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#### FOUNDATION FOR BLACK COMMUNITIES (FFBC) IN PARTNERSHIP WITH MLSE FOUNDATION (MLSEF)

#### REPORT AUTHOR:

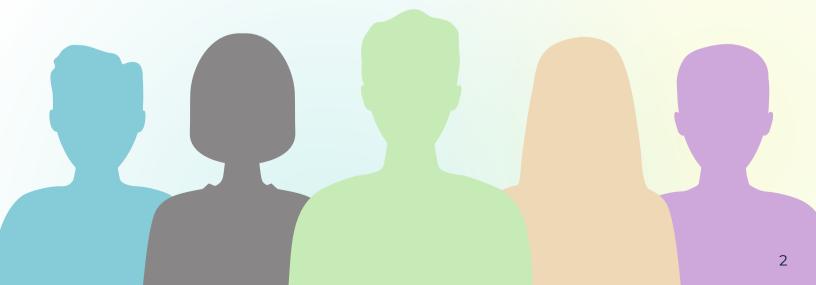
Marika Warner, Director of Research & Evaluation, MLSE Foundation

In 2022, the Foundation for Black Communities (FFBC) and MLSE Foundation (MLSEF) entered a four-year funding partnership. \$1M overall and \$250,000 per year would be directed toward capacity-building, supporting operations, designing and launching a participatory grantmaking framework, and building an endowment. The partnership was modelled and grounded in trust-based philanthropy (TBP).



Trust-based philanthropy is an approach to grantmaking and funding that seeks to shift power dynamics between funders and grantees by emphasizing trust, transparency and mutual respect. It is based on the belief that nonprofit organizations, especially those working at the grassroots level, are best equipped to understand the needs of their communities. By reducing the administrative burden and restrictive conditions often associated with traditional philanthropy, trust-based philanthropy allows organizations to focus on their mission and impact.

The two organizations shared an interest in learning more about how TBP approaches affect trust, power, community, and impact. A collaborative research project was born from a mutual belief that TBP has the potential to dismantle aspects of racism embedded in the models of charitable giving; TBP is committed to altering power dynamics, and challenging concepts of risk and social justice – and that engaging in TBP empowers other funders to do the same.



THREE YEARS LATER, AS THE PARTNERSHIP ENTERED ITS FOURTH YEAR, REPRESENTATIVES FROM BOTH ORGANIZATIONS CAME TOGETHER IN A SERIES OF FACILITATED CONVERSATIONS TO EXPLORE AND UNDERSTAND THE IMPACT AND INFLUENCE OF THIS PARTNERSHIP.

THE FOLLOWING EMERGED AS KEY THEMES THAT ENABLE TRUST-BASED PHILANTHROPIC INITIATIVES AND OUTLINE ESSENTIAL PRACTICES FOR ORGANIZATIONS SEEKING TO ENTER THE TBP SPACE.

- START WITH REAL RELATIONSHIPS.
- PUT COMMITMENT ON THE LINE.
- ENGAGE AS PARTNERS.
- LEARN TOGETHER, GROW TOGETHER.
- DECONSTRUCT AS YOU GO.



# START WITH REAL RELATIONSHIPS

The importance of authentic, human-to-human relationships between organizations engaging in TBP was emphasized – meaning that an open grant call should not be the first point of contact.



Within the context of TBP relationships, it's important to holistically recognize what each party brings to the partnership and how each party benefits, including two-way financial, reputational, social, and operational benefits. It's also important to understand shared objectives – common ground that provides purpose for the partnership.

Neither one of us is saying we're stretching our mandate to enter this relationship. We're aligning our work from a theoretical perspective.

### **Kendra Kerr**

DIRECTOR, COMMUNITY
INVESTMENT & SOCIAL IMPACT

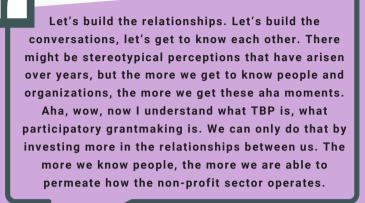


This criteria also helps to define what is TBP and what is not – a multi-million dollar, no-strings-attached donation by a donor with no prior or ongoing engagement with a charity would not be considered TBP, without genuine connection between the donor and recipient organization, or transparency on what motivated the funding.

"Replacing allyship with relationships. Allyship is an overused word and I love, love, love building relationships. Allyship is where you are supporting a cause, but a relationship for me goes deeper than that, where we understand where each other is coming from." -Rita Rwigamba, Program Coordinator, FFBC







#### Patrick Makokoro

FORMER PROGRAM MANAGER, FFBC

The importance of relationships extended beyond the two parties in the partnership, most crucially, to the grassroots organizations receiving funding from FFBC - also key players shaping the partnership.

"The more we interact with each other, whether it's, you know, over a cup of coffee or tea or in person or online and just exchanging perspectives and learning that comes through from grantees, the better we are able to inform perspectives, not only around TBP but inter-institutional partnerships. It is my hope that this partnership also mirrors how we are working with those we are giving dollars to and that we can bring them to the table for this conversation." -Rita Rwigamba, Program Coordinator, FFBC

Nurturing partnerships in TBP so they evolve from a typical transactional funding relationship, sets partners up for success with the next key action in TBP that was identified: Put Commitment on the Line.

## PUT COMMITMENT ON THE LINE.

Identifying the opportunity that came alongside a particular moment in time and then putting skin in the game to leverage this moment was essential in enabling the partnership.



"I don't know if our organization was fully prepared to embrace trust-based philanthropic partnerships without the rising momentum of the racial justice movement in 2020. It compelled us to reflect deeply on our role in systems change and was a turning point that challenged us to reimagine how we share power, build trust, and center the voices of those we aim to serve, within our grant making" -Kendra Kerr, Director, Community Investment & Social Impact, MLSEF

Internal advocacy by MLSE Foundation was needed to gain the support of powerful stakeholders, including senior leaders, the Board of Directors, and financial and legal advisors. It was essential to challenge how risk is typically conceptualized in philanthropy as the risk of reputational and financial losses if the partnership does not produce the desired outcomes. Through a TBP lens, risk includes the risk of potential harm to community if funds are unavailable, inaccessible, or not delivered flexibly. There are also risks in operating in the hierarchical power structures inherent to conventional philanthropy; for example, over-directing the flow of funds may result in the money not reaching those best positioned to create a strong return on investment.



Risk is inherent to any financial transaction, but we look at it with a different lens and say, 'let's get this money over to this grantee so that they can action what they perceive as risk to their community'. FFBC has created Community Selection Circles to be the decision-makers and assessors; this is a way of mediating risk at a community level. Risk has to be defined by the community itself; if risk is being defined by the donor, that's a problem. Risk has to be a community-developed sense of what is risk for us, not risk for the donor.

## Ngozi Enyi

DIRECTOR OF FINANCE FFBC

"The supposition of risk is a real cop-out to engage in work that for whateverB reason, consciously, unconsciously, isn't attractive."

-Kendra Kerr, Director, Community Investment & Social Impact, MLSEF

Putting commitment on the line also means speaking up in public and behind closed doors. It means championing your partners in the broader not-for-profit space and with potential funders.

"Around the time FFBC were really making a push for government funding, there was a call to amplify on your social channels, email your contacts in government to say that we support this initiative, sign on to the letter, and we were very happy to do all these things."

#### Kendra Kerr

DIRECTOR, COMMUNITY INVESTMENT & SOCIAL IMPACT, MLSEF

"We knew the bump we would get from getting support from MLSE. That lent a lot of instant credibility to us, and it was a tremendous signal to the broader philanthropic community and also to government." -Liban Abokor, Co-Founder & Board Member, FFBC

FFBC and MLSE Foundation representatives encouraged others in the charity space to make their commitment to TBP approaches tangible by taking action now to change their practices – ready or not.

## Liban Abokor

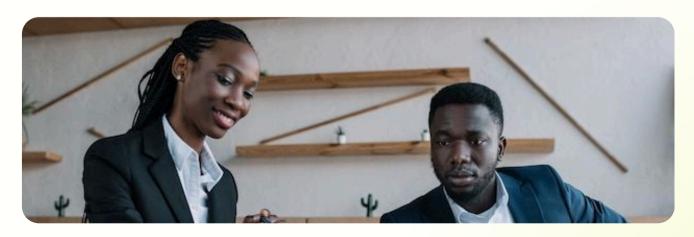
CO-FOUNDER & BOARD MEMBER, FFBC

"Just do it. I've been in rooms where, within 30 minutes, we created the infrastructure and other rooms where we spent 30 days and got nowhere. It's all to do with the will and desire."

## Rita Rwigamba

 $\begin{array}{ll} {\tt PROGRAM\ MANAGER,\ COMMUNITY\ IMPACT,} \\ {\tt FFBC} \end{array}$ 

"When funders have not yet explored the TBP approach, it's because they fear the unknown. They should just do it and not be scared to make mistakes. You can't succeed if you haven't tried."





## **Esther Nshimirirmana**

FORMER BILINGUAL PROGRAM MANAGER, FFBC

TBP typically involves a traditional funder partnering with a non-traditional recipient outside of standard funding streams, as well as funding initiatives that would otherwise remain unfunded and generating unique learnings or impacts. Engaging as partners instead of as donor and recipient was articulated as a means by which TBP alters problematic power imbalances in funding relationships. First, it was important to understand the 'why' of the partnership, recognizing what each party would bring to the table and the partnership's specific benefits.

"We try to collaborate with partners doing different things than us to create a more holistic approach to our community granting."

#### **Kendra Kerr**

DIRECTOR COMMUNITY INVESTMENT & SOCIAL IMPACT, MLSEF



"Partnerships are critical to doing this work. If we want to have long-term impact, we're not going to be doing any of this work on our own."

#### **Nneka Otogbolu**

CHIEF OPERATING OFFICER, FFBC

Acting as a partner and not a funder means being resourceful and leveraging power and resources to offer additional supports - beyond dollars - that make sense.

"When we partnered with FFBC, at the very beginning, they were still trying to figure a lot of things out, they were a team of two, they hadn't hired a CEO yet. Part of what we were so happy to be able to support was the application software. They were doing a landscape analysis and looking into proprietary systems, but they were conscious about wanting to get money out the door and start giving to community right away. We were able to support by tapping them into our grant system for them to be able to manage applications and begin making grants right away. It was very easy to provide that support." -Kendra Kerr, Director, Community Investment & Social Impact, MLSEF

"It was always striking how much there was willingness from MLSE to partner. For example, the learning piece that you're doing; that's very unique to the granting world - different ways that we can share with the world and reflect on how to improve and what is working well."

#### Rita Rwigamba

PROGRAM MANAGER, COMMUNITY IMPACT

A partner shows up when and where they're needed, not when it's convenient for them or when the funding agreement states that they will. In TBP, partners creatively harness organizational assets like their reputation and expertise to further the goals of the partnership. Partners are also cognizant and transparent about what they are getting out of the relationship.

"What worked well here was we had access to MLSE Foundation at every level from the Managing Director to the communications team and grant folks."

-Rita Rwigamba, Program Coordinator FFBC

"We don't have an endowment, we're not the biggest charity on the block, but when we speak, people tend to listen. So, how can we leverage the work and our relationships to push that sector change? And we see that as a reciprocal benefit. We want to have that reputation as a sector builder, sector leader, and sector changer, and we couldn't do that without having relationships with organizations like FFBC."

-Kendra Kerr, Director, Community Investment & Social Impact, MLSEF

In TBP, no one organization is in charge - the partner receiving funds makes the calls on how they structure and go about their work. Their processes and priorities are theirs to determine.

"I have enjoyed working with MLSE Foundation in that you all have not come in to direct how we are doing the work or how we are doing our grantmaking. It was MLSE coming and saying we're giving you a million dollars, and we're trusting you to create systems, and we'll be here if you need any support as it flows out." -Rita Rwigamba, Program Coordinator, FFBC

Partners operate collaboratively, with a high level of respect for their counterparts' experience, expertise, and capability. Tangible examples include co-presenting on methods and shared impacts at an industry conference, as MLSEF and FFBC did at the **2023 PEAK grantmaking conference**; engaging in dialogue on how the funding agreement would be structured and how impact would be evaluated; and building bespoke partnership practices that best support success for the recipient partner.

"It's walking in stride as two organizations towards systems change and articulating our work as a combined, joint effort." -Kendra Kerr, Director, Community Investment & Social Impact, MLSEF

"Everything is a conversation and a question and not a directive. Your partnerships don't need to look the same just because you're doing TBP. There's no prescriptive way that you must work together." -Nneka Otogbolu, Chief Operating Officer, FFBC



## LEARN TOGETHER, GROW TOGETHER.



TBP requires a genuine interest in listening and learning, and commitment to do so. It is based on the understanding that all parties, from the funding partner to the grassroots, hold valuable knowledge and the capacity to share it. This crucial exchange of knowledge is seen as a multi-way street that also involves organizations beyond the partnership.

"They're always willing to share their insights and know-how about either the process by which they grant or the framework they're developing. We spent a lot of time with talking about the Ubuntu principles that they've adopted." -Kendra Kerr, Director, Community Investment & Social Impact, MLSEF

"I've had several conversations with colleagues from other foundations and the common denominator there is TBP and FFBC sharing what we've been learning through our journey. And we're going to find even more organizations that'll give us feedback on the way FFBC does their grantmaking to help us think about how we can do things better." -Patrick Makokoro, Former Program Manager FFBC



TBP supports both partners to continually test new practices in how they fund, collaborate, and support impact. This spirit of experimentation can be embraced and supported at every level and in each facet of operations and must leave room for adjustments and course corrections. The results of this experimentation can create new processes and practices with the potential to change the sector.

"The contribution that MLSE creates for us is the ability to define, design and deliver a wholly Black-led granting program that I don't think existed anywhere else - then, to be able to raise additional capital because of that investment. We create a trust-based, community-driven granting process that drives massive investment at a critical point in the lives of young people. We then are able to transform that experience into expertise. We are now using the same process to administer a \$10M grant program nationally. We're giving people applications that are easy to fill out in 30 minutes to an hour, we're not being prescriptive, we're providing general targets like wellness, we're providing dollar amounts that are more appropriate and making those dollars completely flexible." -Liban Abokor, Co-Founder & Board Member, FFBC

"What I've learned is that in TBP, there needs to be the space for grace, giving space for people to figure it out." - Rita Rwigamba, Program Coordinator, FFBC An ongoing, person-to-person assessment of the partnership is another important commitment and supports mutual learning that can be applied to future relationships and initiatives as well as to the current partnership.

"The fact that we are in this room together having this type of conversation is an indication of how this is being done differently; taking the time to really assess what did this relationship yield, what have we learned out of the process, how are we tackling the question of power and power dynamics? A partnership is a report that we're generating together. That doesn't happen with a funder. It's a continuous learning process, and that makes you a partner - when you're in partnership for learning." -Patrick Makokoro, Former Program Manager. FFBC

Finally, TBP imagines what could be possible if organizations weren't limited by the restrictive norms of typical grant applications and agreements and status-quo charitable practices. This future-forward orientation unearths and recognizes the positive potential of the not-for-profit sector.

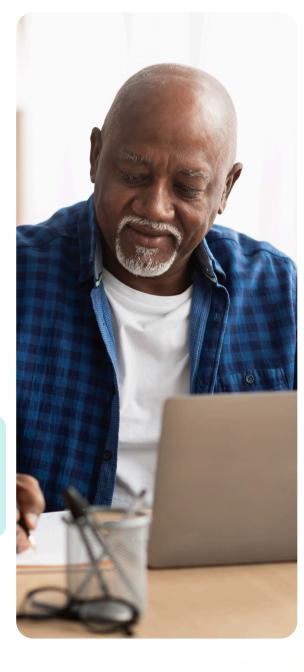
"There's so much more to explore and dream. Dreaming has been an integral part of the process – to have space to continuously dream. What could be, not what is. We've got the template. We're open to other funders coming to steal what we have done." - Rita Rwigamba, Program Coordinator, FFBC

Crucially, in TBP the funding partner is responsible for ongoing learning and development related to the communities they fund. The funded partner will play a role in imparting some of this knowledge. Still, funders should consistently seek additional opportunities to build their understanding of the values, culture, strengths, aspirations and needs of the communities they support. This is one example of how TBP can begin to challenge and dismantle existing colonial power structures.

"Trust-based philanthropy shifts the burden of learning, of knowledge, to the funder. It creates the opportunity for funders to reflect. Power is not just dollars and cents; funders come with knowledge of what the issues are, and the burden is less on the grantee to try to 'sell' the problem."

#### **Nneka Otogbolu**

CHIEF OPERATING OFFICER, FFBC





### DECONSTRUCT AS YOU GO.

Consistent innovation is a pillar of a TBP partnership, and evolving your systems and structures is critical to consistently finding common ground in the context of a real relationship. Both partners must come to the table understanding TBP as an effort to correct a traditional donor model. The colonial power structures built into charitable processes are challenged in TBP by prioritizing the needs, knowledge, and experience of the fund recipient.



"In some scenarios, it's the donor that holds the power when 60% of funds go out through donor-advised funds. Sometimes what funders think is best are not priorities in the community." -Nneka Otogbolu, Chief Operating Officer, FFBC

"The philanthropic system that we are using as a standard was created by historical power dynamics and we have to begin asking communities how best do we serve you, how best do we support you. We've started this with our grant advisory committee – how best do we direct our funds." - Patrick Makokoro, Former Program Manager FFBC

Shifting power can be as simple as including fund recipient partners in conversations and processes they've typically been left out of, including shaping funding priorities and the flow of grants, reporting processes, and how success is evaluated. Power shifts can also be reflected in the intersectional diversity of a funding partner's staff team.

"Shifting power, advancing equity, building that mutual accountability between the funder and the community that's being funded and allowing them to be part of that process is a way of acknowledging that their voice matters and they know what's best for their communities – it's part of breaking that power balance; recognizing that they do have solutions for needs within their communities." - Rita Rwigamba, Program Coordinator, FFBC

"We could have launched our own granting program for Black youth, but not doing that is also a statement on how important it is to us to shift power back to communities and recognize that they are the best positioned, and the most capable, of making these funding decisions." - Kendra Kerr, Director, Community Investment & Social Impact, MLSEF

Where conventional philanthropy may operate as if donors are doing recipients a favor, TBP relies on mutual accountability and recognizes the social, political, and economic forces that have created needs in underfunded communities. TBP engages in advocacy beyond the immediate partnership – pushing governments and other influential funders to change policies, practices, and regulations that limit the flow of resources into communities. In the case of FFBC and MLSEF, this engagement has been successful in bringing more funders and dollars to the table.

"We saw the disbursement quota go up. We saw legislation on qualified donees change. The way we give has now been changed. Long-term, we need to be maintaining and sustaining this change."

#### Kofi Achampong

FORMER DIRECTOR OF PUBLIC POLICY AND GOVERNMENT RELATIONS, FFBC



"Donors have to be conscious not to replicate what has created the philanthropic relationship to begin with whilst acknowledging openly we have power, we have money, we have resources, we have access to professionals, access to people in power, and that gives us a certain level of privilege in society, and we have to do our best to remove that privilege, and that's what we're trying to do here." - Patrick Makokoro, Former Program Manager FFBC

Finally, power is dismantled in the handling of funds. Concrete actions such as changing from giving 50% to 90% of grant funds up front, removing the 20% limit on administrative and salary expenses within a grant request, and giving out fewer, larger grants meaningfully challenge conventional power dynamics and empower the partner receiving funds to act in the best interests of the communities served.

"Stop patting yourself on the back for giving out five \$10,000 cheques. You'd be better to create or foster relationships and go a little deeper." - Liban Abokor, Co-Founder & Board Member, FFBC

#### **CLOSING THOUGHTS**

The final statement by FFBC above reflects the crux of the conversation and the larger movement to reshape philanthropy around concepts of trust, empowerment, and collaboration.

Foster relationships and go a little deeper. With people and organizations in the communities your organization funds or serves, and those you'd like to. With other funders, whose openness to change may be deeply impacted by a simple conversation. And internally, regarding established processes and practices that need to be unpacked. Going a bit deeper in each of these areas will deepen impact exponentially - for Black communities and others historically unfunded, and for the charitable sector itself.