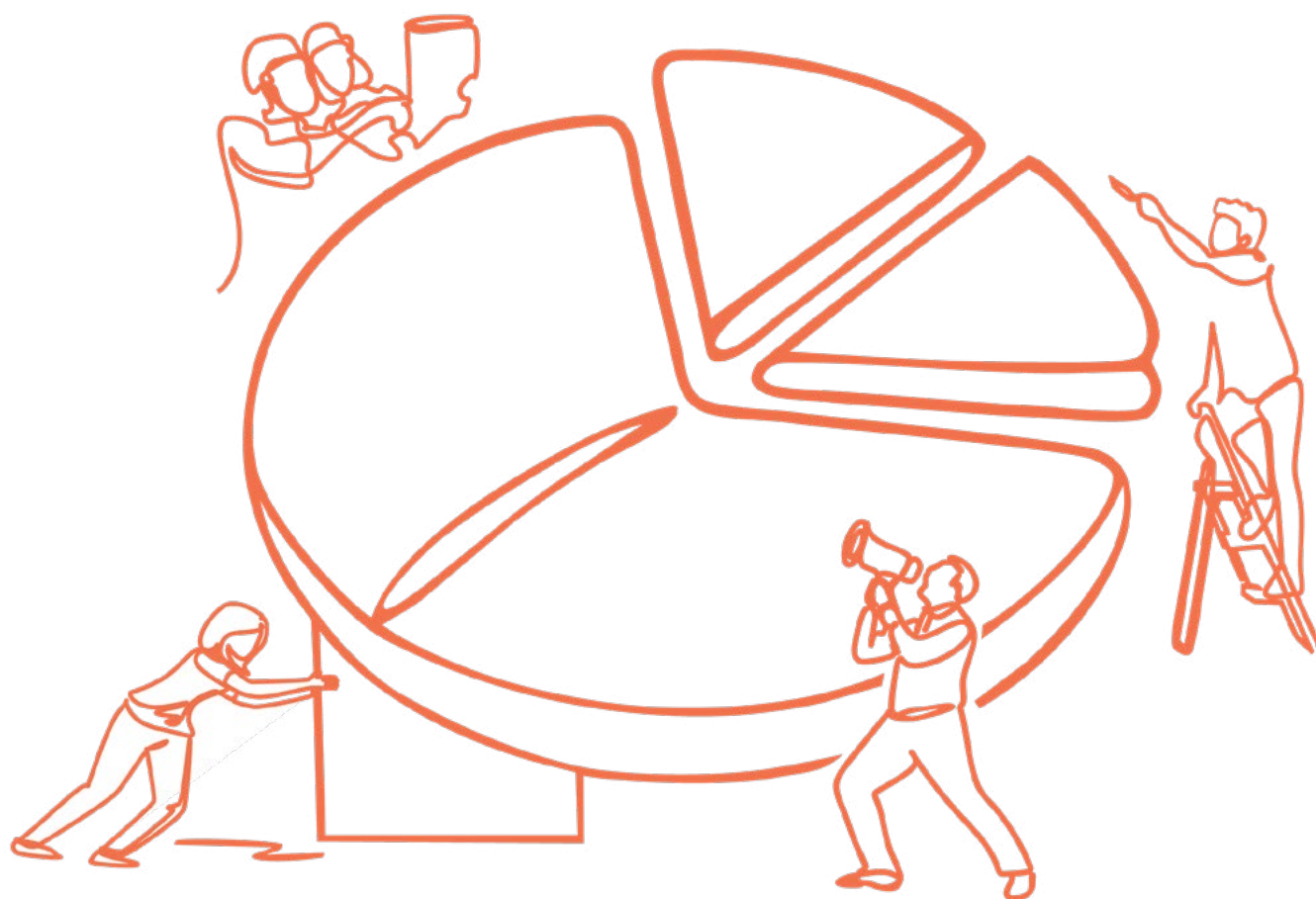


MEETING THE REVENUE CHALLENGE

PHILANTHROPY'S ROLE IN LOCAL NEWS GROWTH

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Meeting the Revenue Challenge

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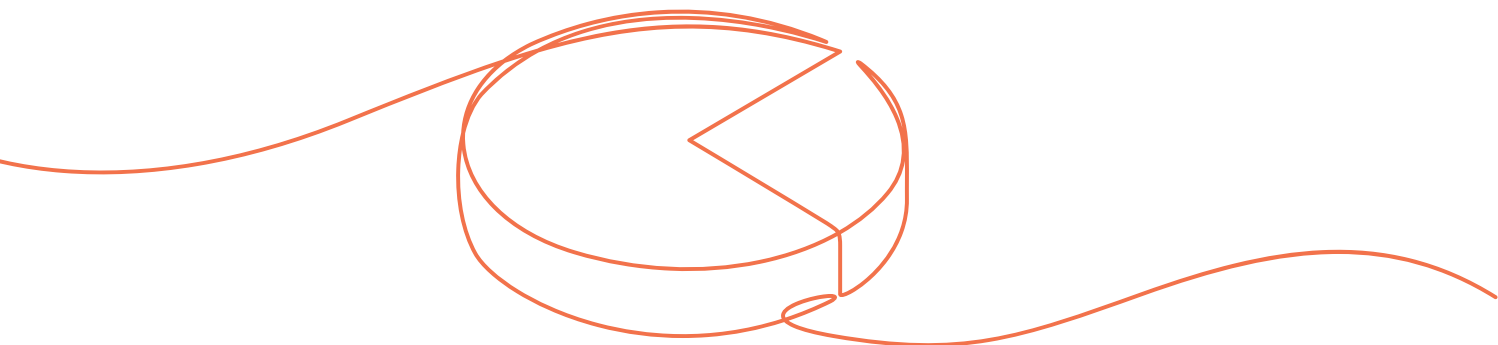
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INTRODUCTION

By now the decline of the traditional local news business in the U.S. is beyond old news — it’s a generation old. The “festering, 20-year-old problem¹” of local newspapers’ closures has led to a massive shrinking of the industry: the \$650-\$700 million in total revenue² generated in 2024 by nearly 400 digital-first nonprofit newsrooms is roughly 1% of the combined advertising and circulation revenue³ earned by the newspaper industry in 2004.

The Lenfest Institute for Journalism estimates that roughly a dozen metropolitan or regional dailies, all with benevolent ownership, are on a path to sustainability in the modern digital environment. Sustainability in this case is defined as building enough digital subscription reader revenue to support the cost of a post-print newsroom sufficient to cover its community.

In the wake of newspapers’ collapse, the newsrooms that are replacing declining legacy services are often comparatively small digital startups, whose trade associations include the Institute for Nonprofit News (INN), which has grown from 27 members at its founding in 2009 to 500 by 2025, and the Local Independent Online News Publishers (LION), which has grown from 75 members in 2012 to more than 450 members in 2025.

As we approach two decades of experimentation in new models for local news⁴, we sought to examine the business models powering these newer organizations and to build on existing industry analysis. To that end, we reviewed the business evolution of 17 groups, conducted more than 50 interviews, and collected additional data on over 100 nonprofit media organizations.

While there is no silver bullet or ironclad business model ready to serve as a panacea for the industry, there are key building blocks present in the groups we examined.

We also identified some of the historical financial patterns of the past two decades and the implications of those patterns for those interested in the long-term health of local news.

This report was made possible with support from the Wyncote Foundation.

1 Tim Franklin, “The State of Local News 2025,” Northwestern Medill Local News Initiative, <https://localnewsinitiative.northwestern.edu/projects/state-of-local-news/2025/>

2 Jesse Holcomb, Michele McLellan, and Ha Ta, “The 2025 INN Index,” Institute for Nonprofit News, <https://inn.org/research/inn-index/2025-index/about-the-index/>

3 “Estimated advertising and circulation revenue of the newspaper industry,” Pew Research Center, <https://www.pewresearch.org/chart/sotnm-newspapers-newspaper-industry-estimated-advertising-and-circulation-revenue/>

4 Elizabeth Hansen Shapiro, “Rebuilding Local Journalism at Scale: A Field-Level Analysis of Infrastructure Needs,” Media Impact Funders, <https://mediainpactfunders.org/resources/rebuilding-local-journalism-at-scale-a-field-level-analysis-of-infrastructure-needs/>

THE PURPOSE OF THIS REPORT

Starting in February 2025, we set out to identify and examine success stories among local news groups, where success was sustainability in business operations, even if that term has a range of interpretations. We reasoned that the experiences of these successful organizations might carry predictive lessons for the larger field.

As we wrote this report, we kept two groups of readers uppermost in mind: first, publishers at emerging news organizations who are looking to bring their operations to some level of financial sustainability and, second, funders who are making investments in those news organizations.

We hope our work will build on the existing literature that is already in place and provide these two groups of readers additional detail and fresh perspective on the financial elements surfacing for some emerging local news organizations.

METHODOLOGY

We began by interviewing more than two dozen industry leaders from many of journalism's most prominent centers of research, organizational support, and thought leadership.⁵ We asked these executives to help us identify organizations that, in their view, were moving toward sustainability and to suggest questions for our next-stage interviews.

Initially, we sought recommendations for groups that had operated for at least five years. We later adjusted the "five-year duration" rule to provide a wider range of examples. From the list of organizations recommended to us, we selected 17 groups for special attention: 14 local news groups and three statewide news groups. Three are for-profit and 14 are nonprofit.⁶

We then started a three-step process of information-gathering and analysis:

- 1 During summer 2025 we interviewed the publisher (and sometimes others) from each group that we had selected, using a structured interview format lasting 60 to 90 minutes. Each interview was recorded, transcribed, and analyzed across a range of 10 variables.⁷ Our interviews focused on business development and revenue issues as well as the quality of the company's revenue streams.

⁵ Names of those interviewed in this first phase appear in Appendix 2.

⁶ These groups are listed in Appendix 1. The three statewide news groups are VTDigger, Montana Free Press, and CT Mirror. We did not include national news groups, investigative news organizations, or news groups devoted to reporting on a specific issue or aimed at serving a specific interest group. We also excluded most of the state news organizations that have developed to replace the loss of statehouse news bureaus. Three organizations are for-profits: Richland Source, Johnson County Post and Lookout Santa Cruz.

⁷ These 10 variables are time runway, funding required for successful succession, small-business mindset, diverse revenue streams, local philanthropy, environment and market fit, catalytic capital investment, operations investment, sweat equity and self-sacrifice, and quality journalism.

METHODOLOGY

- 2** In the late summer and early fall, we looked beyond our initial 17 groups to identify patterns of financial growth within the expanding field of nonprofit journalism. We analyzed information from the IRS 990 tax filings stored at ProPublica’s Nonprofit Explorer for each of the 100 largest⁸ INN members categorized as local news organizations. To process the IRS 990 filings, we utilized Large Language Model (LLM) assisted data extraction. Specifically, we used ChatGPT, using the prompt described in Appendix Five, to aggregate and organize the key financial variables identified in footnote 9. We then used human verification to ensure the accuracy of the data. We focused on nonprofit news organizations in part because their change in tax status represents one of the primary innovations of the past two decades, and in part because much of their financial information is publicly available. For each member group on the INN list (and others we were studying), we extracted 11 data points⁹ from their 990 forms for fiscal years 2020 through 2023 (and more years for groups founded before 2020).¹⁰ While we recognize that year-over-year 990 data does not distinguish multiyear commitments, we examined the 990 data over years-long periods in order to assess a broader picture of the organizations’ financial health.
- 3** Finally, we collected and analyzed the grants secured by each of the initial 17 groups using the information available at [Candid.org](https://candid.org), a major information service, formed in 2019 through the merger of the Foundation Center and GuideStar. In total we analyzed the grant histories of 45 news organizations. Candid provided us with information on the dates, sources of foundation grants, and other philanthropic gifts flowing to the organizations we were studying.

Using the data available on Candid and research on the foundations listed, we organized a large part of the philanthropic support flowing to these organizations into general categories that we felt were useful in understanding how the revenues changed over time for these news organizations:

- 1.** First, grants from widely recognized national funders.
- 2.** Second, two distinct sources of local and regional funding:
 - Grants from local private and family foundations.
 - Large individual grants and gifts from donor-advised funds, including local community foundations and investment platforms such as Vanguard, Schwab, Fidelity, and Morgan Stanley Global Impact.

Our research focused almost entirely on the business and revenue side of local news organizations. With that orientation, we did not analyze the quality or quantity of editorial processes or products or the growing presence and market share of content creators. Moreover, our research reflects progress in the field to date; it does not address near-future distribution changes we can expect from generative AI and the implications for product teams and newsrooms.

⁸ This 100 largest ranking was based on total revenue reported to the INN Index for 2023. This list was provided directly by INN. <https://inn.org/research/inn-index/inn-index-2023/>

⁹ From Form 990, Page 1, Part I: • Line 8 Contributions and grants • Line 9 Program service revenue • Line 10 Investment income • Line 11 Other revenue • Line 12 Total revenue • Line 18 Total expenses • Line 19 Revenue less expenses • Line 22 Net assets or fund balances, end of year. From form 990 Part IX “Statement of Functional Expenses,” page 10, Line 25, “Total Functional expenses,” • Column B Program service expenses • Column C Management and general expenses • Column D Fundraising expenses

¹⁰ This information was compiled into an online database built for this research.

INITIAL OBSERVATIONS

At the outset, it is essential to acknowledge that the number and type of revenue streams supporting local nonprofit news providers have remained largely unchanged despite two decades of efforts to find alternatives.

FOUR SOURCES OF FINANCIAL SUPPORT

All the groups we interviewed and dozens we examined through IRS 990s rely almost entirely on four sources of financial support. These are typically categorized as contributed or earned.

CONTRIBUTED REVENUE: _____

REVENUE STREAM NO. 1: National philanthropy, which we have grouped as large institutional foundations or high-net-worth individuals doing national grantmaking in their areas of interest, generally supported by endowments and guided by professional staff.

REVENUE STREAM NO. 2: Local philanthropy, in which we include grants from place-based private and family foundations, individual major gifts, donor-directed gifts through community foundations, donor-advised funds, and donor-advised investment platforms.

EARNED REVENUE: _____

REVENUE STREAM NO. 3: Audience or reader revenue via subscriptions or memberships, and related support.

REVENUE STREAM NO. 4: Business support in several forms, including sponsorships, advertisements, and sponsored content.

Some of the groups we interviewed included events as part of their annual operating plans, but for most, event revenue (i.e. sponsorships and admissions) did not contribute substantially to their net revenues. Very few of the groups we reviewed have developed other large-scale, renewable revenue streams, although some have secured modest income from content syndication and training fees. One derives significant revenue from an in-house marketing service to support local businesses.¹¹ But that is the exception.

Concomitantly, efforts to provide revenue at the state level have gained momentum,¹² and as local support for news grows, advocacy for these policy changes may broaden.

¹¹ Richland Source, Mansfield, OH

¹² Dan Kennedy, "Even amid setbacks, public funding for local news is expanding at the state level," Poynter, <https://www.poynter.org/business-work/2026/state-government-support-local-news-journalism/>

THE SHIFTING CONTOURS OF PHILANTHROPY

While the sources have not changed, their volume and priority have shifted dramatically. In particular, philanthropy — which was until the 2010s a minor, if nonexistent, part of a traditional legacy news group’s business mode — is now often the primary source of revenue for newer, digital-native news organizations.

- Grant funding provided about 50% of the total revenue in 2024 reported by INN members.¹³
- Among members of LION, philanthropy was the most common revenue source in 2025.¹⁴

While the rise of nonprofit news organizations has coincided with increased reliance on philanthropy, philanthropy has also become more prevalent among for-profit news organizations.

Most observers acknowledge that philanthropy, particularly at the national level, has played a critical role in jumpstarting the formation of local news organizations intended to fill the voids left by the collapse of legacy print newspapers. And in this space, Press Forward’s expansion into local chapters reflects the expected importance of local philanthropic support for the long-term sustainability of local news organizations.

Philanthropy’s historical support of local community institutions — education, health organizations, the arts — is often cited as evidence that local news deserves similar support. Our research provides additional evidence that funding from philanthropic sources, both by institutions and individuals, is likely to be essential for local news startups as they mature.

The evolution of philanthropy, as we are using this term, already goes well beyond the provision of national grants from major foundations. *Local philanthropy*, as we observed and analyzed it in our research, included a set of distinct line items in the business plans of local news organizations, including a variety of charitable gifts and grants, some from individuals, some from institutions, that give local news groups their stability, even as they work aggressively to expand their local earned revenue. What’s more, the trend of increasing wealth among a distinct pool of high-net-worth individuals and the expanded use of donor-advised funds¹⁵ has necessitated a change in the scope, methods, and advocacy by development professionals.

As a consequence, our research also shows that news organizations need to build the robust internal infrastructure that one finds in almost all local civic and cultural organizations of a certain size, with highly skilled, specialized staff working to optimize income across all four of the revenue streams listed above (and perhaps more if others are eventually identified). Based on our interviews and analysis, it appears that philanthropy as a sector has been supportive, but not always necessarily generative, of this type of business development.

Our interviews and the examination of hundreds of IRS 990s showed that many local news organizations are struggling to allocate the resources needed to build that kind of revenue-generating capacity at the local or regional level.

Developing these muscles for news groups will take money, time, and persistence.

¹³ Jesse Holcomb, Michele McLellan, and Ha Ta, “The 2025 INN Index,” Institute for Nonprofit News, <https://inn.org/research/inn-index/2025-index/revenue-expenses/>

¹⁴ Dylan Sanchez and Natalya Dreszer, “Philanthropy overtakes advertising as most common revenue stream for LIONs,” LION, <https://lionpublishers.com/philanthropy-overtakes-advertising-as-most-common-revenue-stream-for-lions/>

¹⁵ A 2025 Bank of America Study of Philanthropy showed that “high-net-worth Americans account for a substantial and growing share of the nation’s philanthropy, with their average household donations exceeding \$33,000 in 2024 — more than 10 times the average for U.S. households overall.” “Nearly one in four affluent households now use giving vehicles such as donor-advised funds or charitable trusts, and 18% of all gifts in 2024 were made through such vehicles, up from 11% nine years ago.” <https://www.investmentnews.com/practice-management/affluent-americans-are-leading-the-way-in-philanthropy-finds-bofa-study/262336#>:

PRINCIPAL FINDINGS

FINDING

1

FINDING ONE: Many of the journalist-founders we interviewed needed time to see their news organizations as small businesses and to invest accordingly. This transformation in thinking carried implications for their personal role within their organization, for hiring decisions, and for the deployment of resources that profoundly shaped the organization.

FINDING

2

FINDING TWO: The leaders of local, general-audience news organizations we interviewed have invested purposefully to deepen and diversify their base of support across a mix of local, renewable revenues. In other words, they see building a diversified revenue pie as essential to long-term sustainability.

FINDING

3

FINDING THREE: Some of the groups we interviewed expanded revenue-generating capacity after a series of large-scale, multiyear catalytic investments. At the same time, some news businesses achieved success through incremental and organic growth. Some experienced both types of growth.

FINDING

4

FINDING FOUR: Alongside expansion of local earned revenue, the publishers we interviewed made significant strides in attracting stable, continuing support from local philanthropy. Although many felt less reliant on national foundation support over time, all believed that local civic and philanthropic relationships would remain a significant factor in their organizations' financial stability and growth.

Many of the journalist-founders we interviewed needed time to see their news organizations as small businesses and to invest accordingly. This transformation in thinking carried implications for their personal role within their organization, for hiring decisions, and for the deployment of resources that profoundly shaped the organization.

Early on, we observed that journalists founded or helped found 14 of the 17 news groups at the center of our research work.¹⁶

- The journalist-founders were often taking on business responsibilities for the first time.
- In this role, the journalist-founders sometimes experienced a values conflict as they looked to balance editorial needs with business investments.
- We could see this values conflict in the relatively low fundraising expenses reported on IRS 990s for about half of the groups we interviewed. This was especially clear in early years when groups often relied on their publisher as the only full-time person overseeing fundraising.¹⁷
- The tension over resource allocation does not end. If a group secures substantial philanthropic funding and begins to grow, it then enters a never-ending cycle, needing to raise millions of dollars every year. That fundraising requires finding and paying development leaders who can manage the work once shouldered by the publisher.
- These journalist-founders often made significant personal sacrifices to launch their local news organizations. They brought strong editorial skills but, with some important exceptions, they were less experienced in the publishing and business operations side of journalism.

“It took me a while to understand I’m not a reporter anymore, I’m building an organization. Learning to fundraise was what pushed me to grow beyond being a reporter and into being a real leader and founder.”

“A lot of us have the same questions: What’s my job? Am I just an executive director? Am I an executive editor? That remains a struggle every day, which is about allocating my time in the best possible way.”

“I’ve availed myself of every INN, LION, ONA cohort thing that I could get my hands on... They definitely accelerated my learning. But at the end of the day, whatever practical business acumen I’ve developed had to come from experience: just learning, trying, and failing things all the time. I think any founder will tell you that it is a real struggle to make the transition from being an editor or reporter to being an executive director.”

¹⁶ The other three were founded by local entrepreneurs with a high level of civic interest, including CT Mirror, Richland Source, and Charlottesville Tomorrow.

¹⁷ Of the 14 nonprofit groups we interviewed with journalist-founders, 11 (78%) reported fundraising expenses under 10% of their total revenues in their first full IRS 990, with an average of 5.3% and a median percentage of just 2.4%. In their second year, the same percentage, 11 of 14, were still under 10% of their total revenues reported to fundraising, but the average rose to 7.5% and the median rose to 6.6%.

FINDING ONE

In our interviews, we heard that it often takes time for a journalist-founder to learn that they are no longer running a newsroom, and instead, they are running a business.

This transformation in thinking carried implications for their personal role within the group, for hiring decisions, and for the deployment of resources that shaped the organization. The evolution of the journalist-founder leadership — learning to distinguish the roles of a publisher versus an editor — became a hallmark of business savvy among the news organizations we interviewed.

The origin stories of the groups we studied varied, but fundamental business forces surfaced in every case. From our interviews, we learned that a majority of the groups were capitalized, usually at a modest level, by wealthy citizen donors and local foundations that saw the need to fill a public information gap left by a failing local paper or the collapse of statehouse coverage. A few launched with a shoestring budget, reliant on sweat equity and below-market wages. But even under good circumstances, these groups waged a multiyear struggle to harness the basic revenue streams of foundation grants, major gifts, business support, and audience-based revenue via subscriptions or memberships. In our interviews we heard that moving beyond breaking even to generate capital for significant growth continued to be a stretch organizational goal for some.

“Kickstarter was one inflection point, because we did a stretch goal, and we said, if we get past this mark, we will hire another reporter. We did and we hired another reporter, and that’s sort of been our strategy all along. It’s like, when we can afford another reporter, we will hire another reporter, and the only way we’re going to build up for another reporter is to get more subscribers.”

The difficulty in adequately funding *both* the newsroom and the back office is often compounded by the scale of the operations. Most of the news startups began small, with only a few employees and little capacity for the differentiation of roles and skills that larger organizations can accommodate. They needed to build their product with more reporting. And often that inclination to invest in their product was reinforced by funders’ preference to pay for content rather than for general operations, we observed in our interviews. Looking at the fundraising expenses reported by INN member groups we reviewed through their IRS 990s, we saw that among the top ten largest groups,¹⁹ six spent less than 10% of their total revenue for fundraising in 2023. Of the ten smallest groups that filed 990s each year for 2020-2023, four reported no fundraising expense at all on their 2023 IRS 990, as shown in Appendix 3.

“It would be weird to divorce yourself from the editorial voice right now. If the organization were to grow, maybe a hybrid role in day-to-day editorial decisions, separating roles entirely would be like putting a nonprofit leader aloof from what [the organization] actually does. Maybe we are headed toward a new kind of news executive that’s both a publisher and editor, I don’t know. Or if you retain what I think was a very good tradition of separating those two roles, it could still work.”

This likely means that any nonprofit filing a “\$0” for fundraising expenses on a 990 has no full-time staff devoted entirely to fundraising. The publisher, who likely came to this job as a journalist, was likely tasked with leading development efforts, often with little previous experience in any of those disciplines and while still, in many cases, overseeing the editorial side.

We observed this dual role leads to a desire to build the business with major investments in business operations, as we explore more in Finding Three.

¹⁸ See Appendix 4, for all of the nonprofit groups we included in our 990 search.

¹⁹ “Largest”: Size was determined by total revenues, line 12, reported on their IRS 990 for 2023.

FINDING 2

The leaders of local, general-audience news organizations we interviewed have invested purposefully to deepen and diversify their base of support across a mix of local, renewable revenues. In other words, they see building a diversified revenue pie as essential to long-term sustainability.

In our interviews and follow-up research, we found three key things:

- Most of the groups we interviewed launched with national philanthropic support, local philanthropic support, or a mix of the two.
- Over time, the more mature groups reduced their reliance on national philanthropy by expanding their local renewable revenues: everything from subscriptions, memberships, and advertising to increased local philanthropy.
- Even with these aspirations, for groups that aimed to serve under-resourced audiences, support from national funders continued to be a major part of their business model.

At launch, local or national foundations and gifts from major donors often provided seed funding — money that came in big chunks — with funders attracted to the work that news organizations promised to produce.

The essential role of philanthropy continued through the first few years of service, a time when the publisher, with a couple of board members, could meet with foundation executives to renew grants and cultivate the interest of a few citizens known for their wealth and civic interest.

But after a few years, we observed that the organization's own scale became a critical factor in inhibiting or propelling the growth needed for long-term sustainability.

As referenced in Finding One, harnessing different revenue streams requires different skills and experience. Establishing a major-gift program is different from building a membership program, which is different from writing foundation proposals. Corporate ad sales is a specialized skill. Customer service, data management, and other back-office operations become required functions.

“We had to help people recognize that the commercial media around us is collapsing. And as we do a better job understanding community needs, we have to express that to local folks and say, ‘We know you’re used to giving your biggest gifts to the really important organizations that feed people and provide health care and education. Please start thinking about news and information in the same way that you think about these other pillars of our civic health.’”

Time frames associated with a diverse fundraising operation also vary. Grants can entail long time horizons of hard work and relationship management. Major gifts can sometimes come over lunch or dinner. But membership and subscription programs and business support are also different. Past the low-hanging fruit of generous people engaged in local civic affairs, membership is a ground game. Audience growth requires sophisticated outreach and repetitive contact. Even frequent readers may take months, or even years, of regular communication and stewarding before they are convinced to pay for a newsletter or a full-service local news operation. Business support often involves introductory visits and well-developed systems tailored to the needs and budgets of local business owners.

As groups look to develop these slower-growing revenue streams — and most of the groups we interviewed wanted to do that — they remained heavily reliant on funders. The same was true for the larger cohort of INN members we examined through the lens of their 990s. In short, the reliance on philanthropy may shift, but it rarely goes away fully.

FINDING TWO

As referenced in our Initial Observations, INN and LION both reported how heavily reliant their members' annual revenues are on philanthropy.²⁰

- For some, this ratio of foundation grant support to total revenues was over 90%.²¹
- A few of the most mature were distinctly less reliant on philanthropy, with ratios between 26% to 33%.²²

In interviews, publishers emphasized the importance of building alternative revenue streams to reduce reliance on major foundation grants. They said they wanted to broaden their financial base, and they wanted to avoid “funding cliffs” created by sizable foundation grants that could not be renewed or replaced quickly.

In contrast to the rollercoaster impact of large-scale grants, the publishers we interviewed saw well-developed plans to secure recurring audience revenue as a preferable foundation for organizational growth with much greater certainty.

“We started essentially with one funder and now we have 4,000... but that masks the true achievement, which is that we’ve vastly diversified the funding... We’ve established an endowment of \$1.6 to \$1.7 million. We’ve settled on a formula of funding that is replicable for at least us or other like us that could support the long-term, not only sustainability, but scalability of local news.”

“We’d make a five-year plan for funding, and then somebody [at the foundation] would get fired or quit. Then all of a sudden... we faced this funding crisis... And I had to let three journalists go. And it was the worst experience of my life.”

Our research suggests that underfunding and understaffing the business development side of news outlets limited growth and contributed to financial uncertainty. But developing these revenue streams also was not easy.

First, hiring an experienced development leader or team can be difficult and expensive.²³ As the organization expands, the qualifications for business and development leadership rise, along with the salary and benefit requirements needed to attract and hold the kind of individuals who can fill those positions effectively.

Second, even when a group could find the money, some hires were not a good fit or the hire produced disappointing results.

“We had a publisher with an emphasis on membership early on, that really was a game-changer. And a good membership program can morph in major donor territory. But we had a misstep there, hiring someone for gifts and grants that had no interest in making asks. The job description was too broad, and he was interested in operations.”

Given these pressures and risks, investment in the business side of a nonprofit news group could be a hard sell among both staff and board members. And, unfortunately, the case for investment in organizational capacity can be less compelling to sources of philanthropy, which have come to the local news movement excited to support editorial products.

Taken together, these factors can create a self-limiting cycle, inhibiting editorial growth because the product’s economic engine lacks the necessary firepower to scale an operation with diverse revenue sources.

“The reality is the game that you’re playing is trying to figure out where to make your investments, when you have the money to invest. Could I make that justification in hiring a development director? Like, probably, but it’s a big risk. I mean, a development director in this market, that’s an \$80,000 job.”

²⁰ INN’s 2025 Index reported that in 2024, foundation grants accounted for 49% of field-wide revenue.

See <https://inn.org/research/inn-index/2025-index/revenue-expenses/>

²¹ 44% of the 45 news groups we examined using Candid data appeared to be over 50% reliant on foundation support in 2023. THE CITY in New York, City Bureau in Chicago, and Public Source in Pittsburgh had ratios of 90% or more. See Appendix 3.

²² See Appendix 3.

²³ The 2024 Nonprofit Salaries and Staffing Trends Report from the University of Iowa found that development positions were the “hardest positions to fill” at nonprofit groups in 2023. This report showed that the salary for “Chief Development Officer/VP for Development” ran from \$110,000 - \$119,000 for groups under \$2 million annual revenue to \$140,000 to \$149,000 for groups with revenues of \$2.0 million to \$10 million (the range revenues at groups we have been examining).

https://nlp.uiowa.edu/sites/nlp.uiowa.edu/files/2024-08/2024-Nonprofit-Salaries-Staffing-Trends_1.pdf

FINDING
3

Some of the groups we interviewed expanded revenue-generating capacity after a series of large-scale, multiyear catalytic investments. At the same time, some news businesses achieved success through incremental and organic growth. Some experienced both types of growth.

Almost every startup newsgroup we interviewed needed to expand its revenues, sometimes doubling or tripling in size,²⁴ to gain the scale they needed to attract and retain talented staff for their editorial positions and to pay for development staff and technical services needed to support their revenue-generating infrastructure. In our research, we found two types of growth over time:

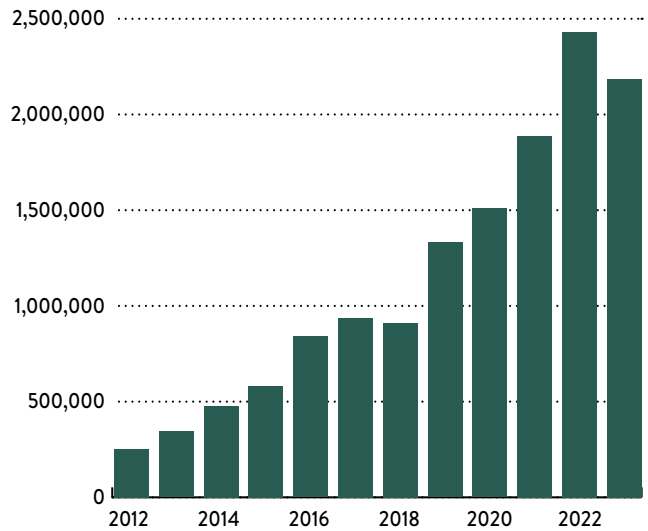
- Some groups grew steadily and organically, year-by-year.
- Others experienced a large jump in revenues after a large-scale, multiyear catalytic investment. After this investment, the organizations graduated to a higher level of annual renewable revenues.

Groups that showed a capacity to generate organic growth often developed these revenues slowly, with a timeline of about five years to establish a strong foundation for audience revenue generation. Publisher and founder Jay Senter at the Johnson County Post suggested this five-year gestation period based on his experience with his for-profit news startup, and it aligns with at least one nonprofit group we examined through 990 data.

VTDigger, the state-based nonprofit newsroom in Vermont, exemplifies the early organic growth over about five years. This growth allowed it to expand editorial spending, as reported in its annual 990s, with remarkable consistency, from \$252,643 in 2012 to more than \$2.18 million eleven years later.

“You have to pay attention to the business side. Strengthening your systems, your infrastructure, your processes, finding ways to monetize the content you’re producing, bringing in partners. We knew that investment would pay off on the journalism side too.”

**TOTAL PROGRAM EXPENSES FROM 990s
VTDIGGER**



²⁴ To determine this, we examined the growth for a sample of groups from their second year of operations through to 2023. Their growth here is measured by total revenues on their 990s: Charlottesville Tomorrow grew more than three times, from \$329,838 in 2011 to \$1.01 million in 2023; CT Mirror grew 3.15 times, from \$849,744 to \$2.67 million; Montana Free Press quadrupled, from \$292,871 to \$1.3 million; VTDigger grew eightfold, from \$333,876 to \$2.75 million.

FINDING THREE

Among the news organizations we interviewed, more than half of the groups we examined relied on a type of catalytic investment, which over the course of a three- or four-year grant period enabled rapid and substantial expansion of their renewable income generation, most or all of it local revenue.

“So, the inflection point was that the American Journalism Project came around... They gave us money for five revenue positions. As you know, they’re hardcore, like you can’t use this to hire five new reporters... you need to hire people that are gonna pay for editorial.”

The nonprofit news organization CT Mirror, a statewide news organization in Connecticut, provided an unusually clear example. In 2011, its third year of operation, CT Mirror reported generating total revenues of \$893,060 on its IRS 990. By 2017, that figure was actually \$100,000 lower (\$791,738), with program service spending essentially unchanged (from \$752,122 in 2011 to \$745,902 in 2017). Then, after a catalytic investment period from the American Journalism Project that started in 2019, their 990 total revenues reached \$2.6 million.

Charlottesville Tomorrow, in Virginia, showed a similar pattern of revenue limits, followed by a rapid expansion following a period of catalytic investment. In 2012, Charlottesville Tomorrow reported total 990 revenues of \$421,379. By 2019, that total had only increased to \$481,385, equivalent to the additional expenses of a

single additional reporter and modest raises for the original staff. The growth curve has turned up since 2020 as larger-scale investments arrived. Their 2024 revenue as reported on its 990 expanded to \$1.28 million.

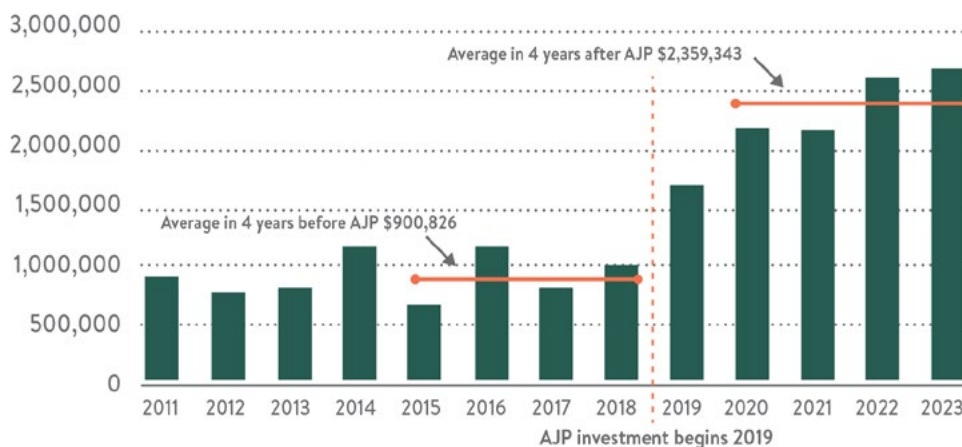
According to some interviewees, the American Journalism Project was instrumental in accelerating their news organization’s growth. The focus on revenue generation was new for some grantees; others saw it as an opportunity to accelerate what was already underway. These organizations were selected by AJP through a rigorous process with their readiness in mind.²⁵

Other groups assembled catalytic investment with a mix of major grants from local and national foundations.²⁶

Year-over-year, a set of key funders, including community foundations distributing dollars from a range of individuals, have supplied stable and large pieces of revenue relative to the total budget for many of the groups we examined. We discuss this in more detail in the next section.

With this stable base, often supplemented by catalytic funding, these groups expanded their fundraising capacity through investments in personnel. However, it’s important to recognize that the groups we focused on in this project were selected specifically for their apparent sustainability, which was based in part on their success in expanding their revenues. And we have no doubt that factors beyond investing in personnel contributed to their financial success.

TOTAL REVENUE FROM 990s CT MIRROR



²⁵ <https://www.theajp.org/our-portfolio/for-grantseekers/grantmaking-rubric/>

²⁶ Some examples include: In 2021-2023, Block Club Chicago received \$1.3 million in national funding from the American Journalism Project, in addition to \$1.7 million from the McCormick Foundation. \$800,000 in catalytic funding arrived at Charlottesville Tomorrow in 2022 and 2023, including \$200,000 from the Ford Foundation, \$350,000 from the MacArthur Foundation, and \$150,000 from the Democracy Fund. A major commitment from the American Journalism Project then arrived in 2024.

FINDING 4

Alongside expansion of local, earned revenue, the publishers we interviewed made significant strides in attracting stable, continuing support from local philanthropy. Although many felt less reliant on national foundation support over time, all believed that local civic and philanthropic relationships would remain a significant factor in their organizations' financial stability and growth.

A common pattern we observed in our research was that once local news organizations had invested in their business and philanthropic operations, they were better positioned to build more robust local revenue streams, each with a different composition in every community.

The emphasis, we found, is on a local-level strategic plan tailored to the region and reflecting a realistic assessment of what may be possible, combined with strong execution of revenue-raising initiatives. Institutional assets vary widely, as do corporate and civic leadership and the capacity for individual philanthropic and small-gift support.

Local news groups can develop memberships, subscriptions, and various forms of business support with adequate staffing, systems, and practices. But the ongoing tracking by INN and the analysis we conducted found that these staff-intensive forms of what we are calling "earned revenue" generally account for only a quarter to a third of the annual funding these groups require.²⁷ At this writing, the groups we encountered need continuing, stable streams of large, renewable/replicable grants and gifts delivered across a set of philanthropic vehicles.

"Membership and small dollar donations are not a big part of our revenue. We did so many different iterations of a membership plan. So much work, with little return. So early on we spent most of our time really maximizing the amount of foundation opportunities that are arising for us right then and I think that was a smart move. We are upping our outreach for small donations, and that is showing promise, but still not a big piece."

Place-based foundations may become advocates and funders of media; community foundations sometimes act as conveners and advocates for support, in addition to serving as administrators of donor-advised funds. In other places, individual civic leaders and more diffuse organizations play a role. This all rolls up into a ground game of engagement with community and civic leaders as well as vigorous attention to audience growth and brand loyalty in the community.

²⁷ The INN Index categorizes "membership" under the broader bucket of "Individual Giving." <https://inn.org/research/inn-index/2025-index/methods-and-definitions/>

For nonprofit news organizations: Individual Giving (Total) accounted for 29% of total revenue in 2023. However, the small-dollar portion is only a small slice of that "Individual Giving" category, with the majority of the money coming from Major Donors (giving \$5,000+). Small-dollar donors (giving less than \$1,000) accounted for only about 28% of all individual giving revenue in INN's report of 2023 data. Combine those two figures to show that small-dollar memberships often make up less than 10% of an INN news organization's total annual budget vs. the broad and undifferentiated category of charitable foundations, which often covers about 50%.

Source: <https://inn.org/research/inn-index/index-2024/revenue-expenses/>

FINDING FOUR

The groups we interviewed expanded their local philanthropic support from these multiple sources:

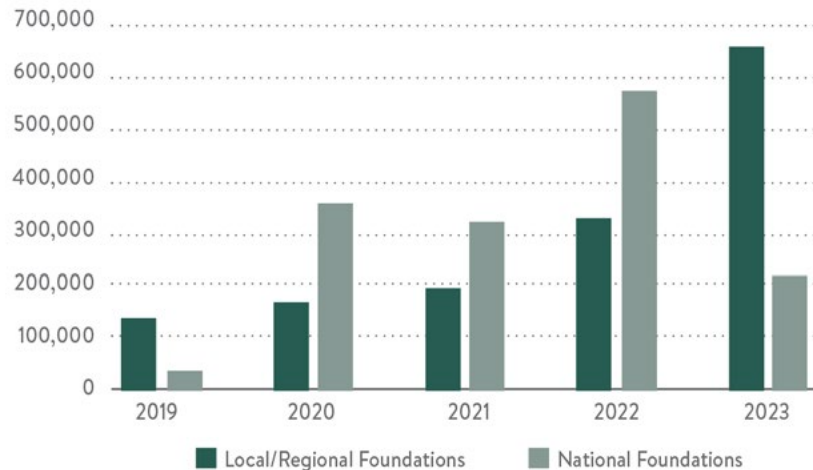
- Local private foundations where they were available.
- Community foundations, from unrestricted funds of the foundation.
- Businesses with charitable programs (distinct from corporate earned revenue such as conference sponsorships, sponsored content, etc.).
- Individual gifts of all sizes, from upgrades to memberships and subscriptions to major donations. These may arrive via a number of vehicles, from direct gifts to the media organization, or gifts through donor-advised funds managed by community foundations, or investment platforms such as Fidelity, Vanguard, or the National Philanthropic Trust.

So far as we could determine, no dominant model for the ratios of these sources or the sequence of their fundraising development surfaced in our analysis.

For some groups, the growth of gifts through the local community foundation reflected the organization's success in reaching a number of private donors, a sign that that donor pool could potentially provide stable, annual sources of support. To cite one example, between 2016 and 2023, inewssource.org and Voice of San Diego each received eight annual grants through the San Diego Foundation, totaling \$1.6 million and \$2.2 million, respectively. While still requiring intensive outreach and follow-through, this type of local philanthropic support can provide financial stability that buffers the rise and fall of national grants

In contrast, Montana Free Press built a different base of local philanthropic support, increasing its revenue from private local foundations by going from two local/regional private foundations to more than a dozen in a four-year period, substantially reducing its reliance on national funding.²⁸ The chart below illustrates this shift in dependence.

FOUNDATION SUPPORT – MONTANA FREE PRESS



²⁸ From 2019 to 2023, MTFP grew its local philanthropic support rapidly, according to analysis of data reported in Candid. Starting in 2019 with two grants from local/regional private foundations totaling \$21,000 and another \$115,000 in donor-advised funds and an investment (a total of \$136,000), MTFP's local philanthropic revenue reported by Candid rose to \$663,914 in 2023, including over \$376,339 from 13 local/regional private foundations and \$272,575 in donor-advised sources.

FINDING FOUR

Based on the patterns we observed, the ability to generate and retain local philanthropic support appears to be a key marker for a group approaching sustainability. How the support arrives — in different “envelopes” such as community foundations, investment platforms, or direct gifts — is probably less significant than its steady growth in number and amounts.

The variety of paths to local philanthropic revenue shows up if we contrast MTFP with Cityside, which operates three newsrooms in Northern California. While MTFP has been making a very strong shift to local foundation support, Cityside has been harvesting most of its local philanthropy from donor-advised funds, including revenue from the four major investment platforms. From 2021 to 2023, revenue from donor-advised funds was at least five to ten times the volume of revenue from local private foundations.²⁹

A few of the groups developed local renewable, expanding revenue across several of the philanthropic channels simultaneously: VTDigger received significant support via the Vermont Community Foundation (seven grants — every year from 2016 to 2023 — a total of \$474,242) as they were tripling their donor-advised gifts flowing through investment platforms.³⁰

“In order for us to continue to innovate and reach an even larger audience and have an even bigger impact, we’re going to need more philanthropy. We’re going to need more major donors. And we’re going to need more institutional funding. Philanthropists need to be willing to support organizations that take bold risks and are willing to experiment.”

Meanwhile, CT Mirror got its stabilizing grant revenue from a single private foundation, The Seedlings Foundation, which provided grants of \$100,000 or more each year from 2016 to 2024 (totaling \$1.8 million). And, like VTDigger, they were also simultaneously expanding their donor-advised revenue from investment platforms, starting with just over \$7,000 in 2019 and generating about \$340,000 in 2023, a sum that nearly equaled the support they received that year from the Seedlings Foundation.

In all of these examples, it’s evident that there is no single path. But there are recognizable building blocks of the revenue portfolio that lead to sustainability. A long-term strategy for any individual group requires leadership and funders who are attuned to the specifics of the local region, combined with the sophistication derived from strong business-model investments and mindsets. We elaborate on this in the following and final section.

“Philanthropy provides the speed, but it often creates a cliff because community support doesn’t scale at the same rate. It’s easy to hire with a grant; it’s hard to find 10,000 donors to keep those people hired. Organic growth may be the best way to find product-market fit, but it’s much slower. We need leaders who have a goal to have product market fit from the beginning — and perhaps funders who push for this above impact, and are willing to make longer-term commitments, maybe in smaller increments.”

²⁹ Cityside’s revenue from donor-advised funds and investment platforms was \$51,410 in 2020; \$649,831 in 2021; \$1,006,865 in 2022; and \$588,051 in 2023. Revenue from local private foundations was considerably less: \$10,500 from two foundations in 2020; \$76,250 from nine foundations in 2021; \$74,645 from 11 foundations in 2021; and \$110,050 from eight foundations in 2023.

³⁰ The donor-advised gifts from investment platforms at VTDigger grew from just under \$100,000 in 2018 to almost \$340,000 in 2023.

COMMENTARY

IMPLICATIONS FOR INVESTMENT ACROSS THE FIELD

This research began with a question: How far along the road to sustainability have we, as a field, traveled?

To imagine what success might look like, we chose to examine the evolution of relatively mature media organizations that field experts identified as approaching sustainability. We wanted to identify lessons that might be learned and shared to the field as a whole.

Through financial analysis and deep interviews, we found that:

- 1** Most of these sustainable media organizations have significantly reduced their dependence on national philanthropy, but in most cases local philanthropy continues to be a significant component of their revenue mix.
- 2** They started with relatively low investment in business development, but over time, they invested heavily in reported fundraising and other aspects of business development, and they expressed a determination to grow revenue through everything from more business and individual support to tiered membership levels and major donors.
- 3** A pivotal transition within these organizations was the leadership recognition that they were building a business that required substantial investments beyond local news.
- 4** Some groups could grow organically, but many used large-scale catalytic investments to provide their development investment and change their baseline annual revenues by as much as a million dollars a year.

We expect that the centrality of philanthropic support, along with its enduring essential role, may be an uncomfortable finding for early funders who foresaw that evolving business models would reduce dependence on large-scale institutional philanthropic support. Our research offers a more nuanced perspective. Broader, more localized philanthropic support — from all sources — will increasingly be a key to local news resilience.

We also suspect that the absence of strategic and smart investment in audience and revenue development is inextricably tied to the heavy reliance on philanthropy, especially national philanthropy in the early startup stages for some of the emerging news groups. Without disciplined investment in revenue-generating staff, reliance on philanthropy is likely to persist. Moreover, local philanthropy and audience revenue growth are likely to scale on different timetables and require different staff investments. Taken together, these factors can further complicate competition between editorial and business needs.

These are challenging balancing acts for small organizations whose size alone inhibits the investments necessary, and whose location and audience served may possess fewer resources to feed growth.

IMPLICATIONS FOR INVESTMENT ACROSS THE FIELD

The field can approach this at multiple levels.

First, the individual newsrooms and their supporters will necessarily need to redouble their investments in the staff and strategies that support the acquisition of both philanthropic and earned revenue. Both national and local philanthropy will need to recognize that their funding priorities can either encourage or discourage necessary investments for business and revenue development.

Here the news is promising. The range of strategies and sources to support business development is broadening. There is increasing awareness of the necessary investments in support for sustainability; among funders, there is more recognition of this investment need and more options through which to meet that need. We see meaningful advances, and opportunities for achieving real progress, through:

- Investments that support business sustainability assessments, especially in revenue and audience.
- Support for the costs of mergers and acquisitions, including neutral facilitators.
- Credit enhancement that enables the development of banking relationships such as loans and letters of credit.
- Growth in state funding.
- Different structures for grants, such as recoverable grants and loan facilities.

Second, when the size and audience profiles of the digital news field are considered as a whole, the implications of scale become stark. Local news as a field cannot successfully scale without business investment to grow audience and revenue.

Our review of publicly available data suggests that the smaller the organization, the more constrained its capacity for the very thing that helps it to grow.

Our sense is that many of the startups that have emerged in the last half decade will continue to struggle to compete for adequate resources, and their communities will risk losing vital news and information.

Finally, both the acceleration of investment in business success, and the likely debate over some level of field consolidation, bring to the fore the immense variation in the local news landscape and the critical factor of equity. Local news organizations are embedded in places and communities that vary hugely in their capacity to support such critical civic institutions financially. Most of the groups recommended to us for their progress toward sustainability enjoyed on-the-ground conditions that helped them thrive in their markets. Other groups we examined are starting with different circumstances, some of which will make their evolution to sustainability much more difficult. The concept of sustainability itself needs to be applied in the context of the philanthropic capacity of the local market, the target audience, and other conditions.

IMPLICATIONS FOR INVESTMENT ACROSS THE FIELD

We encountered state services in rural areas, such as Montana Free Press and VTDigger, that made remarkable progress toward sustainability, aided by a mix of national and local investment with the right duration of support and development leadership that allowed them to survive their “funding cliffs” and expand their local philanthropy. We also encountered groups serving underserved urban audiences, such as Outlier, DocumentedNY, and MLK50, that are likely to have a very different experience and remain more heavily reliant on large grants from major national or local funders. Success in audience growth and loyalty – and perceived value to the community – may occur across a spectrum of circumstances with differing revenue results.

This reality suggests two immediate needs: first, a need to develop field-level strategies about how best to accelerate progress toward sustainability, and second, a sense of urgency to address the situation at scale.

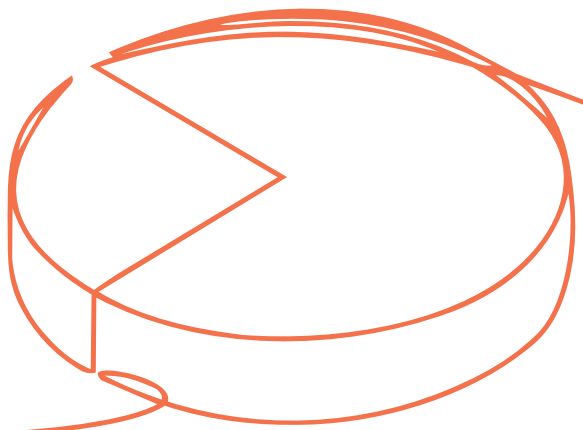
We have not examined the effectiveness and outcomes of such strategies as consolidation, mergers, acquisitions, and other service support realignments. But it is clear to us that whatever promise these strategies may present in theory, their practical application demands close examination and respect for the immense amount of work devoted to serving communities.

Decades of experience and research in nonprofit restructuring should inform leaders of the key principles for successful realignments. Acquisitions of digital newsrooms by public media companies show that these are not simple plug-and-play strategies. Some of these acquisitions worked; others faltered. The tools and approaches offered by the Public Media Bridge Fund for distressed media licensees may also be instructive.

The “how” of field reconfiguration raises multiple strategic and operational questions that are beyond the scope of this report. But a fragile field of essential civic information providers deserves thoughtful questions of approach, impact, consequences, and mitigation.

What role should philanthropy play in developing these approaches? How much is a shift in strategy a top-down or bottom-up process? Given the inherent weight of funders, we need to understand how market conditions, structures of ownership, and local audience characteristics need to be factored into successful investments.

The field as a whole has an opportunity to refine the business strategies for local news and to develop its potential to serve communities across the country. To realize the goal, we see a reckoning among publishers, funders, and community leaders to think ever more carefully about how to deploy their resources and invest their capital to build these local businesses. A future of durable, high-quality local news requires as much.



APPENDIX 1 | Groups Selected for Interviews

Asheville Watchdog, Asheville, NC

Linda Topp

Block Club Chicago, Chicago, IL

Shamus Toomey

Charlottesville Tomorrow, Charlottesville, VA

Angilee Shah

Michaux Hood

CitySide, Oakland, CA

Lance Knobel

Jacob Simas

CT Mirror, Hartford, CT

Clare Dignan

Bruce Putterman

Documented, New York, NY

Mazin Sidahmed

Johnson County Post, Prairie Village, KS

Jay Senter

Lookout Santa Cruz, Santa Cruz, CA

Ken Doctor

MLK50, Memphis, TN

Wendi C. Thomas

Montana Free Press, Helena, MT

John S. Adam

Kristin Cordingley

Nate Schoenfelder

Outlier Media, Detroit, MI

Sarah Alvarez

Richland Source, Mansfield, OH

Jay Allred

Sahan Journal, Saint Paul, MN

Mukhtar M. Ibrahim

The Current, Lafayette, LA

Christiaan Mader

The Daily Memphian, Memphis, TN

Eric Barnes

Sarah Leach

Voice of San Diego, San Diego, CA

Scott Lewis

VTDigger, Montpelier, VT

Anne Galloway

APPENDIX 2 | Thought Leaders Selected for Interviews

Steve Bass

formerly Oregon Public
Broadcasting

Jim Brady

Spirited Media Consulting

LaSarah S. Bunting

The 19th

Paul Cheung

Hacks/Hackers

Melissa Milios Davis

Press Forward

Frances Dinkelspiel

formerly Cityside

Tim Franklin

Northwestern University
Medill School

Jim Friedlich

The Lenfest Institute for
Journalism

Melissa Harris

M. Harris & Kern

Ken Herts

The Lenfest Institute for
Journalism

Sophie Ho

News Revenue Hub

Jesse Holcomb

Calvin University

Steven Holmes

Public Media Company

Tim Isgitt

Public Media Company

Amy L. Kovac-Ashley

Tiny News Collective

Chris Krewson

LION Publishers

Marc Lavallee

Lyra TK

Tristan Loper

Lenfest Institute for Journalism

Duc Luu

Knight Foundation

David McGowan

WJCT Public Media

Mark McNeilly

University of North Carolina,
Chapel Hill, Kenan-Flagler
Business School

Michael Murray

Arthur Vining Davis Foundations

Sitara Nieves

Poynter Institute

Michael Ouimette

American Journalism Project

Tracie Powell

The Pivot Fund

Andrew Rachlin

Spring Garden Capital Group

Dean Ridings

America's Newspapers

Emily Roseman

Harvard University
Kennedy School

Karen Rundlet

Institute for Nonprofit
News

Evan Smith

Emerson Collective and
The Atlantic

Ha Ta

Institute for Nonprofit
News

Richard Tofel

Gallatin Advisory

Arun Venkataraman

Google

Miljana Vujosevic

Maycomb Capital

Mackenzie Warren

Northwestern University
Medill School

Greg Watson

America's Newspapers

APPENDIX 3 | Ratios of Fundraising Expenses to Total Revenue and Grant Revenue to Total Revenue

Data from 2023 IRS 990s and Candid.org Reports

Organization	Home City	State	Yrs Filing 990s thru '24	2023 990 Total Revenue (Line 12)	2023 990 Fundraising (FR) Exp (Pg. 10 Line 25)	2023 990 FR Exp. as % of 990 Tot. Rev	2023 990 Candid Grant \$	2023 Candid Grant \$ as % of 990 Tot. Rev.
Memphis Fourth Estate Inc. (The Daily Memphian)	Memphis	TN	7	4,790,206	134,542	2.8%	2,732,991	57.1%
Sahan Journal	Saint Paul	MN	6	4,635,135	354,366	7.6%	3,020,135	65.2%
Resolve Philadelphia Inc. (Resolve Philly)	Philadelphia	PA	6	4,397,928	173,733	4.0%	2,949,750	67.1%
Cityside Journalism Initiative (The Berkeleyside, The Oaklandsid, Richmondsid)	Oakland	CA	5	3,805,599	417,152	11.0%	969,326	25.5%
City Bureau NFP (City Bureau)	Chicago	IL	9	3,646,778	237,133	6.5%	3,350,082	91.9%
City Report Inc. (THE CITY)	New York	NY	6	3,548,591	879,399	24.8%	3,418,361	96.3%
Reader Institute For Community Journalism Inc. (Chicago Reader)	Chicago	IL	5	3,360,024	306,520	9.1%	956,250	28.5%
Block Club Chicago NFP (Block Club Chicago)	Chicago	IL	7	3,194,646	315,504	9.9%	2,118,793	66.3%
Vermont Journalism Trust Ltd. (VTDigger Org)	Montpelier	VT	14	2,745,600	656,188	23.9%	711,347	25.9%
Connecticut News Project Inc. (CT Mirror)	Hartford	CT	16	2,675,912	390,433	14.6%	1,530,409	57.2%
Documented	New York	NY	4	2,655,615	464,354	17.5%	2,505,054	94.3%
San Antonio Report	San Antonio	TX	9	2,422,590	416,556	17.2%	798,010	32.9%
Voice of San Diego	San Diego	CA	21	2,173,032	390,342	18.0%	1,484,213	68.3%

APPENDIX 3 | Continued

Data from 2023 IRS 990s and Candid.org Reports

Organization	Home City	State	Yrs Filing 990s thru '24	2023 990 Total Revenue (Line 12)	2023 990 Fundraising (FR) Exp (Pg. 10 Line 25)	2023 990 FR Exp. as % of 990 Tot. Rev	2023 990 Candid Grant \$	2023 Candid Grant \$ as % of 990 Tot. Rev.
Outlier	Detroit	MI	4	1,905,368	193,707	10.2%	2,567,752	134.8%
Investigative Newsource (inewsourc)	San Diego	CA	16	1,667,153	578,260	34.7%	1,118,967	67.1%
Adirondack Explorer Inc. (Adirondack Explorer)	Saranac Lake	NY	23	1,490,544	102,669	6.9%	327,050	21.9%
Injustice Watch NFP (Injustice Watch)	Chicago	IL	10	1,327,002	5,651	0.4%	734,160	55.3%
Online Journalism Project Inc. (New Haven Independent)	New Haven	CT	20	1,308,006	68,190	5.2%	423,809	32.4%
Montana Free Press	Helena	MT	7	1,305,049	312,288	23.9%	893,103	68.4%
The Contributor Inc. (The Contributor)	Nashville	TN	16	1,284,315	23,025	1.8%	307,602	24.0%
Philadelphia Citizen	Philadelphia	PA	11	1,217,521	225,516	18.5%	284,050	23.3%
Bay Nature Institute (Bay Nature)	Berkeley	CA	21	1,170,512	165,190	14.1%	256,607	21.9%
Publicsource Inc. (Public Source)	Pittsburgh	PA	9	1,165,775	270,314	23.2%	1,098,790	94.3%
San Jose News Bureau (San Jose Spotlight)	San Jose	CA	6	1,053,008	48,192	4.6%	348,672	33.1%
Charlottesville Tomorrow	Charlottesville	VA	20	1,010,240	114,392	11.3%	802,200	79.4%
City Limits News Inc. (City Limits)	New York	NY	15	878,716	116,410	13.2%	482,793	54.9%
Street Sense Inc. (Street Sense Media)	Washington	DC	20	829,442	46,838	5.6%	467,028	56.3%

APPENDIX 3 | Continued

Data from 2023 IRS 990s and Candid.org Reports

Organization	Home City	State	Yrs Filing 990s thru '24	2023 990 Total Revenue (Line 12)	2023 990 Fundraising (FR) Exp (Pg. 10 Line 25)	2023 990 FR Exp. as % of 990 Tot. Rev	2023 990 Candid Grant \$	2023 Candid Grant \$ as % of 990 Tot. Rev.
Voicefororangecountyorg (Voice of OC)	Santa Ana	CA	16	802,879	72,309	9.0%	201,840	25.1%
Fresnoland Media (Fresnoland)	Fresno	CA	5	795,509	0	0.0%	426,746	53.6%
The Red & Black Publishing Company Inc. (The Red & Black)	Athens	GA	23	785,941	23,755	3.0%	33,700	4.3%
DTH Media Corp. (The Daily Tar Heel)	Chapel Hill	NC	23	718,217	21,907	3.1%	16,000	2.2%
The Lens	New Orleans	LA	15	692,338	137,085	19.8%	484,746	70.0%
Lower Cape Community Access Television Inc. (Lower Cape TV)	Orleans	MA	15	664,138	105,819	15.9%	26,410	4.0%
Highlands Current Inc. (The Highlands Current)	Cold Spring	NY	13	619,538	35,220	5.7%	211,199	34.1%
Sopris Sun Inc. (The Sopris Sun)	Carbondale	CO	10	552,221	0	0.0%	136,980	24.8%
Vermont Independent Media Inc. (The Commons)	Brattleboro	VT	18	527,802	51,185	9.7%	53,100	10.1%
Investigative Post Inc. (Investigative Post)	Buffalo	NY	13	515,848	37,162	7.2%	139,465	27.0%
Capital Of Texas Media Foundation (Austin Monitor)	Austin	TX	12	513,329	263	0.1%	191,338	37.3%
Bay City News Foundation (Local News Matters)	Berkeley	CA	6	481,029	73,840	15.4%	143,701	29.9%

APPENDIX 3 | Continued

Data from 2023 IRS 990s and Candid.org Reports

Organization	Home City	State	Yrs Filing 990s thru '24	2023 990 Total Revenue (Line 12)	2023 990 Fundraising (FR) Exp (Pg. 10 Line 25)	2023 990 FR Exp. as % of 990 Tot. Rev	2023 990 Candid Grant \$	2023 Candid Grant \$ as % of 990 Tot. Rev.
The Ipswich Local News Inc. (The Ipswich Local News)	Ipswich	MA	6	480,015	50,928	10.6%	5,750	1.2%
San Francisco Public Press	San Francisco	CA	13	430,231	76,535	17.8%	252,280	58.6%
Asheville Watchdog	Asheville	NC	3	426,160	27,962	6.6%	71,792	16.8%
Belmont News Foundation Inc. (Belmont Voice)	Belmont	MA	2	395,852	0	0.0%	0	0.0%
BenitoLink Inc. (BenitoLink)	Hollister	CA	9	364,001	0	0.0%	141,100	38.8%
The Current Media	Lafayette	LA	5	290,701	0	0.0%	109,958	37.8%

APPENDIX 4 | INN Local News Members Reviewed 990s

The list was initially provided by INN sorted by revenue.

This list is sorted by state and then city.

Corporate 990 Name	Publication name or URL	City	State	Collected/ Analyzed 990 Data
Conecta Arizona	Conecta Arizona	Phoenix	AZ	N/A
Tucson Investigative Reporting Center Inc.	Tucson Sentinel	Tucson	AZ	Yes
Alameda Post	Alameda Post	Alameda	CA	Yes
Bay City News Foundation	Bay City News Foundation	Berkeley	CA	Yes
Bay Nature Institute	Bay Nature Magazine	Berkeley	CA	Yes
Fresnoland Media	Fresnoland	Fresno	CA	Yes
BenitoLink, Inc.	BenitoLink	Hollister	CA	Yes
Long Beach Journalism Initiative, Inc.	Long Beach Post	Long Beach	CA	N/A
Boyle Heights Beat	Boyle Heights Beat	Los Angeles	CA	N/A
Foundation for Los Angeles Journalism	Los Angeles Public Press	Los Angeles	CA	Yes
Latino Media Collaborative	Latino Media Collaborative	Los Angeles	CA	Yes
Cityside Journalism Initiative	Berkeleyside / The Oaklandside / Richmondside	Oakland	CA	Yes
Embarcadero Media Foundation	13 websites & publications: https://www.embarcaderomediafoundation.org/	Palo Alto	CA	Yes
Pollen Initiative	San Quentin News / Wall City / Central California Women's Facility Media Center	Sacramento	CA	N/A
Investigative Newsource	inewsource.org	San Diego	CA	Yes
Voice of San Diego	Voice of San Diego	San Diego	CA	Yes
Acción Latina	El Tecolote	San Francisco	CA	N/A
Mission Local SF	Mission Local	San Francisco	CA	Yes
San Francisco Public Press	San Francisco Public Press	San Francisco	CA	Yes

APPENDIX 4 | Continued

Corporate 990 Name	Publication name or URL	City	State	Collected/ Analyzed 990 Data
India Currents Foundation	India Currents Foundation	San Jose	CA	Yes
San Jose News Bureau	San Jose Spotlight	San Jose	CA	Yes
Voiceoforangecountyorg	Voice of Orange County	Santa Ana	CA	Yes
Aurora Sentinel Community Media	The Sentinel Newspaper	Aurora	CO	Yes
Local Reporting Lab Initiative, Inc.	Boulder Reporting Lab	Boulder	CO	N/A
Sopris Sun, Inc.	The Sopris Sun	Carbondale	CO	Yes
LJMN Media, Inc.	The Lakeville Journal / The Millerton News	Falls Village	CT	Yes
Online Journalism Project, Inc.	New Haven Independent	New Haven	CT	N/A
Street Sense, Inc.	Street Sense Media	Washington	DC	Yes
Northeast Florida Journalism Collective, Inc.	The Tributary	Jacksonville	FL	Yes
The Red & Black Publishing Company, Inc.	The Red & Black	Athens	GA	Yes
Canopy Atlanta	Canopy Atlanta	Atlanta	GA	Yes
The Atlanta Voice	The Atlanta Voice	Atlanta	GA	N/A
The Oglethorpe Echo Legacy Inc.	The Oglethorpe Echo	Lexington	GA	Yes
The Current G, Inc.	The Current	Savannah	GA	Yes
Block Club Chicago NPF	Block Club Chicago	Chicago	IL	Yes
Borderless Magazine NPF	Borderless Magazine	Chicago	IL	Yes
City Bureau NFP	City Bureau	Chicago	IL	Yes
Injustice Watch NPF	Injustice Watch	Chicago	IL	Yes
Investigative Project On Race and Equity NPF	Investigative Project On Race and Equity	Chicago	IL	Yes
Reader Institute for Community Journalism (Chicago Reader)	Chicago Reader	Chicago	IL	Yes

APPENDIX 4 | Continued

Corporate 990 Name	Publication name or URL	City	State	Collected/ Analyzed 990 Data
South Side Weekly NPF	The South Side Weekly	Chicago	IL	Yes
Cicero Independiente NPF	Cicero Independiente	Cicero	IL	Yes
Evanston RoundTable Media	Evanston RoundTable	Evanston	IL	Yes
Growing Community Media, NFP	Growing Community Media	Oak Park	IL	Yes
Free Press Indiana, Inc.	The Lens / Mirror Indy	Indianapolis	IN	N/A
CivicLex, Inc.	CivicLex	Lexington	KY	Yes
The Current Media, Inc.	The Current	Lafayette	LA	Yes
The Lens	The Lens	New Orleans	LA	Yes
The Belmont News Foundation, Inc.	The Belmont Voice	Belmont	MA	Yes
Brooklinedotnews Corporation	Brookline.News	Brookline	MA	Yes
Ipswich Local News, Inc.	Ipswich Local News	Ipswich	MA	Yes
Marblehead News Group, Inc.	Marblehead Current	Marblehead	MA	Yes
New Bedford Light, Inc.	The New Bedford Light	New Bedford	MA	Yes
Lower Cape Community Access Television, Inc.	Lower Cape TV	Orleans	MA	Yes
Baltimore Beat, Inc.	Baltimore Beat	Baltimore	MD	Yes
Streetcar Suburbs Publishing, Inc.	Here & Now College Park / Life & Times Hyattsville / The Laurel Independent	Hyattsville	MD	Yes
Harpswell News	Harpswell Anchor	Harpswell	ME	Yes
Outlier Media	Outlier Media	Detroit	MI	Yes
Planet Detroit	Planet Detroit News	Detroit	MI	N/A
The Local Journalism Foundation, Inc.	Now Kalamazoo	Kalamazoo	MI	Yes
Columbia Missourian	Columbia Missourian	Columbia	MO	N/A
The Kansas City Defender	The Kansas City Defender	Kansas City	MO	N/A

APPENDIX 4 | Continued

Corporate 990 Name	Publication name or URL	City	State	Collected/ Analyzed 990 Data
Springfield Daily Citizen, Inc.	Springfield Daily Citizen	Springfield	MO	Yes
Asheville Watchdog	Asheville Watchdog	Asheville	NC	Yes
DHT Media Corporation	The Daily Tar Heel	Chapel Hill	NC	Yes
Community Info Coop	The Jersey Bee	Bloomfield	NJ	N/A
Montclair Local Nonprofit News, Inc.	Montclair Local	Montclair	NJ	Yes
Investigative Post, Inc.	Investigative Post	Buffalo	NY	Yes
Highlands Current, Inc.	Highlands Current	Cold Spring	NY	Yes
The Ithaca Voice, Inc.	The Ithaca Voice	Ithaca	NY	Yes
City Limits News, Inc.	City Limits	New York	NY	Yes
City Report, Inc.	The City	New York	NY	Yes
Documented, Inc.	DocumentedNY	New York	NY	Yes
The Daily Catch, Inc.	The Daily Catch	Red Hook	NY	Yes
Adirondack Explorer, Inc.	The Adirondack Explorer	Saranac Lake	NY	Yes
Central Current, Inc.	Central Current	Syracuse	NY	Yes
Ohio Local News Initiative, Inc.	Signal Statewide / Signal Cleveland / Signal Akron / Signal Cincinnati	Columbus	OH	N/A
Ashland.News	Ashland News	Ashland	OR	Yes
Bucks County Herald Foundation	Bucks County Herald	Doylestown	PA	Yes
Resolve Philadelphia, Inc.	Resolve Philly	Philadelphia	PA	Yes
Citizen Media Group	The Philadelphia Citizen	Philadelphia	PA	Yes
PublicSource, Inc.	PublicSource	Pittsburgh	PA	Yes
Institute for Public Service	Institute for Public Service	Knoxville	TN	N/A
MLK50: Justice Through Journalism	MLK50: Justice Through Journalism	Memphis	TN	N/A

APPENDIX 4 | Continued

Corporate 990 Name	Publication name or URL	City	State	Collected/ Analyzed 990 Data
Nashville Public Media, Inc.	Nashville Banner	Nashville	TN	Yes
The Contributor, Inc.	The Contributor	Nashville	TN	Yes
Capital of Texas Media Foundation	Austin Monitor	Austin	TX	Yes
Advocate Media - Dallas Inc.	Advocate Magazine	Dallas	TX	Yes
Dallas Free Press	Dallas Free Press	Dallas	TX	Yes
El Paso Matters, Inc.	El Paso Matters	El Paso	TX	Yes
Fort Worth Report	Fort Worth Report	Fort Worth	TX	Yes
San Antonio Report	San Antonio Report	San Antonio	TX	Yes
Charlottesville Tomorrow	Charlottesville Tomorrow	Charlottesville	VA	Yes
Piedmont Journalism Foundation	Fauquier Times / Prince William Times	Warrentown	VA	Yes
Foothills Forum	Foothills Forum	Washington	VA	Yes
Vermont Independent Media, Inc.	The Commons	Brattleboro	VT	Yes
Capital Region Community Media	The Montpelier Bridge	Montpelier	VT	Yes
My Neighborhood News Network	My Neighborhood News Network	Edmonds	WA	N/A
Key Peninsula News	Key Peninsula News	Vaughn	WA	Yes
Isthmus Community Media, Inc.	Isthmus	Madison	WI	Yes
Wausau Pilot and Review Corp.	Wausau Pilot and Review	Wausau	WI	Yes

APPENDIX 5 | Use of AI for Data Collection

To collect data from more than 500 IRS 990 filings, we utilized Large Language Model (LLM) assisted data extraction. Specifically, we used ChatGPT, using the prompt described below, to aggregate and organize the key financial variables identified in footnote 9.

To ensure data integrity and accuracy, we visually compared the ChatGPT output to the data on the actual tax forms stored at the ProPublica Explorer. For the key organizations we included in our analysis, we initiated independent fact-checking of all data used in the conclusions to ensure their numerical accuracy.

Sample Prompt

Look at IRS 990 tax forms for data on _____
[News Organization Name] _____
with the EIN _____
for fiscal years _____ to _____.

Sources and priority Primary Source: Use ProPublica Nonprofit Explorer PDFs or XML data.

Secondary Sources: If ProPublica is missing any year or field, search IRS TEOS and other publicly available repositories for those 990s.

Missing Years: If data is not yet publicly available, enter “NA” in the cells and add a note “No public filing located” in the Source notes column

Data Fields to extract from form 990, Page 1, Part I

Extract:

- Line 8 Contributions and grants
- Line 9 Program service revenue
- Line 10 Investment income
- Line 11 Other revenue
- Line 12 Total revenue
- Line 18 Total expenses
- Line 19 Revenue less expenses
- Line 22 Net assets or fund balances, end of year.

From form 990 Part IX “Statement of Functional Expenses,” page 10, Line 25, “Total Functional expenses, Add lines 1 through 24e”

Extract:

- Line 25 Column B Program service expenses
- Line 25 Column C Management and general expenses
- Line 25 Column D Fundraising expenses

If Line 25 cannot be located immediately, continue searching so that the full Part IX section is completed with accurate values.

Output Requirements:

Organize and output the data and provide a link to a downloadable Excel spreadsheet or CSV file in this column order:

- Organization,
- EIN,
- Year,
- L8,
- L9,
- L10,
- L11,
- L12,
- L18,
- L19,
- L22,
- Part IX Col B,
- Part IX Col C,
- Part IX Col D

Source notes

Present numbers in whole dollars with no commas (e.g., 1234567 not 1,234,567).

Include a separate Source notes cell for each row with the exact source (e.g., “ProPublica PDF,” “IRS TEOS XML,” or URL).

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Caroline Porter is principal of Ralstin Agency, which partners with news outlets, universities, and nonprofits that focus on business and civic models for journalism. Recent and current clients include the American Journalism Project, The Lenfest Institute for Journalism, the Collaborative Journalism Resource Hub, and the Institute for Nonprofit News. Caroline worked as a staff reporter for The Wall Street Journal in the Chicago and Los Angeles bureaus and served as an adjunct lecturer at Northwestern University’s Medill School. As a Fulbright Scholar in Northern Ireland, Caroline researched the role of media in the post-conflict region and earned a masters degree with honors from Ulster University. She is also the Director of Product and Strategic Partnerships at Open Campus.

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About Wyncote Foundation

Wyncote Foundation’s mission is to support efforts that strengthen and enrich culture, community, and the natural environment. Based in Philadelphia, the foundation was launched in 2009 with funds from the Otto and Phoebe Haas Charitable Trusts, at the direction of John C. Haas.



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