

COMMUNITY GRANTMAKING COMMITTEES:  
PRAVALENCE, CONCEPTUALIZATION, AND FUNDING DECISIONS

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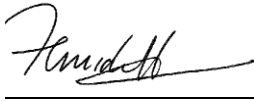
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<sup>1</sup> No books were read in the making of this book club.

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## ABSTRACT

### Community Grantmaking Committees:

#### Prevalence, Conceptualization, and Funding Decisions

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Over the past 50 years, there has been increasing pressure to return human service funding responsibilities to state and local communities. Simultaneously, both philanthropic and government funders have sought to adopt more participatory, community-focused approaches to human service decision-making. However, little is known about (1) the extent to which locally based human service funders engage community in funding decisions; (2) how these community grantmaking committees (CGCs) are conceptualized and operate; and (3) whether they can deliver on the promise of a “front-row take” on community problems and the organizations best suited to address them. This three-paper mixed-methods dissertation aims to address these gaps in both academic and practitioner literature.

Using both funder website research (n=2,029) and a survey (n=462), Paper 1 investigates the nationwide use of CGCs, finding that such committee use is prevalent nationwide, although committee members are largely white, professional, older, and lacking human service expertise. Paper 2 uses qualitative methods to examine the experiences of community grantmakers (n=20) and grantmaking staff (n=5) among six Washington State human service funders. Findings suggest challenges with achieving the goals of more participatory grantmaking, stemming mainly from committee member motivations to

serve as grantmakers and sensitivity to staff involvement. Finally, Paper 3 analyzes the grant applications (n=291) and funding awards of a single municipal-level funder using a CGC. Contrary to hypotheses grounded in the purported merits of more participatory grantmaking systems, community needs and program capacity were inconsistent predictors of grant receipt.

Taken together, these papers provide insight into the use, composition, practices, and funding outcomes of CGCs. Beyond just contributing to the limited scholarly literature on participatory grantmaking within human services, this dissertation also has practical implications for funders currently using or exploring use more community-based granting processes. These include recommendations for making funding approaches more transparent and accessible to community members, considerations for organizational policies that influence CGC member engagement, and adjustments to the funding deliberations process.

## TABLE OF CONTENTS

ACKNOWLEDGMENTS .....	ii
ABSTRACT .....	iv
LIST OF TABLES .....	vii
LIST OF ILLUSTRATIONS .....	viii
CHAPTER 1: INTRODUCTION .....	1
CHAPTER 2: PAPER 1.....	7
CHAPTER 3: PAPER 2.....	39
CHAPTER 4: PAPER 3.....	71
CONCLUSION .....	105
APPENDIX A: MUNICIPAL SURVEY .....	110
APPENDIX B: UNITED WAY SURVEY.....	115
APPENDIX C: COMMITTEE MEMBER INTERVIEW PROTOCOL .....	119
APPENDIX D: STAFF LIAISON INTERVIEW PROTOCOL.....	121
BIBLIOGRAPHY .....	123

## LIST OF TABLES

Table 1. Survey Respondent Demographics. ....	22
Table 2. Average CGC Composition Snapshot.....	30
Table 3. Funder Characteristics.....	50
Table 4. Interviews by Role and Affiliation. ....	52
Table 5. Variable Descriptions and Sources. ....	87
Table 6. Descriptive Statistics.....	91
Table 7. Organization and Program-Level Factor Influence on Likelihood of Receiving a Grant Award.....	95
Table 8. Organization and Program-Level Factor Influence on Proportional Grant Award. .....	96

## LIST OF ILLUSTRATIONS

Figure 1. Municipal Sampling Process.....	19
Figure 2. United Way Sampling Process.....	21
Figure 3. Percentage of CGCs by State and HHS Region. ....	24
Figure 4. Arnstein’s Ladder of Citizen Participation. ....	44



## CHAPTER 1: INTRODUCTION

The institutional configuration of human service provision in the United States has dramatically shifted over the last 50 years (Kramer, 1981). Governments have largely transitioned away from direct service provision and instead leverage a complex system of grants to and service contracts with nonprofit organizations to address human service needs. Due to the political and economic shifts that occurred in the latter part of the 20<sup>th</sup> century, social welfare provision has often been viewed as a partnership between non-profit, for-profit, and government sectors, than the responsibility of a single sector (Balassiano & Chandler, 2010; Brinkerhoff & Brinkerhoff, 2002). Although government funding is a critical support system for many human service organizations, they cannot rely solely on these resources: most must depend on a mix of public and philanthropic support to sustain their operations (Salamon & Toepler, 2015). Taken together, governmental funding changes and the need for organizations to fundraise from their local communities have essentially “[returned] responsibilities for human services to the level of state and, especially, local communities” (Grønbjerg, Martell, & Paarlberg, 2000, p. 9).

There are many touted benefits of locally based funding, including that it can allow community residents to express their needs so that service providers can more effectively meet them (Paarlberg et al., 2017). These perceived benefits mirror those of participatory grantmaking, a “bottom-up” approach where “local needs and preferences that otherwise might not be well represented within formal institutional structures” can emerge (Jun & Musso, 2013, p. 75). In contrast, “top-down” funders are usually defined by a relationship in which grantees serve their funders, with the latter’s preconceived

notions about problems and solutions forming the parameters for funded work (Barkan, 2013). Today, the vast majority of funding for human services continues to come from traditional “top-down” funders, such as the government, United Ways, and to some extent, foundations. In particular, top-down funders are often criticized for being out of touch with the realities of on-the-ground problems and services (Eikenberry, 2016; Gibson, 2017, 2018), casting doubt on their ability to effectively identify and address human service needs.

History suggests that top-down funders, particularly those with strong local roots like United Ways and municipal governments, have incorporated some version of community engagement into their granting decisions (Brilliant, 1990; Roberts, 2004). I use the term ‘Community Grantmaking Committees’ (CGCs) to describe such bodies. Here, the people taking part in the grantmaking process are not the funder’s paid staff but instead members of the funder’s geographic community of focus. In addition, CGCs do not explicitly overlap with or comprise primarily organizational decision makers (like Boards of Directors for United Ways or city councils for municipalities); they are a distinct (sub) body. Furthermore, beyond just reviewing proposals and making grant decisions, CGCs participate in a host of related activities, including conducting research on community needs, identifying funding priorities, evaluating grantees, and making site visits (Gibson, 2019). Much like participatory grantmaking approaches (a term which is currently used to refer primarily to foundation funding), the goal of CGCs is to engage the broader community into the grantmaking process, with the belief that “if affected communities participate in decision-making, grants will be allocated to those most able to create long-lasting change” (Hart, 2014, para 1).

Despite historical efforts at community engagement and the growing interest in participatory grantmaking, little is known about the extent to which human service funders use CGC practices today, including information about these groups' composition, purview, and grantmaking outcomes. In this three-paper dissertation, I seek to address this knowledge gap by answering the following broad questions:

- (1) How prevalent are CGCs?
- (2) How do CGCs operate?
- (3) What organizations do CGCs fund?

This mixed-methods dissertation is organized as three separate yet related papers, each addressing one of the questions identified above.

### **Paper 1**

In this paper, I trace the emergence and development of community-based decision-making in human services funding in the US. Despite criticisms that top-down funders need to engage more of the community, I suggest that the War on Poverty's Community Action Program – which introduced the concept of “maximum feasible participation” – has had an enduring effect on allocation practices of major human service funders like United Ways and local governments. However, little is known about whether and how these funders currently use CGCs. I begin with a discussion of the historical movement toward community engagement among both private and public funders and then examine the existence of community engagement mechanisms in human service funding today. Using both website research (n=2,029) and a survey of current human service funders (n=462), I answer the following questions:

(RQ1) To what extent are community engagement models being used by top-down funders today?

(RQ2) What are the characteristics of funders using community engagement models?

## **Paper 2**

In the second paper, I use a qualitative approach to examine critical components of a community-based decision-making process, including how community members are recruited to serve, how they conceptualize their role, and how they negotiate with other actors in the process (e.g., staff liaisons, board overseers, community members). Most governance literature focuses on “top-level” committees as the primary decision-making bodies within nonprofit organizations and public agencies (e.g. boards of directors and city councils), ignoring others that contribute or even drive decision making (Bradshaw & Toubiana, 2014; Byers et al., 2015; Cornforth, 2012). Simultaneously, there is a growing body of practitioner literature on participatory grantmaking (a form of participatory philanthropy that focuses on engaging broader stakeholders – and particularly service communities – into grant decisions; Gibson, 2019), but it has received little attention in scholarly research. This paper fills these gaps by examining community-engaged processes in grant making decisions in two important but distinct contexts – local municipalities and United Ways. Through interviews with both CGC members (n=20) and funder staff managing them (n=5) as well as document review, I answer the following questions:

(RQ1) How are community grantmakers recruited?

(RQ2) What are their motivations for serving in this role? and

(RQ3) How do they negotiate their role with other organizational actors?

### **Paper 3**

In the final paper, I analyze a specific funder's granting decisions using a CGC.

Both academic and practitioner literature argue that incorporating community stakeholders in funding processes will enhance granting efficacy, as community members are likely to have more accurate information about both service needs and the organizations most equipped to address them (Enright & Bourns, 2010; Gibson, 2019; Hart et al., 2014). Current literature (Ashley & Faulk, 2010; Faulk et al., 2017; Johnson, 2016; Lu, 2015; Wilsker, 2011) explores successful grantsmanship across multiple funding contexts (e.g. foundation, government), but most does not consider the funder's specific decision-making mechanism. Thus, it is unclear whether or how CGCs necessarily deliver on the promise of a "front-row take" on community problems and the organizations best suited to address them

This paper seeks to address these limitations by examining granting outcomes within a specific decision-making context – a municipal funder's community grantmaking committee (CGC). In addition, because this funder collects data from residents about perceived human services needs in their communities, this study will also shed light on the extent to which such a direct expression of need is weighed against organizational factors traditionally thought to influence grant success. In sum, this unique data source allows for a more in-depth examination of human services grantmaking. To this end, this paper examines the following questions:

(RQ1) To what extent does community need predict grant award?

(RQ2) To what extent does agency capacity predict grant award?

Taken together, these three papers provide insight into the use, composition, practices, and funding outcomes of CGCs. After the individual papers are presented, I end with a general conclusion linking them together and discussing their implications for both research and practice.

## CHAPTER 2: PAPER 1

### Prevalence of community-driven funding in human service funders

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#### ABSTRACT

Over the past 50 years, there has been increasing pressure to return funding responsibilities for human services from the federal government to state and local communities. Simultaneously, there is a growing effort to incorporate greater community feedback into human service decision-making, which extends to funders' grantmaking decisions. Using both funder website research (n=2,029) and a survey (n=462), this paper examines the use of community-based grantmaking committees by United Ways and city administrations, both of whom are critical funders in locally based human services. Results indicate that such committee use is prevalent nationwide, although committee members are largely white, professional, older, and lacking human service expertise, raising questions about the efficacy and value of community engagement efforts.

**Keywords:** funding, human services, public participation

Prior to the mid-1960s, government and nonprofit organizations operated relatively autonomously and with specific roles: the public system, supported by tax revenues, provided basic human services, while a substantially smaller and philanthropically funded private system delivered supplementary services, often to

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<sup>2</sup> Special thanks to Kavya Singh and Peter Simonsson for their assistance with website data collection in early stages of the research process.

specialized populations (Stone et al., 2001). Over time, however, the institutional configuration of service provision has drastically changed (Kramer, 1981). Today, most human services are primarily provided by private organizations, the majority of which are nonprofits relying on a mix of public and philanthropic support to sustain their operations (Salamon & Toepler, 2015). These funding realities, coupled with a vast expansion in the number of nonprofit organizations (Frumkin, 2002; Grønbjerg & Salamon, 2012; Smith, 2010), have led to an increasingly competitive and crowded market for securing financial support. In addition, there is growing pressure for human services to be both offered and funded at the local level, as doing so will arguably lead to programs that have a deeper understanding of community problems and how to address them (Bourns, 2010).

Despite this increased pressure toward local and community-based solutions, the vast majority of funding for human services continues to come from traditional “top-down” funders, such as the government, United Ways, and, to a lesser extent, foundations. Although there are many definitions of top-down funders, this usually defines a relationship in which grantees serve their funders, and it is the latter’s preconceived notions about problems and solutions that form the parameters for funded work (Barkan, 2013). Unlike their “bottom-up” counterparts – examples of which include giving circles (Eikenberry, 2006, 2009) and crowdfunding (Davies, 2014, 2015; Flanigan, 2017; Mollick, 2014) – top-down grantmaking is criticized for being out of touch with the realities of on-the-ground problems and services (Eikenberry, 2016). These criticisms cast doubt on whether top-down funding processes can effectively identify and address human service needs. Furthermore, recent work on funder practices (Callahan, 2017;



Reich, Cordelli, & Bernholz, 2016) has questioned foundations' transparency, role, and influence in democratic societies.

As a result, there are increased calls for funders to more meaningfully engage community stakeholders in award processes. However, little is known about whether and how top-down funders in both the private and public sectors have incorporated community stakeholders into their funding processes. This paper examines the existence of community engagement mechanisms in human service funding, including a discussion of the historical movement toward community engagement, among both private and public funders. To this end, the research questions are:

RQ1: To what extent are community engagement models being used by top-down funders today?

RQ2: What are the characteristics of funders using community engagement models?

This paper is organized into five sections. The first section provides a brief overview of two types of funders: United Ways and municipalities, including a justification for why I selected these two organizations as a focus for the study. The second section provides an historical overview of how each funder has developed its community engagement models, with a specific emphasis on points of overlap and divergence. The third section describes methods for documenting the use of community-driven grantmaking among these two funders today. Section 4 will present and discuss findings, and the paper will conclude with implications for future research.

## **Description of Funders**

This descriptive study focuses on two types of top-down funders: United Ways and municipalities. These funders were selected for two reasons. First, as will be documented in the following section, these two funders are a substantial source of support for human service organizations. Thus, both have strong motivation to ensure they are partnering with the most effective local nonprofit organizations (Stone et al., 2001). Given arguments that community-based funding processes are more effective, understanding the extent to which these funders leverage community stakeholders is important. Second, there is increasing pressure for human services to be funded by local entities; as Paarlberg and Meinhold (2012) write, “Since the early 1980s, successive waves of block grant, devolution, and welfare reform legislation have sought to return responsibilities for human services to the level of state and, especially, local communities” (p. 9). Generating sufficient funding for a human services sector whose capacity is consistently outstripped by need will require substantial investments of both local public dollars and philanthropic support (Lu, 2015).

**United Way.** Since its founding more than 100 years ago, United Ways have been an integral part of the resource ecosystem for nonprofit organizations. United Way Worldwide (UWW, the formal name for the system) is one of the most recognizable and well-known nonprofits in the United States and is routinely named as the single largest recipient of charitable donations in the country. In 2017 alone, this amount was nearly \$4 billion (Barrett, 2017). These dollars are not only devoted to individual United Ways’ own programming (e.g. the national free tax preparation campaign) but are also used to fund community programs administered by other nonprofit organizations. Furthermore,

regardless of funding amount, receipt of United Way funding is often interpreted as a sign of legitimacy and quality; this ‘seal of approval’ can be leveraged toward additional support from both donors and other institutional funders (Grønbjerg et al., 1996; Stone et al., 2001).

UWW prides itself as having a uniquely local connection to the community it serves. Nearly half of the approximately 1,800 United Ways nationwide focus their efforts at the county level or lower (Paarlberg & Yoshioka, 2015), with a stated focus on being both “community-based” and “community-led” (United Way, n.d., para 1). To this end, UWW claims it is “the only nonprofit bringing people together from all walks of life to be a part of *local* solutions” (United Way, n.d., para 1, emphasis added). In fact, in many communities, the local United Way affiliate is the single largest private funder of human services (Grønbjerg et al., 1996).

A final reason for selection of United Way is the tendency for similarity, both between individual United Ways and throughout the overall network of grant makers. Miller-Millesen (2003) argues that affiliate structures, like that of United Way, can be particularly coercive, with organizational behavior explicitly regulated, monitored, and sanctioned. Failure to adhere to specific mandates by United Way affiliates “could result in revocation of an [individual affiliates’] charter” (p. 537). While United Way’s approach to network management seems more normative in practice (i.e. implementation is touted as a new and promising “best” practice), the power of a large affiliate network to coerce similarity among members should not be discounted. More broadly, however, the perception of UWW as a flagship grantmaking institution has certainly compelled some grant makers to mimic their practices, an understandable response given UWW’s

longevity and demonstration of fundraising prowess. Furthermore, within the nonprofit sector, the language used to describe community grantmaking has become nearly inextricable from the United Way brand. As one United Way proudly proclaims on its website, “Community needs met by community dollars determined by community members. THAT’S LIVING UNITED” (Crow Wing County United Way, 2017).

**Municipal funders.** Research indicates that state and county-level funders are more likely to rely on agency staff or invited experts rather than community residents for grant-making panels (Fyffe, 2015), suggesting municipalities as the most appropriate governmental level at which to study community engagement in governmental funding decisions. Government funding remains an important source of funding for human service nonprofits, and government-nonprofit partnerships are a key feature of the U.S. human service delivery system (Lu, 2013). According to Boris, de Leon, Roeger, and Nikolova (2010), governments at all levels in the US awarded more than \$100 billion in grants and contracts to nearly 35,000 human service providers in 2009. While a substantial proportion of government dollars stems from state and federal funding sources, local governments often help to administer these contracts (in addition to their own) as they are likely to be better informed about both local needs and providers. Furthermore, comparative analysis of human services nonprofits suggest increases in funding at the state and local (county and city) level and decreases at the federal level (Pettijohn & Boris, 2014), further indicating the growing importance of local funding to the human services sector.

**Comparison of United Way and Municipalities.** Beyond their roles as critical funders for human service organizations, Stone et al. (2001) identify other areas of

overlap between United Ways and municipalities. First, both funders operate in an arena where multiple stakeholders influence and scrutinize their activities. For United Ways, these include corporate partners, individual supporters, and other community leaders (Brilliant, 1990; Grønbjerg et al., 1996); for municipalities, they must consider special interest groups, other governmental actors, and above all, constituents (Stone et al., 2001). Second, both United Ways and municipalities must largely rely on partner agencies to achieve their goals, as neither routinely provides direct service (Lu, 2013; Salamon, 2012). Because of this, neither can fully dictate or provide direct oversight of funded programs, a substantial challenge given difficulties in measuring progress toward human service outcomes (Schlesinger et al., 1986; Van Slyke, 2003). Finally, beyond just the provision of critical service activities, Stone et al. (2001) suggest that partnerships with direct service agencies provide much-needed legitimacy to both funders, stating that “Support by nonprofits legitimates the United Way in local communities and legitimizes government agencies in the eyes of some citizens and special interest groups” (p. 278).

Taken together, difficulties meeting the needs of multiple stakeholders (Guo, 2007; Guo & Musso, 2007), shortcomings of human service measurement (Lu, 2013), and the need to cement legitimacy with constituents (Stone et al., 2001), constitute substantial challenges in selecting potential grantees. Enhancing community engagement in the grantmaking process offers a potential solution to all three, as they are purported to “increase transparency and trust, and to ensure that their grant-making reflects real-world priorities and needs” (Bourns, 2010, p. 4). To this end, both types of funders have incorporated community feedback into their funding processes over their respective histories, although the scope and depth of this engagement has varied over time. The

following section provides a brief overview of each group's historical development toward community engagement.

### **Brief Historical Overview of Community Engagement in Fund Allocation**

The mid-twentieth century is generally recognized as the modern origin for direct citizen engagement in policy and programmatic decisions (Buckwalter, 2014). In August of 1964, President Johnson signed the Economic Opportunity Act, which created the nationwide Community Action Network. One of the major characteristics of Community Action was the concept of “maximum feasible participation,” which advocated giving programmatic control to populations intended to be served by the War on Poverty (Bunch et al., 2017; Clark, 2000; O’Connor, 2001; Orleck, 2005). Under this model, Community Action Programs were overseen by local Community Action Agencies (CAAs), whose boards specifically sought to include local community members in their planning efforts, a substantial portion of which included fund distribution (Bunch et al., 2017; Clark, 2000; Wang & Bunch, 2017). This new approach deliberately upended the long-established power structure where elected city councils, county commissions, state and federal officials made all programmatic and funding decisions (Bunch et al., 2017; Clark, 2000). In short, development of Community Action and the commitment to maximum feasible participation marked a substantial paradigm shift in how social services were developed and funded: for the first time, poor, working class, and minority citizens were given explicit decision-making power in how federal dollars designated to serve them would be used (O’Connor, 2001; Orleck, 2005).

Despite being directed primarily at federal anti-poverty programs, this new approach of maximum feasible participation and the expansion of federal dollars devoted

to service planning had profound impacts on the United Way system, including its eventual movement to community-based funding. United Way traces its origins back to 1887, when a small group of social service providers, religious leaders, and local philanthropists laid the groundwork for what would become the nation's first federated fundraising campaigns. This role as a fiscal intermediary between donors (both individual and corporate) and service agencies continued to define the organization's identity throughout the early part of the early 20th century, with a specific emphasis on distributing collectively raised funds between member agencies (Brilliant & Young, 2004).

Although there were examples of such organizations engaging in community planning efforts (with various degrees of community involvement), what is now known as United Way was overwhelmingly understood as a fund aggregator, a role the organization was hoping to merge with a role as a community problem solver. However, what little engagement United Way had in community planning efforts were further diminished by the federal government's new interest and substantial investment in locally focused, community-governed services. Thus, in an effort to rebrand themselves and solidify their relevance to human services sector, the 1970s saw "many local United Ways [develop] new methods of planning and allocation of resources," including "enhanced citizen review processes" (Brilliant & Young, 2004, p. 30). In fact, this practice of engaging community members into the grantmaking process would ultimately become a major cornerstone of United Way's brand (Brilliant, 1990).

As much as federal approaches mandating citizen engagement influenced United Way's commitment to community engagement in funding, they led to changes at the

municipal level as well. Programs like the Model Cities Program, which sought to develop antipoverty programs within municipal governments, also included mandates for “widespread citizen participation” (Day, 1997; Hallman, 1972; Roberts, 2004). By the mid-1970s, there was a steadily growing movement of community engagement in local government through a variety of citizen commissions; one study suggested that more than two-thirds of American cities included some form of “citizen participation activity” (Houghton, 1988, p. 283). These committees covered a variety of topics (including planning commissions, tenant landlord councils, and environmental concerns, to name a few; Houghton, 1988) but direct citizen participation became central to administration to a number of human service areas, including juvenile delinquency, mental health, and employment/training (Roberts, 2004).

Regardless, by the 1980s, enthusiasm for the War on Poverty had waned, leading to substantial changes to federal funding of human services (including CDBG) broadly and Community Action specifically. When Reagan signed the Omnibus Budget Reconciliation Act of 1981, anti-poverty programs received deep funding cuts and funding to Community Action was repackaged into the Community Services Block Grant (CSBG). As a result, federal funding for CAAs now passed through state agencies, and their programmatic and funding decisions were subject to much more intense scrutiny than previously (Bunch et al., 2017). Despite these changes, CAAs maintained a commitment to community engagement. Even now, with an annual community services funding portfolio topping \$5.6 billion<sup>3</sup>, CAAs require that each tripartite governing board

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<sup>3</sup> Including both services provided by CAAs and dollars granted out to other agencies



comprise equal representation from private sector, public sector, and low-income community representatives (Wang & Bunch, 2017).

Despite efforts to incorporate community stakeholders via Citizen Review Panels into their allocation process in the 1980s, United Ways continued to receive criticism for disproportionately funding a core group of organizations (many of whom were former member agencies). In particular, the value of the community allocations board were strongly questioned, with one critic arguing that this “supposedly difficult and delicate process of distributing community chest contributions” was “little more than a charade designed to lull the decisionmaker into the belief that he is, in fact, making a monumental decision” (Brilliant, 1990, pp. 78-79). These criticisms – coupled with waning dominance of the philanthropic market – led United Way to institute a new “Community Impact” model. In addition to changes to the organization’s fundraising approach, Community Impact introduced a more open and competitive model of allocations that gave preference to performance over past reputation. Rather than maintaining a commitment to funding former member agencies, this new method focused on identifying community needs and funding those grantees most likely to address them. However, United Way maintained (and continues to maintain) its citizen review process as a foundation part of their funding approach (Paarlberg & Meinhold, 2012).

Although not exhaustive, this brief history is intended to demonstrate the longevity and importance of community engagement in human service funding. However, little is known about the current prevalence of community engagement models being used by top-down funders today. For example, despite the push for all United Ways to adopt a grant allocation structure that emphasizes community engagement, Paarlberg

and Meinhold (2012) found that significant variation in adoption of this model existed across the UWW system. Even less is known about the extent to which local municipalities use community engagement structures in their own fund allocation processes, although, the importance of municipal funding to the human services sector is clear: In 2009, the most recent year for which data are available, nearly 75% of human service agencies nationwide reported contracting with their local governments (Boris, de Leon, et al., 2010). In addition, the local United Way affiliate is often the single largest private funder of human services in a given community (Grønbjerg et al., 1996), further suggesting the importance of understanding how these funders engage community in their granting processes.

## **Method**

A foundational step of this dissertation is to document the national prevalence of community grantmaking committees (CGCs, as a form of community engagement) among local human service funders, namely United Ways and municipalities. To do so, I obtained a complete list of United Ways in America (n=1,203) from United Way Worldwide and the most current list of U.S. municipalities (2017; n=19,494) from the U.S. Census Bureau. While it would have been preferable to include all municipality types and sizes in this exploratory process, resource and time constraints did not allow that. Thus, the first exclusion criteria applied to municipal list was type: because the functional definitions of towns, villages, and boroughs differ between states (Ratcliffe, n.d.), only cities were used in this study. Furthermore, to limit the search to those catchments most likely to support their own human service departments, only cities with

at least 16,456 residents (the average city population in 2010)<sup>4</sup> were included. Applying these exclusion criteria, the final sample of cities for website review was 1,805. No United Ways were removed from the website review sample.

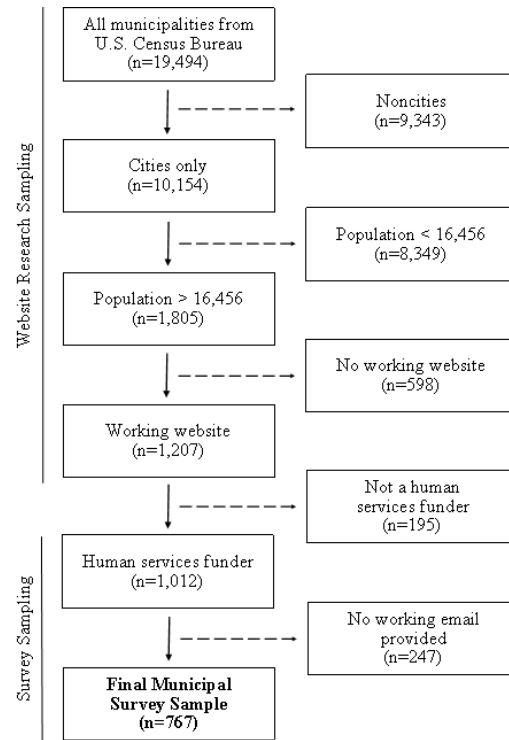


Figure 1. Municipal Sampling Process.

For both United Ways and cities, a thorough web search was conducted with two primary purposes: (1) to document any publicly available information about human service funding processes, and specifically the existence of CGCs; and (2) to identify and collect email addresses for staff connected to the organization's funding processes. The latter was used to disseminate a brief survey collecting basic characteristics of the community grantmaking committee and the grant/contract portfolio.

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<sup>4</sup> The research team originally started with a population floor of 10,000 residents, a break point commonly used by the National League of Cities. However, initial web searches indicated many cities of this size lacked a web presence; those with functioning websites had no discernible human services presence.

For city websites, I began first with the main directory or department listing, specifically searching for human, community, or social services. Barring identification of the appropriate department here, the next step was to use the city websites general search function for each of the following terms: human services; social services; community services; homelessness; seniors; food banks; nonprofits; community organizations; grants; Community Development Block Grant (or CDBG); Community Services Block Grant (CSBG). If no evidence of city-administered service granting<sup>5</sup> could be found, the search was terminated. If the city did administer service grants, I then examined funding parameters to see if a community-based commission, board, or committee was used to make these decisions. United Way web searches followed a similar pattern, substituting the search terms grants, investments, community investments, impact, allocations, community investment committee, community impact volunteers, and community impact committee. For both funder types, these search terms were developed based on conversations with existing community grantmaking liaisons and pilot searches of sample websites. Figure 1 and Figure 2 document the sampling process for municipalities and United Ways, respectively.

Following completion of the website review, a survey was distributed to all identified organizational grantmaking contacts. The 23-question online survey<sup>6</sup> was distributed between February and March of 2020, collecting information about

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<sup>5</sup> Because CDBG grants can be deployed towards both capital improvements and public service expense, those cities who only funded the former were removed from the sample. Barring explicit language on the City website about public service CDBG funding, this determination was made by examining the respective cities' Requests for Proposals (RFPs) and/or Notices of Funding Availability (NoFAs).

<sup>6</sup> The survey was approved by the primary author's university institutional review board.

grantmaking body name, size, term parameters, membership, and funding portfolio. Of the 1,416 individuals contacted to participate in the survey (which included 1 initial recruitment email and 2 follow-up reminders), 462<sup>7</sup> completed or partially completed it, resulting in an overall response rate of 33%. With the exception of those identifying eligibility for the survey (including the name of city, state, and whether the respondent knew if their respective funder used a committee for human services grantmaking), all questions were optional. Individual ‘n’s are provided for each question.

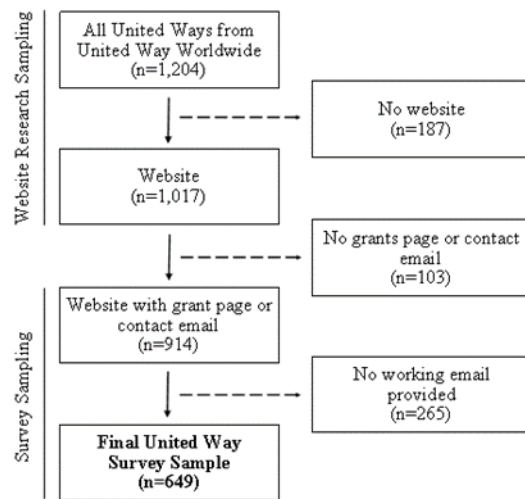


Figure 2. United Way Sampling Process

Survey response rates for government officials was substantially lower (25%) than for United Ways (42%). There are several possible reasons for this difference, including government having comparatively stronger email filtering mechanisms, lack of ability to respond (city survey dissemination coincided with the Coronavirus outbreak, which required a realignment of resources among a number of cities), or the substantially

<sup>7</sup> 99 respondents (municipal: 46; United Way: 44) reported either not using or not knowing if they used a CGC for human services grantmaking and thus completed no additional questions.

larger bureaucratic organization, which may have precluded researchers from identifying the appropriate contact person during web searches. The survey was distributed to United Ways and municipalities across all 50 states; however, the sample and responses were not nationally representative of all funders. Table 1 shows survey respondent demographics.

Table 1. Survey Respondent Demographics.

	Municipalities <sup>a</sup>	United Ways <sup>a</sup>
<b>Gender</b>		
Question Responses	88	163
Female	61 (70%)	142 (87%)
Male	25 (28%)	21 (13%)
Prefer not to answer <sup>b</sup>	2 (2%)	0 (0%)
<b>Education</b>		
Question Responses	86	163
High school diploma	1 (1%)	1 (1%)
Some college, no degree	2 (2%)	10 (6%)
Associate's degree	0 (0%)	5 (3%)
Bachelor's degree	27 (31%)	71 (44%)
Master's degree	53 (62%)	70 (43%)
Doctoral degree	3 (3%)	6 (4%)
<b>Age</b>		
Question Responses	72	158
Average age	51	62
<b>Race and Ethnicity<sup>c</sup></b>		
Question Responses	85	163
White	73 (88%)	152 (93%)
Black	10 (12%)	8 (5%)
American Indian	1 (1%)	1 (1%)
Asian	3 (4%)	2 (1%)
Latinx/Hispanic	8 (9%)	7 (4%)

<sup>a</sup> Due to rounding, categories may not total to 100%

<sup>b</sup> Participants also had the option to self-identify; none did so

<sup>c</sup> Participants were invited to select multiple categories

## Findings and Discussion

### The Landscape of Community Grantmaking Committees

As discussed earlier, there is a rich history of community engagement in human service funding processes in the United States, although there is little documentation of their current existence or research on their practices. The goal of this research was to examine the extent to which local organizations engaged community in funding decisions (as evidenced by statements or processes described on their websites) and to document common practices. Combining survey and website research data, 328 unique city governments in 42 states and 392 unique United Ways in 48 states used CGCs for some form of human service grantmaking; overall, this indicates that 36% of funders in our sample use CGCs.

Previous work has documented how social welfare practices, including provision and funding, have differed across geographic regions (Fox, 2012). For this reason, it is important to examine whether differences in community engagement prevalence or practice may exist as well. Based on web research and survey results, community grantmaking committees (from either funder type) exist in 49 states and the District of Columbia; the only state for which I did not find evidence of CGCs was Rhode Island (one of the states with the fewest number of human service funders; Figure 3). Despite evidence of CGCs nationally, there were some distinct regional patterns. The U.S. Department of Health and Human Services' Region 10 (Alaska, Idaho, Oregon, and Washington) boasted the highest rate of CGC usage (58% of all identified human service funders). Although all states in this region reported using at least one CGC (the lowest percentage usage was Idaho at 27%), the overall results were largely driven by Washington State, where 74% of the state's identified 104 human service funders used a

CGC (the highest percentage among all states). In addition, half of Oregon's 30 human service funders also reported using CGCs.

While I found evidence that most regions employed CGCs to some extent (the average usage among human service funders for the other 9 HHS regions was 34%), the lowest usage was found in Region 2 (New York and New Jersey). Here, only 20% of New Jersey's 44 identified human service funders and 26% of New York's 66 human service funders reported using CGCs. Excepting Rhode Island (where I found no community grantmaking committees) and West Virginia (where 18% of the state's 22 funders used such committees), New Jersey had one of the lowest prevalence among all states.

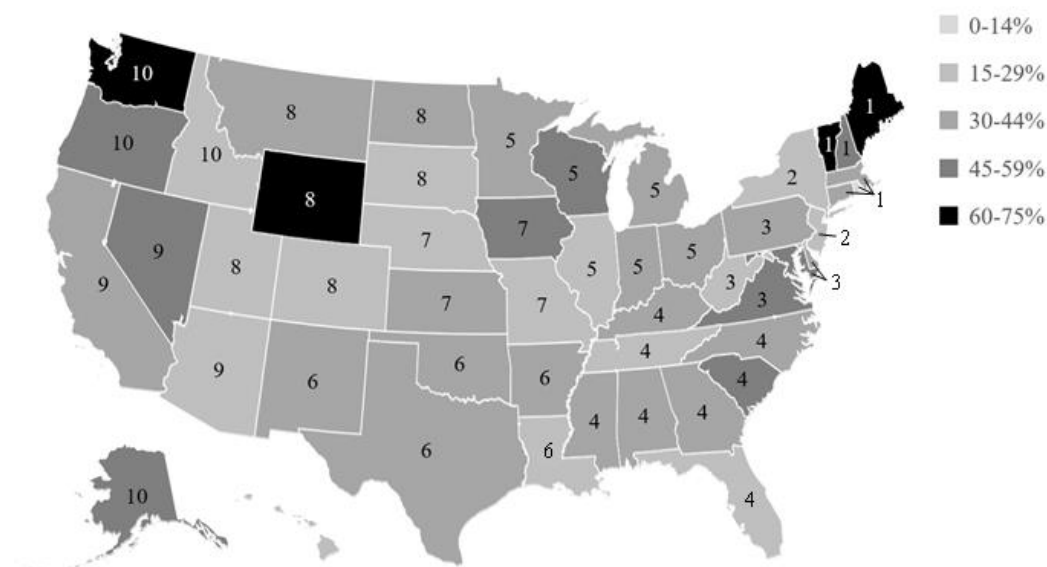


Figure 3. Percentage of CGCs by State and HHS Region.

### Communication about Community Grantmaking Committees

Regional variations in prevalence aside, there were also differences in the extent to which funders discussed use of CGCs. Interestingly, municipal funders were more likely than United Ways to explicitly discuss their community grantmaking committees



on their websites. Approximately 21% (n=211) of city funders included information about their grantmaking committees on their websites, compared with only 15% (n=157) of United Ways. These results are interesting for several reasons. First, unlike governments, which have the benefit of tax revenues to support their operations, United Ways must rely largely on fundraising from their respective communities. Because of this, I might expect that United Ways must both be more responsive to their respective communities and signal willingness to incorporate feedback into their funding processes than municipalities. This is not to say, of course, that municipal governments are not interested in community feedback, but rather to point out that their funding structure is likely more stable than those of United Ways. One possible counterargument, however, is that many of the municipal community grantmaking committees discussed online were for distribution of CDBG grants. These funds carry federal stipulations requiring a citizen participation plan; publicizing the grant's grantmaking committee may satisfy this condition.

A second reason why the comparative communication rates between municipal and United Way funders are surprising is because these diverge from actual usage rates. Approximately 39% of United Ways used a CGC to direct their grant investment, compared with only 32% of municipalities. However, the United Way's results were driven largely by survey responses, where 81% (n=219) of respondents reported using a volunteer CGC<sup>8</sup> for grantmaking. When merged with website research and unduplicated, this identified 180 United Ways that used CGCs but did not explicitly state doing so on

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<sup>8</sup> Separate from the Board of Directors.

their websites. In comparison, although all city survey respondents reported using some form of public or community engagement for identifying and responding to human service needs, and all also reported that their cities used standing volunteer boards or committees for various city functions (e.g., oversight of parks), only 74% (n=144) used a volunteer board or committee specifically for human service grantmaking.

The final reason for interest in the communication rate differences likely relates to organizational form. As previously discussed, United Way is a nonprofit organization that demonstrates a high propensity for isomorphism, largely borne out of its affiliate structure. Such a structure might compel (or at least strongly encourage) individual branches to adopt organizational practices. Most United Ways discussed other ways for the broader community to engage in their work, namely through fundraising or volunteering initiatives (with many predominantly displaying the organization's "Live, Work, Volunteer" slogan), but they did not necessarily extend this conversation to their grantmaking processes. There were, however, consistent themes among United Ways that used grantmaking committees, with many sharing language to describe the process or name the community (these will be discussed in the next section). However, the lack of consistency in publicizing use of such committees (or, indeed, in how grant decisions are made broadly) is striking for an organization that both relies on philanthropic support from the local community and publicly espouses its commitment to community-engaged processes.

### **Committee Characteristics**

**Committee Administration.** Now that the relative prevalence of community engagement practices (in the form of CGCs) has been identified, I turn my attention to understanding some of the characteristics of existing grantmaking committees.

*Committee names.* One of the interests of this research was to develop a lexicon of names used to describe community-based grantmaking committees. Likely due to their affiliate structure, United Ways across the country shared substantial similarities in naming of their committees. Among the 169 United Way respondents who provided name(s) of their grantmaking committees, nearly all included at least one of the following words: Impact (46% - e.g., Community Impact Committee), Investment (36% - e.g., Community Investment Committee), or Allocations (18% - e.g., Allocations Team).

There was, however, far less consistency across municipal committees. Among the 119 municipal survey respondents providing names of their human service funding committees, an equal proportion (13%: 16 committees) included the phrase “human services” or “community development,” 9% (11 committees) included “CDBG”, and 6% (7 committees) included either “community” or “social” services in their name. Web research similarly failed to produce consistent naming conventions across committees, although there were two findings of note. First, 21 of the 28 committees using the phrase “citizens advisory” in their CGC name (a phrase which did not appear in survey results) only fund CDBG projects, meaning either no municipal funds are devoted to human services or those funds do not fall under the committee’s purview. This name was likely selected due to the required Citizen’s Participation Plan for CDBG funding. The second finding is on a state level: 9 of Washington State’s 31 municipal funders referred to their funding body as a “human services commission”; the vast majority of these bodies

oversaw both municipal and CDBG fund disbursement. Nationwide, 20 municipalities used “human services commission” to name their CGCs, although most (16 funders) were located in Washington, California, or Arizona.

*Meeting frequency.* Meeting frequencies are important to document as they may lend insight into the depth and breadth of community engagement in the funding process. In terms of meeting frequencies, United Way CGCs spanned a wide range of schedules. Among the 206 respondents who answered this question, 18% reported meeting annually, 9% quarterly, and 22% monthly. The remaining respondents chose either “as needed” (26%) or “other, please describe” (25%). For those selecting “other” and providing additional detail, most described concentrated meetings over the course of a specific grant deliberation period (e.g., every week for 2 months) rather than a routine schedule over the calendar year.

*Term parameters.* Term parameters include both term length and limitations. On United Way committees, the average term length is just shy of two years, at 20 months. The most popular term length was 1 year or fewer (42% of respondents), followed by 3 years (30% of respondents), and then 2 years (13%). However, 16% of respondents reported no term length at all. Regarding term limits, most United Way respondents (72%) reported none for members of CGCs. On municipal committees, the average term length is just shy of three years, at 32 months. The most popular term length was 2 or 3 years (each garnering 34% of respondents), followed by 4 years or longer (17%). The remaining respondents’ committees either served 1 years (9%) or had no term lengths (5%). Only 36% of municipal respondents reported term limits. Table 2 includes term details.

**Portfolio details.** Although data on the specific funding amounts from the survey are limited, it is estimated that at least \$185 million are under the purview of funders using CGCs (both municipalities and United Ways). For municipalities specifically, survey results indicated approximately \$87 million annually is allocated by CGCs (an average of \$1.8 million per municipality). There are, however, several important caveats to these data. First, this figure is buoyed by grants portfolios of large cities; for example, one city reported investing approximately \$7 million in strictly municipal funds towards human services each year, while several respondents reported \$0. Second, these totals reflect total CDBG funding under the municipalities' purview; as discussed earlier, these may not reflect dollars earmarked specifically for service funding (although participants were asked to provide that number). Finally, many participants chose to skip these questions; for this reason, it is unclear whether they left responses blank to indicate no funding amount or because they simply did not know the funding amount. Thus, these data are likely very conservative and should be interpreted with caution.

Among United Way survey respondents, the average annual grant portfolio was approximately \$1.3 million, although, again, there was a substantial range; the smallest annual granting amount was \$20,000, while one United Way managed an annual granting portfolio of \$12,000,000. Compared to the municipal survey, far more United Way respondents (approximately 75%) provided data on the funding portfolio, offering comparatively more confidence in these results. One likely reason for the difference in response rates to this question is the relative simplicity of United Way funding streams compared to municipalities. As discussed earlier, United Ways primarily rely on local philanthropy to support their operations. In contrast, municipal funders must often

manage multiple federal, state, and county funding streams in addition to their own local funds; these complexities may be difficult for a respondent to distill into a single number for a survey.

Table 2. Average CGC Composition Snapshot.

	Municipalities	United Ways
<b>Committee Composition<sup>a</sup></b>		
Number of Members	11	24
Males	5	10
Females	6	14
Nonwhite	3	4
Age		
18-35	1	4
36-64	7	16
65+	3	4
Employment Status		
Full-time	1	18
Part time	7	2
Not working	3	4
Human Service Expertise		
Provider	4	8
Recipient	2	3
<b>Term Parameters</b>		
Term Length		
Average term length	32 months	20 months
Most common term length	2 to 3 years <sup>b</sup>	1 year
Term Limits		
Have term limits	36%	24%
Average number of terms	2.5	2.5
<b>Portfolio Size</b>	<b>\$1.8 million</b>	<b>\$1.3 million</b>

<sup>a</sup> Because demographic categories are not mutually exclusive, category totals may exceed average committee size

<sup>b</sup> Terms of 2 years and 3 years received equal numbers of responses

**Committee composition.** Beyond just documenting the number of funders within municipalities and the United Way system using community grantmaking bodies, I also examined the number and characteristics of people directly involved in the grantmaking

process. It should be noted that, despite practitioner literature suggesting more participatory forms of philanthropy (such as CGCs) would alleviate homogeneity among funding decisionmakers (i.e., that these bodies would be more diverse), data here indicate otherwise, discussed in detail below.

*Age.* Despite Census data estimating that 20.4% of U.S. residents are between the ages of 20 and 34, only 15% (n=618) of reported committee members were in this age bracket. Among the 215 grantmaking committees (United Way = 149; municipalities = 66) for which age data were reported, 19% (n = 60) have no members under the age of 35. In contrast, most committee members were listed in the 36-64 age group – 67% of United Ways and 62% of municipalities. Across both funder types, only 6 committees lacked at least one member within the 36 to 64 age bracket. Finally, regarding the last age bracket – committee members aged 65 or older - more than one quarter of municipal grantmaking committee members were over the age of 64, compared to only 17% of United Way committee members.

*Gender.* Data about the gender of committee members were received for 126 United Way grantmaking committees and 66 municipal grantmaking committees. Among both types of funders, women are slightly overrepresented, accounting for 54% and 60% of municipal and United Way community grantmaking committee members, respectively. Consistent with Dougherty and Easton's (2011) study, committees were classified as male- or female- dominated if 67% or more of their membership consisted of that

gender.<sup>9</sup> For both United Ways and municipalities, more committees were female dominated than male dominated. Among the 74 municipal grantmaking committees providing gender data, approximately half (n=39) were gender dominated (28 female dominated to 11 male dominated). In contrast, only 51 of United Way's 146 grantmaking committees that provided data on gender were gender dominated, but nearly all were female dominated (48 female dominated vs 3 male dominated). Additionally, no funders reported members who identify as gender non-conforming.

*Race.* There is a robust and growing literature about the need to “decolonize” funding and grantmaking, with a specific emphasis on the prevalence of white-led foundations (Villanueva, 2018). This, coupled with arguments that community-led grantmaking is more likely to represent the needs of service populations and other marginalized communities, would suggest that grantmaking committees would be racially diverse or at least more sensitive to the importance of racial representation. Only 42% (n=61) of municipal funders and 62% (n=134) of United Way survey respondents provided data on racial composition of their grantmaking committees. Among those providing data, however, 23% of both municipal funders (n=14) and United Ways (n=31) reported no nonwhite committee members, and only 13 total committees reported at least half of their members to be people of color.

*Human service expertise.* One of the enduring arguments for broad participation in grantmaking is that community members can provide a “front-row take” on problems

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<sup>9</sup> Survey respondents were offered the option to identify members who identified as gender nonconforming; none selected this option.



the community is facing and how best to address them (Bourns, 2010, p. 4). In particular, the decision-making participation of those most likely to be impacted by or have knowledge of human service programs should “[provide] a source of special insight, information, knowledge and experience” to the funder (Bowen, 2008, p. 67). However, little is known about the extent to which CGCs leverage human service expertise. Overall, these questions were the most skipped of any demographic questions: only 41% and 61% of municipal and United Way respondents, respectively, provided data about committee makeup in terms of human service expertise. On the average United Way committee, 8 members will have had experience as a human service provider, but only 3 will have experience receiving human services; for municipalities, these numbers are 4 and 2, respectively. Importantly, across both types of funders, 83 respondents reported having no human service recipients on their CGC.

### **Conclusion and Implications**

This research set out to document the prevalence of community grantmaking committees and provide a snapshot of their characteristics. The limited (albeit growing) literature on participatory grantmaking asserts that CGCs may be an effective way to enhance empowerment (Hardina, 2008), more equitably distribute resources (Gamble & Weil, 1995), and improve funding outcomes through insider knowledge and insight (Bowen, 2008). Our data show CGCs are common to human service funding processes, albeit with geographic variation. This prevalence might suggest locally based funders benefit from the significant potential advantages inherent to involving the public in grantmaking, although our study suggests potential barriers to accessing these benefits.

The first identified barrier is the availability and accessibility of publicly available information on human service funding processes. I noted substantial geographic variation in the prevalence of human service CGCs, but (as I will discuss more in limitations) my research process relied on funders (1) having a web presence; and (2) providing enough information online that I could discern the presence of a CGC and/or identify a contact person to receive our survey. Industry research suggests that individuals will spend no more than 116 seconds on a website looking for information (Granicus, 2017); in contrast, the research team set a time limit of no more than 10 minutes on any given website. Perhaps more important than the prevalence data it yielded, this process demonstrated the significant challenge community members would face in trying to identify and join existing CGCs. From the perspective of the research team, municipal websites were particularly challenging, owing to the lacking consistency in (1) departmental homes for human service funding; and (2) CGC names.

The second, and potentially connected, barrier relates to CGC composition. Survey findings indicate relative homogeneity among CGC members. While our research is not able to control for specific demographic variations of every funder's community, our data indicate CGCs are overwhelming White, professional, and older. Although CGCs are separate entities, these demographic patterns are consistent with research on nonprofit (Brown, 2002; Ostrower, 2007), foundation (BoardSource, 2017; González-Rivera, 2009), and municipal boards (Dougherty & Easton, 2011). Considering well-founded criticisms about lacking board diversity and its impact on organizational decisions (González-Rivera, 2009; Kasper et al., 2004), findings here call into question whether CGCs will necessarily behave differently than other boards given they similarly

struggle with diversity. Perhaps more troubling, however, are the lack of data on CGC members with human service expertise; according to this survey, only one-third of CGC members will have experience providing human services and as few as one-eighth will have experience receiving them. While there is no hard-and-fast rule about the amount of human service expertise needed on a CGC, we might expect stronger representation given the committees' explicit purview to make funding decisions for human service organizations. Depending on the extent to which funders devote time and energy to educating CGC members about their local human service systems and needs, the lack of lived human service experience is a critical component in achieving the "front-row" take on community problems and solutions that many funders profess to desire.

Taken together, what are the implications of these findings? For practitioners, this research indicates a need to more deeply examine how funding processes are communicated to the broader public. Considering enhanced interest in participatory philanthropy and perpetual criticism of funding efficacy (as just one example, President Trump proposed cutting all CDBG funding moving forward, a critical source of human service funding), funders should be cognizant of how they transparently and confidently communicate back to their respective constituencies (for United Ways – donors; for municipalities – taxpayers) the disbursement of these dollars. To this end, a relatively straightforward preliminary step in enhancing community engagement is providing up-to-date information on the funder's website. At minimum, this should include basic details about funding (e.g., priorities, total distributed each year, grant timelines) and a staff contact. More comprehensive websites might include descriptions of the CGC, a list of committee members, meeting schedules, and qualifications. Funders should also consider

alternative ways to reach community members (e.g., flyers distributed through community partners, public announcements) as digital divides persist in rural communities (Perrin, 2019) and lower-income households (Anderson & Kumar, 2019).

Beyond just modifications to their communication strategies, municipal funders might also consider working with other local funders (within their state or otherwise) to examine streamlining nomenclatures and processes. As mentioned previously, nearly one-third of Washington's municipal human service funders use the same CGC name (Human Service Commission), and, anecdotally, the research team noticed shared or similar language when discussing these cities' CGC missions and processes. While it is unlikely that municipalities will reach the same level of consistency in CGC names that United Ways currently enjoy, even minimal steps towards consistency might enhance accessibility by minimizing confusion for potential CGC members or even applicant organizations who provide services in multiple cities.

Funders of all types should also examine their current CGC makeup and consider whether and how it reflects their community of focus. One positive implication of this research thus far has been reflection on the part of some funders regarding their own processes and data gathering. Several participants expressed interest in receiving a copy of the final report, and some emailed with specific feedback about how taking the survey shed new light on their own funding processes. For example, one respondent wrote, "I completed this survey and it was very enlightening. [My organization] could do a little better on choosing people from those listed different categories to distribute the funding," while another wrote, "Your survey got me thinking – I can't remember if we actually ever have [our volunteers] fill anything out about demographics. Maybe we should be

thinking about that.” While these responses are heartening, they also indicate potential areas for future research, including how CGC members are recruited and how qualification for these committees is framed to the broader public.

For researchers, these findings indicate new directions for research, particularly in ways that would address the limitations of our study. For government funders, I chose to limit searches to those municipalities classified as cities by the U.S. Census. While this decision allowed for more in-depth examination of funders, our results cannot be expanded to represent all types municipalities (e.g., villages, townships, city-county governments), particularly in light of Dougherty and Easton's (2011) findings of differences between government types in use of appointed public volunteer boards. To this end, future research might examine configuration of human service funding among non-cities.

While scholarly literature has traditionally treated governmental and philanthropic funders as distinct, findings from this study suggest key overlaps in the historical development and current approaches to community-engaged funding. Future research might more explicitly examine locational co-occurrence of CGCs, including across other funder types (i.e., beyond cities and United Ways). Such research could have tremendous practical application as well given that there is a growing movement among foundations to adopt more participatory grantmaking approaches (Bourns, 2010; Gibson, 2017, 2018; Tuan, 2019) and an increasing interest in collaborative funding processes (Gibson & Mackinnon, 2009; Grady et al., 2018; TCC Group, 2011). Further study might also examine the geographic variation in CGC prevalence, including historical or policy-

oriented drivers in these differences, as well as whether granting outcomes or general levels of citizen engagement differ based on CGC prevalence.

## CHAPTER 3: PAPER 2

### Putting the ‘community’ in community-based funding? Recruitment, motivation, and role negotiation of human service grantmaking committees

Megan M. Farwell

#### ABSTRACT

I explore how funding decisions are made when giving grants to human services organizations that include mental and physical health. Community engagement in the decision-making processes is expected to yield many benefits, including a deeper understanding of community problems, a better sense of grantee needs and challenges, and greater effectiveness. This qualitative study examines the experiences of 20 community grantmaking committee members and five grantmaking staff in 6 Washington State human service funders. Findings suggest challenges with achieving the goals of more participatory grantmaking, stemming mainly from recruitment processes, grantmaker motivations, and sensitivity to staff roles.

**Keywords:** governance, grantmaking, public participation, human services, funding

Whether private or public, all funders must employ some mechanism to select awardees. History suggests many funders have incorporated some version of community engagement into their granting decisions. For example, government funders have long used community-based committees in human services funding processes, a practice popularized in the 1970s with Community Development Block Grants (Johnson, 2016; O’Connor, 2001; Roberts, 2004). Comparably, since the 1970s, United Ways have

employed a version of a “citizen review” process, where community members participate in the funder’s service planning and resource allocation efforts (Brilliant, 1990; Brilliant & Young, 2004). Similar practices remain in place today: Among a sample of 2,027 United Ways and cities, approximately 39% and 32%, respectively, used a community-based committee to direct their human service grant investment, generally overseeing similarly sized funding portfolios (United Way average: \$1.3 million; city average: \$1.8 million) (Farwell, 2020).

Of course, municipalities and United Ways are fundamentally different entities and have been treated as such in academic literature. Municipal funders derive their revenue streams primarily from tax revenues, although they can also serve as pass-throughs for state and federal dollars. Their top-level decision-making body is usually a city council. In contrast, United Ways primarily rely on philanthropic support (although they, too, can receive funds from other entities) and are overseen by a Board of Directors. Like many nonprofits and foundations, United Ways’ top-level leadership is a Board of Directors. Regardless, both are critical human service funders for local communities. In 2009, nearly 75% of human service agencies nationwide reported contracting with their local governments (Boris, de Leon, et al., 2010); United Way affiliates are often a community’s single largest non-governmental human services funder (Grønbjerg et al., 1996).

Considering these differences, however, it is striking that both types of funders have implemented community-engaged processes for their grantmaking, which I am referring to as Community Grantmaking Committees (CGCs). In CGCs, the people taking part in the grantmaking process are neither the funder’s paid staff nor



organizational leadership, but instead members of the broader community. Much like participatory grantmaking approaches (a term which is currently used to refer primarily to foundation funding; (Bourns, 2010; Gibson, 2017, 2018, 2019), the goal of CGCs is to engage the broader community into the grantmaking process, with the belief that “if affected communities participate in decision-making, grants will be allocated to those most able to create long-lasting change” (Hart, 2014, para 1).

Both practitioner and scholarly literature argue that community-engaged processes have unique benefits, including the ability to identify and “elevate local needs and preferences” (Jun & Musso, 2013, p. 75), an aptitude of particular importance to human service funders. However, extant research examining both nonprofit and municipal governance processes suggests the ability of funders to deliver on these supposed benefits depends, in part, on how community stakeholders enter, conceptualize, and negotiate their roles as grantmakers.

Considering the accepted importance and norm of community engagement in the human services funding process, particularly at the local level, a better understanding of the motivations and experiences of those serving in this capacity is needed. Most governance literature focuses on “top-level” committees as the primary decision-making bodies within nonprofit organizations and public agencies (e.g. boards of directors and city councils), ignoring others that contribute or even drive decision-making (Bradshaw & Toubiana, 2014; Byers et al., 2015; Cornforth, 2012). There is a growing body of practitioner literature on participatory grantmaking (a form of participatory philanthropy that focuses on engaging broader stakeholders – and particularly service communities – into grant decisions; Gibson, 2019), but it has received little attention in scholarly

research. This paper fills the gap by examining community-engaged processes in grant making decisions in two important but distinct contexts – local municipalities and United Ways and asks the following questions:

(RQ1) How are community grantmakers recruited?

(RQ2) What are their motivations for serving in this role? and

(RQ3) How do they negotiate their role with other organizational actors?

## **Literature Review**

There is a substantial body of literature on community engagement in decision-making in both nonprofit and government realms. In nonprofit literature, use of volunteers (both direct service and governance) is one of the most obvious mechanisms of engaging community stakeholders in organizational work. Whereas direct service volunteers typically assist with the organization's service or program delivery (Cnaan & Goldberg-Glen, 1991), governance volunteers are more likely to engage in decision-making activities, as these individuals usually have "legal and fiduciary responsibilities for the organization's governance" (Inglis & Cleave, 2006, p. 84). Importantly, nearly all nonprofit research on governance volunteers focuses on boards of directors, often excluding subcommittee volunteers (like those on a grantmaking committee). However, although grantmaking volunteers do not share the same specific responsibilities as boards of directors, their responsibilities – which include vetting potential grantees, reviewing financial statements, and grading applications – are more similar than those of direct service volunteers. Furthermore, CGCs, like many nonprofit subcommittees, serve in a primarily advisory role, meaning the board retains ultimate discretion over final decisions (Tschirhart & Bielefeld, 2014).

In terms of governmental decision-making, perhaps most analogous to the examination of community grantmakers is the process of participatory budgeting, which enables city residents to directly engage in local budgeting processes, including diverting public monies to projects that are particularly important to residents (Fung & Wright, 2001). Participatory budgeting models can take a variety of forms, but most leave final budget approval to the municipal council. The extent to which citizens are engaged into the process up until approval, however, can vary from “simple consultation with citizens, whereby the executive and legislative branches retain all the power” to “deliberative experiences, in which the decisions of PB councillors have real power and are endorsed by the municipal council” (Cabannes, 2004, p. 27).

### **The Value of Community Engagement**

The individual and social benefits of public participation in decision-making have been touted for years, and many of these arguments directly map onto arguments for community engagement in human service granting processes. For example, public participation is argued to ensure a more equitable distribution of resources (Gamble & Weil, 1995), enhance individual and community empowerment (Hardina, 2008), and “[provide] a source of special insight, information, knowledge and experience, which contribute to the soundness of community solutions” (Bowen, 2008, p. 67). When community members participate in decision-making, they ameliorate information asymmetry between funders and grantees because of their “front-row take” on problems and solutions (Bourns, 2010, p. 4). For example, Hart, Faller, Nepon, and Schmitt (2014) write that “decision-making participation of people impacted by the fund’s programs will guarantee that grants are allocated to those most deserving” (p. 8). In sum, public

participation in philanthropic grantmaking should increase transparency and trust (Bourns, 2010), reduce power imbalances between funders and communities (Enright & Bourns, 2010), and, perhaps most importantly, ensure grant dollars are deployed to those organizations best able to address community needs (Johnson, 2016).

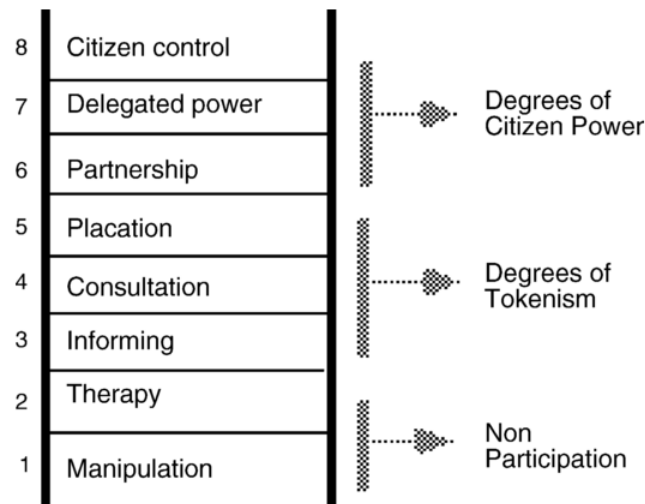


Figure 4. Arnstein's Ladder of Citizen Participation.

Arnstein's (1969) ladder of citizen participation remains an enduring – albeit contested – model for conceptualizing community engagement in decision-making processes. This typology – developed through examination of President Johnson's Model Cities, which mandated citizen participation in federal social program decision-making – arranges rungs according to the extent of citizen control. Lower rungs are categorized as nonparticipant, as these types of models focus on “[enabling] powerholders to ‘educate’ or ‘cure’ the participants” rather than providing genuine opportunity to contribute to program development or implementation (Arnstein, 1969, p. 217). The middle section, whose ascending rungs include informing, consultation, and placation, incorporate citizen voices more thoughtfully than those in the lower rungs, albeit still with, according to

Arnstein (1969) “degrees of tokenism” (p. 217). The highest rungs – partnership, delegated power, and citizen control – provide citizens with power to either negotiate with traditional powerholders or fully oversee the process. To this end, one aim of citizen engagement is to transfer control over the decision-making process: ‘Nobodies’ in several arenas are trying to become ‘somebodies’ with enough power to make the target institutions responsive to their views, aspirations, and needs” (Arnstein, 1969, p. 216).

### **Obstacles to Realization**

Arnstein developed her conceptual framework, in large part, because of the lackluster implementation of the citizen review process, which she described at one point as “a new Mickey Mouse game for the have-nots by allowing them to gain control but not allowing them sufficient dollar resources to succeed” (p. 224). Model Cities (and other) programs faced substantial challenges in achieving genuine citizen participation (Burke, 1971; Strange, 1972; White, 1983), and a review of public participation and volunteerism literature suggest similar challenges to grantmaking efforts persist today. It is unclear whether participatory approaches can necessarily overcome biases in funding priorities (Enright & Bourns, 2010; Franklin & Carberry-George, 1999; Gibson, 2019; Kasper et al., 2004), preferences in grantee selection (Ashley & Faulk, 2010; Galaskiewicz, 1997; Szper & Prakash, 2011; Jia Wang & Coffey, 1992), and inherent power structures in funding relationships (Eikenberry, 2007, 2016; INCITE!, 2017), or if these and other issues could be exacerbated under this process. However, the specific items examined here – committee recruitment, motivation for serving, and role negotiation with other organizational actors – represent three foundational issues to understanding CGC

operation, a first step in examining their potential to realize Arnstein's transfer of power and achieve funders' hopes for enhanced grantmaking efficacy.<sup>10</sup>

### ***Recruitment Mechanisms***

Extant research indicates that recruitment mechanisms can deeply influence both participation and representation. Despite a governing structure that implies boards represent community interests (Feiock & Jang, 2009), research on both nonprofit and foundation boards suggests they are likely to be white (BoardSource, 2017; Ostrower, 2007; Ostrower & Stone, 2006), older (BoardSource, 2017; Brown, 2002; Ostrower, 2007; Ostrower & Stone, 2006), educated (Tschirhart et al., 2009; Walton et al., 2017), and wealthy (Middleton, 1987; Ostrower, 2002, 2007; Walton et al., 2017). The limited research on composition of foundation boards finds similar results, specifically with respect to age (BoardSource, 2017) and race (BoardSource, 2017; González-Rivera, 2009; The Greenlining Institute, 2013). Research on local government boards suggest parallel trends, with women, minorities, and adults under age 35 under represented (Dougherty & Easton, 2011). Beyond failing to capitalize on the benefits of diverse leadership such as enhanced decision-making (Brown, 2005), innovation (Jaskyte, 2012), and organizational performance (Ali et al., 2014), these representation trends potentially threaten the community grantmaking committees' ability to effectively understand and respond to community-wide human service needs. This is, in part, because of the wide experiential gulf between the decision makers and those who are affected by them,

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<sup>10</sup> "Grantmaking efficacy" is defined here as funding programs and organizations that will help achieve the funder's goals (Ostrower, 2004). Importantly, the burgeoning literature on participatory grantmaking is grappling with the concept of grantmaking effectiveness, with practitioners and scholars questioning how and upon whom "impact" is measured (Gibson, 2018; Longhurst, 2018; Tuan, 2019).

particularly because “boards are typically more homogenous than organization staffs and service clientele” (Walton et al., 2017, p. 118).

One reason for such homogeneity relates to the specific mechanisms used to recruit nonprofit and public boards. Nonprofit boards rely heavily on existing board members recruiting primarily from their personal and professional networks (Gersick, 2004). Similarly, a substantial number of public board members report being directly recruited, either by a current board member or an elected official, a process that includes “identifying individuals with the appropriate set of skills and convincing them to serve on the board” (Baker, 2006, p. 143). To address this, some funders have attempted to intentionally design more open recruitment processes (e.g., open calls, community nominations, ads) that could “generate a heterogeneous group of community members to introduce a broader array of interests, perspectives, and networks into the grant selection process” (Johnson, 2016, p. 77). However, processes that rely primarily on self-selection also may not meaningfully change board composition, as those who self-select are more likely to have various forms of privilege (Mosley & Grogan, 2013).

### ***Motivation***

Applied to grantmaking, literature suggests incorporating community stakeholders stems, in part, from an interest in enhancing grantmaking efficacy (Bourns, 2010; Enright & Bourns, 2010). However, individual motivation to serve on such committees is less clear. Inglis and Cleave (2006) identified six components of motivation to serve on a nonprofit board, which may be useful frames to understand grantmaking committee members: enhancement of self-worth, opportunity to learn, helping the community, relationship development, the ability to uniquely contribute, and the opportunity to

address problems of personal interest. These items echo motivations to serve on public boards, including material (e.g., relationship development for professional enhancement), developmental (e.g., the ability to use one's knowledge or expertise), and service (e.g., a belief in community service) incentives (Baker, 2006; Birungi, 2019; Busch, 2016; Miller-Stevens et al., 2014). Motivation to serve on a community grantmaking board could indicate a potential challenge to improving grantmaking outcomes. As an example, individuals whose primary motivation to serve on a community grantmaking board lies in personal enhancement (e.g., relationship development or material incentives) may not be well suited to achieving organizational aims of efficacy or being responsive to community needs.

#### ***Committee volunteer/staff role negotiation***

A final potential obstacle to community grantmakers delivering on the promises of public participation lies in the negotiation of their relationship with organizational actors such as staff. As Buckwalter (2014) writes,

Administrators play a dual role in public empowerment, influencing both its process and its outcomes. First, they help create the conditions for empowerment by shaping the venues in which the public participates and by providing information and other critical resources to build participant efficacy. . . Second, administrators influence the outcomes of participation. . . by working together with the public to make and then carry out effective decisions (p. 574).

Public participation literature suggests that the quality and extent of community engagement is substantially impacted by the both the skill and willingness of staff



managing such efforts (Abelson & Gauvin, 2006; Thomas, 2012). There are also indications that staff may not see value in community engagement, as participants may be considered “emotional, illogical, and lacking in credibility” (Bryer, 2013, p. 263). Regarding nonprofits, Netting, Nelson, Borders, and Huber (2004) argue that organizational staff may resist the introduction of volunteers into their work, a dynamic heightened when volunteers’ roles are expand into areas traditionally held by staff (Bagilhole, 1996). Handy, Mook, and Quarter (2008) find role interchangeability between volunteers and staff can create tension: if staff are keepers of institutional precedents and are not fully transparent, then they may sway decisions, especially if they perceive some risk to their power or job.

Importantly, most research on the overlap between staff and volunteer roles largely focuses on direct service volunteers; research that does exist on governance volunteers primarily examines the relationship between chief executives and boards, with the association described as either a balanced partnership (Drucker, 1990; Houle, 1989; Leduc & Block, 1985; Reid & Turbide, 2012), a hierarchical arrangement (Brager et al., 1987; Gelman, 1983), or a struggle for dominance (Gummer, 1980; Iecovich & Bar-Mor, 2007). Although research on volunteers serving on committees is absent, the above literature provides insight into understanding community engagement of committee volunteers, which is critical to understanding their role in human service grantmaking process.

## Method

This study<sup>11</sup> was conducted with 6 local-level human service funders in Washington State: 3 county-level United Ways, and 3 municipalities. Funder size varied, with annual grantmaking budgets ranging from approximately \$500,000 to over \$3 million and number of grantee agencies ranging from approximately 20 to more than 30. All funders employed a multi-year funding process, although the duration differed (ranging from 2 to 5-year funding processes).

Table 3. Funder Characteristics.

	Funding Portfolio	Granting Period	Organizations Funded	Grantmaking Body Size
<b>Municipality</b>				
City A	\$3.7 million	2 years	43	9 members
City B	\$1.4 million	2 years	29	8 members
City C	\$1.27 million	2 years	33	7 members
<b>United Way</b>				
UW A	\$1.05 million	5 years	25	12 members
UW B	\$1.4 million	3 years*	22	10 members
UW C	\$584,000	2 years	23	8 members

\*Funder has multiple funding processes

## Site Selection and Participant Recruitment

Given the potential for tension around grantor-grantee relationships, including politics around the funding process itself, access to grant decision makers can be challenging. Funder sites were identified and recruited through a combination of purposeful and snowball sampling (Ravitch & Carl, 2016). Beyond goals of achieving representativeness or capturing heterogeneity among the sample population, purposeful

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<sup>11</sup> IRB approval was obtained from the authors' university.

selection also highlights the importance of selecting participants with whom productive relationships can be established (Maxwell, 2013).

The primary author's previous work in the human services field facilitated initial recruitment of two funders (1 United Way, 1 municipality) currently using CGCs.

Following initial site recruitment, staff members in each organization identified other funders within their respective networks also using CGCs. This snowball approach not only effectively identified additional funders using community processes for grantmaking (as many funders do not publish specific details of their grantmaking processes), but also facilitated access, as introductions were made through a trusted colleague in the field rather than a cold call from a researcher.

### **Data Collection**

To facilitate triangulation (Ravitch & Carl, 2016), the authors employed two forms of data collection: semi-structured interviews and review of organizational documents.

#### ***Interviews***

In total, 25 interviews were conducted from May 2018 to March 2019 with two types of participants: committee members (n=20) and organizational staff liaisons (n=5). Committee member interviews provided an opportunity for them to share their engagement in and understanding of community grantmaking. Staff liaison interviews offered insight into the organizations' motivations for using community grantmakers as well as design of the process (as these staff members reported responsibility for both recruiting committee members and guiding them through the grantmaking process). All staff liaisons who shared the recruitment email with their volunteers were invited to be

interviewed, regardless of whether their volunteers participated in the project. One site (City C) included only volunteer interviews.

Table 4. Interviews by Role and Affiliation.

Affiliation	Interviews		Designation Code (S=Staff, V=Volunteer)
	Staff	Volunteer	
<b>Municipality</b>	<b>2</b>	<b>10</b>	
City A	1	4	S01; V01-04
City B	1	2	S02; V05-06
City C	0	4	V07-V10
<b>United Way</b>	<b>3</b>	<b>10</b>	
UW A	1	6	S03; V11-16
UW B	1	1	S04; V17
UW C	1	3	S05; V18-20
<b>Totals</b>	<b>5</b>	<b>20</b>	

Using themes from existing literature, an initial interview guide was developed and implemented with the first three interviewees in June 2018. The protocol was then revised and finalized based on interview length, interviewee feedback, and improved alignment with the research aims. Example questions included “How did you first learn about the opportunity serve as a volunteer grant maker?” “Why did you decide to volunteer in this way?” and “How do you consider and incorporate community feedback into your granting decisions?” Follow up questions probed for more depth around participant experiences, including how they defined “community” in their role and what, if any communities, they felt they specifically represented. Interviews were semi-structured, an approach that provides both a foundation for consistency as well as the flexibility to customize the experience for each participant’s needs, comfort, and interests (Ravitch & Carl, 2016).

Interviews were conducted over the phone, and with participant permission, were audio recorded and professionally transcribed, resulting in a total of 262 pages of single-spaced text (215 volunteers, 47 staff liaisons). All participants received a copy of their transcript and offered the opportunity for revision. To protect confidentiality, participants were assigned a code pseudonym and their transcripts were de-identified.

### ***Organizational Documents***

Document and archival data lend important insight into the context in which grantmakers operate, particularly in terms of the formal qualifications and expectations of the position. Because each funder employs different governance structures and processes, cross-site documentation may not be perfectly replicable. Prior to conducting interviews and throughout the study, committee position descriptions, scopes of work, recruitment calls, committee rosters, and meeting minutes/notes were examined. This process enhanced contextual knowledge of each funder and provided unique insight their community grantmaking approach. For example, the scope of work laid out the committee's charge and purview, including documented authority to make independent grantee decisions and how those decisions may be influenced (or not) by staff (RQ3). Committee descriptions and announcements provided information on the language used to recruit committee members, including required vs. desirable qualifications, educational backgrounds, and expected experience (RQ1). Finally, committee rosters illustrated how committee members were represented to the public (RQ1; e.g. formal titles, business/organization affiliations).

### **Analysis**

Transcripts were first read for general understanding and then reread and coded to identify recurring themes and concepts (documents and staff interviews were not used in development of the codebook, but instead were coded using existing frames from the volunteer codebook). Both deductive and inductive coding techniques were used to develop a hierarchical coding scheme from volunteer interviews. An initial start list of codes were developed that reflected research aims and key constructs surfaced from literature (Miles et al., 2013); these included both Inglis and Cleave's (2006) scale for board member motivation and Arnstein's (1969) ladder of citizen participation. This initial list also included concise descriptions of each code to aid in consistency of application (Ravitch & Carl, 2016). Some text excerpts were overcoded (i.e., assigned multiple codes); others were deemed not relevant to the research questions and remained uncoded (Saldaña, 2016). Code patterns were examined between and across demographic subcategories (e.g., funder type, participant demographics). Funder information was taken from organizational websites and publicly available data; volunteer member information came from the initial survey sent to participants. These descriptive sets were used to cluster responses and examine where themes coalesced and diverged between funder site and along volunteer demographics. All analysis was conducted in the web-based qualitative analysis software Dedoose (version 8.3.16).

## **Results**

### **Recruitment and Representation**

A primary aim of this study was to understand the recruitment mechanisms and general representativeness of CGCs, as literature suggests that narrow processes in the former lead to homogeneity in the latter. Consistent with Johnson's (2016) assertion that

community boards were more likely to employ a variety of methods in recruiting community grantmakers than traditional boards, there was no overwhelmingly popular recruitment method for positions on CGCs, although there were some themes that emerged in certain sites. For example, many United Way community grantmakers had previous exposure to the organization, usually as a volunteer (e.g., for the free tax preparation campaign or on another committee). Based on interviews with staff liaisons, United Ways were also more likely to employ purposeful recruitment and selection methods, with one organization going so far as to create a matrix of expertise, affiliations, and demographic backgrounds they deemed necessary for their grantmaking committee and then working within their community networks to identify potential applicants. In contrast, municipal volunteers often reported responding to public postings calling for new committee members, a finding echoed by staff supporting municipal committees. Regardless, neither funder relied on primarily professional or personal networks for CGC membership, a key difference from other types of boards.

As discussed earlier, the primary goal of more open recruitment processes is to generate diversity among decision makers, given that boards of all types are likely to be older, whiter, and more educated than either organizational staff or service recipients. Demographic information provided by interviewees casts some doubt on the extent to which these more open processes necessarily achieved greater diversity. Out of 20 committee members, 6 identified as male, 18 as white, and 17 had at least a bachelor's degree (14 had graduate degrees). The average age of community grantmakers interviewed was 54, with ages ranging from 29 to 79 years old. Finally, all but 5 interviewees worked full-time, and the remaining were retired. Although they were not

asked to provide information on their occupations, those who voluntarily offered information over the course of their interview reported working in primarily white-collar professions such as banking, architecture, accounting, and education administration.

Committee members were asked several questions about representation, including whether they considered themselves a representative of any specific community or if they thought their grantmaking body was representative of the community at large. With only one exception, no committee members felt they were there to represent the interests of a particular group, although many expressed concerns that their specific grantmaking committees were not necessarily reflective of various communities (“my main concern was what is the representation like [on this commission],” V07; “Where we have not been as successful ... is in people of color. In diversity,” V15). While these responses indicate some awareness that committees struggled with racial and ethnic diversity (with many pointing to the time commitments required to serve in this unpaid capacity as a substantial challenge), the extent to which grantmakers argued this affected grantmaking efficacy differed.

Rather than focusing on the diversity of CGC members, interviewees instead extolled a deliberations process that invites debate and discussion. While there were minor variations<sup>12</sup> in the grantmaking process between both funder types and individual funders, all funders included discussion as the primary mechanism for decision making. Some funders (United Way A, City A, City C) provided CGC members with “official”

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<sup>12</sup> Other variations included the number and length of meetings as well as whether applicant organizations were invited for additional Q&A sessions.



scorecards for applications, but both volunteer and staff interviews emphasized these were used as a starting point for deliberations; no funding decisions were made solely off of CGC scores, and all funders using scorecards invited CGC members to change scores throughout the deliberations process. It was this approach to deliberation, interviewees argued, that lent “strength” to the process and ensured “smart” decisions were being made:

The strength though is that you have a lot of different points of view and experiences and connections. (V01)

Their perspectives on life. Everybody looks at everything differently. I may think homelessness is important and they may think helping young kids to have food on the table is important. Everybody's got a different outlook on what's important in the community. (V16)

If you've recruited people well, then you have inputs from people who know whether this will work or not or could say, "Well, this would've worked for me, but this would not have, and here's why." And if you've recruited people well, then you've got more smart people helping make a decision and more smart people is always a good thing. (V14)

Regardless of challenges with achieving ideal group composition, each of these responses highlights the importance of group process, a core component of grantmaking efficacy according to most interviewees. In other words, although there were varying levels of

discomfort with the CGCs' diversity or representativeness of the community at large, many interviewees seemed to suggest that the group process itself could traverse these challenges and that this process alone would produce effective granting outcomes.

## **Motivation**

The second potential challenge to “[elevating] local needs and preferences” lies in motivation for serving as a community grantmaker. Using Inglis and Cleave's (2006) research as a secondary coding framework, all responses fell into the following three categories: (1) helping the community, (2) the opportunity to learn through (or about) community; and (3) the feeling that grantmakers were bringing a unique perspective or skill set to the committee that may not have existed otherwise. As would be expected, some variation of “helping the community” was mentioned by all participants, with most discussing their involvement in grantmaking as an extension of previous volunteer work or community service. However, many distinguished their involvement in grantmaking as a way to deepen their impact (“I thought there was a potential to have a little bit more impact” (V08), “having the opportunity to kind of make a difference and an impact on how [human] services are funded” (V07) “the feeling of real engagement in terms of being intimately engaged in deciding how to allocate scarce resources in a way that they would do the very best that they could do for people” (V14)).

Despite most grantmakers saying they volunteered to help their communities, the second most common motivation for serving in the role of grantmakers was to learn more about the community in which they lived or worked. While not a material incentive or explicit form of personal enhancement (i.e., done for the purposes of self-promotion) this may still contradict the funder's aims of enhanced information of grantees. For example,

one United Way committee member said the opportunity to become more familiar with nonprofits serving the region was a primary reason for joining the grantmaking committee in the first place, saying that she “saw it as a way that I could get to know more agencies in the county. . . Through the grant process, I learned about organizations that I never knew about” (V16). The continued opportunity to learn about both human service needs and human service providers served as a major motivation for remaining in this role. However, the following quotes also demonstrate that benefits of participation may largely accumulate for CGC members rather than the funder:

I just realized that I was learning more about my community and what was available to help people, or maybe what the gaps were. (V20)

It was, I think, just kind of change of scenery and just broadening my experience with organizations. (V09)

We got to meet some of the community agencies and I just saw how much good work was going on that I wasn't aware of. (V17)

Although the average length of community grantmaking experience was 9 years (min: 1 year, max: 37 years), this theme of continued learning was consistent across community grantmakers.

The final motivation for serving as a grantmaker among interview participants was the belief that they were able to make a unique contribution to the committee’s work. While the motivations grouped under this theme might indicate an ability to inform the

funder's areas of focus (e.g., human services or expertise with a specific topic,) many interviewees instead highlighted what they believed to be their unique decision-making skills, such as the ability to be "unemotional," "rational," and "willing to make tough decisions" or "say 'no.'" In fact, when asked why they first chose to pursue serving in a grantmaking capacity, only one interviewee directly referenced their topical expertise with their respective funder's investment area, education ("I knew as being a teacher and someone in the education field sometimes [programs] weren't that good" (V17), and only one connected it to her lived experience ("I think I've been in the two sides. Years, years, years ago I was in the park with my little kids . . . And now we are in another position where we can give . . . my perspective [is] like there is urgency and there is priority" (V12).

### **Negotiation among Parties**

The study's final aim was to examine how CGC members negotiate their role with other organizational actors, namely staff, as the latter can interpret volunteers as a threat. However, although the initial intent of interviews was to examine the staff-grantmaker relationship, many community grantmakers first stressed their role as advisory to their respective superseding body (e.g. board of directors or city council). For each funder site, the community grantmaking board was nested under at least one additional committee, including a top-level body that retained ultimate responsibility for finalizing grant decisions (including award amount). For the United Ways, the Board of Directors authorized final grant decisions; for municipal governments, the City Council was tasked with this responsibility.

There was a clear articulation of duties between CGCs and their superseding bodies, with the former serving officially only in an advisory capacity. Regardless of funder type, grantmaking volunteers routinely located themselves within a process in which they were not the final authority, although one that can exert substantial influence over grant awards: “[City Council members] don't have the time to nitpick and review all 91 of these proposals. They ask us to do that. So our recommendation at the end of the day is the one that they will largely take” (V10). No interviewees reported deviations between the proposed and finalized grant decisions, a fact confirmed by all staff liaisons interviewed. In fact, one staff liaison (S01) said she could think of only one unplanned<sup>13</sup> funding award adjustment in her approximately 20 years of experience working with her CGC.

In contrast to the clear delineation of committee and board or council responsibility, the role of staff in the grantmaking process was far less clear. Here, there was substantially more variation across sites regarding staff role in the grantmaking process, ranging from no staff input to staff as full (and, in one case, directive) participants. In most cases, both community grantmakers and staff liaison identify the latter's role as one of support rather than control (“The staff is there as a resource” (V08), “They lay out the framework, they do not make the recommendations” (V05), “They keep us on track” (V02), “They're not trying to sway us one way or another” (V04)). Staff were characterized as supporting the committee's work by helping to facilitate the

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<sup>13</sup> Staff liaisons discussed producing multiple versions of grant recommendations in the event of fluctuations to the grant pool (e.g. if revenues come in above or below expectations).

deliberation process, keeping meeting notes, tallying application scores, or following up with agencies to answer grantmakers' specific questions.

This 'hands-off' approach led many CGC members to feel both engaged and empowered through this process, suggesting that staff control over the process was not a substantial challenge for these committees. For some, the lack of staff input created a different type of challenge, and one that hindered the committee's decision-making ability:

I'm not in the nonprofit world in my day job. So I don't know intrinsically if this nonprofit requesting funds, A, is competent, let's use that word, compared to nonprofit B. And maybe the staff know information, but if they're actively trying to disengage and not influence the process then they're not sharing that information, which might be germane to whether we fund A or B. So that's kind of the, if you will, one of the tensions and almost frustration points of experience with the models of granting that I've been engaged with. (V13)

Here, this quote suggests that staff under-involvement (where staff do not contribute to the deliberations in a substantive way) can be as or more problematic to the granting process as staff over-involvement (where staff try to sway decisions too much).

Frustrations aside, nearly all interviewees described staff as supplementary, with many explicitly stating that they didn't feel they were just there to rubber-stamp staff decisions. With few exceptions, staff liaisons expressed hesitation to inject their opinions into the grantmaking process, with most saying they wanted to keep the proceedings as "unbiased" as possible.

One United Way (United Way A) described a shift in their most recent grantmaking cycle, where they moved from a process where staff provided no input or guidance in fund allocation to one where their scores were one of seven items the grantmaking volunteers considered. According to the staff liaison managing this process, the shift in staff involvement was made possible because of an accompanying shift away from a “compliance” model with grantees to one of direct support:

Now because our staff was going to actually have to work daily with each of these collaboratives it felt important for me say, “I think this group will be super high maintenance and it will cost us more than it's worth to tie ourselves to this project.” . . . This is a different perspective than I think a grant reader might have.  
(S03)

Although this United Way was the only funder to formally incorporate staff feedback into the grantmaking process, at least one other staff liaison saw the value in such an approach. When asked about the ideal staff-community grantmaker relationship in the decision process, this liaison responded, “I think there has to be a balance of people who work full-time in this area and citizens. I think there's a richness that comes from community members . . . but it needs to be informed by what is happening.” (S02)

### **Discussion and Implications**

The purpose of this exploratory research was to examine use of CGCs in human service funding, with a general goal of understanding whether and how these structures may deliver on the proposed benefits of community-based approaches. Extant literature on nonprofit, foundation, and public boards identified three potential obstacles to

achieving greater grantmaking efficacy: (1) recruitment methods; (2) motivation to serve on such committees; and (3) the ability to effectively negotiate decision-making responsibility with staff.

This study surfaced several themes that both connect to and add to the literature. First, as suggested by Johnson (2016), recruitment methods for CGCs appeared to take a multitude of forms, including open calls, word of mouth, and deliberate recruitment. Despite arguments that such an approach would enhance diverse perspectives into grantmaking, most interviewees were older, white, highly educated, and female. Of course, diversity extends beyond demographic characteristics, but the only diversity that respondents consistently referenced was in their professions. However, there was one consistent theme: few grantmakers had direct experience either as a human service provider or recipient and were largely divorced from the population for who they were making grants.

In terms of motivation to serve on a CGC, only three of Inglis and Cleave's (2006) six components emerged among this sample, with "helping the community" as the overwhelming motive. Beyond contributing positively to their community, however, many participants articulated their motivation for first serving on a grantmaking committee as the opportunity to learn more about the community. This motivation, coupled with the relative lack of human service expertise (either as a provider or system user) among interviewees, somewhat contradicts their ability to enhance grantmaking efficacy. Importantly, interviewees did not identify such experience as important to granting decisions, with many instead touting the value of a general group process over any specific group expertise. Instead, interviewees articulated that the primary benefits of



community grantmakers included staff workload relief, diffuse decision-making responsibility, and the ability to better speak on the funder's behalf. However, both committee composition and lack of human service expertise call into question the extent to which grant decisionmakers truly occupy the "front-row" perspective needed for more effective decision-making.

Finally, regarding role negotiation and agency in the grantmaking process, all grantmakers acknowledges their role in a system where a separate body (e.g. Boards of Directors of city councils) made final grant determinations. Based on this hierarchy (which was supported by review of documents related to the respective grantmaking committees' work), the community grantmaking committee may look like the fifth rung, placation, on Arnstein's (1969) Ladder of Citizen Engagement, as the committees advise powerholders who retain the right to make final decisions. However, interviews with both committee members and staff liaisons suggest that grantmaking committees make the final determinations in everything but name. For these reasons, the relationship between CGCs and their respective overseeing bodies may be better characterized as partnership, although the inherently hierarchical structure (where the committee essentially reports to the board or council) raises questions about how much power the former would yield in conflict.

To this end, Arnstein (1969) is clear that one limitation of her ladder is its starkness, writing that, "In the real world of people and programs, there might be 150 rungs with less sharp and 'pure' distinctions among them. Furthermore, some of the characteristics used to illustrate each of the eight types might be applicable to other rungs" (p. 217). Thus, aspects of the grantmaking process – as articulated by both staff

and the grantmakers themselves – could apply to multiple rungs. Contrary to expectations that CGCs function as “a public relations vehicle” while “real” power is concentrated among top-level leadership, these committees wield significant decision-making power despite final authorization living with top-level leadership.

Beyond just negotiation with the superseding body, previous research indicated that another possible point of conflict might arise with staff members tasked with overseeing or supporting the grantmaking process. Despite literature suggesting that organizational staff may resist the introduction of volunteers into their work or may attempt to retain control over the process, interviewees across every context expressed a belief that they were genuinely engaged and valued, with many expressly saying they were not “just a rubber stamp.” Furthermore, staff liaisons consistently articulated the importance of community members in the grantmaking process, and most grantmakers described feeling their contributions were valued by staff managing the process. Substantial tensions did arise, however, when grantmakers felt staff withheld information that could have substantially informed the granting process. Interestingly, no grantmakers discussed negotiating the grantmaking process with external community members (i.e., those not on the committee) nor organizations who were applying for funding. While this may suggest the process successfully inoculates CGC members from undue outside influence, it could also indicate that committees are not structured to incorporate broader community voice into the grantmaking process.

In addition to our findings, there is substantial research demonstrating that the three factors examined here – recruitment, motivation, and role negotiation – are among those that influence the effectiveness of community engagement efforts and

organizational decision-making (see Ianniello et al., 2019 for a systematic review).

Beyond the literature, what are the implications for funders' current practices? A first and fundamental step is a genuine investigation into why funders engage community in grantmaking decision processes. Literature suggests one of the most common reasons for doing so is to increase granting efficacy: ameliorating an information asymmetry between funders and their broader community (Bourns, 2010; Enright & Bourns, 2010; Gibson, 2018, 2019; Hart et al., 2014). Funders may, however, choose to incorporate community into their grantmaking processes for other reasons, for example, as a signaling mechanism to reinforce trust among their funding base (donors and taxpayers) or as a community empowerment practice. None of these aims are mutually exclusive, but different motivations to incorporate community in grantmaking are likely to require different recruitment processes, type of CGC members, and interorganizational role structures. Thus, funders would benefit from a more explicit examination of their goals in using community grantmakers and modify practices to best achieve them.

For those funders interested in ensuring CGC membership is more diverse and/or reflective of the broader community, our study suggests that recruitment mechanisms are not the primary barrier to achieving this aim. In terms of most funders studied here, they are recruiting broadly (i.e., through a variety of methods) but not intentionally. In response, funders might consider using an instrument to focus CGC recruitment toward their specific aims. One template might be BoardSource's sample Board Candidate Rating form, which evaluates prospective board members' skills, interests, personality and leadership. Importantly, however, this tool lists diversity and demographics as "other strengths" (BoardSource, n.d.); these areas must be preferenced in the process to truly

enhance racial and ethnic diversity (González-Rivera, 2009; Kasper et al., 2004). Funders might also implement and emphasize the availability of stipends, childcare, and transportation assistance, as extant research suggest these actions can leverage great inclusion in decision-making from other typically under-represented groups (e.g., low-income populations, caretakers, service recipients; Hardina, 2005, 2006; McBride et al., 2011; Mizrahi et al., 2009; Neysmith & Reitsma-Street, 2000; Skotnitsky & Ferguson, 2005).

Recruitment practices can also potentially address issues with better aligning CGC member motivation with funder goals. For example, funders interested in achieving a “front” row perspective on community problems and the organizations addressing them should craft recruitment efforts and materials to reflect this. This includes targeting recruitment outreach to communities of interest (e.g., providers, service recipients, topical experts) as well as drafting “qualifications” that emphasize human service expertise (lived or professional) over general interest in learning about the community. This approach, however, also requires an assessment of conflict of interest policies. Even among our interviewees (who generally lacked human service experience), several expressed that such policies prevented them from bringing additional information into the grantmaking process, as they had an explicit responsibility to “stick to what was on the page” (of the grant application). While such a practice is likely intended to prevent unfair bias, it may also prevent grantmakers from sharing highly pertinent information, such as personal experience as a former, current, or potential service recipient. One possible strategy to avoid this conflict is to task those with conflict of interest with developing the grant evaluation criteria (including community best practices) or providing direct

feedback about existing service approaches to CGC members but not participating in the reading or deliberations (Gibson, 2017, 2018; Tuan, 2019).

Finally, regarding staff-volunteer relations, funders should consider how best to leverage staff in community-driven processes. Contrary to literature suggesting that staff could exert too much power in the process (Bryer, 2013; Buckwalter, 2014; Netting et al., 2004; Thomas, 2012), thus diminishing CGCs' decision-making power, grantmakers interviewed for this study overwhelmingly characterized staff as trusted partners serving a supplementary role. However, many also expressed frustration that staff were unable (or unwilling) to be more forthcoming regarding their concerns about or past challenges with applicants. Both staff and volunteers acknowledged that the other served a critical role in the grantmaking process, but the sense from many interviewees (including staff) was that staff were forced to withhold vital information that would have lent insight into applicants. Some approaches include having staff and CGC members separately score applications, with CGC members making final grant decisions; using separate scoring processes, with staff making final decisions; or adopting fully collaborative processes, where the group must reach a consensus (Bourns, 2010; Gibson, 2017).

Although this study attempts to look for common themes in community engagement in human service across funder type (i.e. both municipalities and public foundations), the lack of geographic variation is a substantial limitation. Of note, generalizability is not necessarily a goal of qualitative research (Ravitch & Carl, 2016), but future studies should consider documenting the extent to which community grantmaking committees are used among human service funders. Additionally, a substantial amount of literature on nonprofit decision-making focuses exclusively on

Boards of Directors, with relatively little examining whether and how these processes and mechanisms may diverge for supporting committees. Considering the importance of CGCs to the human services sector, more research in this area is needed.

These findings emphasize potential shortcomings of such an emphasis on top-level leadership given that – at least among those interviewed here – both boards and city councils accepted the recommendations of their respective grantmaking committees wholesale. Although boards and city councils retained the ultimate responsibility for ratifying such decisions in the funders examined here, solely focusing on this level of leadership may overrepresent their engagement in grant-making or obscure other important groups that exert substantial influence in decision-making processes. Similarly, future research should examine the dynamics of staff and committee relationships, including how these practices manifest differently across funders. Among just the six funders included in this sample, there were multiple different iterations of the relationship between staff and volunteers, ranging from no staff input at all to staff as partial, full, or sometimes more directive participants. Once again, work examining staff-committee relationships exists at the board level (Brager et al., 1987; Gummer, 1980), but these relationships are likely to manifest differently for community-based committees.

## CHAPTER 4: PAPER 3

Who wins grants in a community-driven system?

Megan M. Farwell

### ABSTRACT

It is a truth universally acknowledged that community involvement in grantmaking leads to better decision-making. In particular, community members are thought to have a better understanding of local needs and how to address them. To capitalize on this knowledge and resolve information asymmetries that exist between them, the community, and nonprofit providers, funders have sought ways to incorporate broader community participation into their allocations process. Current literature explores successful grantsmanship across multiple funding contexts, but most research does not consider the funder's specific decision-making mechanism. This study examines the factors that influence grant allocations within a participatory grantmaking approach, finding that neither community need nor service capacity consistently predict grant award. Implications for research and practice are discussed.

**Keywords:** Human services, grants, contracts

It is undisputed that nonprofit organizations – rather than the government – are now the primary deliverers of human services in the United States. Although these two institutions have shared historical roots (Smith & Lipsky, 1993), the role of government as funder and nonprofits as providers of human services has largely occurred only over the last 50 years (Salamon, 2012). Now, governments of all levels are recognized as critical human service funders. In 2012, local, state, and federal governments were in

direct funding relationships with nearly 30,000 human service organizations; most of these funds – totaling approximately \$81 billion – were administered through a complex system of grants and service contracts (Pettijohn & Boris, 2014). This substantial transition of government responsibilities to nonprofits, coupled with “the devolution of government responsibilities to local levels and more general downsizing,” has fundamentally changed the funding environment in which human service organizations operate (Stone et al., 2001, p. 277).

This progressive shift in government role from direct provider to funder is driven, in part, by arguments that human services are better delivered via local nonprofit organizations than federal government bureaucrats (Savas, 1987; Sclar, 2000; Winston et al., 2002). A critical part of this argument is that local funders are better equipped to identify specific community needs. However, need is not the only determining factor for funding allocation: distribution of human services funding is also influenced by the process used to identify nonprofit organizations with whom governments contract (Allard, 2008).

These nonprofit organizations are the primary medium through which government resources are pursued, attained, and distributed (via direct service delivery) to their respective communities (Garrow, 2011). Given that availability of and access to services are largely mediated through these nonprofits’ success in funding acquisition, it is increasingly important to understand factors influencing receipt of funding.

Current literature (Ashley & Faulk, 2010; Faulk et al., 2017; Johnson, 2016; Lu, 2015; Wilsker, 2011) explores successful grantsmanship across multiple funding contexts (e.g. foundation, government), but most research relies on data from IRS 990 forms, and



thus cannot consider the internal and organizational specific decision-making mechanisms of the funder. Both academic research and practitioner guides argue that incorporating community stakeholders in funding processes will enhance granting efficacy, as community members are likely to have more accurate information about both service needs and the organizations most equipped to address them (Enright & Bourns, 2010; Gibson, 2019; Hart et al., 2014). So, while we may observe the outcomes of involving community members, what is not clear whether or how the needs of the community as seen by community members is utilized (or not) during the decision-making process. Consequently, factors related to successful grantsmanship could be more context-bound and nuanced than is currently understood.

This paper seeks to address these limitations by examining granting outcomes within a specific decision-making context – a municipal funder’s community grantmaking committee (CGC). In addition, because this funder collects data from residents about perceived human services needs in their communities, this study will also shed light on the extent to which such a direct expression of need is weighed against organizational factors traditionally thought to influence grant success. In sum, this unique data source allows for a more in-depth examination of human services grantmaking. To this end, this paper examines the following questions:

RQ1: To what extent does community need predict grant award?

RQ2: To what extent does agency capacity predict grant award?

### **Background and Significance**

The emergence of community boards for human services grantmaking is usually traced back to the 1960s, when “maximum feasible participation” emerged as a critical

strategy in the War on Poverty (Bunch et al., 2017). This new approach to public participation advocated citizens (rather than traditional bureaucrats) exert complete control and power over administrative and programmatic decisions, with an emphasis on encouraging participation from those communities most likely be affected by poverty (O'Connor, 2001; Orleck, 2005). The concept of maximum feasible participation became synonymous with Community Action Agencies, the organizations charged with overseeing local anti-poverty programs, including the distribution of federal funds. Even today, these boards maintain a commitment to community engagement, as their tripartite board requires equal representation from private sector, public sector, and low-income community representatives (Bunch et al., 2017; Clark, 2000; Wang & Bunch, 2017).

Although the 1980s saw a substantial shift away from the programmatic and funding changes of the War on Poverty (including deep cuts to Community Action Agencies), the strategic imperative for enhanced citizen participation in government institutions had taken root. By the mid-1970s, more than two-thirds of American cities had implemented some form of citizen participation activity (Houghton, 1988), including engagement in administration of several human service areas like juvenile delinquency, mental health, and employment/training (Roberts, 2004). As privatization of the human sector progressed over this period, the role of citizen participation committees necessarily shifted from one of community planning and service administration to contract management (Salamon, 2012; Stone et al., 2001). Today, community grantmaking committees undertake a multitude of responsibilities related to fund allocations and management, including application review, program oversight (including activities such

as site visits), and negotiation of final grant awards and service responsibilities (Johnson, 2016).

### **Information asymmetry and traditional grantmaking**

In discussing why to use participatory grantmaking approaches (of which CGCs are a part), practitioner literature most often refers to CGCs' heightened understanding of service needs and those organizations with capacity to address them, a contrast to more traditional (e.g., top-down) forms of grantmaking (Enright & Bourns, 2010). Although not explicitly labeled as such much of the practitioner literature promoting the use of CGCs, this argument is rooted in the theoretical concept of information asymmetry and, by extension, a form of the principal-agent dilemma. The principal-agent dilemma describes a situation in which a principal contracts with an agent to perform some service on their behalf (Jensen & Meckling, 1976). In this scenario, a nonprofit organization applying for grants is the "agent" and the funding organization the "principal." An information asymmetry emerges between these two parties because the information available to the funder and the nonprofit is unequal. Because funders cannot often easily observe how resources are spent or how programs are delivered, nonprofits may misuse these funds (McDougle & Handy, 2014; Sloan, 2009), either through direct malfeasance or simple negligence.

Proponents of participatory grantmaking argue that community-driven processes greatly alleviate two forms of information asymmetry inherent in traditional grantmaking processes: knowledge of provider service capacity and knowledge of community need (Bourns, 2010; Enright & Bourns, 2010; Gibson, 2018, 2019; Hart et al., 2014). The

following sections describes each form of asymmetry independently and then explains how CGCs are argued to jointly address them.

**Service capacity.** In terms of a nonprofit's service capacity, information asymmetry stems from two sources: the inability to directly measure service quality, and the complexity of tasks associated with grants allocation and management.

Regarding service quality, scholars argue information asymmetry is particularly pronounced in human services, where it is difficult to effectively measure program performance and cost-prohibitive to closely monitor service provision (Lu, 2013; Schlesinger et al., 1986; Van Slyke, 2003). In light of this challenge, traditional (i.e., non-CGC) funders rely instead on nonprofit age and size as proxies for the organization's capacity to meet community needs, rather than focusing on quality. Of course, program performance/service quality and organizational capacity are not synonymous. Capacity proxies are used because there is an underlying assumption that nonprofits would not be in "good standing" (as evidenced by their size and longevity) if their clients received poor-quality services. In this context, large organizations are associated with legitimacy (Baum & Singh, 1994; Szper & Prakash, 2011), stability (Trussel & Parsons, 2007), and future dependability (Garrow, 2011).<sup>14</sup> Furthermore, size is interpreted as an indicator that organizations have capacity to meet and increase their service scope (Garrow, 2011; Rosenthal, 1996; Smith & Lipsky, 1993). Similarly, most studies suggest that older organizations garner more funder support than their younger counterparts (Johnson,

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<sup>14</sup> It is important to note, however, that there is also evidence indicating that organizational size could be an outcome rather than predictor of governmental funding (Grønbjerg, 1991; Rosenthal, 1996).

2016; Okten & Weisbrod, 2000; Szper & Prakash, 2011; Weisbrod & Dominguez, 1986), although these findings are less consistent than those on size.<sup>15</sup>

The challenges with effectively assessing service capacity is further complicated by the laundry list of competencies required by funders to effectively oversee a grants allocation process. In addition to actual topic expertise in human services (which is in itself a broad field), Slyke (2003) argues that administrators must have experience with contract management, negotiation, program audits, capacity assessments, and “the necessary communication and political skills to manage programs with third parties in a complex political environment” (p. 297). Without these abilities and experience, human service fund managers risk contracting inappropriate services with incompetent agencies (Kettl, 1993).

**Service needs.** Beyond just the multitude of skills and areas of knowledge required to identify which organizations to fund, information asymmetry also exists regarding the community needs for specific nonprofit services. Accurately identifying community needs is a critical step in the grantmaking process; failure at this step severely diminishes the likelihood that funders can achieve their goals (Enright & Bourns, 2010). A major reason traditional grantmaking processes are considered inefficient is because the allocations do not accurately reflect their intended communities’ needs (González-Rivera, 2009; Johnson, 2016; Kasper et al., 2004; Ostrander, 1999). In these situations,

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<sup>15</sup> Ashley and Faulk (2010) did not find age to be a significant predictor of grantseeking success among foundations, an insignificant relationship echoed in both Suárez (2010) and Garrow's (2011) studies of government funders.

awarding funds to the most “effective” nonprofits will yield little to no community benefit because the grantmaking priorities were incorrectly specified at the outset.

There is substantial research demonstrating the challenges of matching resources with community needs. Garrow (2011) found neighborhood poverty rate to be an insignificant predictor of government funding receipt, and Wu (2019) found that community foundations were less likely to fund activities or be located in areas with high poverty and disinvestment. Allard's (2008) extensive work documents the spatial mismatch between high-need neighborhoods and human service providers. Finally, Kissane (2003, 2010) identified substantial barriers low-income women face in accessing human services, including “how they view neighborhood problems, needs, and organizations” (p. 633).

Proponents of participatory grantmaking argue that this imbalance between community needs and resources stems, at least partly, from the demographic characteristics of those managing more traditional funding processes. Funder staff and boards of directors are often characterized as being disconnected from the communities they are meant to serve. In particular, Lenkowsky (2012) argues that grantmaking staff are “out of touch with the people they should be trying to help” a separation that leads funders to “pursue agendas that fail to address social problems effectively” (p. 464). There are also well-founded criticisms that many funding decision makers, such as boards of directors, comprise members whose demographic backgrounds – white, educated, and wealthy (Burbridge et al., 2002; Ostrander, 1999; Ostrower & Stone, 2006) – leaves them ill-equipped to effectively identify community needs. Although findings from the previous chapter indicate that CGCs have similar demographic makeups to

boards (as most CGC members were white and educated), further study is needed to empirically examine whether the use of a CGC alone influences how community need is understood and weighed in grantmaking decisions.

### **The promise of CGCs**

Proponents of participatory grantmaking argue that more community-driven processes would help alleviate information asymmetries between funders, communities, and nonprofit organizations. In terms of need identification, practitioner and scholarly literature argue that CGCs have an exceptional ability to “elevate local needs and preferences” (Jun & Musso, 2013, p. 75). This capacity to successfully surface and respond to community needs is a hallmark of community boards, as practitioner reports suggest that they can uniquely “ensure that their grantmaking reflects real-world priorities and needs” (Bourns, 2010, p. 4). This is made possible because community members, in contrast to funder staff or societal elites, are believed to provide a more complete picture of the complex issues (e.g., persistent poverty) funders are trying to address. As one funder using a CGC wrote, “These are hard problems to solve. Involving multiple stakeholders isn’t a ‘nice to do’ but a ‘must do’ if you really want to get a handle on what’s happening, what the toughest problems are, and how to be innovative in developing solutions” (cited in Enright & Bourns, 2010, p. 44). Unlike funder staff or board elites who may be “out of touch” with the populations they serve, community members can provide a “front-row take on the problems at the heart of [the funder’s] work” (Bourns, 2010, p. 4).

In addition to a deeper understanding of the needs themselves, CGCs are argued to demonstrate a more thorough knowledge of the services and organizations that can

address them. CGCs can leverage a variety of perspectives and skills toward grantee selection (Johnson, 2016), and this more varied and localized knowledge not only ameliorates information asymmetries between funders and individual organizations, but provides a more complete picture of the sector as a whole. This capability, Bourns (2010) writes, “extends [funder] reach and knowledge of who’s doing what in the community” (p. 28). Furthermore, rather than relying on a single grant manager to shoulder all administrative responsibilities, the multitude of capabilities required to contract for service delivery can be met through a collective body. The combined expertise of a CGC ultimately increases the funder’s capacity as a “smart buyer, skillful purchasing agent, and sophisticated inspector of the goods and services it purchases” (Slyke, 2003, p. 296). Thus, citizen makeup of CGCs can bring to the table issues that have the potential to reduce asymmetrical information problem, both regarding community needs as well as quality of current provision of services.

In sum, a primary argument for participatory grantmaking is that CGC members will better understand community needs and organizational capacity. Even beyond just providing additional information, however, practitioner literature further argues that CGCs will be more responsive to their respective communities because community members voices are valued as much as or more than traditional funding decisionmakers (Gibson, 2018; Hart et al., 2014). However, these assumptions have never been empirically examined. First, there is little scholarly research examining participatory grantmaking; most studies examining funding focus on organizational factors agnostic to decision-making process. In addition, the practitioner literature on participatory grantmaking generally describes use, rather than outcomes, of the process.



Second, most measures of community need and service capacity are not representative of the localized, “insider” knowledge CGC members are expected to possess. Standard measures of community need in scholarly research include items like poverty, unemployment, and homeownership rates, but funders with a narrow geographic catchment (e.g., at the city or county level) are unlikely to rely on these given local organizations will be operating within the same neighborhoods. Furthermore, as discussed earlier, most studies operationalize service capacity using organization-level proxies (e.g., organization age and size) rather than specific, program-level data.

Considering these gaps and based on review of scholarly and practitioner literature, I developed the following hypotheses, which seek to understand the role of CGCs in mediating information asymmetries specifically by testing the relationships between community need, service capacity, and grant receipt:

### **Need**

- H<sub>1a</sub>: Programs providing services that address identified community needs will be more likely to receive grant funding than other programs.
- H<sub>1b</sub>: Severity of identified community need will be positively associated with proportional program grant amount.

### **Capacity**

- H<sub>2a</sub>: Programs projecting higher service capacity will be more likely to receive grants than those with lower service capacity.
- H<sub>2b</sub>: Service capacity will be positively associated with proportional program grant amount.

More detail on the selected data and analytical approach is discussed in the next section, but I will first clarify the connection between the identified theoretical frame (information asymmetry) and these hypotheses.

The funder selected for this study represents an ideal case in which to study how need and capacity are weighed in a participatory grantmaking process. First, the funder uses a CGC, and this body is explicitly charged with “representing the needs of the community,” “reviewing all request for human service funding,” and “[developing] recommendations on priorities for the allocation of city resources to meet identified needs.” Second, prior to every funding cycle, the funder conducts a local resident survey measuring perception of human service needs, information that is supplied to both the CGC and the broader community. Finally, the funder’s application process requires substantial program-level detail on operations, including the number of unduplicated residents that will be served in the program for which funding is sought and information on previous program performance.

Taken together, these components depict a funder that has taken multiple steps to ameliorate information asymmetries between nonprofits, the broader community, and themselves. Furthermore, having community members access this information and participate in the granting processes ensures that what is in the application is also accepted knowledge “on the ground”, further reducing information asymmetries. It is in this context in which I examine whether, as literature suggest, CGC members “elevate local needs and preferences” in their grantmaking decisions.

## Method

**Data.** Data for this study were provided by a Washington-based municipal funder using a community grantmaking committee (CGC) for grant deliberations and primary recommendations.<sup>16</sup> This unique dataset has two distinct components. The first is the complete set of grant applications for three award cycles, which provide organizational as well as program-level detail of all applicants, rather than just awardees. Most (if not all) studies examining grantmaking outcomes must do so with only award data, a significant limitation. Receipt of a grant award indicates, among other things, the success of a two-sided match between the agency and funder: not all agencies apply for or are eligible to receive support from a given funder.

The second component of the dataset is the city's bi-annual needs report, which includes data from a random, stratified sample survey of city residents. The survey asks respondents to rate a series of 24 potential community problem areas and 22 household problem areas as 'major,' 'moderate,' 'minor,' or 'no problem.' Survey results are provided to the community grantmaking committee prior to reviewing grant applications and are intended to guide funding recommendations by "[providing] a snapshot of what residents need". Rather than relying solely on community-level indicators from public sources, such as the U.S. Census, the needs report in general, and the survey in particular, are attempts by the funder to directly operationalize community desire in an array of different human services areas.

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<sup>16</sup> Although the CGC technically provides only funding recommendations (with final decisions made by the city council), CGC recommendations are often, in practice, final, a finding identified from the previous chapter.

**Variables.** Table 5 provides a description of variables and their sources. There are two outcome variables of interest. The first is grant receipt, coded 1 for agencies that applied for and received funding and 0 for those that did not. The second is proportion of funding received from the original request, calculated by dividing the total award amount by the total award request.

The independent variables are community need (*number of problems* and *top tier*) and service capacity (*previous award*, *met goals*, and *service numbers*). These are both program-level variables.

*Community need* comes from the resident survey. There are two community need variables. The first, *number of problems*, is a count of the number of problems (from the community survey) that either (1) explicitly in the application; or (2) reasonably overlap with the program description, as coded by me. For example, a program aimed at preventing homelessness via utility assistance matches two items from the resident survey: “homelessness” and “not being able to pay the utility bills.”

The second community need variable is *severity*, a dichotomous variable indicating if any of the program’s targeted problems were identified as “top tier” (yes = 1, no=0). The funder defines a community problem as “top tier” if more than 30% of residents name it as a moderate or major need and a household problem as “top tier” if more than 10% of residents name it as a moderate or major need.

Recall that CGCs are thought to have enhanced understanding of organizational capacity to meet community needs. To examine this assumption, *service capacity* is operationalized in three ways. The first relates to past performance.

The first area of funder knowledge relates to past performance. I am unaware of extant research examining grant outcomes that includes specific performance metrics (i.e., whether the program achieved its proposed goals in previous granting cycles), but logically, we would expect such knowledge to influence grant receipt (positively for performing organizations, negatively or neutrally for nonperforming organizations). *Met goals* is a dummy variable where 1 indicates the program previously met all performance goals and 0 indicates the program did not. This information comes from program grant applications.

The final measure of service capacity that CGC members consider is the proposed number of services provided by a given program. In contrast to organization-level variables that funders may use as a proxy for capacity, grant applications include the specific number of services to be provided by the grant award (if fully funded), a direct measure of service capacity. *Service numbers* is the number of unduplicated city residents the program proposes to serve. This information comes from applications.

Based on existing research on determinants of grants and government funding, I also include four additional variables: agency age, agency size, organizational type, and previous funding relationship.

*Age* was generated by subtracting the organization's rule date (i.e., when the organization obtained official IRS recognition) from the grant award year. Based on previous research (Garrow, 2011; Marudas et al., 2012; Tinkelman & Neely, 2011), both age and size variables were logged in analysis to reduce heteroskedasticity.

*Organizational size* is the total agency revenue during the application year. These data are from applications; all dollar amounts have been adjusted to 2019 values.

*Organizational type* is often included as a control variable in nonprofit studies (Suárez, 2011), and other studies have found a relationship between organizational type and receipt of government funds (Garrow, 2011). Twombly (2003) found significant differences in the survival rates of core and emergency providers (with the former more likely to fail), which he attributed, in part, to the different pressures core organizations face when competing for governmental funds. Core services “build human capital” and include mental health services, substance abuse programs, family counseling, and youth programs (Twombly, 2003, p. 226). In contrast, emergency services – food, housing/shelter, and domestic violence programs – provide support in the event of “an unforeseen emergency” (Twombly, 2003, p. 226). Following Twombly's (2003) taxonomy, the variable *organizational type* is delineated as core, emergency, or other. Emergency services include National Taxonomy of Exempt Entities codes I, K, and L, and were coded as 1; all other human services (J, M, N, O, P) were coded as 2. Remaining organizations were coded as 0. Organizational codes were taken from IRS 990 filings.

*Previous award* is a dummy variable where 1 indicates the program previously received funding and 0 indicates it did not. This information comes from program grant applications. Extant research by both Johnson (2016) and Grønbjerg et al. (2000) demonstrate that status as a previous grantee is highly predictive of future grant award: those organizations “known” to the funder (insofar as they have previously received a grant) are more likely than their “unknown” counterparts to be funded in a given grant cycle.

Table 5. Variable Descriptions and Sources.

	Measure	Source	Program or Org Level
<b>Dependent Variables</b>			
Grant awarded	Dichotomous, No=0; Yes=1	Applications; Staff Reviews	Program
Proportion of grant request awarded	Continuous	Applications; Staff Reviews	Program
<b>Independent Variables</b>			
Service capacity			
Unduplicated service recipients	Continuous	Applications	Program
Met previous performance goals	Dichotomous, No=0; Yes=1	Applications; Staff Reviews	Program
Community need <sup>a</sup>			
Average problem matches	Continuous	Needs Report; Applications	Program
Proportion of "Top Tier" matches	Dichotomous, No=0; Yes=1	Needs Report; Applications	Program
<b>Control Variables</b>			
Agency size <sup>b</sup>	Continuous	Applications; Staff Reviews	Organization
Agency age <sup>b</sup>	Continuous	Applications; Staff Reviews	Organization
Agency type	Categorical, Non-Human Service=0, Emergency=1, Core=2	IRS 990 Filings	Organization
Previously funded	Dichotomous, No=0; Yes=1	Applications; Staff Reviews	Program

<sup>a</sup> Both community need variables were generated through a researcher-driven matching process

<sup>b</sup> There were 4 cases where both applications and staff reviews lacked agency-level data; in these situations, I supplemented with IRS 990 data.

**Analytic Approach.** As a first step, I conducted a series of two-sample t-tests and chi-square analyses to examine differences in grant receipt based on the two independent variables of interest: service capacity and community need. Given that extant research operationalizes capacity and need using organization-level proxies (i.e., size and age) and community-level indicators (i.e., U.S. Census data<sup>17</sup>), the purpose of this approach was to examine whether there was statistical justification (in addition to theoretical justification) for inclusion of these variables in the model. After this step, I tested for multicollinearity; all variable values were below the suggested cutoff point of 2.5 (Allison, 2012).

I then used two sets of four mixed-effects regression models to determine the associations of community need and service provision with proportional receipt of grant dollars. Because human service programs (the level at which grant awards are made) are nested within nonprofits, a multilevel model is required. In this situation, a multilevel model considers the possibility that programs from the same nonprofit will be more alike than programs from different nonprofits, and thus that their grant application outcomes will differ because of both program and nonprofit effects.

The first unconditional models (not presented in tables) included only the organization-level random effect, providing an estimate of both the organizational and residual variance as well as the intraclass correlation coefficient (ICC). This step was required to discern whether data were sufficiently clustered within organizations and thus required a multilevel approach. The second model included only organization-level fixed

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<sup>17</sup> Because these programs are all applying for city-level funding (which requires funds be spent within the geographic bounds of the city), Census data would provide no variation and thus are not used in the model.



effects: organizational age, size (annual budget), and organizational type. The third model included only program-level fixed effects<sup>18</sup>: program service capacity, number and severity of community needs met, previous funding history, and past performance. The fourth and final model introduced both program-and organization-level effects. Models included random intercepts for organization to account for nesting of programs within organizations and fixed effects for programmatic and organizational factors.<sup>19</sup>

The basic form for the models is as follows:

$$Y_{ij} = \gamma_{00} + \gamma_{01}(\text{organization}) + [u_{0j} + r_{ij}]$$

where Y is the grant outcome (Y/N) or the proportional award amount,  $u_{0j}$  is a random effect at the organization level, representing random variation in the dependent variable between organizations, and  $r_{ij}$  is a random effect at the program-level, representing random variation in the dependent variable within organizations (Luke, 2004).

Year dummy variables were included to allow for year fixed effects across time, and all dollar amounts were adjusted to 2019 values. The proposed research questions are time-invariant; I am not interested in granting behavior over time or adjustments in agency performance over time. However, outcome interdependence is explicitly accounted for in the model with the previously funded variable. Pooling provides a larger

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<sup>18</sup> Random slope models were also tested to determine whether the nature of the relationship between community need and service capacity varied across organizations. Because these models did not represent an improvement over the random intercept model, results were discarded.

<sup>19</sup> Analyses were conducted using Stata (version 14.2). Linear models were generated using the mixed command, and logistic models the xtlogit command. All models used maximum likelihood estimation techniques with an unstructured error covariance matrix.

dataset of values, necessary for maintaining appropriate statistical power while preserving the organization-program nesting.

## **Results**

**Descriptive statistics.** Table 6 provides a description of the sample. The dataset includes 77 organizations and 291 program grant applications. The average organizational age was 34, although values ranged from brand new organizations (having received their IRS 990 status – a requirement for grant receipt – within the past year) to those more than 80 years old. Because age and size often correlate, the average organizational size was, unsurprisingly, also substantial (average annual budget: \$17,892,505). Size was heavily skewed by a few organizational budgets in excess of \$200 million, although even the median annual budget was large at just over \$6 million. Extant research on the national nonprofit sector suggests that most human service nonprofit organizations report annual budgets of less than \$1 million (Boris, Leon, et al., 2010; Hager et al., 2004). Taken together, both the size average and median indicate that the sample comprises several organizations with substantial budgets.

In terms of grant applications, organizations submit an average of 1.71 program applications each grant cycle. The average grant request is \$51,377, although requests range from \$1,734 to more than \$450,000. The average grant award is \$34,280, and the highest awarded amount across all grant cycles was \$209,346. Across the sample, 29% (85) of program grant applications were fully funded, 42% (121) were partially funded, and 26% (77) received no funding at all. Across the entire sample, 20% of program applicants were not funded in the previous year.

Table 6. Descriptive Statistics.

	<b>Final Sample</b>	<b>2015</b>	<b>2017</b>	<b>2019</b>
<b>Organization-level variables</b>	Value (Range)	Value (Range)	Value (Range)	Value (Range)
Number of unique organizations	77	54	60	56
Average organization age	34 (1-86)	34 (1-82)	32 (1-84)	33 (1-86)
Average organization size*	\$17,892,505 (\$210,767-\$258,375,354)	\$24,697,681 (\$70,000-\$215,651,303)	\$19,798,372 (\$67,641-\$258,735,354)	\$17,892,505 (\$210,76 -\$258,375,354)
Organization type				
Emergency service	48	14	16	18
Core service	131	46	43	42
All others	112	33	38	41
<b>Program-level variables</b>				
Number program grant applications	291	93	97	101
Average grant request*	\$51,337 (\$1,734-\$457,828)	\$50,603 (\$5,000-\$457,828)	\$47,165 (\$5,000-\$227,685)	\$56,020 (\$1,734-\$215,800)
Service capacity				
Average number served	347 (0-7,628)	312 (1-3,240)	212 (1-3,600)	507 (0-7,628)
Met performance goals	66%	58%	58%	80%
Community need				
Average problem matches	2.93 (0-7)	2.9 (0-5)	2.91 (0-5)	2.98 (0-7)
Proportion of top matches	.37	.34	.26	.50
<b>Application results</b>				
Fully funded	85	27	33	25
Partially funded	121	37	39	52
Not funded	77	29	25	24
Average funding award*	\$34,280 (\$0-\$209,346)	\$31,344 (\$0-\$161,595)	\$35,712 (\$0-\$186,778)	\$35,619 (\$0-\$209,346)

\*All dollars amounts adjusted to 2019 values

With regards to the first independent variable of interest, need, the average program application addresses 2.93 problems identified in the survey of community needs; the fewest number addressed by a program application was 0 (5 program applications) and the most was 7 problems (1 program application). In terms of top tier matches, 37% of all program applications address at least one problem identified as “top tier” by survey respondents.

**Multilevel results.** For both models, I started by generating an unconditional, one-way random-effects, multilevel model. I found that 66% of the explainable variance in likelihood of grant award and 56% of the explainable variance in proportional grant award were attributable to organizational differences. These values substantially exceed the 5% threshold suggested as an indication of organization-level clustering that must be controlled for in the model (Luke, 2004).

Table 7 summarizes modeling results for likelihood of grant award received (the logistical model) and Table 8 summarizes modeling results for proportion of grant award received (the linear model). Both models include coefficients for fixed effects and the percentage of explained organizational difference. Because models 1 (organizational factors only) and 2 (program factors alone) were nested under models 3 (all factors), significance of the incremental model fit was tested by contrasting the -2 log likelihood estimates from the two simpler models against the complete model. In the case of the linear regression (proportion of grant award received, Table 8) the complete model (Model 4) was more efficient ( $p < 0.05$ ) than the other models. In the case of the logistic regression (grant award, Table 7), the program-factors only model (Model 3) was the most efficient. These results were further supported by Akaike’s Information Criterion score (provided in the tables).

**Community need.** The first set of hypotheses examined the relationship between community need and grant receipt, namely that programs proposing to meet articulated needs

would be more likely to receive a grant award and that there would be a positive relationship between number and severity of needs met and proportion of award amount (i.e., programs meeting more and more severe community needs would receive a higher proportion of their ask compared to their counterparts). These hypotheses were partially supported.

For community need, there were two variables of interest: number of problem matches and presence of top-tier matches. Using t-tests alone, neither of these measures reached statistical significance at the  $p < 0.05$  level, although the number of problem matches between funded ( $M=3$ ;  $SD= 1.15$ ) and unfunded programs ( $M=2.74$ ;  $SD= 1.26$ ) was significant at the  $p < 0.1$  level. The presence of at least one top-tier match between funded and unfunded programs failed to meet significance at even this level ( $\chi^2 (1, N = 291) = 2.46, p = 0.12$ ). However, because these relationships were in the hypothesized direction (i.e., more problem matches correlated with proportional funding receipt), these were included in the model.

As shown in Table 7, inclusion of a top-tier problem did not increase likelihood of a grant award, nor was the relationship in the proposed direction. However, there was a statistically significant relationship in the number of problem matches, as a one-unit increase in problem matches increases the likelihood of receiving funding by 3% ( $p < 0.10$ ). In terms of proportional grant award receipt (Table 8), the multi-level results showed neither presence of top-tier matches ( $p=0.840$ ) nor number of needs addressed ( $p=0.944$ ) to be statistically significant predictors.

**Service capacity.** The second set of hypotheses examined the relationship between service capacity and grant receipt, namely that programs with enhanced service capacity would be more likely to receive a grant award and that there would be a positive relationship between number and quality of services offered and proportional grant award. Here, results were also mixed.

For service capacity, there are two variables of interest: number of proposed services and previous program performance. For the first measure, the 214 programs that received grant funding ( $M=412.93$ ;  $SD=62.57$ ) proposed significantly ( $p < 0.05$ ) higher service numbers than their unfunded counterparts ( $M=214.45$ ,  $SD=56.77$ ). There was also a statistically significant difference ( $p < 0.01$ ) in grant success between those programs that met previous program goals and those that did not ( $\chi^2 (1, N = 291) = 51.07, p = 0.00$ ).

As shown in Table 7, there was no relationship between either number of proposed services or previous program performance and likelihood of receiving a grant award. However, in terms of proportional grant receipt (Table 8), previous program performance was a statistically significant predictor, albeit a weak one ( $p < 0.1$ ).

Beyond need and service capacity, other trends emerged. Across all models and iterations, previous funding was the strongest indicator of grant receipt and proportional grant award. For grant receipt, nonprofits who were previously funded were ( $p < 0.05$ ) more likely to get funding than another organization. Similarly, previously funded organizations received higher proportional grant awards than other organizations ( $p < 0.05$ ). Nonprofit age and agency type also influenced both dependent variables: a one-year increase in age translated to a 5-percentage point increase in proportional grant award. Nonprofits categorized as an Emergency Service were 14% more likely to receive a grant award than non-human service organizations. Finally, for the logistic model only (Table 7), year was a statistically significant predictor in grant award, with programs applying in 2017 and 2019 more likely to receive funding than their counterparts in 2015. These results did not hold as a predictor for proportional grant award (the linear model –Table 8).

Table 7. Organization and Program-Level Factor Influence on Likelihood of Receiving a Grant Award.

Parameter	Model 1: Organizational Factors Only	Model 2: Programmatic Factors Only <sup>+</sup>	Model 3: Organizational and Programmatic Factors
<b>Organization-level</b>			
Age	1.11* (0.06)	--	1.05* (0.03)
Size	1.07** (0.03)	--	1.00 (0.02)
Type (Ref: Non-HS Provider)			
Emergency Service	1.33** (0.13)	--	1.14** (0.07)
Core Service	1.09 (0.10)	--	1.04 (0.05)
<b>Program-level</b>			
Previously Funded	--	1.87*** (0.05)	1.78*** (0.05)
Capacity			
Service Numbers	--	1.00 (0.00)	1.00 (0.00)
Previous Performance	--	1.05 (0.05)	1.05 (0.05)
Need			
Problem Matches	--	1.03* (0.02)	1.02 (0.02)
Top Tier Problems	--	0.96 (0.04)	0.96 (0.04)
<b>Year (Ref: 2015)</b>			
2017	1.02 (0.04)	1.09** (0.04)	1.08* (0.04)
2019	1.03 (0.04)	1.09* (0.05)	1.08* (0.05)
AIC	238.58	165.34	166.51

<sup>+</sup> Denotes most efficient model

Note: Both service numbers and problem matches were grand-mean centered

Note: To ease interpretability, coefficients are translated to odds ratios

p < 0.1\*; p < 0.05\*\*, p < 0.01\*\*\*

Table 8. Organization and Program-Level Factor Influence on Proportional Grant Award.

Parameter	Model 1: Organizational Factors Only	Model 2: Programmatic Factors Only	Model 3: Organizational and Programmatic Factors <sup>+</sup>
<b>Organization-level</b>			
Age	0.098** (0.049)	--	0.05* (0.03)
Size	0.062** (0.026)	--	0.01 (0.01)
Type (Ref: Non HS Provider)			
Emergency Service	0.29** (0.11)	--	0.14** (0.06)
Core Service	0.08 (0.09)	--	0.03 (0.04)
<b>Program-level</b>			
Previously Funded	--	0.58*** (0.05)	0.54*** (0.05)
Capacity			
Service Numbers	--	-0.01 (0.00)	-0.01 (0.00)
Previous Performance	--	0.08* (0.05)	0.07* (0.04)
Need			
Problem Matches	--	0.01 (0.02)	0.01 (0.01)
Top Tier Problems	--	-0.02 (0.04)	-0.02 (0.04)
<b>Year (Ref: 2015)</b>			
2017	0.01 (0.04)	0.07 (0.04)	0.07 (0.04)
2019	0.05 (0.04)	0.01 (0.04)	0.01 (0.05)
AIC	231.19	155.53	154.08

<sup>+</sup> Denotes most efficient model

Note: Both service numbers and problem matches were grand mean centered

p < 0.1\*; p < 0.05\*\*, p < 0.01\*\*\*



## Discussion

In her practitioner guide to participatory grantmaking, *Do Nothing About Me Without Me: An Action Guide for Engaging Stakeholders*, Bourns (2010) writes that grantmakers “have arrived at an understanding that much of the knowledge and experience they need to solve the problems they want to solve, and to help them do a better job as grantmakers, resides in the communities they serve” (p. 1). I set out to explore the factors that influence grant receipt within the context of a CGC funder, with a specific focus on community need and service capacity.

Despite arguments to the contrary, there was no relationship between articulated community needs and grant receipt and only mixed evidence on the relationship between service capacity and grant receipt. While these findings would be surprising regardless of fund structure (as the assumption is that funders want to direct dollars toward areas most needing help and to those organizations most likely to effectively serve such populations), they are of particular note here because CGCs are purported to be especially responsive to their community’s needs and capacities. Furthermore, the funder whose data are examined here takes extra steps to mitigate funder-community information asymmetries related to these areas.

While these findings may cast doubt on the touted benefits of CGCs, there are other possible reasons for this result. First, it is unclear to what extent the data on community needs and service capacity are leveraged in the grant deliberation process. For example, although a report detailing the community survey results is made available to all commission members and the findings are shared in committee meetings, these findings may not be explicitly linked to the granting process. Among all applications

examined, 54% generally cited the needs report, but only 14% specifically connected resident concerns (from the needs report) to their specific services. In other words, grant applicants are not drawing clear connections between those issues that residents say are of the highest need and how they can meet those needs.

A second reason why need, in particular, may not have surfaced as a significant predictor in the model might relate to the matching process for this study. Given that most applications do not explicitly connect their services to the needs report, matching between community needs and program services was largely incumbent on the researcher. Although efforts were made to ensure the matching process was both comprehensive and accurate (matched codes re-reviewed after the process was complete and similar programs were compared to see about overlaps), I cannot rule out the possibility that coding did not fully capture the numbers and types of needs programs proposed to address. However, the time and effort required to conduct such a matching process (flawed or not) raises questions about the extent to which CGC members are able to make direct connections to the needs articulated by residents and operationalize those in the granting process. This suggests that availability of information might be less of a barrier in grant decisions than the explicit expectation of and direction in using that information.

This research also lends insight into the importance of organizational size and age in grant receipt. Extant literature on traditional grantmaking suggests these factors serve as important proxies for service quality and capacity. In those scenarios, larger, older

organizations are perceived as more legitimate, and thus more deserving of grant dollars (or more likely to use them efficiently). As expected, these factors were significant predictors in early models that only accounted for organizational factors. However, once program-level factors were introduced, and specifically data on previous program-level funding, the importance of organizational age and size dramatically decreased, with the former only a weak predictor ( $p < 0.1$ ) in proportional grant award and the latter no longer significant at all. This suggests that, at least in the context of this specific research, the value of these proxies largely disappears when other, more specific measures of service capacity and quality are included. While this study cannot demonstrate this effect was attributable to use of a CGC alone, it does add to arguments that research on grant funding to be more contextually situated, both in terms of funder decision-making process and in appropriately accounting for program-level effects.

As would be expected, previous funding emerged as a particularly powerful predictor of grant success, even when more precise measurements of service capacity were included. These findings echo long-held maxims about fundseeking: competition exists for all grantseekers, but it is particularly difficult for newcomers to break into grants markets. This is because organizations who have received funding in the past are likely to do so again in the future (Grønbjerg et al., 2000; Johnson, 2016), effectively crowding out new organizations or services. Previously funded organizations benefit from a cumulative advantage (also called the Matthew effect); after a first grant award,

funders are reassured that the nonprofit will not squander their grant because, ostensibly, they can monitor the results and ensure the money has been spent wisely.

The presence of a cumulative advantage for previously funded organizations is not surprising; what is a surprise, however, is that this preference exists even when programs underperform. The funder studied here exhibited an exceedingly strong preference for re-funding a program – even a poorly performing one – over a new program. Here, there is arguably little-to-no information asymmetry – the funder, the CGC members, and the nonprofit all have access to high-quality (i.e., not an agency-level proxy like age or size) measures on program performance. Why, then was this information not leveraged in the funding process?

One argument might be that CGC members' heightened knowledge of local organizations provided them with other information that contradicted the rigid performance measures reported on grant applications. However, this is unlikely given that (1) findings from the previous chapter suggesting CGC members have little-to-no direct experience with human services; and (2) strict conflict of interest policies usually prevent members from participating in deliberations where bias could be questioned. A second possibility might be that CGC members have additional insight into why individual metrics were not met (e.g., a change to metrics, a disruption in staff or other funding) that is not captured on the applications but was shared by funder staff. This is a possibility, but unanswerable in the current research design. A third option might be that CGC members interpret lackluster program performance less as a failure and more as an

addressable growth opportunity for the nonprofit. Given the CGC's strong preference for re-granting to an organization, this is a likely scenario.

## **Conclusion and Implications**

This study contributes to our understanding of both human service grantmaking and CGCs in several ways. First, it examines underlying assumptions about CGCs, information asymmetries, and local communities. These findings call into question whether more participatory grantmaking approaches necessarily deviate from those decisions of more traditional grantmakers. Second, the data and measures used here are, arguably, more representative of need and capacity than organization- or community-level proxies, respectively. The funder's research on community-articulated needs directly operationalizes community voice in the funding process, a substantial contribution to the field given that much of the literature on organizational funding is agnostic to funder approach. In addition, the funder's full application set provides detailed information on unfunded organizations, the first time to my knowledge that such organizations have been included in grant analysis.<sup>20</sup> Finally, this study is distinctive in its unit of focus: rather than exploring grantmaking outcomes solely at the organization level (the approach of nearly all studies on organizational funding), this study leverages program-level data, bringing scholarly research into congruence with real-world application.

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<sup>20</sup> Short of the full application set, at least one study used grantee characteristics to "create a hypothetical non-profit applicant marketplace" of organizations who did not receive grants (Johnson, 2016).

Of course, as with all studies, there are substantial limitations to this one and its generalizability. Beyond those already discussed (e.g., the application and needs matching process), the most overt limitation is the focus on a single, municipal-level funder. Although there is precedent for examining organizational funding within a local catchment (Garrow, 2011; Grønbjerg et al., 2000; Lam & McDougale, 2015), the focus on a single funder precludes a counterfactual. In other words, this study is not able to explicitly examine whether a funder using a CGC is more likely to respond to community needs and service capacity than a traditional funder, but rather whether they respond to them at all. Future research should address this shortcoming with comparative examinations of decision-making outcomes of between CGCs and other funder types.

Another drawback is the small sample size, which limits the type and complexity of analysis that can be conducted. For this reason, the model employed was as parsimonious as possible; a larger and more diverse sample would allow for the addition of other variables and more computationally intensive analysis. There are, undoubtedly, other variables not measured here that influence granting outcomes. These could include different operationalizations of community need and service capacity (e.g., service waitlists, Point in Time counts), but they may also extend to variations in the grantmaking process. In particular, future research should more precisely examine the substantive content of grant deliberation processes. How are deliberations structured? Is voting anonymous? How CGC members (or any grantmakers) specifically reference and

discuss community need (including how that need is measured and validated) when making grant determinations?

Beyond considerations for future research, what are the implications of these findings for funders? This funder's use of a CGC and pre-grant research suggests a strong commitment to participatory philanthropy, although these findings imply challenges in fully operationalizing community voice into the granting processes. This funder devotes substantial cost and effort to generating a needs report, including a comprehensive survey of city residents. However, very few programs directly cited these results in their applications, and resident-identified needs did not prove a significant predictor of grant receipt. Relatively minor adjustments to the application process could remedy this lack of use. First, the funder could more explicitly tie funding amounts to community needs: programs explicitly addressing needs perceived as higher priority could receive extra weight in the application process. Second, the funder could require that applicants explicitly engage needs report findings in their applications. In sum, while this funder's particular approach to need articulation may not be representative to all funders (i.e., many funders are unlikely to invest in a random, stratified survey of community members), it provides an instructive example of how explicitly funders must structure incorporation of community voice into every stage of the funding process.

In addition, the findings on program performance also have important implications. The relative inconsequentiality of previous program performance in determining continued funding complicates the authenticity of the ongoing

“accountability movement,” a trend of increased focus on nonprofit organizations’ outcomes and results, with the hope that such measurement will lead to more effective services being provided in more efficient ways (Carman, 2010). However, as shown here, more information does not necessarily mean better; the data here may bolster the case that a barrier to better grantmaking decisions is less about information asymmetry than about information utilization. All funders, whether using CGCs or not, should consider how information is meant to be weighed in application processes; those using a CGC should provide clear ways for their committees to do so. If information is not being actively used to guide decision-making, funders should consider whether to request it at all. Research indicates that nonprofit staff expend substantial amounts of energy on fundseeking (McCray, 2014; Study & Practice, 2017); minimizing application expectations could both lessen workload and ease funder-fundee relationships.



## CONCLUSION

Taken together, these three linked but stand-alone papers provide insight into the use, composition, practices, and funding outcomes of CGCs. I will first provide a high-level review of each of the papers, including their pertinent findings. I will then review some overarching themes and conceptually links across the three papers.

For the first paper, *Prevalence of community-driven funding in human service funders*, I employed web research and a survey of locally based human service funders to investigate current use of CGCs. Findings indicate that use of CGCs are relatively common across the nation (36% of human service funders in our sample used them), although they are particularly popular in both the Northeast (HHS Region 1: Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, and Vermont) and the (HHS Region 10: Alaska, Idaho, Oregon, and Washington). For United Ways, the average CGC has 24 members and manages a portfolio of approximately \$1.3 million; for municipalities, they have 11 members and manage a portfolio of approximately \$1.1 million. Although I could not control for specific community demographics, survey responses from CGC managers suggest these committees are largely white, older, employed, and lacking in human service expertise.

In the second paper, *Putting the 'community' in community-based funding? Recruitment, motivation, and role negotiation of human service grantmaking committees*, I employed qualitative methods of both interviews (n=25) and document review to better understand how 6 CGCs in Washington, the state with the highest proportion of CGCs,

operated. Here, I found further evidence that CGCs are not demographically representative of the communities they purport to serve, although each site used diverse methods to recruit participants (which practitioner literature suggests should lead to more diverse groups). I also found that CGC members primarily serve in this role out of a desire to both help and learn more about their community, but that staff expertise is not always fully leveraged to aid them toward these goals.

The third and final paper, *Who wins grants in a community-driven system?*, provided an in-depth look at a single municipal funder's grantmaking decisions. Using unique data sources, including the funder's full grant application set (n=291) and the city's bi-annual human service needs report, which includes data from a random, stratified sample survey (n=484) of city residents. These findings indicated that, despite claims that CGC funders would prioritize both need and service capacity in grantmaking decisions, there was no relationship between grant receipt and the former and only mixed evidence on a relationship with the latter.

Beyond individual findings, these papers suggest some overarching themes and conceptual linkages that contribute to both practice and research. First, one of my goals for this dissertation was to draw attention to a funding approach and process I had experienced as a practitioner but saw examined little in the literature. To some extent, I premised this dissertation on the belief that (1) these CGC processes were not unique to my experience; and (2) there were similarities in local-level approaches regardless of funder type. As shown by Paper 1, CGCs are relatively common nationwide and wield

substantial human service funding portfolios. importance of these committees. Paper 2 refocuses on funders within just one state, but shows that, even across funder types (municipalities and United Ways) CGC members share general processes, motivations for serving, and challenges around staff roles. Although academic and practitioner literature examining funding processes almost exclusively focuses on a single funder type (e.g., government, United Ways, other types of foundations), my research suggests that, in practice, these processes may be more similar than not. This type of cross-sector research will become increasingly important with the growing interest in both collaborative funding processes (Gibson & Mackinnon, 2009; Grady et al., 2018; TCC Group, 2011) and Collective Impact (Cooper, 2017; Kania & Kramer, 2011; Lynn & Stachowiak, 2018).

A second recurring theme throughout the papers is CGCs' purported ability to enhance grantmaking efficacy. Although grantmaking efficacy can have varied definitions, it is generally understood to mean that funders enter funding relationships with organizations (or programs) that will help achieve their overarching goals (Ostrander, 1999). Information asymmetries between the funder, nonprofit organizations, and the community theoretically lessen the likelihood that funders will make effective grants. CGCs' heightened understanding of service needs and those organizations with capacity to address them (Enright & Bourns, 2010) are thought to be a way of ameliorating this asymmetry. All three papers cast some doubt on this assumption, though they suggest different mechanisms may be at work. Paper 2 (and, to a lesser

extent, Paper 1) suggests there exists a personnel mismatch: despite using varied recruitment methods to staff their CGCs, members remain primarily white, older, professional, and, most importantly, lacking in human service expertise. Paper 3 suggests challenges may lie in the specific grantmaking processes funders use: despite extensive information on community needs and applicant organizations, CGC members are provided no explicit mechanism for deploying that information in their decision-making. Taken together, these represent fundamental gaps in knowledge, lived experience, and expectations that would allow CGC members to truly provide an informed, “front-row” take on community problems and how to address them.

Finally, each paper concludes with specific suggestions to address some of the current challenges with CGCs and ways to enhance their use in the future. These include relatively straightforward solutions, such as more adequately publicizing use of CGCs to simply collecting demographic data on committee members. They also include more challenging suggestions, such as funder examination of their true motives for using CGCs (e.g., enhanced information, diffuse responsibility, signaling mechanisms to external stakeholders) and consideration of the financial resources (e.g., stipends for low-income participants, child care) they will devote to achieving these aims. Regardless, this practice-oriented approach was especially important to me; although I hope that these studies contribute to scholarly literature (and Paper 2 is already in the publication process for a journal), my primary interest in undertaking this project was to improve the use of community voice in funding processes. Here, my aims mirror those of participatory

grantmaking, which aims to upend traditional power dynamics and break down barriers between those making decisions and those influenced by them.

In sum, this dissertation surfaced information on an oft-used but little-studied practice in human service grantmaking, the Community Grantmaking Committee. The studies here lay a foundation for multiple streams of future research. First, future research can more explicitly examine locational co-occurrence of CGCs, including potential drivers for the geographic variation in CGC prevalence. Regarding CGC operation, future research should examine the dynamics of staff and committee relationships, including how these practices manifest differently across funders. Additionally, there is need for more precise examinations of grant deliberation processes, including their specific structures and substantive content. Finally, there is opportunity for research on the comparative grant outcomes between CGCs and other funder types.

## APPENDIX A: MUNICIPAL SURVEY

Thank you for agreeing to take part in this survey, which is estimated to take approximately 10 minutes.

By clicking the next arrow, you give your consent for your voluntary participation in this survey. All information given will be kept anonymous and confidential, and results will only be produced in aggregate. The researchers have received approval from the University of Pennsylvania's Institutional Review Board to conduct this research.

Upon completing the survey you can enter your email address into a randomized drawing to win one of eight \$25 gift cards to Amazon.com

If you have any questions about the survey, please contact Megan Farwell (farwell@sp2.upenn.edu).

Thank you for your time and cooperation!

- (1) What is the name of your municipality?
- (2) In what state is your municipality located?
- (3) To the best of your knowledge, does your municipality use public/citizen participation when identifying or developing solutions to address housing, community development, or other human service needs? Public/citizen participation could include activities like public hearings, public comment, listening sessions, volunteer boards, etc.
  - Yes
  - No
  - I'm not sure

If 'no' or 'I'm not sure' to Q3:

Thank you for completing the survey!

If you would like to be entered into a lottery drawing for one of eight \$25 Amazon gift cards, please enter your email address here. You will be notified by March 23 if you are selected for a gift card.

If 'yes' to Q3:

- (4) To the best of your knowledge, does your municipality use volunteer boards of any type?

For the purposes of this survey, a volunteer board is any advisory or policy making group appointed by a government official or employee that receives no regular salary or benefits. Volunteer boards might oversee areas such as parks and recreation, zoning, etc. Note that volunteer boards can exist under different names, such as councils, commissions, or committees.

- Yes
- No
- I'm not sure

- (5) To the best of your knowledge, does your municipality use volunteer boards for any human service activities?

Human service activities could include service planning, contracting with local agencies, administering Community Development Block Grant (CDBG) or other federal funding, or anything else related to human or social services.

- Yes
- No
- I'm not sure

- (6) What is your human services board called? If you use multiple human services boards, please separate each name by a semicolon

- (7) How often does your human services board meet? If you have multiple human service boards, select the option that best represents an average meeting schedule.

- Once per week
- Once per month
- Once per quarter (every 3 months)
- Once per year (every 12 months)
- As needed
- Other, please specify

- (8) What is the term length for those serving on your human services board? (e.g., 1 year, 18 months) If you have multiple human services boards, write in the option that best represents an average committee member term length.

- (9) Does your human services board have term limits?
- Yes

- No
  - I'm not sure
- (10) What is the term limit for human services board members? (In other words, how many terms are human service board members allowed to serve.)
- (11) Total number of positions on the human services board:
- (12) Current number of vacancies on the human services board:
- (13) Approximately how many of your human services board members fall into the following categories?
- Members under age 35
  - Members between age 35 and 64
  - Members over age 64
  - Members identify as male
  - Members identifying as female
  - Members identifying as gender nonconforming
  - Members working full time
  - Members working part time
  - Members not working (e.g., unemployed, retired)
  - Members with experience providing human services
  - Members with experience receiving human services
  - Members with at least one school-age child
- (14) In which of the following activities does your human services board engage? Check all that apply.
- Review contract/grant applications for municipal human services funding
  - Review contract/grant applications for other human service funding (e.g., CDBG)
  - Develop municipal human service funding recommendations
  - Develop other human service funding recommendations (e.g., CDBG)
  - Pursue regional cooperation in the planning, funding, and delivery of human services
  - Conduct research on emerging human service issues and concerns
  - Comment on municipal actions that may affect the availability or quality of human services
  - Other (please specify)



- (15) If your human services board reviews contract/grant applications and/or develops human service funding recommendations, please list the approximate amount of total funds under the board's purview:

	Amount
Municipal funds	
CDBG	
Other 1: Type and amount	
Other 2: Type and amount	
Other 3: Type and amount	

- (16) If your human services board reviews contract/grant applications and/or develops human service funding recommendations specifically for the use of municipal funds, what is the approximate term length for funding?
- (17) Is there anything else about your funding process, community engagement strategy, or human services board that you'd like to share?
- (18) What is your position title?
- (19) In what department is your position located?
- (20) How do you identify?
- Male
  - Female
  - Prefer not to answer
  - Not listed, please specify
- (21) In what year were you born?
- (22) What is the highest degree or level of school you have completed? (If you're currently enrolled in school, please indicate the highest degree you have received.)
- Less than a high school diploma
  - High school degree or equivalent (e.g., GED)
  - Some college, no degree
  - Associate's degree (e.g., AA, AS)
  - Bachelor's degree (e.g., BA, BS)
  - Master's or professional degree (e.g. MA, MD, MEd, MPA, MS, MSW)

- Doctorate (e.g., PhD, DSW, EdD)

(23) How would you describe yourself? (Check all that apply)

- American Indian or Alaska Native
- Asian
- Black or African American
- Native Hawaiian or Other Pacific Islander
- White

(24) Are you of Hispanic, Latino, or of Spanish origin?

- Yes
- No

## APPENDIX B: UNITED WAY SURVEY

Thank you for agreeing to take part in this survey, which is estimated to take approximately 5 minutes.

By clicking the next arrow, you give your consent for your voluntary participation in this survey. All information given will be kept anonymous and confidential, and results will only be produced in aggregate. The researchers have received approval from the University of Pennsylvania's Institutional Review Board to conduct this research.

Upon completing the survey you can enter your email address into a randomized drawing to win one of eight \$25 gift cards to Amazon.com

If you have any questions about the survey, please contact Megan Farwell (farwell@sp2.upenn.edu).

Thank you for your time and cooperation!

- (1) In what city is your United Way located?
- (2) In what state is your United Way located?
- (3) To the best of your knowledge, does your United Way use a volunteer committee (other than the Board of Directors) for grantmaking?

These committees may be called by a variety of names, including (but not limited to) Community Investment Committees, Community Impact Councils, Review Panels, etc.

- Yes
- No
- I'm not sure

If 'no' or 'I'm not sure' to Q3:

Thank you for completing the survey!

If you would like to be entered into a lottery drawing for one of eight \$25 Amazon gift cards, please enter your email address here. You will be notified by March 23 if you are selected for a gift card.

If 'yes' to Q3:

- (4) What is your grantmaking committee called? If you use multiple committees, please separate each name by a semicolon
- (5) How often does your grantmaking committee meet? If you have multiple grantmaking committees, select the option that best represents an average meeting schedule.
- Once per week
  - Once per month
  - Once per quarter (every 3 months)
  - Once per year (every 12 months)
  - As needed
  - Other, please specify
- (6) What is the term length for those serving on your grantmaking committee? (e.g., 1 year, 18 months) If you have multiple grantmaking committees, write in the option that best represents an average committee member term length.
- (7) Does your grantmaking committee have term limits?
- Yes
  - No
  - I'm not sure
- (8) What is the term limit for grantmaking committee members? (In other words, how many terms are grantmaking committee members allowed to serve.)
- (9) Total number of positions on the grantmaking committee.
- (10) Current number of vacancies on the grantmaking committee.
- (11) Approximately how many of your grantmaking committee members fall into the following categories?
- Members under age 35
  - Members between age 35 and 64
  - Members over age 64
  - Members identifying as male
  - Members identifying as female
  - Members identifying as gender nonconforming
  - Members working full time
  - Members working part time
  - Members not currently working (e.g., unemployed, retired)

- Members with experience providing human services
  - Members who have received human services
  - Members with at least one school-age child
- (12) What is the total amount awarded by the grantmaking committee? (If you use multiple grantmaking committees, please provide the total across all committees).
- (13) What is the approximate term length for funding awards?
- (14) Is there anything else about your funding process and/or grantmaking committee that you'd like to share?
- (15) What is your position title?
- (16) In what department is your position located?
- (17) How do you identify?
- Male
  - Female
  - Prefer not to answer
  - Not listed, please specify
- (18) In what year were you born?
- (19) What is the highest degree or level of school you have completed? (If you're currently enrolled in school, please indicate the highest degree you have received.)
- Less than a high school diploma
  - High school degree or equivalent (e.g., GED)
  - Some college, no degree
  - Associate's degree (e.g., AA, AS)
  - Bachelor's degree (e.g., BA, BS)
  - Master's or professional degree (e.g. MA, MD, MEd, MPA, MS, MSW)
  - Doctorate (e.g., PhD, DSW, EdD)

- (20) How would you describe yourself? (Check all that apply)
- American Indian or Alaska Native
  - Asian
  - Black or African American
  - Native Hawaiian or Other Pacific Islander
  - White
- (21) Are you of Hispanic, Latino, or of Spanish origin?
- Yes
  - No

## APPENDIX C: COMMITTEE MEMBER INTERVIEW PROTOCOL

### **Research Questions**

1. How are community grantmaking committee members recruited?
2. What are committee members' motivations for serving as community grantmakers?
3. How do committee members conceptualize their roles as community grantmakers?
4. How do committee members negotiate agency in grantmaking decisions with other organizational actors?

### **Pre-Interview Script (to be read prior to start of each interview):**

Thank you for agreeing to participate in this study exploring the experiences of volunteer grantmakers. Before we begin our interview, I would like to go over a couple of things with you.

First, is it okay if I record this interview? (*Pause for verbal agreement.*)

If yes: I'd like to ask your permission to send this to a transcription service.

Second, I want to make sure that you feel comfortable throughout the interview. Please let me know if you would like to pause the interview at any time, or if you do not feel comfortable answering a particular question. You can decide to end the interview at any time for any reason, and you can review your transcript when it is complete. I want to assure you that your identity will be kept confidential and that I will remove any identifying information from your interview.

Do you have any questions before we begin? (*Pause for any questions.*)

### **Interview Guide**

**Can you tell me your story of how you first became a community grantmaker?**

Probes: How were they recruited? What was attractive about the role? Why the specific institution that they volunteer in?

**Why did you decide to volunteer in this way?**

Probes: Did you have specific goals when joining your grantmaking board?

**How does your perspective uniquely benefit the grantmaking committee? In other words, what are you bringing to the table that otherwise may not be there?**

**Some funders rely primarily on in-house staff to make their granting decisions. Do you think one model is better than another? Why or why not?**

Probe: Do you think staff could make community-informed decisions? Why or why not? What are the shortcomings of volunteer-based grantmaking? What are the strengths?

**One of the arguments for using community grantmakers is the “community” connection. In this context, what does community mean to you? When you think about your role as a community grantmaker, how do you consider community in your decisions?**

Probe: What communities are you representing?

**Have the staff ever disagreed with your committee’s decisions? If so, how did you resolve it? What about other committee members (or yourself)?**

**Assuming two grant applications are equally strong (both answer the questions adequately, organizations are similarly sized, both make a case for the importance of their programs), how do you decide between the two?**

Probe: Interested in finding out what else grantmakers consider (e.g. outside of the application) when making decisions

**What do you think is the single most important thing that a grantmaker should consider when making a decision about an application?**

**Most funders have goals they are trying to achieve with their grants. Can you share, in your own words, what this goal is for your funder?**

Probe: Does (or how does) this goal affect your decision-making process?



## APPENDIX D: STAFF LIAISON INTERVIEW PROTOCOL

### **Research Questions**

1. How are community grantmaking committee members recruited?
2. What are committee members' motivations for serving as community grantmakers?
3. How do committee members conceptualize their roles as community grantmakers?
4. How do committee members negotiate agency in grantmaking decisions with other organizational actors?

### **Pre-Interview Script (to be read prior to start of each interview)**

Thank you for agreeing to participate in this study exploring the experiences of volunteer grantmakers. Before we begin our interview, I would like to go over a couple of things with you.

First, is it okay if I record this interview? (*Pause for verbal agreement.*)

If yes: I'd like to ask your permission to send this to a transcription service.

Second, I want to make sure that you feel comfortable throughout the interview. Please let me know if you would like to pause the interview at any time, or if you do not feel comfortable answering a particular question. You can decide to end the interview at any time for any reason, and you can review your transcript when it is complete. I want to assure you that your identity will be kept confidential and that I will remove any identifying information from your interview.

Do you have any questions before we begin? (*Pause for any questions.*)

### **Interview Guide**

**Can you tell me a little bit about your organization and your role?**

Probes: What are your specific responsibilities with grantmaking volunteers?

**Tell me about your grantmaking committee.**

Probes: Number of volunteers, term lengths, etc.

**How do you recruit volunteers for this role?**

Probes: Do you do formal calls to action? Do you use referrals? How do you decide who will join the committee?

**To the best of your knowledge, why does your organization use volunteers for granting decisions rather than staff?**

**Some funders rely primarily on in-house staff to make their granting decisions. Do you think one model is better than another? Why or why not?**

Probe: Do you think staff could make community-informed decisions? Why or why not? What are the shortcomings of volunteer-based grantmaking? What are the strengths?

**One of the arguments for using community grantmakers is the “community” connection. In this context, what does community mean to you? How does your committee reflect “community?”**

**Have you ever disagreed with your committee’s decisions? If so, how did you resolve it?**

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