A PICTURE OF
NNIP PARTNER FINANCES

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**NATIONAL
NEIGHBORHOOD
INDICATORS
PARTNERSHIP**

NNIP

ACKNOWLEDGMENTS

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INTRODUCTION

This document reports the results of a 2014 financial survey about local data intermediaries who are members of the National Neighborhood Indicators Partnership (NNIP). The primary purpose of the survey was to offer those partners a greater understanding of the financial structures of their peer organizations, which, in turn, might provide guidance about how they could improve their own finances. A second purpose was to provide information that might prove useful to civic leaders in other cities who are considering establishing new data intermediaries.

The following section provides the findings from the survey. It shows levels and variations in staffing and total budgets, along with an analysis of revenues by type and funding source.

LOCAL DATA INTERMEDIARIES AND NNIP

Local data intermediaries are organizations whose missions include enhancing the provision of information in ways that help local decisionmakers do their jobs better. The activities of those organizations may range from working hands-on with grassroots groups to help them interpret data that will guide neighborhood improvement planning, to preparing analytic reports that will inform city council discussions.

Those intermediaries build information systems that contain data on multiple topics about conditions for small areas in their cities and regions (for neighborhoods and, in many cases, for blocks and individual land parcels). Local intermediaries that do such work form the National Neighborhood Indicators Partnership (NNIP—coordinated by the Urban Institute). At the time of the survey, NNIP had partner organizations in 35 cities.

Local NNIP partners include nonprofits, university institutes, and other civic groups that are committed not only to building and operating neighborhood indicator systems but also to advancing the state of the art in using data in the public interest. Working collaboratively with a range of other local organizations, the partners apply data in ways that can enhance the effectiveness of initiatives in many fields. Those partners believe that assembled data at the neighborhood level can inform and motivate high-payoff applications in ways that would be impossible with city-level or single-topic data alone. Although much of their work addresses city-wide and metropolitan-wide issues, the partners give priority to using data in ways that empower residents and organizations in low-income communities.[1]

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[1] A more complete description of NNIP and its work are found in Kingsley, Coulton, and Pettit (2014).

THE NNIP FINANCIAL SURVEY

In 2009, the Polis Center (NNIP's partner in Indianapolis) suggested that learning about variations in the size of the partners' budgets and the ways those organizations were financed would be valuable for the partnership. Accordingly, a financial survey of the partners was designed and implemented. This document reports the results of a similar survey that was undertaken five years later and that was modeled closely after the 2009 version.[2]

The new survey was sent to all NNIP partners in July 2014 and the survey instrument is available on the NNIP website.[3] Responses were received from 29 partner cities of the 35 cities in which such partners were active at the time.

The NNIP financial survey asked about the characteristics of those organizations and confirmed the specific NNIP functions that were performed (see the following discussion). The survey also asked about overall levels of staffing and funding for the most recent calendar or fiscal year. An equally important, but more complex, set of questions related to the sources of the revenues that the organizations received to cover those activities. The instrument asked that the partners report information about revenues received for NNIP functions in two categories:

- *General Support:* Funding for which the funder placed no (or few) restrictions on how NNIP managers could spend the money across types of activities

- *Project Support:* Funding received from grants or contracts designed to produce specific products and services (for example, research reports, custom maps and data, technical assistance, and training)

In addition, the instrument contains questions about *In-kind Support* (office space, computer services or staff time contributed to the NNIP partner at no cost). We asked the partners whether they received this kind of support or not (by type and source) but did not ask them to estimate its dollar value.

With respect to those categories, the survey also asked the partners to identify which sources (types of organizations) provided such funding in the reference year.

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[2] *Results of the 2009 survey are summarized in chapter 2 of Kingsley, Coulton, and Pettit (2014).*
[3] *See http://www.neighborhoodindicators.org/library/catalog/nnip-local-partner-finance-survey.*

FINDINGS

This section discusses the findings of the survey, including staffing and budget levels and sources of funding.

NNIP FUNCTIONS

For the results to be meaningful, it was necessary to assure that respondents reported their finances in relation to a consistently defined set of activities. We specified nine "NNIP Functions" that define the work of NNIP local data intermediaries. The first five were performed by all partner organizations:

- Assemble, clean, and process data about local conditions and trends

- Prepare data products for local clients (maps, fact sheets, data excerpts, etc.)

- Conduct analyses of local conditions, programs, and policies

- Present data and results of local analyses at public forums

- Provide technical assistance and ad hoc help on how to access and use data

The list also includes four additional NNIP functions that are performed by most partners (the share of all respondents that perform each function is shown in parentheses):[4]

- Maintain a website to disseminate static or interactive data (97 percent)

- Collaborate with other organizations to strengthen local data capacity (94 percent)

- Provide training to local groups about how to access and use data (81 percent)

- Conduct public education about issues related to strengthening local data capacity (66 percent)

Four of the partner organizations responding to the survey work only on the specified NNIP functions, so they could send us information about their total budgets. The others, however, work on other types of activities in addition to their NNIP work (e.g., providing direct community services, conducting research on national issues). For them, responding to the survey required reassembling their budget data (and making estimates as needed) so the dollar amounts they sent would relate to their efforts on the NNIP functions only.

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[4] *Some of those functions may be performed by other organizations with which the NNIP member contracts.*

TYPES OF NNIP ORGANIZATIONS

NNIP organizations are incredibly diverse. They are a mix of stand-alone nonprofits, government agencies, research centers at public and private universities, and various other public and private entities. One hypothesis was that the finances would vary by organizational type, so the survey asked respondents to identify their institutional category.

Appendix A lists the NNIP partner organizations that responded to the survey, categorized by their reported institutional category. [5] Figure 1 shows the distribution for 32 organizations. This is the total for 27 respondents reporting as one organization each plus five respondents that are part of collaboratives: Boston (2 organizations) and Charlotte (3 organizations).[6]

Figure 1: NNIP Organizations by Type

Type	Count
University/Research Center	10
Stand-alone Nonprofit	10
Other	6
Government Agency	5
Community/Local Funder	2
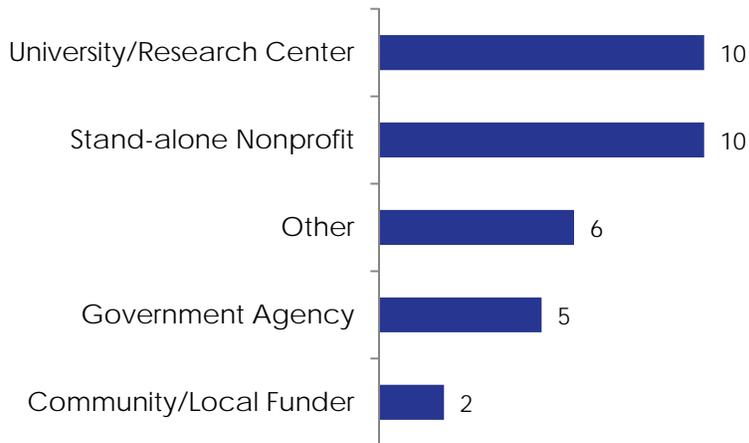
Most of the responses received from partner organizations are from stand-alone nonprofits and universities or research centers, which make up nearly one-third of all respondents. Eight of those partner organizations are tied to public universities, two to private ones. The remaining one-third are a mix of government and community agencies, organizations and foundations. Partners included in the "other" category include one program of a nonprofit and the two programs that are collaboratives.

Most partners—whether university based, nonprofit, or otherwise—have a "home organization" in which the center or unit performing the NNIP-related work is housed (Appendix A also identifies the home organizations of the respondents). Those home organizations may perform other activities, such as providing direct service programming, conducting national research and evaluation, or serving as the regional planning agency. For example, the Information Group

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[5] For a full analysis of NNIP partner organization types, see
http://www.neighborhoodindicators.org/library/catalog/nnip-partner-institutional-inventory.
[6] One respondent, Neighborhood Nexus, is a collaborative, but it is classified as "Other" here because it reported only on its combined finances rather than on those for the constituent organizations.

at the Providence Plan performs the specified NNIP functions (e.g., collects data, conducts analysis, and provides technical assistance related to neighborhood-level data and integrated data systems), whereas the Providence Plan as a whole also provides young adult education, early childhood learning, and workforce development programs.

For more than two-thirds of respondents, the NNIP-related funding accounted for less than 20 percent of the home organization's budget (figure 2)[7]. However, a lot of funding variation occurred among the nonprofit partners. Of the nonprofit respondents, four stand-alone organizations are the ones noted earlier as being fully dedicated to NNIP work and, as such, they do not have a home organization. The other six account for as little as 1 percent of the home organization's budget and as high as 77 percent.

Some of the other types of organizations are a bit more clustered. The funding for NNIP functions nested within government agencies made up 10 percent or less of their home organization's budgets. For seven partners housed in universities, NNIP functions accounted for between 10

Figure 2: Budget for NNIP Functions as Share of Home Organization Budget

and 20 percent of their home organization's budget, whereas the three remaining university partners received between 35 and 43 percent.
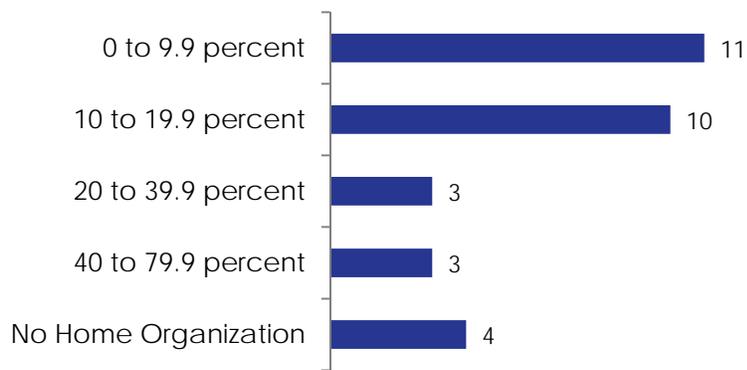
BUDGET OVERVIEW

From this point forward, our analysis deals with the 29 city-level *NNIP partners* that are represented in the survey. Despite the relationships to their home organizations, NNIP-related budgets among the partners can be wide-ranging. As shown in figure 3, 25 percent of partners have a total annual NNIP budget of less than $200,000, whereas the top 25 percent have more than $604,000. The median budget was $325,000.

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[7] *This analysis excludes Neighborhood Nexus for the reasons described in the previous footnote.*

Figure 3: Total Budget for NNIP Functions
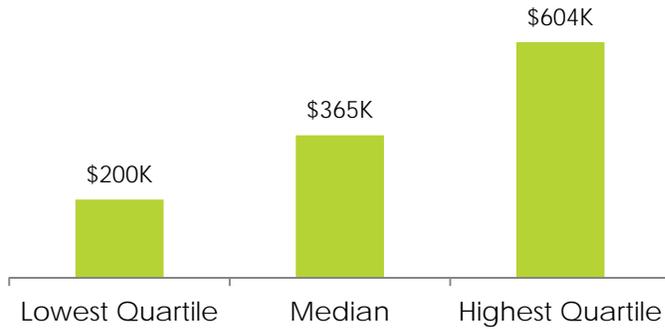
The range of budget amounts does not consistently differ by organizational category; i.e., both large and small budgets were to be found in all major organizational categories. Similarly, we found no consistent relationship between the size of NNIP partner budgets and the size of their cities.

Although many of the partners have a mix of full-time and part-time staff members dedicated to NNIP work, staff full-time equivalents (FTEs) fall into tighter distribution. Most partners (the middle 50 percent) have between two and five staff FTEs (figure 4). Not surprisingly, partners in the top 25 percent of NNIP-related budgets are all contained within the top 25 percent of staff FTEs but, again, there were no clear patterns in relationships between staff size and organizational type or city size.

Figure 4: Staff Full-Time Equivalents Working on NNIP Functions
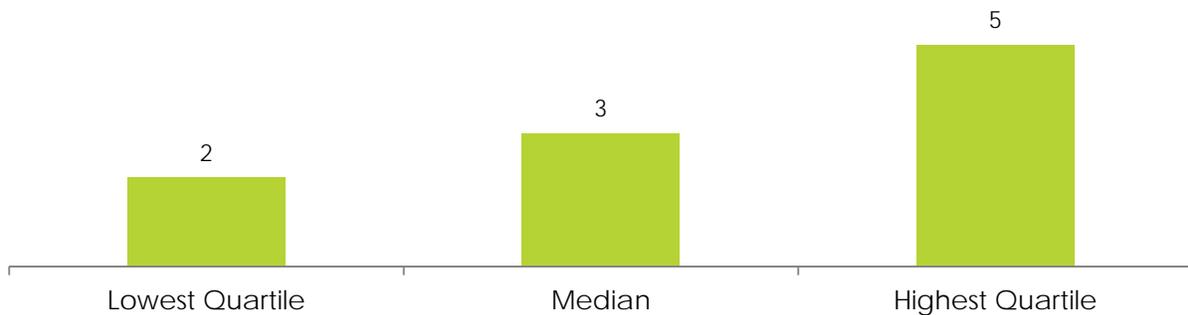
SOURCES OF SUPPORT

As pointed out in the introduction, we divide funding for NNIP activities into two categories: general support and project support.[8]

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[8] *As stated in text, responses for the multiple organizations from Atlanta, Boston, and Charlotte are combined into one response per city. Specifically, if any one of the organizations received a given type of support, the combined partner city observation was credited with that source. The shares by support type were averaged across organizations.*

General support funding

An overwhelming majority (93 percent) of NNIP partners received some general support funding, with the median partner receiving 33 percent of its funds as general support (figure 5). Those partners that received the highest levels of general support represented a mix of types: three public university-affiliated partners, two government agencies, two local funders, and one collaborative.

Figure 5: General Support as Share of Total Funding
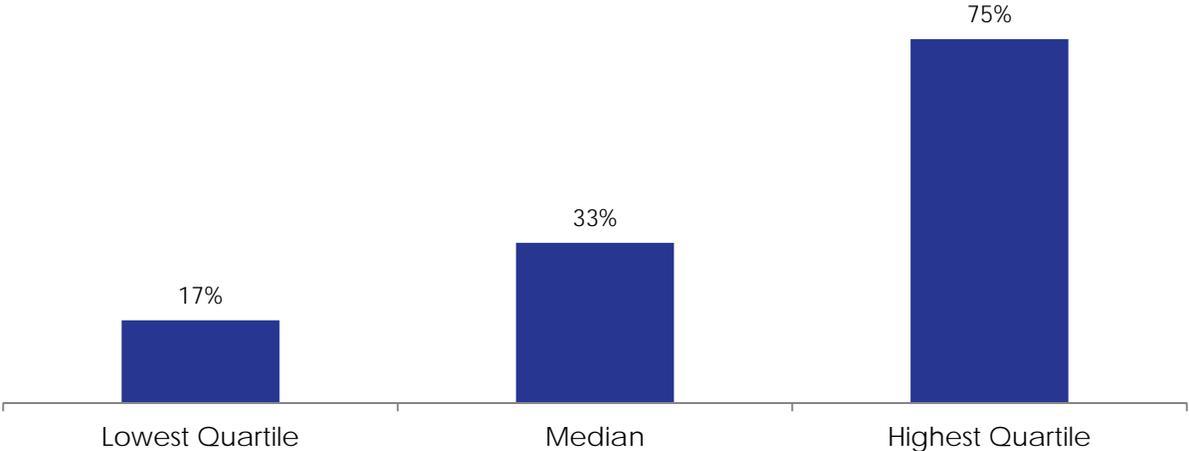
Figure 6 shows that NNIP general support funding is not highly diversified: 41 percent received their general support from only one source and only 14 percent had 4 or more sources of general support.

Figure 6: Distribution of Partners by Number of General Support Funders
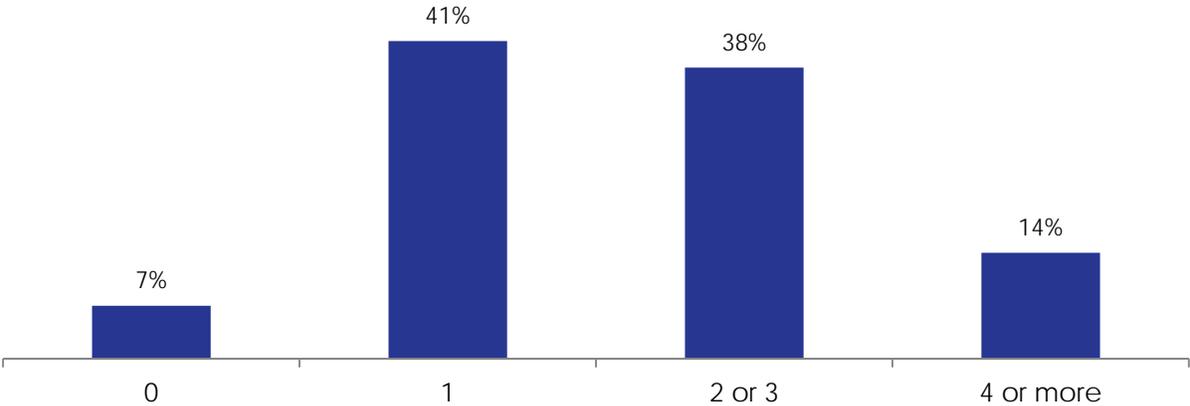
Local foundations and local and state governments are the most common providers of general support. Almost one-half of partners receive some general support funding from local foundations and from local and state governments (figure 7).

Figure 7: Percentage of Partners Receiving General Support Funding by Source

Source	Percentage
Local Foundation	48%
Local and State Gov.	45%
University	24%
United Way	21%
Other Nonprofits	21%
Commercial Org.	14%
National Foundation	7%
Federal Government	7%
Banks	3%

Figure 8 shows the average percentage of general support funding by source. Local foundations and local and state governments again provide the greatest amount of funding (an average of 31 percent and 26 percent of all general funding, respectively).[9] Local foundations generally contribute substantially when they do participate, in many cases providing 100 percent of the general support funding. Universities also are fairly active in this arena, providing funding to 24 percent of partners—however, only an average of 8 percent of all general support funding. Similar trends are evident with other nonprofits and with local United Way chapters.

Figure 8: Average Percentage of General Support Funding by Source

Source	Percentage
Local Foundation	31%
	26%
Other Nonprofits	9%
United Way	8%
University	8%
Commercial Org.	4%
Federal...	3%
National...	2%
Banks	1%
Other	1%

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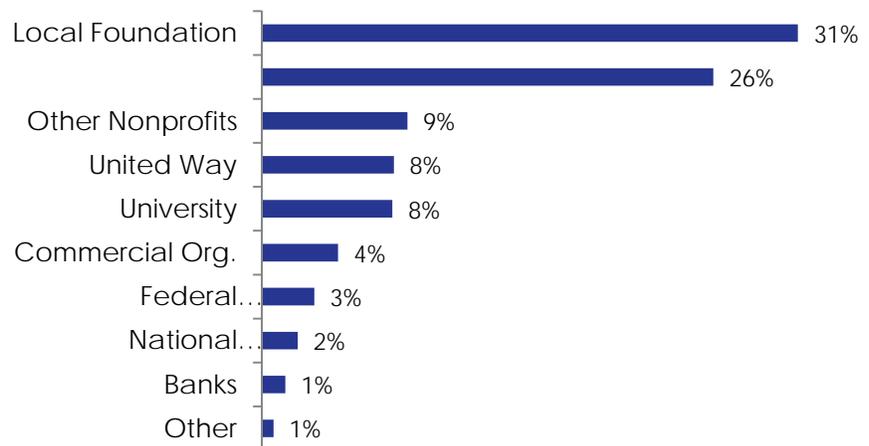
[9] *The figures include data from all partners, including those with no general support funding. As a result, the average percentages of general support funding do not add to 100 percent.*

Project-support funding

Payments for specified products and services are a significant portion of funding for nearly all partners. Among the partners, 87 percent receive funding for project-specific work, and that portion makes up a median of 67 percent of the partner funding for NNIP activities[10] (figure 9). Again, levels of project support do not vary in any consistent way with overall budget size or organization type.

Figure 9: Project Support as Share of Total Funding

Partners have a more diversified base of funding sources for project support funding than for general support. More than 40 percent of partners receive funding from four or more funders throughout the year for project-specific activities (figure 10).

Figure 10: Distribution of Partners by Number of Project Support Funders

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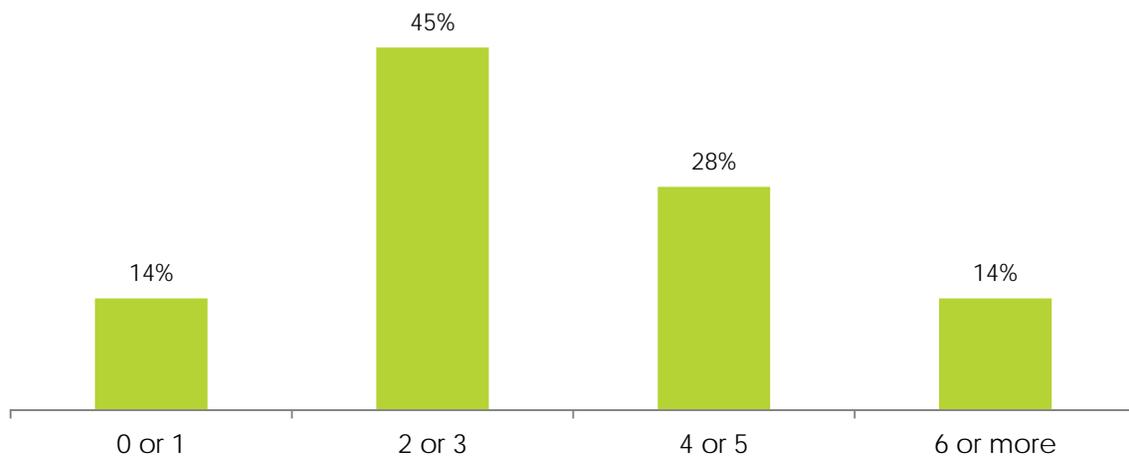
[10] *Those partners without project funding included government agencies and local funders.*

As shown in figure 11, local foundations are the most common clients for project work, followed by local and state governments.[11] National entities are far more active in project-specific work than in general support of NNIP organizations. National foundations and the federal government each fund about one-quarter of all partners. In addition, banks and other commercial entities play a smaller but significant role in contracting for NNIP partners' specific projects and services.

Figure 11: Percentage of Partners Receiving Project Support Funding by Source

Source	Percentage
Local Foundation	66%
Local and State Gov.	59%
Other Nonprofit	52%
National Foundation	28%
Federal Government	28%
University	24%
Commercial Org.	21%
Banks	21%
United Way	17%
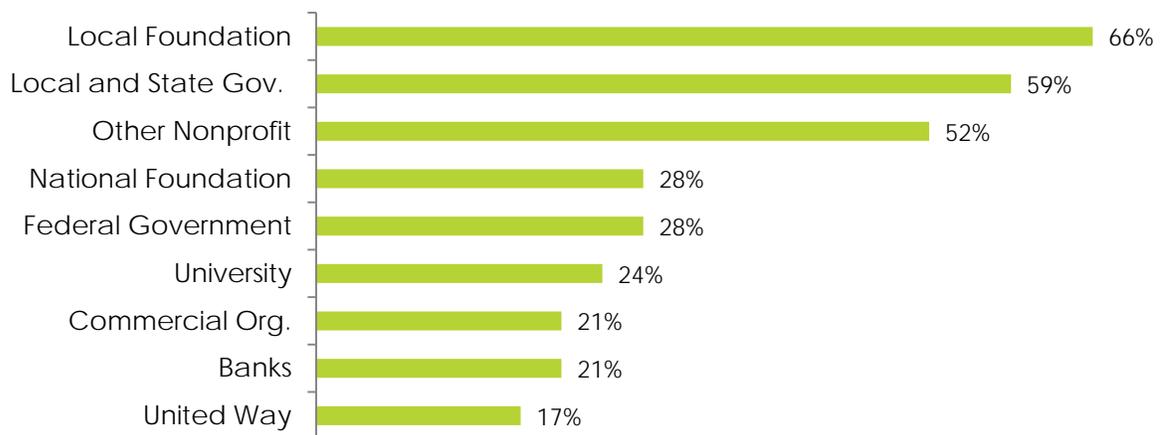
Although local foundations are the most common funder, local and state governments provide the largest share of project support, accounting for 23 percent on average, compared to 20 percent each for other nonprofits and local foundations (figure 12). Nonetheless, both types of funders often contribute significantly to a budget. Six partners receive more than 50 percent of their project-specific funding from state and local governments, some up to 85 percent. Local foundations can also be large contributors, and in five cases, they contribute more than 50 percent of the partner's project-specific funding. Alternatively, although universities and United Way chapters are very active in the funding arena, they often provide a relatively small share of resources for the annual budget (less than 2 percent each).

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[11] *The figures include data from all partners, including those that have no project-based funding. As a result, the average percentages of project support funding do not add to 100 percent.*

Figure 12: Average Percent of Project Support Funding by Source

Source	Percent
Local and State Gov.	23%
Other Nonprofit	20%
Local Foundation	20%
Federal Government	8%
National Foundation	8%
Commercial Org.	5%
Banks	3%
United Way	2%
University	1%
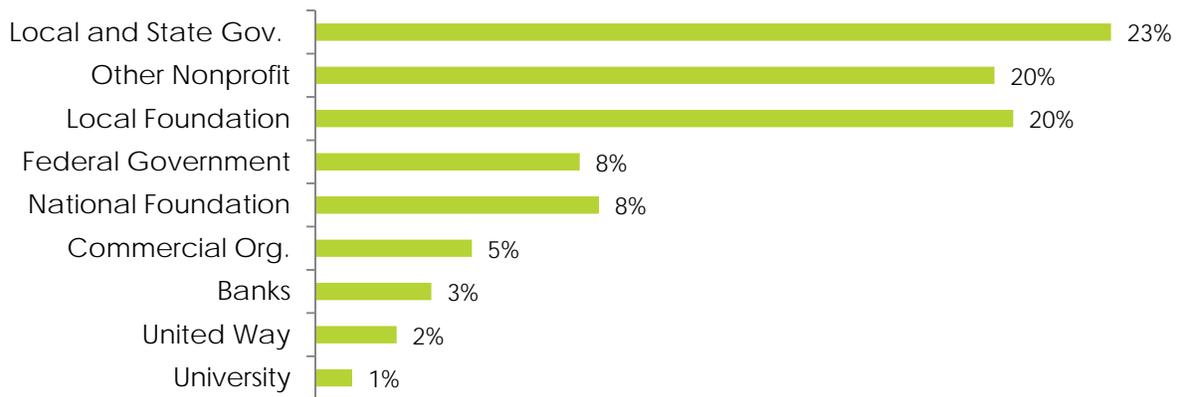
In-kind resources

Many organizations provide important in-kind support for NNIP partners, most often their home organizations or larger "parent" institutions of which they are a part.[12] Overall, 59 percent of partners have such parent organizations that provide technology services, space, staff, or some other type of in-kind support. That occurs most often for NNIP partners who are affiliated with universities. Two government agencies and three stand-alone nonprofits also benefited from in-kind donations. For more than one-third of the partners, parent organizations provide information technology or office space (figure 13).

Only a handful of other nonparent sources donate in-kind support to NNIP partners: commercial interests (for 13 percent of partners), universities (for 10 percent), local foundations (3 percent), and local and state governments (3 percent). Their forms of support are roughly equally distributed among technology, space, staff, and other kinds of assistance.

Figure13: Percentage of Partners Receiving In-Kind Donations

	From Parent Institutions	From Other Institutions
Information Technology	34	11
Space	38	11
Staff	24	11
Other	14	14

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[12] *For example, in-kind support to a program like the Baltimore Neighborhood Indicators Alliance may have come from the budget of the Jacob France Institute (their "home" organization") or the larger parent organization (University of Baltimore) of which the Institute is a part.*

CONCLUSION

This survey advances the understanding of the current financial conditions of data organizations in the NNIP network. NNIP partners have widely varying funding levels to perform the NNIP functions for their communities. The analysis shows that the type of organization does not determine the size of budget or the mix of funding sources. Most partners take on multiple projects throughout the year; 42 percent report receiving such funding from four or more sources. Flexible general support funding is more difficult to access; almost one-half of the partners have no or only one organization that provides general support.

The original NNIP partners have been providing data and analytic services for more than 20 years, which demonstrates that the work can be locally sustainable over the long term. Even in the current environment of increased data through national sources and local open data portals, NNIP partners' services are in demand. Still, they report struggling with fundraising for data development and capital costs and with funding instability year to year.

This paper does not endorse any particular structure of funding as an ideal, but diversifying the sources of support can reduce the risk of financial troubles when priorities or resources change for any one funder. Also, some general support funding is crucial to a partner's organizational health, thereby enabling that entity to innovate in new areas, to be responsive to unexpected community needs, and to serve community groups that may be unable to pay for services.

All partner organizations would benefit from increased funding to extend the breadth and depth of their work. The NNIP network is developing materials to help make that case to local funders in current and potential partner cities.[13] Ultimately, local NNIP partners and their supporters need to sharpen the message that additional resources will pay dividends in more informed and inclusive conversations about pressing community issues and, ultimately, more effective policies and programs.

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[13] *See Harkness (2014) for one example of communicating to local funders the value of investing in local information infrastructure.*

REFERENCES

Harkness, Alaina. 2014. "Strengthening Community Development: A Call for Investment in Information Infrastructure." In *What Counts: Harnessing Data for America's Communities,* edited by Naomi Cytron, Kathryn L. S. Pettit, G. Thomas Kingsley, David Erickson, and Ellen S. Seidman. San Francisco: Federal Reserve Bank of San Francisco and the Urban Institute. http://www.whatcountsforamerica.org/portfolio/strengthening-community-development-a-call-for-investment-in-information-infrastructure/.

Kingsley, G. Thomas, Claudia J. Coulton, and Kathryn L. S. Pettit. 2014. *Strengthening Communities with Neighborhood Data*. Washington, DC: Urban Institute.

APPENDIX A: NNIP FINANCIAL SURVEY RESPONDENTS

In the section on the "Types of NNIP Organizations", we report the budget for NNIP functions as a share of the budget of the partners' self-identified "home" organizations, which are marked below with an asterisk. Four stand-alone nonprofit partners view all of their work as fulfilling NNIP functions and thus do not have a "home" organization.

City	Organization

Community/Local Funders

City	Organization
Boston	The Boston Foundation*
Denver	The Piton Foundation*

Government Agencies

City	Organization
Charlotte	Mecklenburg County Manager's Office* Mecklenberg County
Charlotte	Neighborhood and Business Services* City of Charlotte
Miami	The Children's Trust*
Pinellas County	Juvenile Welfare Board
Seattle	Assessment, Policy Development and Evaluation Unit* Public Health - Seattle and King County

University Research Centers

City	Organization
Baltimore	Baltimore Neighborhood Indicators Alliance Jacob France Institute* University of Baltimore
Charlotte	Urban Institute Metropolitan Studies and Extended Academic Programs* University of North Carolina-Charlotte
Cleveland	Center on Urban Poverty and Community Development* Case Western Reserve University
Dallas	Institute for Urban Policy Research* University of Texas at Dallas
Grand Rapids	Community Research Institute Dorothy A. Johnson Center ——————————for Philanthropy* Grand Valley State University
Indianapolis	Polis Center* Indiana University-Purdue University at Indianapolis
Minneapolis-St. Paul	Center for Urban and Regional Affairs* University of Minnesota

City	Organization

University Research Centers (continued)

New York	Furman Center for Real Estate and Urban Policy* New York University	
Pittsburgh	University Center for Social and Urban Research* University of Pittsburgh	

Portland	Institute of Portland Metropolitan Studies
	    College of Urban and Public Affairs*
	    Portland State University	

Stand-Alone Nonprofits

Austin	Children's Optimal Health
Camden	CamConnect
Columbus	Community Research Partners
New Haven	DataHaven
New Orleans	Greater New Orleans Community Data Center*
Oakland	Urban Strategies Council*
Providence	The Providence Plan*
Sacramento	Community Link Capital Region*
St. Louis	Rise*

Washington, DC	NeighborhoodInfo DC
	    Metropolitan Housing and Community Policy Center*
	    The Urban Institute

Other

Atlanta	Neighborhood Nexus*
Boston	Metropolitan Area Planning Council*
Detroit	Data Driven Detroit Michigan Nonprofit Association*
Kansas City	Mid-America Regional Council*
San Antonio	Community Information Now*

NNIP is a collaboration between the Urban Institute and partner organizations in more than two dozen American cities. NNIP partners democratize data: they make it accessible and easy to understand and then help local stakeholders apply it to solve problems in their communities.

NATIONAL NEIGHBORHOOD INDICATORS PARTNERSHIP

For more information about NNIP, go to www.neighborhoodindicators.org or email nnip@urban.org.