Sustainable Grantmaking Benchmark

SCHOTT FOUNDATION FOR PUBLIC EDUCATION

www.schottfoundation.org

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A Calling-in to Philanthropy

We are grateful for your engagement with the Sustainable Grantmaking Benchmark. This is more than a report: it reflects values, a challenge to our philanthropic practice, and a call-in to action for our collective future.

Philanthropy is being tested in this moment. And while the contours of today's crises may feel new, the essence of the challenge is not.

Philanthropy has shown unity in defending freedom of speech and assembly. But funders must—and are—going further. Many of us are looking to fund in sustainable ways that allow organizations not just to survive, but to lead systemic change, especially important for racial justice grantees. This is critical today, as so many grantee nonprofits are not even surviving, laying off staff, spending down reserves, and facing existential threats. The rigidity of traditional grantmaking cannot meet this moment.

The Sustainable Grantmaking Benchmark is designed to promote what sustainable grantmaking is, and the path to arrive there. The Benchmark measures the most basic of a foundation's activities: how it uses its wealth. It assesses whether our grantmaking practices are sustainable by being flexible and responsive—the kind of grantmaking that enables organizations to make systemic changes. It is not intended as a scorecard; rather, it is a learning tool and a starting point for sustainable grantmaking.

We were thrilled to partner with the cohort of philanthropic foundations in our inaugural class. Their transparency and willingness to share their results set a powerful example for the field, a good model for the future of sharing information and collectively moving philanthropy forward.

We invite you to reflect on your own grantmaking practices through the lens of this Benchmark. Engaging in this process is a meaningful step toward aligning our philanthropic commitments with the needs of this moment—and with the future we seek to fund.

Justice is not inevitable. It is intentional.

And together, we must fund it.

Dr. John H. Jackson
President & CEO
Schott Foundation for Public Education

About the Benchmark

Challenging Philanthropy to Meet the Moment and Fund the Future

While many funders espouse values of equity and justice, sustainable and equitable funding practices have traditionally been exceptions, not the norm.

The Schott Foundation's goal with the philanthropic Sustainable Grantmaking Benchmark (the Benchmark) is to help funders move from good intentions to transformative actions—by offering a clear, achievable benchmark rooted in multiyear, unrestricted, and innovative giving practices. The Benchmark is a tool that highlights how funders provide durable support to nonprofits by identifying and capturing the practices that enable organizations to thrive and deliver on their missions.

Foundations & Donors:

- Signals which behaviors matter most for grantee sustainability.
- Offers clear guidance on how to strengthen portfolios through multiyear, unrestricted, and endowment-based giving.
- Enables funders to benchmark their own progress and see pathways for improvement.

Nonprofit Recipients:

- Encourages transparency and accountability in funding relationships.
- Elevates practices that give grantees more agency, flexibility, and power.
- Pushes funders to adopt practices that sustain—not just support—movements.

Philanthropic Field:

- Normalizes new behaviors that are currently unusual, even among equity-focused funders.
- Helps document and validate the funders who are doing this well.
- Promotes learning across different funder types-private, family, PSO, conversion, or pass-through.

Why a Benchmark for Philanthropy?

The Benchmark is designed to reimagine how philanthropy can sustain movements for equity and justice. Through document review, in-depth interviews with foundation leaders, and validation of public information, the Schott Foundation team, including consulting partner PTKO, assessed how funders advance practices that make long-term, sustainable support possible. Each participating funder reviewed and agreed to share its results publicly.

Sustainable grantmaking creates the stability, flexibility, and capacity nonprofits need to thrive—and ensures that racial justice leaders and organizations can drive systemic change with confidence.

> "[The Benchmark] provokes us to ask: Who gets to operate in perpetuity? Who gets to last? It's about expanding the freedom that comes with financial independence - the ability for organizations to set their own agendas, act independently, and chart their own paths."

Richard Tate
The California Wellness Foundation

How to Use the Benchmark

This Benchmark is more than a scorecard—it's a **strategic tool** for internal reflection and external communication. Here are a few ways that benchmark participants and other funders can use the Benchmark and its contents:

Internal Learning

Identify where your organization is leading and where there is opportunity to deepen commitment to sustainable grantmaking.

Board & Staff Education

Use the categories and scoring framework to spark conversations with your team about long-term philanthropic impact.

Public Accountability

Share your score to signal your foundation's commitment to transparency and integrating sustainable grantmaking as a philanthropic practice.

Peer Collaboration

Engage with other benchmarked organizations to learn from their approaches, especially those highlighted in the Participant Spotlights.

Benchmark categories

The Benchmark assesses funders across **three categories**. Each category includes several practices that funders may conduct to build stronger, more durable nonprofit support and partnerships. See the Methodology for more information on the categories and practices.

CATEGORY #1

Increasing Duration of Support

35 points

Demonstrated commitment to long-term, stable relationships through behaviors such as multiyear funding or repeated funds that allow grantees to plan, grow, and adapt over time.

Why it matters: Long-term funding provides stability and predictability that enables nonprofits to plan, invest in staff and infrastructure, and strengthen strategic partnerships. It reduces the administrative burden that comes with managing yearly funds and allows organizations—particularly those advancing racial justice—to focus energy on building durable movements and driving transformational change.

CATEGORY #2

Providing Flexible, Unrestricted Grants

35 points

Funding practices that center trust, flexibility, and responsiveness to grantees' needs and priorities.[1]

Why it matters: Unrestricted support gives grantees the flexibility to allocate resources to urgent needs, pursue innovation, and build reserves for long-term sustainability. These practices shift power to those closest to the work and acknowledge that nonprofit leaders are best positioned to determine how funds should be used. Flexible, trust-based funding also helps reduce inequities faced by BIPOC-led organizations, which too often receive smaller, more restricted grants.

CATEGORY #3

Expanding the Funding Toolkit

30 points

Willingness to use a range of financial strategies that strengthen organizations and promote lasting impact.

Why it matters: No single type of funding is sufficient to meet nonprofits' needs. Expanding the philanthropic toolkit allows funders to strengthen resilience by supporting endowments that provide ongoing revenue, funding advocacy through 501(c)(4)s and other entities, and using PRIs or other forms of impact investing. These approaches help organizations build long-term financial health, adapt to a shifting political environment, and sustain their impact beyond traditional grant cycles.

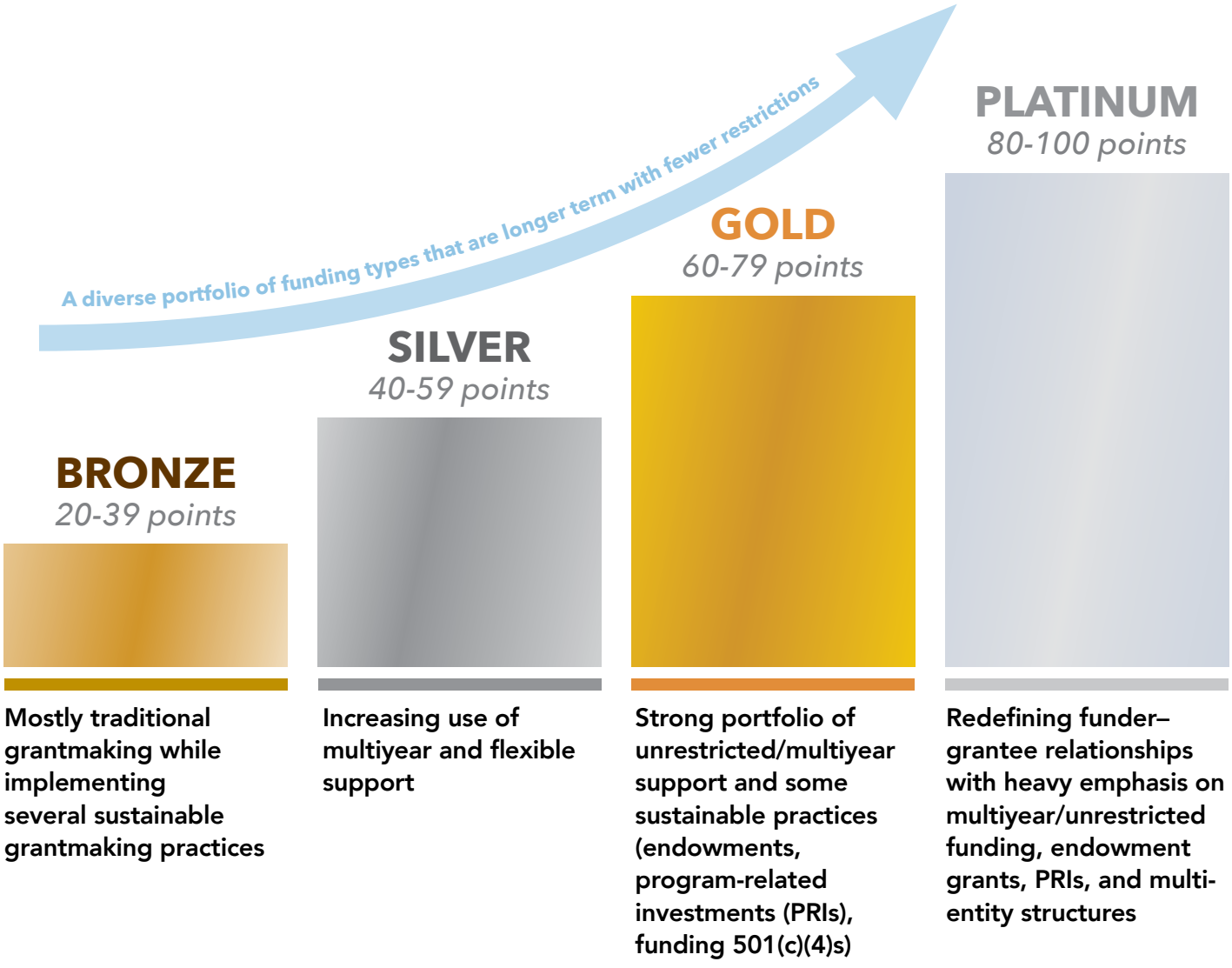
1. Grantmakers for Effective Organizations (GEO) - "Centering Equity Through Flexible Reliable Funding" (In this report, GEO asserts that flexible, reliable funding strengthens nonprofit effectiveness and resilience).

> "I really like the idea of a certification, a credentialing and a tool a philanthropy can use as an audit to accomplish its objectives."

Nick Tedesco
National Center for Family Philanthropy

Sustainable Grantmaking Tiers

The Schott Foundation team conducted interviews with a variety of giving organizations and recognized participants with designations based on their adoption and depth of these practices. Earning a score in the Benchmark reflects meaningful adoption of these sustainable practices, and every participating organization's results represent an important achievement. Designations begin at 20 points and above, signaling that a funder has incorporated a baseline set of multiyear, flexible, or innovative practices into its grantmaking.



2025 Key Themes and Findings

The Benchmark reveals patterns in how funders advance sustainable practices. These insights celebrate the progress already made, while highlighting opportunities for the field to continue learning and leading together. Scores also reflect that some funders must operate within bylaws, statutory limits, or governance rules that shape their practices. Recognizing these structural realities helps us see opportunities for system-level change alongside organizational innovation.

These themes are grounded in the original research and interviews that informed the design of the Benchmark and further shaped by the experiences and practices of the inaugural participants. The findings highlight both what we learned in theory, and how funders are putting durable practices into action across portfolios today—and where their collective leadership is pointing the field next.

> "Endowments can address the issue of moving the wealth (and thus power) into the hands of organizations doing the work."

Susan Taylor Batten
ABFE

1. Multiyear funding is becoming the norm, with room to extend even further[2]

Most participants include 2- and 3-year grants in their portfolios. Some have shifted nearly all grantees to terms of 2 years or more while others sustain partnerships that extend for decades.

While fewer funders consistently award 5-year+ grants or embed COLA adjustments, these practices exist and represent exciting areas for growth in **Increasing Duration of Support**. Structural considerations like bylaws sometimes limit what is possible, but the field is steadily moving toward deeper commitments.

2. Unrestricted grants are expanding, with growing alignment to sustainable grantmaking practices[3]

Several funders dedicate much of their portfolios to general operating support. A few are pioneering further by eliminating reporting requirements or coupling unrestricted support with generous indirect cost rates. For others, legal or structural requirements may shape how and whether unrestricted funding is provided. This reflects strong momentum in **Providing Flexible, Unrestricted Grants**, with inspiring practices upon which peers can adapt and build.

2. PRE - "Grantmaking with a Racial Justice Lens" (In this report, PRE recommends multiyear funding as a key way to ease the burden on grantees and support stability.)
3. GEO - "Centering Equity Through Flexible Reliable Funding" (In this report, GEO asserts that flexible, reliable funding strengthens nonprofit effectiveness and resilience.)

> "We've known for years that right-leaning foundations use 10-, 20-, and even 30-year grants to fuel their causes with sustained resources. We're seeing the success of those commitments play out on a national stage today. This benchmark calls on the progressive philanthropic community to adopt similar strategies. We must raise the bar up to, and beyond, the benchmark standards."

Patti DeBow
PTKO

3. Flexible disbursement practices are emerging as a powerful tool[4]

Some benchmark participants disburse most of their funds up front or explicitly allow their grantees to roll over unspent funds—reducing cash flow volatility and freeing up capacity. Other funders are testing similar approaches. In some contexts, fiscal-year or governance rules limit flexibility, but these examples show how creative disbursement practices can strengthen resilience, pointing to a promising direction for the sector.

4. Funders are expanding their toolkit, opening new possibilities for impact[5]

Gold-designated funders lead the way in using diverse tools, from PRIs to support for 501(c)(4)s, and in some cases, endowment funding. These practices remain less common, often shaped by board comfort or grantee readiness, but early adopters show how such tools can be integrated thoughtfully. The evolution of **Expanding the Funding Toolkit** demonstrates the sector's willingness to innovate and signals exciting opportunities for broader adoption.

5. Trust-based practices are redefining funder–grantee relationships[6]

Beyond financial tools, participants strengthen partner relationships by simplifying applications, eliminating reporting requirements, and engaging grantees in strategy-setting. Some funders emphasize and value conversations with grantees rather than relying solely on formal reports. Others have streamlined their applications process based on grantee feedback or involved grantees in their planning activities. These practices reduce burdens and shift power, embodying the spirit of sustainable grantmaking. While some institutions must maintain certain accountability processes, the trend is clearly toward more trusting, partner-centered relationships.

4. Ibid.
5. Bridgespan - "Endowment Funding as a Grantmaking Tool" (Bridgespan advocates for endowment funding as a critical tool for addressing racial inequities and transferring power to secure a nonprofit's financial future.)
6. Edward W. Hazen Foundation - "Reevaluating Practice: Reimagining Philanthropy"

2025 Benchmark Participant Designations

The Schott Foundation team invited a diverse group of philanthropic organizations to participate in the Benchmark. Seven funders participated in the inaugural 2025 Benchmark, representing national, local, conversion, family, and collaborative funders. Their willingness to share results demonstrates a collective commitment to transparency and sector learning.

These participants operate within different structures and bylaws that shape the specific practices they can adopt. Each represents a strong example of durable grantmaking in action, regardless of designation, and demonstrates meaningful leadership within their contexts. The following funders participated in the 2025 Benchmark.

Funder	Funder Type	Designation
The California Endowment	Conversion Foundation	Gold
The California Wellness Foundation	Conversion Foundation	Gold
Communities for Just Schools Fund	Pass-through / Donor Collaborative	Bronze
The Grove Foundation	Family Foundation	Gold
Robert Wood Johnson Foundation	Private Foundation - National	Gold
Schott Foundation	Pass-through / Donor Collaborative	Bronze
Woods Fund Chicago	Private Foundation - Local	Silver

NOTE: Designations reflect each organization's practice adoption and depth as of ***October 2025****.*

2025 Participant Spotlights

The 2025 Benchmark included a diverse group of foundations, conversion funds, family philanthropies, and donor collaboratives. Each participant agreed to share its results publicly, underscoring a collective commitment to transparency and sector learning.

While the Benchmark designations offer a comparative snapshot, the real value of these profiles lies in the details. Each summary highlights the funder's strengths, emerging practices, and opportunities for growth, providing peers with practical examples and inspiration. Together, these accounts illustrate the varied pathways funders are taking to strengthen nonprofit resilience and advance long-term, equitable change.

The California Endowment

The California Endowment's **Gold** designation reflects its deep and ongoing commitment to sustainable grantmaking. The foundation's portfolio is built on renewal and relationship: most grantees receive multi-year funding and are supported repeatedly over time. The majority of grants are unrestricted, enabling organizations to direct resources flexibly and sustainably.

The California Endowment also stands out for its use of program-related investments and 501(c)(4) funding, demonstrating a comprehensive approach to advancing systems change. The foundation has also expressed interest in expanding its formal grantmaking practices as a standard part of its portfolio in the future.

Together, these strategies position The California Endowment as a model of sustainable, equity-centered philanthropy—balancing flexibility, long-term commitment, and financial innovation to help communities thrive.

The California Wellness Foundation

The California Wellness Foundation's **Gold** designation reflects its strong commitment to long-term, sustainable grantmaking. This resolve shows up in multiyear, general operating support, and a willingness to use every tool available to help nonprofits thrive. The foundation builds enduring partnerships, with most grants going to returning organizations and often extending beyond six years of continued support. This long-term approach gives partners the stability to plan and adapt with confidence, placing Cal Wellness among sector leaders in building durable support.

Cal Wellness also stands out for making more than 70% of its 2024 grants unrestricted and paid up front. This approach gives nonprofits the freedom to innovate and respond as needs change. In addition, Cal Wellness has supported organizations through 501(c)(4) funding for charitable work and integrates Program-Related and Mission-Related Investments to put more resources into the hands of organizations advancing health and equity. By combining grants with flexible financing and 100% mission-aligned investing, the foundation helps partners grow stronger, innovate, and sustain their work.

Communities for Just Schools Fund (CJSF)

The Communities for Just Schools Fund's **Bronze** designation reflects its deep commitment to sustaining long-term partnerships and providing flexible, trust-based support to grantees. While most grants last up to two years, largely due to the length of grants from investing donors, nearly all partners are re-grantees who receive multiyear grants. CJSF values the importance of long-term funding, which reinforces continuity and stability in funding relationships.

CJSF prioritizes flexibility in its grantmaking, with most of its portfolio dedicated to unrestricted, general operating support. This approach allows grantees to deploy resources where they are most urgently needed and to remain responsive to shifting contexts. While the fund has not yet incorporated practices like upfront disbursements, its strong use of unrestricted support illustrates a clear commitment to sustainable grantmaking.

The CJSF team continues to demonstrate an openness to expanding its philanthropic toolkit by exploring strategies such as endowment funding and program-related investments (PRIs), reflecting both grantee interest and a willingness to adapt its practices.

The Grove Foundation

The Grove Foundation's **Gold** rating in the inaugural Sustainable Grantmaking Benchmark reflects its leadership in practices that promote durable, transformative support for grantees. The foundation regularly provides multiyear grants—most lasting two to three years—to returning grantees, ensuring continuity and stability in funding relationships. More than 60% of its grants are general operating support, paired with flexible disbursement terms that allow organizations to access and deploy resources when most needed.

Grove also demonstrates a willingness to expand its philanthropic toolkit, making program-related investments, supporting 501(c)(4) organizations through its affiliated Grove Action Fund, and engaging grantees in conversations about endowment funding. Together, these practices illustrate Grove's commitment to sustainable grantmaking and long-term partnership with the communities it serves.

Robert Wood Johnson Foundation

The Robert Wood Johnson Foundation's (RWJF) **Gold** designation reflects its exceptional commitment to long-term, sustainable support for grantees. Over 70% of RWJF's grants are awarded to returning partners, with many relationships spanning decades. Nearly 90% of its portfolio is multiyear, averaging 2.5 years in length, with grants that extend five years or more. Multiyear awards often incorporate cost-of-living adjustments and flexible timing of spend, giving partners predictability and stability to plan, grow, and adapt with confidence.

RWJF also integrates flexible funding approaches into its grantmaking. Nearly 19% of grants are awarded as multiyear, unrestricted support, complemented by a 30% indirect cost policy on restricted awards and options for flexible disbursement of unrestricted funds. The foundation further demonstrates leadership in expanding the philanthropic toolkit, with established practices for awarding endowment grants and a robust program-related investment (PRI) portfolio supported by its impact investing team. These strategies illustrate RWJF's commitment to strengthening nonprofit resilience through diverse and innovative funding tools, positioning the foundation as a leader in sustainable philanthropy.

Schott Foundation for Public Education

The Schott Foundation's **Bronze** designation in the Sustainable Grantmaking Benchmark reflects a strong commitment to providing meaningful long-term support to their grantee partners, while also identifying opportunities for continued growth. The Schott Foundation's funding practices demonstrate a deep emphasis on flexibility and trust, particularly through the significant use of unrestricted funding and up-front disbursements as well as renewing grantmaking for periods as long as twenty years. This practice positions the Schott Foundation as a valuable partner to the organizations it supports, helping them remain resilient and responsive to their communities.

The Schott Foundation is actively exploring new pathways for expanding the length and type of support it provides, including raising funds for its Racial Justice in Education Endowment (RJEE) Fund for endowment grants. While program-related investments and 501(c)(4) support are not yet part of its funding portfolio, the Schott Foundation remains attentive to opportunities to expand its impact in this space. Together, these practices highlight their leadership in providing flexible, trust-based support, while also laying the groundwork for more durable forms of philanthropy in the future.

Woods Fund of Chicago

Woods Fund Chicago's **Silver** designation reflects its strong commitment to long-term relationships with grantees. Nearly 80% of awards go to returning partners, with more than 90% of grants spanning two years or longer. In 2024, Woods Fund launched three-year awards supported by a board-approved three-year budget, providing greater stability for grantees. Woods Fund Chicago's leadership is actively exploring five-year grants and cost-of-living adjustments.

Woods Fund is distinguished by its unrestricted approach: all grants are awarded as gifts without restrictive agreements, giving grantees broad autonomy in how funds are spent and enabling flexible disbursement. This rare level of trust-centered practice sets the Fund apart in the field.

Woods Fund has engaged new investment advisors to explore catalytic investments and alternative models. These steps reflect an openness to expanding the Fund's toolkit to further strengthen nonprofit resilience and advocacy capacity.

Advisory Group Role and Members

The Schott Foundation team established and convened an Advisory Group for the Benchmark; this group serves to strengthen the credibility, design, and sector impact of the Benchmark.

Advisory Group members are strategic thought partners—offering input on the framework and scoring, identifying opportunities to refine and evolve the Benchmark over time, and helping to recruit future participants.

Just as importantly, the Advisory Group plays a field-facing role by promoting the Benchmark through their networks, advancing sector-wide adoption, and contributing thought leadership that ensures the benchmark reflects the values and needs of the philanthropic community.

Advisory Group members comprise members of philanthropy-serving organizations (PSOs), which helps avoid potential conflicts of interest and helps maintain objectivity and fairness in how funders' practices and performance are considered.

Organizations comprising the Advisory Group include:

Asian Americans/Pacific Islanders in Philanthropy

Association of Black Foundation Executives

The Bridgespan Group

Grantmakers for Education

Grantmakers for Effective Organizations

Hispanics in Philanthropy

National Committee for Responsive Philanthropy

National Center for Family Philanthropy

Native Americans in Philanthropy

United Philanthropy Forum

Recommendations and Next Steps

What You Can Do Next:

1 Extend the Duration of Support

Multiyear funding is becoming the norm, but most grants still cap at 2–3 years. Few funders consistently offer 5-year+ commitments or embed cost-of-living adjustments (COLA).

Recommendation: Commit to five-year or longer grants, embed COLA increases, and remove restrictions on timing of spend.

2 Normalize Unrestricted Funding

Unrestricted grants are expanding but reporting burdens and rigid disbursement schedules persist.

Recommendation: Make general operating support the default, pair it with up-front or flexible disbursement, and eliminate unnecessary reporting.

3 Expand the Philanthropic Toolkit

Gold-tier funders are pioneering endowment grants, PRIs, and 501(c)(4) support—but these practices remain rare.

Recommendation: Incorporate endowment funding, use PRIs and mission-aligned investing, and support 501(c)(4) organizations for advocacy and systemic change.

4 Advance Responsive Practices

Simplified applications and grantee engagement are redefining funder–grantee relationships.

Recommendation: Streamline processes, engage grantees in strategy-setting, and shift from compliance-driven oversight to trust-centered partnership.

5 Center Equity and Structural Change

Governance rules often limit flexibility—but funders can influence systemic reform.

Recommendation: Advocate for board-level changes and normalize sustainable practices across the sector.

Join Us and Build a Movement for Sustainable Grantmaking

Sustainable grantmaking is not just aspirational; it is achievable and already taking root across the philanthropic landscape. From multiyear commitments to unrestricted funding and innovative financial tools, funders are proving that these practices are possible and transformative. They equip nonprofits with the stability and flexibility to lead systemic change, especially important for racial justice grantees.

By normalizing these practices, philanthropy moves beyond short-term transactions toward long-term partnerships that strengthen movements for justice.

Take Action Today

Engaging with the Benchmark signals your commitment to learning, transparency, and equity-driven practice. It positions your organization as part of a growing movement that is reshaping norms and setting new standards for impact. Every funder that adopts these practices accelerates the momentum toward a sector where the transformative practice of sustainability becomes the standard for our sector.

Click below to get started:

What's Next for the Benchmark

The Schott Foundation team is aiming for biennial releases of the Benchmark, adding new funders and expanding its impact. Future developments may include:

- **A digital tool to explore "Pathways to Platinum"**
- **Responsive measurement for different philanthropic entities**
- **Consideration of racial justice impact and other elements into the benchmark**
- **Narrative spotlights highlighting BIPOC-led organizations**
- **Expanded focus on grant size, capacity-building, and impact investing**

Justice is Not Inevitable: It is Intentional

The moment is urgent. The future will be defined by what we choose to do next.

The question is not whether philanthropy can change. It is whether we will act with urgency and courage to make sustainable grantmaking the new standard.

Join us in building a future where every grant strengthens movements for equity and justice.

Acknowledgments

The Sustainable Grantmaking Benchmark was made possible through the leadership of the Schott Foundation for Public Education, in partnership with PTKO, the Advisory Group, and the 2025 participant funders. We are grateful to the many community partners, interviewees, and reviewers who helped shape this work.

- Project leads: Schott Foundation
- Partners: PTKO
- All 2025 cohort funders
- Advisory Group members
- Research contributors

Special thanks to interviewees, community partners, and reviewers.

About the Schott Foundation

As one of the few national, BIPOC-led philanthropic intermediaries, the Schott Foundation pools philanthropic investments to support BIPOC-led national and community-based leaders and organizations that build campaigns to achieve system change. For over thirty years, the Schott Foundation has activated innovative grantmaking strategies, narrative promotion campaigns, and philanthropic organizing to build community power and support multiracial democracy.

About PTKO

PTKO led the research, data collection, qualitative and quantitative analysis, and content development for the Benchmark and its inaugural release. PTKO collaborated with the Schott Foundation to define and design the framework and scoring rubric for this Benchmark. PTKO is a consulting firm that helps mission-driven organizations leverage strategy, technology and data to achieve their goals. Their team included Devyn Beswick, Patti DeBow, and Mimi Yeh.

Methodology

The Sustainable Grantmaking Benchmark was developed to help funders align their day-to-day grantmaking with long-term, community-rooted impact. Its methodology combines rigorous research with real-world insights from philanthropic leaders to ensure that the resulting framework is both credible and practical.

Method

The Schott Foundation team grounded the Benchmark in a mix of qualitative and quantitative research to reflect the realities of contemporary grantmaking. Development included:

- **Extensive desk research** — A review of more than 25 reports and articles from organizations such as CEP, SSIR, GEO, Bridgespan, and PRE informed a philanthropic landscape analysis of funding strategies, challenges, and emerging practices.
- **In-depth interviews** — Conversations with executives and senior program staff from national, regional, family, donor collaborative, and conversion foundations, as well as philanthropy-serving organizations (PSOs), provided diverse perspectives on durable funding practices.
- **Public validation** — Information from participating foundations' websites and other public sources was reviewed to validate responses and ensure consistency.
- **Data collection** — Inputs were synthesized into the **three Benchmark categories** and associated practices: *Increasing Duration of Support, Providing Flexible, Unrestricted Grants, and Expanding the Funding Toolkit*. Each funder's benchmark was based on a 30–45 minute interview with senior leaders, supported by document review and cross-validation where possible.

All participants in this inaugural edition reviewed their results and agreed to share their designations publicly, modeling transparency and accountability.

Rationale

The Schott Foundation team's research identified several consistent trends shaping the Benchmark's design:

- Funders are increasingly embracing multiyear support as part of trust-based philanthropy, with two- to three-year grants becoming common practice and growing interest in longer commitments of five years or more.
- Many see long-term relationships and repeat funding as central to building durable movements, while also recognizing internal or board-level constraints that can limit duration or flexibility.
- External events, such as the COVID-19 pandemic and the racial justice uprisings following George Floyd's murder, prompted philanthropy to think differently about sustainability—pushing more funders to experiment with unrestricted, flexible, and multiyear funding.[7]
- "Portfolio approach" thinking has also emerged, encouraging funders to diversify strategies and tools for greater impact.

These insights shaped the Benchmark's structure and scoring approach, ensuring that it reflects both current practices and the sector's evolving aspirations for equitable, long-term support.

7. GEO - "Centering Equity Through Flexible Reliable Funding," PRE - "Grantmaking with a Racial Justice Lens," Bridgespan - "Funding Racial Equity to Win"

Measured Practices

See a further elaboration of measured practices in the Appendix.

Category 1: Increasing Duration of Support[8] (35 Points Total)

PRACTICES	POINTS
Most grantees each year are re-grantees	5
Portfolio regularly includes multiyear grants of 2+ years	5
Portfolio regularly includes multiyear grants of 3+ years	5
Portfolio regularly includes multiyear grants of 5+ years	10
Multiyear grants regularly include annual COLA increases	5
Multiyear grants regularly have no restrictions on timing of spend	5

Category 2: Providing Flexible, Unrestricted Grants[9] (35 Points Total)

PRACTICES	POINTS
Indirect cost rates on restricted grants are 20%+	5
Unrestricted grants are a regular part of funder's portfolio	10
Most grants are unrestricted	15
Terms of unrestricted grants allow for up-front or flexible disbursements	5

Category 3: Expanding the Funding Toolkit[10] (30 Points Total)

PRACTICES	POINTS
Portfolio regularly includes endowment grants	5
Portfolio regularly includes PRIs (loans, investments, bonds, etc.)	5
Portfolio regularly includes 501(c)(4) grantees	5

Constraints

The Schott Foundation team recognizes that real world constraints, such as founding bylaws, fiscal agents, legal structures, and other institutional barriers, may limit how and when funders can implement various giving practices. This Benchmark not only uplifts promising practices but also acknowledges the structural conditions that shape what is possible.

8. Grantmakers for Effective Organizations (GEO), Philanthropic Initiative for Racial Equity (PRE), and the Edward W. Hazen Foundation emphasize that multi-year grants provide predictable and stable support and are essential to equitable funding practices, highlighting how short-term grants undermine long-term change. Candid and Justice Funders have called for long-term, unrestricted, substantial funding for grassroots groups noting the need for predictable long-term funding streams. The Edward W. Hazen Foundation's rationale for including COLA increases in multi-year grants considers long-term funding, without adjusting grant levels, as gradually reducing the grant's value, capacity, and impact over time. For more detailed information refer to the sources in the appendix.
9. Grantmakers for Effective Organizations (GEO), and the Center for Effective Philanthropy (CEP) reinforce flexible and unrestricted funding as the ultimate capacity-building approach, providing the ability to strengthen organizations and support their evolving needs. Capitalize Good calls for community-centered listening, and reduced administrative burden, and the Chronicle of Philanthropy (CoP) emphasizes this idea with a call for donors to provide unrestricted multi-year grants that grant BIPOC leaders autonomy in programmatic and infrastructural decision-making. For more detailed information refer to the sources in the appendix.
10. Bridgespan frames endowments as structural-change mechanisms and expressions of partner-centered philanthropy, and describes endowments as an additional tool that complements other grant types. Capitalize Good recommends the use of subsidized debt, such as Program-Related Investments (PRIs), as intentional components of the grantmaking framework. Philanthropic Initiative for Racial Equity (PRE) highlights the shift in investment strategy to support multi-entity legal structures, such as C4 organizations and LLCs. For more detailed information refer to the sources in the appendix.

Appendix

Benchmark Practices

The Benchmark evaluates funders on a set of practices within 3 categories. Each practice has a clear definition and a point value, reflecting its contribution to durable, trust-based, and equitable grantmaking.

Category 1: Increasing Duration of Support (35 Points Total)

- **Most grantees each year are re-grantees (5 points):** 50% or more of the grantees receiving new grants over the past two years have previously received grants or other funding from this funder.
- **Portfolio regularly includes multiyear grants of 2+ years (5 points), 3+ years (5 points), and/or 5+ years (10 points):** Funder provides grants of at least 2, 3, and/or 5 years (meaning 24/36/60 months) on a regular basis. To meet this threshold, they must meet **two** of the below criteria:
    - Providing at least 1 of this type of grant each year for the past 2 years
    - Offering these grants on a planned, pre-defined cadence
    - Allowing program officers to use the type of grantmaking without any special approvals from leadership or the board
    - Grantees know this type of grant is available to them based on funder's website, policy documentation, or application materials
- **Multiyear grants regularly include annual COLA increases (5 points):** For at least some multi-year grants awarded each year for the past two years, either:
    - The annual amount awarded increases each year to account for expected cost-of-living adjustments or other increased expenses - **OR** -
    - Detailed budgets include cost-of-living increases for salaries
- **Multiyear grants regularly have no restrictions on timing of spend (5 points):** For at least some multiyear grants awarded each year for the past two years, there is no requirement to spend the funds during the grant period, nor restriction on the timing of when funds can be spent (e.g. grantee can hold the funds in reserves or investments beyond the defined grant period)

Category 2: Providing Flexible, Unrestricted Grants (35 Points Total)

- **Indirect cost rates on restricted grants are 20+% (5 points):** For restricted, program-specific grants awarded over the past 2 years, either:
    - Most (Over 50%, by number of grants or grant dollars awarded) have an overhead or indirect rate that is more than 20% of the program cost awarded - **OR** -

    - The average indirect/overhead rate for all grants is over 20%
- **Unrestricted grants are a regular part of funder's portfolio (10 points):** Funder provides unrestricted or general operating support grants on a regular basis. To meet this threshold they must meet **two** of the below criteria:
    - Providing at least 1 of this type of grant each year for the past 2 years
    - Offering these grants on a planned, pre-defined cadence
    - Allowing program officers to use the type of grantmaking without any special approvals from leadership or the board
    - Grantees know this type of grant is available to them based on funder's website, policy documentation, or application materials
- **Most grants are unrestricted (15 points):** Over 50% of grants for the past 2 years, by number of grants or grant dollars awarded, are unrestricted or general operating support grants.
- **Terms of unrestricted grants allow for up-front or flexible disbursements (5 points):** Funder's current practices for unrestricted grants meet at least **one** of the following criteria for most (50% or more) of their grants, either by number of grants or grant dollars awarded:
    - All funds are disbursed at the beginning of the grant period
    - Funds are disbursed according to a schedule, but up front or in advance (and not based on reimbursable expenses)
    - Terms allow for grantee to request adjustments to disbursement schedule

Category 3: Expanding the Funding Toolkit (30 Points Total)

- **Portfolio regularly includes endowment grants (10 points):** Funder provides grants directed towards funding endowments on a regular basis. To meet this threshold, they must meet **two** of the below criteria:
    - Providing at least 1 of this type of grant each year for the past 2 years
    - Offering these grants on a planned, pre-defined cadence
    - Allowing program officers to use the type of grantmaking without any special approvals from leadership or the board
    - Grantees know this type of grant is available to them based on funder's website, policy documentation, or application materials
- **Portfolio regularly includes PRIs (loans, investments, bonds, etc) (10 points):** Funder provides Program-Related Investments (PRIs) on a regular basis. To meet this threshold, they must meet **two** of the below criteria:
    - Providing at least one of this type of investment each year for the past 2 years
    - Offering these investments on a planned, pre-defined cadence

    - Allowing program officers to use the type of funding without any special approvals from leadership or the board
    - Grantees know this type of funding is available to them based on funder's website, policy documentation, or application materials
- **Portfolio regularly includes 501(c)(4) grantees (10 points):** Funder provides grants to 501(c)(4) organizations on a regular basis. To meet this threshold, they must meet **two** of the below criteria:
    - Providing at least 1 of this type of grant each year for the past 2 years
    - Offering these grants on a planned, pre-defined cadence
    - Allowing program officers to use the type of grantmaking without any special approvals from leadership or the board
    - Grantees know this type of grant is available to them based on funder's website, policy documentation, or application materials

Leader Interviews

This Benchmark was shaped by conversations with philanthropy-serving organizations, funders, and sector leaders. These interviews provided practical perspectives on what durable practices look like in action and helped ensure the benchmark reflects the realities and opportunities facing today's philanthropic field. The Schott Foundation team is very appreciative of these leaders for their time and the insights they shared:

- Marcus Walton, President & CEO, GEO
- Brittany Hall, Sr Director of Equitable Access, Candid
- Susan Taylor Batten, President, ABFE
- Elisha Smith Arrillaga, Vice President, Research, CEP
- Ron Goines, Director of Resource Development, Movement for Black Lives
- Rachel Kimber & Blanch Vance, Full Circle Impact
- Secky Fascione, Director of Investment Strategy, Democracy Alliance
- Nicole Rodriguez Leach, Executive Director, Grantmakers for Education
- Deborah Aubert Thomas, President & CEO, United Philanthropy Forum

Bibliography

The Benchmark was informed by an extensive review of research and thought leadership on durable, equitable, and trust-based philanthropy. The following bibliography includes articles, reports, and frameworks that offer critical insights into both the design of the Benchmark and the practices it measures.

Bridgespan | Equitable Philanthropy Case Study: The 1954 Project Approach

Bridgespan | Endowment Funding as a Grantmaking Tool

Bridgespan | Endowment Funding as a Grantmaking Tool: The Robert Wood Johnson Foundation Approach

Bridgespan | Moving from Intention to Impact: Funding Racial Equity to Win

Center for Effective Philanthropy | A Wave Forming? Funders Taking Action in Response to a Challenging Context

Center for Effective Philanthropy | Breaking the Mold: The Transformative Effect of MacKenzie Scott's Big Gifts

Center for Effective Philanthropy | Endowments are Great — But Sustainability and Autonomy are the Greater Good

Center for Effective Philanthropy | Funding Nonprofit Endowments: Foundation Perspectives and Practices

Center for Effective Philanthropy | Let's Build Assets for Racial Equity

Candid | Building trust-based capital through nonprofit endowments

Capitalize Good | Blueprint for Enterprise Capital: A Strategy for Aligning Capital and Capacity to Magnify Nonprofit Impact

The Chronicle of Philanthropy | How MacKenzie Scott's Gifts to Leaders of Color Fuel Transformation

Grantmakers for Effective Organizations | Centering Equity through Flexible, Reliable Funding

Edward W. Hazen Foundation | Reevaluating Practice: Reimagining Philanthropy

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Justice Funders | Resonance: A Just Transition Guide for Philanthropic Transformation

National Committee for Responsive Philanthropy | Moving a Public Policy Agenda: The Strategic Philanthropy of Conservative Foundations

Philanthropic Initiative for Racial Equity | Grantmaking with a Racial Justice Lens

Philanthropic Initiative for Racial Equity | Mismatched: Philanthropy's Response to the Call for Racial Justice

Stanford Social Innovation Review | Endow Black-Led Nonprofits

Stanford Social Innovation Review | Evolving Trust-Based Philanthropy for Racial Justice

Stanford Social Innovation Review | The Future of Equitable Philanthropy

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