Becoming a (More) Equitable Funder: Insights from the Top 50 Equitable Funders Report

Summary

This conversation unpacked what it truly means to be an *equitable funder*—not just in terms of *who and what* we fund, but *how* we fund and invest. The panel brought together three leading voices in the philanthropic and impact investing space:

- **Anouk Bertner** (Future of Good) emphasized systemic change, transparency, and community accountability in philanthropic practices.
- **Kelly Gauthier** (Rally Assets) highlighted the urgent need to align *all* capital—not just the 5% granted annually, but also the 95% of endowment investments—with equity and justice values.
- **Yulena Wan** (Hamilton Community Foundation) offered a practical lens on embedding equity in operations, governance, and investment while acknowledging trade-offs and capacity constraints.

A central insight from the Top 50 Equitable Funders Report is the disconnect between how funders operate versus what their investments support. Despite equity-focused mission statements, capital markets often perpetuate systemic inequities, reinforcing the need to re-examine investment portfolios.

The panel discussed challenges like data transparency, safety in demographic disclosures, and the often invisible barriers that smaller foundations face in accessing tools to invest equitably. They explored the complexities of disclosing investment criteria, balancing operational capacity with transparency, and navigating the evolving definition of equity.

The conversation also called out the importance of collaborative learning. The community foundation sector is seen as generous and willing to share resources. Investing in peer learning, legal support, and shared due diligence can lower entry barriers and improve equitable investing practices. Practical models like impact loans replacing fixed income investments were showcased, underscoring the financial feasibility of equity-aligned portfolios.

Participants were encouraged to consider their own websites and application processes from a fundee perspective. Transparency is not just a virtue—it's a responsibility, especially for tax-sheltered public institutions. Still, transparency must be weighed against organizational capacity and safety considerations, particularly for marginalized or under-resourced teams.

The report itself is seen as a tool not just for ranking, but for motivating cultural and operational change. Publishing indicators, creating toolkits, and developing future opt-in opportunities for smaller but equity-driven organizations were discussed as next steps.

Key Takeaway Actions

1. **Use All Tools in the Toolbox:** Funders must use every resource, grants, investments, procurement, hiring to advance equity. Don't silo equity into grantmaking alone.
2. **Interrogate the Other 95%:** Examine how your endowment is invested. Ask your asset managers hard questions about representation, impact, and alignment with your values.
3. **Start with What You Know and Share:** You don't need to be perfect to be transparent. Share your current policies, even if they're a work in progress. Transparency fosters trust.
4. **Build Peer Support Networks:** Collaborate with other foundations to share due diligence costs, legal templates, and lessons learned. Knowledge sharing reduces friction.
5. **Design with Safety in Mind:** Transparency must not compromise safety. Be thoughtful about demographic data collection and respect confidentiality when necessary.
6. **Progress Over Perfection:** Don't wait until everything is formalized or perfect. Every step towards more equitable practice—however small—is meaningful.

Reflective Questions

1. How transparent are our investment policies, decision-making criteria, and portfolio outcomes with our team and publicly?
2. Are we using our endowment capital in a way that aligns with our equity values, or does it reinforce the very inequities we aim to dismantle?
3. What trade-offs are we making between transparency and capacity—and are we communicating those thoughtfully to our communities?
4. How can we collaborate with peer foundations to share knowledge, legal tools, and investment structures to lower barriers?
5. When was the last time we navigated our own grant process from the perspective of a potential applicant, especially one with limited resources or access?

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