



HOW TO BUILD CONTINGENCY PROTOCOLS

The Commons encourages funders to map out a clear process for managing and responding to contingency fund requests. This document outlines specific steps funders should consider when building out their contingency protocols.

Set Aside Contingency Resources

Determine how much in contingency resources to set aside. See [How to Set Aside Contingency Funding](#) for a list of guiding questions to help you determine the appropriate size and scale of contingency resources.

Establish Decision-Making Protocols

In your bylaws, outline decision-making protocols that clarify the roles your program director, executive director, board, executive committee, and/or fast-acting decision-making committee should play, as well as any specific voting procedures and the timeline for making a decision. In the case of a fast-acting decision-making committee, your bylaws should outline who will serve on the committee, how it makes decisions, and the process by which one would convene a session.

Communicate Decision to Grantees

Important information to share when responding to your grantee's request will include: the amount of contingency funding approved, when the grantee should expect to receive the funding, and any additional requirements/expectations (e.g., a subsequent narrative or financial report on how the contingency funding was spent). If the request is denied, provide the reason(s) for the denial, which will help grantees avoid bringing similar requests in the future.

STEP 1

STEP 2

STEP 3

STEP 4

STEP 5

Establish Criteria

Develop a list of criteria for evaluating requests for contingency funding. Possible criteria may include: urgency of request, the level of impact at risk for the project, the likelihood that contingency funding preserves desired impact, grantee's operational and administrative performance to date, confidence in grantee's ability to manage future risks, and the level of alignment with the type(s) of risk you are willing to cover.

Communicate Process to Grantees

Be sure your grantees know who to contact if they encounter a challenge with their project. Do this by including emergency contact information (a name, phone number, and email address) in grant agreements. As you are able, in your grant agreements, clarify when grantees can anticipate a response to such a request and how long it typically takes to process contingency funds, if approved.