

Journal

of the



Table of Contents

Journal of the Grant Professionals Association Volume 20, Number 1

The Value and Purpose of Professional Service Awards

Amanda Day, GPC and Lisa Jackson, GPC..... 1

Examining Trends in Participatory Grantmaking and Their Implications for Grant Professionals

Deborah Steinkopf, MSW, MA..... 14

Grant Professional Certification: Does It Pay Off For Consultants?

Valerie A. Grant, GPC and Keri McDonald, MPAff, GPC.....25

Uncharted Waters: Implementing a Major Grant at a Teaching Intensive Institution

Olivia M. Carducci, T. Michelle Jones-Wilson, and Bonnie A. Green38

GPA Strategy Papers, Volume 9

Issue 1

Organizational Culture: Not Just a Buzzword

Margaret Katona, GPC55

Issue 2

Continuous Quality Improvement with the Plan-Do-Study-Act Model

Nathaniel Steinlicht, MPA59

Examining Trends in Participatory Grantmaking and Their Implications for Grant Professionals

Deborah Steinkopf, MSW, MA

Steinkopf Strategies LLC, Portland, OR

GPCI Competency 01: Knowledge of how to research, identify, and match funding resources to meet specific needs.

GPCI Competency 04: Knowledge of how to craft, construct, and submit an effective grant application

GPCI Competency 08: Knowledge of methods and strategies that cultivate and maintain relationships between fund-seeking and recipient organizations and funders

Abstract

In recent years, fund development professionals have been paying closer attention to giving circles, one of the fastest-growing forms of philanthropy in the U.S. Recent research suggests that donors who give in this way donate more money, spend more time making philanthropic decisions, give more strategically, and are more engaged in civic and political activities in their community. Many giving circles have a large membership and make their giving decisions using a grant application and review process. Grant development professionals are increasingly asked to respond to these funding opportunities.

Similarly, in the grantmaking space, there is growth in participatory grantmaking that relies on community members and topic experts to contribute to the design of a funder's grantmaking priorities and serve as an advisory body that reviews applications and makes recommendations for grant awards. As more foundations incorporate diversity, equity, and inclusion practices into their grantmaking processes—from determining

what they fund, how to make grant applications more accessible, who reviews grant applications, and who makes grant award decisions—there is likely to be growth in participatory grantmaking in the future.

This article explores current giving circle and participatory grantmaking trends, changes in both the priorities and the expectations of philanthropy driving these trends, and the unique opportunities and challenges they present for grant professionals.

Introduction

The history of modern philanthropy is rooted in inequity. The term “philanthropy” has generally been used to describe the charitable giving of large sums of money and is perceived to be an activity exclusive to the wealthy. The concentration of wealth in the last few decades has intensified this dynamic, with targeted campaigns like the Buffett Giving Pledge that call on the world’s billionaires to pledge a portion of their net worth to advance the social good. The percent of giving by millionaires increased from 10.3 percent of all donations in 1993 to 31.7 percent in 2016 (Meiksins, 2021). Historically, everyday people have not been perceived as the drivers or doers of philanthropy. Nor have they been invited to decision-making tables where priorities for philanthropic giving are set and funds are allocated.

In recent years, calls for democratizing philanthropy have been gaining ground and significant progress has been made in broadening the definition of philanthropy to encompass contributions from individuals of all socioeconomic backgrounds. Everyday people, especially younger generations, are transforming philanthropy through crowdfunding and other online giving platforms that make it easy for anyone to be a philanthropist. Such platforms also enable individual donors to be intentional in their giving, with some campaigns going directly to individual households and bypassing nonprofits as brokers of charitable dollars.

Likewise, nonprofit practitioners and advocates for equity have challenged the traditional model of philanthropy and the role of white-led foundations and wealthy white donors in shaping our collective understanding of community needs and how to address them. Some see participatory grantmaking as a way to change the face of philanthropy and democratize the grantmaking process, with an emphasis on shifting decision-making about money to those most affected by the issues. This is a timely topic given increased demand for accountability and transparency of public institutions and deeper analysis of institutional and systemic barriers to equity.

Bottom-up approaches to grantmaking have multiple benefits beyond just delivering a more equitable distribution of funds. Participatory grantmaking elevates the voices of community members, builds capacity for long-term leadership, and strengthens community trust through greater transparency in philanthropic decisions (Gibson, 2017). For foundations that use an equity lens for their grantmaking and those interested in funding work that leads to systemic change, improving their own grantmaking practices has become an important project and one that grant professionals should be aware of. Participatory grantmaking is one way that foundations are beginning to practice a deeper inclusion of outside stakeholders.

Participatory grantmaking as a philanthropic practice aligns with trust-based philanthropy. At its core, trust-based philanthropy values equity, shifting power, and building mutually accountable relationships. Funders who practice trust-based philanthropy embed trust, dialogue, and relationship-building with their grantees. Establishing participatory grantmaking processes is a natural outcome of these efforts, although this work does present some unique challenges for foundations.

It's important to note that participatory philanthropy may be a relatively new approach for philanthropic institutions, but the concept is not new to communities that have relied on mutual aid, collective giving, tithing, and other forms of community-focused support. Communities of color have particularly rich traditions of mutual aid, often forged out of necessity because of a lack of political and financial capital. The history of giving circles within communities of color is rich with examples.

Giving circles are on the rise and present a unique on-ramp for individuals who seek to make more impactful gifts through collective giving. Giving circles are also an effective platform for civic engagement and education on important issues since, depending on the model, members commit to learning about community issues and effective approaches to addressing them.

The growth of giving circles and participatory grantmaking models are worth examining. These models expand funding opportunities for aligned organizations and can be effectively incorporated into community engagement and grantseeking strategies. There are many benefits for nonprofits that receive support through giving circles. In addition to providing program and operating funds, many giving circles seek a deeper partnership with the organizations they support, including serving as frontline and leadership volunteers.

Overview of Giving Circles

The giving circle movement is answering the call for greater democracy and diversity in philanthropic giving. Giving circles are formed by individuals with common interests who decide to pool their charitable dollars and collaborate to distribute their collective funds to select

beneficiaries that align with their giving priorities. In practice, giving circles vary widely. Each has its own governance and operating structures, membership requirements, funding interests, and decision-making processes. Giving circles differ from foundation funders in that they give intentionally and thoughtfully, and in many cases, can act more nimbly in responding to emerging needs. Some have formal application processes, which make them similar to how foundation grantmaking works.

Giving circles can be as small as a couple of people or as large as several hundred members. They can be local and community-based or focus their giving nationally and internationally. Participants can be from similar backgrounds or from many different backgrounds. Most giving circles require a gift threshold to be eligible for membership, which may be prohibitive for many. While the cost of membership may be a barrier to participation, giving circles are a more democratic form of philanthropy because they rely on consensus decision-making.

Not only do giving circles leverage individual giving for collective impact, but participants are also more likely to volunteer and be involved in grassroots advocacy. By participating in a giving circle, members become more well-rounded and educated about community issues and have a broader context from which to make philanthropic decisions. As people-powered philanthropy, giving circles are communal in nature. Through collective action, giving circles can amplify the voices of marginalized groups and become tools for social and racial justice.

Giving circles are on the rise. A 2016 study by the Collective Giving Research Group found that giving circles tripled since the previous landscape study in 2007. They found 1087 independently run groups and 525 networks across the United States.

Identity is a central organizing principle for 60 percent of all giving circles, with race, ethnicity, age, gender, or sexual identity among the one or more identities that define a giving circle (Barclay et al., 2019). This is especially significant as mainstream philanthropic institutions continue to struggle with issues of racial inclusion and responsiveness to marginalized groups and communities of color. Black-led and other identity-based giving circles “pose a disruption to philanthropy’s structural barriers to social change” (Barclay et al., 2019, para. 4). According to a 2012 W.K. Kellogg Foundation study, Black-led giving circles represent a significant portion of the wave of new giving circles and have been a critical source of financial support for racial justice work. According to the report, identity-based philanthropy is “a growing movement to democratize philanthropy from the grassroots up by activating and organizing its practice in marginalized communities, particularly communities of color.”

Additionally, there is a strong network of women’s giving circles in the United States and many are affiliated with Philanos (<https://philanos.org/>), the leading national women’s giving circle network, which lists 80 affiliates in 27 states, the District of Columbia, Australia, and England.

Philanos sees collective giving circles as an opportunity for women to join together to learn more about community issues and collectively pool their financial resources to address them. Most women's giving circles are grounded in volunteerism and community engagement traditions. They can be small and informal or they can be highly organized and involve significant contributions and commitments from their members. Some focus on specific giving areas, while others give in various categories. Most pool their funds to make larger grants for more significant impact and use a formalized, member-driven grant review process. Through collective grantmaking, they aim to create more transformative grants to address the issues they care about, which may or may not be limited to women and girls.

Women's giving circles associated with Philanos also commit to ongoing education about philanthropy and to staying informed about emerging community issues. Regular meetings focus on this ongoing process, as well as identifying priorities for giving. According to the Philanos website, the rise of women's giving circles has contributed to the growth of collective giving, which has tripled in the past two decades.

Grantmaking through giving circles has many benefits for nonprofits and the communities they serve. Giving circles offer a new and enduring source of local funding responsive to emerging community needs. Giving circles amplify the work of the nonprofits they support through their network of members, many of whom become individual donors, volunteers, and board members of the organizations they fund through collective grantmaking. Benefitting organizations also have improved brand reputation as a result of the vetting process used for these impactful grants.

The wider community benefits, too, since many giving circle members become active and informed philanthropists who go on to serve as leaders and advocates for nonprofits in their community, or take on other community leadership roles, including elected office.

The important takeaway for grant professionals is that giving circles represent a growing grassroots philanthropic movement that should be considered when developing annual fund development plans and grant calendars. While not all giving circles use a formal grantmaking process to make philanthropic decisions, larger ones do. These grantmaking processes are led by members and include hands-on training for members to ensure informed decisions about philanthropic giving. The decision-making process is democratic, where members vote to select annual grant recipients. The grants are often large, and designed to create a lasting impact.

Case Study in Giving Circles: Ninety-Nine Girlfriends

Ninety-nine girlfriends is a giving circle based in Portland, OR that was formed in 2016 as an inclusive women's collective giving circle. Ninety-

nine girlfriends is an affiliate of Philanos and adapted the model used by Impact 100, a global network of giving circles. The Impact 100 model is simple. At least 100 women each make a \$1,000 tax-deductible donation, and together, they collectively award grants in increments of at least \$100,000 to local nonprofits in five grantmaking focus areas:

- Creative Expression
- Education and Lifelong Learning
- Environment and Sustainability
- Family and Human Services
- Health and Wellness

Ninety-nine girlfriends is organized to make significant and impactful grants that address local issues in a big way. Like other Impact 100 groups, ninety-nine girlfriends is volunteer-driven and plans to stay that way. Their goal is to create transformative change through collective grantmaking. Their focus is the Portland Metro Area and portions of Southwest Washington. They offer opportunities for their members to learn about community issues in addition to learning about philanthropy. Membership in ninety-nine girlfriends is open to cisgender and transgender women; and gender nonbinary, gender nonconforming, and gender queer persons.

Ninety-nine girlfriends differs from the Impact 100 model in that they are not tied to the \$100,000 number, although they still make large impactful grants, giving them the flexibility to support more nonprofit organizations and to respond to emerging needs. According to Pip Denhart, co-chair of the ninety-nine girlfriends Coordinating Council, “a more flexible approach to grantmaking allows us to do things in alignment with our values” (personal communication, April 26, 2022).

Each member of ninety-nine girlfriends contributes \$1100 annually, with \$1000 going towards the annual grantmaking cycle and the remaining \$100 going toward education and administration expenses. Their structure is similar to other Impact 100 groups in that they use five similar focus areas for grantmaking. They form grant review teams for each focus area, and each team receives intensive training on bias and trust-based philanthropy, in addition to learning about the grant review process.

Ninety-nine girlfriends is committed to a transparent grantmaking process, from the initial announcement of their annual grantmaking cycle to final grant decisions. Here’s how it works:

1. The annual grant cycle is announced in advance.
2. Multiple information sessions are offered so prospective applicants can understand the process and get answers to their questions before completing the application.

3. Volunteer teams review applications to make sure they meet eligibility qualifications.
4. Qualifying applications are then forwarded to the grant review teams in the five focus areas. Review teams use tenants of trust-based philanthropy and an equity lens in their review, in addition to assessing alignment with their funding priorities and values.
5. Semi-finalists are invited for a site visit or virtual call. This is an opportunity for review teams to ask questions and for the applicants to share more information about their work.
6. Finalists are selected based on the strongest alignment with funding priorities and values. There are generally two finalists selected in each focus area.
7. Finalists are invited to present at a “Meet the Finalists” event. Members then vote on which finalists will receive an Impact Grant award (of \$50,000–\$100,000 depending on the size of that year’s membership) and which finalists will receive a smaller award, usually at least \$5,000.
8. After funding decisions are made, grantees are assigned a ninety-nine girlfriends liaison who connects with them regularly about how things are going and any additional needs, such as volunteers, special donation drives, etc. These additional opportunities for support are used to activate the ninety-nine girlfriends membership to get and stay involved in the organizations that they support.

Members of ninety-nine girlfriends do not view their work as just a philanthropic project. Members commit to ongoing learning and civic engagement. Additionally, ninety-nine girlfriends takes a relational approach to the nonprofits they work with. Through the liaison process, they create opportunities for information exchange with the hope that grantees are more comfortable being transparent about what’s happening in relation to their grant. Their approach is trust-based philanthropy in action.

According to Tammy Wilhoite, co-chair of the ninety-nines girlfriends Coordinating Council, “we are people who want to be part of the solution. This is a civic engagement project” (personal communication, April 26, 2022). Meeting other women, creating community and connection with caring people, and learning about community issues are major motivations for joining ninety-nine girlfriends. Each girlfriend commits to ongoing learning about the focus areas addressed in their five grantmaking portfolios, and these opportunities are typically offered monthly. Many girlfriends move on to other leadership opportunities in the community, including serving on nonprofit boards.

Ninety-nine girlfriends prides itself on its nimble approach to grantmaking and commitment to ongoing learning. Their grantmaking

has changed as they have grown their membership and built more partnerships with the nonprofits they support. They see themselves as a responsive grant funder, able to address important issues of the day. Racial equity is a priority and the focus of their 2022 grantmaking cycle. They are committed to changing practices and behaviors that perpetuate power imbalances and creating an inclusive women's collective. For instance, they created the Girlfriends Fund to subsidize the annual \$1,100 membership cost for applicants facing financial difficulties. Ninety-nine girlfriends also launched their Fellows Program in 2017 to invite young women ages 20-35 to learn about and participate in collective grantmaking. The fellows bring new perspectives to the ongoing evolution of how ninety-nine girlfriends operates and have helped integrate more gender-inclusive language into the organization. They have also influenced the grant review process. Indeed, the Fellows Program at ninety-nine girlfriends reflects a larger trend within philanthropy, as a new generation of "everyday" philanthropists apply a transparent, hands-on approach to support causes and issues that interest them.

Overview of Participatory Grantmaking

As the nonprofit sector increasingly embraces principles and practices of diversity, equity, inclusion, and justice, practitioners are asking important questions about how these frameworks apply to institutional philanthropy. Foundations are being challenged to review their top-down, closed door, expert-driven practices. As a result, there is growing interest on the part of traditional grantmakers to experiment with strategies that access and connect with the lived experience of the people they seek to benefit through grantmaking. Participatory approaches to grantmaking are changing the role of foundations in driving social change as "arbiters of what gets done to facilitators of a process in which they work with other organizations and non-grantmakers to designate priorities and act" (Gibson, 2017, p. 7).

Engaging with external stakeholders is one way that foundations are shifting away from top-down approaches to grantmaking and incorporating closer community connection and lived experience in their decision-making. Participatory approaches to grantmaking take on a variety of forms. Some foundations use blended structures that include non-grantmakers in addition to trustees. Others invest in peer-led grantmaking panels, which may or may not include donors. This approach includes inviting non-grantmakers to help determine funding priorities and encouraging stakeholders with connections to the community to serve on foundation boards and advisory committees.

However, unlike giving circles, institutional philanthropy has more challenges with incorporating participatory grantmaking practices. Regardless of which approach is adopted, participatory grantmaking is still the exception in philanthropy because of these unique

challenges. Grantmaking decisions are impacted by power imbalances, institutional priorities, legal regulations, and potential conflicts of interest. Participatory grantmaking is a major paradigm and cultural shift for larger and more established philanthropy institutions. Not all stakeholders are convinced that foundations should transfer control of funding decisions because they are still fiscally and legally responsible for their practices. Additionally, there is no consensus about what “participatory grantmaking” means (Gibson, 2017). Other potential pitfalls of participatory philanthropy through collaborative grantmaking include:

- Challenges in balancing experts and people most affected by decisions.
- Engaging marginalized communities may lead to an overemphasis on process rather than outcomes. Emphasis on process can be expensive and time-consuming.
- With more stakeholders involved it may be difficult to assess accountability for decision-making and outcomes.
- Participants in these processes expect more accountability and communication than foundations are generally accustomed to.

These challenges notwithstanding, there is growing interest in participatory practices, and it's expected that foundations will adopt some of these methods to increase their transparency and accountability to their constituents and/or beneficiaries. At the center of this shift is a recognition that innovative solutions to address social problems rooted in structural inequities will not come from top-down approaches, but rather, in partnership with people who can bring their lived experiences to decision-making tables. Grant professionals are uniquely positioned to both monitor and influence this growing trend.

Models of Participatory Grantmaking

There are different models of participatory grantmaking. Some foundations involve non-grantmakers in funding decisions through blended structures that include both donors and non-grantmakers, such as councils and advisory boards. Others use a completely peer-led grantmaking panel in which no donors participate.

The Giving Project is a participatory funding model that has been adapted by social justice-oriented foundations such as Social Justice Fund NW in Washington, the Latino Community Foundation in California, and Crossroads Fund in Chicago. The model involves a cohort of people across race and class who commit to learning together, mobilizing resources, and funding social change. The model is transformative. Giving Project participants explore systems of race and class oppression, engage in grassroots fundraising, and participate in democratic

grantmaking. Through an active peer learning community, members are grounded in shared vision, values, and priorities for democratic grantmaking. The vision for the Giving Project Network is well-resourced liberation movements and the values include: movement building, inclusivity, Black liberation, decolonization, racial justice, collective liberation, accountability, and power sharing. Collectively, Giving Projects have trained thousands of donors and moved \$14.5 million to grassroots community organizations from over 19,000 unique donors (<https://givingproject.com/>). Foundations that have adopted the model tend to be social justice funders that fund movements seeking racial, social, and economic justice. They are an important source of institutional and individual support for social justice initiatives that may not garner grant support from mainstream foundations.

Implications and Additional Resources for Grant Professionals

The growth in giving circles has clear implications for grant professionals. Giving circles such as ninety-nine girlfriends and those in the Impact 100 and Philanos networks tend to make larger impact grants that can help a nonprofit implement an innovative idea, scale their programs, or achieve other strategic priorities. The application process differs from giving circle to giving circle, but a general commitment to transparency makes them accessible to grant seekers. To identify a giving circle in a particular community, some foundation search engines such as Grant Station will work. The Philanos website at <https://philanos.org/> lists affiliated women's giving circles across the U.S., District of Columbia, and overseas. Global Impact 100 chapters are listed on their website at <https://www.impact100global.org/>.

The movement towards participatory grantmaking by traditional grantmakers is less clear, but still something to watch out for. Grant professionals may be in a position to influence this change in the field by participating in volunteer opportunities to provide feedback to foundation funders, either through surveys or focus groups or other feedback mechanisms. These are opportunities to shape grantmaking priorities as well as provide feedback on the grant application and review processes. Review the foundations in your region for these opportunities and participate in dialogues with foundation officers, such as "Meet the Funders" forums. For published resources on participatory grantmaking, visit the collection on IssueLab at participatorygrantmaking.issuelab.org.

References

- Barclay, A., Fullwood, V., & Webb, T. (2019, March 29). *The sweetness of circles*. Non Profit News/Nonprofit Quarterly. <https://nonprofitquarterly.org/the-sweetness-of-circles/>

Gibson, C.M. *Participatory grantmaking: Has its time come?* (2017). Ford Foundation. https://www.fordfoundation.org/media/3599/participatory_grantmaking-lmv7.pdf

Cultures of Giving: Energizing and Expanding Philanthropy By and For Communities of Color. (2012, January). W.K. Kellogg Foundation. <https://www.d5coalition.org/wp-content/uploads/2013/07/CultureofGiving.pdf>

Meiksins, R. (2021, February 16). *Can giving circles democratize philanthropy?*. Non Profit News/Nonprofit Quarterly. <https://nonprofitquarterly.org/can-giving-circles-democratize-philanthropy/>

Biographical Information

Deborah Steinkopf, MSW, MA is a nonprofit consultant currently living and practicing in Portland, OR. Ms. Steinkopf has 30+ years of experience as a nonprofit professional, primarily in human services. She has worked for organizations providing HIV/AIDS care, domestic violence services, emergency shelter, homeless outreach, housing assistance, public health education, older adult care, and immigrant services. Ms. Steinkopf has been an Executive Director, Deputy Director, Director of Development and Communications, and a consultant. Her consulting practice includes executive coaching, grant strategy, fund development planning, board training, organizational assessments, and stakeholder engagement projects. Ms. Steinkopf has provided consulting support to 48 nonprofits in Oregon and the West Coast since 2016. As a collaborative partner, Ms. Steinkopf helps build organizational capacity, scale programs, assemble effective staff teams, and secure public and private funds to support the work. She is a member of GPA, Nonprofit Association of Oregon, and Willamette Valley Professionals Association and is a guest lecturer on government funding for Portland State University's Certificate in Fundraising Program. In 2019–2020 she joined a giving circle in support of grantmaking for a regional foundation and continues to be interested in models for collective giving and collaborative grantmaking. She can be reached at deborah@steinkopfstrategies.com.