

7 Responsibilities of A Trust-Based Board

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Trust-based philanthropy invites foundation board members to recognize their critically important role in upholding and modeling an organization's culture and values. When board members embrace this as their main role in a trust-based context, it opens up tremendous potential for building and sustaining a culture of trust, alleviating power imbalances, and empowering staff to build trust-based relationships with grantee partners.

Board members also hold a number of fiduciary duties according to the law: 1) the duty of care, which is about actively participating and doing what they can to advance the mission of the organization; 2) the duty of loyalty, which requires them to put the foundation's interests ahead of their own; and 3) the duty of obedience, i.e., making sure the foundation is complying with the law.

Much like how trust-based philanthropy advocates for funders to partner in a spirit of service to grantee partners, it equally encourages boards to see their role as partners — both to the foundation's leadership and to its staff. This can be embodied in seven key ways that invite a more trust-based, meaningful, and joyful approach to serving on a foundation board:

- **Steward the foundation's big-picture strategy:** Trust-based boards lean into their roles as strategic guides for executive leadership. This can involve overseeing governance, defining foundation values and strategic direction (in partnership with staff and community), approving grant categories and grantmaking priorities (rather than individual grants), and considering external collaborations as well as the foundation's role and position in the philanthropic sector more broadly. Depending on the foundation's developmental stage, board members may also map out the foundation's intended legacy, consider questions about perpetuity, embody and advocate for trust-based values and practices, and ensure that the foundation's investment portfolio is values-aligned.
- **Establish a culture of trust for the foundation:** An internal embodiment of trust-based values is a prerequisite for foundations to truly embody these values externally. And such a culture of trust cannot fully develop without the board. Consequently, it is imperative that the board ensures that trust-based values serve as the ultimate touchstone for the foundation. Setting a norm of prioritizing and centering trust-based relationships throughout the entire organization should therefore be seen as one of the board's most important ongoing responsibilities. Board members must pay attention to how they work and interact with staff, with grantee partners, and with each other. They must look beyond traditional organizational hierarchies to share

power, inviting questions and discussion and recognizing the limitations of their time and expertise. They must also continually reflect on their own embodiment of trust-based values, seeking feedback from staff and grantee partners. 1 2 7

- **Ensure that financial practices are values-aligned:** A trust-based board plays an important leadership in financial oversight, especially in examining all financial practices and ensuring that they are values-aligned. Boards can invite questions such as: Whom do we contract with? Who is our financial adviser? Are we managing our endowment in a way that aligns with our foundation’s mission and values? Should we exist in perpetuity? Grant dollars represent a minor part of a foundation’s endowment (even when greater than the minimum 5%). Despite this fact, many foundations do not often consider the other ~95% of their endowment in their missions or strategy. In some cases, their endowment investments even work at cross purposes to their missions. Board members have the unique capability to examine their finances and endowment through a trustbased lens and align it with their foundation’s mission and values. Additionally, in times of financial stress and recession, board members can make the decision to prioritize the foundation’s mission over its endowment by increasing funding. In doing so, they can cultivate a truly holistic practice of trust-based philanthropy that is both responsive and strategic.
- **Support foundation leadership and staff:** The trust-based value of “partnering in a spirit of service” applies not only to grantee partners, but also to the relationship between boards and staff. In stewarding a trust-based foundation, boards make it a practice to check in with leadership and staff, not to oversee or inspect their work, but rather to learn about and support emerging organizational needs. For example—board members might hear or notice that the executive leadership is burning out, and propose a sabbatical or the hiring of additional support staff. Or, as the sector reckons with issues of racial equity, board members might propose an internal process to identify equity needs and challenges. To meet this role, it is important for board members to consistently check in on how they are leveling the playing field between board and staff.
- **Leverage power in support of grantee partners:** Board members can be a valuable resource for foundations seeking to offer grantees support beyond the check. Board members might consider mapping out, individually and collectively, their skills, connections, and resources (beyond financial capital) that might be of use to grantee partners. For example—board members can use their networks to uplift grantees’ work and introduce them to potential funders and allies, or can provide counsel on areas of expertise (upon request). In this way, boards can connect more deeply with grantee partners while also helping to advance their work.
- **Engage in continual learning:** Trust-based philanthropy is built on the assumption that no one of us has all the answers. The practice requires each of us to show up in our roles embodying the trust-based values of humility and curiosity— including, and especially, board members. As members of a trust-based ecosystem, boards must continually carve out space for learning: about trust-based philanthropy, about staff needs, about the accomplishments and challenges of grantee partners, and perhaps most importantly, about the wider systems of racial, economic, and political inequity in

which we all operate. Aligning on how to apply these learnings to setting strategic direction and trust-based culture,

- **Serve as an ambassador for trust-based philanthropy:** Board members can lean into their roles as external representatives of the foundation, uplifting its mission and advocating for its vision for change. Board members can embody and continually apply trust-based values and lessons to all spheres of their lives, both professional and personal. In doing so they become key players in helping create trust-based ecosystems.

Reflect:

- What are the 3–4 topics your board currently spends the most time discussing?
- How would you define the role the board currently plays within your foundation?
- In what ways does this role advance your organization’s practice of trust-based philanthropy?
- Which of these 7 board responsibilities might your foundation benefit from most at this time? Which might your board be most excited about?
- What obstacles might you face in shifting the board towards trust-based practices? Where can you go for support?