



Following the deaths of George Floyd, Breonna Taylor, and Ahmaud Arbery, the world was once again forced to acknowledge issues of racial inequity in American culture, systems, and institutions.

In support of those calling for justice and decrying police brutality, many nonprofit organizations, business leaders and individuals across the country published statements in support of Black lives and a commitment to addressing systemic racism.

While our intentions to solve some of the world's biggest social ills, like food insecurity, homelessness, and lack of access to quality healthcare and education are considered noble, those of us working in philanthropy are challenged to look carefully at the role we play in perpetuating inequitable systems.

Institutions like Echoing Green and Greenlining, and initiatives like Race to Lead, among many others, have studied the demographics of granting-making institutions and the distribution of funds to nonprofit organizations led by People of Color compared with those led by their White counterparts.

In general, organizations led by People of Color rely more heavily on grant funding while those with White leadership have larger budgets and receive a much greater portion of the total grants and grant dollars awarded. Even, for example, within organizations whose mission is to improve the lives of Black men, those led by White individuals receive more funding than organizations with Black leadership. Even when more Black leaders apply for and receive funding, the total funding dollars are considerably less than those received by White leaders. And organizations led by Black women receive the least.

The inequitable distribution of funding is not limited to Black-led organizations but can also be seen in the minimal funding awarded to organizations led by and addressing concerns of the Latinx, LGBTQIA+, and Disability communities. While these populations and the organizations they are serving continue to grow in number and services, the philanthropic community provides limited support, considering that foundations hold \$860 Billion in assets.

Foundations' expectations of budget size, organization longevity, and operational reserves make it difficult for early-stage and smaller organizations (often led by People of Color) to receive the funding they need to scale their services and their impact.

To truly confront the issues of systemic inequity, foundations would do well to question the application processes, evaluative criteria, and assumptions of trustworthiness. We must ask ourselves: Who is sitting at our table to make the funding decisions? Who sits around the leadership tables of those who receive grant funding? Do our practices currently perpetuate White saviorism and devalue the lived experience of those proximate to the issues they are addressing? How can we best empower individuals to serve their communities by addressing the problems they face?



WHO HAS A SEAT AT THE TABLE?



Organizations led by individuals who are proximate to the issues do not seem to be trusted to receive grants that will position their organizations for optimum impact.

Black women led orgs receive less money than those led by Black men or White women

Orgs Improving Life Outcomes of Black Men

45% lower revenue for Black-led than by White-led

91% smaller unrestricted assets POC-led vs White-led

Philanthropic Redlining



smaller staffs



smaller budgets



little to no operating reserves

Suzen Taylor Batten, CEO of the Association of Black Foundation Executives

While populations of marginalized groups continue to increase, funding falls short

Latinx:
2010-2020
18% U.S. population increase
1% philanthropic dollars
According to a study by Corbett

LGBTQIA + Issues
\$185.7m
in 2017
Report from Funders for LGBTQ Issues

Disability
19%
U.S. population living with disability
According to the World Bank

By Population Focus

31% Economically Disadvantaged
20% Children & Youth
10% Ethnic or Racial Minorities
7% Women & Girls
4% Disabilities
Key Facts on US Foundations 2014 - Foundation Center