

From Burden to Breakthrough: Introducing the Data Next-Level Practices



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Why Focus on Data Practices?

At PEAK Grantmaking, our mission is to empower grants management professionals to serve as change agents for efficient, effective, and equitable grantmaking practices. Nowhere is this role more critical than in how we handle information. While philanthropy runs on data, the sector's current practices are often fragmented and outdated, creating unnecessary burdens for nonprofits and obscuring opportunities for collective impact.

Grants management professionals are the stewards of the sector's most vital information. By running application processes, collecting reports, and analyzing trends, you hold the keys to understanding how resources flow. There is immense power in that stewardship; power that our members must own and use for the greater good. By shifting from being passive custodians of records to active drivers of data strategy, you can transform raw information into a tool for equity.

Your expertise extends beyond

your own organization. As the primary users of grants management systems (GMS) and data products, grants management professionals are uniquely positioned to influence the market. You have the opportunity to ask that vendors and product providers design tools that narrow the power gap rather than widen it. By advocating for interoperability and user-centric design, you can reduce the administrative burden on grantees.



Why Focus on Data Practices?

However, as we push for better data flow, we must proceed with caution. We are operating in a complex time where data sharing is not always used for benevolent purposes. We advocate for "ethical efficiencies"—being deeply cognizant of the inherent risks of making more data available. Increased visibility can inadvertently create vulnerability. We must ensure that data infrastructure protects nonprofits and communities, preventing information from falling into the wrong hands or being used to

target equity-forward grantees. Efficiency must never come at the cost of safety.

While grants management professionals lead this charge, they cannot act alone. We believe everyone in philanthropy has a role to play. Grounded in research and informed by collaboration across the philanthropic ecosystem, the Data Next-Level Practices (NLPs)—developed by PEAK Grantmaking in partnership with Philanthropy Data Solutions—chart a path forward for stakeholders.



Why Focus on Data Practices?

These practices recognize that lasting change requires shared accountability:

- **Funders** can lead by reusing existing data, adopting common taxonomies, and funding the data infrastructure the sector depends on.
- **Grants management professionals** can leverage their stewardship to drive internal strategy and demand better external tools.
- **GMS and product vendors** can embed default functionalities that make data sharing seamless and prioritize the grantee experience.
- **Data, taxonomy, and infrastructure providers** can ensure equitable access and transparency through scalable pricing and open governance.
- **Nonprofits** can play an active role in maintaining and sharing their data to increase visibility and strengthen trust.

The Data Next-Level Practices offer more than technical guidance; they are a call to action. By adopting these practices, we can build an information infrastructure that not only serves the public good but ensures that data truly drives equity.

Reimagining Data Practices

Nonprofits

Organizations serving the public good that are not for profit

- Control their own data through access to common data and products instead of recreating and manually reentering it
- Spend less time completing grant applications and reports
- Have increased and equitable access to capital, funders, and individual donors

GMS & Product Vendors

Software and product vendors that support the grant lifecycle and funds distribution

- Create and incorporate default features that accelerate data sharing and reuse; uptake of common taxonomies; and reducing burden on nonprofits
- Make existing sector data easy to find, seamlessly integrated, and accessible to all

Funders

Organizations that make grants and distribute funds

- Understand how to source and use existing data, taxonomies, and knowledge
- Feel compelled to share data and knowledge
- Support the social sector data ecosystem as an area of focus, not only through individual projects

Data, Taxonomy & Infrastructure Providers

Organizations that collect, centralize, and/or distribute data and common taxonomies

- Make existing social sector data and common taxonomies easily accessible and reusable by all
- Support nonprofit burden reduction
- Invest in real time data sharing

Data Next-Level Practices

Below are PEAK Grantmaking's core recommendations for each stakeholder group. Advancing the Data Next-Level Practices requires a systems approach in which every group takes intentional actions to reimagine how data moves throughout the social sector.

Funders

1. If the data already exists, reuse it.

Before asking nonprofits to reenter information that already exists elsewhere, leverage integrations with data providers to source existing data and reduce burdens.

Incorporate demographic data into your operations and grantmaking decisions to drive equity, minimize bias, and promote justice and inclusion.

Default to using modern, common taxonomies—such as Candid's Philanthropy Classification System (PCS), GeoNames, the Impact Genome Standards, the United Nations' Sustainable Development Goals (SDGs), etc. —to classify data

before creating a custom taxonomy. Consider coding data into multiple modern, common taxonomies simultaneously. Customize these common taxonomies in an additive manner, and only if necessary, so they remain interoperable.

Use your voice to influence your GMS and product vendors, as well as your preferred data and taxonomy providers, to adopt the Data Next-Level Practices, benefiting the entire sector. If they don't yet support reusing existing data, ask them to develop integrations with existing data sources and to support next-level default functionality.

Data Next-Level Practices

Funders

2. Share data and knowledge. **4. Publish your data governance practices and policies on your website.**

Publish grants data in real time on your website in machine-readable formats, with data providers, and in data directories.

Share your other non-sensitive data with data directories and repositories.

Share your knowledge through open repositories, such as IssueLab and the International Aid Transparency Initiative, among others.

If you don't have these practices and policies yet, start the conversation.

Be transparent with nonprofits and within your organization about which data sources are used, how collected data will be utilized, and what rights nonprofits have regarding their data.

3. Take the lead in funding the social sector data ecosystem.

Fund social sector data organizations, initiatives, infrastructure, taxonomy projects, and repositories with unrestricted general operating support to ensure that these bodies remain of, for, and by the social sector.

If you ask for it, pay for it. Fund nonprofits with unrestricted general operating support to enable the work nonprofits must do to collect and share their data.

Data Next-Level Practices

GMS and Product Vendors

1. **Develop system defaults that make existing data sources easily accessible and usable.**

Build functionality to support easy data discovery, reuse, and sharing that funders and nonprofits opt into by default.

Develop real-time data sharing pipelines with data providers, utilizing various application programming interfaces (APIs), including read/write, webhook/event-driven, and/or firehose APIs.

Offer easy-to-use data catalogs.

Integrate reused data as a primary source of information.

2. **Actively collaborate with data, taxonomy, and infrastructure providers to develop default GMS functionalities that leverage existing data and facilitate data sharing.**

3. **Build funder and nonprofit data capacity through integrated educational resources that help them understand the benefits of data reuse and sharing.**

4. **Default to modern, common taxonomies and support mapping/crosswalks for taxonomy interoperability.**

Develop default functionalities that support the use of modern, common taxonomies (e.g., GeoNames, Impact Genome Standards, Candid Philanthropy Classification System, UN SDGs, etc.).

Develop the functionality to map/crosswalk custom taxonomies—e.g., those proprietary to your system or those custom to individual organizations—to modern, common taxonomies for interoperability.

Data Next-Level Practices

GMS and Product Vendors

Develop the functionality to map/crosswalk legacy taxonomies—e.g., the National Taxonomy of Exempt Entities (NTEE)—to modern, common taxonomies for interoperability.

5. Develop tools, systems, and feedback loops to monitor and reduce burdens.

Develop tracking metrics and opportunities for feedback so that funders can take informed actions that proactively reduce burdens in their systems and processes.

Develop tools, such as performance dashboards and in-line recommendations in application editors, that can guide funders to reduce burdens and incorporate Data Next-Level Practices proactively.

6. Offer transparent data governance and update processes.

Publicly share your data governance policy on your website.

Be transparent about your governance processes with stakeholders (e.g., funders, nonprofits, data, taxonomy, and infrastructure providers) as you plan to update data systems, methods, and taxonomies.

Offer the ability for stakeholders to provide suggestions and input on a rolling basis.

Data Next-Level Practices

Data, Taxonomy, and Infrastructure Providers

1. Offer accessible and equitable pricing that encourages data sharing and reuse.

Scale pricing to reward systems and organizations that invest in integrations supporting data contribution and circulation.

Reward organizations that contribute their data to centralized data repositories.

Scale prices to recognize an organization's budget, usage of the data, and type of organization. Special emphasis should be placed on expanding access to those who have been previously underserved due to cost.

2. Develop and support the technology required for real-time data sharing.

Develop real-time read-write APIs to facilitate bi-directional data flows.

Develop webhooks, event-driven, or firehose APIs to signal available updates in datasets immediately.

3. Give nonprofits control over their data and make it easy for them to manage and maintain it.

Nonprofits should be able to access, download, and use their data whenever needed, without charge.

Nonprofits should be clear on how their data will be used and shared across the sector.

Data Next-Level Practices

Data, Taxonomy, and Infrastructure Providers

Nonprofits should be provided with clear instructions and system links to keep their data up to date and to share and reuse it easily.

Make it simple and easy for nonprofits to claim ownership and gain access to their data profiles.

4. Offer transparent data governance and update processes.

Publicly share your data governance policy on your website.

Be open about your governance processes with stakeholders (e.g., funders, GMS vendors, and nonprofits) as you plan to update data systems, methods, and taxonomies.

Offer the ability for stakeholders to provide suggestions and input on a rolling basis.

5. Encourage the adoption of modern, common taxonomies.

Provide access to your taxonomies in all the following formats, including a website user interface, CSV spreadsheet downloads, APIs, and open database exports.

Share available mappings/crosswalks to these taxonomies.

6. Actively collaborate and support GMS and product vendors in the development of default functionalities that reuse data and enable data sharing.

7. Actively collaborate with stakeholders to ensure that the data collected and stored aligns with downstream information needs.

Data Next-Level Practices

Nonprofits

- 1. Participate in building or adapting your nonprofit's online presence and take responsibility for sharing your data.**

Monitor and update your profiles so that your organization and others throughout the sector can reuse your data and information.

Know where your data exists and how you can leverage it to gain visibility and funding.

- 2. Encourage funders to accept information from centralized data repositories instead of responding to custom data requests.**
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Conclusion

The Data Next-Level Practices represent a pivotal step in advancing principled and equity-centered data practices across philanthropy. By aligning funders, nonprofits, GMS vendors, and data, taxonomy, and infrastructure providers around a shared vision for how data flows, we can move from fragmented systems toward an integrated and transparent information infrastructure for the social sector.

Real progress requires collective effort. Implementing these practices will take time, investment, and a willingness to work across organizational boundaries, but it is work worth doing. When we share data responsibly, we reduce the burden on nonprofits, improve decision-making, and create the conditions for more equitable access to resources and opportunities.



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