



# STATE OF THE WORK



2012

## The Road to Greater Diversity, Equity, and Inclusion in Philanthropy

## Contents

- 1 Foreword
- 2 Introduction
- 5 Goal 1: Diverse Leaders
- 13 Goal 2: Foundation Action
- 23 Goal 3: Funding Diverse Communities
- 34 Goal 4: Data
- 42 Conclusion



D5 ([d5coalition.org](http://d5coalition.org)) is a five-year coalition to grow philanthropy's diversity, equity, and inclusion. Made up of more than a dozen organizations, this expanding coalition includes:

Asian Americans/Pacific Islanders in Philanthropy  
Associated Grant Makers  
Association of Black Foundation Executives  
Council of Michigan Foundations  
Council on Foundations  
Donors Forum  
Foundation Center  
Fundors for LGBTQ Issues  
Hispanics in Philanthropy  
Horizons Foundation  
Joint Affinity Groups  
Minnesota Council on Foundations  
Native Americans in Philanthropy  
Ohio Grantmakers Forum  
Philanthropy New York  
Philanthropy Northwest  
Women's Funding Network

The D5 Coalition is a fiscally sponsored project of Rockefeller Philanthropy Advisors.

Kelly Brown  
*Director*

Matthew Ubrig  
*Administrative Assistant*

Meghan McVety  
Judi Powell  
*Program Coordination Consultants*

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## FOREWORD

### Increasing Our Impact in a Challenging Environment and Changing World

Foundations are still grappling with the effects of the economic downturn—and underserved communities are bearing much of the burden of a contracted philanthropic sector. We have been asked to do more with less in an environment that requires adaptation. But we believe great power and potential lie in helping foundations adopt strategies that promote diversity, equity, and inclusion—reaching those hardest hit, responding with effective solutions, and working to revitalize local communities.

In the pages that follow, you'll see examples of foundations and philanthropic infrastructure groups that have boldly taken on issues related to diversity, equity, and inclusion. You'll see activities involving leadership, networking, funding, collaboration, and research. You'll see successes and setbacks.

The stories and commentaries highlight a wide variety of actions philanthropic leaders are taking to: build partnerships with Native American communities, create a peer network in Michigan, develop philanthropic leadership in diverse communities, challenge grantees to be inclusive, increase understanding of American Muslims, track grantmaking to communities of color in Oregon, and evaluate the longitudinal changes in the demographics of Minnesota's philanthropic sector.

You'll also see the evolving strategies and emerging projects of the D5 Coalition, as we work with leaders like you to track, share, support, inspire, and organize efforts like these. With an expanding membership in a complex sector, taking on difficult issues, we are a dynamic network. It's a tall order, but we're making steady progress.

*State of the Work 2012* tracks our coalition's progress, digs into stories of exemplary efforts in the field, and identifies emerging lessons. It's intended as a companion piece to *State of the Work 2011*, which focused on baseline data about the areas of our work. We think of the report as a “pulse check” on our five-year journey to increase diversity, equity, and inclusion.

Our progress has been supported by people and organizations willing to lead by example, embrace the challenging work required to increase impact, and share stories of change and growth that result from working on these critical issues.

We hope you'll join us in this effort to strengthen philanthropy.



Kelly Brown  
*Director*  
D5 Coalition

# INTRODUCTION

## About the D5 Coalition

D5 is a five-year effort to grow philanthropy's diversity, equity, and inclusion. The coalition includes 18 philanthropy organizations—and counting—with connections to thousands of grantmakers. (See inside front cover for full list of coalition partners.)

We envision a philanthropic sector in which foundations draw on the power of diverse staffs and boards to achieve lasting impact, forge genuine partnerships with diverse communities, and increase access to opportunities and resources for all people.

This world is changing, and foundations—just like nonprofits and governments and companies—are working to change with it. The D5 Coalition, a growing collection of organizational assets, professional talent, and collective will, was created to help the philanthropic sector increase its effectiveness in a changing world.

D5 seeks to help philanthropy achieve four big sector goals by the end of 2015:

- 1. Leaders:** New foundation CEO, staff, and trustee appointments more closely reflect U.S. demographic trends.
- 2. Action:** More foundations take meaningful action to address diversity, equity, and inclusion issues in their organizations.
- 3. Funding:** Annual funding for diverse communities—from foundations and from within those communities themselves—increases substantially.
- 4. Data:** Philanthropy has the research capacity to be more transparent about progress on diversity, equity, and inclusion.

## About the Report

*State of the Work 2012* explores milestones and stories in each of the four goal areas. It's intended as a qualitative companion to the quantitatively focused *State of the Work 2011*.

Each section of the report focuses on work in one goal area. Within each section you'll find a baseline analysis of where philanthropy is in this area, a progress report on D5's work, stories or interviews based on work in the field, and preliminary lessons learned. On page 47, you will also find a glossary that defines various acronyms referenced in the report.

Throughout the report, we mention data that quantify the grantmaking support that goes to diverse communities, recognizing that the data are incomplete and imprecise. It is a central goal of D5 to increase the availability of diversity data and strengthen its reliability.



## Defining Diversity, Equity, and Inclusion

### Diversity

The word “diversity” can mean different things to different people. We’ve defined it broadly to encompass the demographic mix of a specific collection of people, taking into account elements of human difference, but focusing particularly on:

- Racial and ethnic groups: Asian Americans and Pacific Islanders, Hispanics/Latinos/Latinas, African Americans and blacks, and American Indians and Alaska Natives
- LGBT populations
- People with disabilities
- Women

D5 uses this broad definition of diversity for three reasons. First, this is what diversity looks like in the 21st century. Second, our definition encompasses populations that historically have been—and remain—underrepresented in grantmaking and among practitioners in the field, and marginalized in the broader society. Third, to be a national leader, organized philanthropy must get in front of diversity, equity, and inclusion issues and do so in a comprehensive way. We acknowledge and respect that this is one of many ways to define diversity, a concept that can encompass many other human differences as well.<sup>1</sup>

### Equity

Improving equity is to promote justice, impartiality and fairness within the procedures, processes, and distribution of resources by institutions or systems. Tackling equity issues requires an understanding of the underlying or root causes of outcome disparities within our society.<sup>2</sup>

### Inclusion

Refers to the degree to which diverse individuals are able to participate fully in the decisionmaking processes within an organization or group. While a truly “inclusive” group is necessarily diverse, a “diverse” group may or may not be “inclusive.”<sup>3</sup>

## Key Findings from the *State of the Work 2011* Report

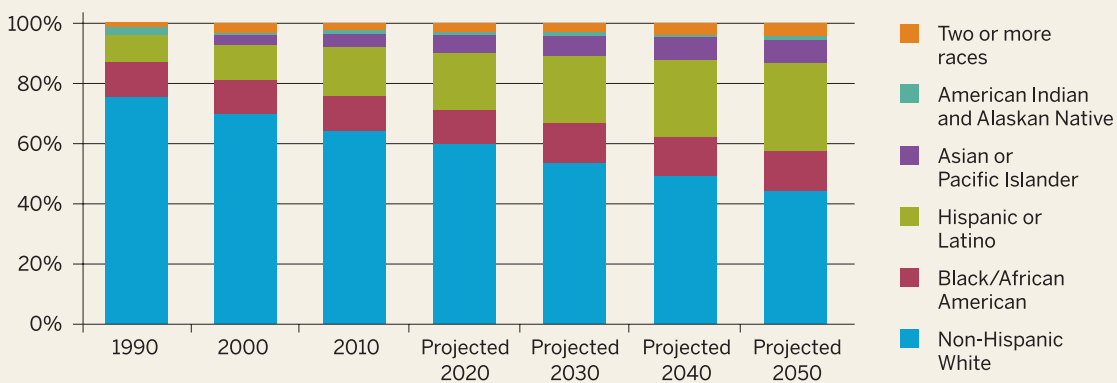
*State of the Work 2011* confirmed our hypothesis that philanthropy has a ways to go before the diversity, equity, and inclusion puzzle is complete. Our review found that:

- The demographics of foundation leadership—executives and trustees—don't reflect the nation's overall diversity, nor that of its workforce.
- Fewer than one-third of foundations have diversity policies and practices in place.
- While available data don't paint a full picture of funding to diverse communities, the data we do have suggest that these communities are underfunded. At the same time, population-focused funds are an emerging segment of philanthropic giving.
- Philanthropy needs more standardized data collection and studies on diversity-related issues.

### U.S. DEMOGRAPHICS

- The population of racial and ethnic minorities is growing rapidly in the United States. This growth is due largely to the increasing Hispanic/Latino population. Latinos are projected to make up 30% of the U.S. population by 2050. Asians and Pacific Islanders are also expected to make up a growing share of the U.S. population, accounting for 8% of U.S. residents by 2050. By 2042, people of color are projected to outnumber non-Hispanic whites.<sup>4</sup>
- Although exact figures are not available, the LGBT community makes up about 5–10% of the population.<sup>5</sup>
- Women make up 51% of the population, while men make up 49%. This ratio is expected to remain stable in the coming years.<sup>6</sup>
- Approximately 12% of Americans have disabilities.<sup>7</sup>

#### U.S. Population, by Race/Ethnicity: 1990–2050



Source for 1990 Data: American FactFinder, U.S. Census Bureau. "P010. Hispanic Origin by Race," 1990 Summary tape File (STF 1), factfinder.census.gov, accessed on December 9, 2010; Source for 2000 Data: American FactFinder, U.S. Census Bureau. "QT-P5. Race Alone or in combination: 2000," and "QT-P3. Race and Hispanic or Latino: 2000," Census 2000 Summary File (STF 1), factfinder.census.gov, accessed on December 9, 2010; Source for 2010 Data: 2010 Census Briefs, U.S. Census Bureau. "Table 1. Population by Hispanic or Latino Origin and by Race for the United States: 2000 and 2010," *Overview of Race and Hispanic Origin: 2010*; and Source for 2020-2050 Projections: Population Projections, U.S. Census Bureau.

## DIVERSE LEADERS

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**2011****Baseline**

Foundation leaders don't reflect the nation's diversity regarding race and ethnicity, gender, LGBT communities, and people with disabilities.

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**2012****Action**

National networks of foundation CEOs, executives, and board trustees are emerging to establish stronger links between diverse communities and positions of leadership.

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**2015****Goal**

New CEO, executive staff, and trustee appointments more closely reflect U.S. demographic trends.

**T**he *State of the Work 2011* report documented the ways that philanthropy's leadership does not reflect our nation's demographics. This lack of diversity was most striking among the people entrusted with decisionmaking power: foundation CEOs and boards.

In response, D5 is creating national networks of foundation CEOs, executives, and board trustees to establish stronger links between diverse communities and positions of leadership. Called Regional Association Leadership Networks, these groups have developed significantly in the past year and expect to grow in number and capacity. Using the power of networks and a coordinated, sector wide approach, D5 plans to advance our goal of new CEO, executive staff, and trustee appointments more closely reflecting U.S. demographic trends by 2015.

## Baseline Analysis – 2011

### Foundation Leaders Don't Reflect the Nation's Diversity

- Race and Ethnicity** People of color make up 37 percent of program officers at foundations and 21 percent of the U.S. management/professional workforce, but only 10 to 17 percent of CEO and board leadership at foundations.
- Gender** Women make up 73 percent of program officers, and 70 percent of executive staff. But they're underrepresented in the board room, constituting only 38 percent of trustees.
- Lesbian, Gay, Bisexual, and Transgender (LGBT)** The Williams Institute at the UCLA School of Law estimates that the LGBT community represents approximately 4 percent of the U.S. population. (No data exist with respect to executive leadership, program officers, or other staff.)
- People with disabilities** According to 2009 estimates by the U.S. Census Bureau, 12 percent of the population is disabled, yet approximately 1 percent of foundation board and trustee members are people with disabilities.

### FOUNDATION DIVERSITY

	CEOs/ Presidents <sup>1</sup>	Full-time Executive Staff <sup>1</sup>	Board/ Trustees <sup>2</sup>	Program Officers <sup>1</sup>	Total U.S. Management/ Professional Workforce Composition <sup>3</sup>
<b>Race/Ethnicity</b>					
Caucasian	91%	87%	87%	63%	79%
African American	4	4	7	16	8
Latino	3	4	4	11	7
Asian/Pacific Islanders	2	3	5	7	6
American Indian	0.3	0.4	0.5	1	N/A
Bi/Multiracial	0.1	0.4	N/A	1	N/A
Other	0.3	1	N/A	1	N/A
<b>Gender</b>					
Female	55	70	38	73	51
Male	45	30	62	27	49
<b>LGBT</b>	N/A	N/A	2	N/A	N/A
<b>People with Disabilities</b>	N/A	N/A	1	N/A	N/A

**Note:** Percentages may not add up to 100% due to rounding and missing data.

<sup>1</sup> Based on a sample of 868 independent, family, community, corporate, public, operating, and other foundations. Data from *Grantmakers Salary and Benefits Survey*, Council on Foundations, 2011.

<sup>2</sup> Based on a sample of 518 independent, family, community, and public foundations. Data from *COF Management Survey*, Council on Foundations 2010 (this bi-annual survey was not fielded in 2011).

<sup>3</sup> Bureau of Labor Statistics; Race/Ethnicity figures, 2010; Gender figures, October 2011



## ★ ACTION 1 ★

## Establishing Foundation Leadership Networks

In 2011, D5 announced a pilot program called Regional Association Leadership Networks in which regional associations of grantmakers work to build networks of foundation leaders in their respective regions. These networks are one of many strategies D5 is using to grow a national alliance of 200 leaders—foundation executives and trustees committed to individual and collective action.

Seven regional associations of grantmakers have signed on as partners of D5 and another seven are in the process of doing so. These 14 regional associations of grantmakers focus on different strategies and approaches, which include partnerships with population-focused funds (PFFs), regional convenings and workshops, formal training programs, and leadership network plans. Because some associations are more developed than others in this area, the network is serving as an important space for mutual learning.

In 2012, the regional associations will be coordinating convenings to inspire and mobilize leaders to serve as diversity champions.

### A Peer Learning Network Hits Its Stride

Since 2010, the Peer Action Learning Network of the Council of Michigan Foundations (CMF) has helped support learning and action around diversity, equity, and inclusion. This profile of a D5 partner sheds light on a peer learning model that could be adapted throughout the field.

The Peer Action Learning Network is an expert-led, yearlong engagement program designed to strengthen participant foundations' capacity in diverse and inclusive leadership, management, and grantmaking. It is one of several CMF programs in a six-year initiative called Transforming Michigan Philanthropy Through Diversity & Inclusion.

Facilitated by experts who serve as subject instructors and team coaches, the program engages CEO-led teams of staff from all levels as well as trustees from community, family, and independent foundations as well as nonprofit associations and one regional association of grantmakers (CMF sent its own team two consecutive years). Participants take part in six seminars during the first year, after which they have access to an online learning site and a toolkit that expands on the curriculum.



The Council of Michigan Foundations created a Peer Action Learning Network, an expert-led, yearlong series designed to strengthen foundations' capacity in diverse and inclusive leadership, management, and grantmaking.

Network participants commonly speak of an experience of self-discovery, both as individuals and as organizations. That experience is bolstered in great part by the Intercultural Development Inventory (IDI)<sup>8</sup> survey each participant and all staff of each organization complete before the first seminar. IDI results and discussions are used to form learning objectives for individual, team and organizational development.

Some of the participating organizations found the IDI so powerful that they commissioned a faculty member to meet with each of the staff members not directly participating in the program and all internal teams to share their individual or team IDI results and opportunities for growth.

“We really came face to face with [the results] and said, ‘We’ve got work to do,’” says Diana Sieger, president of the Grand Rapids Community Foundation and a trustee of the Council on Foundations and Forum of Regional Associations of Grantmakers, and a 2010 graduate of the program.

Dianna Langenburg, Director of Human Resources at the W. K. Kellogg Foundation and a 2011 network participant, called the IDI “powerful.” In addition to coordinating the collection of inventories from 240 employees, Kellogg asked a network faculty member to see how the information staff members

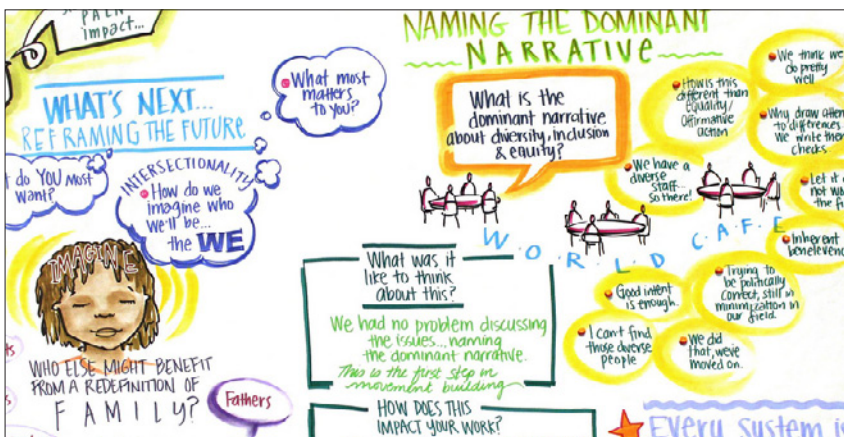
provided could be applied toward diversity-related work at the organizational, team, and individual levels.

Network members learn from their colleagues as well as from experts. For Langenburg, the mutual trust and accountability that developed among organizations over the course of several sessions paved the way for peer learning opportunities. “You don’t have to reinvent the wheel each time. You can really take advantage of those networks with your peers,” she says.

Sieger believes that sense of accountability can become infectious, as her organization’s self-examination has led to challenging other organizations to consider their role regarding diversity, equity, and inclusion. “I find myself trying to be a bit of an ambassador, saying, ‘Open up your doors a little bit, because people are watching what you’re doing,’” she says.

“We have far to go” is a popular refrain of network members like the W.K. Kellogg Foundation and the Grand Rapids Community Foundation. Nonetheless, there is also faith that as these learning communities evolve, so will knowledge and policies and practices related to diversity, equity, and inclusion. “Ten years ago it was, ‘We need to be accepting of change,’” says Sieger. “Now it’s, ‘We need to embrace all difference.’”

[www.michiganfoundations.org](http://www.michiganfoundations.org)



A graphic summary of the topics explored during a recent convening of the Peer Action Learning Network.

## ★ ACTION 2 ★

## Developing Diverse and Inclusive CEO and Executive Hiring Policies

In addition to building leadership networks, D5 will continue to identify best practices and model policies for hiring CEOs and trustees from diverse communities. *State of the Work 2012* features three examples of model efforts—by the Surdna Foundation and the Council on Foundations in this section and the Association of Black Foundation Executives in the next section. D5 will also be building a list of high-caliber resources on this component of work through the forthcoming *D5 Policies, Practices, and Programs Scan* in 2012 (read more on the scan under Goal 2).

### In Search of New Directors, a Family Foundation Takes a Different Route

By executing a new Board of Directors recruitment strategy, an established family foundation honors its commitment to equity and inclusion with an approach that could have relevance to others in the field.



SURDNA FOUNDATION

In 2010, the Surdna Foundation's leadership faced some big decisions. One of the country's oldest family foundations had anticipated the departure of three nonfamily trustees who were about to rotate off the board. The new directors needed to match their predecessors in passion and insight, and they had to prove they could effectively handle the Surdna mission of fostering just and sustainable communities.

The appointment of new nonfamily trustees represented a chance to live out the foundation's public commitment to equity and inclusion.

**Social justice is part of our mission, and our board recognized that the best opportunity to add diversity in perspectives to the board lies in adding nonfamily members.**

—Phillip Henderson,  
Surdna Foundation president

Like many leaders in his position, Phillip Henderson was accustomed to relying on existing professional and volunteer networks to identify new leader candidates. But the Surdna board development committee realized that the success of its endeavor—to maintain a highly qualified board and assemble a more diverse leadership—depended on broadening the scope of the search. To cast as wide a net as possible, the board decided to hire an executive search firm.

Isaacson, Miller, a firm committed to diversifying nonprofit and philanthropic leadership, began working with Surdna. Leading the effort was Karen Wilcox, who specializes in executive searches for foundations. Wilcox, who had helped fill previous positions at Surdna, explains that search processes such as this one are successful when she can personally vouch for a foundation and its genuine commitment to diversity, as she could with Surdna. The alternative scenario—a search process that approaches diversity with a “quota mindset”—will kill a recruitment effort in its tracks. The prospective candidates recognize tokenism and won't participate.

“Often I say to boards that want a diverse pool of candidates, ‘Hold up a mirror, folks. Strong candidates are going to look hard at your [diversity] interests in your own ranks,’” she says. “But with Surdna, even though the family members and thus most of the board are white, I could safely go out and say, ‘Their money is where their mouth is.’ It was an easy sell as soon as people did real research on Surdna and how they operate, where they fund, and what they care about.”

Wilcox and the board development committee worked from a document that spelled out preferred qualifications and experience for the new directors. The group agreed it sought diversity that could manifest itself in the areas of ethnicity, race, sexual orientation, economic background, and professional expertise. Beyond its preference for diversity, the board was looking for people who could bring perspective on program strategy, peer funding networks, and best practices in evaluation and foundation operations.

Isaacson, Miller produced a pool of 50 to 60 potential candidates that helped sharpen Surdna’s thinking about its final selection. The board then dedicated four months to whittling this large group down to a few top candidates until it could confidently settle on its new directors: Carra Cote-Ackah, a consultant and former program officer with experience in education and youth development; Gwen Walden, a philanthropic advisor who has worked with two of the country’s largest foundations; and Judy Belk, Vice President of Rockefeller Philanthropy Advisors.

While their search for directors demanded a rigorous approach, it was worth it, ensuring that more diverse perspectives and experiences are in the room when the Surdna board makes its decisions.

[www.surdna.org](http://www.surdna.org)

## A Leadership Program Moves Forward

*State of the Work 2011* included a profile of Career Pathways, a promising leadership training program fostering diversity, inclusion, and excellence in philanthropic leadership for mid career professionals.

A program of D5 partner Council on Foundations (COF), Career Pathways is currently working with its second cohort of professionals and is looking ahead toward its third year. D5 spoke with Renée Byng Branch, Vice President of Professional Development, Diversity and Inclusion, to hear more about the Council’s effort to help make the sector’s senior leadership more diverse and inclusive.

**Q: In *State of the Work 2011*, COF shared plans for developing a formal long-term evaluation to measure the effectiveness of Career Pathways. What is the status of that project?**

We’re in the process of identifying a consultant who might conduct that formal assessment of the program. We have baseline data, some of which includes summaries of one-hour

telephone calls following each session. During those calls we go through questions like, What are you hearing? What are you needing? What works? What didn’t work? What do you want to see more of? We also have written evaluations that show after the completion of a session the likelihood that individuals will use the information going forward.

Ultimately, we want to know how this group's career trajectory matches that of others, so we've got the baseline data that indicates whether within three years people have moved up in the field. What's starting to happen? Are we seeing upward mobility? Are folks not considering senior leadership positions? What are we learning from this group's career patterns? Are they still in their current positions? Are they active in the field?

***Q: Last year you also mentioned plans for developing an online toolkit that could help organizations learn more about inclusive executive hiring and appointment processes. Where are you currently with the toolkit?***

We have a consultant identified to develop the toolkit, which we're excited about. Our plan is to have it ready by summer 2012.

We want to have a toolkit that has an interactive online assessment. For example, after reading through the toolkit I will have an opportunity to run through a set of questions, and the response based on my answers could say, "You should really look at Section 2 of the report, and here are some readings that might illustrate these points further." Or, "You are really ready to conduct an inclusive search; here are some additional resources you might consider to attain an advanced level of conducting an inclusive search."

It's not a one-size-fits-all document; it's a way to give people an opportunity to be where they are in the learning process. By giving other examples for those in the beginner, intermediate, or advanced stage, there is something in it for everyone.

***Q: What have you learned over the course of administering this program for two cohorts?***

That there's hunger out there for professional development opportunities for mid career professionals aspiring to senior executive roles.

Intentional career planning is important. We have some success stories coming out of the Pathways program. We don't attribute all of the success to the program, but seven class members have received promotions, significant professional recognition, are serving in senior board positions within organizations, or are engaged in council committees.

There's a way of being intentional about your own career and how you move in and out of these networks and structures, so there's an important role that a professional development program can play.

[www.cof.org](http://www.cof.org)



## What Are We Learning?

At this stage of D5's effort, we're learning the following about building diverse leadership:

- Foundation trustees, not just executive and other staff, need to be engaged for diversity, equity, and inclusion efforts to succeed.
- Sector wide change requires buy-in from a broad assortment of leaders, representing all types of foundations and levels of experience, and including those outside organized philanthropy as well.
- Diverse individuals in philanthropy show strong desire for robust professional development and networking initiatives.

## What's Next: The Diverse Leaders Agenda

**Greater Participation Among Regional Associations** – Among the 35 regional associations of grantmakers, there are, as of the writing of this report, 14 formally committed to the D5 agenda.

**More Connection Among Leadership Programs** – Another aspiration is to foster greater connection among leadership programs. For instance, several of the Joint Affinity Groups (JAG) partners offer rich leadership development programs and other opportunities that are building the capacity of diverse leaders. The network created by D5 can encourage foundations and infrastructure groups to plug into programs like those of JAG and others and, together, create greater support for diverse leaders.



**Susan Taylor Batten,**  
Association of  
Black Foundation  
Executives

### COMMENTARY: VOICES FROM THE FIELD

D5 promotes the three core values of equity, diversity, and inclusion in the philanthropic sector. Of the three, the field has furthest to go on promoting equity. We (D5 Partners) suggest that “tackling equity issues requires an understanding of the underlying or root causes of outcome disparities in our society.” This means that foundation leaders must not only be diverse but also possess a core set of competencies about equity, fairness, and justice. Putting diverse leaders in place without simultaneously building the competencies of all leaders in the field is not likely to produce grantmaking practices that benefit all people. We need a sector wide plan to increase philanthropy’s understanding of racial equity, gender equity, and equity based on sexual orientation and gender identity. Models exist that we can use in this regard. Let’s not let this slip off the table!



# FOUNDATION ACTION

**2011****Baseline**

Foundation policies and practices on diversity, equity, inclusion are still the exception.

Infrastructure organizations offer a variety of educational resources.

**2012****Action**

Commission a scan to identify model policies and best practices of diverse and inclusive foundations (with clear rationale for “best practices”).

Ramp up D5 outreach efforts with a formal engagement plan.

**2015****Goal**

More foundations take meaningful action to address diversity, equity, and inclusion issues in their organizations.

**A** major finding of the *State of the Work 2011* report was that foundations in general lack policies and practices regarding diversity, equity, and inclusion. The finding was significant in light of study results that show correlations between the presence of such policies and practices and greater diversity in terms of staff composition and grantmaking.<sup>9</sup>

These policies and practices can range from policies detailing board and staff diversity, to grantmaking guidelines designating diverse populations for funding, to educational components such as case studies and training tools. Yet identifying such appropriate high-quality resources on diversity, inclusion, and equity can be both confusing and overwhelming for practitioners.

In the process of providing a clear rationale for what constitutes “best practice,” we’re working to help the field identify exemplary policies and practices and develop a more coordinated approach to making them available.

## Baseline Analysis – 2011

### Foundation Policies and Practices on Diversity, Equity, Inclusion Are Still the Exception

- Fewer than one-third of foundations have policies and practices related to diversity
- Few foundations' missions or grantmaking guidelines specify diverse populations
- Foundations are generally not transparent about policies and practices
- Diversity-related policies and practices vary widely on the regional level
- Little data exist about policies and practices that address diverse and inclusive operations

### Infrastructure Organizations Offer a Variety of Educational Resources

- The six Joint Affinity Groups (JAG) members have reached approximately 337 organizations from across philanthropy with their current offerings.<sup>10</sup>
- At least 22 of the 35 regional associations offer educational programs, trainings, and tools.
- Council on Foundations (COF) offered 14 programs and trainings on diversity, equity, and inclusion in 2010, as well as its series of diversity and inclusion guides.

## ★ ACTION 1 ★

### Exploring Promising Policies and Practices Related to Diversity, Equity, and Inclusion

D5 is developing the Policies, Practices, Programs Project. This analysis of diversity-related policies and practices, to be completed in 2012, will produce the following:

- A catalog of policies needed to define, guide, and support diversity and inclusion within a grantmaking organization in areas like human resources, governance, and programming.
- Learning pathways for foundations that take into account variations based on type, asset size, staffing size, region, and other features.

## A Philanthropy Association Promotes Responsive Grantmaking and Trustees

This profile of the Association of Black Foundation Executives, a D5 Coalition member, demonstrates the ways in which effective training and outreach can bolster foundation giving and develop more responsive trustees.

Even as awareness grows about underfunding for racial and ethnic communities, the question for many foundations remains, how should we respond? More specifically, what does racial-equity grantmaking look like?

The Association of Black Foundation Executives (ABFE) helps foundations answer these questions by offering knowledge and practical tools to create successful funding strategies.

ABFE's knowledge-sharing efforts focus on its Responsive Philanthropy in Black Communities toolkit. With the toolkit, foundations can turn good intentions into effective action through the application of three components:

- 1) Organizational Self-Assessment** – A series of questions that identify organizational assets and potential areas for enhancement.
- 2) What's Race Got to Do With It?** – An analysis of American life that identifies connections between race-based policies and real-life examples of racial inequity.
- 3) Racial Equity Impact Analysis** – This analysis is joined with the Organizational Self-Assessment to help produce investment strategies and/or policies and practices that support more equitable outcomes for black communities.

For ABFE, 2011 (its 40th anniversary) was a time for hard thinking about future impact and reach. What potential partners, ABFE leaders asked, had the organization not effectively reached in recent history?

Under the leadership of president and CEO Susan Batten, ABFE concluded that it should more intensively engage one group in particular: trustees. "In the work that we're doing, very



Founding members of the Association of Black Foundation Executives, the Council on Foundations' first affinity group (formed in 1971).

often we forget about the trustees," says ABFE Director of Development Erika Davies.

To expand the organization's reach, ABFE launched Leverage the Trust, a multi year campaign to support black foundation trustees in their efforts to promote effective and responsive philanthropy in black communities. ABFE has declared that by 2015, 100 current and future black foundation trustees will be engaged in regions across the country.

The standards are high. "We are looking for people interested in being stakeholders, not just placeholders," says Davies.

ABFE wants to offer tangible benefits to trustees who participate. Networking opportunities are typical in a leader network such as this one and somewhat of a given, but ABFE is also heavily focused on providing intensive trustee orientation each year at its annual meetings. Such a network can meaningfully affect the larger work of ABFE and its allies, which Davies calls "a movement to engage individuals, nonprofits, and philanthropy so they can help improve the lot of black communities in this country."

[www.abfe.org](http://www.abfe.org)

## ★ ACTION 2 ★

## An Outreach Agenda to Engage the Field

D5's early outreach projects included preparing *State of the Work 2011*, engaging audiences through D5's online presence, and participating in philanthropy conferences. In 2012, the coalition is rolling out two major projects:

### Take 5 Campaign

A campaign to encourage foundations to take action on diversity, equity, and inclusion by meeting them where they are. The "5" of the campaign refers to the central question being posed to participating organizations: "If we were to take five actions that would make us more diverse, equitable, and inclusive, what would they be?"

D5 has identified potential actions on a continuum organized by experience level. The campaign encourages participants to share reflections about their diversity-related work, whatever their level of experience. We expect that, as participants share their experience with diversity via uploaded videos or blog commentary on the D5 Coalition site, the Take 5 Campaign will gain its own momentum and develop into a community of learners and doers.

### Innovation Fund

Recognizing that cutting-edge work requires cutting-edge thinking, D5 will make small grants through its Innovation Fund to inspire creative approaches to increasing diversity, equity, and inclusion. The grants are intended for organizations beyond the sphere of D5 and its partners. By supporting such pilot programs, we believe the larger field of philanthropy will be inspired to approach diversity goals in different and creative ways.

## What's Next: The Outreach Agenda

### The State of the Work "Road Show"

Through outreach in various media channels, conferences, and other venues, D5 partners in 2012 will share the stories and ideas from the 2011 and 2012 installments of the *State of the Work* series and broaden dialogue in the field about diversity, equity, and inclusion.

### Take 5 Campaign

This campaign will launch in 2012 with a webpage devoted to mutual sharing and learning.

### Innovation Fund

By the end of 2012, D5 will start granting to organizations with promising and innovative plans for promoting diversity in their organizations and the general field.

## ★ ACTION 3 ★

## Identifying High-Quality Programs, Trainings, and Resources

The Policies, Practices, Programs Project will also identify effective educational programming and other resources related to diversity, equity, and inclusion. This analysis will seek to inform the:

- Development of new tools to fill gaps in what's now available
- Development of trainers who can promote and facilitate the use of effective resources
- Key concepts and skills required for an organization to implement effective diversity and inclusion policies and practices
- Framework for an online organizational self-assessment

### Shedding Light, Not Heat: Funders Learn About American Muslims

**What can philanthropy do to cultivate greater tolerance and understanding of religious and ethnic groups? In 2011, Philanthropy New York, a D5 Coalition member, partnered with a number of foundations to show what can be done.**

In August 2010, when a Sufi American Muslim group announced plans to open a community center in lower Manhattan, responses from some segments of the public were not pretty. That the building plans for an Islamic center could stir such controversy for its proximity to the World Trade Center site signaled a need for greater understanding of the country's American Muslim population.

Philanthropic leaders in New York were paying attention. In 2011, several of these leaders realized that a critical opportunity had arisen to engage peers and the general public about American Muslims. Through their convening power, philanthropy could offer educational programs and experiences that would raise understanding about the country's third-largest religious group, one that represents a plethora of nations, ethnicities, cultures, and ways of life.

One such program was *Understanding Muslim America*, a briefing held by D5 Coalition member

Philanthropy New York. Sponsored by the Daphne Foundation, the New York Foundation, the North Star Fund, Open Society Foundations, the Proteus Fund and Trinity Church Parish Grants Program, the February 2011 event drew an assorted group of more than 50 grantmakers and assembled a panel of city leaders and prominent experts on Muslim culture, including Dr. Serene Jones, president of Union Theological Seminary, Commissioner Fatima Shama of the Mayor's Office of Immigrant Affairs, and Chairman of the Cordoba Initiative, Imam Feisal Abdul Rauf.

For Michael Seltzer, the event's chief organizer, a philanthropic advisor, and past president of Philanthropy New York, the timing of the event was ideal. There had been an ample interval since a media storm had surrounded the Manhattan Islamic center project, and the philanthropic community felt ready and eager to engage in a substantive discussion about the more than 600,000 American Muslims living in the New York metropolitan area.

**“The media really drew a curtain over the issues affecting a very diverse Muslim population in New York, and the public debate over the center shed more heat than light,” says Seltzer. “The purpose of our members’ briefing was to cut through the mythologies and the inaccuracies that cloud our understanding.”**

Later in the year, New York Foundation and the Mayor’s Office of Immigrant Affairs organized another educational event, increasing awareness about Muslim America through the more intimate experience of a learning and listening tour. Sponsored by New York Foundation, the New York Community Trust, the Mayor’s Office of Immigrant Affairs, Philanthropy New York, and Rockefeller Brothers Fund, New York’s Diverse Muslim Community Listening Tour brought together foundation staff, civic leaders, and community-based Muslim organizations for a trip through the city to show how New York Muslims have approached social-service delivery, civic engagement, and community organizing.

“It’s really helpful to experience diversity directly,” says Maria Mottola, New York Foundation executive director and the tour’s main organizer.

Over the course of the day, tour participants saw New York’s Muslim communities in several contexts, including a revered public institution like the Schomburg Center for Research in Black Culture in Harlem; the International High School at LaGuardia Community College in Queens; and shops, residences, and Beit El-Maqdis Islamic Center in Bay Ridge, Brooklyn, the city’s most populous Arab neighborhood.

Following the tour, participants and those who didn’t make the event could inform themselves with many materials provided by New York

Foundation and its partners, including profiles of community-based organizations featured in the tour, detailed figures about the city’s American Muslim population, ideas for further readings, and an overview of different Muslim communities based in the five boroughs.

However, for Mottola and her peers there is a special depth of learning and direct exposure that goes with a learning tour, which can be a valuable complement to the heady focus of a panel discussion.

“Had we not gotten out of the board or conference room and into the neighborhoods, we would not have really seen just how diverse these communities are,” she says.



On a street in Queens, NY, New York Foundation executive director Maria Mottola talks with participants of the Diverse Muslim Community Listening Tour.



During New York’s Diverse Muslim Community Listening Tour, a local Muslim leader speaks before a crowd gathered at the Schomburg Center for Research in Black Culture, located in Harlem.



## What Are We Learning?

At this stage of D5's effort, we're learning the following about foundation action:

- Beyond incorporating the right policies and practices, diversity, equity, and inclusion work requires significant adaptive growth, both on the individual level in the form of changes in attitudes, perspectives, and skills and on the group level in the form of shifts in organizational culture.
- Foundations want practical tools for engaging in this work and examples of how others have done it, accounting for differences in grantmaker type, asset size, staffing size, and regional circumstances.
- Identifying new diversity models and programs has educational and coalition-building value in that many of the developers of good policies and practices have become essential leaders in D5's broad efforts.

## What's Next: The Policies & Practices Agenda

**More Sharing and Learning** – With the ongoing growth of D5 leadership networks, and the completion of the landscape scan through the Policies, Practices, Programs project, the D5 Coalition will deepen communication with the field, highlighting effective models while using a clear and substantiated basis for their effectiveness.

**A More Established Community of Practice** – As mentioned in the “diverse leaders” section, the Regional Associations Leadership Networks represent a pilot initiative whose growth can inform and inspire the larger network of 35 regional associations as it moves toward an established set of practices, policies, programs, and models.



**Delia Arellano-Weddleton,**  
the Nellie Mae  
Education  
Foundation

### COMMENTARY: VOICES FROM THE FIELD

The Nellie Mae Education Foundation (NMEF) is New England's largest public charity dedicated solely to preparing all the region's learners for success. NMEF is well aware that "all learners" includes those who have lesser opportunities and greater challenges. With this in mind, the foundation invests a significant amount of resources to fund initiatives that benefit all students and which have the potential of resulting in an equitable, high-quality educational experience.

The foundation's District Level Systems Change initiative focuses on systemic change that promotes student-centered learning approaches. Reshaping education is no small feat, and the foundation believes that in order to succeed, policies and public demand also need to be addressed. Therefore, the foundation places a high priority on engaging the community and requires that marginalized community members have a role in making decisions that affect their children. NMEF recognizes the value of these voices and realizes that inclusiveness may not happen without intentional measures.

How does the foundation internalize what it asks of its grantees? For over six years, NMEF has been a strong supporter, promoter, and funder of the Proteus Fund Diversity Fellowship (formerly sponsored by Associated Grant Makers). The fellowship is a yearlong program that places fellows of color at a foundation and provides them in-depth, hands-on experiences, invaluable access to grantmakers, and a learning community that focuses on developing their grantmaking skills.

As a result of this engagement, the foundation has two former fellows on its staff, who continue to provide unique perspectives. One of the fellows brings not only years of experience working in direct services but also the voice of a first-generation college student and a history as a graduate of the school district well known for a Supreme Court case on equitable funding (*San Antonio Independent School District v. Rodriguez*, 1973). The current fellow brings the history and experience of a Cambodian refugee and an awareness of working with new Americans.

Although the diversity fellowship has demonstrated an invaluable impact across the board, engaging foundations to commit funds and time to host a fellow continues to be a challenge. It is critical that foundations prioritize funding efforts that grow the number of grantmakers of color. The Proteus Fund Diversity Fellowship is one sure way for philanthropy to support equity and inclusiveness in the field.



**Vicki Rosenberg,**  
**Vicki Rosenberg**  
**& Associates and**  
**formerly a Vice**  
**President with**  
**Council of Michigan**  
**Foundations**

### COMMENTARY: VOICES FROM THE FIELD

In the introduction to this report, the question is posed, “How are philanthropy leaders acting on diversity, equity, and inclusion?” The D5 Working Group for Policies, Practices and Programs that I co-chair with Ronna Brown, president & CEO of Philanthropy New York, took this question as a call to action. Our team includes representatives of D5 Coalition partners, including 14 regional associations of grantmakers.

Many of our organizations have been working for over a decade to advance diversity, equity, and inclusion in philanthropy. Our efforts have certainly contributed to the growing movement for change within the philanthropic sector and to a better understanding of what is needed to achieve that change. Yet our capacity to support individual organizational change is still growing and requires more knowledge and resources to meet what we anticipate will be an increasing demand for training, tools, and technical assistance from foundations across the country.

To build our individual and collective knowledge and capacity to support change within the sector, our working group recently commissioned a research and development project to create:

- 1) Knowledge about the formal policies needed to define, communicate, direct, and sustain change within foundations and philanthropy organizations, as well as sample policies that can be adopted or adapted by interested foundations.
- 2) Examples of various ways in which community, corporate, family, and independent foundations have put their formal policies into practice at the staff, board, administrative, operational, and programmatic levels, as well as case studies that illustrate change processes.
- 3) Educational programs and resources that can effectively build individual, team, and organizational understanding, skills and capacities to design and implement strategic change efforts for diversity, equity, and inclusion, as well as trainer-of-trainers programs to make these programs easily accessible and affordable for any interested foundation.

The R&D described above is slated for completion by late 2012. The process will engage dozens of foundation practitioners as contributors, reviewers, and commentators to ensure that the resulting knowledge, products, and resources are ones that help us achieve the transformation we envision.



**Angela Brown  
and Beth Smith,  
the Hyams  
Foundation, Inc.**

### COMMENTARY: VOICES FROM THE FIELD

The Hyams Foundation has an explicit commitment to promoting racial and ethnic diversity and inclusion in all aspects of its work. This focus has covered a wide range of internal activities, from developing a racially and ethnically diverse staff and board, to considering diversity in the hiring of consultants and other vendors, to facilitating shareholder engagement activities targeted to addressing the lack of corporate board diversity.

Hyams also places a strong emphasis on the racial and ethnic diversity of its grantees' staff and boards, given the diversity of the communities with which they work. Foundation staff regularly gathers this diversity-related data as the basis for conversations with grantees about how diversity relates to overall organizational effectiveness, while avoiding any misperceptions that it is "only about the numbers." Hyams also tracks changes in grantees' organizational diversity over time, acknowledging improvements and highlighting areas for continued change.

More recently, the Foundation refined the information it collects on its grantees, with a more specific focus on addressing racial disparities. One aspect of this work has been to focus not just on whether Hyams is funding organizations that benefit communities of color, but what proportion of its funding is specifically supporting organizations run by people of color. This is a key racial equity goal and overall Foundation value, as it gives communities of color a meaningful role and voice in the programs and issues they choose to support.

Hyams trustees and staff have engaged in an important conversation about what these data actually mean. For example, 42% of all grant dollars over the last 12-month period went to organizations run by people of color, but given the Foundation's mission and priorities, was this a positive outcome or not? And even if 42% of all funds were going to organizations of color, was the amount of each grant enough to make a difference? This discussion resulted in two requests to staff: to identify the larger universe of organizations of color to determine whether there might be additional groups that Hyams could support; and to assess Hyams's grants as a percentage of grantees' total budgets. The Foundation sees this as an example of how data can help a funder go even deeper in assessing the overall effectiveness of its diversity, inclusion, and equity work.

# FUNDING DIVERSE COMMUNITIES

**2011**

**Baseline**

Available data do not paint a full picture of funding to diverse communities.

Population-focused funds (PFFs) emerge as a promising segment of giving.

Foundation support for PFFs is very small and majority of PFFs are gravely under-capitalized.

**2012**

**Action**

Increasing field-recognition for PFFs through an expanded PFF Directory.

Increasing understanding of PFFs through new research and a promotional campaign.

Designating new funds to build the capacity of PFFs.

Engaging donors in diverse communities through outreach and convenings.

**2015**

**Goal**

Annual funding to and within diverse communities increases substantially.

**A**t the very core of D5's work is a commitment to making more financial resources available to the coalition's primary target populations. Over the last year, D5 Coalition leaders found themselves continually running into a roadblock as they worked to realize that commitment: the lack of complete data about how much funding goes to diverse communities. The data we do have, however, suggest that funding for diverse communities is low. D5 is working around the data roadblock by strengthening donors and giving in diverse communities, improving PFFs' access to the philanthropic sector, and supporting other means of capacity building.

Running simultaneously with D5's call for better data on funding of diverse communities is an effort to support a small but promising source of that funding—population-focused funds (PFFs). Although PFFs represent a relatively small percentage of total giving in philanthropy, they represent powerful strategies to strengthen diverse communities because they are uniquely of, by, and for these communities. Despite immense potential, the great majority of these funds lack the funding to achieve even a fraction of their promise, and thus far D5 has not been able to secure sufficient commitments from foundation supporters to make a serious investment in PFFs possible.

Because PFFs are integral to the issues of funding diverse communities, they play a role in all four current actions D5 is taking in this goal area:

- Improving and expanding the PFF directory
- Increasing visibility and awareness of PFFs
- Building the capacity of PFFs
- Increasing giving to and within diverse communities

### Defining Population-Focused Funds (PFFs)

Our working definition of population-focused funds (also known as diversity-focused funds) is based on one created by Rockefeller Philanthropy Advisors, which studies PFFs:

- Culturally specific and community defined: raising resources from community donors for community causes and nonprofits, where “community” is defined by the shared culture and identity-based experience.
- Funded by a mix of donors for shared purposes: focusing on building a connection between the identity-specific donors and issues that specific communities find important.
- Focused on addressing community-specific causes and nonprofits through grantmaking and other means: focusing intensely on organizations within a defined cultural community uniquely equips PFFs to identify and address issues within that community. Decisions are made by community members (board, staff, and donors), and funding often addresses both immediate community needs and long-term social change.
- Uniquely positioned to generate donor giving, leadership, and activism: have ties with community donors who leverage their social, civic, political, and financial capital to generate resources for emerging issues and organizations; these ties also provide PFFs with important convening capabilities.

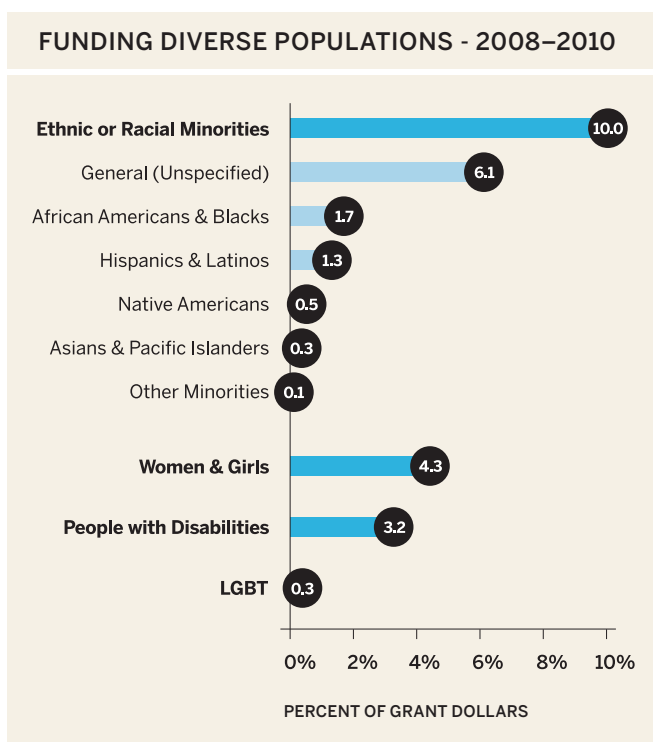


## Baseline Analysis – 2011

### Available Data Do Not Paint a Full Picture of Funding to Diverse Communities

Current data collection methods do not allow for an accurate accounting of funding that benefits diverse communities. Much of the data below, for example, refers only to the percentages of funding to organizations that have a stated focus on specific constituents. In addition, the percentages are based on the Foundation Center’s grants sample, which accounts for less than half of all foundation grant dollars. Given these caveats, the limited data we do have suggest that in 2008–2010, programs benefiting:

- Ethnic and racial minorities received 10 percent of grant dollars reported
- Women and girls in the United States received 4 percent of grant dollars reported
- People with disabilities received 3 percent of grant dollars reported
- Grants earmarked for LGBT people were less than one-third of 1 percent of all grant dollars reported<sup>11</sup>



### Population-Focused Funds Emerge as a Promising—but Under-Resourced—Source of Philanthropic Capital

- As of January 2012, 467 PFFs have been identified<sup>12</sup>
- PFFs are a promising source of significant philanthropic giving
- PFFs are increasingly visible participants in the philanthropic community

## ★ ACTION 1 ★

**Building the Capacity of PFFs**

Because population-focused funds (PFFs) are such a critical resource for communities—which must have the capacity to raise and deploy philanthropic capital—they need all the external support they can get. After investigating the ways that D5 can best serve PFFs in their missions, the coalition has created the Philanthropic Inclusion Fund. This fund provides small grants of up to \$10,000 for specific capacity-building projects and access to the philanthropic sector, including the following:

- Capacity-building assistance designed to strengthen financial positions, particularly in the areas of grant resources, operations, and building endowments
- Greater access to philanthropic and other gatherings, which offer opportunities for board and staff members to acquire new skills, update knowledge, develop new contacts and networks, and secure additional resources
- Another key activity in 2012 will be a convening of representatives from PFFs, which D5 views as critical in developing immense philanthropic potential in diverse communities

## ★ ACTION 2 ★

**Strengthening Donors and Giving in Diverse Communities**

Donors from diverse communities often work under the radar, unknown outside their communities. Mainstream funders in turn can miss opportunities to engage them. The D5 Coalition is working to reverse that reality through recognizing and supporting women, LGBT community members, and people of color who are philanthropists. The ultimate goal is to pave the way for more philanthropic resources and peer learning opportunities for diverse donors—the same essential support structures enjoyed by their larger, established counterparts in philanthropy.

After careful planning, and learning from the groundwork laid before D5's inception by partner organizations like Rockefeller Philanthropy Advisors (RPA) and the Kellogg Foundation, D5 has begun targeting three goals in this area:

- 1) To increase giving by and for diverse communities, and celebrate that giving
- 2) To connect women, LGBT, and donors of color with philanthropic resources and tools to enhance knowledge and giving decisions
- 3) To develop regional peer learning networks of donors committed to increasing giving and supporting diverse communities

Recognizing that many such donors lack connections among themselves, a primary means for realizing these goals is holding regional convenings of diverse donors. Held by D5 in collaboration with both local and national population-focused funds, these convenings can help diverse donors connect with D5 and one another, gain access to critical resources about their work, and generally inspire more giving to diverse communities.

The first D5 regional convening was attended by a capacity crowd in November 2011, in Southern California. It highlighted giving vehicles that, according to Judy Belk of RPA, are “redefining philanthropy using a lens of equality and inclusion.”

The convening marked the debut of a video produced by RPA and the D5 Coalition called *I Am a Philanthropist: Diverse Voices in Giving*, a series of close, first-person reflections from diverse givers. The video was screened at the Council on Foundations’ Family Foundations conference and is available on D5’s website, [www.d5coalition.org](http://www.d5coalition.org). Building on the success of the Southern California convening, D5 has slated another for 2012.

### ★ ACTION 3 ★

## Improving and Expanding the Population-Focused Funds Directory

The newly created PFF directory, available on the D5 website at [www.d5coalition.org](http://www.d5coalition.org), provides information on 467 giving vehicles.<sup>13</sup> These numbers represent a sizable force in philanthropy, and one that often exists on the frontlines of communities. Furthermore, these data reflect only what we know now about this sphere of giving. D5 and its partners continually encourage the submission of new entries so that the directory moves closer toward a total picture of PFFs.

The PFF directory serves to draw sector wide recognition for PFFs, but that is not its only purpose. Users of the directory can also gain better insight into individual giving vehicles within the larger context of their peers as well as greater familiarity with the ways that giving structures reflect different cultural traditions.<sup>14</sup>

A recent upgrade of the PFF directory provides users with new ways to search, filter, and visualize data. In 2012, D5 will offer user demonstration trainings, so individuals and organizations in the sector can fully benefit from all of the PFF Directory’s features and provide feedback.

## Philanthropy Builds Relationships in Indian Country

**How can philanthropy achieve more equitable funding strategies and better connections with the communities it serves? A partnership between two D5 Coalition members demonstrates the value of solid relationships and mutual trust.**

In philanthropy, promoting a new funding priority often hinges on a coordinated vision driven by plans, budgets, and measurable outcomes. But for Philanthropy Northwest and its partners, increasing philanthropic engagement in the region's Indian Country has not followed the same old rules. More important than any formal grantmaker strategy has been an intentional process of "getting to know the neighbors."

In this case, the neighbors are the several hundred tribal communities—approximately half of the 565 federally recognized—who live in Philanthropy Northwest's service region (the states of Alaska, Idaho, Wyoming, Montana, Oregon, and Washington). According to U.S. Census figures, roughly half a million native people live in the region.

Five years ago, concern grew among the organization's leadership about underfunding of Native Americans in the sector. Although foundation giving to the population fared better in the Northwest than nationwide, no region, including the Northwest, could claim that equitable funding existed for Native Americans. (The Foundation Center reported such underfunding most recently in a 2011 report, which showed that over the past decade, U.S. foundation support explicitly targeting Native Americans has declined as a share of total foundation giving, with grant dollars falling to just 0.3 percent of total grant dollars as of 2009.<sup>15</sup>)

But for Carol Lewis, Philanthropy Northwest's CEO, the work in Indian Country is a deeply moving experience. As she explains, the six states are and always have been Indian Country. "This is our home. That is why our commitment to partner with native communities is not just a project or special initiative, but a core value. It reflects our conviction that all Northwest communities, when properly understood,



Philanthropy Northwest's site visit to Lummi Indian Reservation in 2006.

respected and supported, have within them the capacity to create a vibrant, healthy future."

"The first thing we learned was that we needed to keep learning," says Lewis, "And we weren't going to be successful without guides and coaches and partners. It just wasn't going to happen any other way."

Major partners included Native Americans in Philanthropy, an affinity group and D5 Coalition member that advances philanthropic practices grounded in native values and traditions, and the Potlatch Fund, the first community foundation of Native Americans focused on grantmaking in Indian Country.

Native Americans in Philanthropy Executive Director Carly Hare, who joined the organization in 2010, believes that strong partnerships like the one with Philanthropy Northwest are founded on sincerity and reciprocity.

"Our success together is greater when the leadership of our partners and their organizations as a whole take a more authentic and mindful approach to working in Indian Country," she says.

Organizations like Native Americans in Philanthropy and the Potlatch Fund have helped Philanthropy Northwest start a collective learning process advocated by Lewis. At its annual conference in 2008, Philanthropy Northwest offered a three-hour session called “Everything You Have Ever Wanted to Know About Native Americans But Were Afraid to Ask.” Grantmakers and nonprofits packed the room, and the session, led by native leaders, served as a space for all to openly wrestle with the barriers separating philanthropy and Indian Country.

Since then, the three organizations’ conferences and events have maintained that spirit of openness and mutual learning. Hare has been pleased to see discussions about Indian communities and the issues they face become better integrated into Philanthropy Northwest conference programming, instead of being relegated to a separate conference track. A few conferences have engaged participants in the talking circle, an indigenous practice that helps foster values like reciprocity and shared wisdom among all committed partners, Native American and non-Native American.

“The native talking circle is a wonderful tool for encouraging people to really listen to each other,” says Lewis. “We try to incorporate it in more of our programming, just as a basic style of working.”



Martina Whelsula, Spokane Tribal College and Ricardo Lopez, Native Americans in Philanthropy Board Member leading historical tour of Spokane area from Native and European perspectives.

This intentional approach to relationship-building enables native leaders like Hare to shed light on the issues and aspects of grantmaking that have long escaped the attention of some funders. One such issue relates to the identity of funding recipients: Studies have found that a significant proportion of funds that are designated as Indian-serving grants do not flow directly to native-run organizations or those affiliated with tribal governments.<sup>16</sup>

Another issue that is often obscured relates to demographics: Although more than 65 percent of the native population lives in urban and metro centers, these communities see significantly less funding than rural reservation communities. “There is a great opportunity for achieving positive impact in the urban space,” says Hare.

According to research conducted by Ken Gordon, former executive director of the Potlatch Fund, funding for Indian communities in the Northwest region steadily increased between 2005 and 2009—a period of time that witnessed a nationwide decline in funding to those communities. Gordon believes that, among several cumulative factors, the recent relationship-building between the region’s foundation leaders and Indian Country has contributed to the increase.

Lewis and Hare believe that their organizations and allies will continue to make progress only by promoting funding strategies built on self-empowerment and awareness of Indian strengths and assets. “I am much less interested in funders defining solutions to problems and much more interested in how funders empower communities to represent their own interests and to find their own solutions to problems they face. This is a core lesson we’ve learned working in Indian Country, and the lesson extends into other communities as well.” says Lewis. “You need to empower voices to represent their own interests.”

[www.nativephilanthropy.org](http://www.nativephilanthropy.org)

[www.philanthropynw.org](http://www.philanthropynw.org)

[www.potlatchfund.org](http://www.potlatchfund.org)

## ★ ACTION 4 ★

## Increasing Understanding of Progressive Public Foundations

The D5 Coalition is working to expand knowledge about population-focused funds. How are the different giving vehicles in this particular segment—the long-established, the newly emerging, and everything in between—delivering (or not delivering) resources to diverse communities? And how do external factors, such as the economic downturn, affect their grantmaking and overall sustainability?

In the vein of answering these big questions, D5 has targeted progressive public foundations— some of which are population-focused funds—as a point of focus. By their definition, progressive public foundations are committed to advancing social justice or serving historically marginalized groups. Yet a full picture has not existed that can inform a strategic conversation about achieving equity and social justice through public foundation grantmaking.

In part with D5 support, the Progressive Public Foundations Project has completed an inquiry that lays out the opportunities and challenges that public foundations face. Nearly 100 progressive public foundations were surveyed or interviewed about their operations, relationships, funding, and impact. At a two-day national summit in January 2012, the Progressive Public Foundations Project presented its findings and analysis of the implications. Working with allies in attendance, the group planned an effort to build awareness and support for progressive public foundations to help them improve their sustainability and in turn be able to increase their funding of diverse communities.

### What Are We Learning?

At this stage of D5's effort, we're learning the following about funding diverse communities:

- Population-focused funds have immense potential but don't yet receive the foundation support they need to grow and become sustainable
- Diverse donors need greater recognition and visibility to increase their connections to fellow donors, key networks, and the larger field of philanthropy as well as to debunk the myth that diverse communities lack the ability, philanthropic culture, or resources to attack problems affecting their communities

### What's Next: The Funding Agenda

**The Progressive Public Foundations Campaign** – Equipped with new knowledge of progressive public foundations and their role in advancing equity and social justice, D5 will support efforts to build the capacity of these foundations and population-focused funds, and promote their value to the most sustainable constituents and stakeholders.

**More Donor Engagement** – D5 will work with partners to host convenings for diverse donors in other regions. Inspirational material, such as D5's *I Am a Philanthropist* video, will reach more audiences to spread the message that the field recognizes and celebrates donors representing underserved communities.



**A Continually Improving PFF Directory** – The directory will continue to serve its purpose of drawing sector wide recognition for population-focused funds by adding more listings to the catalog and providing funds' key features. D5 will continue upgrading the directory based on feedback on its usefulness and functionality.



**Roger Doughty,**  
Horizons  
Foundation

#### COMMENTARY: VOICES FROM THE FIELD

D5 has accomplished a number of important goals, and is on track to achieve considerably more over the next four years. D5 is making—and will make—a significant difference in the field of philanthropy.

Yet there's a rather painful irony at work here. Since the very beginning of D5—and the Diversity in Philanthropy Project that laid the groundwork for D5—bringing new financial resources to communities of color, as well as women's and LGBT communities, has been foundational in D5's vision. Early on, in fact, this goal was set as "Priority 1" by the D5 Leadership Team.

The underlying principle is simple. A truly credible initiative about diversity, equity, and inclusion must involve getting funds—to use the cliché—on the ground. It can't be limited to efforts internal to the field itself.

Yet D5 has run into a serious obstacle: The majority of foundation funds contributed to D5 have been tagged for work that's internal to the field, such as work on policies and practices, research, and leadership development. All of these are valuable. They're also fundamentally inward-looking. They're not about getting funds into communities that desperately need them.

It's important to underscore the D5's vision for diverse communities is about more than simply urging large foundations to pump more dollars into them (though that is itself a fine goal). D5's vision is about *building the philanthropic capacity of these communities themselves*, for that's ultimately the only way for them to create the kind of philanthropic engines that they need. Big foundations, however large and committed and strategic, simply don't have the means to do it all for communities with so many serious and longstanding needs.

Yet D5 has almost no capacity to support diverse communities around creating philanthropic capital. Nor, given the current top-down, metrics-obsessed culture that's swept the field, is there much reason to hope—at least in the near term—that we'll see a shift. And that represents an enormous missed opportunity for the field, for diverse communities, and for the country.



**Carly Hare,**  
**Native Americans**  
**in Philanthropy**  
**and Joint Affinity**  
**Groups**

### COMMENTARY: VOICES FROM THE FIELD

A closer examination of the philanthropic investment strategy and history of giving to diverse communities highlights a significant lack of investment. The partners of the Joint Affinity Groups provide resources and education to illuminate deficiencies in funding for diverse communities and community-led organizations.

Here are some evocative data points from recent reports:

#### ***Foundation Funding for Hispanics/Latinos in the United States and for Latin America (Foundation Center and Hispanics in Philanthropy)***

- “Over the past decade, U.S. foundation giving explicitly designated to benefit Hispanics and Latinos has held steady, comprising about one cent for every dollar of foundation funding,\* even as the Hispanic population in the U.S. has grown significantly over the same period.” (nearly 16%)

\*Note: This figure does not account for all giving by large U.S. foundations benefiting Hispanics/Latinos. It captures only those grants that were specifically earmarked to benefit Hispanic/Latino communities. This limitation applies to all data points that follow regarding Lesbian, Gay, Bisexual, Transgender, and Questioning (LGBTQ), Asian American/Pacific Islander (AAPI) and Native American communities.

- The top 10 funders awarding grants for Latinos in the U.S. from 2007 to 2009 accounted for close to 40 percent of grant dollars for Latinos.

#### ***Missed Opportunities: How Organized Philanthropy Can Help Meet the Needs of LGBTQ AAPI Communities (Asian Americans/Pacific Islanders in Philanthropy)***

- Funding in 2009 to LGBTQ AAPI communities amount to barely 0.7 percent of the total amount granted to all LGBTQ communities and organizations that year.

#### ***Forty Years of LGBTQ Philanthropy: 1970–2010 (Fundors for LGBTQ Issues)***

- In 2009 funding benefiting LGBTQ organizations was only 0.2 percent of all philanthropic dollars.
- Funding for LGBTQ civil rights received the greatest level of support, 20 percent, of issues addressed by LGBTQ funding from 1970–2010. Projects and organizations dedicated to LGBTQ people of color received 9 percent of all LGBTQ funding from 1970–2010.

***Foundation Funding for Native American Issues and Peoples (Foundation Center and Native Americans in Philanthropy)***

- Funding to Native American issues and peoples has declined from 0.5 percent of philanthropic giving in 2000 to 0.3 percent in 2009.
- Economic conditions disproportionately affected native populations: Giving benefiting Native Americans dropped 30.8 percent from 2008 to 2009, but overall philanthropic giving declined only 14.2 percent and that of surveyed foundation giving declined by 8.6 percent.

These data highlight the urgency for action. We invite you to join D5's efforts to increase funding to diverse communities. Together, we can work to create an equitable philanthropic sector that serves us all.

## DATA & RESEARCH

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**2011****Baseline**

More standardized data collection and studies on diversity issues are needed.

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**2012****Action**

Developing a sector wide diversity data tracking system.

Commissioning research that helps shape the sector's diversity-related research agenda.

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**2015****Goal**

Philanthropy has the research capacity to be more transparent about progress on diversity, equity, and inclusion.

**I**n recent years several affinity groups, regional associations, and national organizations like the Foundation Center have joined together to produce research on diversity, equity, and inclusion. Some reports have focused on geographic regions (two of which are covered in the following pages), while others have focused on a particular population group. In 2011, the Foundation Center collaborated with Hispanics in Philanthropy and with Native Americans in Philanthropy to produce separate reports on foundation funding for these two groups.<sup>17</sup> The data we do have suggest that funding for diverse communities is low, but that finding may owe to underfunding, undercounting, or both. The development of a reliable and responsive tracking system can provide the comprehensive, detailed picture that philanthropy needs.

Even as leaders in philanthropy have deemed the research of recent years beneficial for the field, they have also recognized that the field now knows what it doesn't know regarding progress on diversity, equity, and inclusion. As reflected in *State of the Work 2011*, many foundations report that a lack of standardized data-collection methods can thwart investigations into the diversity of their organization, their grantmaking, and other activities. Other foundation-commissioned research has been limited in scope, focusing on some aspects of diversity but neglecting others.

The D5 Coalition is working to address these gaps by:

- 1) Gathering ideas for a diversity data tracking system
- 2) Helping shape the sector's diversity-related research agenda

Building awareness about the importance of diversity data is a D5 priority. We will continue working to convince more foundations that tracking diversity, equity, and inclusion is not just a public accountability measure but a path to better decisionmaking and greater impact.

## Baseline Analysis – 2011

### More Standardized Data Collection and Studies on Diversity Issues Are Needed

- Better data about populations served by foundation grants are sorely needed
- Foundation efforts to collect diversity data are sporadic
- We're aware of six studies on the national and regional level that have used standardized methods to collect diversity data
- The sector actively seeks better information about diversity

## ★ ACTION 1 ★

### Gathering Ideas for a Diversity Data Tracking System

After polling practitioners and researchers about effective diversity data collection, the Foundation Center, a D5 partner, has developed a prototype online interface for a tracking system. This interface is ready for a trial run in 2012, and several regional associations have voiced interest in doing their own demographic studies in partnership with the Foundation Center.<sup>18</sup> D5 hopes to coordinate the projects simultaneously, marking the first time philanthropy will use a common interface for collecting data from foundations in different regions. Larry McGill, Vice President of Research at the Foundation Center, expects that through this trial run, the Foundation Center team will be able to make modifications to the tracking system so that it can become a reliable instrument and a field standard for data collection.

## Providing an Informed Response to a Region's Changing Demographics

**Can a diversity-focused report meet a better fate than sitting on the shelf? A 2011 report that D5 partner Foundation Center conducted for GRANTMAKERS of Oregon and Southwest Washington offers hope that quality research can start valuable dialogues.**

Historically, Oregon may not have been known for its racial and ethnic diversity, but a different picture is emerging. Today, the number of Oregonians of color is growing at a rate that outpaces national rates for ethnic minorities over the past two decades.

A few years ago, the state's demographic changes emerged on the radar of GRANTMAKERS of Oregon and Southwest Washington (GRANTMAKERS), leading the regional association to reflect on the ramifications of Oregon's increasing diversity. They were especially curious about one question: Did grantmaking reflect the changing demographics of Oregon's communities?

That question led to the publication of *Grantmaking to Communities of Color in Oregon* in 2010. The research, conducted by the Foundation Center, offered a detailed assessment of giving to communities of color in Oregon from Oregon-based foundations and tribal funders in 2008. It had been 30 years since the state had seen research with that focus.

The GRANTMAKERS report is one of a number of reports commissioned by regional associations of grantmakers to chart diversity and inclusion in philanthropy. Like earlier reports analyzing California, Michigan, New York, and Minnesota, the GRANTMAKERS report reveals critical limitations in the data that the philanthropic sector currently report. And yet each new release of such research represents the slow but steady advance toward a voluntary set of diversity data standards.

Along with similarities shared with other regional scans, the report boasts two distinct firsts: It is the first report of its kind to analyze how the giving of smaller foundations and larger foundations reaches communities of color. It is also the first to study the grantmaking patterns of tribal funders, based on a selected sample.



Marjory Hamann, McKenzie River Gathering; Suk Rhee, Northwest Health Foundation; and Larry McGill, Foundation Center at a presentation of the *Grantmaking to Communities of Color in Oregon* report.

The research project required long hours from the small staff at GRANTMAKERS, but executive director Joyce White believes it was worth it. Their chief worry was that foundations might feel the report was trying to force a new mode of giving on them. GRANTMAKERS was able to avoid that perception by framing the report as primarily an educational tool for funders. "This isn't anything that people should shy away from," says White.

The other good news is that *Grantmaking to Communities of Color in Oregon* is not collecting dust on the shelf. GRANTMAKERS has helped convene a series of conversations with The Coalition of Communities of Color (CCC) in Portland and elsewhere in Oregon about strategic responses to the report. Those discussions helped inform *Philanthropy and Communities of Color in Oregon*, a report released by the CCC in 2012 that outlines its recommendations for more effective grantmaking to communities of color.<sup>19</sup> The result has been stronger ties between grantmakers and grantees. "Prior to this work, the CCC existed without a relationship to the regional foundations," says Joyce White. "But this process has led to a much better relationship."

[www.gosw.org](http://www.gosw.org)  
[www.foundationcenter.org](http://www.foundationcenter.org)



## ★ ACTION 2 ★

## Helping Shape the Sector's Diversity-Related Research Agenda

Recognizing that within the field are researchers and experts who could serve as powerful resources for advancing its research agenda, D5 sent out a call for research proposals in early 2012. D5 has designated funds for research projects that deepen understanding of the role that organizational culture and characteristics play in promoting diversity within philanthropy.

The commissioned research projects will be announced in May 2012, and researchers will be encouraged to share preliminary findings with other researchers at venues like the annual ARNOVA (Association for Research on Nonprofit Organizations and Voluntary Action) conference. Ultimately, the new research will help provide a wider breadth of research and resources to foundations that can inform organizational practices related to diversity, equity, and inclusion.

### Going the Distance with Data: An Association Leader Talks About Diversity Research

*State of the Work 2011 highlighted the Working Towards Diversity series, reports published by the Minnesota Council on Foundations, a D5 partner. The reports are based on benchmark surveys of the association's members every five years and show how longitudinal research can track progress over time. Several months after the publication of Working Towards Diversity IV in April 2011, D5 asked the organization's president, Bill King, and Wendy Wehr, its vice president of communications and information services, to reflect on its ongoing diversity research efforts.*

**Q:** *The introduction to the most recent Working Towards Diversity report stated that a major goal in sharing information is to spark meaningful conversations. How have you fulfilled that goal so far?*

**Bill King:** We've fulfilled it in some ways. The report and the energy around the research created meaningful conversations that were related to the drafting and approving of our next strategic plan for 2012–2014 called *Leadership for the Future*, which focuses heavily on diversity, equity, and inclusion. One of the plan's objectives is, "Promote increased racial and ethnic diversity in philanthropic governance and leadership." So there's more to do as we go forward.

**Wendy Wehr:** It is still a work in progress. In focus groups we found that there was a strong feeling among everyone that we need to talk about this and continue talking about it. And unless we talk about it, we can't make any progress.

We started the conversations when we first presented the research to our membership. During that session, we didn't just have talking heads presenting data; we also broke into small groups, where members really talked about what this means to them and their organizations. And I think some light bulbs came on in particular for some of the attendees, who included several HR people from our larger foundations here in Minnesota.

**Q:** *You also mentioned wanting to facilitate peer learning. Has the report led to new opportunities in that area?*

**Wendy Wehr:** I've found that the process of doing the research has actually led to new opportunities. We've had very rich peer discussions in the focus groups. When people told their stories in our meetings, I could see flickers of recognition among their peers with whom they shared those stories, which led to

them thinking who they want to contact outside of this context.

**Q: Can you talk more about what emerged from focus groups with grantmakers for this report?**

**Wendy Wehr:** There was a lot of consensus that we're not doing enough. We need more, richer conversations in order to make progress. We need more outside expertise to help us advance each initiative. There was a strong feeling of, "We don't have the shared language to be able to effectively address how you define diversity, equity, and inclusion." And if you don't have a shared language, how do you make progress? That's not anything new; we all sort of know that. But it came out again and again in the focus groups. This is the challenge with measuring progress.

**Q: What advice do you have for regional grantmakers that are considering charting their own regions for diversity in philanthropy?**

**Wendy Wehr:** In addressing the research itself, it's important to engage your members through the process of developing, gathering, and interpreting the data. And every minute that you spend developing the research instrument is worth it—whether it's the survey or focus group guide. Because the discussions that inform the development of the tool will really help clarify what information you're attempting to gather and what you might do with that information.

**Bill King:** This is not easy work. It's quite challenging, and it's full of values that come into conflict along the way. My advice is, if you take it on, take it on with eyes wide open and with a commitment that lasts more than a strategic plan and more than a work plan, because you're going to have to do it for the long term if it's going to be meaningful for your community.

Historically, we have found that **JUST ASKING THE QUESTION STARTS THE CONVERSATION.** One of the things that many regional associations and other groups don't recognize is that part of doing the research and doing the programming puts it on the agenda in a way that allows people to talk about it.

The challenge for the regional associations is that we are voluntary associations of grantmakers. We can't necessarily make people act. But we can give them knowledge and information and experiences that help them understand and potentially lead themselves to act in ways that are consistent with their values and the values of their community.

[www.mcf.org](http://www.mcf.org)  
<http://www.mcf.org/research/working-towards-diversity-IV>

## What Are We Learning?

At this stage of D5's effort, we're learning the following about our data collection and research work:

- Despite some gains, the field in general has a long way to go when it comes to prioritizing and tracking diversity data
- Gaining a robust understanding about a foundation's composition, practices, and funding can improve grantmaking strategy and a funder's understanding of their place in the sector
- Philanthropy has the opportunity to be a thought leader in the national conversation about diversity data issues and to contribute research that correlates diversity with organizational effectiveness

## What's Next: Data & Research Agenda

**More Reports** – D5 is planning for the completion of up to four regional demographics reports in 2012.

**New Tracking System** – Following an initial testing phase in which D5 monitors its prototype interface, a full-fledged diversity tracking system should be in place by 2013.

**New Research Approaches** – In May 2012, D5 will announce commissioned research projects that analyze the role that organizational culture plays in promoting diversity within philanthropy. Researchers will be encouraged to share preliminary findings in late 2012 and 2013, and projects should be finished and disseminated to the public in early 2014.



**Paul Bachleitner,**  
Joint Affinity Groups

#### COMMENTARY: VOICES FROM THE FIELD

At the core of the mission statements of the Joint Affinity Groups and each of their member partners is the creation of more equitable funding for diverse communities. Gathering thorough and accurate grantmaking data is, of course, a very pressing concern to us. To make the case for change, we need to reliably measure the funding going to and from our communities.

We've pursued this individually and through partnerships. For instance, Asian Americans/Pacific Islanders in Philanthropy recently released *Missed Opportunities*, a report that provides an intersectional perspective on funding in the Asian LGBTQ community. During the past year, Hispanics in Philanthropy and Native Americans in Philanthropy teamed with Foundation Center to release groundbreaking research on grantmaking in their communities. The other JAG members, the Women's Funding Network, the Association of Black Foundation Executives, and Funders for LGBTQ Issues, have also produced similar research recently.

What this research has in common, in addition to measuring funding, is that it often takes long months or years to complete, and only through collaboration with multiple foundation supporters and sheer willpower does it happen at all. The price tag is high, and the instruments that measure it often do not exist or need to be invented. But what if our commitment weren't so persistent? Would the same level of research get done? And isn't there a way we could get it done more easily?

Imagine if data collection and reporting on diverse communities were institutionalized as a practice as common as writing grant checks or announcement letters. Imagine if the field ensured that this research occurred on a regular basis and relied on not the limited capacity of affinity groups, but rather a consistent and expanding pool of data. Imagine if we could fashion the tools to measure the various reporting concerns particular to our communities, such as giving circle gifts, grants of less than \$10,000, and qualitative data reporting such as storytelling.

If you were to imagine this, you would be sharing a common vision with JAG for more diversity, equity, and inclusion in the field's research. Working together with D5, we hope to achieve it.



**Lawrence T. McGill,**  
The Foundation  
Center

## COMMENTARY: VOICES FROM THE FIELD

### The Future

*This future is possible:*

1. Foundations have access to a database that contains continuously updated data on the characteristics (demographic and otherwise) of the staffs and boards of all staffed U.S. foundations.
2. Foundations have access to knowledge platforms that allow them to view detailed grantmaking data for thousands of U.S. foundations (with minimal or, in some cases, no lag time) and to customize the way that information is organized using interactive maps, charts, tables, and other data visualization tools.
3. Foundations have instantaneous access to detailed demographic information on the populations residing in the areas served by the nonprofit organizations they support.

Let's call these three possible knowledge tools the Foundation Census Database, the Foundation Grantmaking Platform, and the Population Demographics Wizard.

*How do we make this future happen?*

1. To build the Foundation Census Database, the Council on Foundations, regional associations, the Foundation Center and other stakeholders need to work together to streamline the collection of data that is now collected annually through the Council's Salary & Benefits Survey and numerous regional surveys.
2. To build the Foundation Grantmaking Platform, foundations need to take greater advantage of existing mechanisms for submitting their grants information to the Foundation Center (soon there will be at least three different ways to do this), so that the way their grantmaking is presented to the world is not limited to what it looks like on the IRS Form 990 or 990-PF.
3. To build the Population Demographics Wizard, foundations need to ask their grantees to tell them, as specifically as possible, what their geographic service area is (whether it is a neighborhood or the whole world).

The good news is that we are closer to this future than you may realize. Regional initiatives are now under way to build pilot versions of each of these knowledge tools, so they can be tested and then taken to scale.

Effective philanthropy in the 21st century demands that we make decisions based upon a solid base of data. Please visit [d5coalition.org](http://d5coalition.org) to learn more about how D5 is working to make this happen.

## CONCLUSION

In the report's foreword, Kelly Brown underscores the need for action to advance diversity, equity, and inclusion in philanthropy. In the pages that followed, we explore what the field is doing in terms of D5's four big goals: increasing the diversity of philanthropy's leaders, sparking meaningful action by foundations, increasing funding to diverse communities, and improving the field's capacity to collect needed data.

As the D5 Coalition works to achieve substantial inroads by 2015, we will keep asking the question: What are philanthropy leaders doing to improve diversity, equity, and inclusion in philanthropy? And we will keep asking a corresponding question—how are we doing as a coalition to track, support, and broaden that good work? We'll continue to hold ourselves accountable to improve based on the answers.

If you or your organization are new to addressing diversity, equity, and inclusion, we hope that this report has met you where you are, and that you engage with D5 as a partner and resource. If your organization is more familiar with the work, we hope you persist in it and that we can find ways to begin, sustain, or deepen our collaboration.

Check out the D5 website at [www.D5coalition.org](http://www.D5coalition.org) to find news and information about this work. A primary purpose of the website, as with this report, is to share instructive and inspiring stories. We invite you to connect with us and share your stories, as we're always looking for ways to lift up success and learn from setbacks to help the field work toward greater diversity, equity, and inclusion.



## Helpful Resources

The following list provides a sampling of helpful diversity, equity, and inclusion resources related to each of the four big sector goals. It is a work in progress, to which we welcome your contributions. In addition to the list below, you can explore [www.D5coalition.org](http://www.D5coalition.org) for more practical tools.

### Leaders

- *Career Pathways to Philanthropic Leadership: Conversation on Diversity and Inclusive Practices*, Council on Foundations (2010). Available at: <http://www.cof.org/files/Bamboo/programsandservices/diversity/documents/careerpathwaysconvo.pdf>.
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### Action

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- Glasspockets.org, a Foundation Center website focused on transparency in philanthropy. Profiles of foundation transparency practices, including diversity, at <http://glasspockets.org/inside/>.
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- "Race Matters," a toolkit from the Annie E. Casey Foundation. Available at: <http://www.aecf.org/KnowledgeCenter/PublicationsSeries/RaceMatters.aspx>.
- *Review of Michigan Foundations' Organizational Policies for Diversity and Inclusive Practice*, Community Research Institute, Johnson Center for Philanthropy at Grand Valley State University (2010) in collaboration with the Council of Michigan Foundations and Diversity in Philanthropy Project. Available at: [http://www.michiganfoundations.org/s\\_cmf/bin.asp?CID=11362&DID=25968&DOC=FILE.PDF](http://www.michiganfoundations.org/s_cmf/bin.asp?CID=11362&DID=25968&DOC=FILE.PDF).
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## Glossary – Acronyms and Key Terms

**ABFE** – The Association of Black Foundation Executives.

**ARNOVA** – Association for Research on Nonprofit Organizations and Voluntary Action.

**CCC** – The Coalition of Communities of Color (Portland, Oregon).

**COF** – Council on Foundations.

**Diversity** – Being composed of a demographic mix of a specific collection of people, taking into account elements of human difference, but focusing particularly on racial/ethnic groups, LGBT populations, people with disabilities, and women.

**Equity** – The presence of justice, impartiality and fairness within the procedures, processes, and distribution of resources by institutions or systems.

**Intercultural Competency Inventory** – A standardized measurement of the knowledge, skills, and abilities needed to interact across cultural contexts.

**Inclusion** – The degree to which diverse individuals are able to participate fully in the decisionmaking processes of an organization or group. While a truly “inclusive” group is necessarily diverse, a “diverse” group may or may not be “inclusive.”

**JAG** – Joint Affinity Groups.

**LGBT(Q)** – Lesbian, Gay, Bisexual, Transgender, (Queer).

**NAP** – Native Americans in Philanthropy.

**PFF** – Population-focused funds. Funds that are culturally specific and community defined, with resources raised by and for members of that specific community.

**PFF Directory** – A D5 directory that catalogs over 400 population-focused funds throughout the United States, serving African American, Arab American/Middle Eastern, Asian/Pacific Islander, Hispanic/Latino, Native American, women, and LGBTQ communities.

**PNW** – Philanthropy Northwest.

**PPP Project** – The Policies, Practices, Programs (PPP) Project. A D5 field wide scan of diversity-related policies and practices.

**Regional Association Leadership Networks** – Pilot program in which regional associations of grantmakers work to build networks of foundation leaders in their respective regions. The seven participating associations are Associated Grant Makers, Council of Michigan Foundations, Donors Forum (Illinois), Minnesota Council on Foundations, Ohio Grantmakers Forum, Philanthropy New York, and Philanthropy Northwest.

**RPA** – Rockefeller Philanthropy Advisors.

## Endnotes

1. For more perspectives on defining diversity, see *Proceedings from the Researcher/Practitioner Forum on The State of Research on Diversity in Philanthropy*, Association for Research on Nonprofit Organizations and Voluntary Action, Council on Foundations, and Foundation Center, 2007.
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6. American FactFinder, U.S. Census Bureau. "P12. Sex by Age – Universe: Total population," Census 2000 Summary File (STF 1), [factfinder.census.gov](http://factfinder.census.gov), accessed on December 13, 2010.
7. 2009 American Community Survey 1-Year Estimates, U.S. Census Bureau. "S1810. Disability Characteristics," American Community Survey, [census.gov](http://census.gov), accessed on December 13, 2010.
8. One definition offered by the Council of Michigan Foundations of *intercultural competency* is the "knowledge, skills and abilities needed to interact across cultural contexts."
9. Studies include: *Beyond Compliance: The Trustee Viewpoint on Effective Foundation Governance*, Center for Effective Philanthropy, 2005; and *Michigan Organized Philanthropy Demographic Survey*, Community Research Institute, Johnson Center, Grand Valley State University, 2008.
10. Based on a scan of lists provided by the six JAG members. There may be some overlap between lists. Joint Affinity Groups, 2010.
11. Foundation Center, 2011. Based on an average of all grants of \$10,000 or more awarded between 2008-2010 by a sample of more than 1,000 larger foundations, representing approximately half of total giving by all U.S. foundations. Figures represent only grants awarded to recipient organizations that could be identified as serving specific populations or grants whose descriptions explicitly designated a benefit for a specific population. These figures do not reflect all giving benefiting these groups. In addition, grants may benefit multiple population groups, and would therefore be counted more than once.
12. Based on a field scan conducted by Foundation Center and Rockefeller Philanthropy Advisors, 2011.
13. The directory represents funds throughout the U.S., serving African American, Arab American/Middle Eastern, Asian/Pacific Islander, Hispanic/Latino, Native American, women, and LGBTQ communities.
14. Different forms that PFFs take include tribal funds, funds affiliated with Greek Letter organizations, mutual aid associations, and giving circles.
15. *Foundation Funding for Native American Issues and People*, Foundation Center, 2011.
16. In a 2009 sample of funding to Indian communities, just 6.4 percent of grant dollars and 9.6 percent of grants were awarded to entities affiliated with tribal governments. *Foundation Funding for Native American Issues and People*, 2011.
17. *Foundation Funding for Native American Issues and People*, Foundation Center, 2011; *Foundation Funding for Hispanics/Latinos in the United States and for Latin American*, Foundation Center, 2011.
18. See Helpful Resources for information on past studies.
19. *Philanthropy and Communities of Color in Oregon: From Strategic Investments to Assessable Impacts Amidst Growing Racial and Ethnic Diversity*, Coalition of Communities of Color, 2012.



*D5 Leadership Team*

Paul Bachleitner, Joint Affinity Groups  
Renée B. Branch, Council on Foundations  
Roger Doughty, Horizons Foundation  
Carly Hare, Native Americans in Philanthropy  
Mae Hong, Rockefeller Philanthropy Advisors  
Lawrence McGill, Foundation Center  
Jeff Poulos, Associated Grant Makers  
Vicki Rosenberg, Council of Michigan Foundations  
Sylvia Zaldivar Sykes, Lake County Community Foundation

*D5 Coalition*

Asian Americans/Pacific Islanders in Philanthropy  
Associated Grant Makers  
Association of Black Foundation Executives  
Council of Michigan Foundations  
Council on Foundations  
Donors Forum  
Foundation Center  
Fundors for LGBTQ Issues  
Hispanics in Philanthropy  
Horizons Foundation  
Minnesota Council on Foundations  
Native Americans in Philanthropy  
Ohio Grantmakers Forum  
Philanthropy New York  
Philanthropy Northwest  
Rockefeller Philanthropy Advisors  
Women's Funding Network

*State of the Work Committee*

Paul Bachleitner (Chair),  
Director, Joint Affinity Groups  
  
Renee Branch,  
Vice President, Diversity and Inclusive Practices,  
Council on Foundations  
  
Dr. Barbara Ceptus,  
ACLS Public Fellowship Program,  
Council on Foundations  
  
Yves Etheart,  
Manager, Member Services,  
Philanthropy New York  
  
Larry McGill,  
Vice President for Research,  
Foundation Center  
  
Seema Shah,  
Director of Research for Special Projects,  
Foundation Center  
  
Yohantus Elaine Stephens,  
Director of Development and Communications,  
Native Americans in Philanthropy  
  
Karen Zelermyer,  
Executive Director, Funders for LGBTQ Issues

*Writer*

Brian Baughan, Frontline Solutions

*Editors*

Hattaway Communications  
Sedway Associates

*Designer*

Karen Gibson

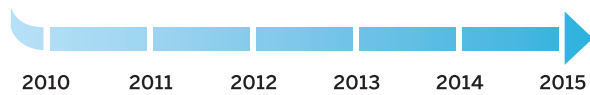
“ In order to achieve real effectiveness in a rapidly changing world, we need philanthropy to look more like America, so we can better respond to America's issues. The results of greater movement in this direction will be more diverse philanthropy, better philanthropy, a better world.”

—Robert K. Ross, MD, President & CEO,  
The California Endowment

## TARGETING BIG CHANGES

Our vision is that by 2015:

- 1. Leaders:** New foundation CEO, staff, and trustee appointments more closely reflect U.S. demographic trends.
- 2. Action:** More foundations take meaningful action to address diversity, equity, and inclusion issues in their organizations.
- 3. Funding:** Annual funding for diverse communities increases substantially.
- 4. Data:** Philanthropy has the research capacity to be more transparent about progress on diversity, equity, and inclusion.



**D5 Coalition**  
980 N. Michigan Ave.  
Suite 1120  
Chicago, IL 60611  
312-324-0744  
[www.D5coalition.org](http://www.D5coalition.org)