

Trust-Based Philanthropy: An Approach

Trust-Based Philanthropy reimagines traditional funder-grantee relationships by addressing the inherent power imbalances that exist between foundations and nonprofits. **Infused by core values of equity, humility, transparency, curiosity, and collaboration**, Trust-Based Philanthropy envisions a world in which funders authentically partner with grantees in a spirit of service.

A trust-based approach relies on six interrelated principles which, when practiced together, contribute to greater equity in the sector:

- 1 **Provide Multi-Year, Unrestricted Funding**
- 2 **Do the Homework**
- 3 **Simplify & Streamline Paperwork**
- 4 **Be Transparent & Responsive**
- 5 **Solicit & Act on Feedback**
- 6 **Offer Support Beyond the Check**

1 Provide Multi-Year, Unrestricted Funding

Unrestricted funding over time is essential for creating healthy, adaptive, effective organizations.

Suggestions

- Make commitments for more than one year
- Trust that nonprofits know best how to spend grant money

Benefits

- Supports the stability of grantee organizations and reduces stress on EDs
- Encourages risk taking, creativity, innovation, and emergent action instead of sticking to proposal outcomes that may become outdated
- Supports grantees' long-term planning by allowing them to project resources and make strategic investments to meet emerging needs

2 Do the Homework

It's the funder's responsibility to get to know prospective grantees, not the other way around.

Suggestions

- Reduce pre-proposal requirements for grant applicants
- Be proactive in getting to know prospective grantees through research and asking for recommendations
- Use available public records to understand prospective grantees' purpose, programs, leadership, and financial standing
- Look beyond your usual circles to identify organizations that are aligned with your foundation's values and vision, but may be overlooked due to implicit bias

Benefits

- Alleviates power imbalance by putting the onus of due diligence on the grantmaker
- Saves grantees from wasting time on unnecessary paperwork in early vetting stages
- Paves the way for more trusting and rewarding relationships in the long run

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3 Simplify & Streamline Paperwork

Nonprofit staff spend an inordinate amount of time on funder-driven paperwork; they will be more effective if they are freed up to concentrate on mission.

Suggestions

- Accept proposals and reports written for other funders
- Before inviting a full proposal, use a screening process (such as a short LOI) that can help determine whether funding is likely
- Consider taking a conversational approach to learning about grantees' work, via phone calls or in-person meetings

Benefits

- Less time spent on paperwork, and more time for genuine learning and conversation with grantees
- Allows for deeper, more interactive relationships with grantees



4 Be Transparent & Responsive

Open, honest, and transparent communication minimizes power imbalances and helps move the work forward.

Suggestions

- Be clear up front about what you do and don't fund, and let potential applicants know if meeting is not a good use of their time
- Give grantees ample notice if you are making any changes that will affect their funding
- Invite grantees to share their challenges
- Be open and honest about your own organizational struggles, questions, and thought processes
- Respond to emails and calls in a timely manner

Benefits

- Creates conditions for a more honest funder-grantee relationship
- Acknowledges power dynamics with the intention of creating a more balanced relationship
- Fosters a better understanding of grantees, their work, and their challenges
- Offers insight that can help funders be more effective in supporting grantees

5 Solicit & Act on Feedback

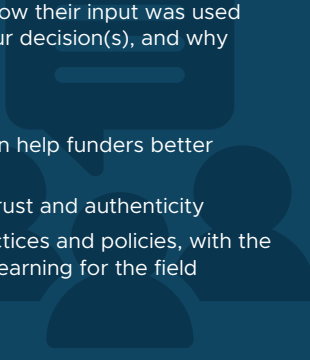
Grantees provide valuable perspective that can help inform a funder's support and services.

Suggestions

- Anonymously survey grantees (or find ways to ask them conversationally) about your practices as a funder
- Before making major changes or updates, glean grantee feedback to inform those changes
- Inform grantees on how their input was used (or not) to inform your decision(s), and why

Benefits

- Offers insight that can help funders better serve grantees
- Encourages mutual trust and authenticity
- Improves funder practices and policies, with the potential to provide learning for the field of philanthropy



6 Offer Support Beyond the Check

Responsive, adaptive, non-monetary support helps foster healthier organizations by bolstering leadership and capacity.

Suggestions

- Introduce grantees to other funders and like-minded organizations (especially important if grantees are cycling off of funding)
- Serve as a sounding board or provide counsel to grantee partners, as requested
- Highlight grantees' work in your newsletter, on your website, on webinars, and/or during conference presentations
- Provide spaces for reflection, learning, and connection
- Build and nurture peer learning networks
- Host restorative retreats geared toward inspiration and renewal

Benefits

- Helps build the capacity and strength of leaders and organizations over time
- Fosters a deeper sense of connection to grantees and their work
- Offers funders a chance to learn more deeply about grantees' work and organizational context

