

Incorporating Diversity, Equity, and Inclusion in Your Grant-Making Process: A List of Potential Actions

In recent years, the terms diversity, equity, and inclusion (DEI) have proliferated through philanthropy. From recognizing the inherent power and privilege embedded within the field to understanding how diverse perspectives can boost innovation and impact, foundations and other philanthropic institutions are making more explicit commitments to DEI.

However, advancing this work is hard and sometimes uncomfortable. It takes a willingness to look inward and a commitment to weaving policies and practices that support diversity, equity, and inclusion into the fabric of our organizations. It also requires an ability to translate abstract terms like “racial equity” into concrete actions that apply to our day-to-day work. Arabella staff have developed this document¹ to do just that: translate the values of DEI into a list of concrete actions that relate to the grant-making process. This document is not exhaustive and is a work in progress; it will continue to evolve as we collect more feedback from the field. As with most DEI efforts, we are continuously learning how we can be better practitioners and thought partners in this work. As you implement your own DEI approach to grant making, we welcome your feedback and questions.

Who is this document for?

This document is for grant-making organizations that want to incorporate DEI into their grant making. Are you interested in DEI, but don't know where to start? This list includes actions you can take to jumpstart your commitment to DEI.

What's in this document?

This list is not a comprehensive guide to DEI in grant making nor is it a checklist of activities you must complete to be “good at DEI.” We mean to identify opportunities that you can adapt to best fit the unique goals and needs of your organization.

¹ Nancy Chan and Pamela Fischer compiled an initial checklist as a passion project while they were working for Arabella Advisors. Others have since added to the effort. We also drew on research posted on the [D5 Coalition](#) website and feedback from several grantmakers and others in the field (including the Bay Area Justice Funders Network's [Choir Book: A Framework for Social Justice Philanthropy](#), and this Nonprofit AF [blog post](#) on inequity in philanthropy). This checklist is a living document, so if you have additional recommendations or feedback, email abby.degenhart@arabellaadvisors.com.

How should I use this document?

Read the proposed actions below and identify which opportunities will help you best advance your organization's work. If you are just beginning your DEI journey, start with one activity and build from there. If you are ready to fully commit to DEI, work with your organization's management and board to identify each action as a near- or long-term commitment and begin completing the steps.

Checklist: Recommendations for Incorporating DEI in Grant-Making Practice

Grant-making Strategy

Grant-making approach

- Discuss with the board/staff members how DEI principles will advance program goals.
- Discuss with the board/staff members how much risk they are willing to tolerate (e.g., funding new programs or organizations, willingness to be a first funder).
- Provide unrestricted grants and/or multi-year grants that give grantees flexibility to implement their programs.
- Provide grants for capacity building, including professional development, especially for smaller, under-resourced organizations.
- Be transparent about the types of grants you expect to provide (e.g., one-year or multi-year) and if there are opportunities for renewal.
- Be flexible about the percentage of an applicant's budget you will fund.
- Create grant processes that are flexible, timely, and responsive (e.g., contingency or emergency grants, discretionary grants, rolling grant cycles).

Grant Applicant Identification, Research, and Outreach

- Hold an open call for proposals to be inclusive of organizations who may not be connected to your networks.
- Ask grantees to recommend other organizations you could invite to apply.

- [If open application process]*: Invest in broad outreach and communications efforts to reach organizations who are not connected to your networks.
- [If invitation-only process]*: Poll community foundations and intermediary organizations in your region to learn about organizations working at the grassroots level.
- [If invitation-only process]*: Vet organizations thoroughly before you invite them to apply so that the research burden falls on you and not the applicant.
- [If invitation-only process]*: Invite fewer applicants to increase the chance that any one applicant will receive a grant.

Governance Management (if applicable)

- Define characteristics of a diverse, inclusive board (e.g., geography, race/ethnicity, gender, expertise) and intentionally recruit members who fit those factors.
 - Consider having a target percentage of board members who are grantees and/or beneficiaries.
 - Develop governance rules (e.g., voting rights or short-term board limits) that encourage diversity on the board.
 - Train board members in DEI principles.
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Grant-making Implementation

Grant Application Process

- Have applicants submit a letter of intent or a screening survey before inviting them to submit a full application to minimize the burden on the potential grantee.
- Allow applicants to submit proposals prepared for other funders or common applications.
- Keep the application process under 10 to 15 hours to minimize the burden on the potential grantee.
- Let applicants know the amount of time you expect them to take to complete the application so they can manage their time accordingly.
- Be transparent about the selection process and timeline by hosting informational webinars for applicants and/or providing examples of grant materials.
- Offer to review drafts of grant applications from smaller organizations to provide feedback before the submission date.
- Employ a user-friendly online platform for organizations to submit their applications.
- Give stipends to applicants who do not receive grants to compensate them for the time they spent on the application process.

- For applicants that have limited English proficiency, consider providing language and cultural translation technical assistance in completing their applications.

Request for Proposal (RFP)

- Use simple, clear language and avoid using technical jargon in the RFP and application form.
 - Develop questions that are not duplicative and consolidate questions that elicit similar answers.
 - Ask about the demographics of the organization's beneficiaries, board members, and staff members.
 - Ask about the cultural competency of staff members, where appropriate.
 - Ask how perspectives of beneficiaries (and the community) are included in program design and delivery.
 - Ask how applicants currently measure success and what metrics they already collect to inform what metrics you would consider collecting from grantees.
 - Minimize the number of attachments (e.g., five) required on the application and consider what types of information you can find through other research.
 - Do not require applicants to translate their project budget into your budget format, or provide a very simple, flexible budget template.
 - Do not ask grantees to resubmit documents that they have previously submitted.
 - If an organization has received strong third-party ratings (e.g., from Charity Navigator), consider exempting it from submitting some of its documentation.
 - Provide space for applicants to explain any unusual or special circumstances in their applications.
 - Provide space for applicants to submit other media (e.g., a short video, visuals) to complement their written application.
 - Collect feedback in the application or a separate email or survey about how long it takes to go through the application process and ways to improve it.
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Grantee Selection, Evaluation, and Management

Due Diligence and Grant Decision Making

- Assess your portfolio and identify gaps in diversity (e.g., race/ethnicity, geography, type of intervention) to determine where you want to focus your grant making.
- Use a peer-review grant-making process (e.g., advisory board and grantees vote on applications; applicants vote on anonymized applications).

- Use a scoring rubric as a discussion tool rather than a decision-making tool since numeric scores may not capture the nuance of each application.
- Understand how your due diligence process may be biased toward well-resourced organizations with greater capacity (e.g., financial stability, evaluation capacity).
- Understand how your due diligence process may favor evidence-based practices (e.g., those with randomized controlled trials or published research).
- Communicate directly with applicants when you have questions about their applications to better understand their circumstances and expertise.
- Limit the time from your first contact with prospective grantees to when they receive an award (e.g., three to six months).
- Provide honest feedback to applicants to acknowledge the time they invested in applying and build their grant-writing capacity for future grant applications.

Grantee Monitoring and Reporting

- Identify realistic expectations for grantee results based on the grant amount, grant period, intervention, and target population (e.g., one-year grants may not produce tangible short-term outcomes).
- Deepen your understanding of and be open to different types of evaluation (e.g., participatory evaluation).
- Work with grantees to determine which metrics they should collect based on their organizational capacity and on the data they already collect.
- Streamline reports (and metrics) and make them easy for grantees to fill out (e.g., one- to two-page executive summary, visual or multimedia reporting).
- Consider asking grantees to submit reports they have already drafted for other funders.
- Visit grantees (and potentially compensate them for the time they spend on the site visit if it is substantial) in lieu of formal evaluation reports.
- Pay for data collection/evaluation efforts or give grantees additional money to help pay for their monitoring and reporting requirements.
- Provide evaluation technical assistance to grantees (e.g., instruments and tools such as assessments, survey questionnaires).
- Consider quarterly check-in calls with grantees instead of formal reports.

Grantee Management

- Offer open, responsive communication with grantees and consider operationalizing communication standards (e.g., responses within 48 hours).
- Streamline grantee processes for project timeline extensions and budget modifications.
- Encourage feedback from grantees through anonymous mechanisms (e.g., an anonymous

survey or third-party evaluator).

- Provide support beyond funding (e.g., connecting grantees with other organizations and funders, being a sounding board).
- Create a simple grant renewal process (e.g., applicants can submit a combined grant report and a proposal for continued work).
- Create learning communities with grantees who share similar problems of practice to help build networks and collaborate with others to address common issues.