2025 National Study of Philanthropic Practice

GRANTMAKERS FOR EFFECTIVE ORGANIZATIONS

STRENGTH IN NUMBERS CONSULTING GROUP

Contents

About GEO

Grantmakers for Effective Organizations is a community of funders committed to transforming philanthropic culture and practice by connecting members to the resources and relationships needed to support thriving nonprofits and communities. With intersectional racial equity as a core commitment, we envision courageous grantmakers working in service of nonprofits and communities to create a just, connected and inclusive society where we can all thrive.

Alongside our membership of more than 6,000 grantmakers from philanthropic organizations of all sizes and types across the globe, we work to lift up the grantmaking practices that matter most to nonprofits and that truly improve philanthropic practice. Our approach is grounded in our core values of love, racial equity in practice, community-centered collaboration, and trust and accountability.

GEO serves as a professional home base for grantmakers, offering support and challenges to advance equity. We help grantmakers move from knowledge to action by providing tailored resources, learning opportunities and connections to expand our community of support.

Working with our members, we design conferences focused on exploring the latest challenges, foster peer connections and learning through member networks, and craft publications that frame key issues and highlight examples from across the field. Through these means, GEO creates forums for grantmakers to hear and absorb actionable information and insights from experts across the philanthropic and nonprofit sectors.

GEO is part of a broader movement of organizations and networks advancing change in philanthropy. Together, we are learning more about what works and applying our knowledge and resources to improve our communities and create lasting, systemic change.

About Strength in Numbers Consulting Group

Strength in Numbers Consulting Group is a 15-year-old, queer-led research, evaluation and philanthropic strategy firm based in Brooklyn, New York. We work both with grantmakers and with service providers, advocates and affected communities, which allows us to provide a broad and deep perspective on community needs.

We work across issue areas with a strong, demonstrated commitment to anti-racism and social justice. We work to diversify the field of evaluation and learning by training staff and interns from a wide variety of backgrounds and affected communities. Since our founding, we have applied the principles of equitable evaluation and culturally responsive practices in all of our work. Our interdisciplinary team works together to balance our rigorous application of social science with our deep commitment to community-centered process.

Executive Summary

Transforming philanthropic culture and practice to operate in service of nonprofits and communities requires a fundamental shift in how grantmakers work. This transformation demands that the philanthropic sector ground its efforts in equity-centered and community-driven practices, relationships and organizational cultures.

Achieving the change we seek requires philanthropic institutions to provide flexible and reliable resources and capacity-building support, shift their practice around power and decision-making authority in partnership with communities, transparently share knowledge and apply learning, collaborate meaningfully across sectors, and maintain a sustained commitment to intersectional racial equity. This work involves both individual organizational transformation and collective sector-wide evolution in how philanthropy understands its role in supporting and creating lasting systems change.

Since 2008, Grantmakers for Effective Organizations has conducted a national study of philanthropic practice every three to five years to assess progress toward achieving this transformational change across the sector. Through this study, GEO analyzes where progress has been made, identifies emerging trends that may be taking root, and explores new areas of inquiry within the philanthropic and social sector ecosystem. GEO's last field study was conducted in 2017,[1] because the planned study in 2020 was intentionally paused in response to the COVID-19 pandemic and the influx of surveys in the sector at the time.

As the only survey of all staffed foundations in the United States, this research enables the field to understand where practice currently stands, where progress is being made, and where the philanthropic sector can continue to shift to better serve nonprofit and community partners. The 2025 field study collected data from January to March 2025 from 765 grantmaker respondents on their organizations' grantmaking practices. Some questions in the survey asked grantmakers to report on data from operating years 2022 to 2024; this is noted where relevant.[2] This report examines current grantmaker practice and how grantmakers' contributions to the success and vitality of nonprofits and communities have evolved since the last study.

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[1] Grantmakers for Effective Organizations, "Is Grantmaking Getting Smarter? A National Study of Philanthropic Practice," 2017. Available at https://www.geofunders.org/resource/is-grantmaking-getting-smarter-2/.
[2] Full details on the methodology for the survey design, outreach process and data analysis can be found in the appendix.

Progress and Emerging Trends

The study's findings illuminate the field of philanthropy's "new normal" and map how the field is operating within our current context and amid the current discourse, highlighting progress made and new trends across the sector:

- *Equity is central to grantmaking strategy.* Most grantmakers maintain that diversity, equity and inclusion are central to their organization's current strategy, with 48 percent indicating that DEI is "very much" central and another 26 percent stating that it is "somewhat" central. This represents an increase from 2017, when 31 percent of grantmakers found DEI "essential" and only 14 percent found it "central."

- *Commitment to equity signals engagement in some effective practices.* Grantmakers that indicate that DEI is "very much" central are more likely to engage in effective practices to support their nonprofit and community partners. This includes being more likely to involve focus and beneficiary populations as decision-makers, reckon with funding sources and engage in participatory grantmaking.

- *The 5 percent payout is no longer the floor.* Despite the widespread belief that most foundations spend only the 5 percent minimum, GEO's research shows that 5 percent is no longer the floor. More than half of surveyed organizations spend above this threshold, with 43 percent spending between 5 and 7 percent, and 12 percent spending more than 7 percent of their endowment annually.

- *Grantmakers are shifting power through participatory grantmaking.* Of grantmakers that participated in the study, 42 percent reported engaging in participatory grantmaking.

- *Multiyear funding is gaining momentum.* One promising turn is an increase in multiyear and general operating support grants, which provide nonprofits with the tools they need to be effective, respond to changes and sustain their organizations. Multiyear funding is now provided by 87 percent of grantmakers, up from 79 percent in 2014 and 2017.

- *Flexible funding is catching on.* The median share of grantmaking budgets dedicated to general operating support climbed to 38 percent, after hovering around 20 percent for nearly two decades. Significantly, 77 percent of grantmakers now offer at least some general operating support.

- *Spending down is not as widespread as headlines would suggest.* It is worth noting that despite widespread chatter about spending down, only 3 percent of grantmakers have made the choice to do so, and 84 percent say it's very unlikely that they will spend down their endowment.

Areas for Improvement

Despite many promising findings, the study results illuminate ongoing challenges and emerging troublesome insights that point to a continued need for systems-level change that will allow nonprofits and communities to thrive:

- *Capacity-building support is slipping.* Survey results showed that 77 percent of grantmakers provide some form of capacity-building support for their nonprofit partners — a marked decline from the 86 percent reported in GEO's 2017 study.

- *Evaluation requirements are outpacing support.* Although 80 percent of grantmakers "always," "most of the time" or "sometimes" require grantees to conduct evaluations, 38 percent do not provide additional funding for evaluation activities, leaving nonprofits without the support needed to complete the required evaluations.

- *Coverage of indirect costs is insufficient.* Although many grantmakers recognize the need to support indirect costs, 15 percent of grantmakers indicated that they do not cover any indirect costs in their grants.

- *Further action is needed to align equity-centered values with practice.* While 74 percent of grantmakers indicate that DEI is "very much" or "somewhat" central to their organization's current strategy, more work is needed to live these values. Of those with a commitment to DEI, only 22 percent aligned their funding strategy to disrupt or repair the effects of historical harm, 15 percent acknowledged historical harm associated with their sources of funds, and 12 percent established grants or scholarships to address historical harm.

Guiding Research Questions

This study was guided by three primary research questions:

1. What trends have emerged among grantmakers in regard to effective practices, strategies and community representation?
2. What is the relationship, if any, between organizational demographics and effective practices among grantmakers?
3. Is there a gap between grantmakers' stated commitments to DEI and trust-based philanthropy and their use of effective grantmaking practices?

Below, we offer our assessment of the overarching answers to these questions, as well as some broader observations about the implications of the findings.

What trends have emerged among grantmakers in regard to effective practices, strategies and community representation?

Many of the trends highlighted in this report are encouraging, as most grantmakers indicated that they center DEI and trust-based philanthropy in their grantmaking strategy, and the prevalence of several effective grantmaking practices has increased. Most notably, many grantmakers are already spending more than 5 percent of their endowment annually, and there was a substantial increase in multiyear funding and general operating support compared to previous years. The

increase in median general operating support comes after more than a decade of stagnation — a heartening and welcome shift in the sector.

However, this study also saw a reversal of the increase in grantmakers reporting that they provided capacity-building support to community organizations, a potentially worrisome change given the current context in which community organizations are operating. Perhaps most strikingly, many grantmakers reported requiring evaluation reporting from their grantees but not providing resources for evaluation or even using that data to set grantmaking strategy. These may be areas where grantmakers can examine their current practices to see if they can bring them in closer alignment with their values.

What is the relationship, if any, between organizational demographics and effective practices among grantmakers?

While some instances of differentiation did emerge, this study did not find consistent patterns suggesting a relationship between organizational demographics (such as organization type, size of annual grantmaking budget or size of staff) and use of effective practices. Philanthropic organizations of all types reported using some effective practices, and organizations of all types demonstrated room to adopt more.

For example, the majority of grantmakers, regardless of demographic characteristics, engaged in practices such as providing multiyear funding and general operating support. However, organization type did factor into the likelihood of engaging in community-driven practices such as participatory grantmaking. Community foundations were more likely than any other type of grantmaking organization to engage in participatory grantmaking, though the same did not hold true for other effective practices.

It may be that rather than organizational demographics, it is organizational commitment to core values such as DEI and trust-based philanthropy that is the more important factor influencing use of effective grantmaking practices.

Is there a gap between grantmakers' stated commitment to DEI and trust-based philanthropy and their use of effective grantmaking practices?

Putting values into practice is an ongoing challenge for all organizations. While this study found a strong relationship between commitment to DEI and trust-based philanthropy and use of effective grantmaking practices, there was evidence of some gaps in implementation of those values. Grantmakers who indicated that DEI and/or trust-based philanthropy were central to their grantmaking strategy were more likely to include focus and beneficiary populations in decision-making positions, engage in participatory grantmaking, and provide support for emerging capacity-building areas, indicating clear alignment between values and practice.

However, this does not mean that all grantmakers who expressed commitment to those values implemented all of these practices. Among grantmakers who indicated that DEI was "very much" central to their grantmaking strategy, nearly half did not report engaging in participatory grantmaking. Grantmakers who centered DEI in their strategy were more likely to require that staff attend DEI training, but this did not hold true for board members, which indicates the existence of different standards and expectations regarding who within an organization is expected to uphold the organization's stated values. And while commitment to DEI was associated with conducting a pay equity analysis for staff, most grantmakers still have not engaged in the practice, regardless of their values.

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Introduction

Transforming philanthropic culture and practice to operate in service of nonprofits and communities requires a fundamental shift in how grantmakers work. This transformation demands that the philanthropic sector ground its efforts in equity-centered and community-driven practices, relationships and organizational cultures.

Achieving the change we seek requires philanthropic institutions to provide flexible and reliable resources and capacity-building support, shift their practice around power and decision-making authority in partnership with communities, transparently share knowledge and apply learning, collaborate meaningfully across sectors, and maintain a sustained commitment to intersectional racial equity. This work involves both individual organizational transformation and collective sector-wide evolution in how philanthropy understands its role in supporting and creating lasting systems change.

Since 2008, Grantmakers for Effective Organizations has conducted a national study of philanthropic practice every three to five years to assess progress toward achieving this transformational change across the sector. Through this study, GEO analyzes where progress has been made, identifies emerging trends that may be taking root, and explores new areas of inquiry within the philanthropic and social sector ecosystem. GEO's last field study was conducted in 2017,[3] because the planned study in 2020 was intentionally paused in response to the COVID-19 pandemic and the influx of surveys in the sector at the time.

As the only survey of all staffed foundations in the United States, this research enables the field to understand where practice currently stands, where progress is being made, and where the philanthropic sector can continue to shift to better serve nonprofit and community partners. The 2025 field study collected data from January to March 2025 from 765 grantmaker respondents on their organizations' grantmaking practices. Some questions in the survey asked grantmakers to report on data from operating years 2022 to 2024; this is noted where relevant.[4] This report examines current grantmaker practice and how grantmakers' contributions to the success and vitality of nonprofits and communities have evolved since the last study.

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1. What trends have emerged among grantmakers in regard to effective practices, strategies and community representation?
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[3] Grantmakers for Effective Organizations, "Is Grantmaking Getting Smarter? A National Study of Philanthropic Practice," 2017. Available at https://www.geofunders.org/resource/is-grantmaking-getting-smarter-2/.
[4] Full details on the methodology for the survey design, outreach process and data analysis can be found in the appendix.

Effective Grantmaking Practices

For over 25 years, the GEO community has worked to change philanthropy, shifting practices to better serve and support nonprofit and community partners. Effective grantmaking shifts power to communities and centers equity through a number of grantmaking practices. These practices include the following:

- *Community-driven philanthropy.* Grantmakers with strong, trust-based relationships with grantees are better able to pivot funding and support to respond quickly to the needs of their community. They shift decision-making power to those closest to the issues.

- *Flexible, reliable funding.* Providing general operating support, multiyear grants and funds that cover indirect costs gives nonprofits the resources they need to strengthen their organizations and adapt quickly to the changing environment for communities.

- *Capacity building.* In addition to ensuring that grantees have what they need now, effective grantmaking means thinking about the future and giving organizations the resources they need to sustain their strategies and service to the community over the long term.

- *Learning and evaluation.* In order to make progress toward the goals grantmakers have set, grantmakers and grantees need resources and tools to learn from their work.

- *Collaboration.* Addressing complex issues requires collective effort, and more effective progress is achieved when grantmakers work together to share resources and strengthen the broader field.

The 2025 field study sought to understand how widespread these practices have become in the years since 2017 and to examine how adoption of effective practices may or may not align with grantmakers' underlying values such as belief in the importance of diversity, equity and inclusion and trust-based philanthropy. Throughout this report, we will share not only what grantmakers reported doing but how those practices related to the stated values behind their grantmaking strategy. We hope this report will shed light on the relationship between grantmaking organizations' stated values and grantmaking practices, and where there are still gaps between the two.

Characteristics of Survey Respondents

Grantmaking Organization Demographics

Representatives from 765 grantmaking organizations, varying in staff size, grantmaking budget and geographic location across the United States, completed the survey. This section of the report provides a snapshot of the organizations that participated in the study to provide context for the findings that follow.

In designing this field study, GEO set out to reach grantmaking organizations beyond those that are already members of the GEO network. All grantmakers who completed the survey were asked to indicate their organization's GEO membership status. Figure 1 shows respondents' membership status at the time of the survey. Of those who answered, 65 percent indicated that their organization was not a GEO member, affirming that this study offers a broad look at the landscape of philanthropic organizations, including many that were not already part of GEO's community.[5]

Figure 1. GEO Membership of Respondents

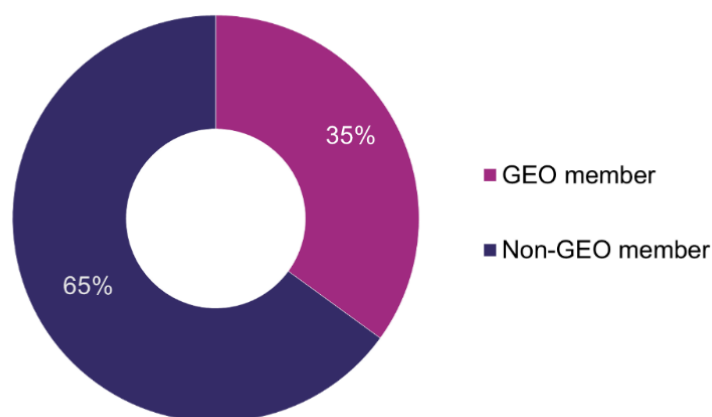

35%

65%

■ GEO member

■ Non-GEO member

Figure 1 shows the breakdown of field study survey respondents based on their organization's membership with GEO at the time of the survey. Most respondents' organizations were not members of the GEO community.

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[5] GEO membership was determined in two ways for this dataset: first, based on self-report in the survey, and second, if not provided in the survey, by information in the GEO database. If the respondent did not answer the membership question in the survey, or indicated "Not sure," the organization's membership status was identified from GEO database information.

Among grantmakers who filled out the survey, the largest population were senior leaders within their organization; 43 percent of respondents were the president, CEO or executive director of their organization, and another 25 percent were in a leadership team role reporting directly to the president or CEO. Figure 2 shows the roles of respondents completing the study survey.

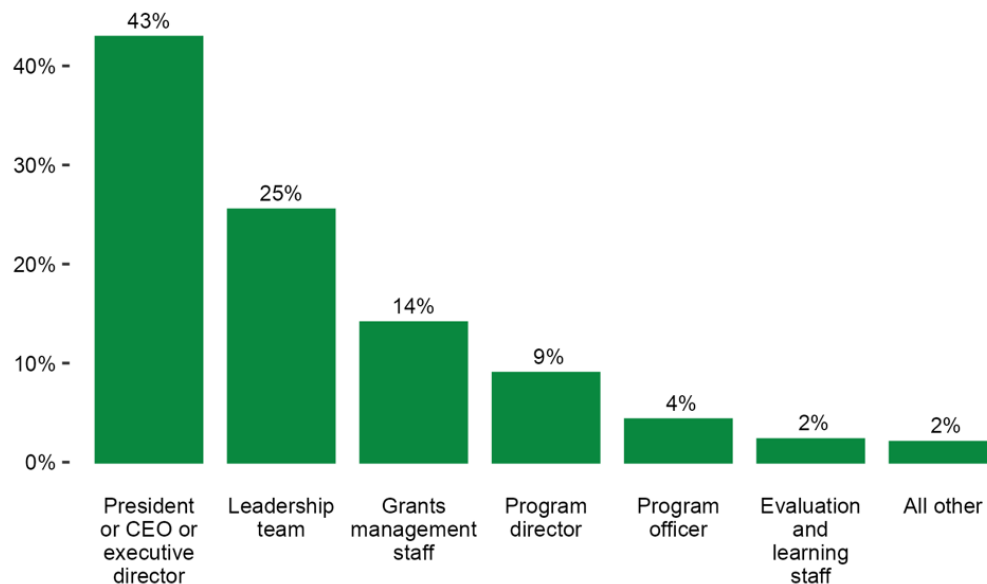**Figure 2. Organizational Role of Survey Respondents**

Figure 2 shows the role of the respondent completing the field study survey. The largest proportion of surveys were completed by senior organization leaders.
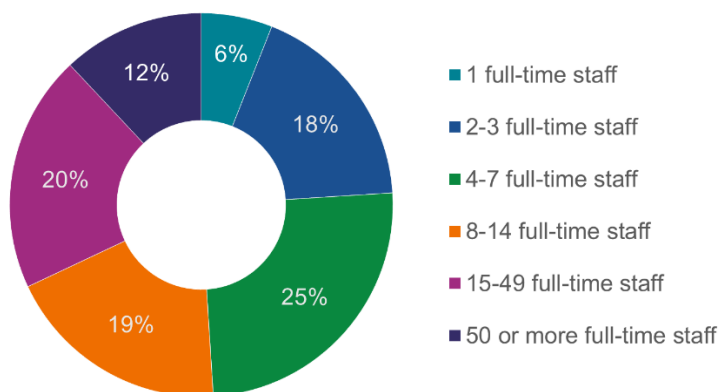
Figure 3. Number of Full-Time Staff

Figure 3 shows the number of full-time staff working at respondent organizations at the time of the survey.

The staff size of respondents' grantmaking organizations varied, though most were operating with a fairly small staff, consistent with findings from other recent field reports.[6] Figure 3 shows the number of full-time staff reported by respondent organizations. Almost half of respondents reported having 7 or fewer staff members at their organization, while 39 percent had between 8 and 49 staff members and 12 percent had 50 or more staff members.

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[6] Council on Foundations, *2024 Grantmaker Salary and Benefits Report* (Washington, DC: Council on Foundations, 2025). Available at https://cof.org/content/2024-grantmaker-salary-and-benefits-report.

Figure 4 shows the number of individuals currently serving on the board of directors of respondents' organizations. Most grantmakers had either 6 to 10 (30 percent) or 11 to 20 (44 percent) board members.
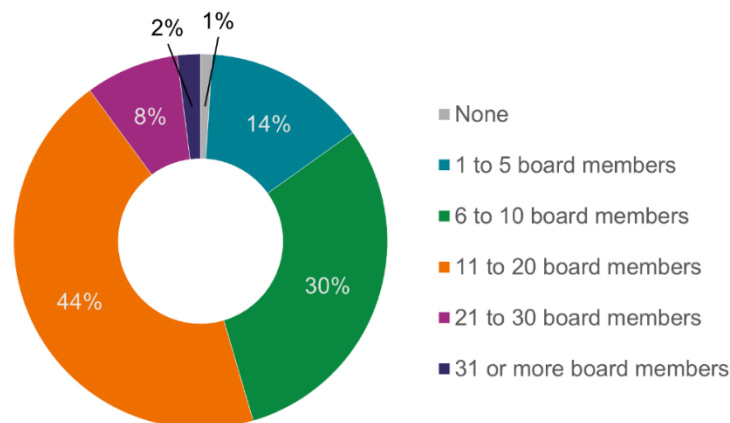
Figure 4. Size of Board of Directors

Figure 4 shows the number of individuals serving on respondent organizations' boards of directors at the time of the survey.

As shown in Figure 5, among the organizations that completed the survey, 22 percent were independent foundations, 20 percent were family foundations or foundations with an individual living donor, and 15 percent were community foundations.[7] Most organizations (90 percent) did not have an affiliated 501(c)(4) organization.

Most grantmakers (70 percent) reported having a hybrid work structure, with staff splitting time between in-office and remote work, while 19 percent of respondents were operating fully in person and only 11 percent were fully remote.
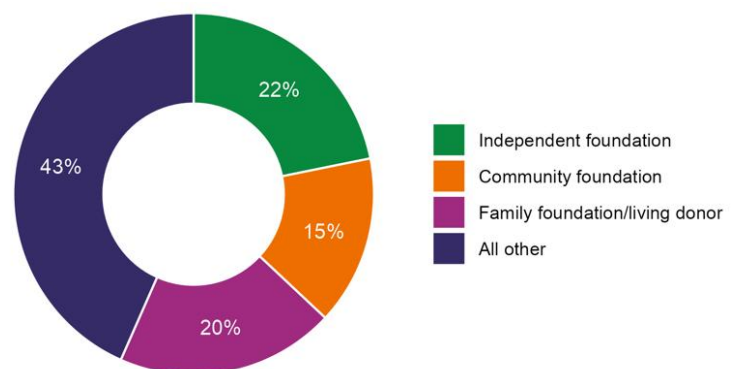
Figure 5. Organization Type

Figure 5 shows the types of grantmaking organizations that completed the field study survey.

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[7] Organization type was recoded to remain consistent with the categories of previous surveys. "All other" includes the following: United Way, other public charity or nonprofit, corporate foundation, health care conversion foundation, government entity, intermediary, or other.

As shown in Figure 6, grantmakers with a physical location were distributed relatively evenly across the United States: 28 percent were located in the Midwest, with similar percentages in the South (27 percent) and West (24 percent). A slightly smaller proportion (21 percent) were located in the Northeast.

Figure 6. Geographic Regions of Organizations' Main Headquarters
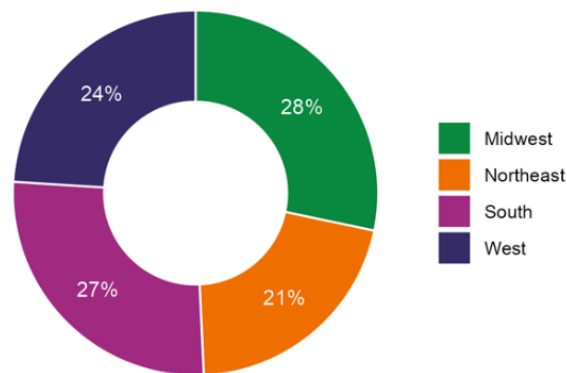

Figure 6 shows the geographic locations of respondent organizations' main headquarters.

Grantmaker Spending

Figure 7 shows the average annual grantmaking budget of respondent organizations from 2022 to 2024. During this time, the largest group of grantmakers (32 percent) operated with an annual grantmaking budget of over $1 million to $5 million, with another 27 percent operating with an annual budget of over $5 million to $25 million and 26 percent operating with a budget of $1 million or less.

Figure 7. Organizations' Average Annual Grantmaking Budget
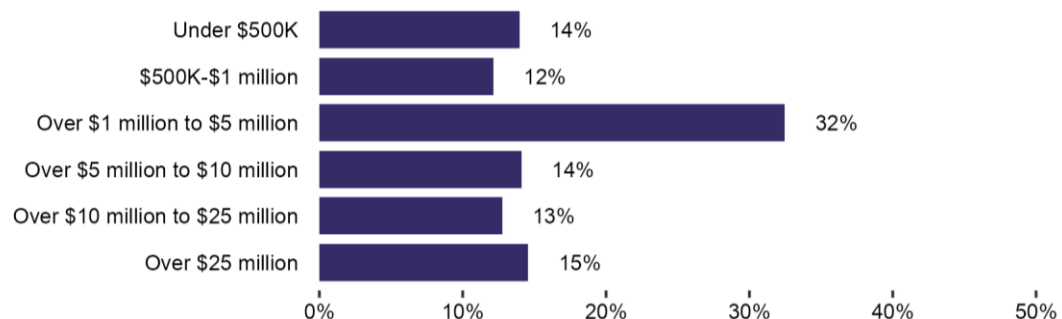

Figure 7 shows the average annual grantmaking budget of respondent organizations from 2022 to 2024.

Sixty-four percent of respondents indicated that their organization had an endowment. To better support nonprofit stability amid growing volatility, recent conversations across the sector have called on foundations to raise their payout rate above the legally required minimum of 5 percent, with some notable foundations stepping up to make increases.[8] However, despite the widespread belief that most foundations spend only the 5 percent minimum, GEO's research, consistent with other recent studies,[9] shows that more than half of surveyed organizations are already spending over the 5 percent threshold. As seen in Figure 8, of those with an endowment, from 2022 to 2024, 43 percent reported spending between 5 and 7 percent, and another 12 percent reported spending more than 7 percent of their endowment on average. Foundations that seek to meet moments of crisis or opportunity by increasing payout need to understand that 5 percent is the floor, but it is not the norm, and more than half of the organizations that participated in this study are already spending more.

Figure 8. Endowment Payout Rate

- 5% or less
- Over 5% to 7%
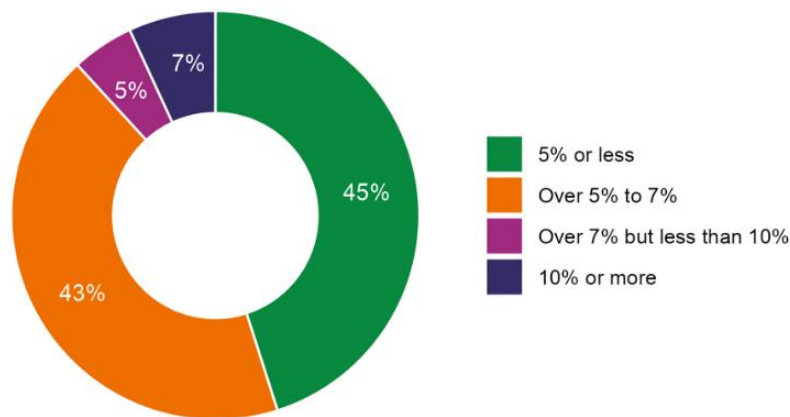- Over 7% but less than 10%
- 10% or more

Figure 8 shows the endowment payout rate of respondent organizations with an endowment.

There is a statistically significant relationship between annual grantmaking budgets and endowment spending, with organizations with larger grantmaking budgets more likely to spend a larger percentage of their endowment than those with smaller budgets.[10] As seen in Figure 9, 72 percent of grantmakers with budgets over $25 million are spending more than 5 percent of their endowment, while the percentage of grantmakers spending at this level decreases to 16 percent for those with budgets under $500,000.

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[8] Alex Daniels, "Tonya Allen, Deepak Bhargava, and John Palfrey: United in Their Determination to Give According to Their Values," *The Chronicle of Philanthropy*, July 8, 2025. Available at https://www.philanthropy.com/article/foundation-leaders/.

[9] National Center for Family Philanthropy's National Benchmark Survey of Family Foundations indicated that an increasing number of foundations (71%) are spending more than the required minimum of 5% of their corpus, and over one-third of foundations (36%) have increased their payout rate in the past five years. National Center for Family Philanthropy, *Trends 2025: Results of the Third National Benchmark Survey of Family Foundations* (Washington, DC: National Center for Family Philanthropy, 2025). Available at https://www.ncfp.org/trends-2025-release/.

[10] $p < 0.05$.

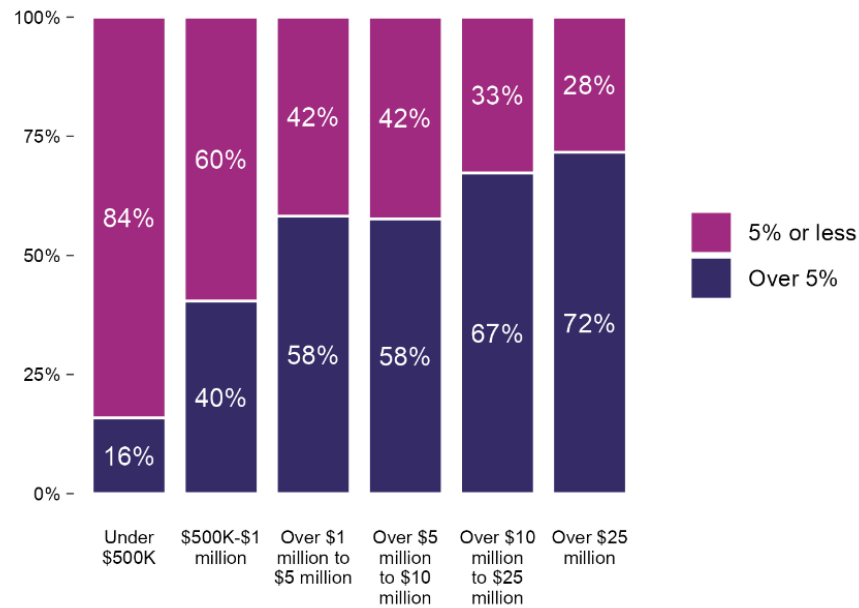**Figure 9. Endowment Payout Rate, by Average Annual Grantmaking Budget**

Figure 9 shows the endowment payout rate, by average annual grantmaking budget of respondent organizations, from 2022 to 2024.

When grantmakers were asked about the likelihood of their organization deciding to spend down its entire endowment in the next five years, the majority (84 percent) indicated that it would be very unlikely. About 3 percent of grantmakers indicated that their organization had already decided to spend down its endowment. Grantmakers who reported that their organization had already decided to spend down its endowment were invited to explain why they made that decision. They cited a variety of motivations, including a desire for greater impact, a renewed sense of urgency and a recognition of the scale of the current problems their communities were facing, along with factors such as donor intent to spend down in their lifetime and generational change of organizational leadership. In reflecting on their choice to spend down, one respondent shared that "the board did not want the foundation to last into perpetuity. They felt the problems are urgent and the funds are needed now." Another respondent, reflecting on the intent behind the choice to spend down, shared their desire to "return dollars to community. Not saving for a rainy day, when it is already pouring outside."

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Aligning Values With Philanthropic Practice

Equity remains a stated priority for grantmaking organizations, with many institutions expressing a commitment to shift their practices to better align with their stated values of diversity, equity and inclusion as well as operating in trust-based ways. Some grantmakers have been incorporating racial equity into their grantmaking for decades, and the last decade has shown a notable sector-wide increase in grantmaking practices that interrogate equity, and in philanthropic pledges to fund racial equity. As with all journeys, the path from stated commitment to transformed practice is not linear; it is winding and unpredictable. As noted in a 2021 report from the Philanthropic Initiative for Racial Equity, many of the initial pledges announced in 2020 never translated into actual funding,[11] and grantmakers across the sector continue to identify significant gaps between their organizations' declared values and their day-to-day grantmaking practices. As the sector faces federal government attacks on equity work, philanthropy must remain committed to these values and continue to work alongside nonprofits and communities to advance racial equity.

When organizations say they are committed to diversity, equity and inclusion and trust-based philanthropy, how do they operationalize those beliefs in their work and ensure that what they *do* matches what they *say*?

Racial Equity in Philanthropic Practice

When grantmakers genuinely center racial equity, they acknowledge and remain grounded in history, applying an intersectional racial equity lens to all aspects of grantmaking practices and organizational culture, structures and policies. Centering racial equity requires grantmakers to interrogate power dynamics, examine how historical inequities have shaped current systems, and actively work to redistribute resources and decision-making authority to communities that have not been granted access to essential opportunities and resources. Through these practices, grantmakers become more capable of disrupting systemic inequities and pursuing deep structural change.

Defining Diversity, Equity, Inclusion

The definitions used in this study are based on the work of D5, a five-year coalition to advance DEI in philanthropy:

- ***Diversity:*** Bringing those with different perspectives or life experiences to the decision-making table, especially those who have historically been and continue to be underrepresented in grantmaking and grantmaking decisions

- ***Equity:*** Promoting justice, impartiality and fairness within institutions or systems, as well as in the distribution of resources

- ***Inclusion:*** Ensuring that diverse individuals can fully participate in the decision-making processes of an organization

Source: D5, "What Is DEI?" Accessed August 20, 2025. Available at https://www.d5coalition.org/tools/dei/.

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[11] Malkia Devich Cyril, Lyle Matthew Kan, Ben Francisco Maulbeck, and Lori Villarosa, "Mismatched: Philanthropy's Response to the Call for Racial Justice," Philanthropic Initiative for Racial Equity, September 2021. Available at https://racialequity.org/wp-content/uploads/2021/10/PRE_Mismatched_PR_141.pdf.

The 2025 survey asked about DEI commitments so as to better draw connections with previous survey findings, but survey language and approaches have evolved over the intervening period. This report uses the original wording when citing survey data, and a broader intersectional racial equity context is considered throughout the interpretation of the findings.

The study shows that most grantmakers maintain that DEI is central to their organization's current strategy, with 48 percent indicating that DEI is "very much" central and another 26 percent indicating that it is "somewhat" central to their organization's current strategy (see Figure 10). This indicates an increase in organizations centering DEI since GEO's 2017 field study, when only 31 percent of grantmaking organizations indicated that DEI was "essential" to their strategy and 14 percent indicated that it was "central."[12] While there was some variation across grantmakers with different annual grantmaking budgets, there was no clear relationship between annual grantmaking budget and the centering of DEI in grantmaking strategy.

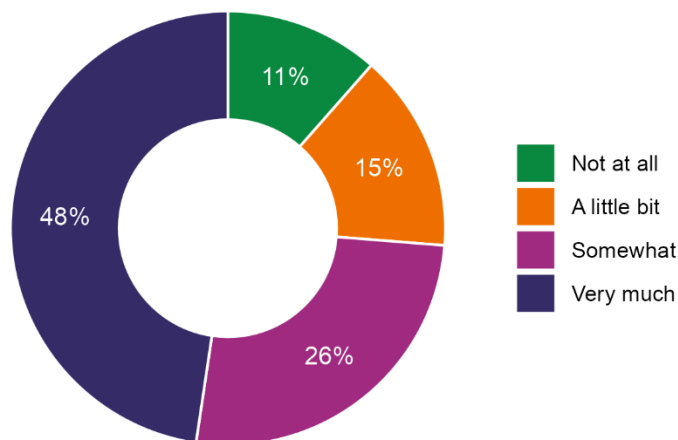### Figure 10. Organizations Consider DEI Central to Current Strategy

- 11% Not at all
- 15% A little bit
- 26% Somewhat
- 48% Very much

Figure 10 shows how central respondent organizations consider DEI to their organizations' current strategy.

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[12] In 2017, grantmakers were asked how relevant DEI was to their organization's mission. Answer options included "Not relevant," "Relevant," "Essential" and "Central." In 2025, this question was reworded slightly to ask, "To what extent is DEI central to the grantmaking organization's current strategy?" Answer options included "Not at all," "A little bit," "Somewhat" and "Very much."

Requiring DEI Training

These findings suggest, as seen in Figure 11, that interest in DEI is quite prevalent among grantmakers, which is borne out by the more than half of grantmakers (57 percent) who required staff to attend DEI training at least once in the three years from 2022 to 2024. Forty percent of grantmakers required the board to do the same. This marks a sharp increase from 2017, when grantmakers reported that only 27 percent of staff and 9 percent of boards had completed DEI training,[13] and aligns with findings from the Building Movement Project indicating that more organizations had begun providing DEI training by 2022.[14]

Figure 11. Frequency of Organizations Requiring Staff and Board to Attend DEI Training
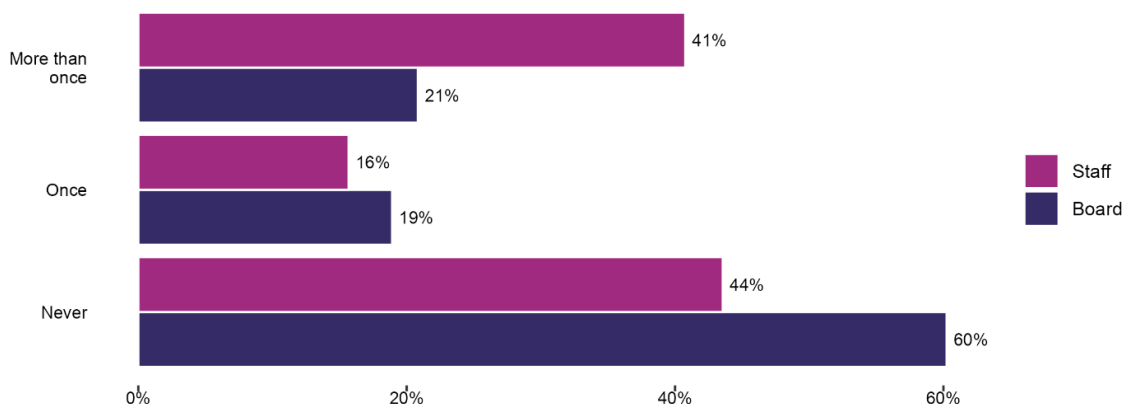

Figure 11 shows the frequency in which respondent organizations required DEI training for staff and board members from 2022 to 2024.

Grantmakers who centered DEI in their strategy were more likely to require staff members to attend DEI training, as shown in Figure 12, with 68 percent who indicated DEI was "somewhat" or "very much" central to their strategy requiring staff to attend training at least once. Among grantmakers indicating that DEI was "not at all" or "a little bit" central to their strategy, 75 percent reported they had never required staff to attend training in DEI. In addition, organizations with larger annual grantmaking budgets were more likely than organizations with smaller grantmaking budgets to report that they required staff to participate in DEI training at least once.[15]

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[13] In 2017 this question was worded differently, to ask, "Over the past two years, did your organization have any of the following policies/practices in place?" The subcategories included "Staff completed training and/or self-assessment on DEI-related topics" and "Board of directors completed training and/or self-assessment on DEI-related topics." The answer options were "No," "In process," "Yes" and "Unsure."

[14] Building Movement Project, *Blocking the Backlash: The Positive Impact of DEI in Nonprofit Organizations* (Building Movement Project, 2022). Available at https://buildingmovement.org/wp-content/uploads/2024/07/Blocking-the-Backlash-Report.pdf.

[15] $p < 0.05$.
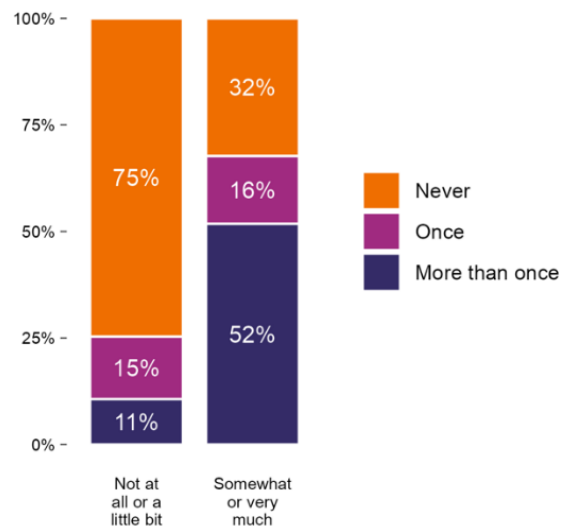
Figure 12. Staff DEI Training, by DEI Commitment

Figure 12 shows how often respondent organizations required staff to participate in DEI training from 2022 to 2024 by the organization's commitment to DEI.

Figure 13. Board DEI Training, by DEI Commitment

The importance of DEI to an organization's strategy did not have as linear of a relationship with board participation in DEI-related training as it did with staff training. As shown in Figure 13, among grantmakers indicating that DEI was "not at all" or "a little bit" central to their strategy, 87 percent confirmed that their board had never attended DEI training. However, among grantmakers stating that DEI was "somewhat" or "very much" central to their grantmaking strategy, 50 percent also reported that their board members had never attended DEI training, indicating a disconnect between the way organizations expect their staff and their boards to demonstrate commitment to these values. There was no clear relationship between size of annual grantmaking budget and DEI training for board members.
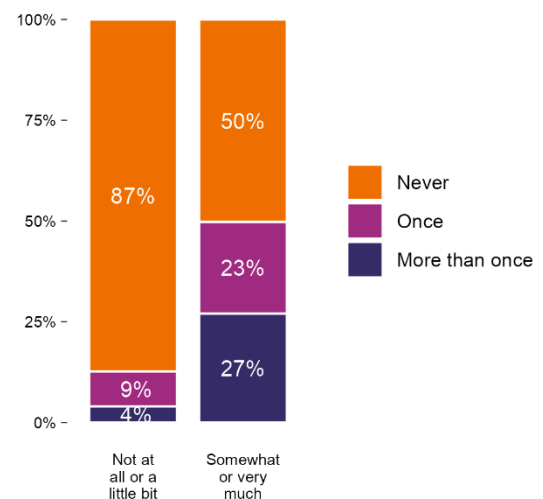

Figure 13 shows how often respondent organizations required board members to participate in DEI training from 2022 to 2024 by the organization's commitment to DEI.

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Assessing Pay Equity
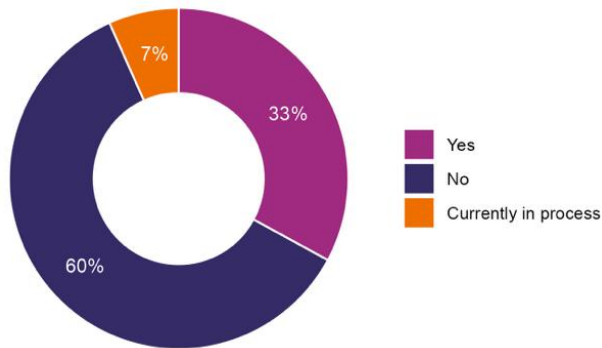
Figure 14. Staff Pay Equity

Figure 14 shows the prevalence of staff pay equity analyses at respondent organizations from 2022 to 2024 and those that currently have analyses in process.

Another way grantmakers can operationalize their commitment to DEI is to assess whether they have hired a diverse staff who are being paid equitably. While 73 percent of grantmakers tracked the demographic composition of their own board and 70 percent tracked the composition of their staff, only about two in five said their organizations had conducted a pay equity analysis between 2022 and 2024 (33 percent had conducted the analysis in the past and 7 percent reported that it was currently in process), as shown in Figure 14. This is another area where the gap between values and practice becomes evident.

Organizations that centered DEI in their strategy were more likely to track the demographics of their staff and/or board and conduct pay equity analyses,[16] as shown in Figure 15. Increasing staff size was also positively associated with conducting a pay equity analysis,[17] with 66 percent of grantmakers with a staff size of 50 or more reporting that they had conducted a staff pay equity analysis or were currently in the process.

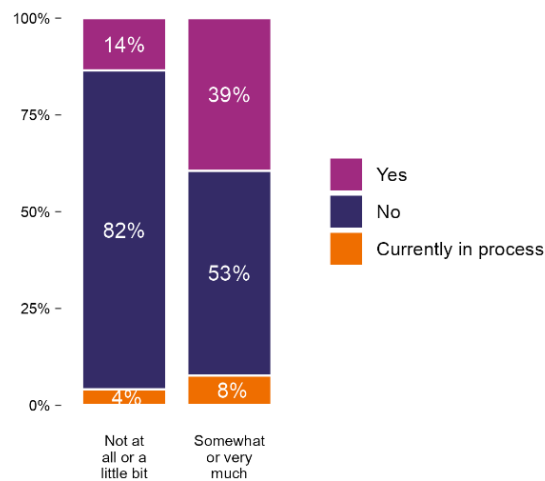### Figure 15. Staff Pay Equity Analysis, by DEI Commitment

Figure 15 shows the prevalence of staff pay equity analyses at respondent organizations, by DEI commitment from 2022 to 2024.

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[16] $p < 0.05$.
[17] $p < 0.05$.

Despite the association with DEI centrality, conducting pay equity analyses was a less common practice overall. Among grantmakers indicating that DEI was "somewhat" or "very much" central to their grantmaking strategy, less than two in five (39 percent) had conducted a staff pay equity analysis by demographics between 2022 and 2024. Of the same grantmakers, 53 percent had not performed a staff equity pay analysis at all, and 8 percent were currently in the process of performing an analysis. Of the grantmakers stating that DEI was "not at all" or "a little bit" central to their strategy, only 14 percent had conducted a staff pay equity analysis and 82 percent had not, with 4 percent currently in the process.

Collecting and Tracking Demographic Data

Of grantmakers who indicated that DEI was "not at all" central to their grantmaking strategy, only 34 percent tracked the demographics of their board and/or staff, compared to 63 percent among those who considered DEI "a little bit" central to their strategy. There was an even greater increase in demographics tracking among grantmakers who considered DEI "somewhat" (81 percent) and "very much" (90 percent) central to their strategy.

In addition to tracking the diversity of their own staff and board, grantmakers can request information about the demographics of grantee organizations. In 2025, the majority of grantmakers did not require or request that grantees provide information about the demographics of their leadership. Figure 16 shows the share of grantmakers that requested leadership demographic data (on race, gender, sexual orientation and disability) from grantee partners. As shown in Figure 17, organizations that indicated that DEI was central to their grantmaking strategy were more likely to request or require any leadership demographics information from grantees.[18]

Figure 16. Leadership Demographics Requested or Required From Grantee Partners
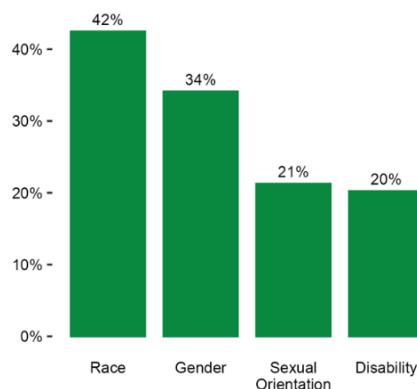

Figure 16 shows the percentage of respondent organizations requesting or requiring leadership demographic data from grantees on race, gender, sexual orientation and disability.

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[18] $p < 0.05$.

Figure 17. Leadership Demographics Requested or Required, by DEI Commitment
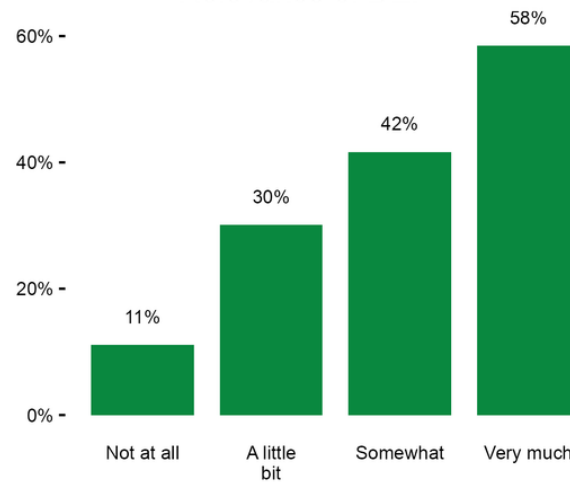

Figure 17 shows the percentage of respondent organizations that requested leadership demographic information from grantees by the respondent organization's commitment to DEI.

Most grantmakers — 83 percent — indicated that legal concerns were *not* one of the reasons their organization did not request or require this information. However, given that this study was fielded between January and March 2025, and considering the way the political and social environment has rapidly evolved since then, those numbers might look different if the question were asked again today.

Reckoning With Funding Sources

The study asked grantmakers about their practices with regard to exploring, discussing and addressing their funding sources. Some grantmakers have begun this practice in an effort to recognize that their institutions may have been built on funds acquired in ways that brought harm to certain communities, and to consider how they might address those harms.

Figure 18 shows the prevalence of various ways in which grantmakers are engaging in discussions and activities to reckon with their funding sources. Nearly half of grantmakers who participated in the study said that their staff had discussed the importance of understanding the sources of their funding; 44 percent said the same of their board. Twenty-two percent of grantmaking organizations reported having begun exploring the source of their funds. However, 41 percent had not engaged in any activities related to reckoning with their funding sources, indicating that more work is needed to put these values into practice.
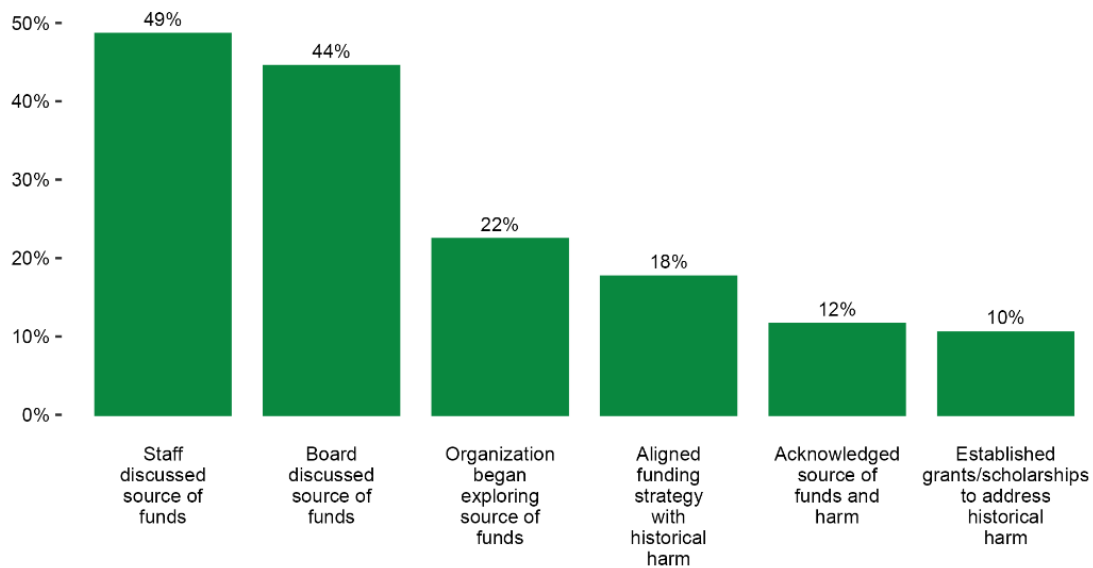
Figure 18. Reckoning With Source of Funds

Figure 18 shows how prevalent various types of discussion and actions to reckon with funding sources was among respondent organizations.

As seen in Figure 19, organizations with a greater commitment to DEI were more likely to engage in activities related to reckoning with their funding source. The most common way that grantmakers reported reckoning with the sources of their funding were board and staff discussions about the source of funds. This held true regardless of the centrality of DEI to their strategy.

Yet significant progress is still needed for philanthropy to acknowledge issues with grantmakers' source of funds and take action to address historical harm within communities. The National Committee for Responsive Philanthropy's *Cracks in the Foundation: Philanthropy's Role in Reparations for Black People in the DMV* report[19] offers a framework for grantmakers to consider as they embark on their own journeys of reckoning.

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[19] National Committee for Responsive Philanthropy, *Cracks in the Foundation: Philanthropy's Role in Reparations for Black People in the DMV* (Washington, DC: National Committee for Responsive Philanthropy, 2024). Available at https://ncrp.org/wp-content/uploads/2024/01/NCRP-reckoning-launch.pdf.

Figure 19. Reckoning With Source of Funds, by DEI

- Staff discussed source of funds
- Board discussed source of funds
- Organization began exploring source of funds
- Aligned funding strategy with historical harm
- Established grants/scholarships to address historical harm
- Acknowledged source of funds and harm

Not at all or a little bit: 31%, 30%, 10%, 6%, 5%, 3%

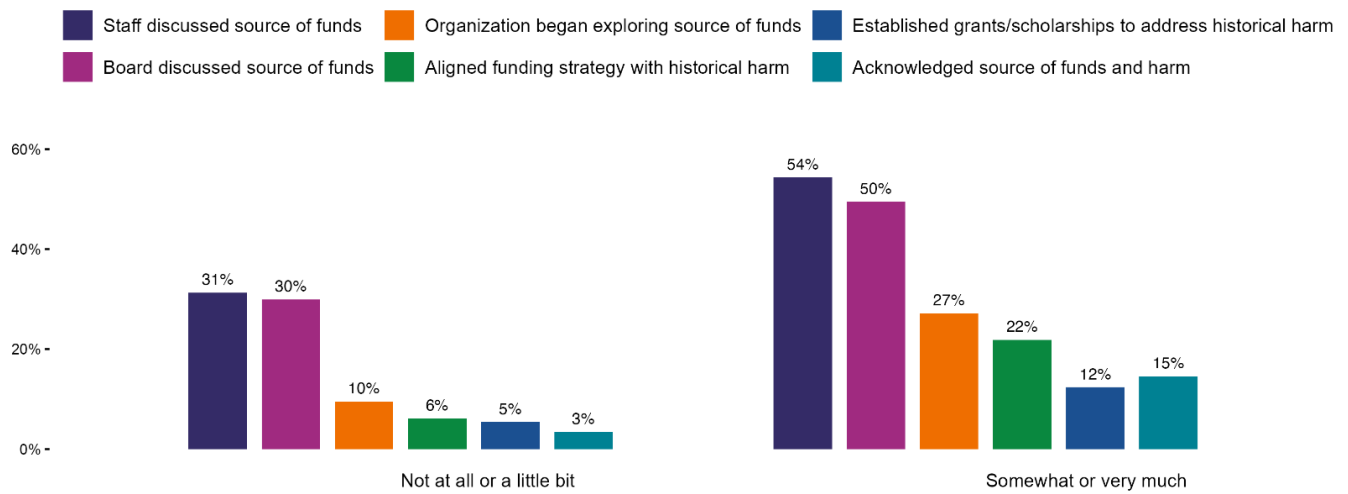**Somewhat or very much:** 54%, 50%, 27%, 22%, 12%, 15%

Figure 19 shows how respondent organizations have reckoned with their source of funds, by DEI commitment.

Trust-Based Philanthropy

One-quarter of all grantmakers said they were "completely" committed to trust-based philanthropy, while 37 percent said they were "mostly" committed (Figure 20). Fewer than 10 percent of respondents said that they were not familiar with the term, suggesting that this term has become widely adopted since the introduction of the Trust-Based Philanthropy Project in 2020.

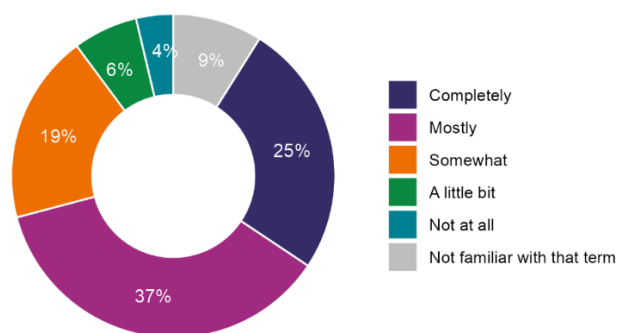### Figure 20. Commitment to Trust-Based Philanthropy

Figure 20 shows respondent organizations' commitment to trust-based philanthropy.

Commitment to trust-based philanthropy was strongly associated with commitment to DEI.[20] As shown in Figure 21, grantmakers who indicated that DEI was at least somewhat central to their grantmaking were more likely to say they were "mostly" or "completely" committed to trust-based philanthropy, and only 4 percent indicated that they were unfamiliar with the term.

Even among grantmakers for whom DEI was not central to their strategy, 60 percent reported some level of commitment to trust-based philanthropy, indicating that this model, or at least the term, is becoming more widespread across the sector. While DEI and trust-based philanthropy are related, they do not necessarily go hand in hand for every grantmaker.

Defining Trust-Based Philanthropy

The Trust-Based Philanthropy Project defines **trust-based philanthropy** as an approach to philanthropic giving that advances a just and equitable society by alleviating the inherent power imbalances between funders, nonprofits and communities. Trust-based philanthropy, which positions funders as collaborators working alongside nonprofits to meet the needs and dreams of communities that are most removed from conventional power structures, consists of six core practices:

1. Give multiyear, unrestricted funding.
2. Do the homework.
3. Simplify and streamline paperwork.
4. Be transparent and responsive.
5. Solicit and act on feedback.
6. Offer support beyond the check.

For a full overview of these practices, please refer to the six practices guide.

Source: Trust-Based Philanthropy Project, "The 6 Grantmaking Practices of Trust-Based Philanthropy." 2021. Available at https://www.trustbasedphilanthropy.org/practices.

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[20] $p < 0.05$.

Figure 21. Commitment to Trust-Based Philanthropy, by DEI Commitment
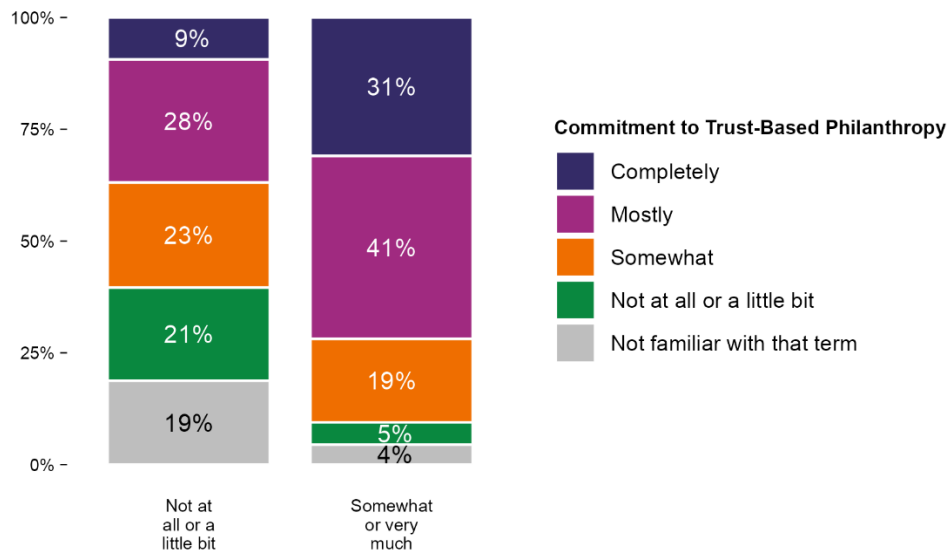

Figure 21 shows respondent organizations' commitment to trust-based philanthropy, by DEI commitment.

Community-Driven Philanthropy

Community-driven philanthropy builds trust and centers community and nonprofit voices and experiences in grantmakers' work. A community-driven approach requires inviting nonprofit and community leaders to be in the driver's seat, sharing decision-making authority, placing leaders with relevant expertise and lived experience in staff and board positions, and engaging with nonprofit and community leaders throughout the grantmaking process.[21] Increasingly, grantmakers have moved toward more intentional power sharing, with models such as community-informed and participatory grantmaking. This section provides an overview of how grantmakers are enacting community-driven philanthropy principles in their work.

Participatory Grantmaking

Participatory grantmaking is closely linked to community-driven philanthropy, as it puts the power to make grantmaking decisions in the hands of the community members who will ultimately benefit from the grants.

42% of grantmakers engage in participatory grantmaking

Between 2022 and 2024, 42 percent of all grantmakers who participated in the study reported engaging in participatory grantmaking.

In August 2024, the members of the Resident Advancement Committee of the Saint Luke's Foundation held their monthly meeting to review and award community grants within Saint Luke's footprint.

Photo Credit: Saint Luke's Foundation, 2024.

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[21] Grantmakers for Effective Organizations, "Community-Driven Philanthropy: Participation, Partnership and Power," 2025. Available at https://www.geofunders.org/resource/community-driven-philanthropy-participation-partnership-and-power/.

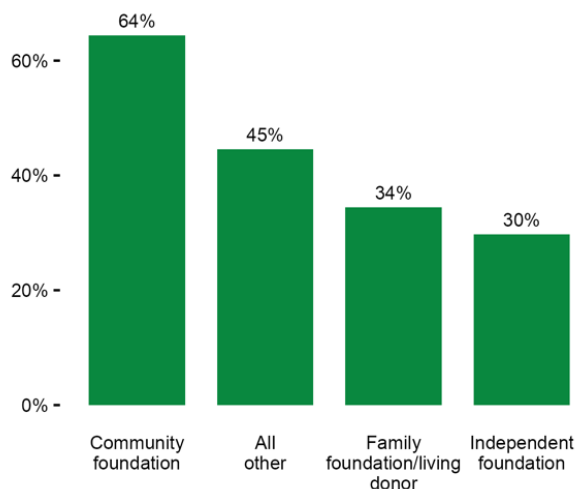**Figure 22. Participatory Grantmaking, by Grantmaking**

Figure 22 shows engagement in participatory grantmaking, by respondent organization type, from 2022 to 2024.

As shown in Figure 22, community foundations reported engaging in participatory grantmaking most often, with 64 percent indicating that they engaged in the practice, more than any other type of grantmaking organization.

Organizational commitment to DEI also factored in to participatory grantmaking practice, with a statistically significant relationship between relevance of DEI to grantmaking strategy and engagement in participatory grantmaking.[22] As shown in Figure 23, as DEI becomes more central to a grantmaker's strategy, engagement in participatory grantmaking increases. Among grantmakers who indicated that DEI was "not at all" central to their grantmaking strategy, only 17 percent engaged in participatory grantmaking, while grantmakers who reported that DEI was "very much" central to their grantmaking strategy reported the highest engagement in participatory grantmaking (51 percent).

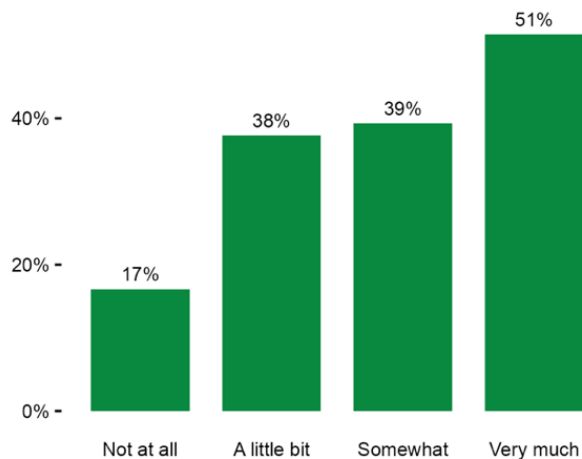**Figure 23. Participatory Grantmaking, by DEI Commitment**

Figure 23 shows respondent organizations' engagement in participatory grantmaking, by DEI commitment, from 2022 to 2024.

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[22] $p < 0.05$.

28

As seen in Figure 24, grantmakers with a higher level of commitment to trust-based philanthropy were more likely to engage in participatory grantmaking. Fifty-three percent of grantmakers that were "completely" committed to trust-based philanthropy also engaged in participatory grantmaking, and the same is true for 45 percent of grantmakers that were "mostly" committed to trust-based philanthropy.

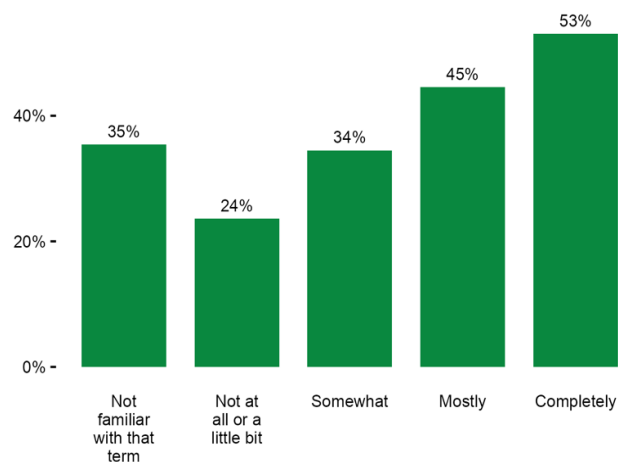**Figure 24. Participatory Grantmaking, by Commitment to Trust-Based Philanthropy**

Figure 24 shows respondent organizations' engagement in participatory grantmaking, by commitment to trust-based philanthropy, from 2022 to 2024.

Community Representation in Decision-Making Structures

To further understand how grantmakers are implementing community-driven practices, the study assessed how grantmakers were engaging with beneficiary and focus populations[23] in their work and how individuals from those populations were represented within organizational staffing and board representation or involved in decision-making. While GEO recognizes that terms like "beneficiary" and "focus populations" are imperfect and not universally preferred, the terms remain widely understood and are used here with care and awareness that language evolves over time. For the purpose of the study, "beneficiary population" refers to the broad groups or communities

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[23] "Beneficiary population" refers to groups or communities that a program or initiative actually supports, which can often be a broad group. "Focus population" refers to specific groups or communities that a program or initiative seeks to support, such as children and young people, people of color, or rural communities. GEO acknowledges the imperfection of this language and that many in the field prefer not to use the "beneficiary" label, in particular. However, the term is still widely used and understood across the sector, so GEO chose to use it in the study and employs it here with sensitivity.

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that a program supports, while "focus population" refers to the specific groups or communities a program aims to serve, such as youth, people of color or rural residents.

In this study, 68 percent of grantmakers reported organizing their grantmaking by focus populations, with the primary focus populations shown in Figure 25. Of those organizations, 38 percent focused on children and young people and 36 percent focused on people of color.[24]

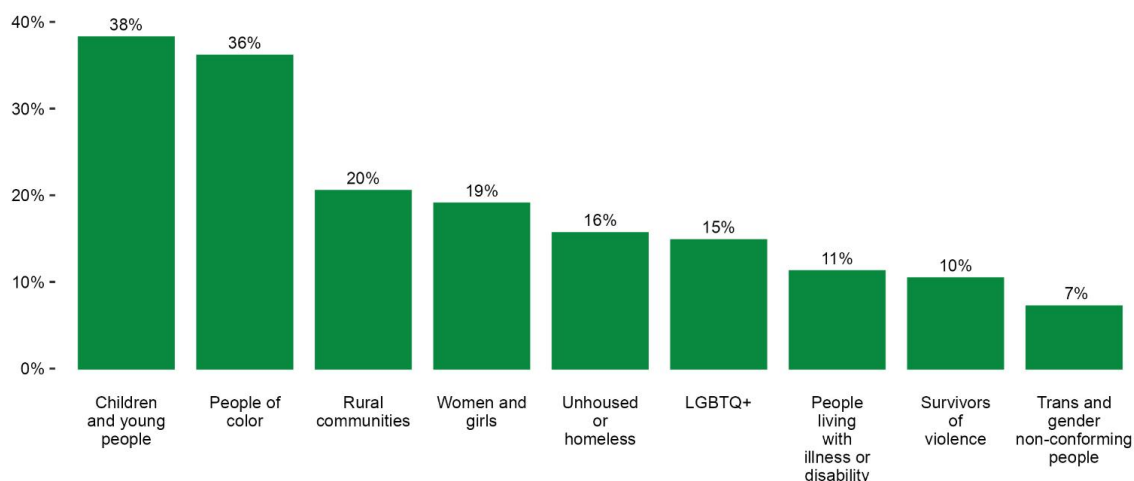## Figure 25. Top Focus Populations in Grantmaking

Figure 25 shows respondent organizations' top focus populations in their current grantmaking.

Among grantmakers that organized their grantmaking by focus populations and indicated people of color as a focus population, 56 percent focused on people of color more broadly, whereas 21 percent focused on only one specific subpopulation. Among those 21 percent, 41 percent focused on Black communities and 30 percent focused on Indigenous communities. Fewer focused specifically on Asian American and Pacific Islander communities (13 percent) and Latine populations (13 percent).[25] In 2025, a higher percentage of grantmaking organizations reported focusing on communities that have historically experienced oppression or discrimination (54 percent) compared to 2017 (43 percent).[26]

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[24] In the survey, "LGBTQ+ people in general" and "Transgender, gender-nonconforming and/or nonbinary people" were separate options. Some organizations selected both of these populations, as the latter category is a subset of the former.

[25] Grantmakers who indicated that their focus populations included people living with an illness or disability were also asked to specify further. Due to sample size limitations, however, further analysis of the subpopulations within this focus population is not possible.

[26] In 2017, grantmakers were asked, "Over the past two years, did your organization have any of the following policies/practices in place?" One subcategory included "A specific grantmaking focus on communities that have experienced oppression/discrimination." The answer options were "No," "In process," "Yes" or "Unsure." The percentage reported here is for those who said "Yes." Another question in the 2017 survey asked grantmakers about their focus on communities experiencing oppression or discrimination, defined under the following areas: race/ethnicity, LGBTQ populations, people with disabilities, women and girls, and other. To compare in 2025, we looked at the percentage of grantmakers who indicated that their grantmaking focused on the following populations: people of color; women and/or girls; LGBTQ+ people in general; people who are living with an illness or disability; transgender, gender-nonconforming and/or nonbinary people; and/or other.

Having defined the communities they are serving, grantmakers can put their commitments to community-driven philanthropy into practice by including focus or beneficiary populations in their decision-making structures. This ensures that the people who are intended to benefit most from a program or initiative are at the table to inform and decide on design and how funds are distributed. Among grantmakers that reported organizing their grantmaking by focus population, members of focus populations accounted for a median of 60 percent of those making grantmaking decisions, 64 percent of current staff and 50 percent of the board of directors.

As shown in Figure 26, grantmakers that did not organize their grantmaking by focus populations reported lower overall involvement of beneficiary populations in their decision-making structures; they reported that members of beneficiary populations accounted for a median of 50 percent of current staff and 46 percent of the current board of directors.[27]

It is heartening to see the growing representation of members of focus and beneficiary populations within grantmaking boards and staff, as well as their involvement in decision-making, and yet there is room for further growth in representation and involvement. These data on community representation raise questions for potential further research into the specifics of what this involvement looks like and to what extent decision-making is genuinely community-driven.

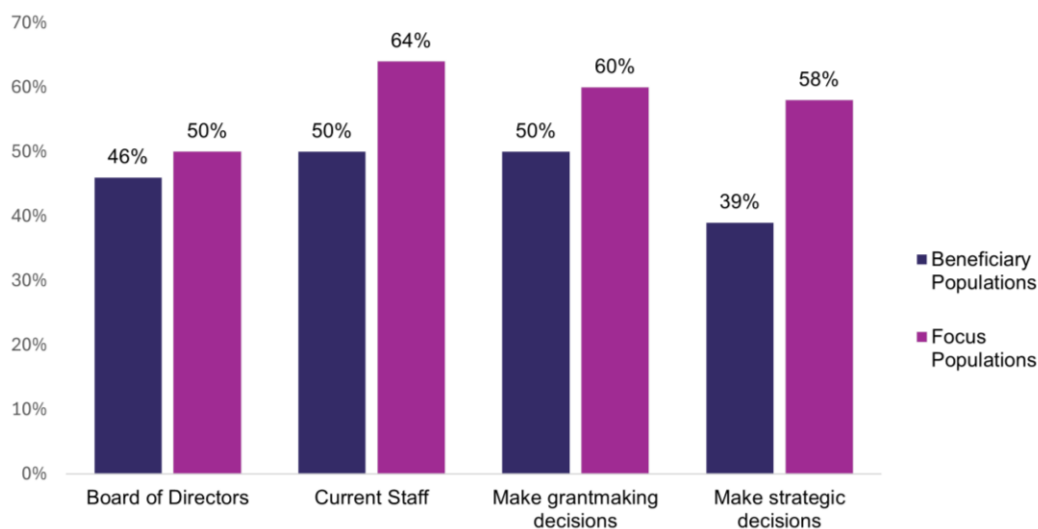## Figure 26. Beneficiary and Focus Population Representation

Figure 26 shows the median beneficiary and focus population representation in staff, board and decision-making structures within respondent organizations.

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[27] In the survey, grantmakers who organized their grantmaking by focus populations were asked about their inclusion of those focus populations, while grantmakers who did not organize their grantmaking by focus populations were asked about their inclusion of beneficiary populations.

There was a statistically significant association between the centrality of DEI to grantmakers' strategy and the representation of focus and beneficiary populations in decision-making positions, staff, and/or the board of directors.[28] As seen in Figure 27, grantmakers who indicated that DEI was "very much" central to their grantmaking strategy reported that a median of 60 percent of their decision-makers were from focus or beneficiary populations. Of those who responded that DEI was "not at all" central to their strategy, only a median of 23 percent of decision-makers were from these populations. The association here seems logical, as grantmakers that center DEI are more likely to have members of beneficiary or focus populations on their staff, on their board of directors and/or in decision-making positions.

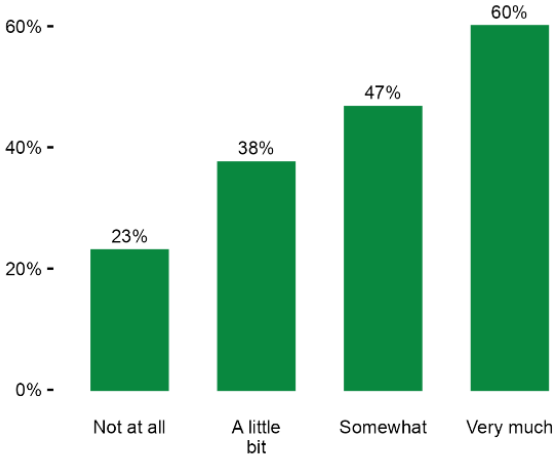**Figure 27. Beneficiary and Focus Population Representation, by DEI Commitment**

Figure 27 shows beneficiary and focus population representation within respondent organizations, by DEI commitment.

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[28] $p < 0.05$.

Staff and Board Nonprofit Experience

In addition to community representation in decision-making structures, grantmaking organizations can seek to bring on staff and board members who have direct experience working at grantee organizations or in the broader nonprofit sector. As Figure 28 shows, among grantmakers who participated in the study, a median of 10 percent of both their staff and their board of directors were recently employed by a grantee organization. In addition, a median of 21 percent of staff and 15 percent of the board of directors had been employed within the past five years by other nongrantee nonprofits working in fields that the grantmaker funded.

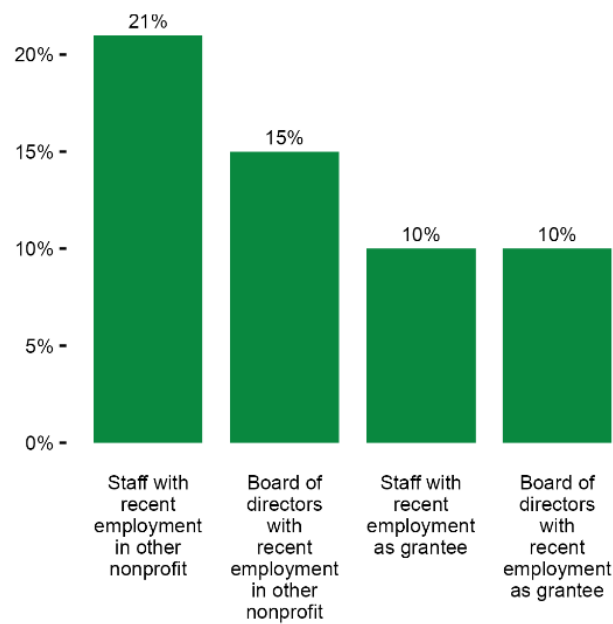**Figure 28. Board and Staff With Recent Grantee or Nonprofit Employment Experience**

Figure 28 shows respondent organizations' share of board and staff members with recent grantee or nonprofit employment experience.

GRANTMAKER STORY:
Saint Luke's Foundation

Saint Luke's Foundation puts equity into action through a human, community-centered approach that values trusted relationships, participatory grantmaking, inclusive listening, and responsive grantmaking actions that align with the organization's strategic direction and decision logic. The foundation recognizes the importance of inclusive funding for smaller, least-resourced organizations that have historically demonstrated impact but have not received significant program or general operating funding. The foundation aims to align its philosophical practices with investments in strategy partners — people and organizations with more proximate connections to those impacted by disinvested neighborhoods within the foundation's funding footprint. The foundation's grantmaking structure includes funding organizations and individual community residents.

Saint Luke's Foundation places decision-making authority directly in the hands of residents. The Resident Advancement Committee, made up of 10 community members from the Buckeye, Woodland Hills and Mt. Pleasant neighborhoods of Cleveland, Ohio, awards $140,000 in community grants each year.

According to Peter Whitt, vice president of strategic initiatives, "The Saint Luke's Board of Directors designates a portion of our grant budget to the Resident Advancement Committee to fund residents in support of their neighborhood community projects." Whitt further explained that "our program team has relationships with people who live in the community who provide a nuanced understanding of community dynamics that enhance our effectiveness and our due diligence as we carry out our work as program officers."

This model ensures that Saint Luke's funding aligns with what matters most to community members, reflecting the organization's commitment to building trusting partnerships and leveraging resources that promote health equity.[1] The RAC prioritizes smaller, resident-led projects that often fly under the radar of traditional philanthropy and include initiatives that strengthen neighborhood connections, build trust and spark grassroots innovation.

In 2024, Saint Luke's Foundation's annual giving totaled $7.9 million, which included 24 community grants distributed by the RAC, 55 staff discretionary grants totaling $695,000, 59 board grants awarding $6.8 million and an additional $250,000 given across 20 capacity-building grants. Community grants enhance the strategic results that lead to building trust, agency, civic cohesion and authentic partnership with community.

The RAC, led by Saint Luke's program officer Indigo Bishop, is more than a grantmaking committee; it is a channel for local expertise and lived experience to shape solutions, and it demonstrates that those closest to the challenges also carry the knowledge and creativity to address them. Bishop said that "a key characteristic of each RAC member is not only their leadership, but their passion for cultivating positive outcomes for the community."

RAC grants provide recipients flexible funding with fewer barriers, create visibility for grassroots efforts and can often lead to larger opportunities. When paired with Saint Luke's board-awarded multiyear operating grants, organizations strengthen their ability to plan, adapt and grow alongside their communities. Environmental Health Watch CEO Kim Foreman experienced firsthand how flexible, multiyear support could open multiple doors for her organization. "In 2023, Saint Luke's board made the decision to fund EHW as a strategy partner with $1 million over three years," Foreman said. "That support allowed us to invest in leadership development, strengthen our organization's infrastructure and leverage even more resources to expand our impact."

Saint Luke's extends this people- and place-centered grantmaking approach beyond community-driven grants by staying present in neighborhoods, holding listening sessions and fostering relationships with neighbors. Timothy Tramble, president and CEO of the Saint Luke's Foundation, introduced the idea of creating a digital platform to increase shared learning from the residents within the foundation's footprint over time. "We use a digital platform called Lift Every Voice 216 to enhance our shared understanding of community-based concerns and success stories that align with our strategies," he explained. The foundation sees the opportunity to learn and to uplift community voice and partnerships. The foundation's goal is to cultivate a mutual relationship that is not extractive. These multiple touchpoints create feedback loops that keep the organization's grantmaking strategies relevant and responsive to community needs.

Four years ago, the foundation's board recognized the importance of ensuring funding specifically for capacity building in order to support improved operational infrastructure, including governance and fund development. The goal is to provide better opportunities for smaller, least-resourced organizations that are generally more trusted by target populations and that tend to have deeper engagements. Tramble explained, "Capacity-building support to these smaller, more proximate groups extends opportunities to improve the administrative function and overall health of these smaller organizations that punch above their weight programmatically but lack administrative agility."

The foundation highlights the need, when carrying out people- and place-centered work, to keep in mind that language helps to frame ways of thinking and working together. "Instead of using the term 'grantee'

or 'nonprofit partner,'" Whitt said, "we use the term 'strategy partner' because they are not just people we give money to; they are working with us to advance the strategies we care about, and we are working with them to advance the strategies they care about." The foundation's explicit and intentional framing emphasizes a shared commitment rather than a one-way transactional relationship. Saint Luke's staff continually reflect on the question, "How much of your work is heart-centered, as much as you need to be brain-centered?" There is a necessary balance between traditional grantmaking structure (such as applications and reporting) and the transformational relationship work that is both people- and place-centered. As Whitt put it, "Transactional practices make philanthropy work, and transformational work happens when we build authentic, heart-centered relationships."

Photo: East End Neighborhood House celebrates the unveiling of a new green space called Ubuntu Park. Credit: Saint Luke's Foundation, 2023.

NONPROFIT STORY:
East End Neighborhood House

Since 1907, East End Neighborhood House has worked to provide families in the Buckeye, Woodland and Woodhill communities of Greater Cleveland, Ohio, with culturally diverse and compassionate social services, education and activities so that each member — from child to senior — can become self-sufficient and thrive. Atunyese V. Herron, president and CEO of East End Neighborhood House, reflected on how multiyear general operating support grants have strengthened the organization's ability to thrive: "Multiyear general operating support grants allow us to take care of the essentials that keep our work moving forward. … When our facilities are well maintained and welcoming, families feel respected and cared for."

For Herron, the flexibility of multiyear funding involves more than keeping operations running; it involves investing in people. During the COVID-19 pandemic, multiyear support enabled East End to reimagine its schedule, shifting from a five-day to a four-day workweek while maintaining full pay. Herron emphasized, "Time is a value! Our team is energized and committed and wants to be here for the long term. We may not have the biggest salaries, but we create an environment of trust, balance and belonging, and that's powerful."

That culture of trust is what Herron also seeks in relationships with funders. He explained, "Unrestricted dollars show that funders believe in our vision and leadership. When funders listen and allow those of us on the ground to respond to what our community needs most, that's when real change happens." Herron underscored how multiyear general operating support fosters genuine partnership: "Leadership can feel isolating at times, but having a funder who picks up the phone when I call, who listens and says, 'What's your next thing? What do you need?' Every funder may not be that open, but that trust makes the difference for shared success."

Flexible, Reliable Funding

Grantmakers can provide resources to community organizations in multiple ways, some of which provide more flexibility than others. Flexible and reliable funding refers to grantmaking practices such as general operating support, multiyear grants and funds that cover indirect costs. These resources are crucial to providing nonprofits with the tools they need to be effective in their work, ensuring that they can nimbly respond to changes in their communities, make real progress on the issues they seek to address, and strengthen their organizations so that the work is sustainable. This section provides an analysis of recent trends among grantmakers in providing multiyear grants, general operating support and funds that cover indirect costs.

As seen in Figure 29, the most common form of grantmaking remains program or project funding, which is offered by nearly all grantmakers (93 percent of those participating in this study). That said, the majority of grantmakers also reported offering general operating support (77 percent), capacity-building funding (77 percent) and rapid-response funding (60 percent), indicating a shift toward including more flexible practices. This increase contrasts with a recent report from the National Center for Family Philanthropy that indicated a decline in these practices among family foundations, with only 66 percent of family foundations providing general operating support grants.[29] Impact investing has not achieved similar reach; among grantmaking organizations participating in this study, only 31 percent reported offering resources for impact investing.
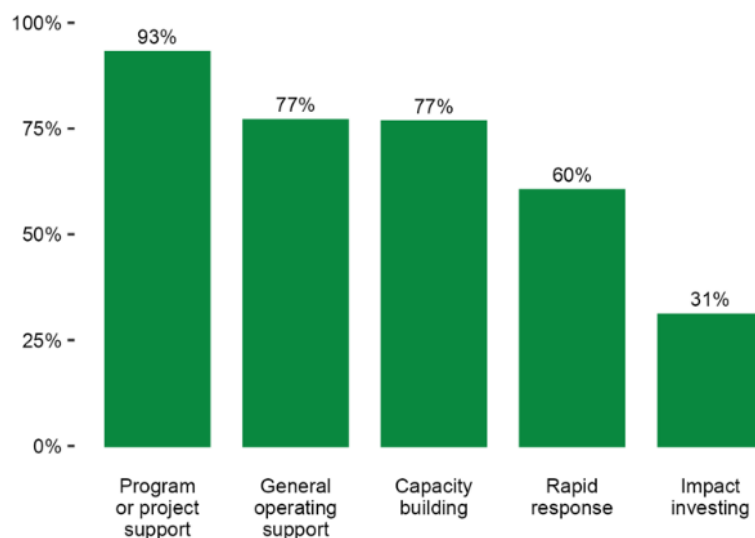
Figure 29. Funding Types

Figure 29 shows the funding types offered by
respondent organizations.

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[29] National Center for Family Philanthropy, *Trends 2025: Results of the Third National Benchmark Survey of Family Foundations* (Washington, DC: National Center for Family Philanthropy, 2025). Available at https://www.ncfp.org/trends-2025-release/.

While general operating support offers nonprofits the most flexibility to advance their missions, offering project or program support that covers indirect costs is another way to help organizations with the broader operational costs of their work. Figure 30 shows the maximum percentage of indirect costs that respondent organizations covered within their programmatic support grants from 2022 to 2024. When asked about the maximum percentage of indirect costs allowed for project or program grants, 51 percent of grantmakers indicated that they funded indirect costs and did not have a specific limit. Even though indirect costs cover the essential infrastructure nonprofits need to support their programs and work toward their mission, 15 percent of grantmakers still indicated that they did not cover indirect costs at all.

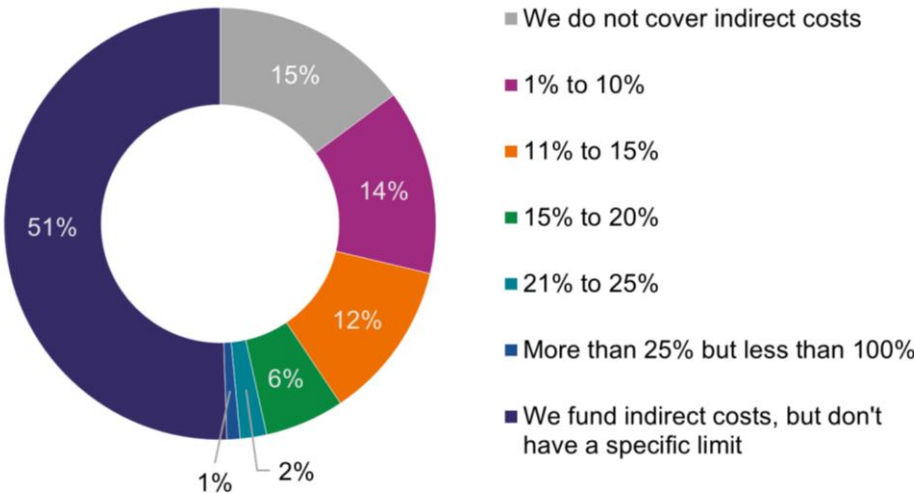**Figure 30. Maximum Percentage of Indirect Costs Covered Within Grants**

Figure 30 shows the maximum percentage of indirect costs respondent organizations covered within their grants.

Encouragingly, as seen in Figure 31, there was a substantial increase in providing any multiyear funding between 2022 and 2024 reported by grantmakers in 2025, rising to 87 percent, compared to 79 percent in 2017 and 2014.[30]

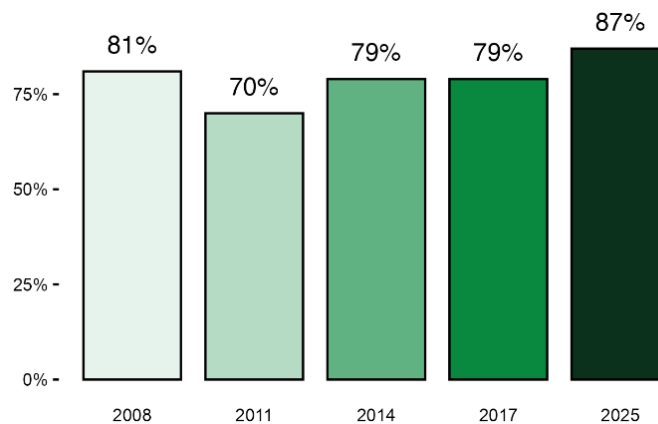**Figure 31. Organizations Providing Any Multiyear Funding, by Survey Year**

Figure 31 shows whether respondent organizations provided any multiyear funding, by survey year.

New Disabled South team members come together in community in Atlanta, GA.

Photo Credit: New Disabled South, 2025.

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[30] The decline in 2011 was likely due to the Great Recession. The percentages shown in the graph are for all respondents who noted that they rarely, sometimes, often or always provided multiyear grants in the last two years. In the 2025 survey, grantmakers were asked, "Thinking about the past 3 years (2022-2024), on average what percentage of the organization's annual grantmaking funds were part of multiyear grants? Please move the slider to approximate the average percentage over the past 3 years." If grantmakers moved the slider to indicate any percentage of funds above zero, the responses were recoded as "Yes" (i.e., they provide any multiyear funding). If grantmakers indicated that zero percent of their annual grantmaking funds were part of multiyear funding, the responses were recoded as "No." Any respondents who did not move the slider were not included (data for this question was considered missing).

As seen in Figure 32, the median percentage of respondents' grantmaking budgets between 2022 and 2024 reported as general operating support rose to 38 percent in 2025, after hovering around 20 percent for nearly two decades.

Figure 32. Median Percentage of Grantmaking Budget Allocated to General Operating Support, by Survey Year
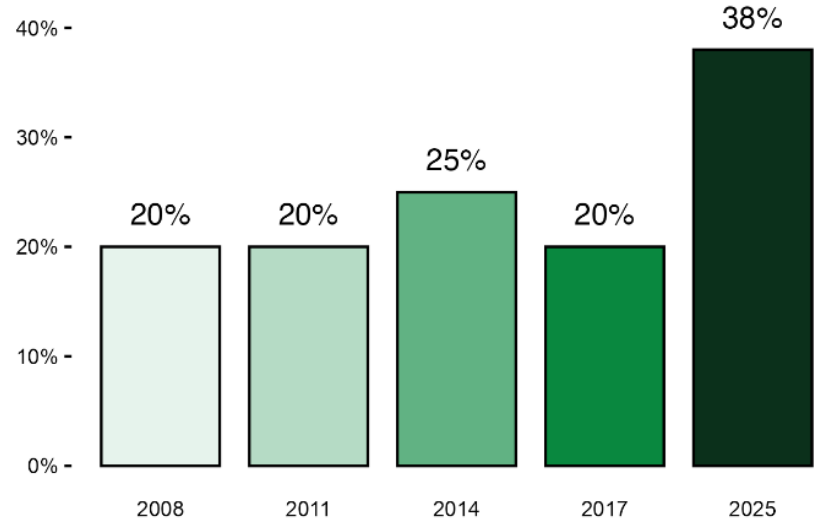

Figure 32 shows the median percentage of respondent organizations' grantmaking budgets allocated to general operating support, by survey year.

These trends demonstrate a growing shift toward more flexible funding practices, though there is still room to strengthen support for nonprofits and communities. It is heartening to see significant growth in median general operating support after over a decade of stagnation, with 77 percent of grantmakers now offering at least some general operating support. Given that multiyear general operating support is the best way to provide communities with the flexibility they need to facilitate change, grantmakers must continue to strive to make this practice the standard across the sector.

Somewhat surprisingly, there were no consistent statistically significant relationships between representation of focus or beneficiary populations in decision-making roles and practices such as providing general operating support and multiyear funding. This may be due both to beneficiary and focus population representation being broadly defined and to these practices becoming more widespread even across organizations that do not center DEI in their grantmaking strategy.

GRANTMAKER STORY:
The Robert Wood Johnson Foundation

Michelle Larkin, vice president of program management, shared how trust and adaptive grantmaking practices drive the Robert Wood Johnson Foundation's funding philosophy, rooted in flexible, reliable funding.

Larkin has seen RWJF drastically change its grantmaking strategy during her tenure, expanding its general operating support grants, using gifts, increasing flexible funding, and working toward larger and longer multiyear grants. The majority of RWJF's grantmaking is multiyear support. As of July 2025, the median grant duration was around two years. Based on feedback from grantee partners and staff, RWJF is striving toward a three-year median. "We want to provide grants in the form that is most helpful to our grantee partners. Sometimes that's a combination of general operating support and project support," Larkin emphasized.

In response to community realities and systemic funding challenges over the past 10 years, the board, leadership and staff have made deliberate operational and cultural shifts toward a more trust-based, flexible and reliable funding strategy. Larkin explained that this evolution was necessary because a transactional, rules-focused model limited the foundation's ability to meet the moment, center its grantee partners and advance equitable systems change. The shift required intentional operational and cultural changes, such as creating staff guidance on when to deploy general operating support. This shift has expanded RWJF's level of general operating support from just 0.3 percent of grantmaking in 2016 to about 21 percent of its current awards in 2025. For comparison, it was 12 percent in 2024 and around 15 percent in both 2022 and 2023.

During the COVID-19 pandemic, RWJF paused narrative reporting requirements and converted project grants to general operating support, signaling trust and responsiveness. RWJF's narrative reporting remains paused as the foundation works with its grantee partners to redesign the process to reduce the burden, share key learnings, and better serve grantee partners and the field.

The board also evolved its practice, moving from a primarily compliance-driven and risk-averse stance to one more focused on strategy and mission alignment, by asking, "What is the risk of not doing this?" Larkin emphasized that these shifts took time because they required grounding the board in the foundation's

strategic framework, exploring structural barriers and root causes, and intentionally bringing in nonprofit partner voices to illustrate impact. Together, these changes positioned RWJF to offer more flexible, reliable funding and to strengthen its role as a long-term partner to organizations advancing equity and health. What was once a compliance-based, transactional way of working is now evolving toward centering trust and relationships by tailoring grants to grantee partners' needs. RWJF remains committed to improving the grantee partner experience.

RWJF's experience reinforces the concept that flexible, reliable funding builds stronger, more trusting partnerships and better positions nonprofit partners to lead.

NONPROFIT STORY:
New Disabled South

New Disabled South, a nonprofit serving 14 states in the South, works to improve the lives of disabled people and fights for disability justice and rights, envisioning a future where liberation and justice for all disabled people in the South is achievable.

New Disabled South leveraged multiyear general operating support to spark innovation and foster sustainability. "That funding allowed us to grow in ways that simply wouldn't have been possible with only

program-restricted support," said Amanda Miles, chief development officer. With flexible funds, the organization invested in its greatest strength — its people. General operating support allowed New Disabled South to pay disabled staff and organizers a fair living wage, living out the organization's values and commitment to disability justice and access. Additionally, multiyear funding strengthened the organization's ability to act on its long-term vision. "The multiyear nature of the grant gave us stability, which is often rare in disability-led organizations, and the ability to plan for the long term rather than being stuck in short-term, survival-mode cycles," Miles noted. "It allows us to strengthen our infrastructure, retain and support staff, and experiment with innovative strategies."

Providing multiyear general operating support is a powerful way for grantmakers to demonstrate trust in their nonprofit and community partners. "For us, it reflected a deep trust in our community knowledge and our vision for collective liberation," Miles said. "It signals trust in our leadership and gives us the freedom to allocate resources where they are most needed." Miles reflected that trust is a two-way street between grantmakers and nonprofits. "We must trust in each other to accomplish this imperative work."

With flexible, reliable funding, New Disabled South expanded its partnerships; strengthened its infrastructure; and responded quickly to emerging challenges, such as threats to Medicaid, so that communities could continue to access the resources, protections and opportunities they need to thrive. Miles reflected, "We ask that funders recognize the additional barriers Southern grassroots disability justice organizations face and commit to resourcing them in ways that honor the fullness of their vision and capacity. Flexible, sustained funding does more than keep the lights on — it fuels resilience, creativity and justice across the South."

Photo: New Disabled South team members come together in community in Atlanta, GA. Credit: New Disabled South, 2025.

Capacity Building

Capacity building supports nonprofits by strengthening the systems, structures, processes, cultures, skills and resources that are needed to effectively serve their communities and meet their missions. Capacity-building initiatives promote financial stability and resilience for nonprofits, lending critical assistance that organizations and their leaders need to become stronger and sustain their work.[31]

Overall, 77 percent of grantmakers provided some form of capacity-building support at the time of the survey in 2025. As seen in Figure 33, this marks a reversal of the growth trend noted in GEO's field study from 2017, when 86 percent of grantmakers reported providing capacity-building support.[32]

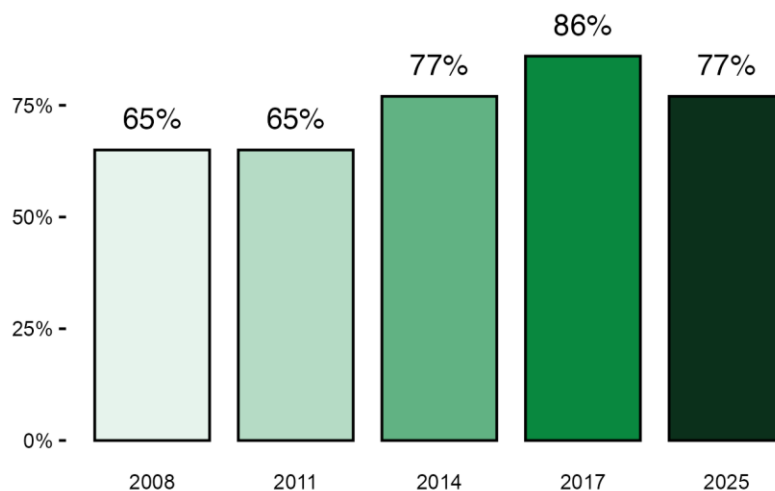### Figure 33. Capacity-Building Funding Support, by Survey

Figure 33 shows the share of respondent organizations providing capacity-building funding support from 2008 to 2025.

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[31] Grantmakers for Effective Organizations, "Reimagining Capacity Building: Navigating Culture, Systems and Power," 2021. Available at https://www.geofunders.org/resource/reimagining-capacity-building-navigating-culture-systems-power/.

[32] This question was asked as a "Yes/No" question in 2008 and 2011, but in 2014 and 2017, it was constructed as a 5-point scale (Never, Rarely, Sometimes, Often, Always). "Rarely," "Sometimes," "Often" and "Always" responses were recoded into "Yes," and "Never" responses were recoded into "No." In 2025, grantmakers were asked to think about their current practices and indicate if their grantmaking organization funds any of the following practices and to check all that apply. The percentage in this graph represents those who selected "Capacity building."

Grantmaking organizations with larger annual grantmaking budgets were more likely to fund capacity-building activities than grantmaking organizations with smaller budgets.[33] As seen in Figure 34, 88 percent of organizations with a grantmaking budget over $25 million funded capacity building, with the percentage of organizations funding capacity building decreasing as annual grantmaking budget size decreased.

Figure 34. Grantmakers Funding Capacity Building, by Annual Grantmaking Budget
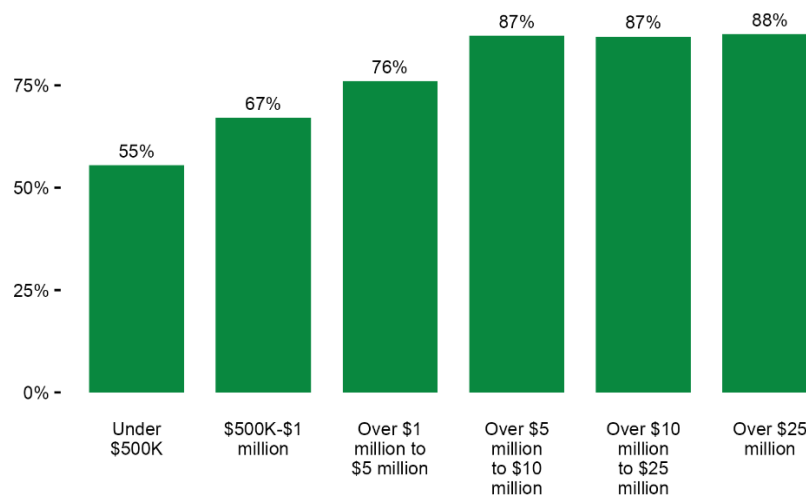

Figure 34 shows the percentage of respondent organizations' currently providing capacity-building funding support, by average annual grantmaking budget from 2022 to 2024.

The Building Bridges Leadership Institute hosted its End-of-Year Celebration and networking event at the Kanawha County Public Library on December 16, 2022.

Photo Credit: Raphael Barker Photography, 2022.

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[33] $p < 0.05$.

Grantmakers' support for nonprofit capacity building took a number of forms from 2022 to 2024. As awareness about the prevalence of nonprofit staff and leadership burnout has grown, some grantmakers offered new forms of capacity-building resources, though most still concentrated their funding in more traditional forms of support, as seen in Figure 35.

Among grantmakers who provided capacity-building support, most funded traditional areas such as the development of collaboration capacity (e.g., skills and mindset to create and sustain strategic relationships with colleague organizations), leadership capacity (e.g., staff and board leadership skills), communications capacity (e.g., skills and capacities in marketing and other activities to raise awareness and attract attention) and program delivery capacity (e.g., capacity to design and deliver effective programs). About half offered support for evaluation and learning capacity (e.g., capacity to gather and make meaning of data and measure impact); mission, vision and strategy capacity (e.g., organizational planning); and fund development capacity (e.g., skills and internal systems for fundraising and other revenue-generating activities).

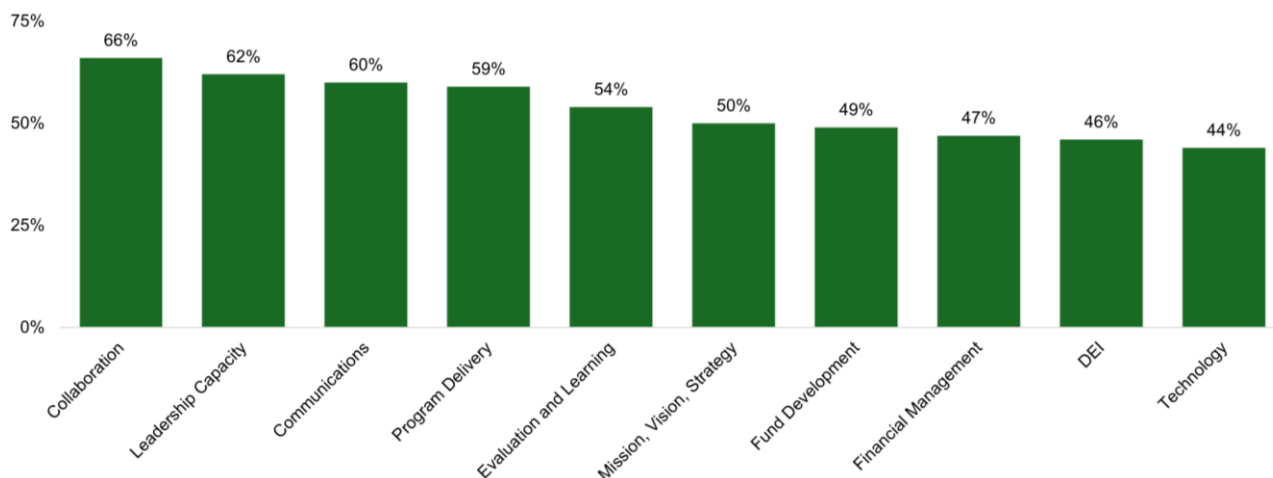### Figure 35. Traditional Capacity-Building Support

Figure 35 shows the percentage of respondent organizations' providing various types of traditional capacity-building support from 2022 to 2024.

In addition to traditional capacity-building areas, capacity-building support is notably emerging in new areas, as reflected in Figure 36. Thirty-five percent of grantmakers reported allocating funds for wellness, preventing burnout or supporting staff care (e.g., sabbaticals) from 2022 to 2024. Less common but still notable was the emergence of capacity-building resources for security and safety of organizations or individuals (e.g., hardening space, safety planning) and for legal support and advising (e.g., risk management, including new potential risks of DEI work in the current political and legal environment), provided by nearly one-fifth of grantmakers. As attacks on communities and the nonprofits serving them continue to escalate, these types of support will only become more relevant and essential.

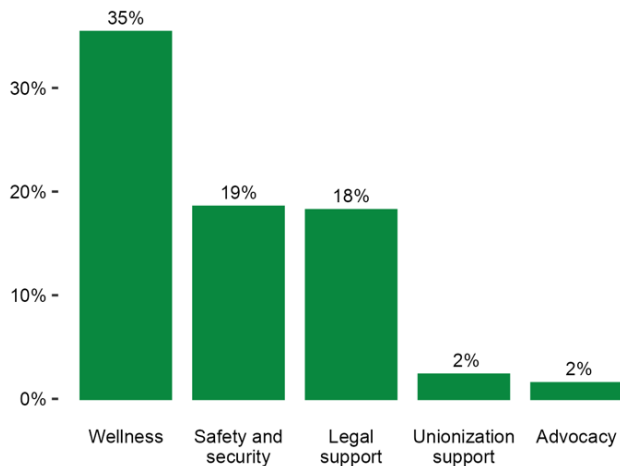**Figure 36. Emerging Areas of Capacity-Building**

Figure 36 shows the percentage of respondent organizations' funding emerging
capacity-building from 2022 to 2024.

Among the respondent organizations, there is a clear trend between providing support in emerging capacity-building areas and commitment to DEI, with grantmakers who said that DEI is more central to their strategy more likely to support at least one emerging capacity-building areas, as shown in Figure 37. Nearly two-thirds of grantmakers who indicated that DEI was "very much" central to their strategy supported at least one emerging capacity-building activity, while the same was true for only 43 percent of grantmakers indicating that DEI was "somewhat" central or "a little bit" central to their strategy. Only 21 percent of grantmakers who said DEI was "not at all" central to their grantmaking supported at least one emerging capacity-building area.

**Figure 37. Support for at Least One Emerging
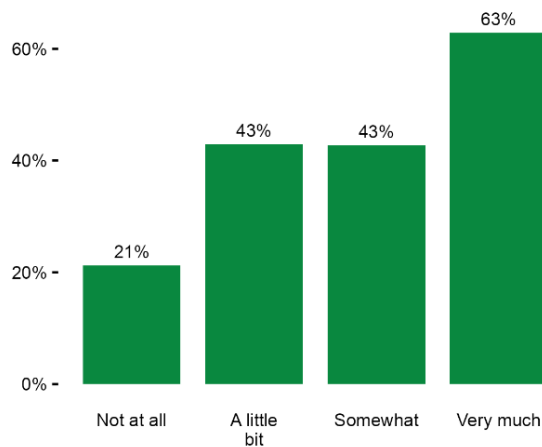Capacity-Building Activity, by DEI Commitment**

Figure 37 shows respondent organizations' support for at least one emerging
capacity-building activity, by DEI commitment.

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In addition to providing financial resources for capacity building, grantmakers have nonfinancial options for supporting organizations. Figure 38 demonstrates the prevalence of the different types of nonfinancial support grantmakers provided from 2022 to 2024. Between 2022 and 2024, 68 percent of grantmakers reported recommending grantees to a new funder "often" or "sometimes," and 62 percent reported making a direct funder introduction "often" or "sometimes." Participating in funder briefings or roundtables was less common, though 40 percent of grantmakers still reported doing so "often" or "sometimes."
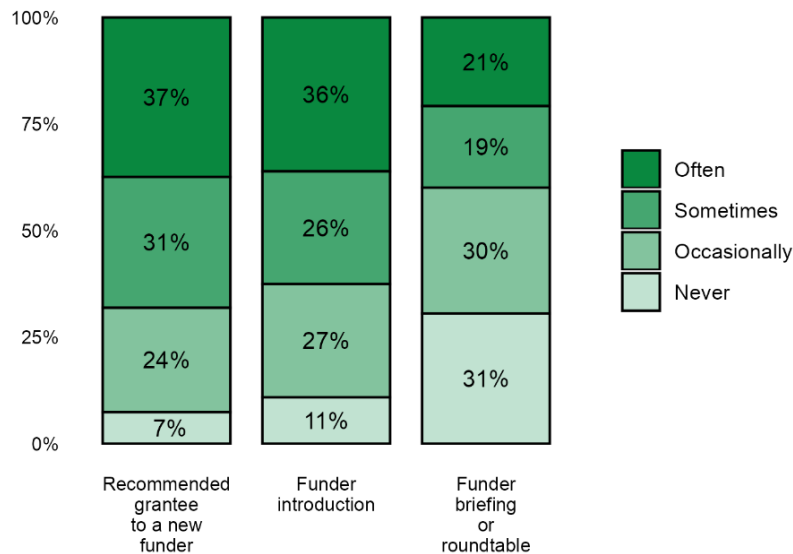
Figure 38. Nonfinancial Support Provided

Figure 38 shows the frequency of nonfinancial support provided by respondent organizations from 2022 to 2024.

GRANTMAKER STORY:

The Greater Kanawha Valley Foundation

The Greater Kanawha Valley Foundation is a community foundation dedicated to strengthening the Greater Kanawha Valley region of West Virginia. TGKVF has served rural communities for over 60 years. Stephanie Hyre, chief program officer, shared how trust and flexibility are engrained into the foundation's approach to building nonprofit capacity: "We know that the nonprofit, the applicant, its staff, volunteers and board are best positioned to identify their capacity challenges. We want to support the growth and efficiency of those organizations and invest in people."

The foundation's Building Bridges Leadership Institute is an example of creative cohort-based capacity-building tailored to small and emerging nonprofits. "We realized that connecting them with each other yielded great results, and BBLI created the container to do that on a scheduled basis," Hyre said. TGKVF initiated BBLI in response to community needs. Hyre emphasized, "There are no program beneficiaries without capacity." Investing in people and their well-being, infrastructure and relationships is crucial to serving communities.

Participants in BBLI convene with fellow nonprofit leaders and are matched with a consultant to help further their mission. Since starting the institute, TGKVF has made adjustments based on grantee partner feedback, specifically tailoring the consultant support to better reflect the diversity of the BBLI participants and the communities they serve, as Hyre explained: "We did a good job at diversifying our grantee pool, but the first round of responses from consultants lacked racial, gender and geographic diversity, so that was a learning moment. We needed different outreach and segmented marketing in recruiting consultants;

by accepting a second round of responses, we helped ensure that our consultant pool was more representative of the leaders and communities we were serving. From there, we changed the process so nonprofits could meet with multiple consultants and decide for themselves who was the best fit, which led to stronger partnerships and yielded greater outcomes." Centering equity in capacity building includes not just who receives support but also who delivers the support itself, leading to more trusting relationships and allowing lived experience to help inform capacity-building strategies.

TGKVF moved from funding mostly seasoned organizations to also supporting smaller, emerging nonprofits in rural or under-resourced communities in response to the growing need in the community. Hyre said, "The idea to shift our funds from more seasoned organizations to more grassroots, understaffed or volunteer-run organizations came from program officers who would get inquiries from potential applicants that often didn't have financials in place that would enable them to receive larger grants." This required changes in due diligence, grantmaking structures and expectations. The foundation realized that grassroots, volunteer-run groups lacked the financial infrastructure to qualify for traditional or larger grants. The foundation adjusted by creating more flexible and accessible entry points, such as funding through an intermediary, which allowed the organization to use simple Google Forms for applications and to make grants to groups without a 501(c)(3) status. Likewise, the foundation supported these emerging organizations beyond grant funding and consulting; TGKVF also provided BBLI participants with professional headshots and paid membership in the statewide nonprofit association.

Flexible, trust-based approaches that let nonprofits self-identify their needs are critical, especially in rural or under-resourced regions. Hyre described how, earlier in 2025, the foundation converted existing programmatic support grants to general operating support in response to the current funding crisis: "Changes in the government funding landscape have been felt across the country, but especially in Appalachia and in a state like West Virginia, where nearly 50 percent of our state budget comes from federal funds. We have a lot of nonprofit partners that are in crisis right now, as their government funding is frozen or reallocated. TGKVF has always been flexible, allowing budget revisions or timeline extensions. So far this year, we've allowed many grantee partners to convert their programmatic grants to general operating support grants. Our board recognized that there's such a dearth of private funders and big, national foundations supporting West Virginia. We're one of the only games in town."

Effective capacity building recognizes that success looks different across organizations and that peer connection and practical, tailored support can be just as transformative as — if not more transformative than — traditional methods, especially in times of crisis or financial instability.

Photo: The Building Bridges Leadership Institute hosted its End-of-Year Celebration and networking event at the Kanawha County Public Library on December 16, 2022. Credit: Raphael Barker Photography, 2022.

NONPROFIT STORY:

Environmental Health Watch

Kimberly Foreman is CEO of Environmental Health Watch, a nonprofit serving Northeast Ohio that is creating healthy communities with people, place, health and equity at its core. EHW is dedicated to building a future where every child, family and individual can live in a healthy home within a sustainable community. During her tenure, Foreman has leveraged capacity-building dollars to enhance EHW's organizational resilience through two primary avenues: supporting leadership training and improving staff well-being. These efforts, combined with ongoing investment in operational strategy and team retreats, are crucial for the organization's long-term stability and ability to adapt to change. Capacity-building funds allow EHW to bring in trained facilitators so that they can deepen the relationship with staff and deepen their understanding of the whole person, leading to shared trust and decreased staff turnover. Foreman noted, "Everything starts from relationships. If the staff feel like this is the best place to be, then I can keep investing in them. I can relax and lead differently."

Foreman underscored that funder investments in nonprofit staff well-being, including sabbaticals, are crucial for leaders sustaining heavy, grassroots community work: "I used my health and wellness dollars to hire a personal trainer, which really helped relieve my daily stress. Funding paid sabbatical leave for nonprofit leaders is also important. When work feels like it's always with you, you need time away to think, reflect and truly disconnect so that you can return with fresh energy and perspective."

Photo: In summer 2025, nonprofit Environmental Health Watched launched their first ever youth edition of Power and Policy. Teens explored environmental injustices in their own backyards pictured here at Doan Brook Watershed and learned that power is not just a concept, it is a force they already possess. Credit: Morgan B. Parks, 2025.

Learning, Evaluation and Strategic Planning

Engaging in learning and evaluation allows grantmakers to deepen their understanding of their impact, opportunities for growth, and how they can better support their nonprofit and community partners. Cultivating a culture of learning requires grantmakers to embrace vulnerability, acknowledge mistakes and remain open to feedback.

Resources for Evaluation

GEO's research shows that dedicating resources to learning and evaluation has become more prevalent in grantmaking organizations over time, with 96 percent of responding organizations indicating that they evaluated their "initiatives, programs or strategies" "occasionally," "sometimes" or "often" in the period between 2022 and 2024. As shown in Figure 39, this is a significant increase from 2017, when only 77 percent of grantmakers reported evaluating their work. [34] This finding indicates a slightly higher prevalence than found in the Center for Evaluation Innovation's 2023 benchmarking report, in which 83 percent of foundations indicated that they evaluated foundation initiatives or strategies.[35]

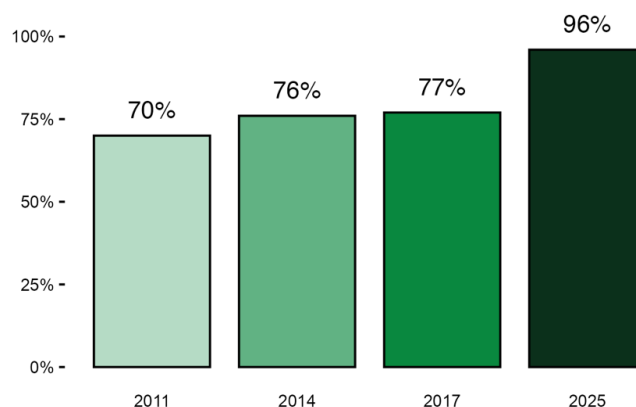**Figure 39. Organizations Conducting Evaluation Over Time**

Figure 39 shows the percentage of respondent organizations that reported they conduct evaluation on their work, from 2011 to 2025.

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[34] In the 2008 survey, organizations were asked, "Does your organization ever formally evaluate the work that it funds?" Fifty percent of organizations (n = 767) responded "Yes" to the question. In subsequent years, organizations were asked, "Does your organization evaluate the work it funds?" Due to this key difference in the wording of the question (removing the word "formally" in the 2011, 2014 and 2017 surveys), the results from 2008 are not fully comparable to those from subsequent years. In the 2025 survey, grantmakers were asked, "Thinking about the years 2022-2024, did the grantmaking organization evaluate any of its initiatives, portfolios or strategies?" Any "Occasionally," "Sometimes" or "Often" responses were recoded as "Yes" (i.e., they evaluate the work they fund), and those that indicated "Never" were recoded as "No" in order to enable comparisons to the data from previous surveys.
[35] Center for Evaluation Innovation, *Benchmarking Foundation Learning and Evaluation Practices 2023* (Washington, DC: Center for Evaluation Innovation, 2023). Available at https://evaluationinnovation.org/publication/2023-benchmarking-report/.

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Figure 40 demonstrates the common uses of evaluation findings from 2022 to 2024. The most common use of evaluation findings among grantmakers was to report to the board, with 75 percent of study participants saying they did this "often" and another 23 percent noting that they did this "sometimes" or "occasionally." Some grantmakers reported back to grantees and stakeholders, with 42 percent saying they did this "often" and a further 30 percent saying they did this "sometimes." Slightly fewer said they used findings to plan or revise programs (67 percent said they did this "often" or "sometimes"). Least common was using evaluation findings to influence policy, with 53 percent saying they "never" did this. These findings indicate an increase in evaluation use compared to the GEO field study results from 2017, when fewer grantmakers reported using evaluation findings for these purposes, as shown in Figure 41.[36] Still, there is room for improvement in the use and sharing of evaluation findings.

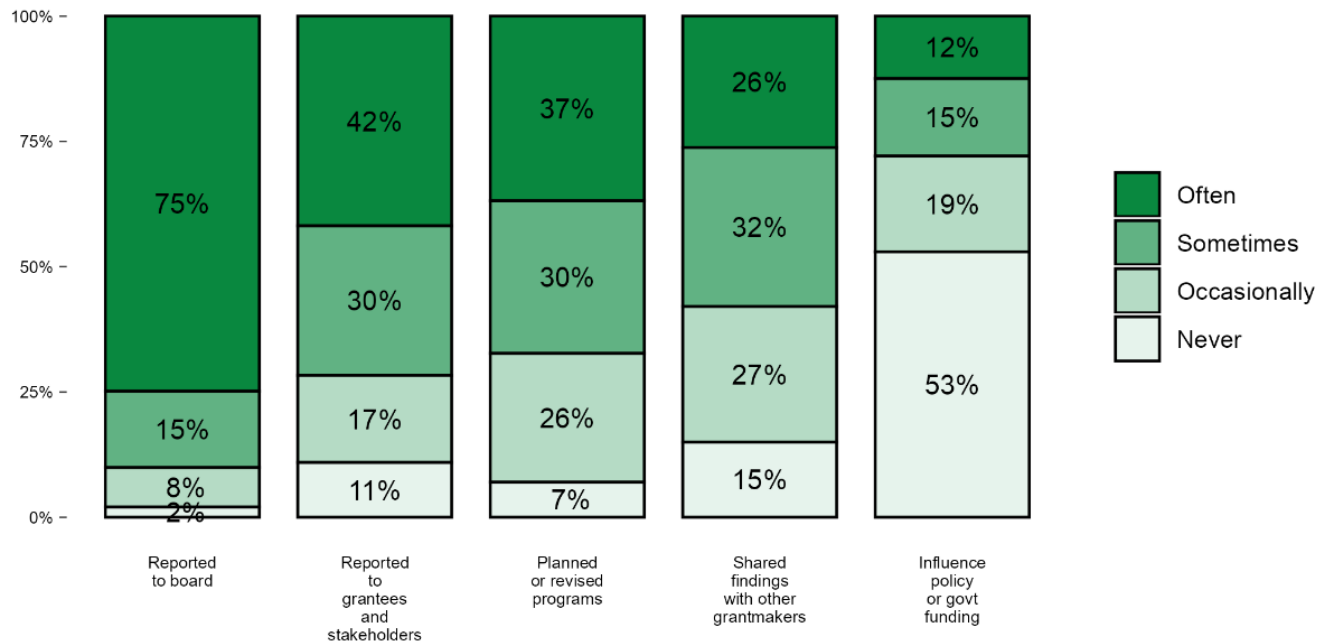## Figure 40. Uses of Evaluation Findings

Figure 40 shows the percentage of respondent organizations that used evaluation findings for different activities from 2022 to 2024.

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[36] Please note that these numbers should not be taken as direct comparisons, as the survey questions were asked differently. The 2017 field study asked only whether grantmakers used evaluation data for these purposes, while the 2025 study asked respondents to categorize these practices by frequency.

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This year's study revealed a notably higher percentage of grantmakers using evaluation findings, compared to previous years. Nearly all grantmakers (98 percent) indicated that they used evaluation data to report to their board, and there were large increases in the numbers of grantmakers using evaluation data to plan programming, report to grantees and other stakeholders, and share findings with other grantmakers, compared to 2017, as shown in Figure 41. While fewer than half of grantmakers (47 percent) attempted to influence public policy or government funding choices with their evaluation data, this number still marks a 25 percent increase from 2017. This use of evaluation data has been the least common over time.[37]

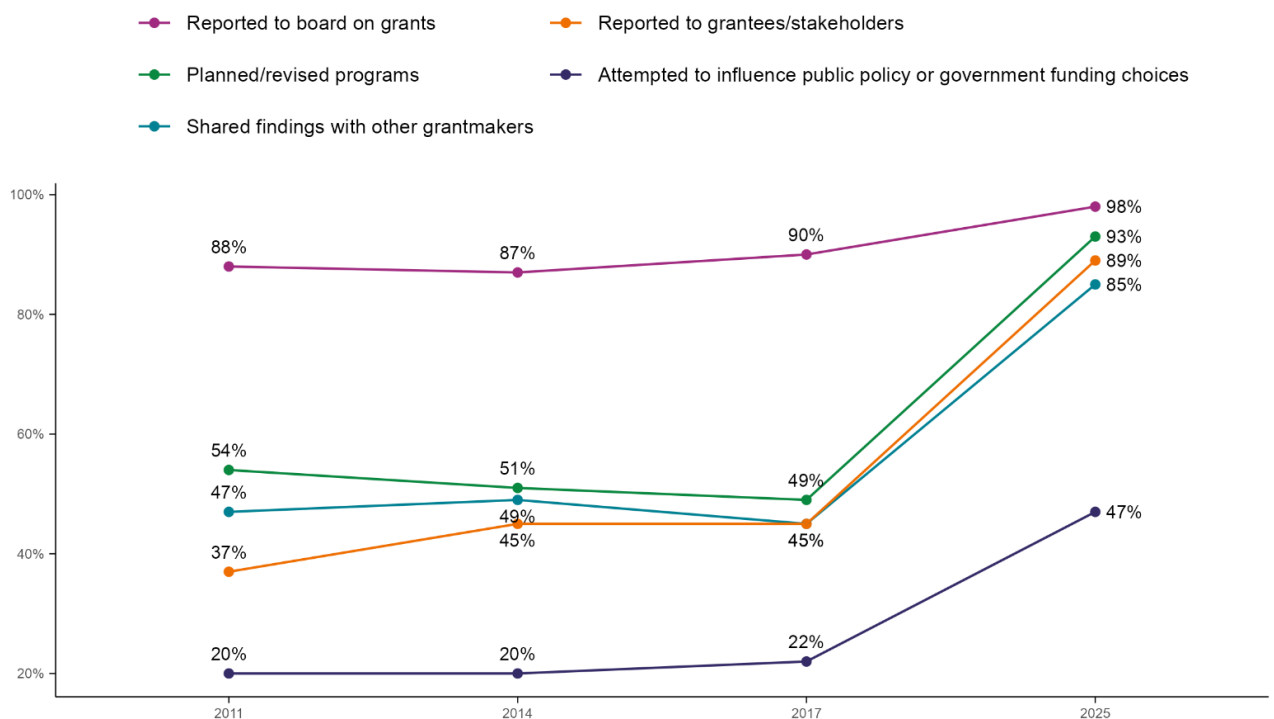### Figure 41. How Grantmakers Use Evaluation Data, by Survey

Figure 41 shows how respondent organizations used evaluation data, by survey year, from 2011 to 2025.

[37] This question was not asked in 2008. In previous years, the question about use of evaluation data was asked as a "check all that apply" question. However, in 2025, the question was converted into a frequency question, asking how often ("Never," "Occasionally," "Sometimes" or "Often") grantmakers did the following with their evaluation findings. In order to compare these data over time, the 2025 data had to be recoded as whether the grantmaker engaged in any of these activities at all. If a grantmaker selected anything other than "None," they were included in the data. In previous years, "Planned/revised strategies" was provided as one of the "check all that apply" options in the same survey question. In 2025, this option was not included, and instead there was a separate question that asked if grantmakers evaluated any of their initiatives, portfolios or strategies. Given the difference in question wording, the data are not comparable, and the over-time data for "Planned/revised strategies" were therefore not included.

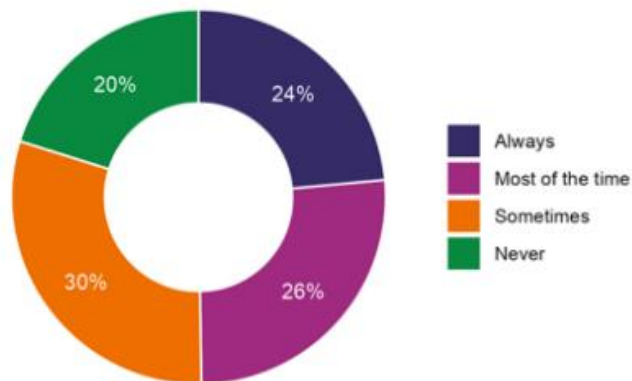## Figure 42. Require Grantees Evaluate Their Work

Figure 42 shows the percentage of respondent organizations that required grantees to evaluate their work.

While the previous data focused on grantmakers' evaluation of their own programs, portfolios and strategies, many grantmakers also required grantees to evaluate *their* work — and some did not provide additional funding to support that requirement, placing a burden on grantees with no commensurate resources. When asked how often grantmaking organizations required grantees to conduct evaluation activities, about half responded "always" (24 percent) or "most of the time" (26 percent), as shown in Figure 42. Despite this requirement, 38 percent of grantmakers that required evaluations did *not* provide additional funding to support these activities (see Figure 43), leaving nonprofits without the support needed to complete evaluations and deepen their learning about their organization's impact without significant increased burden.

Figure 43. Provision of Additional Funding for Required Grantee Evaluations
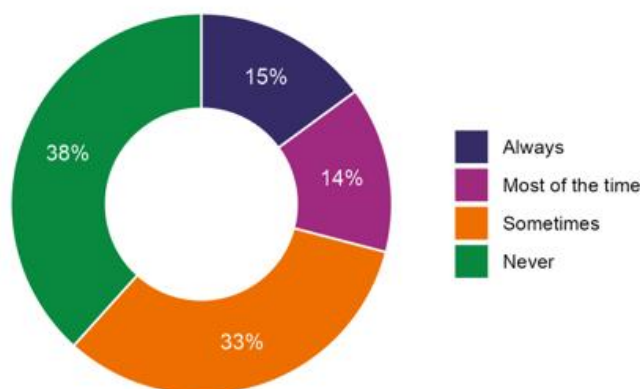

Figure 43 shows the percentage of respondent organizations that provided additional funding for required grantee evaluations.

Evaluation requirements increase the burden on grantees, especially when they must submit additional reports, such as interim reports for multiyear grants. Most grantmakers (68 percent) indicated that they still required interim reports for multiyear funds, though many have taken steps to make the reports less burdensome by offering grantees alternatives to the traditional written report. Figure 44 shows current practices in grantmaker reporting requirements. Reducing report length to five pages or less was the most common option exercised across all types of grantmaking institutions, practiced by 80 percent of grantmakers. Fifty-six percent of grantmakers reported offering phone calls in place of written reports; 41 percent allowed grantees to submit an alternative report, such as an existing report, rather than writing a new report specifically for the funder; and 43 percent waived reporting requirements due to hardship.

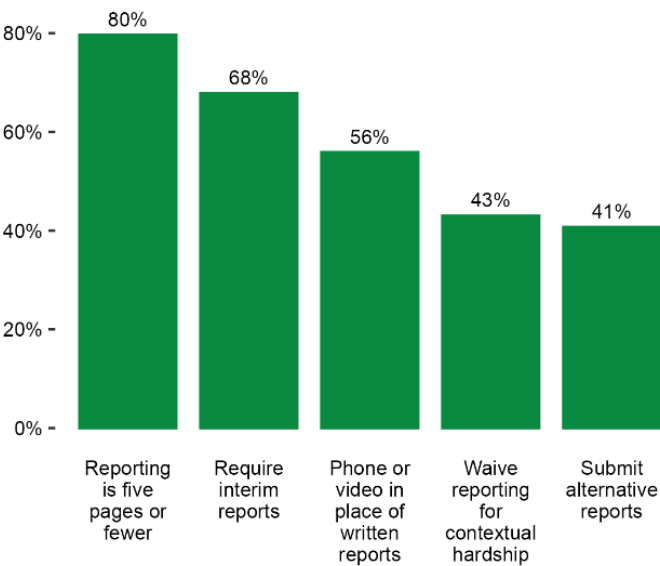## Figure 44. Reporting Requirement Options

Figure 44 shows the reporting requirement options respondent organizations offer.

Using Evaluation Data for Strategic Planning

One of the ways grantmakers can use evaluation data is to inform their strategic planning processes. About one-quarter (23 percent) of grantmakers reported that they were currently working on or had already completed a formal strategic planning process in 2025; an additional 44 percent had completed a strategic planning process within the period of study (2022 to 2024).

Grantmakers were asked to indicate which factors influenced their strategic planning (Figure 45) and then to rank those factors in terms of their importance to their organizational grantmaking strategy (Figure 46).[38] The most commonly selected and highest-ranked factor on average in strategy development was the previous experience and professional expertise of grantmaking staff (72 percent), followed by results of consultations with grantees (64 percent), opinions expressed by the board (64 percent), and information or data publicly available about the communities and issues addressed by grantmaking (62 percent).[39]

Grantee evaluation data was ranked relatively low, with only 41 percent of grantmakers using grantee evaluation data and grantmakers on average ranking it ninth overall in its importance to their strategic planning. This finding indicates a potential disconnect, with 80 percent of grantmakers requiring grantee evaluation at least sometimes, but only about half that many indicating that they use grantee evaluation data to set strategy.

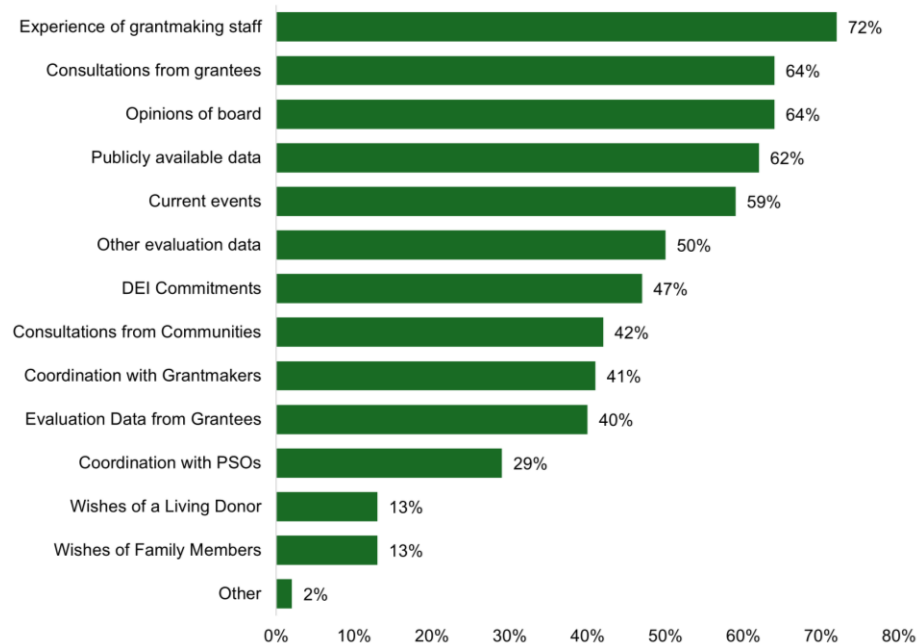## Figure 45. Factors Influencing Strategic Planning

Figure 45 shows the factors influencing organizations' strategic planning.

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[38] Where some grantmakers specified "Other" and indicated a factor that could be aligned with one of the options provided, their answers were recoded to reflect this. If their recoded answer was ranked and the same answer choice it was recoded to was ranked, we maintained the higher-rank position. A higher ranking equates to a higher value, with 14 being the highest possible value. If a survey respondent did not rank an item but did answer the question about factors influencing strategy development, then those unranked items were assigned a zero. For anyone who selected only one item, this item was ranked the highest because they only selected that one item.

[39] "PSOs" in "Coordination with PSOs" in Figures 45 and 46 refers to philanthropy-serving organizations.

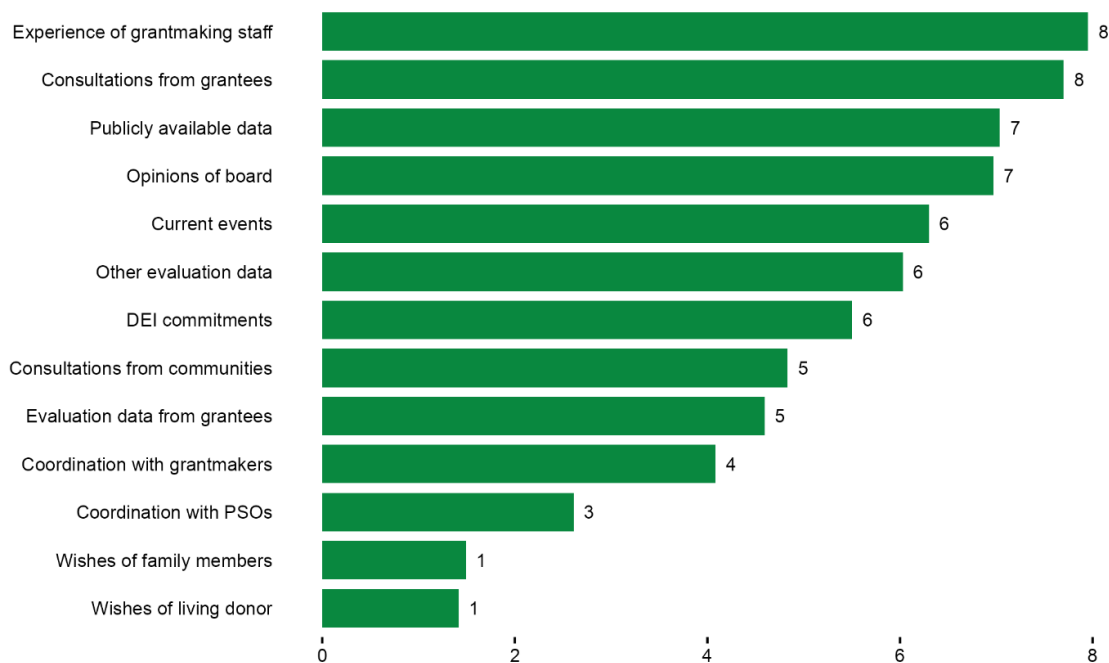**Figure 46. Mean Ranking of Factors' Influence on Strategic**

Figure 46 shows the mean ranking of various factors' influence on respondent organizations' most recent strategic planning process.

GRANTMAKER STORY:
bi3 Fund

Zohar Perla, director of evaluation and learning at the bi3 Fund, a Cincinnati-based health funder, shared how her organization's approach to trust-based and equity-centered philanthropy is one of learning, iteration and continuous improvement. "We've been working in a cycle, asking people what they want, testing ideas, reflecting on results, adjusting and trying again," she explained. This approach shapes both the organization's support of grantee partners and its own grantmaking practices.

Incorporating trust-based philanthropy principles helped bi3 see opportunities to more closely align its values with its practices, so the organization reassessed and adjusted. A recent change was recognizing the value of grantee partners' time. Perla said: "Funders often ask people to contribute without acknowledging the worth of their time. We now pay community reviewers and focus group participants, and offer honorariums for presenting at board meetings." bi3 values the perspectives of those closest to the problem and demonstrates this with compensation for that time and perspective.

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This shift to align practices with values also drove bi3 to simplify grant agreements by removing performance metrics and instead centering learning questions and grant outcomes co-developed with grantees. Perla explained:

Equity, to us, means meeting people where they are, reflective of the project's size and the organization's capacity. The organizations set the goals for what they want to learn, and we offer feedback, sometimes saying, "That sounds like a lot — maybe scale back a bit." Overall, we choose to fund our grantee partners because we see their goals align with bi3's mission. Once in partnership, we trust their knowledge of the community, and our role is to help them reach their goals.

We're also flexible with funding. If a grantee partner has a great idea to improve their program that's outside their budget, we can consider shifting resources to make it possible. The same goes for evaluation. We prioritize approaches that align with the project's design, drive learning, work best for that organization given their context and help it track progress toward its goals.

For example, one of our grantee partners had a program measuring the mental health of Black men. It was important to them that their evaluator was also a Black man from the community. They decided to hire a grad student so it could be both meaningful for the project and a career-building opportunity for him. Whether they took a more qualitative or quantitative approach didn't matter to us as much as it being the right fit for their needs and providing the capacity they needed to drive success.

Meeting organizations "where they are" means tailoring evaluation support to capacity and adapting to support different learning styles. As an organization, bi3 has worked to shift from compliance to learning, according to Perla:

We don't use the term "key performance indicators" in our grantmaking. We hold learning sessions, not site visits, and offer spaces for reflection on progress and learning rather than meetings to check off expectations. We've found that this allows for much stronger outcomes and ensures grantees aren't reporting on metrics that are no longer meaningful or that they are collecting just for our grant. We revised our grant agreement so there's no legal or compliance component to the performance metrics. The legal expectation is that the grantee partner will do the work for the specified purpose and follow the law.

The outcome goals and learning questions are co-created and documented during onboarding and serve as the foundation for regular learning sessions with grantees, allowing space and flexibility for them to adapt as the grant progresses. Simplifying grant agreements, building coverage of indirect costs into grants, and co-designing outcome metrics as part of the onboarding process with grantees allows for flexibility and helps build trust and deepen learning between bi3 and its grantee partners, resulting in greater impact and stronger outcomes.

Collaboration

Meaningful collaboration with grantmaking peers and community partners is a fundamental strategy for engaging nonprofit and community partners and strengthening the philanthropic sector to achieve systems change. Collaboration extends beyond coordination or resource pooling to encompass genuine partnerships with other grantmakers and cross-sector partners that leverage diverse perspectives, expertise and resources in service of a shared vision. When grantmakers engage in true collaboration, they create opportunities for aligned action that amplifies community voices and priorities.

More than half of grantmaking organizations reported often engaging with other grantmakers (57 percent) and partners in the public or private sector (55 percent) working toward a shared vision, with another quarter indicating that they sometimes did this between 2022 and 2024 (Figure 47). It is notable that grantmakers appear to be engaging in collaborative work within the philanthropic sector and across sectors in relatively equal measure. This indicates a balanced approach that ensures that grantmakers are sharing and generating ideas with a diverse set of partners.

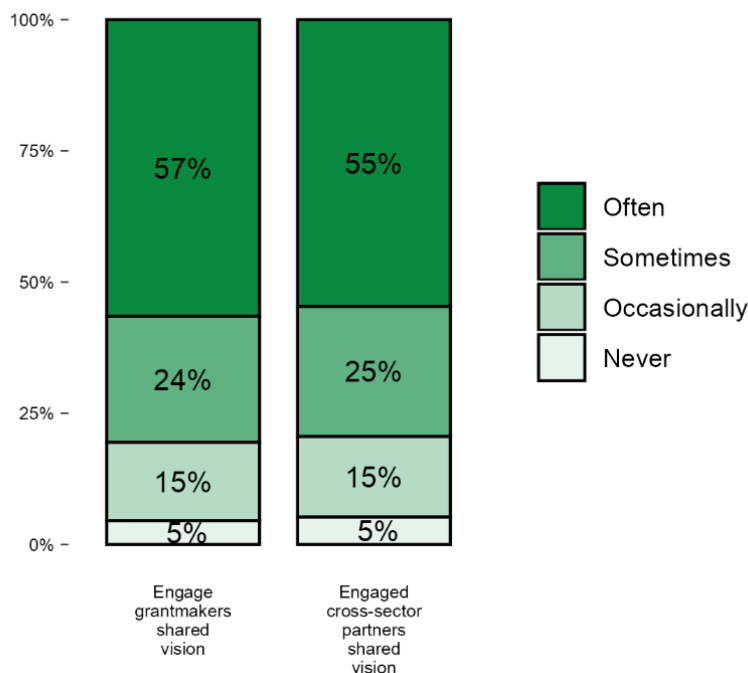## Figure 47. Collaboration Toward a Shared Vision

Figure 47 shows respondent organizations' frequency of collaborating toward
a shared vision from 2022 to 2024.

Conclusions

As philanthropic practice continues to evolve at both the individual organization and sectorwide levels in response to emerging community needs, it is important to understand whether grantmakers are using effective practices. The 2025 field study provided a rich volume of data and significant insight into evolving grantmaker values and current grantmaking practices, shining a light on where the philanthropic sector has stepped up its use of effective grantmaking practices and where there are still gaps to address. Below, we offer our assessment of the overarching answers to the research questions we posed at the beginning of this report, as well as some broader observations about the implications of the findings.

Research Questions

What trends have emerged among grantmakers in regard to effective practices, strategies and community representation?

Many of the trends highlighted in this report are encouraging, as most grantmakers indicated that they center DEI and trust-based philanthropy in their grantmaking strategy, and the prevalence of several effective grantmaking practices has increased. Most notably, many grantmakers are already spending more than 5 percent of their endowment annually, and there was a substantial increase in multiyear funding and general operating support compared to previous years. The increase in median general operating support comes after more than a decade of stagnation — a heartening and welcome shift in the sector.

However, this study also saw a reversal of the increase in grantmakers reporting that they provided capacity-building support to community organizations, a potentially worrisome change given the current context in which community organizations are operating. Perhaps most strikingly, many grantmakers reported requiring evaluation reporting from their grantees but not providing resources for evaluation or even using that data to set grantmaking strategy. These may be areas where grantmakers can examine their current practices to see if they can bring them in closer alignment with their values.

What is the relationship, if any, between organizational demographics and effective practices among grantmakers?

While some instances of differentiation did emerge, this study did not find consistent patterns suggesting a relationship between organizational demographics (such as organization type, size of annual grantmaking budget or size of staff) and use of effective practices. Philanthropic organizations of all types reported using some effective practices, and organizations of all types demonstrated room to adopt more.

For example, the majority of grantmakers, regardless of demographic characteristics, engaged in practices such as providing multiyear funding and general operating support. However, organization type did factor into the likelihood of engaging in community-driven practices such as participatory grantmaking. Community foundations were more likely than any other type of grantmaking organization to engage in participatory grantmaking, though the same did not hold true for other effective practices.

It may be that rather than organizational demographics, it is organizational commitment to core values such as DEI and trust-based philanthropy that is the more important factor influencing use of effective grantmaking practices.

Is there a gap between grantmakers' stated commitment to DEI and trust-based philanthropy and their use of effective grantmaking practices?

Putting values into practice is an ongoing challenge for all organizations. While this study found a strong relationship between commitment to DEI and trust-based philanthropy and use of effective grantmaking practices, there was evidence of some gaps in implementation of those values. Grantmakers who indicated that DEI and/or trust-based philanthropy were central to their grantmaking strategy were more likely to include focus and beneficiary populations in decision-making positions, engage in participatory grantmaking, and provide support for emerging capacity-building areas, indicating clear alignment between values and practice.

However, this does not mean that all grantmakers who expressed commitment to those values implemented all of these practices. Among grantmakers who indicated that DEI was "very much" central to their grantmaking strategy, nearly half did not report engaging in participatory grantmaking. Grantmakers who centered DEI in their strategy were more likely to require that staff attend DEI training, but this did not hold true for board members, which indicates the existence of different standards and expectations regarding who within an organization is expected to uphold the organization's stated values. And while commitment to DEI was associated with conducting a pay equity analysis for staff, most grantmakers still have not engaged in the practice, regardless of their values.

Appendix: About the Study

Data Collection Context

Data for this study were collected from January to March 2025. This data collection window coincided with a particularly fraught time for the philanthropic sector, as the social and political landscape in the U.S. was shifting rapidly in response to a new administration intent on dismantling many of the institutions on which community organizations rely. While this survey was being fielded, many grantmakers were considering the implications of the shifting political and legal landscape. Some directly contacted GEO to express concern about sharing information on their grantmaking practices during this time, and we believe these concerns likely affected the survey response rate.

As the broader field continues to pivot to respond to the changing conditions in our communities, we also recognize that should we field this survey again, grantmakers might respond differently to some questions than they did only six months ago. Nevertheless, we believe that this study provides a useful snapshot of the state of the grantmaking field in early 2025, and we share it with the intent of continuing the conversation on how we can best support our communities through the difficult times ahead.

Methodology

Survey Design

The 2025 field study used a survey as the primary data collection method. Strength in Numbers worked closely with GEO staff to define the research questions and design the survey instrument. The research question and survey design process also involved multiple rounds of iteration with review and input from GEO's field study advisory group, whose expertise helped ensure relevance and rigor. The group, which convened three times prior to survey launch to provide input on survey questions and once to discuss preliminary findings, provided thoughtful guidance throughout the process.

Survey design began with the definition of three primary research questions:

1. What trends have emerged among grantmakers in regard to effective practices, strategies and community representation?
2. What is the relationship, if any, between organizational demographics and effective practices among grantmakers?
3. Is there a gap between grantmakers' stated commitment to DEI and trust-based philanthropy and their use of effective grantmaking practices?

The survey was designed to collect information that would provide insight into these questions, including information on current grantmaking trends, alignment between grantmaker values and practices, and changes over time in philanthropic grantmaking strategy. The study builds on previous GEO field studies with updated language, terminology and constructs to reflect the evolving landscape.

Survey Collection

Given the scale of the survey, Strength in Numbers used a primarily quantitative approach in the survey questions, with limited open-ended items. The survey was programmed in Qualtrics, an online platform used to design, distribute and collect survey data. All grantmaking organizations operating in the United States and/or U.S. territories with at least one full-time staff member were eligible to complete the survey.

Strength in Numbers created a contact list for survey distribution using GEO's database and Cause IQ, an online database that provides information on grantmaking organizations. Strength in Numbers and GEO decided to purchase Cause IQ data to diversify the sample and ensure that the study would include grantmakers outside of the existing GEO network to more accurately represent trends across the field.

The survey team used Qualtrics to email unique survey links to all grantmakers on the contact list, with a PDF version attached so that respondents could review the questions in advance. We first sent the survey invitation to individuals in the most senior staff positions within their organizations. The Strength in Numbers and GEO teams sent targeted email follow-up to ensure that organizations received the survey link, with GEO contacting members in its network and Strength in Numbers contacting all non-GEO members. To increase survey completion, we later extended survey invitations to others in the organization if the person in the highest possible position had not already submitted a response for the organization.

The survey was fielded from January to March 2025. An exact response rate could not be calculated because the original dataset contained duplicates of some individuals due to multiple email addresses and duplicates of organizations due to multiple individuals being contacted. Outreach efforts ultimately yielded 1,720 total survey responses before the dataset was cleaned and de-duplicated.

Survey Analysis

Quality Assurance and Data Cleaning

The final survey sample included only respondents who met the following eligibility criteria:

1. The respondent's organization currently makes grants to other organizations.
2. The organization has at least one full-time staff member.
3. The respondent agrees to take the survey on behalf of the grantmaking organization.

Organization names and email stems were cross-checked to eliminate duplication in the survey responses and ensure that the final dataset would include only one survey response per grantmaking organization. Where multiple people at the same grantmaking organization had submitted a survey response, the data from the respondent with the most completed survey was retained and the remaining duplicates were removed. A question following the eligibility criteria section also asked grantmakers to indicate staff size. If a survey respondent selected "None" or "Less than one full-time equivalent," these respondents were removed from the dataset, as they did not meet eligibility requirements. After the dataset was cleaned and de-duplicated, the final number of valid survey respondents was 765. Of these survey respondents, the average survey completion rate was 86 percent.

Recodes

Due to changes in this year's survey, certain variables had to be recoded in order to allow for comparisons and ensure consistency with over-time variables. Recoding was also performed in some instances to meet sample size criteria for reporting data (a description of the criteria is included below). Please see the footnotes in the respective sections of the report for more details on recoding.

Data Excluded From Analysis and Reporting

In the 2025 GEO survey, there was a question asking, "Thinking about the past 3 years (2022-2024), on average, what percentage of the organization's annual grantmaking budget was part of multiyear grants for each duration: 'Percent of funds that went to grants that were more than 12 months but fewer than 2 years,' 'Percent of funds that went to grants that were 2 years to fewer than 3 years,' 'Percent of funds that went to grants that were 3 years to fewer than 5 years,' and 'Percent of funds that went to grants that were 5 years or longer.'" Unfortunately, these percentages ultimately did not add up to 100 percent of the budget used for multiyear funding as they should have. Therefore, data from this question was eliminated from the analysis due to inability to interpret the data.

Sample Size Reporting Criteria

To preserve anonymity and ensure that statistics were based on sufficient sample sizes, percentages with fewer than 20 participants in the denominator or five in the numerator are not shown. If one or more categories for a question have fewer than five individuals selecting that category, both that category and the next smallest are suppressed in order to protect confidentiality. For data with two answer options (e.g., "Yes" and "No"), if either category contains fewer than five responses then the statistic cannot be calculated for either category. For example, if four people selected "Yes" for a question and 96 people selected "No," this information would be indicated in the text as "fewer than five participants selected 'Yes'" or "nearly all participants selected 'No.'" Bivariate analyses were not conducted where rows and/or columns totaled fewer than 20 participants.

Statistical Analysis

Quantitative data were analyzed in R, a commonly used statistical package for rigorous data analysis. A second analyst checked all statistics.

For each research question listed above, we first assessed whether there was sufficient sample size, both for reporting and to conduct further statistical testing where applicable. Univariate analyses were conducted by calculating the percentages for categorical variables and means or medians for continuous variables. Bivariate analyses were conducted using correlations, chi-square tests, regressions, and ANOVA. Crosstabs were used to assess sample size and further analyze statistically significant relationships. Where there is a statistically significant relationship, a footnote with "$p < 0.05$" is included in the report, which indicates that there is a less than 5 percent chance that the difference we observed or a more extreme result is due to chance or random variation.

Limitations and Potential Bias

This study has several considerations and limitations that readers should consider when interpreting the results.

Response bias: The 2025 GEO survey relies on data that are self-reported by grantmakers, which creates the potential for organizations to provide inaccurate information, to exaggerate their organization's engagement in practices that they deem desirable, or to understate actions they view as undesirable, otherwise known as social desirability bias. For example, survey respondents may have been motivated, consciously or unconsciously, to respond in a way that they thought the research team, GEO, or other stakeholders would find desirable, perhaps particularly on questions related to equity, DEI practices, community-based philanthropy and the use of evaluation. The survey could also have been subject to nonresponse bias, reflecting more survey responses from organizations with the bandwidth and resources to invest time in accurately completing the survey. The quantitative format of the survey limited insight into organizational motives and decision-making processes, although we attempted to mitigate this by offering "Other (please specify)" options and one open-ended question to provide some nuance.

Changes in survey items over time: The 2025 survey builds on previous field surveys. Some questions remained unchanged in order to assess changes over time; other questions were revised and updated to reflect the changing grantmaking landscape post-pandemic. These changes may have affected responses. This survey also reflects only a snapshot in time and may not capture evolving practices and strategies.

Please note that data in this report are rounded up to the nearest whole number. Therefore, percentages in some data visualizations may not add up to exactly 100 percent due to rounding.

Acknowledgments

Featured Stories

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