

# RSF Social Finance

## GRANTMAKING PRIORITY-SETTING AND STRATEGY

*What are your grantmaking and/or strategic priorities (in terms of geographic focus, issue, etc.)?*

RSF Social Finance is a nonprofit with a mission to create financial relationships that are direct, transparent, personal, and focused on long-term social, economic, and ecological benefit. Our peers are anyone participating in our economic system. We provide investing, lending, and giving services to our community. The majority of our grantmaking is made through donor advised funds; however, the majority of RSF discretionary grantmaking is done through **Shared Gifting**, or flow funding.

RSF's organization-wide focus areas are: Sustainable Food & Agriculture, Education & the Arts, Ecological Stewardship, Women's Capital, and Social Finance. Our primary focus is national, though we do facilitate some foreign grants through our Donor Advised Fund program.

Our grantmaking strategy is to turn decisionmaking over to the community using Shared Gifting Circles and other forms of participatory grantmaking (such as **Flow Funding**) because we believe that gift money should be directed by the community.

*Who decides the grantmaking priorities? The overall strategy for the fund?*

Staff and board decide the organization-wide strategic priorities. Our partners in the field—including our borrowers, grantees, donors, and investors—inform the focus and geographic area for specific Shared Gifting Circles. Grantee participants of the Shared Gifting Circles decide how the funding should be allocated.

*What's the process by which these decisions are made?*

Participants of a Shared Gifting Circle decide on the grant amounts in a day-long meeting where grantees review each other's proposals and then allocate grants to each other based on their own knowledge and wisdom of what is needed in the field. Grant proposals are limited to

those organizations participating in the Circle. For detailed information on how our Shared Gifting Circles work, please read our [Shared Gifting tool kit](#).

*How are these practices socialized within your organization?*

We have used the Shared Gifting process in our internal budgeting to help departments share limited resources. We have also invited staff to participate in Shared Gifting Circles to decide how to use money given to us by a donor.

## TYPES OF GRANTS

*What kinds of grants do you provide (e.g., general, rapid response, capacity building, field-building, etc.)?*

All type of grants are provided; we do not put any limits on what participants can request. We invite participants to submit a proposal for any organizational need, including general operating support. Their fellow participants in the Shared Gifting Circle decide what types of grants get funded.

*What is the range in amount of the grants you award?*

We try to "right-size" the grants to ensure we cover the cost of the grantees' time to write the proposal and participate in the day-long meeting. We also aim for a minimum of \$10,000 per grantee, with no limit on the maximum requested.

*Is the participatory decision-making process the same for all grant types and sizes? If not, why?*

Yes.

*Do you earmark funding for a specific purpose in order to ensure diversity in who/what you're funding?*

We host and facilitate Shared Gifting Circles in all of our focus areas and in different areas of the country.

*Who determines the type and size of grants, and how?*

The participants in the Shared Gifting Circle decide what types of grants get funded. The size of the grants is determined by the total amount of money available to the Shared Gifting Circle and the number of participants, which is often dependent on how much RSF can raise from donors.

The minimum amount with which we can facilitate a Circle is \$60,000, but we have raised up to \$120,000 for a Circle. With our \$10,000 minimum, a \$60,000 Circle would ideally have six participants, etc.

## APPLICATION PROCESS

### *Who is eligible to apply for a grant?*

Each Shared Gifting Circle has criteria that specifies a geographical region and a focus area and has a stipulation that participants have 501(c)(3) charitable status or a fiscal sponsor.

### *What kind of outreach happens to make potential grant applicants aware of your grantmaking?*

We reach out to our staff, partners, borrowers, grantees, donors, and investors in the given region to seek nominations for the Circles.

### *How often do you accept applications/grant proposals?*

We have been facilitating 1–3 Shared Gifting Circles a year

### *Can applicants get assistance in applying? If so, what kind?*

We talk to anyone who is interested in applying by phone or email to answer any of their questions. As part of the Shared Gifting process, we allot time to speak with nominees by phone or email to explain the process to them and see if they have any questions about the proposal. We also do a one hour informational call with all the selected participants of a Circle to explain the meeting details, help field any questions that might come up, and get feedback on our communication leading up to the facilitated meeting.

### *What type of information is collected from applicants, and who has access to this information?*

Participants submit a proposal that includes their organizational information, annual budget, and funding request. This proposal is shared with the other participants of the Circle and the meeting facilitator.

## INITIAL VETTING/SCREENING/ DUE DILIGENCE

### *Are applications initially screened or vetted to ensure eligibility? How and by whom is this done?*

We screen nominated organizations to ensure that they meet our eligibility requirements (focus area, region, and 501 (c)(3) status). Once an organization is selected to participate, we do not vet their proposal because we trust

that nonprofits will use the funds wisely based on their organizational needs.

If we receive more nominations than we have space for in a Circle, we have to select which organizations will be invited to participate. This decision is made by RSF staff working on the Shared Gifting Circle, along with RSF staff who work in the focus area of the given Circle. The decision is made with a goal to ensure diversity within the Circle. For example, if we are doing a Circle focused on sustainable food and agriculture, we might invite only one of two food hubs nominated and make sure that there is also a farmworkers rights organization and an urban farm represented. We also want to have a range of organizations, both small and large.

### *If more than one person is involved, how do you ensure that the same criteria has been considered in all cases?*

Because our criteria are fairly straightforward, it is not challenging to maintain this kind of consistency. Our Shared Gifting team reviews the nominations and the selected applicants and follows our criteria guidelines as closely as possible. However, one area we are aiming to improve is to add more transparency, community input, and consistency in how we select participants when we have more nominees that can fit in a Shared Gifting Circle.

## GRANTMAKING DECISION PROCESS AND PANEL

### *Who comprises your grantmaking selection panel(s)?*

The grantees participating in the Circle are the decision makers on the number of grants and amount of each grant.

### *How are they selected (e.g., by nomination, application, etc.)?*

Grant panel members are nominated, and then, if necessary, RSF selects a smaller group as described above.

### *How do you think about representation of specific population groups or geographies?*

We aim for our Shared Gifting Circles to be representative of the region in which we are working. We have begun having a local community member co-facilitate the meeting to ensure there is community engagement, even in the leadership of the Circle.

### *What, if any, is the term limit for members of the selection panel? Why?*

Because we do not want to mandate collaboration between groups, our Shared Gifting Circles are not multi-year. If the

group would like to continue to collaborate, we leave that to their discretion. They may choose to set aside funding to meet again in the future.

***What is the process by which the selection panel determines grant decisions?***

Each participant reviews the proposals of all the organizations in the Circle. During the day-long meeting, there is time for each participant to present more about their organizations and respond to specific questions about the proposals. We then facilitate a process in which each participant is given the opportunity to decide how much to grant to each of the other organizations in the room, thereby inhabiting the role of “grantor.” After making their decisions, they each read their decisions out loud along with their rationale for the decision. This is a great opportunity for the participants to hear what was compelling about their proposal and what wasn’t. It also creates a spirit of affirmation where the organizations express appreciation for each other’s work.

We then have a second round when the organizations may re-grant what they received. We have seen organizations re-grant to each other, to other organizations in the community, and even back to RSF.

***What considerations are taken into account to ensure inclusive and streamlined decisionmaking processes?***

We carefully create and prepare a meeting agenda, and – informed by reflection on past meetings—ensure that each participant is given an adequate amount of time for sharing and decisions are made by the end of the day-long meeting. We have begun inviting a community member to co-facilitate, which helps ensure inclusiveness in the process.

***Can decision-makers on grantmaking selection panels be applicants? If so, are there any special processes or a conflict of interest policy tied to this occurrence?***

Yes, by design the applicants are also decision-makers. We allocate time in the beginning of the meeting for people to disclose their conflicts of interest, e.g., they are representing one organization but are also on the board of another organization in the room.

***What happens if there is disagreement among the decision-making committee? How is this resolved? (e.g., consensus, voting, etc.)***

The process is set up so that each participant gets to make their decisions autonomously. However, if Circle participants

want to do things differently, we often use consensus decision making to make changes in the process.

***How are selection panel members trained and supported?***

We organize a pre-meeting call with each participant to talk them through the day-long process and answer any questions they might have. We also strive to communicate openly with participants as they navigate the experience, given that it is an unfamiliar grantmaking process for most.

## **REPORTING, LEARNING, AND PROCESS ITERATION**

***What, if any, are your reporting requirements for grantees? Who develops them?***

We invite the participants of the Circle, who are also the grant recipients, to decide on the grant reporting requirements as a collective group. RSF has no reporting requirements.

***How do you evaluate impact?***

Following a Shared Gifting meeting, we ask participants to take a survey that asks for highlights and challenges of the experience and suggestions for how we can improve the process to make it more beneficial for grantees. We also do a follow-up survey in six months to a year to see what lasting impact the experience has had.

***How do you learn about participants’ experiences, both as selection panelists and applicants?***

We use a survey (see above).

***With whom do you share the results of what you learn?***

We share the results with our Shared Gifting staff and use what we learn to improve the program. With permission, we also share the results through stories to our community, including donors to our Shared Gifting program. We also open source our learnings and process details so others may experiment or iterate with the process.

***Have you made changes to your programs based on feedback? If so, what is an example?***

Yes, all the time! Most of the changes we have made over the years have been based on participant feedback. Some examples:

- ◆ We have experimented with having the participants decide on the proposal format and template prior to submitting their proposals.

- ◆ We updated the agenda timing based on what participants felt was a more valuable use of their time.
- ◆ We've facilitated meetings where the participants decide to change the process during the meeting. We aim to keep the meeting space open to anything the participants decide they want to do because they are the decision makers for funding.
- ◆ Our current process of having the participants decide on grant reporting requirements emerged from this kind of feedback.
- ◆ We have improved our meeting format, content, and facilitation.

For more information about RSF Social Finance's Shared Gifting program, contact Kelley Buhles at [kelley.buhles@rsfsocialfinance.org](mailto:kelley.buhles@rsfsocialfinance.org).

This resource was developed as a companion piece to the GrantCraft guide on participatory grantmaking. This resource is part of a suite of resources that showcase the rich and varied practices of participatory grantmaking across various organizations, reducing the burden on each funder to repeatedly outline their model. The guide and companion resources give insight to the philanthropy landscape about the what, how, and why of participatory grantmaking.

Visit [grantcraft.org/participatorygrantmaking](https://grantcraft.org/participatorygrantmaking) to explore further.