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Giving With Pride: Considering Participatory Grantmaking in an Anti-Racist, LGBTQ+ Community Foundation

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Keywords: *LGBTQ+, community foundation, participatory grantmaking, racial justice, trust-based philanthropy*

Introduction

Institutional racism is deeply woven into organizations, people, processes, and practices in complex ways that inhibit transformational change. This case study examines how Pride Foundation, a regional LGBTQ+ community foundation in the Pacific Northwest, considered transitioning to a participatory grantmaking model as part of a broader commitment to racial justice.

While participatory grantmaking has a range of definitions and practices associated with it, in its most power-shifting form it gives the communities receiving grants control of funding decisions (Gibson, 2018). Through an embedded case study, we followed Pride Foundation in its transition year to answer two questions:

1. What factors should foundations consider when exploring participatory grantmaking?
2. How can a foundation best navigate the transition toward a grantmaking process that shares power and better serves the community it is intended to support?

To better understand the challenges and opportunities that a shift in grantmaking strategy presented, the researchers worked with the foundation throughout 2020, including during the first year of the COVID-19 pandemic, as it conducted a rigorous self-study in preparation for changing its funding processes. During this time, the foundation and the authors received funding from the Ford Foundation to support

Key Points

- Institutional racism is woven into organizations, processes, and practices in complex ways that inhibit transformational change. Participatory grantmaking and trust-based philanthropy are two paradigms that can shift such power dynamics in foundation giving. This article examines how Pride Foundation, a regional LGBTQ+ community foundation in the Pacific Northwest, restructured its grantmaking as part of a broader organization-wide commitment to racial justice.
- Through an embedded case study, the authors followed Pride Foundation in the first year of transforming its grantmaking to address two questions: the factors foundations should consider when exploring participatory grantmaking, and how a foundation can best navigate a transition. This article documents the foundation's self-study year and details five issues that emerged as pivotal aspects of the grantmaking transition: staffing, communication, community participation, funding restrictions, and organizational readiness.
- The resulting discussion contributes to foundations' knowledge about what it takes to manage this type of transformation, and provides other foundations committed to racial justice a better understanding of what to expect in undertaking this shift.

Pride Foundation's leadership viewed participatory grantmaking as a potentially effective strategy for advancing its racial justice work, as it is a method of grantmaking that shares power with the communities a foundation serves.

this work as part of a group of grantees building evidence on participatory grantmaking. Pride Foundation's decision to review its grantmaking strategy and practices was part of its 2019–2021 strategic plan and was motivated by the desire for their work to “reflect the dynamic and diverse makeup of our community, and be expansive enough to thoroughly address the dreams, needs, and lives of all members of our community” (Pride Foundation, 2022a, para. 3).

Pride Foundation's leadership viewed participatory grantmaking as a potentially effective strategy for advancing its racial justice work, as it is a method of grantmaking that shares power with the communities a foundation serves. It also responds to work like the Resonance Framework from Justice Funders, which calls for individual funders to engage in a “Just Transition” for philanthropy that requires shifting institutional practices and resources “from extraction towards regeneration” (Justice Funders, 2022, para. 1).

Participatory grantmaking and trust-based philanthropy are complementary practices that have emerged in response to critiques of “strategic philanthropy” (Schambra, 2013). While not identical approaches, both value power sharing, equity, transparency, and collaboration between funders and grantees (Behrens & Martin, 2020). While workshops, forums, and media reports

suggest that more foundations are examining and incorporating these power-sharing practices — either in whole or as a portion of their grantmaking — actual numbers are more difficult to source. A 2021 report finds that among the largest U.S. private and community foundations, 83% report some degree of stakeholder participation in governance and/or grantmaking, although most participation is at the level of consultation and involvement instead of decision-making (Husted et al., 2021).

A growing body of practitioner literature discusses participatory grantmaking, trust-based philanthropy, and foundations using these practices (see Gibson, 2018; Trust-Based Philanthropy Project, 2021). However, the experience of a foundation navigating such a transition has not been studied. We believe this case study illuminates a vital step in the change-management process and can inform foundations considering adopting community-led grantmaking practices. Further, as an LGBTQ+-led and serving foundation, Pride Foundation has also made an explicit commitment to racial justice work. As a result, it sought to improve the experiences of grantee partners and align its grantmaking with its organizational priority to move resources to LGBTQ+ communities most impacted by injustice. While participatory grantmaking initially held great promise for the foundation as a grantmaking strategy, its resulting process ultimately centered trust-based philanthropy, demonstrating the need to be iterative, responsive, and intentional in rethinking grantmaking strategy. As CEO Katie Carter notes in the closing section of this article, utilizing elements of participatory grantmaking are still possible as Pride Foundation continues to explore and refine its new process and add new funding initiatives.

Aligning Grantmaking with Racial Justice

The Multicultural Resource Center (n.d.) identifies four interconnected “levels of racism” — structural/systemic, institutional, interpersonal, and internalized — that show up in both organizations and in society at large. Structural or systemic racism is present in the beliefs and

practices of the nonprofit sector (Cordery, 2020; Le, 2017; Villanueva, 2018); institutionally in the policies and structures of our organizations (BoardSource, 2011); interpersonally between colleagues (Charity Report, 2021; Smith, 2020); and internalized in our staff, our volunteers, and our constituencies. Within grantmaking foundations, racism can show up via the “characteristics of white supremacy culture” (Okun, 2021, para. 4), in the whims of ultrawealthy philanthropists, and through ineffective funding priorities and burdensome application and reporting requirements for grantees (Le, 2017; Villanueva, 2018).

Social justice activists have long said that dismantling systems of oppression means those who are closest to the issue, especially people with lived experience, have the knowledge and expertise needed to create solutions that will provide lasting change (brown, 2017; dRworks, 2016). This mindset directly challenges the structural aspects of white supremacy culture that constrict the nonprofit sector as a whole, and philanthropy in particular (Foxworth, 2016; Muri, 2020). Participatory grantmaking involves, and often centers, the communities most impacted, building leadership capacity and reducing power disparities between funders and constituents, which can be a counterforce to structural and institutional injustices (Gibson, 2018). Foundations that adopt participatory grantmaking often embrace these values and are committed to social change. In fact, many of these foundations believe that a participatory grantmaking process is essential to realizing their missions (Gibson, 2018). Trust-based philanthropy is also committed to redistributing power; however, it places more emphasis on foundations to change their practices, including being proactive, responsive, and adaptive to grantees. Trust-based philanthropy centers multi-year, unrestricted giving; streamlined applications and reporting; and mutually beneficial and transparent relationships between grantees and funders (Trust-Based Philanthropy Project, 2021). While the two practices share many common values, trust-based philanthropy does not prescribe a participatory grantmaking process, although it is a framework that can

Participatory grantmaking involves, and often centers, the communities most impacted, building leadership capacity and reducing power disparities between funders and constituents, which can be a counterforce to structural and institutional injustices. ... [T]rust-based philanthropy is a framework for how to approach the relationship between funder and grantee partner in an equitable, trust-based, and power-sharing way.

be used for decision-making. Instead, trust-based philanthropy is a framework for how to approach the relationship between funder and grantee partner in an equitable, trust-based, and power-sharing way.

Pride Foundation, like many nonprofits, has professionalized over its nearly 40-year history. With its roots in the HIV/AIDS crisis, it was established by and for the LGBTQ+ community. While the foundation had long relied on community volunteers to enact its grantmaking programs, the foundation’s (relatively) significant endowment growth in the past decade, from \$24 million in 2011 to \$36 million in 2021; its funds for grantmaking; and its growing regional presence have led to a greater reliance on paid staff. Over the past decade, that staff facilitated a more traditional grantmaking process and the foundation was a responsive grantmaker that issued open calls for proposals. At the same time, the foundation

We believe that the learnings and questions that surfaced for Pride Foundation are likely to be experienced by other foundations considering similar transitions. Our intent, then, is not to present this as a unique case, but instead as an instrumental case whereby understanding what occurred during the transition period offers insights and learnings to other foundations considering this shift (Stake, 1995).

has intentionally strengthened its commitment to Black, Indigenous, and people of color communities and the intersectionality of marginalized identities.

In 2016, Pride Foundation made an explicit commitment to evolve into an organization that centers racial justice throughout its work, from selecting vendors and consultants and building their internal culture to its fundraising and hiring practices. It has also worked to ensure that its board and staff reflect the communities closest to the issues and bring their lived experience to their work. With broader community participation at both board and staff levels, rethinking and aligning its grantmaking process with racial justice work was a key step within this larger organizational shift. The foundation also recognized that a transformation of this magnitude is complex; it requires time, dedication, growth, and commitment on the part of the organization and the individuals within it, and, above all, the will to change.

Case Study Method and Research Question

As an LGBTQ+ foundation with an explicit commitment to racial justice, Pride Foundation had already adopted many values consistent with participatory grantmaking. However, rethinking and implementing a new grantmaking strategy is a significant undertaking within an established foundation. We employed a single case study design to document and analyze what occurred during the transition period (Wolcott, 2008; Yin, 2009). We believe that the learnings and questions that surfaced for Pride Foundation are likely to be experienced by other foundations considering similar transitions. Our intent, then, is not to present this as a unique case, but instead as an instrumental case whereby understanding what occurred during the transition period offers insights and learnings to other foundations considering this shift (Stake, 1995).

We began our research in December 2019 and concluded gathering data in April 2021. As researchers, we embedded ourselves as consultants to Pride Foundation who were committed to helping the foundation during this shift, but who remained neutral as to what the new grantmaking process would look like. During the study period, we worked with the foundation to complete a retrospective audit of nine years of grantmaking; gathered and shared information about participatory grantmaking with all staff; conducted an audit of Pride Foundation's and other participatory grantmaking foundations' grant applications; and surveyed the foundation's grant applicants from the prior three years.

In February and March 2020 we interviewed the foundation's five regional program officers about their roles, and began meeting monthly with the CEO and director of programs. These meetings were a combination of moving the consulting work forward and discussing and reflecting on the transition period. While the move to remote work with the onset of the COVID-19 pandemic prevented us from meeting in person, it also allowed us to observe the virtual staff meetings

where grant decisions were made. We met with relevant groups of staff to share our reports and findings as the consulting work was completed. Toward the end of the study period, we met with the regional program staff to debrief and discuss the 2020 Community Grants Program. Finally, as we wrote our findings, we verified our description and accounting of events by sharing it with Pride Foundation leadership and offered them the opportunity to provide input and feedback on our interpretation.

We analyzed our data to both detail a chronology of the steps the foundation took to change its grantmaking process and to identify the questions, issues, and tensions that emerged during the transition period. We grouped our findings into five themes. While much has been written about organizations already using participatory grantmaking, we believe understanding how Pride Foundation navigated the change, and the questions and tensions that manifested in the organization, provide the greatest insight for other foundations interested in more equitable grantmaking.

Pride Foundation's History and Current Context

Founded in 1985 amid the HIV/AIDS crisis, Pride Foundation has grown to play a unique grantmaking role in the Pacific Northwest region, investing more than \$80 million since its inception. Today, the foundation's mission is to fuel "transformational movements to advance equity and justice for LGBTQ+ people in all communities across the Northwest" (Pride Foundation, 2022b, para. 2). With 16 staff and 21 board members, it currently manages assets of approximately \$36 million, including donor advised funds; has an extensive scholarship program supporting LGBTQ+ students; and operates grant programs in Alaska, Montana, Idaho, Oregon, and Washington state.

A new three-year strategic plan and new leadership prompted the foundation to reimagine its grantmaking programs. In 2019, after a national search, Katie Carter, who had already worked at Pride Foundation for five years, was promoted from director of strategic priorities to

CEO, having served as acting CEO for several months prior. Shortly after taking the CEO role, she hired Jeremiah J. Allen as the new director of programs. Allen had worked with the foundation from 2015 to 2018 as project director of TRANSform Washington, a public education project to uphold the rights and safety of trans and gender-diverse people and their families, bringing both familiarity and a renewed perspective to the foundation's work.

In reviewing the foundation's Community Grantmaking Program as part of the strategic planning objectives, it became clear how central the program staff had become in reviewing grants and preparing a grants docket for the board's approval. While a small cadre of volunteer grant reviewers each read a portion of the grant applications and provided input, Pride Foundation relied on its established network of supporters and its regional staff to recruit volunteers. Moreover, while those volunteer reviewers provided input, they were not making the final decisions. Both of these factors suggested there were opportunities to change the foundation's grantmaking process to align it with the racial equity core of its strategic plan and address the power imbalances that exist in philanthropy.

The Existing Community Grants Program

While grantmaking at Pride Foundation had evolved over time, for at least the five years prior, the Community Grants Program operated on a regional review model. Grantmaking staff included Allen and five regional philanthropy officers (RPOs) based in Oregon, Idaho, Montana, Alaska, and Central/Eastern Washington. In addition to the work traditionally done by program officers, the RPOs were responsible for fundraising and relationship building in their respective regions.

The Community Grants Program consisted of one grantmaking cycle per year. Typically, the application opened in the spring; applicant organizations submitted proposals in June; and proposals proceeded through staff and volunteer review. The RPOs used their relationships with LGBTQ+-serving organizations in their

While this process had effectively granted millions of dollars to community and grassroots organizations, Pride Foundation recognized several places to align its grantmaking with its racial justice values and respond to the needs of applicant organizations.

regions to identify and encourage organizations to apply throughout the year, answer applicant questions, and assist in recruiting volunteers to review applications. Each regional officer also read and reviewed the applications for their state, along with the director of programs and CEO, who read all applications. The final grant docket would be presented to the board in October, with grantees notified in November.

While this process had effectively granted millions of dollars to community and grassroots organizations, Pride Foundation recognized several places to align its grantmaking with its racial justice values and respond to the needs of applicant organizations. First, making grant decisions took five to six months, and organizations typically received modest awards averaging around \$5,000. Second, the foundation had come to budget a certain dollar amount to award for each state, with more money going to more populous states with more organizations. However, organizations in rural areas were often more in need of support, as states like Alaska, Montana, and Idaho had fewer funding opportunities for LGBTQ+ organizations. Third, while community volunteers were part of the grantmaking process, each person only read a small number of applications and evaluated each application on its own. Therefore, volunteer reviewers were not positioned to make comparisons across applications or come to funding decisions, and sometimes their feedback

was less helpful to getting to a funding decision. In particular, staff recognized that volunteers lacked the context of the impact of organizations, particularly in smaller communities — for example, the importance of a local PFLAG chapter table at a Pride event in rural Oregon. Lastly, because of each staff member's geographic focus, even regional staff didn't have a complete picture of the breadth of applications coming to the foundation.

Rethinking Grantmaking

Under Carter's leadership, Pride Foundation was ready to rethink the grants program in a highly intentional way, using a racial justice lens, and involve an outside researcher in evaluating the current grants program. This provided a "container" to examine what would otherwise have been an internal process and created a form of transparency about the process.

Throughout 2020, the researchers undertook several projects to help inform the new grant process in addition to the internal work of the foundation. The research team audited grantmaking from 2011 through 2019 and presented the results to the staff. Second, the team facilitated an educational in-service on participatory grantmaking, its core tenets, and examples of its implementation at other foundations. Next, the researchers audited and assessed the applications of seven foundations that used a democratic or participatory grantmaking model. Finally, they surveyed Pride Foundation's grantee applicant organizations from the past three years and reported the results to the foundation. This additional support helped the leadership better understand the grantmaking program's scope and impact, and informed ways it could be improved using best practices from the field and feedback from applicant organizations.

Grantmaking in 2020: A Year of Chaos and Change

With the onset of the COVID-19 pandemic early in the transition year, the Pride Foundation, like many grantmaking organizations, made a quick pivot to support LGBTQ+-serving nonprofits

that were experiencing increased needs and service disruption, and reduced barriers to funding. Deploying rapid response grants took priority, and the foundation initiated a Crisis Community Care Fund (CCCCF) on March 20, 2020, to provide emergency support to organizations as COVID-related shutdowns began. As a result of the CCCC launch, the foundation's traditional community grants process was delayed; however, the distribution of COVID-related grants and initial stages of the self-study actually prompted the foundation to make several changes aligned with participatory grantmaking values to its Community Grants Program in 2020, rather than waiting until the following year. Conversely, the pandemic also delayed some internal work related to the exploration of participatory grantmaking as a model in order to administer the CCCC.

When the Community Grants Program opened in June 2020, the foundation had already taken concrete steps to simplify its grant application, refine its grantmaking priorities to better align with its racial justice values, and reduce the barriers for organizations applying for funding. These decisions were a result of the self-study work, including the application audit and staff actively discussing both participatory grantmaking and trust-based philanthropy. The grant application now only had three required questions, and the application encouraged organizations to repurpose language from other applications. The foundation decided to make all 2020 grants unrestricted and to not require a detailed organizational or program budget as part of the application, significant changes that reflected calls from the sector for more equitable practices (Villanueva, 2018; Le, 2017). Finally, the foundation honed its funding priorities and more clearly stated them in the application instructions. Their shifted funding priorities were “for LGBTQ+ groups that are (1) serving Black, Indigenous, and other People of Color (BIPOC), and whose leadership reflects these communities; (2) innovatively supporting communities when or where nobody else is; and (3) smaller, grassroots [applicants and those] who don't have access to mainstream funding sources, especially organizations and groups that are focusing

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on issues that are impacting LGBTQ+ folks at the intersection of social identities,” language that appeared with the grant application.

Internally, another set of changes was underway in the grant review process. Due to the transitions already in progress and the uncertainty that the pandemic presented, Pride Foundation opted not to involve community volunteers in 2020. While this could initially be viewed as a step away from a more participatory process, the foundation made the decision to respond to what the communities it served were facing and to what it was hearing. First, community members who the foundation might have ideally asked to serve as grant reviewers were exhausted from dealing with the impacts of COVID-19 on their organizations and constituencies. Second, in the summer of 2020, many of the foundation's volunteers were active in racial justice protests and marches in response to the murder of George Floyd. Finally, the foundation knew that involving community reviewers would require a lot of internal organizational work that it simply didn't have the capacity to do while administering the CCCC, engaging in the self-study, and living through the pandemic. To provide transparency, the foundation announced the change on its website, explaining the intention and reasoning behind the shift.

TABLE 1 Pride Foundation's Community Grants Program Transition

Grantmaking Practice	Past Practices (2015-19)	Transition Year (2020)	Trust-Based Philanthropy (beginning in 2021)
Grantee application	Online application required tailored information and a program or organizational budget	Online application reduced to 3 questions, allowed applicant organizations to repurpose material from other applications, no longer required a detailed budget	Shift to proactive grantmaking, relying on program staff to build relationships with grantee organizations. No application or grant proposal required
Review process	Applications reviewed by 2 staff members and at least 2 volunteer community reviewers	Applications reviewed by 6 staff members; no community volunteers involved	Materials, notes, and past applications reviewed by 3 program staff members
Decision-making	Volunteers provided input, but regional staff made final grant recommendations to board	Program staff met weekly to review applications and used a consensus-based model to make recommendations to board	Program staff met in several sessions to review all organizations and make recommendations to board
Length of time from application to decision	5 to 6 months	3 months	3 months
Type and amount of awards	Annual funding with an average award of \$5,000	Annual funding with an average award of \$7,000	Multi-year funding with an average annual award of \$8,733

Even though community volunteers were not involved in 2020's grant review, foundation staff tried out a new consensus-based, power-sharing model. In the past, regional officers individually managed the grant review for their states and drafted the recommended slate of grantees. In 2020, each program staff member read and evaluated all 145 applications the foundation received and discussed them together. The foundation used a new application evaluation matrix to assess applicants' commitment to diversity, equity, and inclusion and alignment with the grantmaking priorities. This allowed staff to better evaluate all applicants on the same criteria and served as a point of reference to see where reviewers' evaluations were similar or different. All program staff then met over six weeks to review and discuss the proposals together.

The reviewers used their weekly meetings to share their evaluations, raise questions, and discuss the organizations to decide which applications to move forward. The grant review process was flexible and iterative, and staff were encouraged to give real-time feedback on the

utility of the tools and process. At six weeks, the review process was much faster than prior years, and staff shared that they benefited from reading proposals from across the Northwest, not just their state, in making the overall evaluations, and that it broadened their understanding of the foundation's work and of the needs of LGBTQ+ organizations across the region. Staff also wrestled with ethical questions about power dynamics in philanthropy, the evaluation process, bias in their own evaluation and decision-making, and trust-based philanthropy principles, all of which added a degree of weight to evaluation that was not there in previous years. Where staff had expertise around the organizational landscape in their region, they were encouraged to share information gleaned through their outreach and conversations with community organizations. Ultimately, they used a consensus-based model to make grant decisions.

In September, just three months after the application deadline, Pride Foundation awarded \$665,000 to 92 organizations, with grants

ranging from \$5,000 to \$20,000 and an average award of about \$7,000 — \$2,000 higher than in past years. The review timeline was cut in half, the average grant amount was higher, and the application process for organizations was vastly simplified. (See Table 1.)

Managing the Transformation

Organizationally, Pride Foundation was already well-positioned to undertake this work. Both program staff and leadership were open to and had been explicitly discussing changing the grants process, and this review was a critical part of the foundation's strategic plan. Program staff understood the value of involving community members, particularly grantee organizations, in decision-making, even if they were unsure what the new process should look like. Centering racial equity in the strategic plan was a result of the intentional and explicit diversity, equity, and inclusion work the foundation had begun seven years prior, and participatory grantmaking and trust-based philanthropy were outgrowths of that commitment.

Gibson (2018) writes that tension is part of the participatory grantmaking process, especially regarding the power dynamics inherent in grantmaking. Acknowledging those tensions and working through them honestly is important for any foundation. We discuss five questions and issues that surfaced as the foundation began changing its grantmaking process, along with the tensions that surfaced as it rethought its grantmaking approach:

1. What would the role of regional staff look like in this new model, and would Pride Foundation's staffing need to change?
2. How would the foundation communicate these changes, both internally and externally?
3. How could it involve the community members in ways that would not cause harm?
4. How could the foundation shift grantmaking while adhering to its endowment restrictions?
5. Was a one-year time frame realistic?

Understanding what regional staff roles would look like was one of the central questions and key tensions that emerged throughout the study period.

Redefining Regional Staff Roles

Understanding what regional staff roles would look like was one of the central questions and key tensions that emerged throughout the study period. Gibson (2018) writes that "assessing hiring and staffing" and "examining organizational structure" are two of the six reflective practices that grantmaking organizations can undertake to become more participatory. However, changes to grantmaking practices can require a significant staff reorganization that directly impacts the individuals within those roles.

Carter and Allen recognized that Pride Foundation could not operate in the same ways it had been, including using the same staffing structure, if it was going to transform its grantmaking. Initially, they envisioned the role of program officers as moving from managing the grants process and making grant decisions to facilitating a community-led process. However, the staff roles continued to shift as the foundation adopted a trust-based approach. In the new staffing structure announced in spring 2021, the foundation would engage in proactive grantmaking, eliminating the simplified application used in 2020 and no longer requiring grant proposals for the Community Grants Program. Under the new model, two dedicated grantmaking team members would build relationships with community organizations, research and understand the work they were doing, and develop an in-depth understanding of the local and regional contexts for grantmaking to inform funding decisions.

In shifting the Community Grants Program, the foundation developed two additional funding streams for organizations to request funding,

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including a responsive fund with the simplified application. The foundation saw these additional funding streams as essential to allowing an openness to the grant-seeking process, while eliminating the application for the Community Grants Program.

Communicating and Creating Buy-In

Throughout the study period, communicating the need for a different grantmaking approach from Pride Foundation — both during the pandemic and beyond — and asserting the values behind it became a central role for both the CEO and director of programs. Gibson (2018) found that adopting a “learning stance” helps organizations commit to a participatory process and change ingrained practices and habits.

The foundation found that a critical piece of this communication had to happen internally with staff who would experience the transition most acutely. While the foundation created opportunities such as holding an educational in-service on participatory grantmaking, and program staff had a participatory grantmaking learning group, Carter and Allen learned that communicating early and often was crucial.

“Why we were undertaking this process wasn’t emphasized enough at the beginning,” Carter said, which would have helped staff who were accustomed to a particular model have more context for the changes being made and how they were connected to the racial justice work.

Like many organizations undergoing significant change, Pride Foundation found that those changes are often made without adequate explanation of the reasons behind them, and without the time for staff brought in later in the decision-making to process the changes. Even though the foundation had an internal process and was open with all staff, questions about the reasoning for the changes and uncertainty about the impact on staff, grantees, and past volunteers still followed. Carter continued:

The fact that we shifted our grantmaking process on such short notice this year was initially hard for staff. ... For us, the trigger to shift was COVID and social unrest, but it could literally be anything for organizations, and it is important for us to cultivate the skills on our teams for staff to be able to be agile, and understand why this must be a priority.

In short, organizations should be prepared to continuously review and discuss the priorities and process, recognizing that building shared understanding, especially within new processes, takes time.

Being Ready to Involve the Community

Another dilemma the foundation faced was determining how and when it would involve the community, especially in a way that avoided doing harm to marginalized communities and individuals. There were two aspects to this work: the role that Pride Foundation’s community members wanted to play, and how ready the foundation was to actually facilitate community involvement.

While the initial grantmaking changes in 2020 were a direct response to the pandemic, over the course of the year the foundation sought out extensive feedback from the community members it would have prioritized to participate in a grant review process. One source of this feedback was the grantee and applicant survey sent in October 2020 to applicants from the three prior years. The foundation offered the organizations \$50 stipends to participate, in part a response to the criticism that grantmakers rarely compensate community members for their time and expertise (Gibson, 2018), and

received 38 responses, about a 25% response. While only 25% of respondents had experience with participatory grantmaking, there was a range of interest in it. Nearly 90% said they would like to help shape grant priorities and provide feedback on the grant process, but just over 50% wanted to serve on a grant review committee. Importantly, 78% of respondents said the greatest barrier to participation was a lack of time, reporting that they were at capacity and exhausted from running their own organizations. Carter said: “Adding this ask to them to help us move resources to communities did not feel in line with our racial justice values.”

Second, the foundation needed to assess its own readiness and staff capacity to facilitate a participatory process. Carter and Allen explained that adopting such a process takes both individuals’ self-awareness and organizational awareness, as well as honest reflection and criticism of where the organization currently is on its racial justice journey. Moreover, creating a successful community participation process would require significant planning and a shift in internal culture, including identifying the shared values staff needed to uphold. This work would likely take more time and capacity than was available due to the circumstances of 2020. As Carter said, “Learning about equity is one thing. We can have that information and knowledge, but we didn’t just commit to learning about equity, we committed to transforming as an organization.”

While it seems obvious, culture change requires that organizations can successfully enact changes and not just discuss them: “Culture change means things have to change,” Carter observed. Carter and Allen’s assessment was that Pride Foundation needed additional time to enact a set of individual and organizational reflective practices that were intentionally paused in the early months of the pandemic, rather than rushing to change the process.

Adhering to Donor Intent

A related challenge Pride Foundation grappled with was the structure of its grant funding. The pool of funding it distributes includes a series of restricted funds with specific priorities,

One of the clear lessons from this research is that implementing participatory grantmaking quickly or without extraordinary care, thought, and intention at every step could be disastrous.

such as HIV/AIDS and LGBTQ+ youth. While the foundation has always incorporated these priorities into its grantmaking, only a portion of its community grant funding is fully unrestricted. Navigating the internal administration of these arrangements is complicated, and staff often must adjust to meet the restrictions. Recognizing these parameters, the foundation struggled with how it could authentically give a committee decision-making power. “The reality is we have to fulfill our obligations,” Carter said. “The fact that we are a fundraising foundation that has donor restrictions on many of our resources is a real factor to consider.”

As a community foundation, Pride Foundation’s situation differs from that of a private foundation that doesn’t have to account for donor restrictions. Carter said:

This became a major factor in our budgeting this year, and why, when we were given significant unrestricted funds from MacKenzie Scott, one of the things it enabled us to do was set aside a portion of [those funds] for a new grantmaking initiative that would be able to be constructed from the beginning to be fully community-led.

Intentionality and Iteration

At the outset of this research, we had planned a year-long timeline for the self-study and our work with Pride Foundation. Upon reflection, however, even if the pandemic hadn’t happened, we don’t think a one-year timeline to implement a new grantmaking model was realistic. As Carter said, “While that was our goal, as an organization we tend to be very

[F]oundations committed to social justice are engaged in a process of “forever learning.”

flexible, iterative, and shift our goals regularly as we understand more what it will take to make something happen.” One of the clear lessons from this research is that implementing participatory grantmaking quickly or without extraordinary care, thought, and intention at every step could be disastrous.

In some respects, the project timeline put more pressure on the foundation’s implementation than it might otherwise have felt, even though the consultation work proved helpful. “In retrospect,” Carter said,

[It] gave us a pre-determined end goal [of adopting a participatory grantmaking model] when I think what we were really doing (consciously or not) was exploring what model of grantmaking made the most sense for our unique configuration as an organization, but also reflected our values that grew from our racial justice commitment of power-sharing and centering those most impacted.

Implementing participatory grantmaking, or any other power-sharing model, is a multilayered process that requires the involvement of many stakeholders. As Carter observes in her closing thoughts, it also might not be the right structure for a foundation — but that doesn’t mean there aren’t other ways to actionably live out a commitment to racial justice and power-sharing in philanthropy.

Concluding the Consultation

As researchers, consultants, and supporters of Pride Foundation, we formally ended our consultation in April 2021; however, the work of instituting a new grantmaking process continued.

We knew that the foundation’s 2020 grantmaking had been effective on many fronts, even though it represented significant changes

and occurred in a year marked with multiple crises. While the staff-led grantmaking model differs from participatory grantmaking, it was guided by consensus decision-making, reflected the foundation’s racial justice values that centered communities most impacted by inequity, and moved resources to organizations more quickly. By reducing the length and difficulty of the grant application, the foundation was being responsive to grantees. We also knew from our survey that, as much as the leaders of community organizations appreciated the idea of participatory grantmaking, they were concerned that they lacked the capacity to effectively participate.

Ultimately, we came away from this process with a more nuanced understanding of what equity might look like and the values foundations need to center to transform their grantmaking. We recognized that foundations committed to social justice are engaged in a process of “forever learning.” This was reflected in Pride Foundation’s interest in participatory grantmaking and deep consideration of whether it would be effective. Second, the foundation’s work reflected a culture that saw time as an investment, rather than a cost, of building shared understanding of both problems and solutions. Finally, the fact that the foundation opened its doors to us knowing that we would observe successes and challenges can serve as an invitation to other foundations in transparency and openness. As Carter said at our final meeting, “There will be some evidence of what the work that happened here looked like, and I think that will help create more of that transformational change that we both want to see happen.”

Closing Thoughts From Pride Foundation CEO Katie Carter

As an LGBTQ+ foundation fueled by and set up to support our communities, our work will always be focused on how we can best serve those communities. This means we will always be in the process of learning, growing, and transforming, with our communities and our values as our guide. The year 2020 asked so much of all of us, and while many things did not turn out the way we might have planned, we are

tremendously grateful for what we learned and how we supported our communities through myriad crises.

We started this work as an exploration of how we could better live out our commitment to racial justice through our grantmaking practices and ensure that the resources we have are being distributed in a truly equitable way. Our rigorous work over nearly two years led us to deeply embed trust-based principles not only in our grantmaking practices, but also as a guiding philosophy across our organization. For our 2021 grantmaking, it means that for the first time, ever, we are awarding multi-year grants, with an entirely trust-based, relational approach that didn't require an application or formal reporting and will better position us to be true partners to our grantees. It also meant that we went from having one grantmaking initiative to three, and can explore different models of moving resources to our communities toward the ultimate goal that LGBTQ+ groups and organizations across the Northwest have what they need to truly thrive.

Reflecting on the self-study that we embarked on, I would recommend that foundations considering participatory grantmaking ask themselves the questions that surfaced in our work:

- What is motivating you to change your grantmaking model, and what do you hope to accomplish?
- How much time are you willing to invest in changing your process, and what work internally are you willing to do?
- What will the role of foundation staff members be in a participatory model?
- How will you gather and share information about changing your grantmaking processes?
- How will you engage community members in meaningful ways that don't cause harm — and who will you engage?

- How is your funding set up, and is it conducive to a fully participatory approach?

Ultimately, the model that you utilize should be aligned with your organizational values and what the communities you are serving need from you as a funder.

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