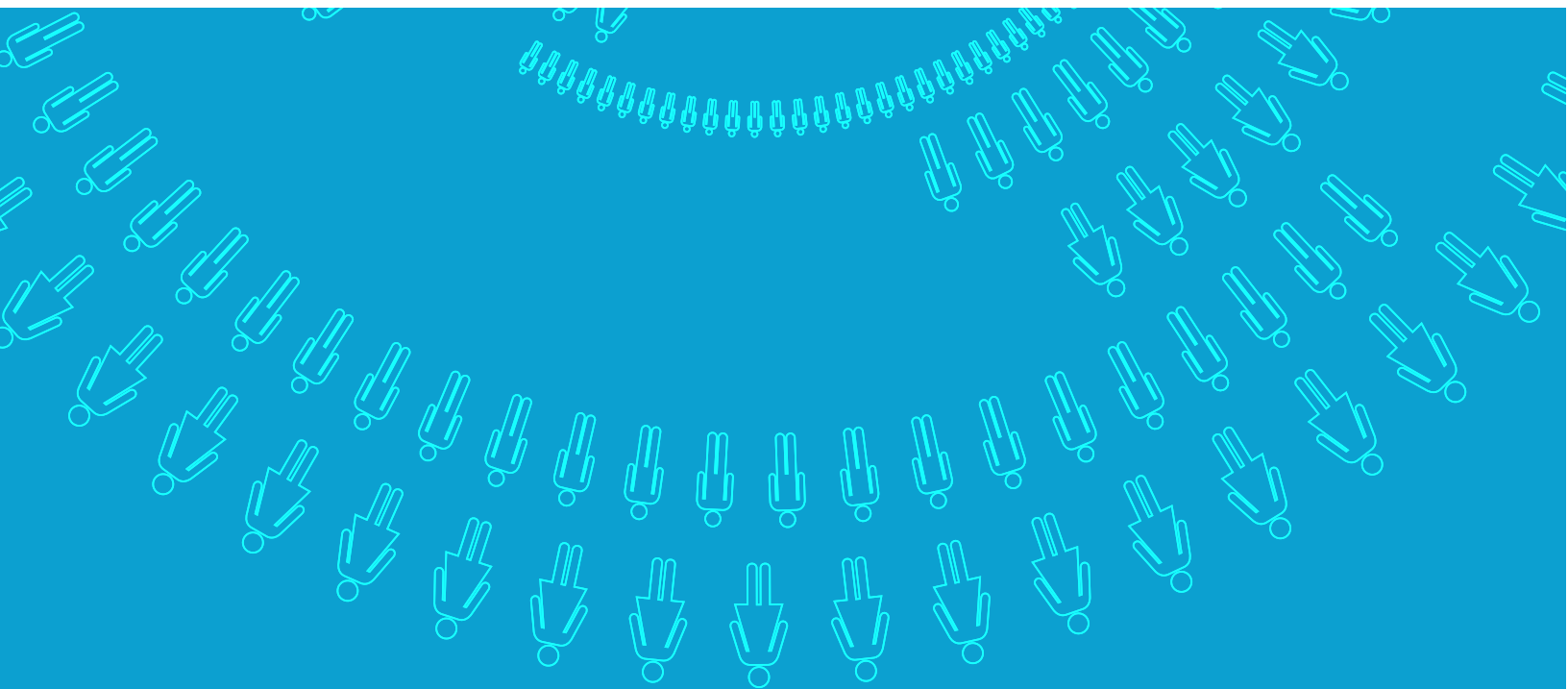


STATE OF THE WORK 2013

EXECUTIVE SUMMARY

**Inspiration & Ideas for Advancing Diversity,
Equity, & Inclusion in Philanthropy**



FROM COALITION TO MOVEMENT



D5—a five-year effort to grow diversity, equity, and inclusion (DEI) in philanthropy—stands at an important crossroads. We are now halfway through our time horizon. We've made good progress, but much work remains.

This year's *State of the Work* shows where the field now stands, what we're doing to move the ball forward, and the lessons we've learned along the way. This executive summary provides some of the highlights.

Putting aside what the data show on where the field stands and the laundry list of activities those committed to DEI have undertaken to make progress, I think our greatest achievement in the past two and a half years has been transitioning from a coalition to a nascent movement, and from conversation to action.

This is a movement because we are continually widening our group of stakeholders, recognizing that this is the best avenue toward meaningful impact. It is a movement because it allows for a range of partners, wherever they are in this conversation, to join this effort and build momentum toward a tipping point of change. It is a movement because while we are flexible with our strategies, we are clear on the outcome, which is a field that has the capacity to unleash the power of diverse people, ideas, and approaches to make the world one we want to leave for our children.

Movement building is hard work, but it is vital and together we are making progress. Our collective action presents an exciting opportunity for all foundations to better advance the common good.

In the coming years—with your help—we will increase the diversity of foundation boards and staff, increase funding to diverse communities, develop a standardized data collection system on diversity, and inspire philanthropic leaders to act.

We hope you will join us in this movement to strengthen philanthropy.

Kelly Brown
D5 Director

THE FACE OF AMERICA IS CHANGING.



NONWHITES
WILL CONSTITUTE
A MAJORITY OF
CHILDREN IN THE
U.S. BY 2015.



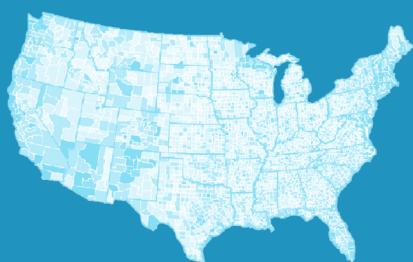
Between 2000 and 2010 the population of the **American South** grew by **14%**. The **Latino** population in the South grew by **57%**.



ONE IN FIVE AMERICANS HAVE A DISABILITY, and most Americans will experience a disability at some point in their lives.



IN CALIFORNIA, **LATINOS** WILL **OUTNUMBER** WHITE PEOPLE BY THE END OF THIS YEAR.



SAME-SEX
COUPLES LIVE
IN 93% OF
THE COUNTIES
IN THE U.S.



57%
OF **COLLEGE**
GRADUATES ARE
WOMEN.

IS PHILANTHROPY STAYING AHEAD?



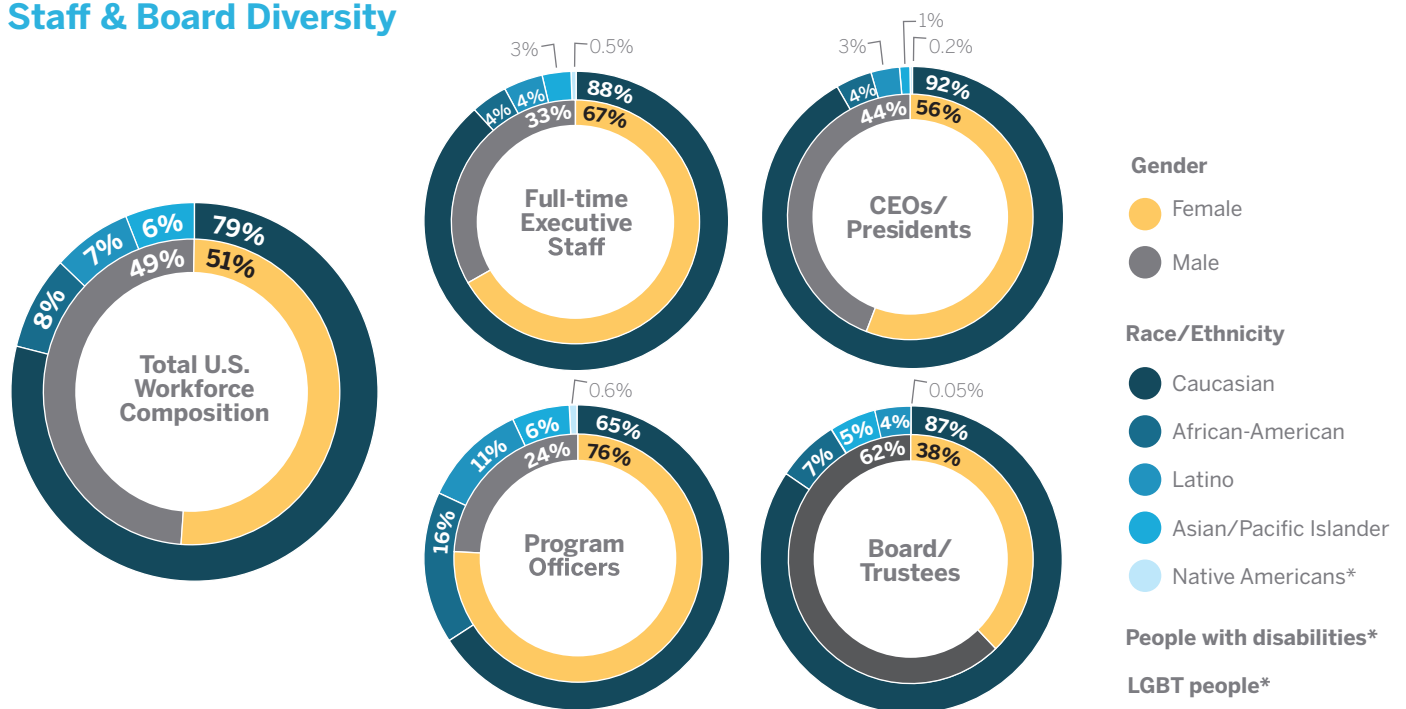
Philanthropy lacks the data collection mechanisms to accurately answer this question. Despite the mountains of data that foundations do collect, as a field philanthropy still cannot speak reliably about its impact on an increasingly diverse and complex world.

WHERE WE STAND WHAT CURRENT DATA SAY ABOUT DIVERSITY, EQUITY, AND INCLUSION IN PHILANTHROPY

If the currently available data presented below are accurate, then philanthropy is not keeping up with the changing face of America. Unfortunately, we can't tell definitively if philanthropy is ahead or behind. Not all foundations report on the demographic makeup of their organizations and their grantmaking. We are working on improving the data collection mechanism that currently exists and are optimistic that this system can be streamlined and made more accurate and efficient. But we will only really be able to answer these questions if more foundations are transparent with the data already at their fingertips and engage with their peers to design systems that accommodate the diverse approaches of our field and accurately reflect the true nature of our investments.

Note that the currently available data—presented below—have several limitations: 1) the relatively small number of foundations that share demographic information about their boards, staff, and grantees represent only a slice of philanthropy and are not reflective of the sector as a whole; 2) only funding specifically identified as benefiting a given community is counted toward funding for that community.

Staff & Board Diversity



*In some instances, data are not available on Native Americans, people with disabilities or LGBT individuals. LGBT individuals make up 2% of foundation boards/trustees and people with disabilities make up 1% of foundation boards/trustees.

Sources: Total workforce composition based on Bureau of Labor Statistics data. Executive staff, program officer, and CEO diversity: Council on Foundations, based on a 2012 Salary and Benefits survey of 857 foundations. Board diversity: Council on Foundations, based on a 2010 Management Survey of 518 foundations. Percentages may not add up to 100% due to rounding and missing data.

Funding Diverse Populations

Ethnic or Racial Minorities	\$1,878,758,437	11.1%
Women & Girls	\$718,965,711	4.4%
People with Disabilities	\$520,779,425	3.2%
LGBT	\$47,163,582	0.3%

Source: Foundation Center, 2013. Based on an average of all grants of \$10,000 or more awarded between 2009-2011 by a sample of more than 1,000 larger foundations (by total giving), representing approximately half of total giving by all U.S. foundations.

Funding Ethnic or Racial Minorities

General (Unspecified)	\$1,141,679,455	6.7%
African-Americans & Blacks	\$329,677,681	2.0%
Hispanics & Latinos	\$254,831,417	1.5%
Native Americans	\$76,876,658	0.5%
Asians & Pacific Islanders	\$61,410,111	0.4%
Other Minorities	\$9,784,318	0.1%

LEARNING PROFILES

To provide you with inspiration and ideas for advancing key goals related to diversity, equity, and inclusion—leaders, action, funding, and data—for this year's *State of the Work* we interviewed leaders who represent four foundations about what they've learned in these areas. Here are brief summaries of the institutions highlighted. Check out the full report at D5coalition.org to see the complete profiles, as well as critiques from thought leaders in each area.

Diverse Leaders



The American Express Foundation

Developing Diverse Talent for Nonprofits

The American Express Foundation has led the way in developing diverse talent for nonprofits. Its

Leadership Academy has trained more than 1,000 diverse leaders on the personal, business, and leadership skills needed to run a successful nonprofit.

Programs like these have significantly grown the pipeline of diverse talent, but to ensure these investments are fully realized, the sector now must: Help search firms widen their nets; ensure trustee and staff selection practices advance diversity; and build organizations that successfully incorporate the diverse talent, perspectives, and networks that new leaders bring and that our changing world demands.

Funding Diverse Communities



Access Strategies Fund

Increasing Civic Participation of Diverse Communities

Ensuring equity in government representation is mission-central to Access Strategies Fund. During the 2012 redistricting process

in Massachusetts, the Fund provided nonpartisan funding and technical assistance to organizations that support the civic participation of under-represented communities. The results the Fund and its partners achieved speak for themselves: The number of minority-majority districts in the State Legislature more than doubled.

It's important to recognize that targeting investments to specific populations is a means to an end: Making resources available to achieve an outcome. The field—as Access Strategies Fund did—needs to complement funding questions with “results” questions: Are the funds building sustainable organizations led by the target population? Are the resources helping to close gaps? Does equity result?

Voluntary Action



The Baltimore Community Foundation

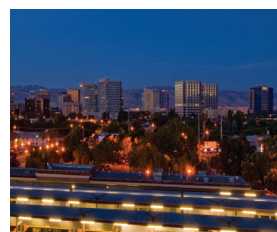
Making DEI Business as Usual

The Baltimore Community Foundation (BCF) has long been committed to DEI, but it recently upped the ante by more deeply embedding DEI principles into

its internal operations and grantmaking initiatives. The board and staff spent time establishing a common understanding of the issues they would address, and in what order. They decided to tackle racial equity first, which brought clarity of focus while making clear it would be the first step that would inform a broader effort.

Similar to BCF, other foundations can maximize the benefit of DEI policies by taking an across-the-board look at the interplay of operational and programmatic issues. But to achieve success, it's critical that staff, board, and even grantees begin with a shared understanding of what DEI entails, and agree to a focus area, so that they are working in concert toward shared aspirations.

Data Collection



Silicon Valley Community Foundation

Using Data to Drive Equity and Forge a Closer Connection to the Community

The Silicon Valley Community Foundation (SVCF) publishes

data on its website about the gender and racial/ethnic diversity of its staff and leadership, and lists the grants it provides to organizations serving diverse populations. These data have helped the foundation monitor the outcomes of its hiring practices, inform its grantmaking, and even provide insights on the community that the foundation can use to inform policy change.

SVCF is an impressive example of a foundation using data to drive equity. But unfortunately, many foundations don't collect these data—and many who do don't share the results with the field. If foundations are to challenge themselves to do better or learn from each other, it's essential to establish a field-wide data collection system. (D5 is piloting an effort to take on this challenge. Visit D5coalition.org to find out more.)

D5 ACTION IN 2012

In 2012, D5 continued to make progress toward our four big goals for the sector. Here are a few highlights from 2012.

Leaders: Forging Partnerships Around the Country

D5 conducted presentations, panel discussions, and convenings around the country to engage philanthropic leaders in thoughtful discussion about the “hows” and “whys” of DEI, as well as the lessons learned. These included events hosted by Northern California Grantmakers, Funders’ Network Board, Donors Forum, Association of Black Foundation Executives, Associated Grant Makers, and multiple conferences hosted by COF. Blog posts, articles and op-eds designed to raise the visibility of DEI appeared in the Chronicle of Philanthropy, Philanthropy Northwest blog, the Foundation Center’s Transparency Talk, and the Stanford Social Innovation Review.

Action: Equipping the Field with Best Practices & Messages

To help foundation leaders identify the most effective policies and practices to implement, D5 commissioned an analysis of existing policies, practices, and tools related DEI in the fields of philanthropy, organizational effectiveness, and social justice. With the assistance of a national communications firm, D5 conducted message and communications research to inform the development of a Message Manual field leaders can use to help deliver a consistent a message designed to inspire foundation leaders to take action.

Funding: Raising the Visibility of Diverse Donors & Population-Focused Funds

To develop the capacity of and draw attention to population-focused funds (PFFs), D5 supported the fundraising capacity of 10 PFFs, launched a major business model analysis to help population-focused funds clarify their value and maximize their impact, and added an interactive map interface to our online PFF directory. To raise the visibility of diverse donors, we co-hosted a diverse donor convening in Chicago, conducted a session at the 2012 COF Annual Conference, and screened the D5/RPA-produced “I Am a Philanthropist” video at multiple events.

Data: Building a Field-Wide Diversity Agenda & Data Collection System

Working closely with the Foundation Center and regional associations, we continue to support ongoing efforts to standardize data collection on diversity-related issues. Marga, Inc. is working to analyze existing constituency data collection practices, tools, and protocols. Three Insights on Diversity research projects were commissioned to explore a range of important topics including philanthropic career paths of people of color, how foundations in the Northwest are adapting to changing demographics, and how foundation-grantee interactions can provide opportunities to increase diversity.

LOOKING AHEAD: D5'S ACTIONS IN 2013

Take 5 Campaign

In 2013, we'll be launching a major effort to encourage hundreds of foundation leaders to take action in support of diversity, equity, and inclusion in their own foundations.

Here's how the campaign will work. We'll recruit dozens of champions who agree to participate. Each champion will identify five foundation colleagues and ask them to take the next step to advance DEI that's right for their organization. Champions will provide D5 with a list of whom they've contacted, and we'll then act as a helpful guide and connect leaders to the tools and resources they need to succeed.

We're putting the finishing touches on the campaign plan and will formally launch it this fall. You can expect to hear from us with more details soon. We'd like nothing more than for you to participate!

A Regional Lens

D5 recognizes that much of the hard work to advance DEI happens through local and regional networks that reflect the broad range of philanthropic cultures. For this reason, we will approach our work from a regional perspective as we mobilize resources to engage new partners to advance DEI in philanthropy. By building capacity in targeted regions, D5 will leave behind a network of relationships, resources, skills, and practices to support diverse, equitable, and inclusive philanthropy for years to come.

To each targeted region D5 will bring research and lessons learned to form the basis for regionally tailored programming. D5 will support local affinity groups, regional associations, population-focused funds, and other infrastructure groups as they build stronger networks and capacity. And not least, D5 will connect regions to the national DEI movement and leadership and all of the resources they bring to bear.

Look for targeted D5 action in two regions during 2013.

Strengthening Population-Focused Funds & Drawing Attention to Diverse Donors

To increase resources invested in diverse communities, D5 is working to fill gaps in our understanding of diverse donors as well as analyzing the role of population-focused funds as vehicles for directing resources to underserved communities. We're also raising the visibility of diverse philanthropists by expanding our video series, "We Are Philanthropy," which captures the stories of diverse donors across the country. This new body of research, combined with efforts to draw greater attention to diverse philanthropists and the communities they represent, will expand our understanding of the diverse universe that is philanthropy in the 21st Century.

Actionable Research

In 2013, D5 will continue to execute its research agenda that calls for:

- Dissemination and engagement of the results from the three Insights on Diversity research projects.
- Pilot of the internal diversity data tracking system in additional regions and integration of lessons from pilots into a final tool.
- Additional studies that explore the relationships between diversity and effectiveness.

ACTIONS YOU CAN TAKE

Want to help advance DEI within your organization or within the field? Here are action steps you can take, wherever your organization currently stands.

Learn ways to advance diversity, equity, and inclusion.

- Visit D5coalition.org to access a wide range of resources.
- Talk to others working on these issues—from Joint Affinity Groups to regional associations to infrastructure groups to foundation leaders.
- Participate in a training offered by a D5 Partner or other DEI resource.

Commit to taking the next step that's right for your organization.

- Conduct a DEI organizational audit and set goals based on the results.
- Make your commitment to DEI explicit in your communications.
- Participate in efforts to strengthen your data collection systems so that you are clear on the communities your investments are impacting.

Engage your trustees, grantees, vendors, or colleagues in the conversation.

- Start—or elevate—discussion of this issue at your next board meeting.
- Join the Take 5 campaign and recruit others to join the effort.
- Conduct a cultural competency training for your board, staff, and external stakeholders.
- Talk to your search firm and make DEI an explicit criterion for your next hire.

Share stories of your successes and challenges to inspire others.

- Write a guest post for the D5 blog that talks about the impact of investing in diversity, equity, and inclusion.
- Participate in and promote more systematic DEI data collection.
- Tell us about a story idea and we'll have our communications team pitch it to the media.

Help D5 help the field.

- Link to D5 from your website.
- Make a grant to support the work of a partner organization that is moving this work forward.
- Attend annual events at national conferences when D5 showcases its work and the work of philanthropic leaders who are implementing these values within their institutions.