

Equitable Grantmaking in Practice

Lessons from five
equity-committed funders

LIBRA
FOUNDATION

PERENCHIO
FOUNDATION

 **WAGNER**
FOUNDATION

NWHF
NORTHWEST HEALTH
FOUNDATION

THE JUST TRUST

Introduction

In recent years, there has been a noticeable shift in philanthropic practices. Donors and funders are increasingly using diverse strategies and approaches to actively champion equity and fairness in their grantmaking endeavors.

Examples include multi-year funding that eased the burden on grantees in the wake of the pandemic, [trust-based philanthropy](#) that aims to reduce power imbalances between grantors and grantees, and programs like [Demographics via Candid](#) that provide the information funders need to better understand and diversify their grantmaking portfolios.

While the philanthropic community has learned a lot, there is still more to be done. And many funders are wondering where to start and what they can do to make their grantmaking more equitable.

GivingData is committed to elevating our community's voice by sharing best practices, lessons learned, and stories from the field. For this guide, GivingData interviewed five equity-committed grantmaking organizations: Libra Foundation, Northwest Health Foundation, Perenchio Foundation, The Just Trust for Education, and Wagner Foundation.

Together, they identified five principles of equitable grantmaking and outlined strategies for putting them into practice:

PRINCIPLE 1: Embed equity into your culture and values

PRINCIPLE 2: Develop trust-based feedback channels with grantees *and* the communities they serve

PRINCIPLE 3: Remove structural barriers and reduce grantee burden

PRINCIPLE 4: Use data to identify and understand gaps

PRINCIPLE 5: Collaborate with and learn from other grantmakers

No matter where your organization is in its journey toward more equitable funding, we hope that these principles and best practices inspire and guide you.

Embed equity into your culture and values

A common theme that rose to the top among our participant organizations is that equitable grantmaking starts when an organization makes the principle of equity intrinsic to its values. This may be easier said than done and requires regular reflection and a process for identifying opportunities for improvement in areas like staff diversity, training, and long-term planning.



THE JUST TRUST

[The Just Trust for Education](#), an organization dedicated to criminal justice reform across the country, believes that equitable grantmaking practices are rooted in the policies, processes, and culture of grantmaking organizations themselves. A culture of equity can be fostered from within an organization by building and retaining diverse teams where team members maintain relationships across lines of difference and power.

The organization also suggests that grantmakers encourage their teams to attend training and align their professional development with values rooted in equitable grantmaking. This can lead to an acceleration and adoption of an equity lens in grantmaking that can be long-lasting and meaningful.



[Wagner Foundation](#) in Cambridge, Massachusetts, uses its organizational values as a way to hold itself accountable to its staff and partners.

Internally, the team works to create a space that values collaboration across teams, where everyone on staff can show up fully as themselves and where everyone's voice is heard.

With its partners, the foundation follows an “accompaniment” approach to philanthropy, which honors the lived experience of its partners and the communities they serve. The foundation holds kick off meeting with each new grantee where they ask how they can best show up as partners in the work. They also ask how the grantee defines success instead of imposing a set of their own measurements to assess their work.

“At The Just Trust for Education, equitable grantmaking is built into our organizational culture and Theory of Change and is central to how we operate the [Safer Communities Accelerator program](#), the [State by State project](#), and all of the initiatives we support.”



James Gore (he/him)

Senior Program Officer, The Just Trust for Education



PRINCIPLE 2

Develop trust-based feedback channels with grantees *and* the communities they serve

Once an organization has embraced equity as a core value, it is essential that it gets closer to the issues it cares about and the people addressing them. Those who are carrying out the work should have a say in shaping it. True equity is achieved when funders not only focus on building relationships with their grant recipients but also actively engage with their work and the communities they serve. This entails going beyond just collecting and analyzing metrics and data. Funders must personally connect with the people impacted by the funds they distribute and use these interactions and experiences to guide their grantmaking decisions.

Proximity is crucial for building a culture of collaboration and trust between funders, grantees, and the communities they serve. However, it is not enough. Taking a step back, and concentrating on listening, reflecting, and learning, can help navigate traditional power dynamics and identify and address both conscious and unconscious biases in grantmaking.



[Perenchio Foundation](#) in Pasadena, California believes that supporting historically underserved communities means funding the organizations that are embedded in and engaged in authentic partnership with the communities they serve. As a result, the foundation prioritizes funding local anchor cultural organizations with a track record of representing, partnering with, and/or serving historically underfunded communities.

Before announcing its funding priorities when it was established, the foundation directly solicited input from leaders in the arts community it serves. Those insights have been invaluable in helping the foundation understand the community's needs, challenges, and funding gaps on a deeper level.

"We believe in being responsive to the needs of organizations serving the communities we aim to reach. We continually engage with those who are doing the daily work of leading in the sector to understand and center their most pressing priorities."



Stephania Ramirez (she/her)

Executive Director, Perenchio Foundation

Perenchio Foundation offers the majority of its grants through open calls for applications, which creates wider access to funding opportunities. Although the foundation staff has firsthand knowledge and deep experience in the local community, they understand that they cannot be aware of every possible organization that may align with their mission. Small organizations, in particular, may lack the funder networks and robust communications teams to be on the foundation's radar. Offering the opportunity to apply for funding without an invitation opens the door to these organizations and more.



[Libra Foundation](#) in San Francisco, California is guided by the principle that “those at the frontlines are best equipped to craft solutions to the issues that affect them.” The foundation also highlights the values of trust-based philanthropy as key to its own values.

As part of its effort to support “beyond the grant,” the foundation provides an outlet for grantees to connect with program staff during office hours. These hours are specifically set aside so grantees can discuss ideas, ask for support, and share important updates.



[Northwest Health Foundation](#) in Portland, Oregon calls for funders to ask grantees about barriers and challenges specific to their missions and the communities they serve. While the philanthropic field has growing wisdom and resources to support funders around process inequities, funders can't always just look to other funders for answers. Grantees know best what they need.

“All of the best ideas I've heard about how to build welcoming and accessible grantmaking processes have come from grantees and applicants, rather than from other funders... Given the inherent power dynamics of [funders'] relationships with grantees, it's tricky to build a feedback channel where grantees can be totally frank, but in my experience there is no more valuable way for funders to learn and mobilize for change.”



Quinn MacNichol (they/them)

Grants & Data Manager, Northwest Health Foundation

THE JUST TRUST

The Just Trust for Education includes leaders from the field in shaping its grantmaking strategy. This includes formerly incarcerated and system-impacted leaders, survivors of crime, and others with lived experience in the justice system.

The organization also supports underrepresented communities by socializing Requests for Proposals with grantseekers and grantee partners who may have more limited communications, fundraising, or development infrastructure. The organization is open to changing perspectives based on what is learned from these groups and their honest and direct feedback.

The organization believes that opening continuous feedback loops between funders and grantee partners is key to achieving equitable outcomes. This could mean adding a link to a brief, optional survey at the end of applications or grantee reports so that grantees can share their feedback regularly.



Wagner Foundation's Grants and Impact Manager, David Demosthenes, is a big advocate of proximity to grantees and the communities they serve.

"Closeness to a cause provides a level of context that can challenge biases and reveal systemic barriers... I feel that equitable grantmaking should present funders with a level of proximity to the grantees in their portfolio and the issue areas they care about."



David Demosthenes (he/him)
Grants & Impact Manager, Wagner Foundation



David reminds funders to be mindful that while they can learn a lot from proximity, they also have the privilege of leaving the places they visit. What they might see as a case study is the everyday reality for others. "It's important to be invited into these spaces, to be respectful, culturally competent, and humble as we share space with communities and their changemakers."

Remove barriers and reduce grantee burden



Remove barriers

There are a wide variety of barriers, both systemic and process-related, that can prevent grantees from applying for and accessing the funding essential to fulfilling their mission. Eliminating these barriers requires funders to revisit their processes and challenge some long-held approaches to grantmaking.

THE JUST TRUST

The Just Trust for Education highlights a few practices that can help remove barriers for underrepresented communities: allowing for rolling deadlines to increase access by groups seeking resources; allowing groups to repurpose or use proposals or materials created for other funders; offering technical assistance to organizations that may need additional assistance in completing more complex aspects of a grant application; and sending questions about the organization's proposal and work in advance of a site visit to reduce the "performance anxiety" that some groups face.

The organization suggests that funders provide flexible and specific project support as well as general operating support over multiple years of funding. In addition, they share clear guidelines regarding the support they provide for indirect costs and establish open lines of communication for discussing indirect cost rates.



Wagner Foundation's grantmaking philosophy is about crafting a supportive ecosystem that values and elevates the voices and visions of its partners.

When identifying potential partners, the foundation removes barriers by not requiring a formal application for funding. Instead, they relieve the burden on grantees by conducting due diligence and grantee research internally. The foundation also prioritizes communication and is responsive to partner questions, which builds trust and deepens relationships.



Funders often find internal cultural barriers to trust-based and equitable grantmaking. Quinn from Northwest Health Foundation suggests that funders think openly and question why those beliefs exist in their organization, whether or not they are serving the organization's mission, and if they perpetuate inequity.

"Our sector is very cautious, risk averse, and slow to change. Frequently things we, as funders, see as internal barriers are not actually barriers but traditions or limits we've created ourselves - and these are things we can choose to change. While it's important to find practical ways to work around these barriers, it's also essential that we address the institutional and cultural issues that are the root causes of them."

Reduce grantee burden

While removing barriers helps streamline the relationship between funders and their grantees, the next step is to eliminate unnecessary administrative burden on grantees, and make the process more equitable by giving grantees the time to focus on their mission and work.



Internally, Libra Foundation embeds equity into their day-to-day work through close collaboration between the grants management and program team. More specifically, the program team has been instrumental in helping grants management understand how certain grant management processes can interfere with grantees' activities and schedules.

An example of what this looks like for Libra is the process by which the foundation develops grantmaking timelines. Program officers who periodically check in with grantees tend to have a better understanding of which grantees may face circumstances affecting their ability to respond to requests from the grants management team. Grantees may be going through leadership transitions or be involved in major community organizing or advocacy initiatives. By collaborating with the program team, grants management can adjust their processes and timelines to accommodate grantees' time and work.



A critical component of any GMS that allows for trust-based and equitable grantmaking practices is the grantee experience – primarily, an easy-to-use grantee portal – since often submitting a form through a portal is the first interaction a potential grantee has with a funder.

“One of the primary reasons we selected our current GMS is the high-quality user experience in the grantee portal,” said Quinn MacNichol. “I’ve worked with various GMS systems over the years and found that the easier and more intuitive that portal experience is, the easier it is to build trust and relationships with grantees.”



The Just Trust for Education utilizes GivingData's Demographics via Candid integration to reduce demographic data reporting burden on its grantees and inform current and future grantmaking. Demographics via Candid reduces the data reporting burden on nonprofit partners by allowing them to share their demographic data just once on their Candid profile. This data then links with the organization's grants management system (GMS), allowing them to proactively explore data and measure the impact of grantmaking with an equity lens.

The Just Trust for Education also uses a recommendation form that the program team fills out during the scoping and desk research phase of each award. The information gathered through conversations with grantseekers and grantee partners is captured in the recommendation form and then automatically transferred to questions on the application form. Grantseekers and grantee partners can choose these pre-filled responses on their application forms and make changes if necessary. “This reduces duplicated efforts and streamlines the application process for grantseekers and grantee partners, allowing them to spend less time applying for funding and more time doing the important work they’re doing in the field.”

PRINCIPLE 4

Use data to identify and understand gaps



Once you've collaborated with your grantees and have begun to reduce barriers and burdens in your grantmaking, it's crucial to understand how you can collect, analyze, and utilize [disaggregated grantmaking data](#) to inform equitable grantmaking. Data can help identify gaps in the communities served, as well as shed light on any inequities in your grantmaking decisions and strategies. That's why it's vital that the grants management system used by your organization thoroughly support your data management and analysis efforts.



Perenchio Foundation is focused on funding in Los Angeles County, which is divided into eight geographic sub-regions, known as Service Planning Areas (SPAs). "We track which SPAs our grantees serve so that we can identify any regional gaps." This data-centered approach allowed the foundation to identify that they were not receiving grant applications from any organizations serving one particular SPA. As a result, the foundation is exploring ways to reach communities that often get overlooked in that part of the county.



According to Northwest Health Foundation, data is an essential tool to hold funders accountable for how its investments align with its values, commitments, and movement towards racial equity.

The foundation uses its grants management system to track where its spending is - and sometimes isn't - in alignment with its values. "The coding structure and tagging tools allow us to do a quick and nimble, but still detailed, analysis of our grantmaking."



Libra Foundation uses data as a tool to help the foundation remain accountable for its value of supporting groups that build BIPOC power.

"We use GivingData features like [its integration with] Demographics via Candid and our own data collection to analyze our grantmaking decisions. For example, we have used data like organizational budget size to identify grantees who may have capacity-building needs. Ultimately, the data is used in service of the grantee and supporting their mission."



Lilia Granillo (she/her)

Grants Associate, Libra Foundation

Collaborate with and learn from other grantmakers

As highlighted by the previous principles, collaboration stands as a cornerstone of equitable grantmaking. As your organization works its way through the first four principles, you should not hesitate to reach out to the broader grantmaking community. In fact, this principle is a core reason behind the creation of this eBook – the philanthropic community is stronger when its members work together and learn from each other.

While your nonprofit partners and the communities they serve should remain your primary focus, collaborating with a broader network of grantmaking organizations can introduce you to new ideas and opportunities to join forces and address equity on a broader scale.

Most foundations we interviewed agreed that [PEAK Grantmaking](#) is a great resource with a strong community of organizations focused on advancing equity in philanthropy. PEAK also has regional chapters that connect grantmakers serving communities within the same geographic region. There are also many regional grantmaking associations outside of PEAK with networks that connect local funders with similar values and grantmaking approaches.

TAG provides resources like [Equity Essentials](#), a learning and support series designed for tech-related staff in philanthropy. TAG also produces a State of Philanthropy Tech Survey, which shows that nearly half of tech-related staff do not have any programs or training related to diversity, equity, and inclusion (DEI).



In Closing

Equitable grantmaking is a journey and not a final destination. We encourage the grantmaking community to continue to iterate on their processes, maintain an open dialogue with grantees and the communities they serve, and eliminate barriers wherever possible.

In the spirit of collaboration, we encourage you to join the conversation by sharing your perspective and equitable grantmaking practices with us. **Please share your ideas here.** We may highlight or explore them in a future content piece.

Thank you, GivingData community!

Thank you to the Libra Foundation, Northwest Health Foundation, Perenchio Foundation, The Just Trust for Education, and Wagner Foundation, for your commitment to equitable grantmaking and partnering with us on this eBook!

More Resources

We'll leave you with a few more important articles and resources we identified during the creation of this eBook:

[Five Accelerators of Equitable Grantmaking and How to Harness Them](#)

[Grantmaking for Equity: Essential, Fundamental Practices](#)

[Grant Making with a Racial Equity Lens](#)

[Examining philanthropic funding for racial equity across the United States](#)

[Report: Support Up After Record Inflation, But Relevancy of Racial Equity Declined](#)

[Beyond the Grant: How One Foundation Centered Connection in Giving](#)