

# Rural Residents as Grantmakers: Experimenting with Shared Gifting

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## Why Investing in Rural Communities Empowers its Residents

Rural communities are dramatically under-represented in philanthropic investments nationwide and in Texas. When limited philanthropic dollars are invested in rural communities, they're typically directed to established nonprofits and local governments to implement programs or provide direct services. Residents themselves—especially the most vulnerable and isolated—are rarely asked what they need to improve their health and quality of life. The structure of traditional non-profit funding in rural communities isn't designed to center those who are closest to the issues and barriers that prevent the health and well-being of their community. ***This lack of connection between those who have the power and control of resources and those who know how to best deploy those resources is at the heart of the knowledge gap and power imbalance in philanthropic rural funding.***

In 2021, St. David's Foundation began to think differently about our approach to rural funding. Building on the [Thriving Rural Communities strategy](#) to advance racial and health equity, we focused on fostering new and deeper relationships with our rural and small-town neighbors. In addition, we invested in new types of supports for community capacity building and experimented with a form of participatory grant making, **Shared Gifting**, that allows community members to decide what the most urgent funding needs are, rather than the funders or local decision makers.

## Our Approach to Capacity Building in Bastrop County

Trust building was central to our work—as well as creating a space for listening and learning from those closest to the community's most pressing issues. A powerful component of this process was galvanizing a region-wide network of residents, nonprofit leaders and collaboratives. We've learned a great deal from rural residents—one message we hear loud and clear was that many **residents have felt disconnected from decision makers in their communities** who control how limited resources are prioritized and distributed to address community needs. And as a result, they rarely see the impact of philanthropic investments on their health and wellbeing.

*“The gifting circle was an amazing circle to be a part of. I have sat on many boards and never experienced gifting in such a way! There was so much warmth, connection, and power in the room.”*

—Shared Gifting participant



Using this knowledge, the Foundation invested in a community capacity building strategy in Bastrop County that:

1. Centers and prioritizes residents' own talents, lived experiences, relationships, and deep understanding of the needs of their neighbors to direct their community improvement work;
2. Engages and supports residents in work that moves the community from talking about problems to taking action;
3. Provides training for residents who want to learn new leadership and community organizing skills to create a network focused on improving health and wellbeing; and
4. Puts resources into the hands of those who are closest to community problems and supports collaborative projects to tackle persistent community problems.

## **Shared Gifting: Empowering Residents & Democratizing Giving**

The Foundation began experimenting with participatory grantmaking as a strategy to democratize giving, empower residents to tackle their community's needs, and transform the power dynamics that typically exist in the current system of philanthropy. With shared gifting, there are no required outcomes of the process other than what is determined by the participants during the shared gifting process. We asked ourselves, how can a small pool of grant funds be used to foster community and collaboration, rather than competition?

In July and August of 2021, residents in the newly created Bastrop County network—**Network Weavers**—were invited to participate in a shared gifting process where the Foundation funded \$20,000 to support small projects led by BIPOC (black, indigenous, persons of color).

Instead of preparing a detailed proposal, weavers pitched their ideas for projects to other weavers. Projects had to be people-focused rather than focused on a specific program, product, or service (the intent was to build more social connectivity within the community using these funds). From the beginning, weavers were told they would receive \$3,000. They could keep \$1,000 for their project but had to gift the remaining \$2,000 to other projects. Weavers were both grantee and grantor as they listened to each other pitch their ideas. Each weaver had 10 minutes total to summarize their project and to respond to questions or receive feedback. The resulting process saw all projects receive additional gifts with final gift totals ranging from \$2,600 to \$5,750.

From reports by participants of the shared gifting process, we were excited to learn that a simple shift in control of grant funds from the Foundation to the group of network weavers fostered an environment of social connection, encouragement and support, feelings of abundance, and community. In the scenario, **the typical grantmaking experience of competition and scarcity often experienced by potential grantees when responding to competitive grant opportunities did not exist**. Instead, participants were excited to make new connections with other weavers, hear about new projects happening in their community, and proud to be able to support those projects with the grant funds provided by the Foundation. By moving control of a small pool of grant funds from the donor to the people, we were able to build trust, accountability, reciprocity, and community in a way that counteracts the power imbalance inherent in traditional philanthropic models ([RSF, 2022](#)).

## Moving Forward

The Foundation's network building in 2022 will include a slightly larger pool of funds to support shared gifting, create stronger social connections, and empower residents to become architects of their community's well-being by tackling issues that impede their community health.

Through this work, in partnership with the community, we seek to empower people to develop their own capacity and the capacity of their communities to succeed by building on existing talents and optimizing opportunities for residents to connect and problem solve together using tools like shared gifting and network building. A community that is connected organizes faster to identify and develop community-determined solutions. In this work, St David's Foundation leverages not only funds, but communities' interest, involvement, curiosity and commitment to tackle complex issues today in the hopes for a better tomorrow.

*Note: for more information on participatory grant making and to learn more, please visit the resources [here](#) and [here](#) from the University of Minnesota.*