalism

Funder: The Miami Foundation

Grantee: Voice of San Diego Year: 2017, over 1 year Amount: \$25,000

Purpose: For program support of Voice of San Diego, a nonprofit news organization that exposes facts and explains complex local public policy issues to inform

local citizens.

Funder: Seattle Foundation

Grantee: Grist Magazine Year: 2018, over 1 year Amount: \$50,000

Purpose: For the diverse storyteller initiative at Grist Magazine, an independent irreverent news outlet and network of innovators working toward "a planet that

doesn't burn and a future that doesn't suck."

Signs of hope through collaboration, new models

A range of promising projects have emerged from the collapse of the journalism industry and its earlier business models, offering examples for funders of all sizes to support essential journalism work.

The New England Center for Investigative Reporting, an investigative journalism nonprofit whose reporting has led to the exoneration and release of multiple wrongly convicted Massachusetts men, ushered in reforms to the state child welfare system and much more, has merged formally with WGBH News, part of Boston's flagship public media station.

A recipient of minimal foundation funding, the organization has substantial individual support and was a <u>2018 NewsMatch recipient</u>. Now with its <u>formal merger with WGBH</u> News, the organization will benefit from WGBH's robust fundraising capacity, and WGBH will expand its investigative reporting capacity, particularly at the state and regional level.

The Lenfest Institute, whose mission is "to develop and support sustainable business models for great local journalism," is making enormous contributions to local journalism through benefactor H.F. Gerry Lenfest's \$60-plus million in funding, along with partnerships with a host of other funders. In 2016 alone, \$26 million was raised for a matching gift campaign. According to *Nonprofit Quarterly*, funders include "\$2 million from the *Wyncote Foundation*; \$3 million from David Haas, a board member of the *William Penn Foundation*; and a total of \$6.5 million from a range of donors along with the *Knight Foundation*, the *Kopelman Foundation*, and *Independence Blue Cross*."

The Lenfest Institute is advancing national and local partnerships covering issues critical to local communities. For example, the William Penn Foundation, along with the Lenfest Institute and the National Geographic Society, have just announced the creation of two environmental journalism collaborative reporting networks to focus on solutions-

oriented journalism about the Delaware and Ohio River Watersheds, long plagued by the effects of industrial pollution. The reporting networks aim to establish a new model for national-local newsroom partnerships, with the goal of creating long-term collaborative environmental reporting at a time when most local news sources cannot afford such important but expensive coverage.

As the <u>Poynter Institute explains in a July 2019 article</u>, this type of collaboration in environmental reporting is gaining ground.

- » The Pulitzer Center's <u>Connected Coastlines</u> is a collaborative reporting effort on climate science in U.S. coastal states. The project is supported by the Howard Hughes Medical Institute's Department of Science Education, and will create a group of independent newsrooms and journalists to cover climate change's impact on coastal populations.
- » A collaboration between The Texas Observer and Quartz "explores the complexities of border water in a hotter, drier world" through their nine-part series, "Shallow Waters."
- » In Florida, several newspapers, including Tampa Bay Times, Miami Herald and Orlando Sentinel, and WLRN Public Media have announced collaborative efforts to report on <u>climate change</u> after several worked together successfully on a project about <u>sea-level rise</u>.
- » InsideClimate News has created a National Environment Reporting Network and is "hiring experienced reporters based in key regions of the nation to write stories, train local reporters, and collaborate with newsrooms to produce more in-depth environment reporting." The project was supported by Grantham Foundation for the Protection of the Environment, the Park Foundation and the Wallace Global Fund, along with the Hollywood Foreign Press Association's \$1 million grant announced at the Golden Globe Awards.

Perhaps more than any other recent story, the creation of the Colorado Media Project exemplifies robust and exciting new approaches to supporting journalism. Created in response to the collapse of several Colorado papers, CMP is the result of deep collaboration, discussions among new journalism leaders and financial investments by several

philanthropies. The new journalistic effort brings together journalists, entrepreneurs, local citizens and community leaders to share space, equipment, and ideas, providing a roadmap for other communities facing the loss of local papers and the need for creative solutions.

Conclusion

These inspiring examples are not meant to sugar-coat the significant and ongoing struggles facing journalism outlets big and small. Announcements of layoffs and closures continue throughout the country, and many communities lack a single source of quality news focused on local issues. However, the funder community has responded with urgency to this journalistic and civic collapse with a range of approaches—from increased funding to supporting new partnerships that strengthen journalism overall.

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