

CHAPTER 13

***Trust-Based Philanthropy and
Participatory Philanthropy***



IN THE PAST SEVERAL DECADES philanthropists have evinced increasing interest in practices that show respect for the autonomy and needs of their grantees and beneficiaries* and hopefully improve the effectiveness of the grantmaking process. Two major clusters of these practices go under the names of “trust-based philanthropy” and “participatory philanthropy.”

While the *Stanford PACS Guide to Effective Philanthropy* describes and recommends the practices of trust-based philanthropy, the *Guide* does not adequately capture the participatory philanthropy movement. This supplementary chapter reviews and elaborates on the former practices and then turns to the latter.

While neither practice is new to the social sector, contemporary interest in these practices tends to center around grants to organizations addressing poverty, inequality, and injustice in marginalized communities in the United States and globally. But they are applicable to the pursuit of many other philanthropic goals as well.

As background, there are essentially two rationales for the practices of trust-based philanthropy and participatory philanthropy:

- They may improve effectiveness in achieving the philanthropist’s goals. For example, the Whitman Institute states that “We believe efforts to create social, political, and economic equity will be more successful if funders proactively work to alleviate power imbalances in the sector by embedding trust, dialogue, and relationship-building in its practices with grantees.”¹⁰⁵
- Or they may cede power to grantees and beneficiaries as an end in itself, as a means of redressing the imbalance of power between rich

* Some proponents of participatory philanthropy prefer locutions other than “beneficiaries” to describe the communities with whom a philanthropist is sharing power. We will stick with the common definition of a beneficiary as a person who receives help or an advantage from something or someone. Even the greatest possible sharing of power with a community inevitably results from a philanthropist’s decision to benefit the members of that community.

and poor, between wealthy white donors and their BIPOC (black, indigenous, people of color) beneficiaries or for other motives.

These goals may often be synergistic—but not always.

Trust-Based Philanthropy

The Trust-Based Philanthropy Project¹⁰⁶ describes the practice as:

An approach to giving that addresses the inherent power imbalances between funders, nonprofits, and the communities they serve. At its core, trust-based philanthropy is about redistributing power—systemically, organizationally, and interpersonally—in service of a healthier and more equitable nonprofit ecosystem.

These are the core practices of trust-based philanthropy:

1. *Listening to beneficiaries and grantees.* To quote the title of a seminal work on the topic, “listening to those who matter most, the beneficiaries”¹⁰⁷ is a wise move for any donor pursuing any goal. It helps ensure that you are solving the “right” problem and can provide you with insights into solutions.

While the *Guide* addresses the value of engaging beneficiaries in several places,¹⁰⁸ it’s worth elaborating on the importance of this practice. When trying to address social problems—particularly those that affect marginalized communities—learning about the nature of those problems from your intended beneficiaries can inform your approach and result in the development of a more successful strategy.

If you have already identified potential grantee organizations that are close to the ground, they may provide this information for you. The Trust-Based Philanthropy Project recommends that donors actively solicit feedback from current, past, and declined grantees about

their strategies and funding practices. With similar goals in mind, the Center for Effective Philanthropy's (CEP) long-standing Grantee Perception Report surveys foundations' grantees to learn about these issues:¹⁰⁹

- Foundation's impact on grantees' fields, communities, and organizations
- Understanding grantees' intended beneficiaries and challenges
- Interactions and communications with grantees
- Application, reporting, and evaluation processes
- Assistance beyond the grant
- Diversity, equity, and inclusion

Although CEP's process is designed for staffed foundations, individual donors and small family foundations can use a consultant to gain this sort of information.*

2. *Reducing the burdens of the due diligence process* (see **Chapter 8**.)
Some funders require grant applicants to submit lengthy and onerous proposals, which distracts from a nonprofit's substantive work. The *Guide* and The Trust-Based Philanthropy Project recommend that you lessen this burden by doing initial due diligence yourself. Beyond this, you should ensure that grantmaking decisions are informed by diverse perspectives; create an inclusive selection process; and check that your grant requirements don't give undue preference to more established and well-funded organizations. Your goal is to select organizations likely to effectively serve their beneficiaries, rather than those you feel most comfortable with. If you're not overly risk-averse, consider funding organizations whose strategies and leadership gives them significant potential of having positive impact even if they don't yet have much of a track record.

* The Trust-Based Philanthropy Project recommends that funders should compensate beneficiaries and nonprofit organizations for their time and be transparent about how they will use the feedback they receive.

3. *Providing multi-year unrestricted, or general operating support.* This is the most effective grantmaking strategy when the grantee organization’s overall mission and activities are aligned with your goals. It reflects the reality that the organization’s management is better suited than the donor to decide how to allocate funds among its activities, including those categorized as overhead or indirect costs. When only a subset of the organization’s activities are aligned with your goals, the *Guide* suggests that it’s appropriate to make so-called “project grants” in support of those activities as long as you include adequate funding for *overhead or indirect costs*. In either event, long-term renewable support is most beneficial to the organization. **Chapter 10** of the *Guide* (Making Gifts) addresses these issues in greater depth.

4. *Imposing reasonable monitoring and evaluation (M&E) requirements.* In the words of a Russian proverb, adopted by President Ronald Reagan in the context of nuclear disarmament negotiations with the Soviet Union, “trust, but verify.”¹¹⁰ Trust-based philanthropy does not call for less. Decisions concerning monitoring and evaluation should be mutually agreed upon early in the grant process. As mentioned above, paperwork can be grueling and time-consuming for nonprofits, and you seldom need to impose more requirements for monitoring and evaluation than would be useful for the organization itself regardless of funding (see **Chapter 8**). A funder who makes restricted grants for particular projects should ensure that the grant funds will cover the costs of M&E.

It is worth noting that grants of general operating support (GOS) are no less subject to evaluation than project grants. “A donor who makes a GOS grant to an organization in effect accepts the grantee organization’s mission as their own and evaluates the success of the grant essentially as the organization’s CEO and board evaluate its own performance.”¹¹¹

5. *Being transparent and responsive.* Open communication can help build mutual respect and trust between donor and grantee that

ultimately contribute to impact. Donors should be aware of the unequal power dynamics that affect their relationships with grantees. You should be clear about what you will and will not fund; say ‘no’ quickly if an organization is not a good fit; and respond quickly to communications from grantees.

6. *Providing assistance beyond the grant.* Non-monetary support can be very helpful to your grantees. In addition to providing funding for consultants on issues ranging from strategic planning to fundraising, you can support your grantees by making introductions to other funders, offering support during transitions, and providing meeting spaces and other resources. Assistance beyond the grant can also include the funder’s and grantee’s co-creation of strategies that support the organization’s mission.

What's in a Name?

The “trust” in Trust-Based Philanthropy refers not only to donors’ trust of their grantees, but also to grantees’ trust in their donors—a trust that’s nourished by transparent, consistent, and fair practices.

Many of the Trust-Based Philanthropy practices were previously elaborated upon by the Impact-Driven Philanthropy Collaborative, sponsored by the Raikes Foundation, and in various books and articles,¹¹² and they have been adopted by an increasing number of foundations and individual donors. Why give these practices a new name? For one thing, the Trust-Based Philanthropy movement is particularly concerned with grantmaking involving racial, gender, and economic equity. More broadly, the Trust-Based Philanthropy Project asserts—and we don’t disagree—that there’s “power and potential in naming this approach, as it allows those who have been practicing this way to articulate their approach with greater clarity and certainty.”¹¹³

Participatory Philanthropy

Participatory processes have a deep history in political thought and practices, ranging from community development to participatory budgeting. The phrase *nihil de nobis, sine nobis* originated in Central Europe in the 16th century or earlier.¹¹⁴ Its English translation, “nothing about us without us,” came into use in disability rights movements in the 1990s.

Participatory philanthropy is a continuum of practices which encompass engaging beneficiaries and other stakeholders in the entire range of decisions that a funder makes. The practices center around shifting decision-making power to those most affected by a funder’s decisions, rather than simply building trust. Participatory philanthropy can take place during the **pre-grant phase** of identifying funding priorities and developing strategies, the **grant phase** where applications are evaluated and grant decisions are made, and the **post-grant phase** where monitoring and evaluation are considered. **Participatory grantmaking** specifically refers to the “grant” portion of this process.

PRE-GRANT PHASE	GRANT PHASE	POST-GRANT PHASE
articulating a focus area	evaluating grant applications	engaging in monitoring and evaluation
conducting issue scans	making site visits	distributing information about program progress and outcomes
developing funding strategies	communicating with prospective grantees	deciding on grant renewal
	making funding decisions	
	identifying metrics for monitoring and evaluation	

Who are the relevant stakeholders? Who the stakeholders are varies from grant to grant. They typically include the community members and others who are most affected by the challenges being addressed by the funder. They also may be individuals and organizations, including past or prospective grantees, that are working with the community to meet those challenges. Although a philanthropist may have much to learn from experts who are *not* connected with the community, they typically would not be considered stakeholders—as distinguished from “lived experts,” who directly experience the community’s challenges.

As with trust-based philanthropy, proponents of participatory philanthropy offer multiple rationales for seeking consensus, delegating decisions, or sharing power:

1. Engaging in a participatory process improves philanthropic outcomes through better strategies and implementation processes.
2. Participation by a philanthropist’s intended beneficiaries and other stakeholders has intrinsic value.
3. The participatory process builds the capacity of community-based organizations to meet their communities’ challenges.
4. The process builds trust between funders, grantees, and affected communities, which enables all parties to help meet those challenges.

Surina Khan from the Ford Foundation writes that participatory grantmaking funders (PGFs) “bring the experiences of those most affected by problems to consider the best opportunities for funding solutions to those problems. And PGFs have the added value of building diverse philanthropic leadership—by training community leaders to make grants, PGFs are also building philanthropic literacy, program design skills, fundraising capability, and movement and leadership skills of community activists.”¹¹⁵

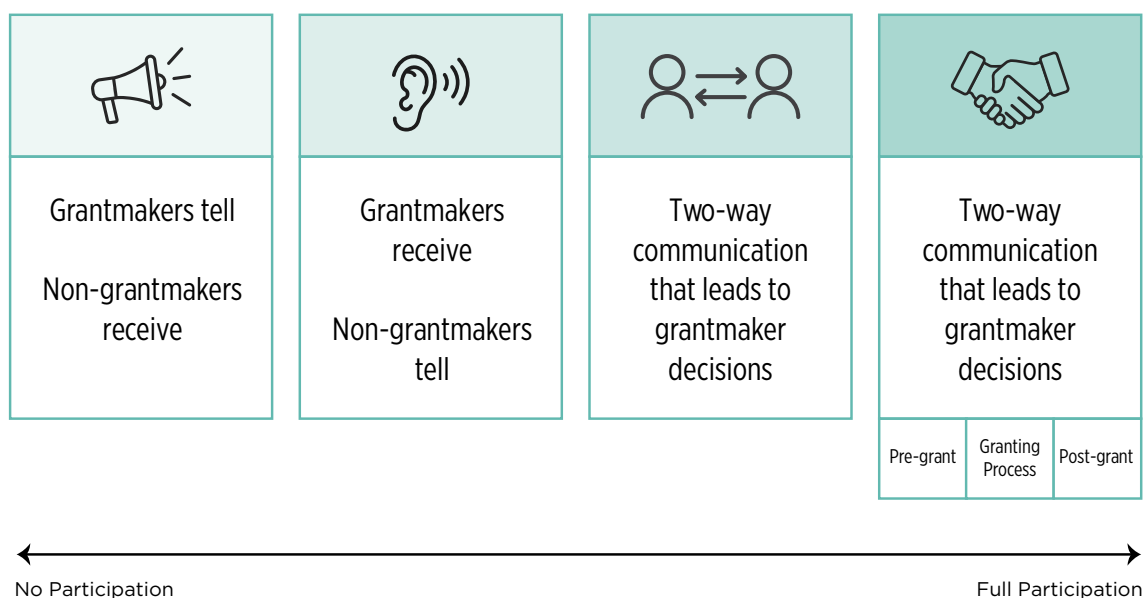
Engaging in participatory philanthropy practices is not without its challenges, however. Effectively convening relevant parties and facilitating

conversations call for extraordinary skills coupled with empathy. Even then, some participants may come to the table with parochial priorities that conflict with the community’s broader interests.¹¹⁶ We’ll return to these matters later.

Degrees of Participation in Grantmaking

A donor may invite different degrees of participation during the grantmaking process.*

PARTICIPATORY GRANTMAKING¹¹⁷ Draft Overall Framework



* Note: While these practices are most often seen at the institutional public and private foundation level, with this chapter, we’re focused on how the individual donor (perhaps with a family foundation) can engage in these practices.

The following outline of degrees of participation draws heavily on the “Action Guide to Engaging Stakeholders” by Grantmakers For Effective Organizations and Interaction Institute for Social Change, with some supplements and modifications:



Grantmakers tell
Non-grantmakers receive

Decide without consulting beneficiaries or grantees, and grant without explanation—This was the theme of *The Millionaire*, a 1950s TV series in which the agent of an anonymous philanthropist knocked on the door of unsuspecting beneficiaries to deliver them a check for \$1 million.¹¹⁸ It captures the spirit of the Jewish and Islamic traditions of *tzedakah* and *Sadaqa*, respectively.¹¹⁹ Much of McKenzie Scott’s extraordinary recent grantmaking—totaling \$2.74

billion to 286 organizations—is a contemporary manifestation of this model.¹²⁰



Grantmakers receive
Non-grantmakers tell

Decide without consultation and grant with explanation—The donor develops a strategy with little or no input from important stakeholders. The donor then announces the decision to those who will be affected, explains the rationale, and invites proposals. This is the typical practice of many foundations as well as individual donors.



Two-way communication that leads to grantmaker decisions

Consult before deciding—The donor develops and implements a strategy based on the input of key stakeholders. This is the central practice recommended by the Listen4Good initiative of the Fund For Shared Insight,¹²¹ and implemented by an increasing number of organizations.

In explaining the Listen4Good Initiative, the Fund for Shared Insight writes:

“We believe that funders and the organizations they support can be more effective, do more good in the world, and partner in the creation of more equitable outcomes if we are open to systematically listening to, and acting on, feedback from the people and communities at the heart of our work, especially those whose voices, historically and because of persistent systemic and structural racism, have been least heard.”

The Brooklyn Community Foundation provides an example of this approach to participatory philanthropy. Its Neighborhood Strength Initiative hosts public visioning sessions and then invites an advisory council made up of seventeen community residents to debate and make decisions on grant applications. While the board retains the ability to reject any of the council’s proposals, it has yet to do so.¹²²

To obtain feedback from key stakeholders, donors can conduct informal conversations, formal interviews, or surveys with community members or leaders; or create an advisory board to provide input.

An option that straddles (3) and (4) is one in which the donor and stakeholders work together to co-create a strategy that helps achieve the beneficiaries’ goals.



Delegate decisions with or without constraints— The donor identifies philanthropic decisions (e.g., determining a strategy or performing due diligence); imposes some constraints on the decisions (e.g., budget, avoiding conflicts of interest); and delegates the decision to others. The constraints may vary in restrictiveness. The donor does not alter the decision as long as the group adheres to them.

The group to which funding decisions are delegated

can be an *open collective*, in which decisions are widely open-sourced, or a *closed collective* in which participants are chosen to decide and collaborate on decision-making.¹²³ For example, UHAI EASHRI is an African indigenous activist fund supporting what it terms “sexual and gender minorities” and sex worker human rights.¹²⁴ It uses a closed collective model by delegating decisions to grantmaking panels composed of thirteen members nominated by sex worker and LGBTI* communities across Eastern Africa. Each proposal is reviewed and scored by three panel members, after which the entire panel discusses and, if necessary, rescores each proposal before the final list of approved proposals is sent to the UHAI board for approval.¹²⁵ While the board can ask questions, it must accept the recommendations.

As another example, the Wikimedia Foundation uses an open collective model to allocate grant funding where anyone can submit proposals and anyone else can review and comment on them, with members of the global Wikipedia community making ultimate funding decisions.¹²⁶ In contrast, RSF Social Finance uses a closed collective model: “In 2020, RSF Social Finance rolled out a new model for donors called ‘community-led funding.’ The model puts community leaders in the donor’s interest area fully in charge. Donors provide ongoing financial support, and community leaders have sustained autonomy over how the funds are distributed.”¹²⁷

Delegation to a community recognizes that the community knows better than donors what’s in its best interests. But one community’s interests may sometimes conflict with the interests of others. NIMBY decisions are obvious examples. In such cases, the donor who delegates is making a value judgment about whose interests predominate, akin to the judgment a donor makes when engaging in policy advocacy. We cannot think of a way to avoid making such judgments.

* The “I” stands for intersex, or non-binary.

Stages of the Philanthropic Process

We have just reviewed the degrees of participation models a donor might consider for the grantmaking process. Here, we consider how a donor might take a participatory approach at each stage of the philanthropic process. The *Guide* describes these five stages:

1. *Finding your focus*, that is, deciding what issues and beneficiaries are of concern to you or what problems you wish to solve (see **Chapter 1**).
2. *Understanding problems, causes, and approaches to solutions, and developing a strategy for solving problems* (see **Chapter 5**).
3. *Finding effective organizations, and conducting due diligence on prospective grantees*, including assessing their strategies and capacity to carry them out (see **Chapters 7 and 8**).
4. *Making the grant*, including specifying size, duration, form of support (unrestricted or project-based), and indirect costs; providing support for capacity-building, strategic planning, and evaluation (see **Chapter 10**).
5. *Monitoring and evaluating the grant* (see **Chapter 10**).

Participatory Philanthropy at Each Stage

1. FINDING YOUR FOCUS

Donors may begin their philanthropic journeys with particular interests or causes in mind, or with a blank slate, or in between. If you're starting from scratch or considering expanding the causes you wish to address through your philanthropy, the possible scope of issues and beneficiaries is virtually infinite. Are you interested in funding scientific or medical research, democracy, climate change, operas and museums, poverty, or social justice? Are you concerned with the welfare of those living in your own geographic community, or members of a virtual community, or with people living across the globe? Thus, there are virtually infinite people

you might consult to help narrow your focus, and hence an infinitesimal likelihood of consulting your future beneficiaries or other stakeholders at this early stage. Once you begin narrowing your choices, however, you will know who to consult.

If you have decided to focus your grantmaking on addressing the problems of a geographic community, the answer to *what community* to engage through participatory philanthropy will sometimes be obvious. Sometimes, but not always. For example, a foundation concerned with marginalized communities in the San Francisco Bay Area must choose among a dozen or more places. Although the particular problems to be addressed may be determined through a participatory process, it's very likely that you will begin with some sense of the nature of those problems in a particular community.

Having chosen a specific community, you still must decide who *speaks for it* or *makes decisions* on its behalf, especially where the residents come from diverse demographic groups. This task can be challenging. We use as an example the William and Flora Hewlett Foundation's Neighborhood Improvement Initiative (NII) which targeted East Palo Alto, the Mayfair neighborhood in East San Jose, and West Oakland. We draw on an independent comprehensive study of the NII.¹²⁸

This chart shows some of their residents' characteristics:

Population	Mayfair 8,349	West Oakland 14,127	East Palo Alto 13,855
Racial/Ethnic Composition			
Anglo	2.9%	5.6%	3.1%
Latino	79.8%	17.3%	61.6%
African American	1.8%	65.7%	25.1%
Asian/Pacific Islander	13.6%	7.9%	7.9%
Other	1.9%	3.5%	2.3%
Foreign-born	59.2%	16.9%	43.2%
Non-Citizen	42.2%	10.6%	43.2%
Living in poverty	59.2%	16.9%	43.2%
Living below 200% of poverty	39.8%	60.8%	43.6%

Though predominantly Latino, Mayfair had a community organization that seemed to have the confidence of its other residents as well. On the other hand, in East Palo Alto, which had once been largely Black, “Latinos (many of whom were new immigrants) had become the largest population of residents (62%), and the demographic changes produced volatile racial/ethnic conflict.”

The authors of the report point to an issue that pervades many efforts to involve or delegate decisions to a community:

NII ... highlights the need to reach out to residents beyond those most likely to get involved, such as local agency heads, self-appointed leaders, and other traditional gatekeepers. The West Oakland site, for example, was dominated by institutional representatives, some of whom had longstanding differences that impeded progress, while outreach to non-affiliated residents, especially Latinos, was only episodically successful. This is a challenge for all community change initiatives: “The community” is not a monolith. Given the diversity of resident populations and groups that form a community, which are the “right” ones to engage and how should one engage them?

Some funders, like the Ontario Trillium Foundation, engage in widespread, less-targeted efforts. In 2004, the Board initiated a process that allowed more than 1,000 Ontarians to share their perspectives on the community’s need. This included “Community Conversations” across the province and an electronic survey publicly available on its website.¹²⁹

Issues of which community or sub-community to engage will persist throughout the philanthropic process.

2. UNDERSTANDING PROBLEMS, CAUSES, AND APPROACHES TO SOLUTIONS, AND DEVELOPING A STRATEGY FOR SOLVING PROBLEMS

Once you have decided to home in on an issue area or a particular community, you surely will want to consult stakeholders and potential grantees. Their views are often crucial for defining the problem to be solved and understanding its causes and possible approaches to solving it. This is true whether the problem involves remedying poverty and inequities in marginalized communities or whether it involves medical research or climate change.

Relevant stakeholders will differ depending on the nature of the problem and the aspect of it being addressed. While effectively defining and solving a problem often requires drawing on the lived experience of beneficiaries, this does not obviate the need to learn from practitioners and academic experts. As we have recently seen with beliefs about the side-effects of Covid vaccines, folk epidemiology can be disastrously wrong. Until the late 19th century, it was believed that malaria, as its name suggests, was caused by bad air, or miasma. It was a Scottish physician, Ronald Ross, who discovered that the disease was transmitted by a mosquito-borne parasite.¹³⁰ On the other hand, it is the residents of a malaria-prone village who possess the expertise about how to effectively deploy insecticide-treated bed nets to prevent transmission of the disease.

So far, we have talked about a donor's *consulting*, but ultimately making their own decision. But a donor may invite deeper participation by seeking the *consensus* of stakeholders or delegating *decisions* to them. The large majority of examples of participatory decision making involve engaging in these practices with respect to marginalized geographically defined communities.

A community that already has a strong, strategically oriented organization in which diverse residents feel well represented presents a golden opportunity for consultation or delegation of decision-making authority.

If it lacks such an organization, a donor committed to participation must be willing to support the community's efforts to establish one. This often demands a long-term commitment. (Oscar Wilde famously said, "The trouble with socialism is that it takes up too many evenings.")

The easiest case for delegation is where participation itself is your primary objective. If you also have substantive objectives concerned with alleviating poverty or injustice, the matter is more complex. Proponents of participatory philanthropy assume or argue that these objectives are synergistic, and doubtless they sometimes are. But it is difficult to optimize multiple objectives, and you will have to consider the possible tradeoff between empowering the community and achieving your and the community's substantive objectives.

3. FINDING EFFECTIVE ORGANIZATIONS AND CONDUCTING DUE DILIGENCE ON PROSPECTIVE GRANTEES

You cannot avoid doing your own due diligence at one level: determining whether a community has a group of residents or organizations that you feel confident in consulting or delegating decision-making authority. These are the residents and organizations that you will rely on to disburse funds or make grants to other organizations in the community.

One aspect of due diligence at this level is whether the group has an ethos of avoiding conflicts of interest. This is especially, but not only, a problem in a community with diverse populations. The report on the NII noted: "Some community leaders and organizations were used to being the gatekeepers for resources coming into the neighborhood. They actively competed for NII dollars against other groups located inside the neighborhood and outside the city limits."¹³¹

Participatory processes are vulnerable to conflicts of interest. Community members' "insider" knowledge, experiences, and relationships can both contribute to more candid discussions as well as become sources of bias.

Like their more traditional counterparts, most funders using participatory methods require grant panelists to complete conflict of interest forms.¹³² If a reviewer has connections to the people or organization applying, they may recuse themselves from discussions or voting on that grant. With similar goals, the Headwaters Foundation for Justice has in-person, one-on-one conversations with grant panelists to see if they have any bias that would prevent them from being impartial decision makers. The Red Umbrella Fund emphasizes the importance of ensuring there is both sufficient diversity on decision-making panels and trust between members to “call out” one another regarding potential biases or blind spots.¹³³ Yet some funders assert that conflicts of interest are the inevitable price one pays for informed decision making.

Quite apart from addressing potential conflicts of interest, guiding a participatory process is no easy task. Some donors devote funds to engage an expert facilitator. In any event, funders should consider setting aside budgets to provide capacity building for participating stakeholders and to compensate them for their time. Many participatory grantmakers have adopted this practice to make the grant more effective as well as to engender trust.

4. MAKING THE GRANT

Shari Turitz of American Jewish World Service states that, “Those of us who work in foundations often talk about empowering affected communities in the fields in which we work. There is no better way to empower a community than to put money and decision making power into their own hands.”¹³⁴

Here we focus on your delegation to community groups or individuals that will recommend grants or actually engage in regranting to other organizations.

- The Annie E. Casey Foundation’s Making Connections Initiative asked residents in Denver and Boston to select small-dollar projects (\$2,000

to \$5,000) that would build local leadership and create a pipeline for larger social change projects;¹³⁵

- The International Trans Fund’s requires that its 12-member grantmaking panel is entirely composed of trans activists, a completely peer-led model in that everyone making funding decisions is a member of the population the fund supports.¹³⁶
- The Youth Lead the Change initiative in Boston Public Schools allows students to engage in a process of participatory budgeting by convening “idea collection assemblies” and allocating funds to the projects that students choose through a voting process.¹³⁷

The preferred mode of funding is multi-year general operating support, which might be supplemented with specific funding for capacity building. (While GOS funds can be used for capacity building, organizations sometimes prefer funds earmarked for that purpose to make it easier to justify such internal expenditures to their constituents.)

An important question to ask yourself and discuss with the grantee or community organization at this stage is under what circumstances you will renew the grant. That depends on the ultimate goal of your grant, which we discuss immediately below.

5. MONITORING AND EVALUATING THE GRANT

Your ultimate goal may be participation as such, or the achievement of substantive goals beyond participation, or both. If the former, then M&E will focus on the extent and quality of participation—whether it’s adequately inclusive and whether the decision process is open and free of conflicts. If the latter, then M&E will focus on the steps necessary to achieve the substantive results and their actual achievement. Even if you have delegated the primary responsibility for M&E to a community group, you will likely wish to ensure yourself that your philanthropic dollars are achieving their intended purposes.

It's important for funders to clear about their philanthropic goals with themselves, their grantees, beneficiaries, and other stakeholders. Here is a simple way to achieve clarity. Suppose that you have made a three-year grant to a community-based organization and it's time to consider renewing the grant. What criteria will you use to decide whether to renew?:

1. The inclusiveness and quality of the participatory process (period)
2. Whether the process led to an improvement in the community's capacity to address the problems that face it
3. Whether the process led to the development and implementation of sound strategies to address important problems facing the community
4. Whether the process produced tangible benefits for the community

Ideally, you would discuss these objectives with relevant stakeholders before making the initial grant.

Doing it Yourself or Contributing to a Fund?

Because participatory philanthropy requires considerable planning and operational capacity, many donors may find it simplest to contribute to a participatory fund rather than engage in the process themselves. Several of the organizations mentioned in this chapter, such as UHAI-EASHRI, the Brooklyn Community Foundation, the Red Umbrella Fund, and the Wikimedia Foundation all accept gifts from donors who wish to contribute to their participatory funds. Other foundations that practice participatory grantmaking and accept donations include the Haymarket People's Fund, the Headwaters Foundations, Native Voices Rising, the Disability Rights Fund, the New York Women's Foundation, FRIDA, and the Global Greengrants Fund. You can look for other participatory funds in your community.

Conclusion

The practices of trust-based philanthropy and participatory philanthropy recognize the lived expertise of beneficiaries and grantees; they respect the time and effort that grantees devote to applying for, monitoring, and evaluating grants; and they acknowledge the power imbalance between funders and grantees. Proponents of both practices argue that they enable donors to be more effective in their grantmaking and empower communities as a valuable end in itself.

Trust-based philanthropy encompasses grantmaking practices that lessen the burdens on grantee organizations and improve the relationship between funders and their grantees. Most of these have long been considered good philanthropic practices, and are recommended in the chapters of the *Guide*.

Participatory philanthropy builds on trust-based philanthropy's emphasis of the importance of beneficiary voice in the grantmaking process. It goes beyond giving voice to beneficiaries to making them participants in philanthropic decisions. Though fairly new to philanthropy, as mentioned above, participatory processes have a long history in realms of government and public policy. Donors would do well to learn from that history about the successes, failures, and challenges of participatory processes.

Participatory philanthropy can be understood as an aspect of the contemporary movement to “decolonize” philanthropy, meaning ceding power from (mostly) white wealthy philanthropists to (mostly) BIPOC individuals and communities. Whatever one may think about the underlying motivation, philanthropists should be clear about the extent to which they can devolve power. Substituting synonyms such as “affected communities” for “beneficiaries,” or “empowering” for “delegating” should not disguise the participatory philanthropist's unavoidable discretion about where and with what conditions to place their funds.

THE STANFORD PACS

GUIDE

TO EFFECTIVE PHILANTHROPY

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