

Open Source Funding

*Open funding models and strategies
for open research and communities*

Fiscal Sponsorship, Foundations
and other Funding Mechanisms

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Getting Funding is Only the First Step



Photo by [Melissa Walker Horn](#)
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The distributed, decentralised, international nature of open source software is both an immense asset and a challenge to making use of funding

- How do make decisions about about where funding should go?
- How do you receive funding?
- How do you pay people?
- How do you stay on the right side of the law?

The choice of what mechanism you use for receiving and distributing funding will depend on the stage in the lifecycle, the amount of expected income, and the governance model

Receiving Income

- Individual
 - Easy to setup
 - Centralises control
 - Legal liabilities
- Employing Organisation
 - Requires approval
 - May relinquish “ownership”
- Fiscal Sponsor / Umbrella Organisation
 - Some risk from other projects
 - Easier to pay international contributors
- Foundation
 - Much more paperwork
 - Stronger governance / neutrality
- Company
 - More paperwork
 - Greater control / Less neutrality



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Donations, Crowdfunding and Subscriptions



Many more mechanisms for getting donations:

- [Paypal](#), [Stripe](#)
- [GitHub Sponsors](#)
- [Kickstarter](#), [IndieGoGo](#)
- [Patreon](#), [Salt](#), [Liberapay](#), [OpenCollective](#), [Flattr](#)

Often easy for an individual to setup, but may need a legally charitable entity to make donations tax-free. Can still be hard to make truly international.

Platforms like [OpenCollective](#) can make it easier to manage and distribute donations in a transparent way.

[Tidelift](#) provides a platform for getting income from support subscriptions.

Fiscal Sponsors / Foundations

Fiscal Sponsors take care of the legal and financial aspects for a percentage of your income. There are a number - the following are some who host open source projects:

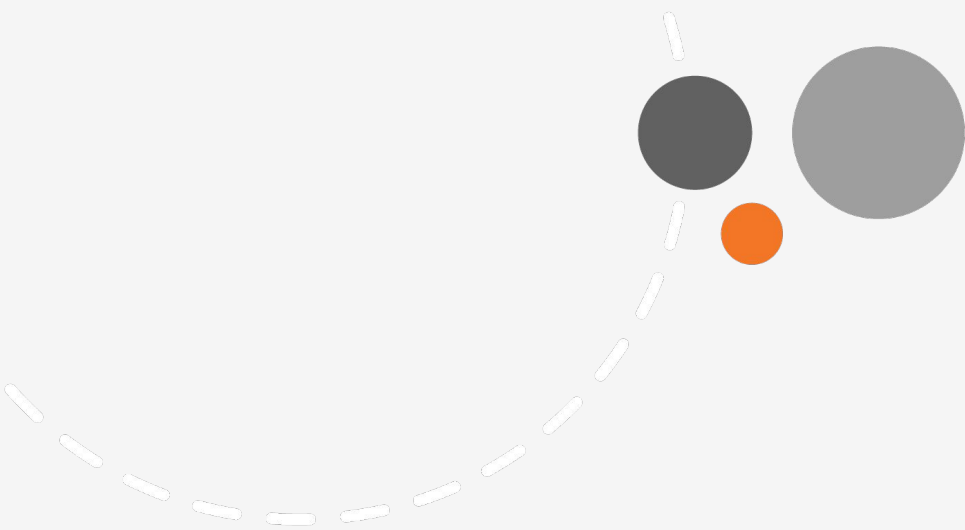
- [NumFocus](#) (US)
- [Code for Science and Society](#) (US)
- [Open Source Collective](#) (US)
- [Software Freedom Conservancy](#) (US)
- [The Commons Conservancy](#) (EU)
- [Centre for the Cultivation of Technology](#) (EU)

Setting up a Foundation varies between countries. You will have to run or outsource your own legal and financial affairs. Many membership management platforms provide useful infrastructure.

Funding Mechanisms

- Be aware of the implications of receiving funding
- Choose an appropriate mechanism for managing funding that suits size, lifecycle stage and governance model





Please visit the GitHub repository for full tutorial:
github.com/jupytercon/2020-OpenSourceFunding

Thanks