Candid.

The foundation transparency challenge

Working transparently is a challenge for the majority of foundations. Despite the ways in which the Internet has opened up many industries, much of the field of philanthropy is sitting out the digital revolution. To help philanthropy tackle the transparency challenge, we shine the spotlight on transparency gaps and some sterling examples that may serve as inspiration to others.
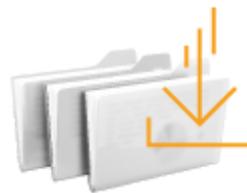
What we know about the field

Only 10% of foundations use a website to communicate the story of their work.*

Only 14% of foundation evaluation staff prioritize externally sharing knowledge gained.**

Fewer than 1 out of every 100 foundations report recent grants data to Candid.

2 out of every 3 foundations only accept applications by invitation.*

* Based on Candid's tracking of all U.S. independent, corporate, community, and grantmaking operating foundations.
** Center for Evaluation Innovation: Benchmarking Foundation Evaluation Practices (2020)

GlassPockets: Trends in foundation transparency

Over the last twelve years, 112 foundations* have taken and publicly shared the results of their GlassPockets transparency self-assessments. The percentages below reflect transparency strengths and weaknesses among participating foundations along with the benefits to philanthropy of working more openly.

Transparency establishes credibility & increases public trust

Use your website to share what you do, who is in charge, and how you are doing it.

Where foundations are going strong

Mission statement	**100%**
Board info	**87%**
Key staff bios	**87%**
Form 990/ Government annual return	**72%**
Audited financials	**74%**
Conflict of interest policies	**63%**

Use your website to share what you do, who is in charge, and how you are doing it.

Where foundations encounter pain points

|	
Demographic data See examples	**22%**
Executive compensation process	**28%**
Committee charters	**37%**
Investment policies	**41%**
Bylaws	**45%**
Transparency policies	**46%**
DEI values and policies See examples	**48%**
Whistleblower procedures	**50%**
Code of conduct See examples	**48%**

"I know that transparency is not a word many use to describe foundations. For most people, the work of philanthropy is a mystery. There is often confusion and uncertainty about how foundations work and what they fund. They are often disconnected and isolated from the communities they serve. Slowly, this may be changing."

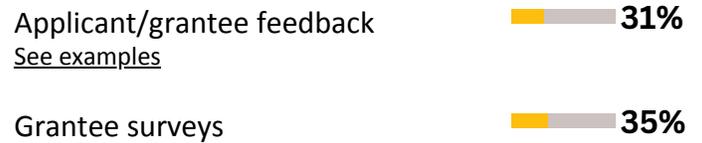Molly Talbot-Metz, President & CEO, Mary Black Foundation

Transparency improves grantee relationships

Use your website to establish important grantee/grantmaker ground rules and as a means to invite and share feedback.

Where foundations are going strong

Grantmaking priorities **97%**

Grantmaking process **89%**
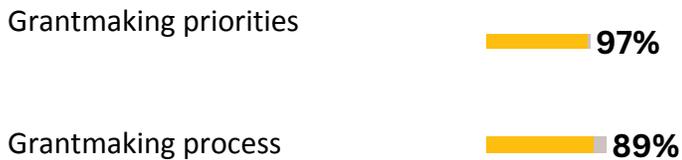
"Transparency helps organizations understand at a much deeper level what a foundation does, why it does it, and who it funds; and that helps people identify whether it's a foundation they want to engage with."
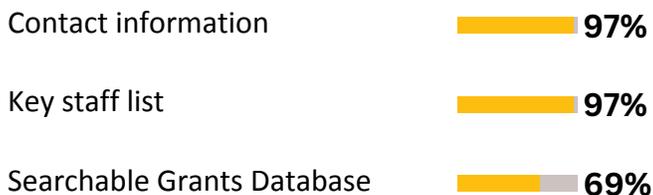
Jim Canales, President, Barr Foundation

Where foundations encounter pain points

Applicant/grantee feedback **31%**
See examples

Grantee surveys **35%**

"Transparency makes our grantees more at ease because they understand better where we come from. They have a better understanding of our culture as a foundation, and what drives us in terms of our programmatic thinking."

Allison Magee, Executive Director
Zellerbach Family Foundation

Transparency lessens redundancy and increases collaboration

Where foundations are going strong

Contact information **97%**

Key staff list **97%**

Searchable Grants Database **69%**

Where foundations encounter pain points

Open licensing policies **18%**
See examples

Use your website to make it easy for peers and partners to find you, and to understand and build on your body of work.

"Transparency is an essential part of increasing effective collaboration among foundations. We are better stewards of our charitable resources if we share what we learn-- our successes as well as our failures-- and are open to learning from each other. "

Larry Kramer, President, The William and Flora Hewlett Foundation

Transparency builds a community of shared learning

Where foundations are going strong

Knowledge center
See examples

61%

Use your website to share strategies, lessons learned about successes and failures, and how you are measuring your progress.

Where foundations encounter pain points

Strategic plan

25%

Assessment of overall foundation performance
See examples

22%

Since 2016, the number of participating foundations actively curating a knowledge center on their websites has jumped from 40% to 61%.

Candid is here to help

Share your grants data

Sharing your grants data with us helps others in the sector and the public understand your work. We make it easy through partnerships with grants management software vendors.

Demographics via Candid

By sharing your demographics data with Candid, and encouraging your grantees to do so as well, this data can be leveraged across the field for greater efficiency and equity.

Funder Transparency seals

Candid's Profiles now collect new fields specific to foundations, offering a 360-view of the field's transparency practices. Claim or update your profile today.

Issue Lab

Help build the collective knowledge of the social sector by sharing your knowledge from reports, evaluations, and lessons learned in Issue Lab's open collections.

Examples

To help you tackle the transparency challenge, click on the foundation logos below to view good examples of how these funders are being transparent by sharing content that often represents pain points in the field.

Demographic data:

See how these foundations visually display demographic data about staff and trustees or leverage their Candid Nonprofit Profile to share this information.

the David & Lucile Packard FOUNDATION

THE KRESGE FOUNDATION

DEI values and policies

See how these foundations have explained their commitments to diversity, equity, and inclusion, including key details such as glossaries, progress reports, and new commitments.

Blandin Foundation™

BILL & MELINDA GATES foundation

Lumina FOUNDATION

Code of conduct

Many foundations have a Code of Conduct, but do they use it to explain the consequences of what happens if the Code is violated? These do:

The Commonwealth Fund

ALFRED P. SLOAN FOUNDATION

The ROCKEFELLER FOUNDATION

Applicant/grantee feedback

While many foundations ask for general feedback via their websites, the Barr Foundation asks for this feedback in a way that invites both qualitative and quantitative information.

Barr Foundation

Open licensing policies

See how these foundations explain the details of open licensing by encouraging the reuse and redistribution of content they fund or produce.

WILLIAM + FLORA Hewlett Foundation

JRS Biodiversity Foundation

Knowledge center

See how these foundations have centralized their knowledge, making it easy for website visitors to seek and find what they have learned from their body of work.

Wallace

Robert Wood Johnson Foundation

NY HEALTH FOUNDATION

Assessment of overall foundation performance

See how these foundations are sharing both quantitative and qualitative information about their institutional progress toward overall goals.

The James Irvine Foundation

NY HEALTH FOUNDATION

Lumina FOUNDATION

Credits

Over the last twelve years, 112 foundations have taken and publicly shared the results of their GlassPockets transparency self-assessments. We are grateful to these foundations for their leadership and public commitment to working transparently:

Allegany Franciscan Ministries
Annenberg Foundation
Archstone Foundation
Arcus Foundation
Arkansas Community Foundation
Atkinson Foundation
The Atlantic Philanthropies
Barr Foundation
Bella Vista Foundation
Blandin Foundation
Blue Shield of California Foundation
Brazil Foundation
Bush Foundation
California Community Foundation
The California Endowment
California Health Care Foundation
Carnegie Corporation of New York
Marguerite Casey Foundation
Samuel N. and Mary Castle Foundation
Central Valley Community Foundation
Cleveland Foundation
Winifred Johnson Clive Foundation
Colburn Foundation
The Commonwealth Fund
Community Foundation of the Eastern Shore
Community Foundation of Napa Valley
Community Foundation of Santa Cruz County
Creative Capital Foundation
Disability Rights Fund
Dramatists Guild Fund
Doris Duke Charitable Foundation
The Durfee Foundation
Lettie Pate Evans Foundation
Max M. and Marjorie S. Fisher Foundation
Florida Wildlife Corridor Foundation
Ford Foundation
Foundation for a Healthy Kentucky
Bill & Melinda Gates Foundation
J. Paul Getty Trust
GHR Foundation
Give2Asia

Evelyn and Walter Haas, Jr. Fund
Walter and Elise Haas Fund
The John A. Hartford Foundation
Headwaters Foundation
The Heising-Simons Foundation
The William and Flora Hewlett Foundation
Conrad N. Hilton Foundation
Humanity United
Inter-American Foundation
Internet Society Foundation
Iowa West Foundation
The James Irvine Foundation
The Robert Wood Johnson Foundation
JRS Biodiversity Foundation
Mitchell Kapor Foundation
Kavli Foundation
KDK-Harman Foundation
W.K. Kellogg Foundation
F. M. Kirby Foundation
The Kresge Foundation
Laudes Foundation
Lumina Foundation
Luminate Foundation
John D. and Catherine T. MacArthur Foundation
Dan and Margaret Maddox Fund
Marin Community Foundation
McKnight Foundation
MetroWest Health Foundation
Meyer Memorial Trust
Gordon and Betty Moore Foundation
Charles Stewart Mott Foundation
New York Foundation
The New York State Health Foundation
Omidyar Network Fund
Open Road Alliance
Open Society Foundations
Ottumwa Regional Legacy Foundation
The David and Lucile Packard Foundation
Philanthropic Ventures Foundation
The Ian Potter Foundation
Public Welfare Foundation
Kenneth Rainin Foundation

Rancho Santa Fe Foundation
Rasmuson Foundation
The Reach Healthcare Foundation
Rockefeller Brothers Fund
The Rockefeller Foundation
Russell Sage Foundation
Salem Health and Wellness Foundation
The San Diego Foundation
San Francisco Foundation
Sea Change Foundation
Silicon Valley Community Foundation
Alfred P. Sloan Foundation
The Morris Stulsaft Foundation
Sunlight Giving
Surdna Foundation
Tableau Foundation
Te Muka Rau Charitable Trust
Tinker Foundation
TrustAfrica
Visiting Nurse Association of Chicago (AKA) VNA Foundation
Vodafone New Zealand Foundation
The Wallace Foundation
Walton Family Foundation
Weingart Foundation
Joseph B. Whitehead Foundation
Lettie Pate Whitehead Foundation
Robert W. Woodruff Foundation
Woods Charitable Fund
The Zellerbach Family Foundation