

Open Road Alliance FAQ

Q: What is Open Road Alliance's mandate?

A: Founded in 2012 by philanthropist Laurie Michaels, Open Road Alliance provides grants and loans to fund mid-implementation nonprofit and social enterprise projects that have encountered an unexpected roadblock or sudden opportunity. Open Road makes discrete, one-time charitable and recoverable investments across all sectors and geographies with an average gift size of \$75,000. Open Road's strategy was designed to fill a market demand for fast, flexible contingency funding in the social sector.

Q: What is contingency funding?

A: A contingency fund is a reserve of money set aside to cover unforeseen future expenses. Many nonprofits and social enterprises do not have contingency funds and most traditional grantmaking programs have inflexible, restrictive, and slow procedures for releasing funds. Most foundations do not provide funds outside of their fixed grant cycles at all. These practices leave grantmakers unprepared to help nonprofits who need funds quickly to manage emergencies or to allow them to take advantage of sudden opportunities to vastly expand their impact. Contingency funding is the act of providing those fast, flexible funds.

Q: How is Open Road different from other grantmakers?

A: Open Road does not use a traditional grantmaking model in that it does not have a traditional grant cycle: the application is short, accepted on a rolling basis, and funds are disbursed within a few weeks after a proposal is accepted. Open Road only funds mid-implementation projects that have experienced an unforeseen roadblock. Open Road does not fund project ideas or projects that have not yet been started. Funds from Open Road are used for contingency funding, which is scarce or non-existent in philanthropy.

Q: Does Open Road have a grant cycle?

A: No. Open Road does not utilize a traditional grant cycle and accepts applications on a rolling basis throughout the year. The projects that Open Road invests in are experiencing unforeseen circumstances and thus cannot be planned against any set schedule or cycle. As such, the financial need may also be very time sensitive. Open Road makes a commitment to its partner organizations to make funding decisions within a week of the final interview. The total application process can be as short as 2 weeks from draft proposal to final decision.

Q: Does Open Road partner with other foundations on projects?

A: All of the projects that Open Road funds are mid-implementation projects and have therefore already been funded by other philanthropists and foundations.

For further inquiry contact info@openroadalliance.org
<http://www.openroadalliance.org>

Q: Who can qualify as a grant or loan recipient?

A: Open Road gives grants and loans to nonprofits with 501c3 status and to social enterprises. Open Road looks to invest in projects that are going to have a catalytic impact in the social sector.

Q: What are Open Road’s eligibility requirements to be considered to receive funding?

A: Open Road has four [Funding Criteria](#) for basic eligibility. A project must be:

1. Mid-implementation: mid-implementation project is one that is otherwise fully funded, staffed, designed. If not for this unexpected roadblock, there would be no outstanding need.
2. Unexpected: Open Road is interested in projects that encounter unforeseeable roadblocks, including changes in government regulations, laws, or tariffs, a crop-destroying virus, loss of funding, unusual weather conditions, or other events exogenous to program design.
3. Discrete: Open Road gifts are made to one project, one-time. This one-time gift addresses a specific solvable problem that has arisen mid-implementation. After a gift from Open Road, no additional funds should be necessary from Open Road or any other funders to see the project through completion.
4. Catalytic: to Open Road, a catalytic project expands impact significantly beyond a one to one relationship for a multiplier effect. Catalytic implies exponential or leveraged returns.

Q: Does Open Road have a grant or loan size requirement?

A: No. Open Road encourages ‘bottom-up’ budgeting. We are interested in solving problems and look to our grantees to be candid about what it will take to accomplish that goal - no more, no less. Our average grant size to date has been \$75,000. Our smallest investment to date was \$16,000.

Q: What is Open Road’s application process?

A: An organization can make a grant or loan inquiry by emailing info@openroadalliance.org. Once an inquiry has been made, Open Road will set up an initial phone call. At the end of the initial call Open Road staff will decide next steps. If the proposal is thought to be a fit for Open Road, the organization will be asked to fill out a short application. The application process is iterative, emphasizing feedback and multiple rounds of communication before final submission.

Upon final submission of the application there will be a final interview conducted over the phone. After the interview, the final decision will be made and the organization will be contacted within a week.

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Q: If an organization meets Open Road's eligibility criteria, does that guarantee funding?

A: No. In addition to the core eligibility criteria, Open Road evaluates each proposal against additional criteria central to our mission and approach, such as an organization's track record, proof of impact, investment leverage, and more. Open Road looks for catalytic projects that will give Open Road the greatest return on investment. We are interested in projects that will have an exponential or leveraged social impact.

Q: What does Open Road not fund?

A: Open Road does not fund individuals, political campaigns, or religious institutions. It only funds projects that are already ongoing and need a one-time grant because of an unforeseen event to be successfully completed. Unexpected results due to lack of interest in a project or program or other events in the normal course of business do not constitute unforeseeable roadblocks.

Q: If a company's product didn't sell as expected, is that an unforeseen roadblock?

A: No.

Q: Can an Open Road grant or loan be used to pay staff

members? A: Yes.

Q: Can an Open road grant or loan be used for several projects?

A: No, an Open Road grant is a one-time grant used to overcome a specific roadblock that is impacting an already established project. The funds are only used to assist that project and cannot be spread across several projects.

Q: Does Open Road put restrictions or limitations on the grants or loans awarded?

A: Investments are made to support the outlined project in the grantee's application. Open Road does not have overhead limits and does not distinguish between direct and indirect costs.

Q: Are there time limits on the grant or loan?

A: Most projects that Open Road funds are completed within two years of fund disbursement, but there are no specific time limitations.

Q: Does discrete funding mean an organization can only work with Open Road once?



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A: Discrete funding means that the roadblock can be overcome with a one-time investment. Open Road will work with an organization more than once but will not support the same project more than once.

Q: Does Open Road accept donations?

A: Yes, while Open Road is funded primarily by its Founder and is not dependent on outside contributions, it does accept donations.

Q: Is Open Road a nonprofit?

A: Open Road is not a nonprofit but is structured as a Donor Advised Fund through the Silicon Valley Community Foundation.

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