Trust-Based Philanthropy Explained

Co-created by Trust-Based Philanthropy Project

Trust-Based Philanthropy (TBP): What is it and how can collective giving groups best practice it?

At its roots TBP is about advancing equity, shifting power, and building mutually accountable relationships. It seeks to demonstrate humility and collaboration in all aspects of the giving process.

TBP is most often associated with grantmaking practices; however, committing meaningfully to TBP means going deeper than how we give. This resource will equip giving circle leaders with tools to go beyond grantmaking and infuse trust and the values of trust-based philanthropy into your culture, structures, practices, and leadership.

Note: This resource was adapted from The Trust Based Philanthropy Project’s original resource: “Trust-Based Philanthropy in 4D”

philanthropytogether.org
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This resource was developed as part of Philanthropy Together’s Racial Equity Community of Practice to support giving circles in their racial equity journey. Leaders in the giving circle, philanthropic, and racial equity space share their wisdom as applied to collective giving.

Want to be part of this work with other leaders in collective giving?

To infuse trust, start with your values!

Clarity on your circle’s values helps root your circle during times of uncertainty, guides relationship building and community outreach, creates a shared understanding between members, and informs your circle’s design of it’s giving practices and structures.

Examples of Trust-Based Values

- **Work for systemic equity:** We must recognize the racial, economic, and political inequities in which we operate, and take an anti-racist approach to change practices and behaviors that perpetuate harm.

- **Redistribute power:** Advancing impact requires us to share power with those who are closer to the issues we seek to address.

- **Center relationships:** Prioritizing healthy, open, honest relationships can help us navigate the complexity of our giving and our world with greater confidence and effectiveness.

- **Partner in a spirit of service:** Our role is to be a supporter and collaborator to grantee/community partners. This requires us to lead with trust, respect, and humility.

- **Be accountable:** Our work will only be successful if we hold ourselves accountable to those who we seek to support.

- **Embrace learning:** The complexity of our work requires us to be open to learning as we go, and embrace opportunities for growth and evolution along the way.

How trust-based are your values?

- **Just getting started?** As a giving circle bring your members together and reflect on what drives you. What are your fundamental beliefs? How will you come together to decide your values? Who informs your values, why? v

- **Already have your values?** Revisit them with a trust-based lens. Do your values unintentionally reinforce power imbalances? (Example: Giving importance to high dollar donors over community members.) Do your values acknowledge the power of community and hold yourselves accountable to the communities you are trying to serve? Are there any assumptions or biases in your values?
Root your culture in trust!

Even in the moments that you can’t feel it culture impacts everything we do. It informs how safe members feel about showing up with their full selves, to the diversity of your recipients of your giving, to the who joins your giving circle.

If trust is not built internally, then it can never be fully realized externally.

For many spaces their culture is rooted in “white dominant culture”, meaning their culture is rooted in individualism, achievement, and perfectionism. There is not an acknowledgement of of structural inequities we experience and/or sociocultural differences.

Steps to take

• **Assess your current culture:** What are the assumptions about your giving practices and approach? Does everyone have a sense of agency? What source materials support your thinking? What are the expectations of members? Are there regular discussions about values? Are gatherings designed with power-sharing and inclusion? Identify any cultural practices that may be misaligned with trust-based values.

• **Normalize conversations about power and race:** Power imbalances are always present. Be sure to discuss how they intersect with race, age, gender identity, sexual orientation, (dis)ability, and immigration status. Acknowledge the ways your circle upholds power structures. Create spaces where members feel empowered to bring up power imbalances.

• **Support continuous learning:** A learning mindset helps foster a sense of humility, growth, and dialogue. Encourage training opportunities for members and host discussion groups about current events. Build in annual feedback from the community or conduct ongoing assessments of your circle’s community engagement and trust-building efforts.

• **Create a space for reflection and dialogue:** Foster a reflective culture by reserving part of meetings for relationship-building, encourage your members to bring their whole selves to the circle and be a source of support when they need it. Don’t be afraid to hold productive tension.

Trust-based culture is centered on relationships, and addresses inequitable power dynamics in all aspects of our work. It requires us to uncover bias and make space for dialogue, collaboration, transparency, and humility.
Build trust into your structure!

Structures that surround our giving practices are intertwined with your circles culture and values. Structures not rooted in trust will often be out of alignment with your values and ultimately become a barrier to trust-based grant making practices.

A critical question to ask your circle: Does my circle’s structures place outsized priority on our giving than it does the communities we are giving to?

Steps to take

• **Conduct an internal audit:** Review and assess your giving practices to ensure that they express your values and reflect the purpose of your mission. How has structural racism shown up in your giving practices, leadership, membership, etc. Ask your circle and your community for feedback on what’s working and what’s not.

• **Apply an antiracist, values-based lens to your structures:** Is your membership and leadership representative of the work you do and the community you support? What barriers has your circle created to membership that may exclude community members?

• **Decentralize decision-making structures:** Design decision-making rubrics using collective input, include community perspectives, and make sure decisions are informed by multiple stakeholders.

• **Apply a relational lens to grant management:** If you track your giving does it focus more on “proving” impact vs. meaningful relationships built? If so, they may be thwarting your circles ability to build transparent, trust-based relationships with grantee partners. Revisit your systems to allow for emergent learning, conversational reporting, and greater flexibility in outcome expectations.

• **Revisit and revise outward facing documents:** Documents such as award letters and consultant contracts (if relevant) can often unintentionally perpetuate top-down power dynamics. Consider how these documents can be updated to be more relational and learning-oriented.

• **Adopt emergent learning tools:** Our world is ever changing and so is our understanding of inequity. Encouraging ongoing learning discussions among members and community partners.
Lead with trust!

Leading with your values is about more than what is said. Leadership is also about action. Is your leadership in embodying and supporting centering trust in all aspects of your giving practice?

Trust rooted leaders are collaborative and facilitative. They prioritize the well-being and development of both members and community partners. They work to build trust internally rather than consolidating attention, power and influence. **Trust-based leaders lead with humility, equity, and transparency. They share their power.**

Steps to take

- **Be self-aware, listen, and be transparent:** Giving circle leaders should reflect how they show up in their giving circle. Do they welcome members and create spaces for members to show up fully? How might they benefit from power differentials? Are all giving circle members empowered to be leaders or just a few?

- **Build a strong support system:** Cultivate a leadership model rooted in collective vision and support - Leaders serve as trusted guides to navigate through change, uncertainty, and growth. In order to do this well, leaders need a strong support system and an environment where they can ask for support from their circle.

- **Acknowledge power and race - be willing to take action:** Adopt an attitude where continuously evaluating power and privilege is part of your daily work. Be willing to see where racism, sexism, homophobia, and ableism are present in your organization’s culture and take principled action to undo it.

- **Redefine “risk” and “failure”:** Explore the spaces and places that make you uncomfortable, and challenge yourself. Invite members to see “failure” not as a bad thing, but as an opportunity to learn, pivot, and grow.

- **Coach rather than control:** Acknowledge that all of your members and community partners have intrinsic knowledge based on their lived experience. Learn from each other to lead with people at the center. Work to uplift each other for mutual success.

- **Invite collaborative culture-shaping:** Be creative in building a sense of agency and inclusion by opening opportunities for collective culture building. Infuse fun and joy into your circle! Create spaces for your members and community partners to build trust with each other and shape the culture of your giving practice.
And remember, trust takes *practice(s)*.

Trust-based philanthropy strives for a reimagining of philanthropy. It advocates for a concrete set of six grantmaking practices that, when practiced together, contribute to more just and equitable funder-grantee relationships.

These practices strive to create honest, transparent, mutually accountable relationships between giving circle members and community partners!

**Steps to take**

- **Give multi-year unrestricted funding**: The work of nonprofits is long-term and unpredictable. Multi-year, unrestricted funding gives grantees the flexibility to assess and determine where grant dollars are most needed, and allows for innovation, emergent action, and sustainability. This also will equip your circle to deepen your relationship to the broader community.

- **Do the homework**: Oftentimes, nonprofits have to jump through countless hoops just to be invited to submit a proposal. Trust-based philanthropy moves the onus to grantmakers, making it the giving circle’s responsibility to get to know prospective grantees, saving nonprofits’ time in the early stages of the vetting process.

- **Simplify and streamline paperwork**: Nonprofits spend an inordinate amount of time on funder-driven applications and reports, which can distract them from their mission-critical work. Streamlined approaches focused on dialogue and learning can pave the way for deeper relationships and mutual accountability.

- **Be transparent and responsive**: Open, honest, and transparent communication supports relationships rooted in trust and mutual accountability. When funders model vulnerability and power-consciousness, it signals to grantees that they can show up more fully.

  - **Solicit and act on feedback**: Grantees and communities provide valuable perspectives that can inform a funder’s strategy and approach, inherently making our work more successful in the long run.

  - **Offer support beyond the check**: Responsive, adaptive, non-monetary support bolsters leadership, capacity, and organizational health. This is especially critical for organizations that have historically gone without the same access to networks or level of support than their more established peers.
Assess Yourself: TBP in 4D

Below you will find a high level list of reflections and action items for your giving circle to work on as you infuse trust into your giving practice. This is not an exhaustive list, but rather a starting point. Links to past Racial Equity Community of Practice webinars and tools are included. Consider using all of these in tandem to assess your giving circle and shift your practices. For additional reflection prompts, check out the Self Reflection Tool from the Trust-Based Philanthropy Project.

Values:
- We have discussed and established core values to our work
- We have written our racial equity imperative statement encompassing our values

Culture:
- We have taken the time to deepen our understanding of white dominant/white supremacy culture and have reflected on the ways we embody those values in our giving practice
- We have taken the time to evaluate our culture and review if our values are infused into the way we show up internally and externally
- We have worked to create human centered spaces that can hold productive tension and multiple lived experiences
- We acknowledge and talks about power, race, and other intersecting identities both with our leadership team, DEIJ committee, and full membership
- We constantly seeks to deepen our understanding of power and privilege

Structure:
- We have conducted an internal audit of our structures
- We have reached out to our members and community partners for feedback on our structures and practices

Leadership:
- We have reflected on how our leadership leads and have had discussions within our circle about our leadership model
- Our leadership works collaboratively and shares power with our community partners and members

Practices:
- We have assessed our giving practices and have worked to remove barriers that may uphold systemic inequities
- We have embraced the six grantmaking practices of Trust-Based Philanthropy
The grants our giving circle distributes are small and we have limited resources to share with organizations we are supporting. How can we incorporate multi-year grants into our process?

Although one major practice of trust-based philanthropy is providing multi-year unrestricted grants, it requires a budget structure and decision-making process that allows for it. First and foremost, take stock of what is possible within your giving circle and decide how much you are willing to change within your current structure.

One solution would be to shift your funding timeline - is it possible to give to the same organizations two years in a row instead of picking a new group each year? If you give multiple grants what would it look like to cycle those grants? For example, if you give two grants every year could you have both on a two-year cycle so your giving circle selects a new group each year while also giving a second grant to the other group selected?

If you find you cannot extend your giving timeline, commit to providing support beyond the check, such as making introductions to other funders or donors, or offering to write a letter of recommendation to help them access other institutional support. This can be especially helpful for smaller groups that do not have a history of receiving foundation grants – which is often a major barrier to accessing institutional funding.

Is trust-based philanthropy just giving unconditional support to any organization? How will we know our impact?

Not at all, a trust-based approach requires quite a bit of rigor.

A trust-based approach requires funders of all sizes to interrogate traditional notions of accountability and reimagine themselves as collaborators and learners alongside their grantee partners. Practicing trust-based philanthropy requires collective giving communities to lead their relationships with care and dialogue. By being in relationship with grantees, understanding their self-defined measures of success, and engaging in dialogue about how these measures are evolving over time, we inherently create a new dynamic of reciprocity and mutual accountability. Over time, this will allow you to move away from wordsmithed or sugar-coated reports, toward genuine information that can give you better insights into what your grantee partners are doing and learning — and how they are refining their work and operations to respond to evolving needs and demands.

Be an active learner in your partnership with your grant partners in order to better understand their goals for impact, as well as what they observe to be barriers and accelerators to impact. This can help you have a bigger picture understanding of the context they are operating within, and how your support can contribute to helping them achieve their mission.
I’ve heard that trust-based philanthropy requires moving away from transactional relationships. What does “transactional relationship” mean?

Transactional relationships are rooted in the mindset that you are owed something because you gave something. In the context of a funder and grantee transaction, this can perpetuate power imbalances which inhibit the chances of building honest, transparent, and mutually accountable relationships.

Moving toward transformative relationships takes deep power-consciousness, humility, and a will to change.

How can we move away from transactional relationships to build more authentic relationships with our members? With our grantees? With our community overall?

First and foremost, understand that relationships take work. For your members, don’t be afraid to have meetings just to get to know each other, spend time together, and learn from one another. Create spaces where both your members and members of the community can show up fully and vulnerably, and where they will benefit from a closer relationship with you. And, don’t forget to have fun!

When it comes to building grantee relationships, be aware that many nonprofit organizations may not have positive experiences with funders and donors in the past. Be aware that there is an inherent power imbalance, given that your group is making decisions about who gets to receive funding. Take the time to listen to grantees, respond to their feedback, and be transparent and honest with them about their funding status. Show up at their community events and programs, and demonstrate a sense that you are invested in their success and their work.

At the community level, consider ways you can be more engaged in activities and programs being hosted by local nonprofits and community groups. If your giving circle is focused on a particular issue area or region, do your homework to stay up to date on what is happening, participate in local events, and listen to what community members have to say at town halls and other similar meetings. Building authentic relationships often begins with listening.
How can we learn more about an organization or a community that my group is seeking to support without being transactional?

Assessing whether you are in a transactional relationship with your grantee partners takes a level of self introspection. Consider asking yourself, am I putting the burden of providing this information on my grant partner or is this information I can find myself?

For example, when it comes to background information, trust-based funders make time to review publicly available information such as websites, 990s, and annual reports so as to not require their grantee partners to jump through hoops where alternative sources of information are available. This is part of the practice of “Doing the Homework” as a funder.

How can we ask for feedback from the groups we’ve supported in the past without being transactional?

When soliciting feedback, always be transparent about what the purpose of the feedback is, how you intend to use the information, and make the feedback request completely optional. It is really important to be clear on your purpose for soliciting feedback – and to be prepared to act on the feedback – when embracing trust-based philanthropy. One way of demonstrating care toward your partners is to compensate them for providing feedback, especially if it is specifically to inform your giving circle’s overarching strategies.

As a group, interrogate your expectations of what you are hoping to gain when you give, and if it centers the community’s needs or your collective giving group’s objectives.

Furthermore, be prepared for tough feedback and give your giving circle space to grow and experiment. When you receive less than stellar feedback as to how you are building relationships, it is an opportunity to think about what you might do differently next time!
How can our giving circle “do our own homework/research” on an organization but also make sure that we are not uplifting our own bias or community? How do we find new partners beyond our immediate community/circles/connections?

Doing the homework requires being aware of inherent biases, and actively working to include diverse perspectives to inform your giving.

To ensure you are checking your bias, track the demographic data of who you are giving to and explore data within the community you are seeking to impact. Ensure your grantmaking strategies are informed by the communities that are most directly impacted by the issues you seek to support. Take stock of your collective giving group - do the demographics that inform your group decision-making match the community? If not, work to diversify your group and/or network.

Some tangible steps you can take include:

• Revise your overall process using an equity lens. Consider whether certain requirements or assumptions may be favoring organizations with more access to resources than others. Consider ways your grantmaking can be directed toward where resources are most needed.

• Incorporate mechanisms in your organization’s structure to reduce implicit bias, e.g. develop a process to have people representing multiple perspectives read and evaluate grant applications. Build relationships with community leaders in your ecosystem and talk to them about their recommendations and who they admire and/or trust.

• Attend local events and keep an eye out for leaders and organizations you may not be aware of.

• Do your homework (via social media or otherwise) to get a broader view of the ecosystem: who are the groups you are supporting partnering with? Who are the other groups that you’ve supported following and uplifting? Don’t be afraid to do a deep dive on the internet.

How can we try out new ways of being/new ways of practicing trust-based philanthropy without causing further harm? What should we do if we do cause harm?

Don’t let the fear of making mistakes stop you from trying and striving to make the necessary changes to be a more trusted funder. The key is to be transparent. Share with your members and grantees the type of culture you are trying to build, what commitments you’re prepared to make, and incorporate a practice of regularly getting feedback, as well as acting on said feedback.

Move with humility - recognize that this is a process. You may cause harm. When harm takes place, take the time to acknowledge what happened, take accountability and work with community partners, grantees, etc. to integrate their feedback, heal, and be transparent about how you’re committed to preventing future harm from occurring. Finally, respect how your grantees and the community would like to move forward with their relationship with you.
How do you reach those that are on the ground doing the work? And how do you do the work of building trust?

Move with humility and authenticity. Recognize that the lived experiences of those you are seeking to connect with may be very different from your own, but are important to consider in your grantmaking strategies. Work to ensure the relationships you are building acknowledge inherent power dynamics, and seek to be a benefit to those who are doing the work on the ground.

Meet folks where they are. Be proactive about learning about the issues affecting your community and making sure to gather information from diverse and intersectional perspectives outside your usual circle.

Similar to skills you have used to build your personal relationships, maintain transparent, consistent, and open communication. Remember you have to give a little to get a little and don’t be afraid to be a little vulnerable if you are feeling self-conscious.

If you are struggling to find groups to support, consider attending community events and observe who is leading the events, as well as, who is in attendance. Reach out to community leaders and local funders in your area - who are they funding and partnering with? Dig into local coalitions building community power - which groups are represented there? And check out this resource on finding organizations.

Remember that building relationships takes work and time! Don’t forget to move at the speed of trust!

How can our circle bring our members around to trust-based philanthropy? Particularly those that are used to a very different way of doing philanthropy focused on results, control, and metrics?

Similar to building relationships, it takes time to win folks over. Don’t be afraid to share why you believe in this model of giving and let it come from the heart. Be authentic about the reasons why you are drawn to make this shift.

Consider sharing about the state of funding and the inequity in current giving structures. You can pull data from Race to Lead, and Bridgespan’s “Racial Equity in Philanthropy Collected Resources”. You can also provide data for your specific geographic location and area of influence.
Taking the first step and beyond:

Building a giving practice rooted in Trust-Based Philanthropy takes time. When you cultivate your trust-based practice, your circle will open up to a variety of opportunities to deepen your relationships with each other and the community in a meaningful way, as well as, broaden your impact.

Use this guide as a conversation starter and a road map for how to infuse trust into your circle. Below you will find additional resources to dig deeper into trust-based models.

**Trust Based Philanthropy Tools**
- TBP in Action: Samples & Examples
- The 6 Grantmaking Practice of Trust-Based Philanthropy
- Story Map
- Self-Reflection Tool

**Books**
- Holding Change by adrienne maree brown
- Decolonizing Wealth by Edgar Villanueva
- Letting Go by Ben Wrobel and Meg Massey

**Websites**
- Trust-Based Philanthropy Project Website
- Family Identity and Culture, National Center for Family Philanthropy
- Resonance Framework, Justice Funders
- White Supremacy Culture Characteristics, (Divorcing) White Supremacy Culture
- Resources on Equity, Diversity, and Inclusion, Change Philanthropy

**Blogs**
- 5 Myths of Traditional Philanthropy
- Skeptics Corner: FAQs about Trust-Based Philanthropy

**Guides**
- Trust-Based Philanthropy vs. Conventional Grantmaking
- What is Trust-Based Philanthropy?
- Trust-Based Philanthropy: Fundamental Shifts in Equitable Action
- 4 Guiding Principles for Giving Circles Supporting Grassroots Organizations

**Videos**
- What is Trust-Based Philanthropy? Explainer Video
- Trust-Based Philanthropy: How Giving Circles Can Redistribute Power
- Trust in Me, Exploring Trust Based Philanthropy in the Field