

STATE of the WORK

2011

**Mapping the Landscape and D5's Path Forward
on Diversity, Equity, and Inclusion in Philanthropy**

First in an Annual Series

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About D5

D5 is a five-year coalition to grow philanthropy's diversity, equity, and inclusion. The coalition includes 18 philanthropy organizations—and counting—with connections to thousands of grantmakers. (See inside back 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.

The world is changing, and foundations—just like nonprofits and governments and companies—must change with it. The D5 coalition, a growing collection of organizational assets, professional talent, and collective will, was created to help.

Assembling What We Know (and Don't Know) about Diversity, Equity and Inclusion in Philanthropy

Over the last few years, a growing number of philanthropy leaders have been taking a hard look at how well foundations reflect and respond to the nation's growing diversity and need for greater equity and inclusion. Indeed, some hard looks have come from outside the sector as well. In response, a group of foundation and philanthropy organization leaders formed the D5 coalition to make sure these issues stay front and center in the philanthropic sector.

The D5 coalition is working to help philanthropy achieve four big sector changes 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.

These four goals can best be understood as pieces of an interconnected puzzle. More diverse and inclusive leaders are necessary to create the conditions that will allow foundations to take meaningful action, which in turn will lead to increased and more effective funding for diverse communities. And these efforts require more complete, robust, and accessible data on all aspects of diversity, equity, and inclusion.

In implementing this ambitious plan, we realize we must work step-by-step. Real change happens through careful attention to conditions on the ground. What does philanthropy's landscape look like now in these areas of work? Where are the opportunities? Where are the obstacles? And how should it shape D5's path forward?

State of the Work 2011 attempts to answer these questions. It reflects research and analysis by participants in the D5 coalition as well as other sources. It includes information about board and staff composition; the existence and type of diversity and inclusion policies and practices; educational programs and tools; grant sizes and recipients; research efforts; and success stories.

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/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.¹

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.²

Inclusion

Refers to the degree to which diverse individuals are able to participate fully in the decision-making processes with an organization or group. While a truly “inclusive” group is necessarily diverse, a “diverse” group may or may not be “inclusive.”³

An annual series, the report’s primary purpose is to help guide the coalition’s work, inform our strategies, and measure our own progress and contributions over the next five years. But we also think it begins to illuminate where U.S. philanthropy as a whole is on a number of fronts related to diversity, equity and inclusion. We hope these snapshots will be useful to the array of leaders inside and outside the sector working on these issues.

In the pages that follow, we focus on what we know and don’t know, case studies, and examples of D5 actions related to each of the four goals: diverse leaders, foundation action, funding diverse communities, data and research. Future editions of the State of the Work series may track progress in all those areas, dig deep on one or two, or explore new dimensions of diversity, equity, and inclusion work—depending on what’s most promising and pressing as we go.

During the rest of 2011, D5 will create benchmarks to measure our progress on the goals. These benchmarks will be based in part on the data and strategies described in this report, along with new data and strategies that emerge over the course of the coalition’s continued engagement with foundation practitioners through conference sessions, formal convenings, informal conversations, and the D5 website.

State of the Work 2011 confirmed our hypothesis that we have a ways to go before the puzzle is complete. Our review found that...

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.

2. National Academy of Program Administrators, freedictionary.com.

3. *Benchmarking Diversity: A First Look at New York City Foundations and Nonprofits*, Foundation Center, 2009.

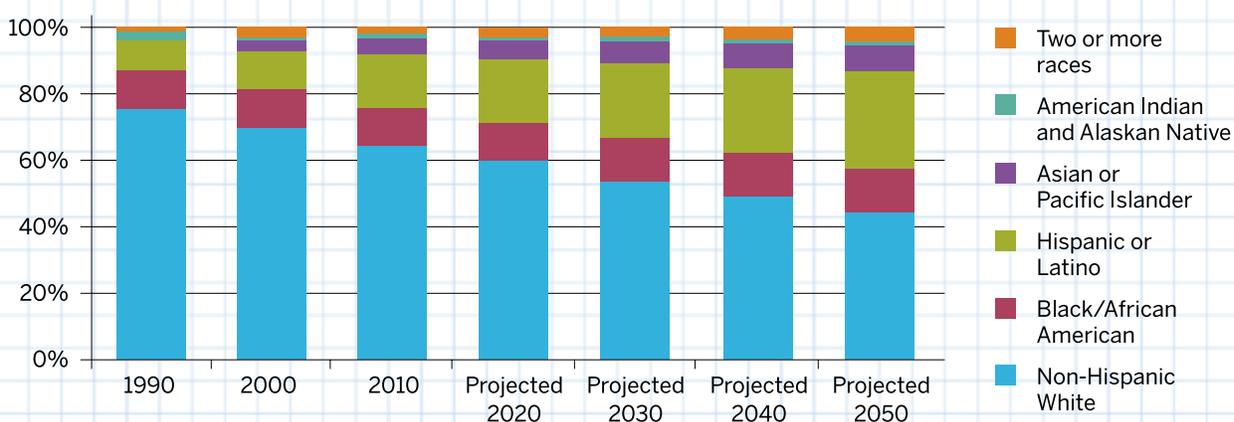
- The demographics of foundation leadership—executives and trustees—don't reflect the nation's overall diversity, nor that of its workforce.
- Fewer than a third of foundations have diversity policies and practices in place.
- While available data don't paint a full picture of funding to diverse communities, the data we do have suggest that they 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.

The *State of the Work* series is designed to shape D5's work in light of these sorts of conditions on the ground, providing reports on our progress and reflections as we go, and serving as the basis for a wider conversation about making U.S. philanthropy more diverse, equitable and inclusive. **We invite you to join the work.**

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 comprise 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.⁴
- Although exact figures are not available, the LGBT community makes up about 5–10% of the population.⁵
- Women make up 51% of the population, while men make up 49%. This ratio is expected to remain stable in the coming years.⁶
- Approximately 12% of Americans are people with disabilities.⁷

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.

4. Population Projections, U.S. Census Bureau. "Table 1a. Projected Population of the United States, by Race and Hispanic Origin: 2000 to 2050," Population Projections, census.gov, accessed on December 13, 2010.

5. *How Big is the LGBT Community? Why Can't I Find This Number?*, National Gay and Lesbian Task Force, 2010.

6. American FactFinder, U.S. Census Bureau. "P12. Sex by Age – Universe: Total population," Census 2000 Summary File (STF 1), 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, accessed on December 13, 2010.

Diverse Leaders

D5's Goal

By 2015, new foundation CEO, staff, and trustee appointments more closely reflect U.S. demographic trends.

Main Findings

Foundation Leaders Don't Reflect the Nation's Diversity

Philanthropy's leadership is critical to progress on diversity, yet foundation CEOs and boards do not reflect the diversity of the nation's management and professional workforce nor its overall population. The process of building more diverse, inclusive foundations begins at the top. Research shows that organizations with more diverse leadership are better positioned to achieve both internal effectiveness and external impact.⁸ While data show that foundation program officers are more diverse than ever, these trends are not reflected in CEO, executive staff, and board leadership.

- **Race and Ethnicity**

People of color comprise 34 percent of program officers at foundations, 21% of the U.S. management/professional workforce, but only between 8–14% of CEO and board leadership.

- **Gender**

Women make up 73 percent of program officers, and 56% of CEOs and executive staff. But they're underrepresented in the board room, constituting only 38% of trustees.

- **Lesbian, Gay, Bisexual, Transgendered (LGBT)**

The National Gay and Lesbian Task Force estimates that the LGBT community represents approximately 5–10 percent of the U.S. population. Based on survey findings, the LGBT community only represents 2% of foundation board members.

- **People with disabilities**

According to 2009 estimates by the U.S. Census Bureau, 12 percent of the population is disabled, yet approximately 1% of foundation board and trustee members are people with disabilities.

8. *Managing Diversity in Corporate America: An Exploratory Analysis*, RAND Corporation, 2008.

Foundation Diversity

	CEOs/ Presidents ¹	Full-time Executive Staff ¹	Board/ Trustees ²	Program Officers ¹	Total U.S. Management/ Professional Workforce Composition ³
Race/Ethnicity					
Caucasian	91%	87%	87%	65%	79%
African American	3	4	7	17	8
Latino	3	3	4	10	7
Asian/Pacific Islanders	1	4	5	6	6
American Indian	0.5	1	0.5	1	N/A
Gender					
Female	56	63	38	73	52
Male	44	37	62	27	48
LGBT	N/A	N/A	2	N/A	N/A
People with Disabilities	N/A	N/A	1	N/A	N/A

Note: Percentages may not total 100% due to rounding and missing data.

Source: 1 Based on a sample of 688 private, community, corporate, and public foundations. Preliminary data from *Grantmakers Salary and Benefits Survey*, Council on Foundations, 2010; 2 Based on a sample of 518 independent, family, community, and public foundations. *COF Management Survey*, Council on Foundations, 2010; 3 Bureau of Labor Statistics, 2010.

Stories

Diversifying a Foundation's Trustees

For Sherry Magill, president of the Jessie Ball duPont Fund, and her trustees it wasn't hard to realize they needed a board that better reflected the diversity of the region in which they do most of their grantmaking. "It's obvious," Magill says. "We had an all-white board and we operate mostly in the South."

Diversifying the trustees was easier said than done. The Jessie Ball duPont Fund faced a number of constraints, beginning with the leadership structure designated by Mrs. duPont's will. It only provides for four trustees (two of which are appointed externally), and when Magill raised the issue in 2000, only one of those trustees was scheduled to retire off the board in the next five years. "More than one of us asked the question," Magill says, "would it be possible for us to ask the court to expand the number of trustees?"

The board knew that asking the courts to reinterpret Mrs. duPont's will could bring resistance from stakeholders and onlookers alike. Magill wrote each of the duPont Fund's 330 grantee organizations to explain the approach and wrote living members of Mrs. duPont's family to get their support.

The Fourth Circuit Court of Florida granted the request, and the Jessie Ball duPont Fund launched a year-long search that ended in selecting four new trustees, including two African Americans. "I would encourage my colleagues, if they operate under a will, to go back to that source and see what the writer really wanted," Magill says. "We are better as a result."



For the full story, please go to D5's website, www.D5coalition.org.

Creating Pathways for Diverse Philanthropy Professionals

In October 2009, the Council on Foundations (COF) held a convening to discuss diversity and inclusion in senior executive philanthropic leadership positions. To do this, they invited what had been an untapped group: search firm representatives and human relations officers, the people directly involved in hiring and retaining leaders.

“To the best of our knowledge, this was the first time in recent memory where decision makers such as executive recruiters, trustees, CEOs, and other senior executives—what we refer to as the ‘demand side’ of the hiring and appointment process—were convened simultaneously for this kind of discussion,” says Renee B. Branch, COF’s Assistant Vice President of Diversity and Inclusive Practices.

Participants in the convening identified two key steps: (1) connect search firms that know diverse candidates with foundations seeking executives from diverse backgrounds; (2) introduce the “Next Gen” to careers in philanthropy and mentor them early in those careers.

These steps formed the basis for COF’s Career Pathways Pipeline Expansion Program. Launched in July 2010, Career Pathways is a leadership preparation program for mid-career philanthropy professionals of diverse backgrounds interested in higher-level positions. Participants attend small-group learning sessions facilitated by both philanthropic leaders and executive search consultants and receive one-on-one coaching and career planning. The second Career Pathways cohort is currently in formation.

While the Career Pathways continues on its trajectory, COF is also exploring producing a toolkit of case studies and best practices for hiring and retaining leaders from diverse backgrounds.

Ultimately, says Branch, “our aspiration is that talent pools become more inclusive and more senior leaders from diverse backgrounds are prepared and considered for executive positions.”



For the full story, please go to D5’s website, www.D5coalition.org.

D5’s Actions

We invite you to join D5’s work to encourage more diverse and inclusive leadership and help us establish meaningful benchmarks to measure the work’s progress. For more information, please go to D5’s website at www.D5coalition.org.

➔ **Establishing Foundation Leader Action Networks**

D5 is establishing a national network of foundation CEOs, executives, and board trustees that will coordinate action on a regional level to build a stronger pipeline between diverse communities and leadership opportunities. Regional convenings will allow leaders to share knowledge about their diversity, equity, and inclusion work.

➔ **Developing Diverse and Inclusive CEO and Executive Hiring Policies**

In late 2011, D5 will conduct a review of promising policies and practices related to hiring, establish core competencies, and endorse resources that meet these competencies. For foundations embarking upon diversity initiatives, these can serve as a critical resource.

Foundation Action

D5's Goal

By 2015, more foundations take meaningful action to address diversity, equity, and inclusion issues in their organizations.

Main Findings

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

Studies from several leading philanthropic research institutions indicate that foundations with organizational policies and practices related to diversity, equity, and inclusion are more likely to have diverse staff and grantees.⁹ Access to high-quality policy materials, sample documents, and training programs can help foundation executives and trustees address diversity, equity, and inclusion with greater intentionality. Taking “meaningful action” can encompass a whole range of activities, from implementing formal policies on inclusion to staff education and training.

Recent research has found that only a small portion of foundations have such policies and practices. Those that are in place tend to be inconsistent and provide few details about operations outside of board and staff makeup. At the same time, infrastructure organizations offer an increasing number of educational opportunities about diversity, equity, and inclusion, indicating growing interest in improving practice.

- **Fewer than one third of foundations have policies and practices related to diversity**

Between 21-29 percent of foundations have written policies on board diversity.¹⁰ Twelve percent have policies about staff diversity, and only 8% have policies about executive staff diversity.¹¹

- **Few foundations' missions or grantmaking guidelines specify diverse populations**

Ten percent specify women and girls in their grantmaking guidelines or mission statements, 9% specify people with disabilities, 7% specify racial and ethnic minorities, and just 3% specify sexual orientation.¹²

- **Foundations are not generally transparent about policies and practices**

Only 16 of the top 100 foundations by asset size post policies about staff diversity on their website. Just four foundations reported the composition of their staff and board on their websites, while two of these four also reported data on minority-led grantees.

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. Survey of 1,280 independent and operating grantmaking foundations nationally. Foundation Center, 2008. Combined with data from *COF Management Survey*, Council on Foundations, 2010.

11. Foundation Center, 2008

12. Foundation Center, 2008

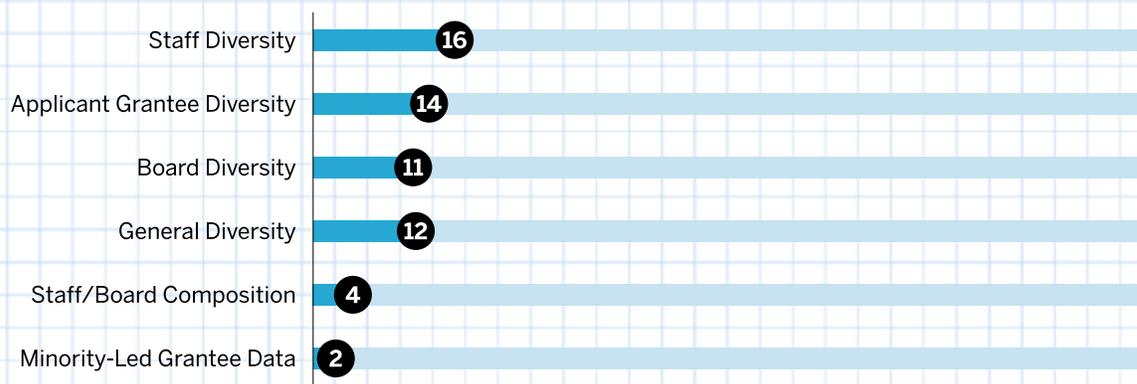
- **Diversity-related policies and practices vary widely on the regional level**

As many as 24 of the 34 regional associations of grantmakers list racial/ethnic diversity as a nominating characteristic for their own board members. However, only about a quarter have a formal diversity/inclusion policy for board or staff selection.¹³

- **Little data exist about policies and practices that address diverse and inclusive operations**

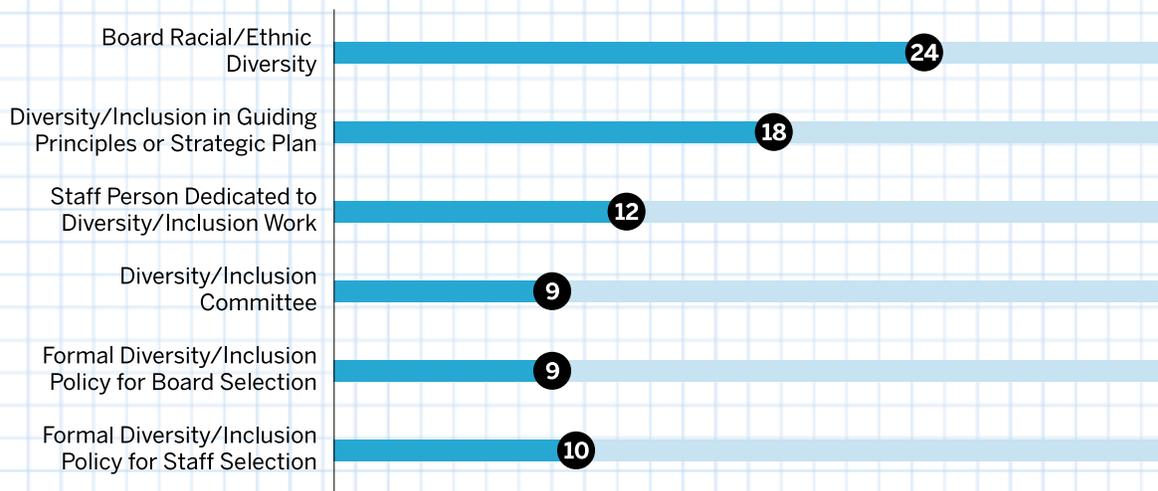
When it comes to investment, vendor contracting, staff training, and organizational culture, our research was unable to uncover much in the way of formal policies or best practices.

Number of Top 100 Foundations by Asset Size that Post Diversity-related Policies and Practices on their Website



Source: Based on website scan of the top 100 foundations by asset size. Foundation Center, 2010.

Diversity-related Policies and Practices Among the 34 Regional Associations of Grantmakers



Source: Based on a survey of the 34 regional associations of grantmakers. "Regional Associations of Grantmakers Characteristics Survey," Forum of Regional Associations of Grantmakers, 2010.

13. Forum of Regional Associations of Grantmakers, 2010. See Appendix B: Formal Studies of Foundation Policies and Practices for additional information.

Infrastructure Organizations Offer A Variety of Educational Resources

As a first step in assessing the educational resources on diversity, equity, and inclusion in the field, we focused on the activities of the D5 coalition's partner organizations.¹⁴ The news is good—they provide a variety of programs, trainings, and tools.

- **Approximately 337 organizations from across philanthropy have been served by current offerings from the six Joint Affinity Groups (JAG) members¹⁵**

JAG members offer an array of educational resources, including funder briefings, conference calls, sessions at regional conferences, grantmaker convenings, publications, and web-based materials. Most also provide technical assistance and curriculum-based tools. Participants have included regional and national associations and other infrastructure groups, governmental organizations, population-focused funds, giving circles, corporate giving programs, and other affinity groups.

- **At least 22 of the 34 regional associations offer educational programs, trainings, and tools**

These 22 regional associations delivered a total of 100 educational offerings, such as board and staff trainings, peer learning networks, diversity fellowships, programs and briefings, and workshops.¹⁶

- **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 guides¹⁷**

Among COF's programs and trainings is Career Pathways: A Philanthropic Leadership Pipeline Expansion Program,¹⁸ which is a year-long leadership program to increase diversity among senior foundation leadership. COF also offered sessions or roundtables at its conferences throughout the year, including the family foundation conference, annual conference, and the fall conference for community foundations.

How We Define Policies and Practices

The existence of diversity-related policies and practices strengthens the case for foundation executives and trustees to address diversity, equity, and inclusion with greater intentionality and more transparency. Our discussion of policies and practices refers to written governance statements or other types of intentional, institution-wide behavior regarding diversity, equity, and inclusion in the following areas of foundation work:

- Board: Recruitment, composition, culture and operations
- Staff: Hiring, training, benefits
- Organizational culture
- Grantmaking
- Vendor selection
- Investment

14. D5 coalition partners: Asian Americans/Pacific Islanders in Philanthropy; Associated Grantmakers; Association of Black Foundation Executives; Council of Michigan Foundations; Council on Foundations; Donors Forum; Foundation Center; Funders 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; Rockefeller Philanthropy Advisors; Women's Funding Network.

15. Based on a scan of lists provided by the six JAG members. There may be some overlap between lists. Joint Affinity Groups, 2010. See Appendix A: Further Information About Educational Trainings, Programs, and Tools Offered by D5's Infrastructure Partners for more details.

16. Based on a survey of 24 regional associations of grantmakers. Only 22 responded to questions about educational programs, trainings, and tools. "Regional Associations - D5 State of the Work Data Gathering Survey," D5 coalition, 2010. See Appendix A for more details.

17. See Appendix A for more details on COF's offerings and Helpful Resources for more information about these guides.

18. Visit www.cof.org/programsandservices/diversity for more information on Career Pathways.

Stories

A Foundation Looks in the Mirror on Diversity and Inclusion

In 2008, the Rockefeller Brothers Fund began a foundation-wide process to assess diversity within its operations and grantmaking. The endeavor, called the Diversity Working Group (DWG), ultimately spurred an organizational culture change and transformation.

“The decision to take on this work came from the top,” says Andrea Gray, the Fund’s Co-Director of Finance and Chair of the Diversity Policy Steering Committee.

The group first conducted an internal audit of diversity and inclusion policies and practices related to all aspects of the Fund’s work—staffing, management, operations, grantmaking. It convened workshops for staff. It developed a diversity definition. And ultimately it created the RBF Diversity Statement, approved in November 2010.

Two key conclusions emerged from the process.

First, diversity is a mandate of Rockefeller Brothers Fund’s mission, not just “the right thing to do.” “Diversity must be rooted in our social justice values,” says Gray.

Second, embracing diversity in practice requires an everyday commitment to promoting an inclusive environment. “Diversity is not the same as inclusiveness,” says Gray. “We concluded that in order to achieve our mission, we had to be more intentional about inclusiveness.”

In just over two years, the group’s efforts have produced tangible results. Action plans have been developed across several areas of the Fund’s work, and staff regularly measure progress according to the metrics outlined in these plans. The assessment of its diversity policies and practices is widely available. The board is more diverse. And staff who previously felt isolated from the grantmaking process are now included.



For the full story, please go to D5’s website, www.D5coalition.org.

Developing Cultural Competency Among Grantmakers and Grantees

When staff from the REACH Healthcare Foundation decided to address issues of cultural competency among health care providers, they knew they wanted more than just a PowerPoint presentation on diversity. “I always was frustrated with the one-time training I would get that was supposed to make me culturally competent for the year,” says Carla Gibson, Senior Program Officer at REACH. Gibson and colleagues sought something sustainable.

In 2008, the foundation began a multi-year initiative to develop a new model for providing technical assistance in cultural competency to health care providers in the six Kansas and Missouri counties they serve.

During the initiative’s first year, the foundation worked with a consulting firm to implement all the procedures they later would ask grantees to implement. The process included policy review, assessments of organizational structure and cultural competence sustainability, and trainings with board members and staff. “We did not feel we could talk the talk if we didn’t walk the walk,” says Gibson, who heads the initiative.

In the second year, REACH invited organizations to submit applications for technical assistance. “People are used to writing a grant application and getting money,” says Gibson. “We said we are not giving money but instead building internal capacity—whatever that takes.”

As part of the technical assistance, the consulting group starts at the top, with evaluation and training for the board and CEO before moving on to staff and volunteers.

Now in its third year, REACH has a new cohort and is busy building a learning community for the initiative’s grantees. Gibson says the local capacity must be in place for the model to be sustainable, and building that capacity takes time.

“I’m not moving very fast,” she says. “I’m trying to change the way that this community does business.”



For the full story, please go to D5’s website, www.D5coalition.org.

D5’s Actions

We invite you to join D5’s work related to foundation action on diversity, inclusion, and equity, and help us establish meaningful benchmarks to measure the work’s progress. For more information, please go to D5’s website at www.D5coalition.org.

➤ **Exploring Promising Policies and Practices Related to Diversity, Equity, and Inclusion**

This year D5 will review promising policies and practices, establish core competencies, and endorse resources that meet these competencies. The review looks at hiring policies and practices, and also those that relate to operations, such as investments and vendor selection. Share your foundation’s work with D5 and stay tuned for resources that can inform your foundation’s work in this area.

➤ **Identifying High-Quality Programs, Trainings, and Resources**

In the coming months, D5 will identify and share high-quality educational programs, trainings, and tools. The work will also identify gaps in educational resources and develop new resources in response.

Funding Diverse Communities

D5's Goal

By 2015, annual funding for diverse communities increases substantially.

Main Findings

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

The D5 coalition is undertaking a number of activities to increase funding to diverse communities and build the capacity of diverse donors and population-focused funds. We've begun these efforts by examining how much funding now goes to those communities.

This process has yielded two important observations. First, any of these assessments are only as good as the data, and the data are incomplete: we have information on what funding goes to diverse communities for less than half of all foundation grant dollars.¹⁹ This is the result of the limitations of current grant reporting and data collection systems, which don't specify the beneficiaries of large portions of foundation grants.²⁰

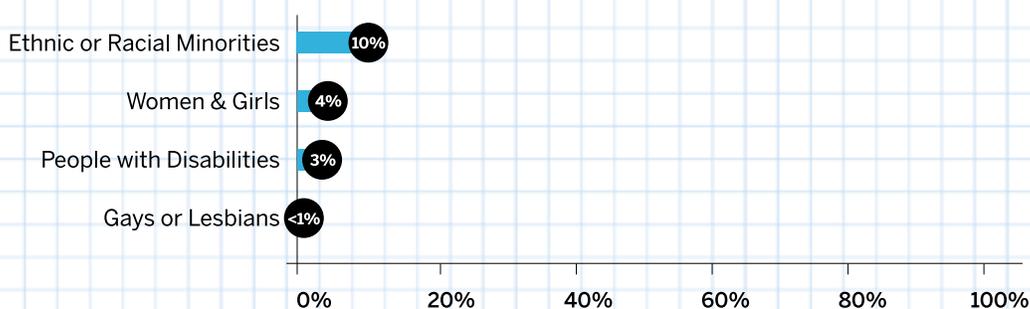
Second, the data we do have suggest that diverse communities continue to be underfunded. Whether this is due to under-counting or underfunding or both, we think the sector does itself no favors by failing to collect adequate data to assess its work. It also leaves the field open to challenges from others who may collect their own data on how the field is performing.

- **Available data suggest that programs benefiting ethnic and racial minorities, on average, receive 10 percent of grant dollars**
The largest proportion of these grant dollars (6%) go to ethnic and racial minorities generally, while 2% specifically target African Americans. One percent of grant dollars targets Latinos, and less than 1% targets Asians and American Indians.
- **Available data suggest that programs benefiting women and girls in the United States receive 4 percent of grant dollars**
- **Available data suggest that grant dollars benefiting people with disabilities amount to 3 percent of total grant dollars**
- **Available data suggest that grant dollars benefiting LGBT populations consist of less than one percent of total foundation dollars**

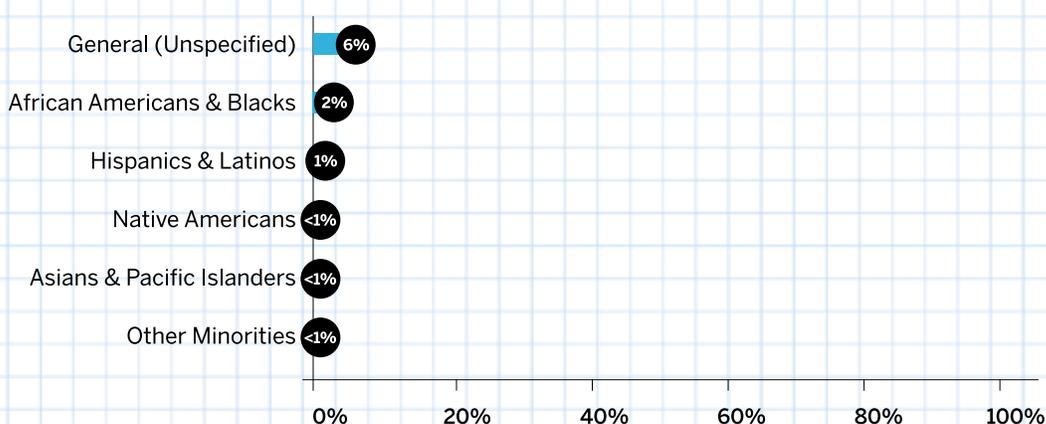
19. This report refers to grantmaking based only on grants made within the U.S. by U.S.-based foundations. Any grantmaking by or to international organizations is not included in this report.

20. Recent studies conducted in California and Oregon suggest that grantmaking reaching populations of color, for example, may be undercounted by as much as 50 percent.

Average Percent of Grant Dollars to Diverse Populations: 2007–2009



Average Percent of Grant Dollars to Ethnic and Racial Minority Groups: 2007–2009



Source: Based on an average of all grants of \$10,000 or more awarded between 2007-2009 by a sample of 804 of the largest foundations based on asset size, representing approximately half of total giving by all U.S. foundations. Foundation Center.

What Makes Assigning Beneficiary Groups to Grants So Challenging

Determining the extent to which foundation giving benefits specific population groups is one of the most challenging questions to answer using available data, in part because the federal tax form for nonprofits and foundations (IRS Form 990) does not ask foundations to specify which population groups (if any) are being served by the grant.

The Foundation Center codes grants for specific population groups whenever the intended

beneficiary is clear from the name and purpose of the recipient organization. Because grants may be counted more than once, each category is analyzed as a percentage of the total grant dollars and number of grants reported. Nonetheless, because many grants lack a detailed description of their purpose, the amount of funding reported undoubtedly under-represents the level of support that foundations intend to benefit specific population groups.

Population-Focused Funds Emerge As A Promising Segment Of Giving

Our research on funding of diverse communities yielded some good news: the rise of population-focused funds (PFFs) as a promising strategy for increasing support to diverse communities. These funds are characterized by close community connections and a unique perspective on community needs and solutions. They bring together leaders, institutions, communities, and dollars to build the groundwork for social movements and bring about lasting systemic change. While many PFFs have been around since the '60s and '70s, they've grown exponentially in the past decade. Here, we document the current prevalence and scope of PFFs.

- **As of March 2011, 435 PFFs have been identified²¹**

A third of these funds are free-standing, independent funds, while the remaining are affiliated with nonprofit organizations, including community foundations and community-based organizations.

- **Although PFF's are young and small, they are a promising source of significant philanthropic giving. Estimated giving by these funds tops \$467 million.²²**

The majority of funds are small, making less than \$150,000 in grants annually. However, collectively, the grantmaking of these funds is equivalent to a 5 percent payout of a foundation with an asset base of \$9 billion. This would rank among the largest U.S. foundations.

- **PFF's are increasingly visible participants in the philanthropic community**

The majority of regional associations allow PFFs to join as full members. PFFs participate regularly in the programming of nearly a third of all regional associations.²³ In 2010, at least 171 PFFs participated in the six affinity groups that comprise JAG. Participants included well-known public foundations, as well as giving circles, incubation funds, and tribal funders.²⁴

Giving to Diverse Communities Is a Local Phenomenon

While national data provide a broad-based picture of foundation funding to diverse communities, it is also important to understand charitable giving in the context of local, state, and regional demographics. The racial and ethnic demographics of California, for example, are quite different from those of Oregon. Patterns of foundation giving would be expected to reflect those differences. Recent reports commissioned by regional associations in California and Oregon examine grantmaking to communities of color in these states within the context of each state's racial and ethnic demographics.²⁵ These reports offer grantmakers a more localized understanding of how many foundation dollars are targeting racial and ethnic minorities, where these dollars are going, and how these patterns compare to grantmaking at large. In both research studies, the Foundation Center conducted deeper analyses of grant recipients and beneficiary populations, thus yielding better estimates of giving to communities of color. With in-depth, state, and regional studies such as these, grantmakers are beginning to have access to data relevant to their local concerns and priorities.

21. Based on a field scan conducted by Foundation Center and Rockefeller Philanthropy Advisors, 2011.

22. Foundation Center and Rockefeller Philanthropy Advisors, 2011

23. D5 coalition, 2010

24. Joint Affinity Groups, 2010

25. Reports include: *Embracing Diversity*, Foundation Center, 2008; and *Grantmaking to Communities of Color in Oregon*, Foundation Center, 2010.

Defining Population-Focused Funds

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, but for a shared purpose:** focusing on building a connection between the identity-specific donors and a particular community need.
- **Intentionally focused on grantmaking to community-specific causes and nonprofits:** focusing exclusively on organizations within the defined cultural community uniquely equips

them 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 leadership and activism:** have ties with community donors who leverage their social, civic, and political capital to generate resources for emerging issues and organizations.

PFF's may include tribal funds; funds affiliated with Greek Letter organizations or civic organizations within the communities profiled; faith-based funds; scholarship funds that meet the above criteria; National Black United Funds; and others.

Stories

Building Community Philanthropy in the American South

“People deserve to have change in their lifetimes,” says Linetta J. Gilbert, former Senior Program Officer at the Ford Foundation.

Over the past decade, Gilbert championed the development of philanthropy in Southern communities of color through Ford’s Community Philanthropy, Race and Equity in the American South (CPREAS) initiative. It employed three strategies: (1) moving the needle on social, racial, and economic equity within the larger field of philanthropy; (2) transforming existing foundations to walk their talk regarding those issues; and (3) creating new models of philanthropy led by or engaging donors of color.

Three CPREAS partners highlight how these strategies worked in building community philanthropy.

- The Foundation for the Mid South diversified its board and staff, focused grantmaking on local public institutions like schools and libraries with diverse constituencies, and took bold steps to shift the foundation’s balance of power to local partners.

- The Black Belt Community Foundation enlisted 100 Community Associates who recruit volunteers, raise and give money, identify new grantees, and “are recreating philanthropy by defining it for themselves,” Gilbert says.
- The Community Investment Network identified and recruited leaders from communities of color in the U.S. South to form a dozen giving circles, showing, Gilbert says, that philanthropy “can open doors for all people, not just wealthy donors.”

Says Gilbert about these and other groups participating in the CPREAS initiative, “It’s about what the leadership of a fund can do when it has the commitment and knowledge of what people of color bring to the table themselves.”



For the full story, please go to D5's website, www.D5coalition.org.

Using Peer Learning to Improve Racial Equity

In 2005, the Annie E. Casey Foundation commissioned the group Marga Inc. to assess a variety of foundation practices focused on race, inclusion, and equity. The researchers then conducted a series of conversations based on the report’s findings with the Rockefeller Foundation, The California Endowment, San Francisco Foundation, and the Evelyn and Walter Haas Jr. Fund. The conversations focused on the question: How can foundations apply a racial equity lens to their grantmaking and internal operations and policies? To explore the answers on an ongoing basis, participants formed The Racial Equity Philanthropy Group (REPG).

“REPG provides venues for peer learning exchange,” says Marga CEO Cynthia Jones. “Member institutions engage authentically and ask one another hard questions: ‘What can we do to improve how resources are allocated to communities of color?’ ‘How are we and our peer institutions tracking information on racial equity and inclusion and how can we do it better?’”

To get at that practical application, REPG has released a series on racial equity that profiles funder strategies, highlights promising practices, and presents recommendations to the broader philanthropy sector. The series also lays out REPG’s target outcomes, among them “development of systems for tracking grantmaking to communities of color/minority-led organizations.” One persistent issue that came up in the group’s discussions related to this outcome was the lack of access to quantitative data about foundation investments in institutions and communities of color. So REPG members developed strategies to make this information more transparent in their institutions, and several now have detailed information on the racial demographics of grantees on their websites.



For the full story, please go to D5's website, www.D5coalition.org.

D5's Actions

We invite you to join D5's work in the area of funding diverse communities (that includes the actions mentioned in Section 2: Foundation Action). It includes helping us establish meaningful benchmarks to measure our progress in this area. And in particular, it includes work on population-focused funds (PFFs). For more information, please go to D5's website at www.D5coalition.org.

➔ **Creating a PFF Master Directory**

The population-focused funds master directory, on the D5 website, provides essential information about PFFs, including annual grantmaking, grantmaking priorities, and contact information with direct links to PFF websites. The directory is a major step towards drawing sector-wide recognition for PFFs and heightening their visibility with potential donors.

➔ **Engaging PFFs in Sector Activities**

D5's Making Room at the Table Fund supports the costs for PFFs to join membership associations, attend regional and national conferences, and interact with the sector. A number of convenings will occur in 2011 that ask PFFs, regional associations, and other organizations to define the activities the fund might support and how PFFs can access them.

➔ **Increasing Understanding of PFFs**

D5 is also leading a campaign to spotlight the assets and successes of PFFs over the next five years. The campaign will convey how PFFs provide innovative and efficient ways to put resources into the hands of diverse communities. In 2011, D5 is working to develop effective messages and outreach efforts in collaboration with these funds.

Data and Research

D5's Goal

By 2015, philanthropy has the research capacity to be more transparent about progress on diversity, equity, and inclusion.

Main Findings

More Standardized Data Collection and Studies on Diversity Issues Are Needed

Philanthropy must develop more coordinated and streamlined data collection methods and more in-depth research to track its progress on diversity, equity, and inclusion. Few studies of foundation and grantee diversity use standardized data collection methods, limiting comparability across studies and over time. As D5's work to achieve the big sector goals progresses, more robust data collection and research initiatives will be needed to evaluate and inform these efforts.

- **Better data about populations served by foundation grants is sorely needed**

We have information on what funding goes to diverse communities for fewer than half of all foundation grant dollars. This represents a substantial gap in our understanding of how grants benefit diverse communities.

- **Foundation efforts to collect diversity data are sporadic**

Thirty one percent of foundations say they always or sometimes ask grantees to provide information about the populations served by their organizations. Conversely, more than three-fifths (62 percent) of foundations say they never collect such information.²⁶

- **We're aware of only six studies on the national and regional level that have used standardized methods to collect diversity data²⁷**

These six studies include a national study of diversity and inclusion by the Foundation Center, as well as an annual survey of foundation leadership by the Council on Foundations. The other four studies were conducted on the regional level in California, Michigan, New York City, and Minnesota.

- **The sector is actively seeking better information about diversity**

Ten regional associations have conducted studies related to diversity and inclusion in the last three years.²⁸ Information collected in these studies included staff demographics, board demographics, diversity and inclusion-related policies, and the diversity of populations served by grantmaking.

26. Foundation Center, 2008

27. See Helpful Resources for information on these studies.

28. D5 coalition, 2010

Analysis of Studies of Diversity, Equity, and Inclusion Using Standardized Data Collection Methods

Element Analyzed	COF (Nat'l) ¹	Foundation Ctr. (Nat'l) ²	CA ³	MI ⁴	NY ⁵	MN ⁶
Board composition	Yes	No	Yes	Yes	Yes	Yes
CEO characteristics	Yes	No	Yes	Yes	Yes	Yes
Staff composition	Yes	No	Yes	Yes	Yes	Yes
Consultants/advisory committees	No	No	No	Yes	Yes	Yes
Populations named in mission/guidelines	No	Yes	Yes	Yes	Yes	Yes
Policies – Board diversity	Yes	Yes	Yes	Yes	Yes	Yes
Policies – Staff diversity	No	Yes	Yes	Yes	Yes	Yes
Policies – Executive staff diversity	No	Yes	Yes	Yes	Yes	Yes
Policies – Grantmaking diversity	No	Yes	Yes	No	Yes	Yes
Collect data? – Nonprofit diversity	No	Yes	Yes	No	Yes	Yes
Collect data? – Populations reached	No	Yes	Yes	No	Yes	Yes

Sources: 1 Council on Foundations, 2010; 2 Foundation Center, 2008; 3 *Building Diversity: A Survey of California Foundation Demographics, Policies and Practices*, Foundation Center, 2009; 4 *Review of Michigan Foundations' Organizational Policies for Diversity and Inclusive Practice*, Community Research Institute, Johnson Center for Philanthropy, Grand Valley State University, 2010; 5 *Benchmarking Diversity: A First Look at New York City Foundations and Nonprofits*, Foundations Center, 2009; 6 *Working Towards Diversity IV*, Minnesota Council on Foundations, 2011.

Story

Tracking Fifteen Years of Data on Diversity

In 1991, members of the Minnesota Council on Foundations (MCF) decided to address Minnesota philanthropy's diversity issues. Their goals were ambitious—to create a climate of inclusivity and recognize, work to eliminate, and prevent racism in philanthropy—but they quickly ran into a more mundane roadblock. They didn't have the data. How did foundations and giving programs in the state fare in terms of diversity? And what did diversity really *mean* to their member organizations, especially their leaders?

To address those questions, MCF launched the *Working Towards Diversity* series, reports that would be based on benchmark surveys conducted every five years of member organizations. The first report was released in 1995 and charted the demographics of staff and board members from Minnesota foundations and giving programs and documented how they defined and approached diversity.

The survey also underscored the need for more work.

“When we discussed this data and its implications, we recognized a need for a framework that would enable and encourage all foundations to engage in this work in multiple ways,” says Bill King, MCF’s President.

The framework that the association’s Race and Diversity Task Force subsequently developed identified four roles that grantmakers play—funders, employers, economic entities, and community citizens—and explored the obligations and opportunities to serve diverse stakeholders that each of those roles implied.

The benchmark surveys remain a rich source of information for MCF and its members. With the release of the fourth progress report in April 2011, MCF will have charted more than 15 years worth of changes in the demographics, views, and diversity and inclusion policies and practices of Minnesota grantmakers.



For the full story, please go to D5’s website, www.D5coalition.org.

D5’s Actions

We invite you to join D5’s work around data collection and research and help us establish meaningful benchmarks to measure the work’s progress. For more information, please go to D5’s website at www.D5coalition.org.

➤ **Gathering Ideas for a Diversity Data Tracking System**

D5 is developing standardized methods to track and collect diversity-related data. Outreach to gather and discuss ideas will occur throughout much of the year. These ideas will form the basis for a common set of standards that should emerge by the end of 2011.

➤ **Helping Shape the Sector’s Diversity-Related Research Agenda**

D5 plans to commission as many as 12 new diversity-related studies over the course of the next five years. Work in 2011 will focus on building consensus about research priorities, creation of RFPs, and the award process. The first two research awards should occur by the end of the year.

Work with Us on What's Next

State of the Work 2011 has helped the D5 coalition understand the landscape, establish baseline data, and chart a path forward as we work to increase the diversity of philanthropy's leaders, spark meaningful action by foundations, increase funding to diverse communities, and improve the field's capacity to collect needed data. We hope it's also proven useful to your understanding of and work on issues related to philanthropy's diversity, equity, and inclusion.

Even more important, we hope it's motivated you to join us in the work that comes next. The D5 coalition can't do it alone—and doesn't have to. Many foundations and philanthropy support organizations have contributed and are advancing important work to create a more diverse and inclusive sector. Over the next five years, the D5 coalition will connect with natural partners to build a stronger, larger, and louder coalition and movement toward the kind of philanthropic sector we want to see.

We ended each section of this report by identifying actions D5 is taking in response. We invite you to work with us on any of these activities that might relate to your work, interest, experience, knowledge, ideas and passion.

1. Establishing foundation leader action networks
2. Developing diverse and inclusive CEO and executive hiring policies
3. Exploring promising policies and practices related to diversity, equity, and inclusion
4. Identifying and sharing high-quality programs, trainings, and resources
5. Creating a population-focused funds master directory
6. Engaging population-focused funds in sector activities
7. Increasing understanding of population-focused funds
8. Gathering ideas for a diversity data tracking system
9. Helping shape the sector's diversity-related research agenda
10. [Your idea here!]

Check out the D5 website at www.D5coalition.org to find news and information about this work and more. There are plenty of opportunities to get involved and join us.

We'd also like you to work with us to make this report stronger and more useful each year. Tell us about the data we missed, the important stories that need to be told, and the focus you'd like us to take. We are building an advisory committee to help shape future reports.

We welcome any and all feedback and ideas on this report. And stay tuned for *State of the Work 2012*.

HELPFUL RESOURCES

The following list provides a sampling of helpful diversity, equity, and inclusion resources related to each of the four big sector goals. You also can explore 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>.
- *Diversity in Action: Strategies with Impact*, Rockefeller Philanthropy Advisors (2009) in collaboration with the Council on Foundations and the Forum of Regional Associations of Grantmakers. Available at: <http://www.rockpa.org/document.doc?id=22>.
- *Diversity on Foundation Boards of Directors*, The Greenlining Institute (2009). Available at: <http://www.greenlining.org/resources/pdfs/foundationboarddiversityreport2009.pdf>.
- *Philanthropy in a Changing Society: Achieving Effectiveness through Diversity*, Rockefeller Philanthropy Advisors (2008). Full report available at: <http://www.rockpa.org/document.doc?id=27>. Report summary available at: <http://www.rockpa.org/document.doc?id=26>.
- *The RBF Diversity Report*, Rockefeller Brothers Fund (2010). Available at: <http://www.rbf.org/resource/rbf-diversity-project-report>.

Action

- *Building Diverse and Inclusive Foundations: Lessons from Michigan*, Council of Michigan Foundations (2009) in collaboration with the Diversity in Philanthropy Project. Available at: http://www.michiganfoundations.org/s_cmf/bin.asp?CID=11362&DID=25965&DOC=FILE.PDF.
- *Critical Issues Forum, Vol. 3, Marking Progress: Movement Toward Racial Justice*, Philanthropic Initiative for Racial Equity (2010). Available at: <http://racialequity.org/docs/CIF3/CIF3finalweb.pdf>.
- “Diversity & Inclusive Practices,” a Council on Foundations website on diversity resources. Available at: <http://www.cof.org/programsandservices/diversity/index.cfm>.
- “Diversity & Inclusivity in Philanthropy,” a Minnesota Council on Foundations website with diversity research and tools spanning over a decade of work. Available at: <http://www.mcf.org/diversity>.
- *Do Nothing About Me Without Me: An Action Guide for Engaging Stakeholders*, Grantmakers for Effective Organizations (2010). Executive summary available at: <http://www.geofunders.org/stakeholder-engagement.aspx>.
- *Foundation Diversity: Policies and Practices Toolkit*, The California Endowment (2009). Available at: <http://www.calendow.org/uploadedFiles/Publications/Other/Philanthropy/Online%20Diversity%20Toolkit.pdf>.
- Glasspockets.org, a Foundation Center website focused on transparency in philanthropy. Profiles of foundation transparency practices, including diversity, at <http://glasspockets.org/inside/>.

- *Grantmaking with a Racial Equity Lens*, GrantCraft (2007) in partnership with the Philanthropic Initiative for Racial Equity. Available at: <http://www.grantcraft.org/?pageid=1280>.
- “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.
- *Ten Ways for Foundations to Consider Diversity and Inclusive Practices*, Council on Foundations (2010).
For *Family Foundations* at: <http://www.cof.org/files/Bamboo/programsandservices/diversity/documents/10waysfamilydiversity.pdf>.
For *Independent Foundations* at: <http://www.cof.org/files/Bamboo/programsandservices/diversity/documents/10waysindependentfoundations.pdf>.
For *Community Foundations* at: <http://www.cof.org/files/Bamboo/programsandservices/diversity/documents/10wayscommunityfoundations.pdf>.
- *The RBF Diversity Report*, Rockefeller Brothers Fund (2010). Available at: <http://www.rbf.org/resource/rbf-diversity-project-report>.

Funding

- *Criteria for Philanthropy at Its Best: Benchmarks to Assess and Enhance Grantmaker Impact*, National Committee for Responsive Philanthropy (2009). Available at: <http://www.ncrp.org/paib>.
- *Lesbian, Gay, Bisexual, Transgender and Queer Grantmaking by U.S. Foundations*, Funders for LGBTQ Issues (2009). Available at: <http://www.lgbtfunders.org/files/2009LGBTQGrantmakingFullReport.pdf>
- “LGBTQ Funding and Racial Equity Funding: Can We Talk?,” Karen Zelermeyer, Critical Issues Forum: Measuring What We Value, Philanthropic Initiative for Racial Equity (2008). Available at: <http://racialequity.org/docs/zelermeyer.pdf>.
- *Profiles in Foundation Giving to Communities of Color*, The Race & Equity in Philanthropy Group (2007) in collaboration with Marga Incorporated. Available at: http://www.margainc.com/documents/Race_and_Equity_in_Philanthropy_COF_2007.pdf.
- *Short Changed: Foundation Giving and Communities of Color*, Applied Research Center (2004). Available at: <http://www.arc.org/pdf/273bpdf.pdf>.

Data

- “AB 624: Death for a Noble Cause,” Robert K. Ross, M.D., Bob’s Blog, The California Endowment (July 2008). Available at: <http://tcenews.calendow.org/pr/tce/blog-post.aspx?id=3919>.
- *Benchmarking Diversity: A First Look at New York City Foundations and Nonprofits*, Foundation Center (2009). Available at: <http://foundationcenter.org/gainknowledge/research/pdf/diversity2009.pdf>.
- *Building Diversity: A Survey of California Foundation Demographics, Policies and Practices*, Foundation Center (2009). Available at http://foundationcenter.org/gainknowledge/research/pdf/ca_diversity_2009.pdf

- “Diversity in philanthropy achieved through leadership, not mandates,” Robert K. Ross, M.D., San Jose Mercury News (March 2008). Available at: http://tcenews.calendow.org/pr/tce/document/Merc_News_-_Diversity_in_philanthropy_achieved_through_leadership_not_mandates_-_03-12-08.pdf?ncid=4850.
- *Diversity Metrics Forum: Proceedings*, Foundation Center (2010) in collaboration with the Diversity in Philanthropy Project. Available at: <http://foundationcenter.org/gainknowledge/research/pdf/diversity2010.pdf>.
- *Embracing Diversity*, Foundation Center (2008). Available at: http://www.foundationcenter.org/gainknowledge/research/pdf/ca_diversity_2008.pdf.
- “Foundations Should Embrace Diversity and Effectiveness,” Aaron Dorfman, Keeping a Close Eye Blog, National Committee for Responsive Philanthropy (March 2008). Available at: http://blog.ncrp.org/2008/03/foundations-should-embrace-diversity_6847.html.
- *Grantmaking to Communities of Color in Oregon*, Foundation Center (2010) in collaboration with Grantmakers of Oregon and Southwest Washington. Available at: <http://foundationcenter.org/gainknowledge/research/pdf/oregon2010.pdf>.
- “Noyes Supports California Bill on Foundation Diversity Disclosure,” Noyes News, Jessie Smith Noyes Foundation (July 2008). Available at: <http://www.noyes.org/noyesnews708>.
- “Op-Ed: California’s Legislation Won’t Achieve True Diversity at Foundations,” Mark Rosenman, Chronicle of Philanthropy (May 2008). Available at: http://www.diversityinphilanthropy.org/voices/clegislation/clegislation_6.php.
- *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). Available at: <http://www.cof.org/files/Documents/Research/ResearcherPractitionerForum/RPPProceedings2007.pdf>.
- “Red Light on Greenlining,” Adam Meyerson, Philanthropy Roundtable (January 2008). Available at: <http://www.philanthropyroundtable.org/content.asp?contentid=717>.
- “Resources for Diversity Metrics Meeting,” a Foundation Center website on diversity research tools. Available at: <http://foundationcenter.org/diversitymetrics/>.
- *Sector Leaders Respond to AB 624 and the California Compromise*, Diversity in Philanthropy Project (2008). Available at: http://www.diversityinphilanthropy.org/voices/clegislation/All_AB_624_Commentaries_PDF.pdf.
- “Tax-supported foundations must reveal diversity data,” John C. Gamboa, San Jose Mercury News (February 2008). Available at: <http://www.greenlining.org/news/in-the-news/2008/tax-supported-foundations-must-reveal-diversity-data>.
- *Working Towards Diversity IV*, Minnesota Council on Foundations (2011). Available at: <http://www.mcf.org/research/diversity>.

APPENDICES

APPENDIX A: FURTHER INFORMATION ABOUT EDUCATIONAL TRAININGS, PROGRAMS, AND TOOLS OFFERED BY D5'S INFRASTRUCTURE PARTNERS

We called upon three D5 partners—Joint Affinity Groups (JAG), the regional associations, and the Council on Foundations (COF)—to characterize the existing programs, trainings, and tools. Each partner conducted surveys of its members and examined its records to provide a picture of the kind and quality of its educational offerings. This information isn't comprehensive of all the programs, trainings, and tools available in philanthropy.²⁹ But it does characterize the educational offerings of three infrastructure groups and networks that together interact with many philanthropic organizations and individuals.

We asked each partner:

- What kind of educational programs, trainings, and tools do you make available?
- Which organizations participated? How many?
- What kind of assessment of your programs, trainings, and tools do you perform?

The following describes each partner's findings.

Joint Affinity Groups (JAG)

All six of the affinity groups that belong to JAG (Asian Americans/Pacific Islanders in Philanthropy, Association of Black Foundation Executives, Funders for LGBTQ Issues, Hispanics in Philanthropy, Native Americans in Philanthropy, Women's Funding Network) offer educational programs, trainings, or tools that promote diversity, inclusion, and equity. Participants from 337 organizations from across philanthropy have been served by JAG members' current offerings. These organizations include regional associations and national associations, governmental organizations that make grants, population-focused funds, giving circles, corporate giving programs, and other affinity groups. All of the six JAG members have conducted assessments of their programs. Most assessments consist of surveys and feedback forms, although at least three of the groups conducted consultant-led formal evaluations, or are in the process of doing so.

JAG members offer many kinds of programs, trainings, and tools:

- **Convenings:** Whether through a funders briefing, a conference call, a session at a regional conference, or an entire conference, all JAG members use grantmaker convenings to provide educational opportunities. For example, the Women's Funding Network engaged in a variety of convenings throughout 2010 that trained women donors to build skills as philanthropists and advocates within the women's funding movement.
- **Instructive publications and web offerings** are also offered by all JAG members. Funders for LGBTQ serves over 1,500 visitors each month through its site www.lgbtracialequity.org that provides grantmakers instant access to tools focused on its theme: the interactions of racial disparities and LGBTQ issues.
- **Theme-based tools:** Several JAG members provide multiple educational supports united by a single theme. For instance, in 2010, Association of Black Foundation Executives launched a new framework for its educational programming, "Responsive Philanthropy in Black Communities," that orchestrates a series of tools that help grantmakers assess their personnel, grantmaking, investment, and vendor policies to form strategies that increase diversity.
- **Technical assistance** is a major tool in several JAG members' arsenals. Last year, Hispanics in Philanthropy began offering HIP Philanthropy Labs, a combination of webinars and conference calls that unpack the implications of its recent research on challenges affecting Latinos.

Council on Foundations (COF)

COF offered 14 programs and trainings on diversity, inclusion, and equity in 2010. All but one were sessions or roundtables at its conferences throughout the year, including the family conference, annual conference, and the fall conference for community foundations. Its other offering was related to its Career Pathways to the Top in Philanthropy: Diversity and Inclusion in Senior and Executive Leadership. This involved a pre-COF conference gathering of trustees and CEOs that provided case studies about how to create and expand pathways to philanthropic leadership for leaders of diverse backgrounds. Several of the programs and

29. We would like to acknowledge the work of Grantmakers for Effective Organizations (GEO), Philanthropic Initiative for Racial Equity (PRE), GrantCraft, The California Endowment, and Rockefeller Brothers Fund, among others. See [Helpful Resources](#) for information about their work.

trainings throughout the year included in the total above were in relation to this program. Additionally, COF has published a series of diversity and inclusion guides for its members.³⁰

Internally, COF has focused efforts on educating itself about diversity, equity, and inclusion. In 2011, COF plans to engage in an internal, cross-department review of its policies and practices. The review will focus on employment, volunteer recruitment, membership, and contracting. COF will benchmark currently available data and practices to understand how to align its internal operations in ways that maximize diversity, equity, and inclusion.

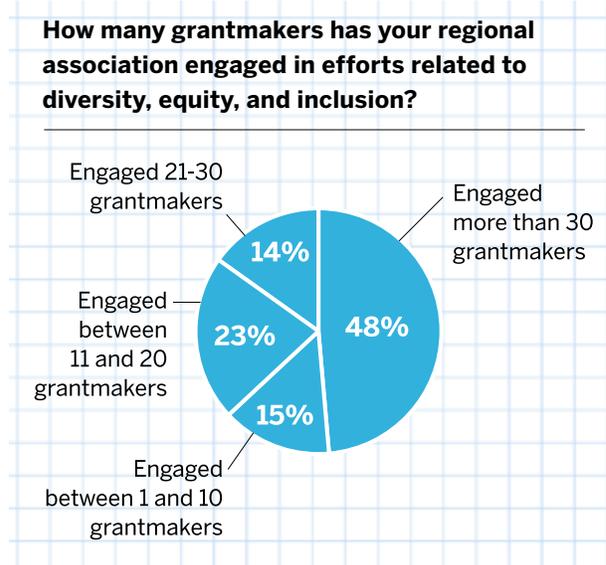
Regional Associations of Grantmakers

Many regional associations offer at least some kind of educational programs, trainings, or tools related to diversity, equity, and inclusion. Of the 22 regional associations who responded to questions about educational resources in D5's December 2010 survey of the 34 regional associations, 19 indicated that they had at least one program, working group, or other member service related to diversity and inclusion. In total, 100 educational offerings were identified, including:

- Standing committees, such as inclusiveness taskforces
- Board and staff training
- Peer learning networks
- Diversity fellowship programs
- Programs/briefings/workshops on such topics as grantmaking with a racial equity lens and working with immigrant populations
- Breakfasts, brown-bags, and co-hosted programs with identity-based affinity groups such as Asian Americans/Pacific Islanders in Philanthropy
- Toolkits, research reports, and other resources

Twelve regional associations conduct assessments of program offerings. Most of evaluations are feedback forms collected immediately following a program that gauge member satisfaction and perceived utility. Only one regional association conducted a comprehensive evaluation assessment.

Twenty-one regional associations estimated how many grantmakers were engaged in efforts related to diversity, inclusion, and equity:

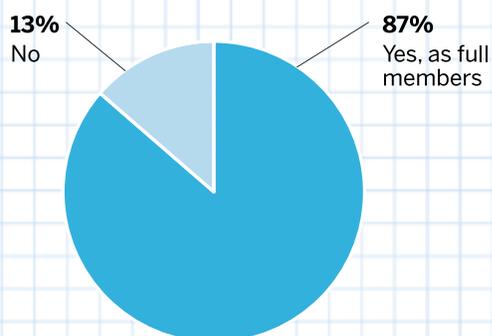


Regional associations that responded to the December 2010 D5 Regional Association survey:

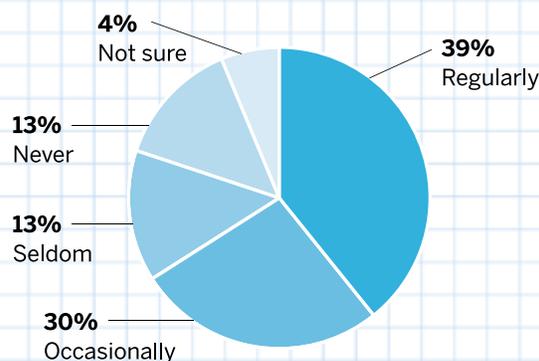
1. Associated Grant Makers
2. Donors Forum (Illinois)
3. Donors Forum of South Florida
4. San Diego Grantmakers
5. Indiana Grantmakers Alliance
6. Donors Forum of Wisconsin
7. Grantmakers Forum of New York
8. Grantmakers of Western Pennsylvania
9. Grantmakers of Oregon and Southwest Washington
10. Northern California Grantmakers
11. Florida Philanthropic Network
12. Connecticut Council for Philanthropy
13. Council of New Jersey Grantmakers
14. Philanthropy Northwest
15. Philanthropy New York
16. Association of Baltimore Area Grantmakers
17. Council of Michigan Foundations
18. North Carolina Network of Grantmakers
19. Conference of Southwest Foundations
20. Colorado Association of Funders
21. Iowa Council of Foundations
22. Minnesota Council on Foundations
23. Washington Regional Association of Grantmakers
24. Delaware Valley Grantmakers

30. See Helpful Resources for more information about these guides.

Does your regional association allow PFFs to join as members?



How often do PFFs participate in your programming?



APPENDIX B: FORMAL REGIONAL STUDIES OF FOUNDATION POLICIES AND PRACTICES

A small number of studies have been conducted about policies and practices related to diversity and inclusion at the regional level. Their findings mirror those of the Foundation Center's national survey.³¹ The Johnson Center at Grand Valley State University conducted an in-depth study of 11 Michigan foundations' policies and practices in 2010.³² The study found widely varying policies related to diversity and inclusion across board, staff, grantmaking, investment, and foundation operations. General policies were most common, especially value statements describing diversity and inclusion as core to the foundation's work. Policies regarding employment and employees also incorporated diversity and inclusion prominently. But few foundations explicitly stated that they strive for a diverse board of trustees or staff or provide for evaluation of their commitment. As the researchers note, "There is a difference between preventing and punishing discrimination and actively promoting diversity."

A 2005 study of Minnesota foundations' diversity conducted every five years by the Minnesota Council on Foundations³³ reported that 42% of respondents had formal written policies in place to promote a diverse and inclusive workplace. This reflects an increase from previous studies in which only 20% of respondents reported such policies.

Regional Studies with Standardized Data Collection Methods

Four regional associations have partnered with Foundation Center to use a standardized set of

31. The survey found that policies and practices vary widely on the regional level. Foundation Center, 2008. See Appendix C for examples of questions asked.

32. Grand Valley State University, 2010

33. *Working Towards Diversity III*, Minnesota Council on Foundations, 2005

data collection methods to study their member foundations' diversity policies and practices. These efforts are occurring in California, New York, Minnesota, and Michigan.

The regional grantmaker associations in New York City and California partnered with the Foundation Center to conduct a set of studies that delved deeply into issues of diversity. These studies gathered basic information on board and staff diversity and also sought to understand grantee diversity in the context of local demographics and the obstacles foundations face in collecting diversity-related data. The Council of Michigan Foundations surveyed its membership about diversity and included questions about dimensions such as age, language, and geography.

APPENDIX C: EXAMPLES OF QUESTIONS ASKED FROM FOUNDATION CENTER 2008 SURVEY OF FOUNDATION POLICIES AND PRACTICES

Does your foundation have goals, policies, or guidelines regarding BOARD diversity?

Does your foundation have goals, policies, or guidelines regarding STAFF diversity?

Does your foundation have goals, policies, or guidelines regarding EXECUTIVE STAFF diversity?

Does your foundation have goals, policies, or guidelines regarding GRANTMAKING that SERVES people of color?

Does your foundation ask grantseekers for the [gender or racial/ethnic composition] of the organization's staff?

Does your foundation ask grantseekers for the [gender or racial/ethnic composition] of populations served by the organization?

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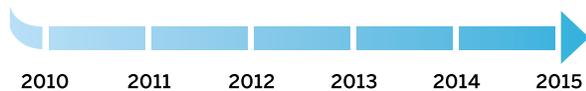
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TARGETING BIG CHANGES

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.



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