



# Community-Centric Grantmaking - Class 1

## Supporting Nonprofits in Community (Landscape Scan)

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*Estimated time to complete: 3 hours*

### Class Objectives:

- Understand how to align the community foundation's purpose with issues and needs in the community.
- Learn to be proactive and reactive – the dynamics of community-centric grantmaking.
- Identify leaders who exemplify the principles of community-centric fundraising and who are implementing solutions that work.
- Explore the components of participatory grantmaking and how to incorporate these into your community foundation's grantmaking processes.

### Module 1: Aligning Community Foundation's Purpose with Community Needs

The first step to becoming a successful, community-centric grantmaker is aligning your foundation's purpose with the needs of the community you serve.



There is a unique connection between the activities of a community foundation—fundraising, convening, and grantmaking—and the community itself. By focusing on the community in each of these activities, and ensuring that your staff, board, and team maintain that focus, you position your foundation to work in service to the community's needs.

***Self-Reflection: How do you ensure community is at the center of what you do?***



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Take time to consider:

- How do your foundation's goals align with the needs and aspirations of the community?
- What steps can you take to actively engage the community in shaping your priorities and decisions?
- How can you involve your staff, board, and team in maintaining this focus?

### Landscape Scans

**Landscape scans** are tools funders use to look at a given field or issue area to identify the needs, opportunities, and gaps in funding. They then use this information to guide their giving and strategy decisions and understand how to be most effective in their philanthropy.\*



### Module 2: Understanding Community Needs — The Role of a Landscape Scan

One of the most effective tools for understanding the needs of your community is conducting a *landscape scan*.

A landscape scan helps funders gain a comprehensive view of a specific field or issue area, identifying key needs, emerging opportunities, and gaps in funding. By gathering this information, funders can make more informed decisions about their giving strategies, ensuring that their efforts are aligned with the most pressing community needs and that they are maximizing their impact.



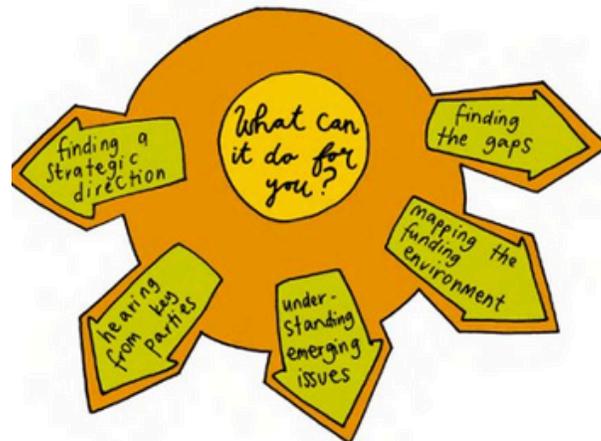
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## Supporting Nonprofits in Community (Landscape Scan)

### Landscape Scans

Be clear with your board, staff, and stakeholders with what you are trying to learn in the scan. Be realistic and manage expectations.

One of the greatest outcomes of landscape scans are building trust in your community.



### Using Landscape Scans to Understand Community Needs

Landscape scans can be conducted at various levels of depth — they can be broad or highly targeted, depending on the focus of your inquiry. Community foundations often use landscape scans to answer specific questions or identify key opportunities.

The critical first step is to know what you aim to learn from the scan. Once your staff has defined clear parameters or goals, it's essential to communicate these to your board and stakeholders. This ensures that everyone has aligned expectations and understands the scope of the scan.

### A Real-World Example: Listening to Community Voices

For instance, a foundation in a small town in Georgia conducted a landscape scan to explore what types of community assets residents would like to see. The options considered included an amphitheater, parks, performing arts venues, sports courts, and a recreation center.

However, the results were surprising: the community expressed a need for a grocery store, something that hadn't been anticipated.

While this outcome was unexpected, the process itself had significant value. The foundation not only gained insights into the community's priorities but also strengthened its relationship with residents, building trust and demonstrating a commitment to listening and engaging.



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## Supporting Nonprofits in Community (Landscape Scan)

### Conducting a Landscape Scan: A Simple Approach

If you haven't conducted a landscape scan before, rest assured, it's not as complicated as it may seem. The key is to treat your stakeholders and community members as the experts and actively involve them in the process. Invite them to engage with your foundation and help shape your understanding of community needs.

By asking thoughtful questions, you can uncover both opportunities and challenges. Gather data through various methods, such as:

- Surveys
- Interviews (phone or in-person)
- Focus groups or small group discussions
- Social media insights
- Consultants (if needed)

### Types of Questions to Ask

The types of questions you ask are wide-ranging, but here are some ideas to help guide your landscape scan:

1. **Questions that build trust:** Foster positive relationships between the foundation and nonprofits by asking questions that show a genuine interest in their experiences and perspectives.
2. **Questions that surface big challenges:** Encourage open dialogue that allows important, often complex issues to come to light.
3. **Questions that identify potential solutions:** Focus on solutions that can drive meaningful change, distinguishing between practical, impactful approaches and less viable options.



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## Supporting Nonprofits in Community (Landscape Scan)

### Understanding External Data

External data refers to data that is collected outside your organization, but can still be valuable for demonstrating need or building a case for support.

Typically, this data is quantitative and can provide a broader context for your landscape scan. Some helpful sources of external data include:

- Census data
- Industry reports and studies
- Government records

These resources can offer insights into demographic trends, economic conditions, and social challenges that may help inform your scan.

Learn more: <https://www.arc.gov/research-and-data/>

### Module 3: Balancing Proactive and Reactive Grantmaking

It's essential to strike a balance between proactive and reactive grantmaking, ensuring that your foundation demonstrates both strategic leadership and responsiveness to community needs.

#### Proactive Grantmaking

Proactive grantmaking is a strategic approach where funders set clear priorities and design targeted initiatives. This approach often focuses on specific issues or cultivating long-term partnerships, with the foundation playing an active role in guiding and shaping the direction of its funding efforts.

#### Reactive Grantmaking

In contrast, reactive grantmaking is more flexible, allowing funders to respond to emerging needs and timely opportunities. This type of grantmaking typically involves open calls for proposals or considering unsolicited requests from nonprofits.

#### Shifting to a More Strategic Approach

If your community foundation has primarily focused on reactive grantmaking, transitioning to a more strategic, proactive approach will take time. It's important to gradually develop clear funding priorities and explore ways to engage the community in identifying key issues.



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### Supporting Nonprofits in Community (Landscape Scan)

#### Self-Reflection:

To help you evaluate your current grantmaking practices and explore ways to integrate more proactive strategies, consider the following questions:

- **What is the current balance between proactive and reactive grantmaking at our foundation?**
  - Reflect on the types of grants you typically make and whether your foundation is often responding to immediate requests or guiding long-term initiatives.
- **How do we currently identify community needs and priorities?**
  - Are community members and stakeholders actively involved in this process, or is it mostly driven by the foundation's internal priorities?
- **What are the advantages and challenges of our current approach?**
  - Consider the benefits and drawbacks of focusing on reactive grants versus proactive, targeted funding. Are you missing opportunities by not being more strategic?
- **How can we make space for more strategic, proactive funding decisions while still remaining responsive to emerging needs?**
  - Think about ways to incorporate long-term planning while also remaining flexible enough to address timely community concerns.

#### Action Activity: Strategic Reflection Exercise

1. **Review Past Grantmaking Decisions:** Look at your foundation's grants over the past year. Break them down into proactive (planned, strategic initiatives) and reactive (emergency response, open proposals). How many of each type of grant did you make?
2. **Engage Your Team:** Gather your staff or board to discuss the questions below.
  - a. What proactive initiatives or issues should your foundation be prioritizing in the future?
  - b. How can you streamline the process for identifying and responding to community needs?
3. **Set Small Goals for Shifting Towards Proactive Grantmaking:**
  - a. Identify one new area where your foundation can take a more strategic approach. This could be a specific issue or a long-term partnership. Plan how you will move from a reactive to a proactive approach in this area over the next 6-12 months.



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## Supporting Nonprofits in Community (Landscape Scan)

### Module 4: The Role of Community Foundations in Systems Change

One of the possibilities of **strategic grantmaking** is the potential to drive systems change. This type of change requires a collective effort, where all relevant stakeholders come together to assess what is needed and how to achieve it.

This article from the [Stanford Social Innovation Review](#)\* provides a detailed description of the relational work required for systems change. It highlights five key conditions necessary for true alignment and to achieve meaningful, sustainable results:

#### Five Key Conditions for Systems Change

1. **A common agenda:** All stakeholders share a unified vision of the desired outcomes.
2. **Shared measurement systems:** Common metrics allow everyone to track progress and assess impact consistently.
3. **Mutually reinforcing activities:** Collaborative efforts ensure that different players' actions complement each other.
4. **Continuous communication:** Regular, open dialogue among all stakeholders keeps everyone aligned.
5. **Backbone support organizations:** A central organization helps coordinate and sustain the efforts.

#### What Role Should Community Foundations Play in Systems Change?

Community foundations are uniquely positioned to play a crucial role in systems change, particularly in the following ways:

1. **Facilitators of Collaboration:** By bringing together key community stakeholders – such as nonprofits, businesses, local government, and residents – community foundations can help foster the collaborative environment needed for systems change.
2. **Convener and Educator:** As trusted local entities, community foundations can facilitate dialogue, education, and shared understanding among stakeholders about the systemic issues at hand.
3. **Financial Support and Backbone Organizations:** Foundations can provide both financial backing and administrative support to sustain long-term systems change efforts, acting as a backbone support to organizations when needed.
4. **Monitoring and Evaluation:** With their role in funding and oversight, community foundations can assist in developing shared measurement systems to track progress and ensure alignment.



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## Supporting Nonprofits in Community (Landscape Scan)

### Self-Reflection:

To assess how your foundation can contribute to systems change, consider the following questions:

- **What are the systemic issues we care about addressing in our community?**
  - Identify specific areas (e.g., education, healthcare, housing) where systems change could have a lasting impact.
- **Who are the key stakeholders we need to bring to the table for this change to happen?**
  - Consider which partners — nonprofits, local government, businesses, etc. — are necessary for a collective approach.
- **How can we create and maintain a common agenda with our partners?**
  - Reflect on ways to build a shared vision and mutually agreed-upon goals for systems change.
- **What mechanisms do we have in place to support continuous communication and collaboration?**
  - How can your foundation facilitate ongoing dialogue and ensure that stakeholders remain aligned over time?

### A Strategic Approach: “Place-Based”

Place-based economic development seeks to develop policies and programs that address conditions in a specific location, often in places that are economically distressed. This approach differs from people-based policies, which may provide benefits to certain groups of individuals regardless of where they live or work.

There is no singular definition of place-based philanthropy, but for this article we are referring to funders who invest in service of a defined location such as a neighborhood, city, state, or region. Geographic context is key to place-based philanthropy, requiring an examination of the unique histories that contribute to the challenges in a place. At its best, place-based philanthropy is characterized by a long-term presence and relationship with communities in a specific region and collaboration with other local partners.



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### Supporting Nonprofits in Community (Landscape Scan)

**A successful place-based philanthropy strategy requires the following three components as shared by the Milken Institute\*:**

- 1) “Laser focus on systems change. For a problem as complex as poverty, for example, addressing it at the local level may be the best bet for creating transformative change. Understanding the particular context and focusing on the specific needs of the community can help you deploy a targeted, flexible, and comprehensive set of approaches to the problem at hand. The result is often a win-win combination of community-anchored systems change.”
- 2) “Deep listening and partnership. A place-based approach allows philanthropists to create more easily the conditions for meaningful listening and engagement with communities. Time and again, social change experts stress the necessity of community participation, buy-in, and trust for a philanthropic effort to be successful. Demonstrating a long-term commitment to an area is one way to build that trust and partner with communities.”
- 3). “Experimentation, learning, and innovation. Donors, together with the community, can innovate and experiment with bold solutions. Indeed, philanthropy’s role is to be innovative, make mistakes, and to adapt and evolve. Compared to other funders such as governments and private investors, philanthropists are not tied to performance or investment return criteria. Therefore, philanthropists can provide funding that is catalytic, risk-taking, and patient, but not permanent.”

### **Module 5: Place-Based Initiatives: A Holistic Strategic Approach**

One of the most powerful strategic grantmaking approaches is place-based initiatives. These initiatives focus on addressing the unique needs of a specific geographic area, leveraging local insights and assets to create lasting change. Community foundations are uniquely positioned to support place-based initiatives due to their deep roots in the community, their broad networks, and their ability to mobilize resources for collective impact.

#### **Why Place-Based Philanthropy Requires a Holistic Approach**

Place-based philanthropy goes beyond funding individual programs or organizations. It requires a holistic approach, meaning it looks at the entire ecosystem of a community and seeks to address the interconnected issues that affect the area. This approach is more than just funding—it involves collaboration, coordination, and a long-term commitment to improving the overall well-being of the community.



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### Supporting Nonprofits in Community (Landscape Scan)

1. **Understanding the Community as a Whole:** A place-based approach takes into account the full scope of challenges and opportunities within a given community. It requires understanding the intersections between various sectors, such as housing, education, employment, healthcare, and the environment, and how they impact each other.
2. **Engagement of Local Stakeholders:** Successful place-based initiatives engage a wide range of local stakeholders – including residents, nonprofits, businesses, local government, and faith-based organizations. The foundation acts as a convener, fostering collaboration and ensuring all voices are heard in decision-making processes.
3. **Long-Term Commitment to Community Change:** Unlike short-term grantmaking strategies, place-based philanthropy demands sustained engagement. It's not just about solving immediate needs but addressing the root causes of systemic issues and ensuring that the community thrives in the long run.
4. **Leveraging Local Knowledge and Assets:** Community foundations are well-situated to tap into local knowledge and assets, which helps ensure that initiatives are both contextually relevant and driven by the needs and priorities of the community itself.

**Self-Reflection:** As your community foundation considers or refines its place-based approach, ask yourself and your team the following questions:

1. **What are the key issues affecting our community as a whole?**
  - a. Identify systemic challenges, such as disparities in healthcare, education, or housing, that require a comprehensive response. What factors are contributing to these challenges?
2. **How can we foster collaboration across sectors?**
  - a. Think about how your foundation can bring together different types of stakeholders, including community members, local government, businesses, and other organizations, to collectively address these issues.
3. **What are the community's existing strengths and resources that we can leverage?**
  - a. Reflect on the assets within the community that can support your initiative, such as local leadership, volunteer networks, or successful programs that can be expanded.
4. **How can we ensure the sustainability of place-based initiatives?**
  - a. Consider strategies to ensure that your place-based initiatives have long-term support and impact. How will you secure funding, build local capacity, and engage the community over time?



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### Supporting Nonprofits in Community (Landscape Scan)

## "How to Fund Place-Based Partnerships if we want them to work"

"Healthy, vibrant communities must be supported by a complex, interlocking web of efforts and systems."

"Backbones are structures comprised of a single or multiple organizations that fulfill several core functions and facilitate action and accountability across place-based partnerships. These structures, which serve as the glue for place-based partnerships, face a particular challenge when it comes to making the case for funding their work: they don't provide the traditional "direct service" work often preferred by funders. Instead, they do the critical work of organizing, planning, coordinating resources, and analyzing data to drive community level outcomes."

**Principle two of community-centric fundraising** states that "Individual organizational missions are not as important as the collective community." This principle emphasizes the importance of prioritizing community well-being over individual organizational interests. In practice, this means that community is best served through partnership, not competition.

- We can consider avoiding fundraising and other practices that create a "tragedy of the commons," where our organization benefits, but our output actually negatively affects the entire sector and thus, the collective community.
- We can be thoughtful about which grants we apply to and which donors we take on. We can sometimes decline funding opportunities so that other organizations that do critical work in the community have a better chance if it best serves the community.
- We can check annually to see if our mission is still relevant and responsive to community needs.
- We can adjust or merge or even shut down if our presence negatively affects our community.
- We can invest in staff and board not just so they are effective from within our organization, but so that they are effective in the sector and can build bridges between organizations.



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## Supporting Nonprofits in Community (Landscape Scan)

### Centering Community in Place-Based Initiatives

For place-based initiatives to be successful, it is crucial that **community needs are at the center** of the work. The success of these initiatives relies on the ability to work collaboratively across sectors, understanding and addressing issues that may be interrelated, and investing in long-term solutions rather than short-term fixes.

A place-based initiative cannot succeed if it is just one organization's vision or mission; it needs the collective input and effort of the community as a whole. Through partnerships, shared resources, and collective action, we can work to ensure that the entire community is elevated and that all voices are heard.

### Case Study: Athens Wellbeing Project

Athens Wellbeing Project is an excellent example of how community-centric principles can be effectively put into practice. The project focuses on supporting the overall wellbeing of the Athens community through collaboration and local partnerships. The initiative is rooted in the belief that the collective health and wellbeing of a community cannot be achieved through isolated efforts but rather through a collective approach that prioritizes long-term, sustainable growth.

This project is a model for how community foundations can support place-based initiatives and create systems that work in harmony for the benefit of the community, rather than competing for limited resources.

## Module 6: Disaster Response and Relief Programs — A Critical Component of Reactive Grantmaking

Disaster response and relief programs are key examples of reactive grantmaking, where foundations respond to urgent, unforeseen events. These programs are essential to provide immediate relief and support to affected communities during times of crisis. Whether it's a natural disaster, public health emergency, or economic hardship, disaster relief initiatives ensure that critical resources are directed where they are needed most.



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## Supporting Nonprofits in Community (Landscape Scan)

### Reactive: Disaster Relief and Recovery

#### Case Study: Foundation for Appalachian Kentucky

Region: Central Appalachia

Sector: Community Development, Economic Development

#### Shifting control back into the hands of local leaders

The Foundation for Appalachian Kentucky is consistently shifting control back into the hands of local leaders. Since its founding in 2008, the foundation has pioneered decision-making models that allow communities to establish a shared vision, define priority activities, and guide philanthropic investment into tangible assets and increased capacity.

In recent years, this model has proved to be effective in helping the community respond to natural disasters, particularly the 2022 East Kentucky Flood. The foundation has mobilized communities to raise local funds, rebuild towns, and address the impact of extreme weather by physically moving homes and businesses to safer locations.

The Foundation for Appalachian Kentucky meets communities where they are instead of telling them where they should be and the results of this approach are showing, from revitalized main streets to more confident leaders.



### Module 7: Allocating Resources to Reactive Programs

As part of your overall grantmaking strategy, it's important to determine how much of your grantmaking portfolio should be dedicated to these reactive efforts. By planning ahead and setting clear priorities, you can ensure that your community foundation is prepared to respond swiftly and effectively when disaster strikes.



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### Supporting Nonprofits in Community (Landscape Scan)

#### Self-Reflection:

- How much of our annual grantmaking budget is allocated to reactive efforts, such as disaster relief?
  - Take a close look at your current grantmaking allocations. Is there a clear balance between proactive and reactive grants, or are resources skewed too heavily in one direction? What is the appropriate balance for your community?
- Are we prepared to respond to disasters or emergencies quickly?
  - Consider your foundation's capacity for quick action. Do you have established protocols in place for allocating funds quickly in response to disasters? How can you improve your readiness?
- What criteria should guide our decisions on disaster response funding?
  - Reflect on the types of emergencies your foundation is most likely to face. What criteria will you use to decide when and how to allocate funds for disaster relief? Will you prioritize specific types of disasters or geographic areas?

#### Module 8: The Role of Participatory Grantmaking

When it comes to making grant awards, the process can be enriched by *participatory grantmaking*. This approach actively involves community members, nonprofit leaders, and other stakeholders in the decision-making process. By including a range of voices, foundations can ensure that funding decisions are aligned with community priorities and that grantmaking is more responsive to local needs.

#### What do we mean by participatory grantmaking?

There is no formal definition of participatory grantmaking, but practitioners doing this work agree that it:

- Emphasizes “nothing about us without us.”
- Shifts power about grantmaking decisions by involving—or giving all power to—the people most affected by the issues or problems.
- Empowers and gives agency to people who benefit from funding to determine the priorities of their lives.



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### Supporting Nonprofits in Community (Landscape Scan)

#### **Participatory grantmakers consider the following to be core elements to this practice:**

- Participatory grantmaking is values-based.
- The participatory grantmaking process itself is an important outcome.
- Participatory grantmaking is about more than money.
- Participatory grantmaking involves community in all parts of the grantmaking process, drawing on a wide range of other participatory practices.
- Participatory grantmaking's application and reporting processes are simple and flexible.
- Participatory grantmaking is transparent.
- Participatory grantmaking builds and strengthens larger social movements.

#### **Self-Reflection:**

- How does your foundation currently allocate its grantmaking budget?
  - Reflect on how your organization balances reactive and proactive funding. Does the allocation reflect the community's needs as identified through landscape scans?
- Are there ways to incorporate participatory grantmaking into your grant award process?
  - Consider how you might involve community members or local organizations in the decision-making process. How might participatory methods improve transparency and responsiveness?

By integrating landscape scans into your strategic planning and considering participatory grantmaking, your foundation can ensure that its grantmaking practices are both informed and aligned with the community's true needs.

#### **Conclusion**

In this section, you've seen how community foundations can ground their work in local needs, balance proactive and responsive strategies, and learn from leaders putting these ideas into practice. By exploring participatory approaches, you now have tools to bring more voices into your grantmaking and strengthen your foundation's role as a trusted partner in the community.