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THE CIRCLE LE CERCLE

ON PHILANTHROPY AND ABORIGINAL PEOPLES IN CANADA
SUR LA PHILANTHROPIE ET LES PEUPLES AUTOCHTONES AU CANADA



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À propos du PhiLab | About PhiLab

Le Réseau canadien de recherche partenariale sur la philanthropie (PhiLab), anciennement Laboratoire montréalais de recherche sur la philanthropie canadienne, a été pensé en 2014 dans le cadre de la conception de la demande de financement du projet développement de partenariat CRSH intitulé “Innovation sociale, changement sociétal et Fondations subventionnaires canadiennes”. Ce financement a été reconduit en 2018 sous le nom “Evaluation du rôle et des actions de fondations subventionnaires canadiennes en réponse à l’enjeu des inégalités sociales et des défis environnementaux”. Depuis ses débuts, le Réseau constitue un lieu de recherche, de partage d’information et de mobilisation des connaissances des fondations canadiennes. Des recherches conduites en partenariat permettent la coproduction de nouvelles connaissances dédiées à une diversité d’acteurs : des représentants gouvernementaux, des chercheurs universitaires, des représentants du secteur philanthropique et leurs organisations affiliées ou partenaires.

Le Réseau regroupe des chercheurs, des décideurs et des membres de la communauté philanthropique à travers le monde afin de partager des informations, des ressources et des idées.

The Canadian network of partnership-oriented research on philanthropy (PhiLab), previously called the Montreal Research Laboratory on Canadian philanthropy, was thought up in 2014 as part of the conception of a funding request by the NRCC partnership development project called “Social innovation, social change, and Canadian Grantmaking Foundations”. From its beginning, the Network was a place for research, information exchange and mobilization of Canadian foundations’ knowledge. Research conducted in partnership allows for the co-production of new knowledge dedicated to a diversity of actors: government representatives, university researchers, representatives of the philanthropic sector and their affiliate organizations or partners.

The Network brings together researchers, decision-makers and members of the philanthropic community from around the world in order to share information, resources, and ideas.



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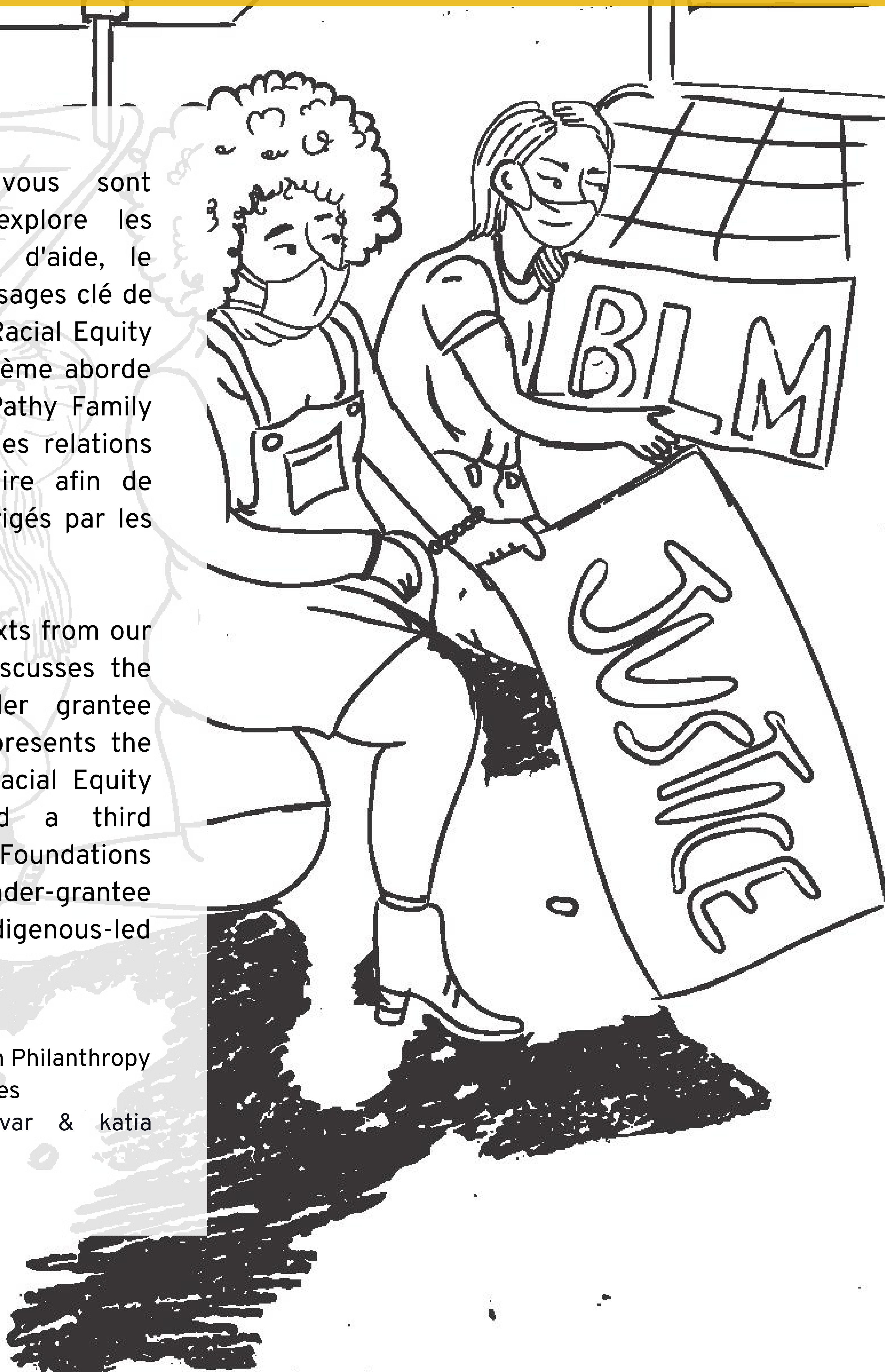
Canada

TEXTES D'INVITÉS | GUEST CONTRIBUTORS

Trois textes d'invités vous sont présentés. Le premier explore les paradoxes de la relation d'aide, le deuxième présente les messages clé de la session préliminaire du Racial Equity Summit tandis que le troisième aborde l'approche utilisée par la Pathy Family Foundation pour redéfinir les relations entre donateur et donataire afin de soutenir les organismes dirigés par les autochtones.

We present to you three texts from our guest contributors. One discusses the power dynamics in funder grantee relationships, the second presents the key takeaways from the Racial Equity Summit pre-session, and a third presents the Pathy Family Foundations approach to redefine funder-grantee relationships to support Indigenous-led organizations

Image: Racial Equity & Justice in Philanthropy Funders' Summit, Colouring Pages
Artists: Yaimel López Zaldívar & katia hernández velasco



TEXTES INVITÉS | GUEST CONTRIBUTORS

How to Redefine Funder-grantee Relationships to Support Indigenous-led Organizations



Par | By: *Martina Ulrichs*

Program Officer, Pathy Family Foundation

Martina Ulrichs is Program Officer at the Pathy Family Foundation, which is based in Montreal and focuses on supporting community-based organizations to provide programming in the areas of education, health and social protection. Her portfolio of partners consists mainly of organizations working with Canada's Indigenous Peoples on finding community-driven solutions to physical and mental health issues, as well as youth empowerment. Prior to PFF Martina worked for 10 years in the field of international development as a consultant for different UN agencies and think tanks, working on poverty reduction programmes, social protection and climate resilience in Mexico and Eastern Africa.

Philanthropic funders need to review their grantmaking practices to a great extent to truly address equity and justice issues, starting with questioning – who they fund, how they fund and what they fund, to how foundations are governed, how endowments are managed, and who sits at the decision-making table. While these issues are all critical to discuss, I want to



Photo: The Circle's Art of Hosting: Active Reciprocity 2019
Manitoulin Island

focus on what could be considered the bottom line of funding differently: building meaningful relationships with our community-based partners.

While the importance of good relationships between funders and grantees has been widely acknowledged[1], the perceptions of that relationship's quality still differs between those who give and those who receive funds. The Centre for Effective Philanthropy's (CEP) study on 'Strengthening Grantees' reveals that foundations' perceptions of their responsiveness to grantees' needs differ widely from grantees' experience: 87% of foundation leaders believe their foundation is aware of their grantees' needs, while 58% of nonprofit CEOs say none or few foundations ask about their organization's overall needs beyond project-specific funding [2]. Similarly, a study by Grantmakers for Effective Organizations (GEO) found that 70% of funders say they are willing to engage with their grantees in an open dialogue about general operating support, but only 31% of nonprofits think there is the space to do so [3].

These numbers are particularly worrying and revealing in a

context where the underfunding of organizations serving communities of colour has become more apparent than ever. If funders want to address equity and justice issues, it is critical to listen to and meet the needs of community-based organizations that represent marginalized communities. In Canada, one of the groups that is disproportionately disadvantaged across all social and economic indicators are First Nations, Métis and Inuit people. Yet, organizations working with Indigenous peoples only receive about 6% of total philanthropic giving [4].

This demonstrates the philanthropic sector's limited experience in working with Indigenous communities and vice versa. We are all on a long-overdue learning journey, a journey where both funders and Indigenous organizations need to define how they can work together most effectively. This represents an important opportunity, as philanthropic funders have the means, flexibility and financial independence to shape the terms of their grantmaking in a way that is needed to develop local, Indigenous solutions to the complex set of social issues communities face. Funders must be willing to educate themselves about the history of colonisation and the devastating impacts it has had on the wellbeing of First Nations, Métis and Inuit in Canada. While the potential for a fruitful relationship is there, many processes and principles that govern philanthropic practices stand in strong contrast to the values, teachings and ways of life of Indigenous peoples. As Heather Exner-Pirot warns the philanthropic sector in her 2015 article in *The Philanthropist* [5] 'Be aware of a culture clash' when working with communities in the Arctic. She then goes on to quote the Inuit writer Zebedee Nungak, who illustrates the dichotomy of the two worldviews:

"Are you goal-oriented? Do you like lists and categories? Do you see urgent tasks that need to be addressed all around you? Me, too. These are common characteristics of Qallunaat [non-Inuit people], and of the philanthropic industry in particular, and are generally viewed as strengths. But these same attributes can be quite jarring North of 60. Learn patience. Build relationships and earn trust. Practice incrementalism. If you want to engage in the Arctic, it's only polite to adapt rather than impose. And process really matters."

“Build relationships and earn trust. Practice incrementalism. If you want to engage in the Arctic, it's only polite to adapt rather than impose. And process really matters.”

What we need as funders is 'intercultural fluency' [6], where we are willing to learn about the cultures of Indigenous peoples and adapt how we work to set the parameters for a good, reciprocal partnership, where philanthropic funds provide communities with the resources to determine and implement the changes they wish to see. This requires unlearning well-established 'Western' or Eurocentric norms of working, acknowledging the power imbalance in current, mainstream funder-grantee relationships and actively preparing for the need to invest several years in building and maintaining a relationship that will improve the self-determined, long-term wellbeing of the Indigenous peoples of Canada.

PFF's Experience

The Pathy Family Foundation (PFF) has been granting to organizations working with Indigenous communities since its founding in 2008. However, we only started taking a more strategic approach to developing and expanding our Indigenous portfolio since we signed The Philanthropic Community's Declaration of Action in 2015 [7]. In the following years we developed our Philanthropic Strategy for Canadian Indigenous Communities, which included the need to prioritize funding for Indigenous-led organizations and adapt our grantmaking practices to reflect the core values of trust-based philanthropy [8]. This meant adopting a relationship-focused approach to grantmaking and providing long-term funding to not only contribute to the sustainability of projects and organizations, but also to provide a realistic timeline to build trust with Indigenous partners and communities. To date, our Indigenous portfolio comprises 18% of our total grantmaking, half of which goes to Indigenous-led organizations.



We still have a lot of work and learning to do to adapt our processes to best meet the needs of our partners. So far, our experience with Indigenous-led organizations has brought some key lessons that have shed light on how we, as funders, need to adapt to apply a relationship-based approach to our work with Indigenous organizations.

3 Key lessons from relationship-based grantmaking for Indigenous communities

1. Break the power dichotomy between funder and grantee to build trust

Mutual trust is the currency of any meaningful relationship, as it generates a sense of safety to talk openly about one's needs, strengths, ambitions and challenges in achieving them. Between funders and grantees, a major obstacle to building trust is the power imbalance defined by the funders' control over capital upon which nonprofits' survival depends. In the case of Indigenous organizations, this power imbalance stands against the backdrop of decades of systemic discrimination and marginalization of Indigenous people, which has eroded their trust in non-Indigenous institutions of power across several generations. Hence, as funders we need to acknowledge that trust must be earned on both sides, donor to grantee and grantee to donor – and this will require more time and patience on the funder's side than they might be used to. As PFF does not accept unsolicited requests for funding, we approach organizations who stand out in terms of their contributions to pressing social issues in their communities. It does not usually take much persuasion for an organization we've approached to submit a proposal, but in the case of Indigenous-led organizations we were oftentimes left wondering why they



Photo: Foxy Peer Leader Retreat
Photo credit: FOXY

were not as enthusiastic in returning our calls. Surely, they would want to be in touch, if we were able to provide them with funding? Which nonprofit doesn't return a call when a foundation invites them to submit a grant proposal? In many cases these organizations were hesitant, as they wanted to get to know us first, understand our intentions and assess whether we truly wanted to commit. For example, this could entail taking a flight to a small community in Nunavik to meet with them in person, or visiting a local organization several times before discussing a proposal. The dynamic was turned upside down, as now we as funders were wooing the potential grantees, rather than the other way around. This approach requires funders to take initiative, have a sense of humility and be aware of one's own positionality and acknowledge that capital alone does not define the funder-grantee relationship. It brings the relationship down to the personal level, where people get to know each other and become more than the face of an institution.

2. Provide space to talk openly about challenges, learn from them and adapt

The social problems affecting Indigenous Canadian communities today are highly complex, with issues such as intergenerational trauma, mental health crises, poverty and gender-based violence intersecting and creating a challenging environment for community organizations to operate in. These issues emerge from long-standing systemic marginalization of Indigenous communities which can only be undone by long-term solutions defined by Indigenous people, rather than externally imposed quick-fix charitable solutions. Projects in these contexts are unlikely to follow a linear path, where all activities are implemented as planned and lead to the expected outputs and outcomes within the predicted timeline. There will be unexpected roadblocks, such as delays due to staff turnover and trauma-triggering events in the community that put everything on hold. Throughout a project's life, organizations might identify new needs in the community and will want to adapt the planned activities to address these better. Some of our partners working in Northern communities in Nunavut had to revise their entire project plan several times, slow down the roll-out of activities and change their expectations of final outcomes, as they realized that building trust in the community for the initiative would take longer than expected. Another partner told us flat-out at the beginning of the proposal writing process that she did not know what the project would look like, as she still had to consult with communities to discover what their priorities for an Action Plan on Missing and Murdered Indigenous Women and Girls (MMIWG) were. While we offered

her a three-year grant, she opted for a one-year proposal to let communities identify their needs first. This approach took honesty and courage on her side, which also helped us as a foundation question whether it was realistic to expect a polished three-year plan from organizations who are planning to meaningfully build up community engagement and ownership of the project.

In a well-functioning funder-grantee relationship, the unpredictability in implementing community-based projects should be an accepted reality. Challenges are to be expected and what matters is not whether they occur, but rather which solutions are found to address them so the project can continue and reach its objective. Encouraging partners to talk about challenges can be difficult, as it is still deeply ingrained in donors and nonprofits' mindsets that reporting problems highlights the malfunction of an organization, rather than its resilience in coping with adversity. Funders have created an incentive structure where nonprofits get more funding if they report success and keep failure reports in a bottom drawer. This is probably one of the biggest disservices the philanthropic sector has done itself, as it prevents us from truly understanding which programs have positive impacts, which ones don't and how to improve them. The funder's task is to create an environment that fosters open, honest communication, as well as to redefine what a 'successful' grant looks like.



Photo: Art displayed in Qarmaapik House,
Kangiqualujuaq, Nunavik
Photo credit: Sophie de Caen

3. Redefine risk - Invest in potential rather than in a smoothly run enterprise

Many of the social, psychological and economic problems Indigenous peoples face in Canada today are the result of harmful assimilation policies imposed on them. The importance of self-determination of First Nations, Métis and Inuit peoples in deciding what their individual communities need has been reiterated in the recommendations of the [Truth and](#)

Views from our partners

“Working at the community-level and building local capacity is difficult and it takes time. An Indigenous woman leader once told me we have to “work at the speed of trust”. Communities that have been traumatised and marginalised or that have been, or are being, overtly and structurally harmed and discriminated should not be expected to say yes (or no) to whoever turns up. That trust building phase should be integrated into grants. It takes time and staff salary and travel to build the trust - and that should not be considered “pre-project” work - I have seen that it is intrinsic to the project itself. It is part of the decolonization process - supporting the transfer of power and removing the structural barriers that have been put up over decades. This reinforces the importance of long-term funding - and the flexibility of that funding is critical. Communities have their rhythm and we need to adapt programmes to that rhythm if we want success. It is not easy from a western conception of project management based on SMART outcomes. We need to look to new ways of evaluating success and monitoring change.”

- Rachel Kiddell-Monroe
Founder and Executive Director of SeeChange Initiative



Photo: Clyde River

Photo credit: Madlen Nash/SeeChange Initiative

[Reconciliation Commission \(TRC\)](#) and the [Missing and Murdered Indigenous Women and Girls Inquiry](#).

If we want to support Indigenous-led, community-based organizations, funders need to acknowledge that many are very small, have no qualified donee status and might not have a long track record of funders. Yet they are still the best-positioned to do the work, as they are rooted in their communities and share a lived experience with the people benefiting from their services. Most importantly, they have the local buy-in and trust that would take an external organization years to build, often leading to low local uptake or ill-designed projects that do not meet the needs of the community and are abandoned after a few years.

Investing in community-based, Indigenous organizations is key in achieving sustainable, long-term impact. This, however, requires funders to invest in the potential of the people directly involved and their vision for change, rather than making funding conditional on a solid financial record and a smoothly run enterprise. Foundations are very reluctant to invest in a small organization, seeing it as too high-risk, particularly when they lack the staff to engage in due diligence and relationship building. This is in a sense a flawed argument, as the unique advantage of private philanthropy (for better or for worse) is that they can take risks in how the funds are invested – which is not the case for public funders who are directly accountable to voters on how their tax money is spent and are consequently more risk averse. Foundations also have the funds – compared to nonprofits – to hire staff to engage in the due diligence and relationship-building processes that could generate mutual trust and reduce the sense of risk.

At PFF we recently extended a grant to a very small Indigenous-led organization in Quebec, which has been staying afloat through small, one-year grants from public funders and earnings from community fundraisers. While the type of funding received so far did not allow long-term planning, their executive director had a bold and ambitious vision to expand its services and implement Indigenous-led youth camps across communities in Quebec. All she needed was the funds to hire more staff so she could focus less on fundraising and more on implementing her strategic vision. Our experience with this partner has been exceptional. We have had similar positive experiences with other small organizations where multi-year funding provides

Views from our partners

“We appreciate the time and energy that PFF takes to build a strong relationship with us as our funding partners. It is critical that Pathy (and other funders) focus on supporting the sustainability of organizations they work with, and truly strive to meet the current and pressing individual needs of non-profit organizations. These include multi-year funding, allowing flexibility and adaptability in work plans and budgets, and supporting the core needs of organizations (beyond wanting to fund programming only) like staff salaries that are competitive so that we can attract and retain awesome staff members, staff training, and the less exciting budget lines that keep our lights on. We were fortunate to earn the \$1 million Arctic Inspiration Prize in 2014, which allowed FOXY to grow from a small emerging organization and expand our reach and programming - but it has been the funding relationships we have the Pathy that has allowed us to maintain our growth and become a more stable and sustainable organization that is continually building our capacity.”

**- Candice Lys
Founder and Executive Director of FOXY**

Indigenous leaders the breathing space to unleash their full potential. As so many of them say, they don't need 'capacity-building' to grow – but rather multi-year funding so they can do their work without worrying about their organizations' survival.

Conclusion

We have come a long way as a foundation in the last 10 years in terms of learning how we can best work with our Indigenous partners. Our approach is by no means perfect and there is still much left to learn and improve, but the process has been rewarded by being able to build relationships with incredible partners and learn from them and with them along the way. We are also continuing to experiment with new approaches, such as our Peer-to-Peer Learning Initiative where all partners working with Indigenous communities will come together and exchange their knowledge and experience with one another – which will also provide us with valuable feedback on how we can improve. Adopting the principles of trust and relationship-based philanthropy can be a slow process – yet I was reassured when, during The Circle's summit this year, it was said that foundations should not wait until they have the perfect strategy or framework to work on equity and justice issues. Foundations should start with whatever they can today, and take it one step at a time from there.

Notes

[1] See e.g. Buteau, E., Glickman, J. and Leiwant, M. (2017) *Relationships Matter – Program Officers, Grantees, and the Keys to Success*. Centre for Effective Philanthropy; Broun, A. and Jones, K. (2016) 'Getting to the Heart of Healthy Funder-Grantee Relationships', *Stanford Social Innovation Review*, August 15, 2016.

[2] Centre for Effective Philanthropy (CEP) (2018) *Strengthening Grantees – Foundation and Nonprofit Perspectives*. San Francisco: CEP.

[3] <https://www.geofunders.org/what-we-care-about/strengthening-relationships>

[4] The Circle on Philanthropy and Aboriginal People in Canada. [Measuring the Circle: Emerging Trends in Philanthropy for First Nations, Metis, and Inuit Communities in Canada](#). (2014). Pg. 12-13.

[5] <https://thephilanthropist.ca/2015/10/philanthropy-in-the-arctic-good-intentions-or-good-works/>

[6] Jamieson, R. (2019) 'Decolonizing philanthropy: Building new relations' in Elison, R., Lefèvre, S.A. and Fontain, J.M. (eds.) *Philanthropic Foundations in Canada – Landscapes, Indigenous perspectives and pathways to change*. Montreal: Philab.

[7] 'The Philanthropic Community's Declaration of Action', signed in 2015 by 30 foundations, was the response of the Canadian philanthropic sector to the recommendations from the Trust and Reconciliation Commission. It is a call to action inviting others to join in moving forward in an atmosphere of understanding, dignity, and respect towards the shared goal of reconciliation.

[8] Core values of trust-based philanthropy: Lead with trust; centre relationships; collaborate with humility and curiosity; redistribute power; work for systemic equity (<https://trustbasedphilanthropy.org/principles-1>)

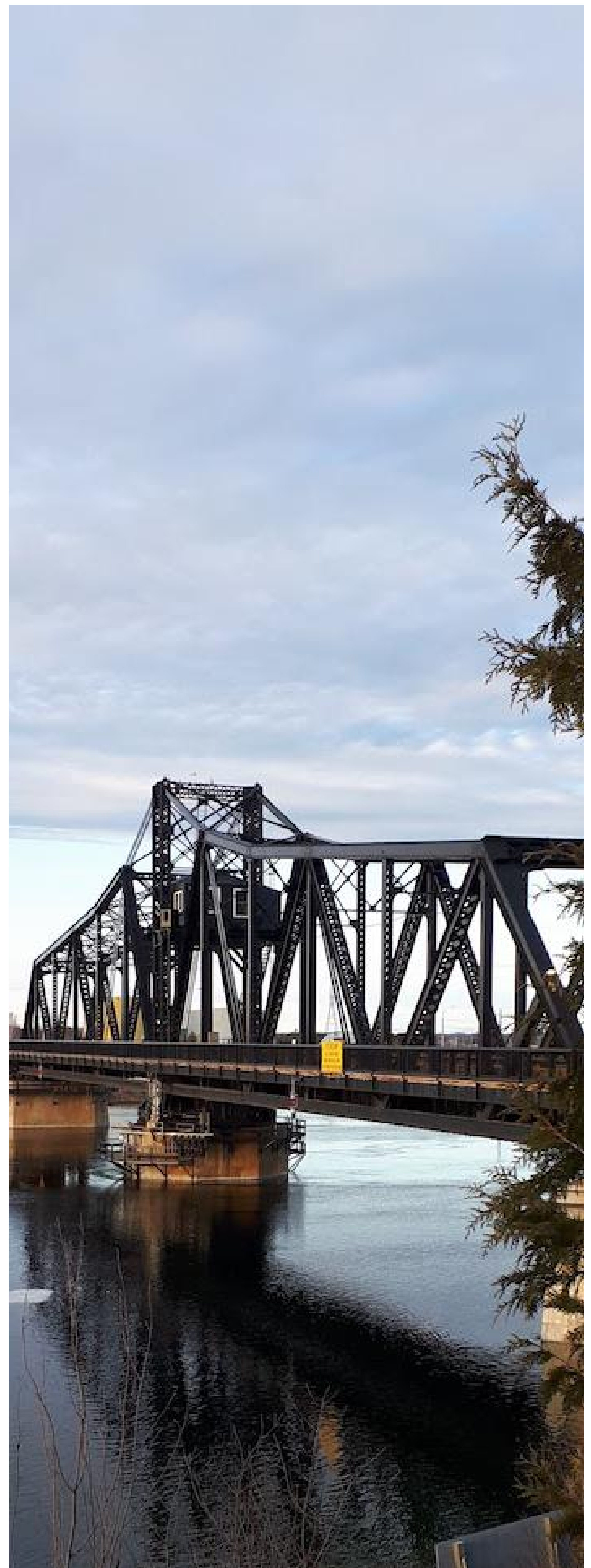


Photo: Little Current Swing Bridge, Manitoulin Island.

Photo credit: Martina Ulrichs

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