



## Restorative Economies Fund Funder Readiness Checklist

**Instructions:** The following checklist was created to support fellow philanthropic institutions who have expressed an interest in moving towards an integrated capital approach, which leverages the full spectrum of capital to shift power and to support wealth building opportunities in communities most impacted by economic inequality. The checklist was designed to be used as a self-assessment tool. Special thanks to Jennifer Near, who supported the Restorative Economies Fund's creation of this resource.

### EDUCATION & POLITICAL WILL

- Have the institution's trustees and staff engaged in learning opportunities to better understand philanthropy's role in worsening wealth inequality?
- Have trustees and staff examined both internal and external processes and practices and identified ways in which they consolidate or distribute power?
- Have trustees and staff engaged with concepts of community ownership and governance? Do they have an understanding of the importance of community ownership and governance as a critical strategy to addressing wealth inequality?
- Is there a shared assessment among trustees and staff on the role of worker cooperatives and grassroots organizing in supporting communities to build wealth and power for themselves?
- Do trustees and staff have support as they unpack their individual and collective roles in worsening wealth inequality? What does support look like?

### LEADERSHIP & GOVERNANCE

- Do the trustees and senior staff feel motivated to bring the institution's investment strategies into greater alignment with its grantmaking strategies? Are the necessary decision makers in support of an alignment strategy?
  - Is the institution, as a whole, prepared to prioritize community ownership and benefit over the preservation of the spending power of its endowment and assets in perpetuity?
  - Are the trustees and senior staff willing to commit non-grant capital, in specific terms, to community-led and community-governed organizations leading wealth building projects, recognizing that it will necessarily involve right-sizing financial returns (e.g., 0-2% interest, taking a subordinated position, etc.)? (Right-sizing financial returns must include a recognition of the historical socio-economic and political conditions that disproportionately impact certain communities.)
  - Are there a sufficient number of trustees and senior staff who are willing to champion the institution's transition towards an integrated capital approach? Is there alignment across teams and roles within the institution to leverage grant and investment capital in service of each other?
-

---

## RISK & REGENERATION

- When assessing risk and returns, does the institution take into account non-financial factors?
- Is the institution willing to consider what risks the community will face if the investment is not made (e.g., gentrification, food insecurity, loss of cultural institutions, etc.)?
- Does the institution take into account historical inequities in order to structure an investment that is commensurate with the level of extraction and harm in the borrower's community?

## LOAN TERMS & AGREEMENTS

- How has the institution approached other agreements with community organizations, such that it de-centers itself (i.e., grant agreements, grantmaking processes, etc.)?
- Is the institution willing to update its loan terms and agreements such that it is accepting a greater degree of financial risk in order to maximize social benefits and financial returns to the community?
- Is the institution willing and able to provide loan terms and agreements that enable community organizations to operate with autonomy? (Extractive or punitive terms have a controlling and/or coercive impact on the borrower, and by extension, limit wealth generation and self-determination within the communities they serve.)
- Is the institution willing to work with community leaders on measurements that drive behaviors towards increasing community wealth and building relationships?

## EXPERIMENTATION & PRAXIS

- Are there flexible resources that can be accessed and earmarked to begin experimenting with integrated capital investments without adversely impacting existing grantee partners?
- What is your method for feedback and accountability with grassroots social movements as you deepen your work in this area?
- Is the institution willing to learn from the experiment to understand how their foundation can codify these processes and practices?