

STATE OF THE WORK

YEAR 5

**Stories from the Movement
to Advance Diversity, Equity, and Inclusion**

D5 is a five-year effort to advance philanthropy's diversity, equity, and inclusion (DEI). More than a dozen organizations with connections to thousands of grantmakers came together to found the D5 Coalition. Since then, the coalition has continued to grow. For a complete list of allies and partners, please visit us at www.d5coalition.org.

FOUNDING COALITION

Asian Americans/Pacific Islanders in Philanthropy
Associated Grant Makers
Association of Black Foundation Executives
Council on Foundations
Council of Michigan Foundations
Forefront
Foundation Center
Funders for LGBTQ Issues
Hispanics in Philanthropy

Horizons Foundation
Joint Affinity Groups
Minnesota Council on Foundations
Native Americans in Philanthropy
Philanthropy New York
Philanthropy Northwest
Philanthropy Ohio
Rockefeller Philanthropy Advisors
Women's Funding Network

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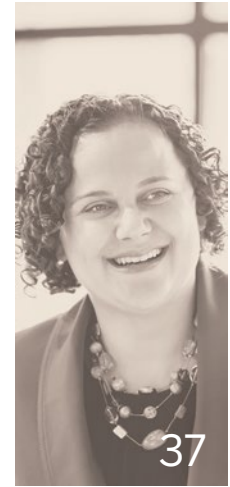
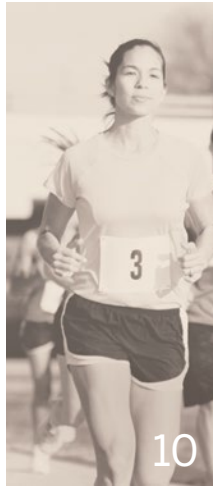
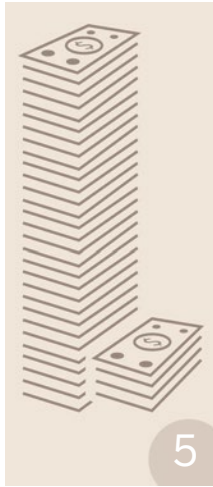
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D5coalition.org

TABLE OF CONTENTS



- 4 FOREWORD
- 5 INFOGRAPHIC
- 6 INTRODUCTION

Defining Diversity, Equity, and Inclusion

- 8 WHERE WE STAND

Learning from the Field

- 11 DATA
- 18 ACTION
- 27 FUNDING
- 30 LEADERS

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FOREWORD



KELLY BROWN
D5 DIRECTOR

In 2007, leaders from across philanthropy engaged in a conversation. New technologies, shifting demographics, and evolving social norms were building a new world. We needed to ask, how would philanthropy change with it? It was a conversation built on decades of work to advance diversity, equity, and inclusion (DEI) within the field.

In 2010, the D5 Coalition emerged from those conversations as a focused effort to build on what we learned from years of work and leadership. We were charged with broadening the number, range, and types of foundations taking action to advance DEI. Our premise was that focused collaboration was the key to achieving the change we sought.

Now, five years later, this collaboration of foundations, donors, associations, and organizations continues to grow and propel the movement forward. We have had some great successes:

- The systems to collect sector-wide demographic data to inform and advance inclusion have significantly improved. The Foundation Center, GuideStar, regional associations, and affinity groups are working together to align systems and lower barriers to collecting and sharing sound data.
- A broader array of foundations and stakeholders are engaged in the DEI conversation. As longtime advocates continue to deepen their work and commitment, new partners such as Grantmakers for Effective Organizations, the Foundation Strategy Group, and the Forum of Regional Associations of Grantmakers, as well as issue-based affinity groups, are drawing from these lessons to advance their work.

- We have a better understanding of how to engage key audiences, which helped the field be more strategic in its messaging and broaden the array of advocates and champions.

But there is still work to be done. For example, people of color continue to be underrepresented at the foundation CEO and trustee levels, even as the U.S. workforce becomes more diverse. Yet the data itself may not be telling the whole story because many foundations have yet to share information about personnel and grantmaking.

That is why we decided to focus our last State of the Work report on stories of people in foundations who have taken action to advance DEI. You will learn from leaders east to west, veterans of the movement and newcomers to the fight—all with unique perspectives about what has worked and what challenges remain in advancing DEI.

These stories capture an essential dimension of this work—the human impact. Unlike logic models or collective impact strategies, issues of diversity and inclusion, privilege and identity, resources and equity touch us as human beings—not just as activists or planners, CEOs or strategists. These stories can inform strategy, but more importantly they instill hope, inspire courage, and buttress our shared commitment to advance the common good.

I urge the field to use this report as an opportunity to collectively pause and reflect on the challenges and opportunities that we must meet to stay on the path toward a more equitable and impactful philanthropy and ensure the arc of history continues to bend toward justice.

AMERICA IS CHANGING. ARE WE?

OVER 37 MILLION AMERICANS

(12% of the population) are classified as disabled.



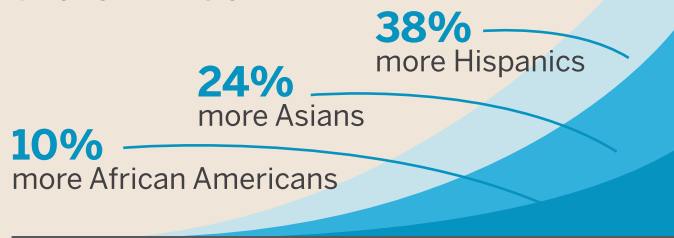
MORE THAN 50%

of disabled Americans are working age (18-64).¹



The median white family had a net worth of roughly **\$142,000** in 2013, while the median net worth of non-white families was just **\$18,100**.²

In the workforce in 2022, there will be:³



NEARLY 2/3 OF VOTERS



favor a federal law that protects LGBT people from employment discrimination.⁴

Fortune 500 companies with more women on their boards had **higher performing sales and greater return on their invested capital**.⁵



According to the last census, whites are the minority in

22 OF THE 100

largest metro areas—up from just 5 in 1990.⁶



1. <http://bit.ly/1DBKYmf>

2. <http://bit.ly/1Vh13J8>

3. <http://brook.gs/1TS2eiB>

4. <http://1.usa.gov/1prh0js>

5. <http://bit.ly/1S6YGWn>

6. <http://brook.gs/1TS2eiB>

INTRODUCTION

The face of America is changing. Our workforce, our voters, our communities—all are becoming more diverse. This is a familiar trend and one that the D5 Coalition has worked to keep top of mind for foundations and nonprofits.

If we are going to succeed in our missions, we need to embrace this reality and reflect it in our organizations. If people at a foundation's decision-making table understand and share the perspectives of the people they are trying to help, we are far more likely to achieve impact as we collectively work to advance the common good.

For the duration of its five-year mission, D5 has provided resources and furthered collaboration to help advance DEI. Within the framework we built, foundations large and small, individual donors, regional and national associations, and organizations that focus on diverse communities have come together to raise the voices of the historically excluded and to pave the way for the field to become more effective in creating opportunities for all communities to thrive.

The annual State of the Work series has informed the field of progress toward our four major goals. As we approach the end of our current mandate, this year's State of the Work strikes a slightly different chord than in years past. Whereas past reports have highlighted tools and strategies, this year we look at how far we as a community have come, and how

WHEN WE LAUNCHED, WE SET OUT FOUR MAJOR GOALS:

- **Recruit diverse leaders** for foundations, including CEO, staff, and trustees
- **Identify the best actions** we can take in our organizations to advance DEI
- **Increase funding for diverse communities** and ensure that foundations offer all constituencies equal opportunity to access the resources they need to thrive
- **Improve data collection and transparency** so we can measure progress

far we still have to go through the stories and perspectives of leaders in the field. Some are longtime advocates; some are new adherents. Each of them shares a perspective on how they are leading their institutions through essential changes and processes to ensure relevance, impact, and sustainability in an increasingly diverse and complex context.

We know that building the capacity to effectively and authentically engage DEI can no longer be considered ancillary or optional. It is an essential competency for any effort engaging the diverse complexity that is our world. We hope that these stories and conversations—snapshots of the successes and challenges experienced by our sector—provide inspiration for what is possible within your own organization to advance your mission, strengthen the common good, and foster a world in which all people thrive.

DEFINING DIVERSITY, EQUITY, AND INCLUSION

DIVERSITY

The word “diversity” can mean different things to different people. We define it as a value that brings unique perspective or life experience to the decision-making table, but focusing particularly on:

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

This definition captures what our communities look like today. It focuses on populations that have been—and remain—underrepresented in grantmaking and among practitioners in the field, and have historically been excluded in the broader society.

EQUITY

Philanthropy has assigned a variety of meanings to “equity.” For some, equity is a label for a specific social outcome; for others it defines a condition needed to bring about social change.

At times, the differences in definitions have impeded collaboration and coordination among allies in the movement to advance DEI, but it is encouraging to see more and more organizations joining the equity conversation, and bringing an equity lens to their grantmaking in order to achieve a more just society.

To us, improving equity means promoting justice, impartiality, and fairness within the procedures and processes of institutions or systems, as well as in their distribution of resources. Tackling equity issues requires an understanding of the root causes of outcome disparities within our society.

INCLUSION

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

WHERE WE STAND

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

Each year, State of the Work presents data on progress toward increased foundation staff and board diversity, and increased funding for diverse populations. Foundation Center, the primary data collection agency for the field, currently provides the best available data through its collection and analysis of the Council on Foundations' (COF) yearly and periodic surveys, public tax records, and grantmaking information voluntarily submitted by some foundations.

However, the currently available data have limitations. The annual Grantmakers Salary and Benefits Survey, distributed to COF members and through regional grantmaking associations, reaches a broad cross-section of staffed foundations. But the data may not reflect the demographic reality of US foundations, and cannot be used to generalize the field. In addition, COF has not updated its demographic data on foundation trustees since 2010. Today, we have no clear picture of the demographic makeup of US foundation leadership.

Current Snapshot of Foundation Staff Diversity

	CEOs/ Presidents ¹	Other Full-time Executive Staff ¹	Program Officers ¹	Total U.S. Management/ Professional Workforce Composition ²
RACE/ETHNICITY				
Caucasian	91.6%	82.9%	67.7%	80%
African American	3.4%	4.8%	12.7%	11%
Latino	2.3%	3.9%	10.2%	16%
Asian/Pacific Islanders	1.2%	5.3%	5.7%	6%
American Indian	0.2%	0.4%	1.4%	N/A
Bi/Multi-racial	0.9%	0.9%	1.4%	N/A
Other	0.4%	1.8%	0.9%	N/A
GENDER				
Female	55%	67%	77%	53%
Male	45%	33%	23%	47%
LGBT				
	N/A	N/A	N/A	
PEOPLE WITH DISABILITIES				
	N/A	N/A	N/A	

Note: Trustee data is not included because surveys have not collected that data in recent years.

1. Based on a sample of 964 independent, family, community, corporate, public, operating, and other foundations that provided full-time staff details. Data from Grantmakers Salary and Benefits Survey, Council on Foundations, 2014.
2. Bureau of Labor Statistics, 2014 (<http://www.bls.gov/cps/cpsaat10.htm>). These statistics are not comparable to previous State of the Work reports due to revised methodology. Percentage may not total 100% due to rounding and/or overlapping classification.

Given these caveats, each year we provide what data we have on the diversity of foundations' leadership and staff. According to that data, movement toward a more representative field has been mixed.

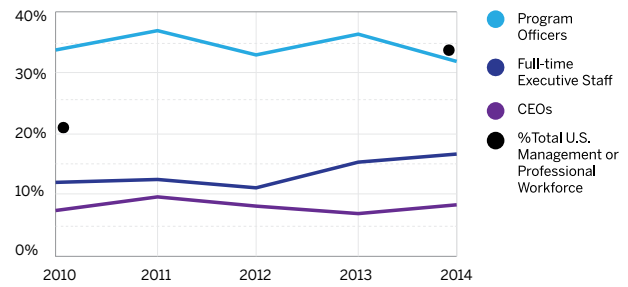
The good news is that since 2010, the number of foundations that have reported gender and racial/ethnic data for full-time paid staff in the annual COF survey has grown by 31 percent and 29 percent, respectively. This reflects a sea change for a field that is increasingly recognizing the importance of demographic data collection.

Diversity in Foundations Compared to the US Workforce

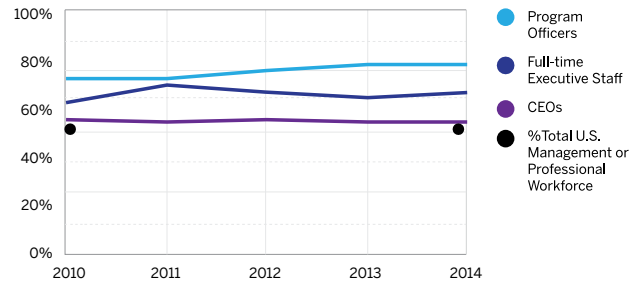
When it comes to racial and ethnic diversity, the percentage of CEOs and program officers who are people of color has been relatively flat over the five-year effort. However, executive level staff have seen a meaningful uptick. The data for people with disabilities and people who are LGBT have not been widely collected, but we are seeing a greater willingness for foundations to engage and include these populations by better tracking their presence in their organizations, so we hope that in the future, these individuals will be more visible.

For women, the story is more promising. Women are over represented at the program officer and senior executive staff—a phenomenon seen across the social sector—and at relative parity at the CEO level.

Foundation Staff And Leadership: People Of Color



Foundation Staff and Leadership: Women



Based on Foundation Center analysis of data from annual Grantmakers Salary and Benefits Survey, Council on Foundations (2010-2014).

Funding Diverse Populations

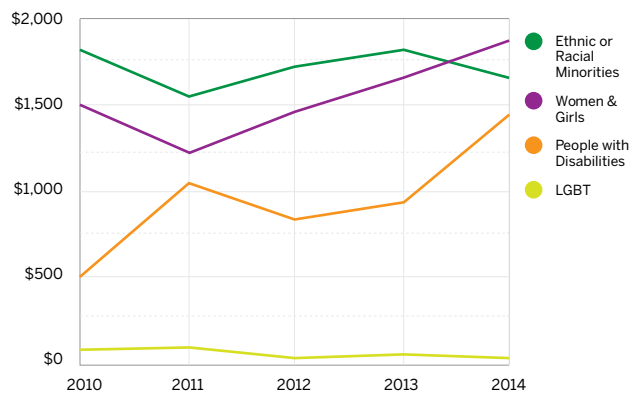
Data about where philanthropic dollars are going also have limitations. The numbers only reflect funding specifically identified as funding toward that community. Foundation Center supplements this with analysis of recipient organizations but the inconsistent and often non-existent data on beneficiary populations reflects a major gap in our ability to understand our impact. Foundation Center’s “Get on the Map” partnership with Regional Associations of Grantmakers to reduce the barriers for foundations to collect and share data, and D5’s partnership with GuideStar to standardize how nonprofit organizations report demographic data are major steps forward. These efforts, combined with work by DataArts in the arts and culture arena and Simplify, which streamlines the grant application process, are all indications of the field’s increasing capacity and willingness to be more transparent about who it is funding and the impact it is having in diverse communities.

2013 (Most Recent Data)

Diverse Populations	Amount \$	% of Overall Grant Totals
Ethnic or Racial Minorities	1,678,647,624	6.9
Women & Girls	1,887,986,138	7.7
People with Disabilities	1,465,576,586	6.0
LGBT	66,312,113	0.3

Funding Ethnic Or Racial Minorities	Amount \$	% of Overall Grant Totals
General (Unspecified)	1,074,825,458	4.4
African Americans & Blacks	318,654,084	1.3
Hispanics & Latinos	261,239,605	1.1
Native Americans	92,697,792	0.4
Asians & Pacific Islanders	73,586,684	0.3
Other Minorities	8,594,889	<0.1
Overall Grants Totals	24,429,876,076	100

Funding for Diverse Populations 2009-2013 (in millions)



The Foundation Center, 2016. Based on all grants of \$10,000 or more awarded by the FC 1000 - a sample of 1,000 of the largest U.S. foundations. For community foundations, only discretionary grants are included. Grants to individuals are not included in the file.

LEARNING FROM THE FIELD

Our vision for philanthropy embraces new and diverse voices that help foundations and the communities they serve to identify creative solutions to the challenges they face. We also champion foundations that view grantmaking through an equity lens to help create opportunities for all communities.

To realize this vision, we have prioritized recruiting diverse **leaders** in the foundation sector; identifying the best **actions** to take to advance diversity, equity, and inclusion; improving **data** collection and transparency; and increasing **funding** for diverse communities.

This is hard work, and we have a long way to go to achieve this vision. Fortunately, philanthropic leaders have been making progress in recent years, and new voices continue to emerge and help build the movement.

D5's fifth and final State of the Work shares the stories and elevates the voices of leaders who advance diversity, equity, and inclusion. We hope their stories inspire the field and help bring us closer to our vision of a more diverse, equitable, and inclusive philanthropic sector.



DATA

While other fields harness the power of data to measure effectiveness and such critical indicators as diversity, the foundation community lags behind in collecting information about the diversity of their trustees, staffs, and grantmaking. There is also no consistent standard for how to share such data. Without a comprehensive approach, we will never know the full story of how philanthropy is doing in its pursuit of greater diversity, equity, and inclusion.

We are making progress, however. One example: our partnership with GuideStar has helped nonprofits and philanthropic organizations voluntarily and uniformly collect data about staff, board, and volunteer demographics through the GuideStar Exchange. Today, over 5,300 organizations, including over 250 foundations, have shared their demographic data, including some of the biggest names in the environmental sector, and pledged to use the tool.

In this section, we share a story from the Pacific Northwest, where the Meyer Memorial Trust is using data to inform a new approach to grantmaking, and hear from our own Kelly Brown about how businesses use data to increase effectiveness.

IN THIS SECTION

A Proven Playbook for Increased Effectiveness

Kelly Brown, D5

Rethinking Grantmaking Based on Data

Meyer Memorial Trust

Activities Around Data

A PROVEN PLAYBOOK FOR INCREASED EFFECTIVENESS



D5 Director Kelly Brown examines what foundations and nonprofits can learn from successful businesses and how they can use data to increase effectiveness. This piece originally ran on the Markets for Good online forum.¹

As the director of an organization that works with foundations across the country, I get to see remarkable examples of foundations working together and learning from each other about how to be more effective.

But sometimes we need to look beyond the field to get ideas of how to tackle our biggest challenges. I agree wholeheartedly with philanthropy's well-placed skepticism of exhortations to be more "business-like." Philanthropy has different goals and different ways to measure effectiveness than business. When it comes to the power of diversity, however, the business sector can provide important lessons from which philanthropy can draw inspiration to achieve our sector-wide goal of advancing the common good.

First, businesses are proving that greater diversity leads to success. Earlier this year, McKinsey & Company, the global management consulting firm, released a study of 366 public companies that found that "when companies commit themselves to diverse leadership, they are more successful."

Second, successful companies are making the decision to be more transparent with their data, recognizing data as a tool for tracking progress in order to improve their

THE NUMBERS DON'T LIE.

Companies in the top quartile for **racial and ethnic diversity** are **35% MORE LIKELY** to outperform their respective national industry medians.



Companies in the top quartile for **gender diversity** are **15% MORE LIKELY** to outperform their respective national industry medians.

success. In recent years, some of the biggest names in the tech sector—Google, Facebook, Twitter, Apple, Microsoft, and Amazon—began to publicly disclose data about the diversity of their workforce.

These companies made the decision to release data because the only way to improve the situation is to understand and confront it. As Google states on its diversity page, "We're not where we want to be when it comes to

diversity. And it is hard to address these kinds of challenges if you're not prepared to discuss them openly, and with the facts."

Facebook agrees. Maxine Williams, whom Facebook tapped in 2013 to be its global director of diversity, recently said, "For Facebook, diversity is imperative to our future growth. If we don't get it right, we risk losing relevance in an incredibly diverse world."

Philanthropy faces a similar challenge. The face of America is changing rapidly. In two states—New Mexico and California—Latinos have surpassed whites as the largest racial/ethnic group. Women make up 51 percent of the workforce. One million more voters identified as LGBT in 2012 than 2008. In order for foundations to serve their constituencies effectively and maximize their impacts, they must change with them.

Foundations and nonprofits have the opportunity to take a page from successful business playbooks and use data to support this change. Clarity on the dynamics of demographic data will help us to understand fully the state of nonprofits and foundations, and shape a path for advancing equity for the people we serve—the impact we are all striving for.

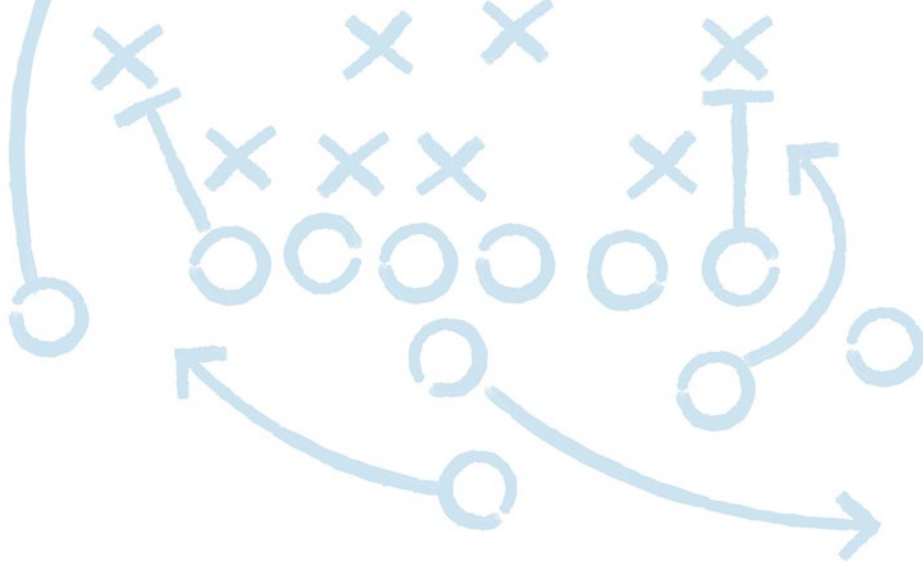
It may seem hard to see how diversity and inclusion, which contribute to the bottom line of a tech firm, relate to foundations and the social sector, but clear parallels do exist. Recently, after collecting and reviewing the data from several years of applicants, a major national nonprofit organization found it was struggling to increase the number of applications to its leadership program from under-represented communities, a critical need given the demographics of the emerging workforce and talent pool. In response, it developed a clear and explicit commitment to non-traditional outreach strategies, informed

by new staff who, in addition to sound skills and broad experience, brought new networks, insights, and strategies. The inclusion of the perspectives from under-represented communities transformed the applicant pool in two short years. Now the program more closely reflects the demographic make-up of both current and future leaders, a transformation that is essential to the important leadership development role this organization provides. Just as with business, this development was informed by sound data.

The social sector's work is even more sensitive to the importance of identity, inclusion, and equity. Are outreach efforts crafted in the right language? Are interventions appropriate and reaching all members of a community? Are partnerships and alliances informed by the perspectives all constituents and stakeholders? These are dynamics that can change in a few short years. But without a sound system for rigorous data, how can we know if the programs we invest in are achieving optimal impact on the communities we want to touch?

If philanthropy is to achieve its best "bottom line," it must be informed by the same kind of sound data the business world relies upon. Because if we don't understand whom we're impacting, how can we know we are really making the most effective impact we can?

1. <http://bit.ly/1ekNsyO>



RETHINKING GRANTMAKING: USING DATA TO INFORM INVESTMENTS

Determined to be more equitable in its grantmaking, the Portland, Oregon-based **Meyer Memorial Trust** lets data be its guide.

Doug Stamm, chief executive officer of Meyer Memorial Trust, in Portland, Oregon, is a convert to the cause of diversity and equity in philanthropy, and he speaks and writes with a convert's passion. To be sure, equity has for years been part of the mission of the Meyer Memorial Trust, which in FY2015 awarded more than \$46 million in Oregon and in Clark County, Washington, via 515 grants and three loans. But turning well-meaning words—aiming “to contribute to a flourishing and equitable Oregon”—into the aggressive pursuit of social justice along lines of race, gender, disability, and other identity-based measures, “has been one of the most difficult things we’ve taken on,” Stamm says.

He describes a dawning realization about four years ago, as the foundation was undertaking a routine review of its mission and values: “We all embraced the idea of an equitable Oregon, and aspired to it. But we didn’t all share a common agreement as to what equity looked like.”

That wasn’t the kind of disagreement that could be reasoned through; it had to be confronted on a deeper level. Meyer initially brought in diversity and inclusion consultants to facilitate Meyer’s equity learning, which led to challenging and uncomfortable

conversations. “Intimate and personal details were shared by our staff, particularly our colleagues of color, who had experienced episodes of racism in their life. The costs of personal and systematic prejudice were laid bare,” Stamm says, “deep personal aspects you wouldn’t ordinarily share in the workplace.” Hearing these intimate and painful stories “was, frankly, a major call to action for me, our staff and trustees.” We realized that meaningful equity work is never easy but challenging. We learned that the approach and style of our initial consultants was not right for us, so we then begin an ongoing equity learning journey with new facilitators that has continued over the past two years.

The definition of “equity” that the foundation settled on (and posted on its website) was: “the existence of conditions where all people can reach their full potential.” But the statement makes clear that understanding the concept requires grappling with how “bias and oppression” manifest themselves in society along lines of race, gender, sexual orientation, disability status, and other factors. For the foundation as an organization, it “means grappling with our identity in a field born out of wealth and power.”

A product of Portland’s Beaverton High

School, Stanford University and Lewis & Clark Law School, Stamm went into corporate law, worked for NIKE and eventually went on to lead the national office of the Portland-based nonprofit Friends of the Children. Stamm, who is white, had always enjoyed a fairly privileged existence, but felt a growing commitment to justice and the nonprofit sector. To make Oregon a fully equitable place, he says, he came to realize that “you have to start with the people who have not had the benefits that I have—people who, unlike me, might have to worry about being pulled over when they drive down the street.”

The urgency was magnified when Stamm became a grandfather and began imagining the diverse Oregon his young grandchildren would inherit.

In the end, Meyer decided to overhaul its approach to grantmaking: It would move from a responsive and broad approach of funding worthy groups that shared its values to something deeper and more systemic: working to identify the barriers to racial, gender, and disability status equity—and other forms of equity—and attacking them.

As it embarked on changing its focus, Meyer decided that it needed more data in order to determine which populations were actually being served—or underserved—by grantmakers and grant recipients. In a pilot project from late 2013, Meyer asked the 53 organizations applying for grants to provide demographic data about their staffs, boards, and populations they served. It also hired an outside group to survey applicants and grantees from the prior three years, looking for similar data—surveys that caused some consternation in the Oregon nonprofit world. Groups that funded low-income people, but perhaps mostly low-income white people, wondered if they’d be automatically disqualified.



DOUG STAMM DISCUSSES DEI WITH A COHORT OF FOUNDATION CEOS. FROM LEFT: LIZ VIVIAN - WOMEN'S FUNDING ALLIANCE; LUZ VEGA-MARQUIS - THE MARGUERITE CASEY FOUNDATION; RICHARD WOO - THE RUSSELL FOUNDATION; DOUG STAMM - MEYER MEMORIAL TRUST; SUSAN ANDERSON - THE CIRI FOUNDATION; MAX WILLIAMS - OREGON COMMUNITY FOUNDATION.

“Our response,” Stamm says, “is that equity is about closing gaps and disparities for marginalized populations. It’s not exclusively about race.”

“We don’t expect every group to have mastered equity,” he says. “We expect every group to be considering it and thinking about how to integrate it into their mission, strategies, and daily work.”

Meyer trained the same demographic lens it aimed at others on itself. From 2013 to 2015, Meyer staff moved from 27 percent people of color to 47 percent people of color. The trend toward greater diversity has continued with hiring for new initiatives. (At the trustee level, five of six current board members identify as non-white.) The discussions about identity and surveys of staff have even led some staff to reconsider their own identities (shifting from a single category to “multiracial,” for example).

As Meyer reshaped its grantmaking approach to focus on equity, it went so far as to discontinue its existing grant programs in the spring of 2015 and has used the past year to process awards in the pipeline while retooling and developing new targeted funding priority areas. It has already reached out to stakeholders in one main area of focus, affordable

housing, for advice on developing a comprehensive approach.

“We worked on developing what the key priorities in the state are, and we went out and issued calls for proposals that fit those priorities,” Stamm says. As Meyer supports the preservation of affordable housing and lowering the costs of building new housing, it will now carefully track populations served to gauge progress. It announced its new framework and grantmaking parameters in early March, soliciting proposals in the areas of Building Community, Healthy Environment and Housing Opportunities. Its Equitable Education portfolio will likely begin soliciting proposals in early 2017.

It is building coalitions and putting more money into supporting advocacy groups. One grantee, the Oregon Housing Alliance, “subsequently secured by far the greatest gains from our state legislature in years,” Stamm says.

Meyer is doing a similar “statewide sweep” for ideas about building communities—a core priority—with 10 listening sessions across the state so far and has followed a similar path of stakeholder engagement in shaping the other funding areas.

As the Portland Tribune reported in October, some arts groups worry they will be shut out from Meyer support, fearing that their connection to “equity” may be hard to demonstrate. Meanwhile, social justice organizations, such as Pinos y Campesinos Unidos del Noroeste (PCUN; Northwest Treeplanters and Farmworkers United), a progressive Latino advocacy group that lobbies for farmworkers rights and immigration reform, wonder whether Meyer will support establishment-rocking groups like theirs. In fact PCUN recently received an award from Meyer, but Stamm is not tipping his hand about future recipients. In recent

years, Meyer has begun to increase its support for those and similar organizations focused on grassroots advocacy.

Stamm has taken an unusually personal tack in a blog on Meyer’s website, wrestling openly and candidly with notions of race and white privilege. “When I get into conversations about race with people of color, I can at times feel my heart rate go up or I get anxious,” he wrote in July. After the Charleston church massacre, he wrote: “My heart breaks and I am trying to figure out what more I can do.”

“At times I feel like I’m one of the maybe least adequate people to speak on these topics,” Stamm says. “On the other hand, it can be powerful, I think, when people who aren’t expected to speak out on equity and race issues do so in a very personal way.” He has been consulting with a diverse group of peers in the Pacific Northwest, the Philanthropy Northwest CEO equity cohort, which he uses as a sounding board to gauge whether his approach has gone too far, or not far enough.

He has also tapped this network as he tries to make a meaningful impact on internal diversity. “At one point I said, ‘I am hell-bound on hiring a diverse staff here at Meyer. I need your help. Talk to me.’”

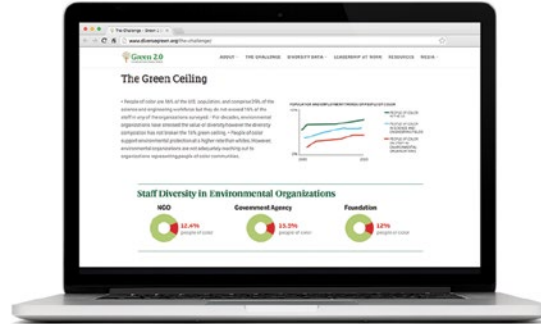
For Stamm, embracing equity has been “heartfelt and real—and not without a lot of challenges.”

“I personalized it, I took it beyond work,” he says.

Personal passion has clearly been one key to this reorientation. At the same time, that passion has been tempered, shaped, and guided by the data that Meyer has diligently gathered in order to figure out who is being helped—and who isn’t. It is these gaps in equity that the new Meyer hopes to close.

ACTIVITIES AROUND DATA

Data collection and transparency took a major step forward in the last year. It was propelled largely through D5's partnership with GuideStar and Green 2.0 on GuideStar's Nonprofit Profile platform. The new tool, launched in October 2014, sets standards for how data about diversity is collected within the nonprofit sector. D5 developed the standards with a wide range of partners to advance transparent and uniform data collection about staff, board, and volunteer demographics in the nonprofit and philanthropic sectors, enabling better-informed decisions. Nearly 200 organizations signed up during the first month, and the momentum is clearly building. Since the toolkit launched, over 5,300 organizations, including over 250 foundations, have shared demographic data through GuideStar.



To support these efforts, D5 engaged with organizations across the country. We participated in bicoastal launch events in Washington, D.C., and San Francisco, cosponsored webinars with such partners as the Forum of Regional Associations of Grantmakers, held sessions at major conferences—including the annual conferences of the Council on Foundations and the Grants Managers Network—and penned numerous op-eds and blogs.

SELECT D5 ACTIVITIES

- Data Collection Tool launch events with GuideStar and Green 2.0, Washington, D.C., San Francisco
- Session at 2014 JAG Unity Summit, “Got Data?”
- Webinar co-sponsored with the Forum of Regional Associations of Grantmakers, “Building Momentum for Data Standards to Tell Philanthropy’s Full Story”
- Session at 2015 Grants Managers Network Annual Conference and webinar, “Diversity Data... There’s A Story to Tell”
- Session at 2015 Council on Foundations Annual Conference, “Diversity and Data...Gaining Momentum”
- Consultation with DataArts (formerly Cultural Data Project) to develop demographic data surveys for arts and culture organizations
- D5 partners, the Foundation Center and the Funders’ Network, are participating in the Federal Reserve/Philanthropy Initiative—a collaboration between the Funders’ Network and local Federal Reserve Banks to restore prosperity to older industrial cities

ACTION

The greater access foundation leaders have to tools and resources, the more likely they are to take voluntary action toward advancing diversity, equity, and inclusion. That is why D5 has worked to support foundations by leveraging a network of philanthropic infrastructure organizations and making high-quality educational resources related to diversity, equity, and inclusion readily accessible to foundations.

Sometimes the only thing preventing a foundation from taking action is that they simply do not know where to begin. This section offers an inspiring story of a foundation taking action to meet the challenge of shifting demographics, advice from a philanthropist about asking the right questions, and insight into why one of the most well-known environmental organizations decided to speak out on the issue of race.

IN THIS SECTION

Engaging Diversity in a Once Homogenous City

Community Foundation of Greater Dubuque

When to Speak Up: An Outsider's Perspective

Michael Brune, Sierra Club

Increasing Accessibility in the Arts

Anne Mulgrave, Greater Pittsburgh Arts Council (GPAC)

Activities around Action

ENGAGING DIVERSITY IN A ONCE-HOMOGENEOUS CITY

As Dubuque, Iowa's economy shifted, so too did its demographics, giving rise to tensions. That's when **Nancy Van Milligen** of the **Community Foundation of Greater Dubuque** decided that action must be taken to encourage inclusivity and celebrate diversity, or the city would risk losing the promise that comes with both.

Dubuque, the oldest city in Iowa, has traditionally been a German- and Irish-American community, rich in ethnic subcultures but very—in a word—white. It did not experience the civil rights movement in the way Northeastern and Southern cities did, and it's had a troubled not-so-distant past when it comes to diversity. In 1989, a cross burning made national news. A subsequent plan to encourage 100 black families to move to the city turned into a scarring experience when the families were met with more cross burnings: good intentions swept away by ugly undercurrents.

But the city is changing, and not just economically, as factories and farms give way to a more diverse economy. African Americans now make up 5 percent of the city's population (up from 1.2 percent in 2000), and Latinos make up 2.4 percent (up from 1.6 percent). Yet these groups are struggling: The black poverty rate is 52.5 percent and the Latino rate 39.8 percent.

In 2009, the city succeeded in attracting an IBM Innovation Center, which moved into part of the historic Roshek Building (an architectural gem that was once a department store) and provided 1,300 new jobs. That brought a



NANCY VAN MILLIGEN (SECOND FROM LEFT) MEETS WITH COMMUNITY FOUNDATION OF GREATER DUBUQUE BOARD MEMBERS AND COMMUNITY MEMBERS.

new wave of diverse workers to the city—plus some fresh tensions, says Nancy Van Milligen, president and CEO of the Community Foundation of Greater Dubuque, which also occupies part of the Roshek Building. Word started to trickle out about racial incidents targeting some of the new workers.

“Change is hard,” Van Milligen says. “It was time to reflect and see how equitable and inclusive our community is.”

The result was Inclusive Dubuque, a venture that brought together leaders from faith,

education, business, nonprofit, and government organizations—from the NAACP to the Dubuque Museum of Art to John Deere to local universities.

Inclusive Dubuque is housed in the offices of the Community Foundation, whose board oversees it. “We staff and facilitate it,” Van Milligen says. Rather than create a 501(c)3, it opted to create a network and use a “collective impact” model of intervention.

Going deep into equity and diversity can be a hard sell, Van Milligen says.

“When I first brought the idea of Inclusive Dubuque to my board of directors, they were concerned,” she says. “They said, ‘These problems will never go away, progress won’t be measurable, and some of our donors won’t like it!’” But they turned around: “Two years into the project, I had unanimous support that this was the most important work for us to do as a community foundation. The board had become aware that equity was core to all of the issues they were working on—academic success, poverty, and family economic security and workforce.”

Skeptics on the board and elsewhere came around, she says, as the local hunger for this kind of work became apparent, accompanied by a steady drip of national stories about rifts over race, immigration, and inequality.

The Foundation gave \$5.8 million in grants in 2014, but much of its work involves convening and coordinating the region’s philanthropic community, engaging donors, and hosting pilot projects. Eventually, over 50 groups would join the Inclusive Dubuque network, which was launched in February 2013 in the Grand River Convention Center overlooking the Mississippi River. Mayor Roy D. Buol was on hand to pledge commitment to the cause.

Throughout 2015, Inclusive Dubuque organized a series of community dialogues on such topics as economic well-being, housing, health, education, neighborhood safety, transportation, and the arts—one theme per month—and commissioned short preliminary reports, called Snapshots, on these topics. Two dozen trained facilitators led 60 sessions that reached some 600 people. Nearly 2,000 citizens submitted online surveys. (Not bad for a city of 60,000!)

The sessions were demographically diverse, with black residents turning out in especially large numbers, double their proportion of the population (11.5 percent of the total). Special efforts were made to reach out to marginalized groups like city’s population of Marshall Islanders. And when Inclusive Dubuque held its own monthly meetings, it was “the most diverse table in Dubuque,” says Van Milligen.

At dialogues on the city’s economic health convened by Inclusive Dubuque, residents spoke up about the difficulty of finding work and the challenges of finding reliable transportation to those jobs. And they expressed a more general lament: To many, Dubuque can appear to be a city of closed networks that non-mainstream residents can’t penetrate.

At the dialogues on education, one particular issue leapt out: Very few black students were making it into algebra classes in ninth grade, which can push them off the college track.

Given how diversity is new for some residents of this 90-percent-white city, some of the progress that Van Milligen reports may seem like obvious steps to residents of more rainbow-hued locales. She recalls one partner organization realizing it had never included minority residents in its press material; it began to do so. In another important, incremental gesture, the local development group now includes in public spaces educational

displays about some of the holidays its diverse workforce celebrates.

Inclusive Dubuque also includes more substantial endeavors. The Foundation is making sure that its own programs have a strong diversity-equity-inclusion (DEI) component. It's working with the Greater Dubuque Development Corporation and area educators, for example, to identify and train unemployed and underemployed workers—among whom minorities are overrepresented—for advanced manufacturing programs. The result: 331 workers showed up at the program's orientation, 153 enrolled in training, and 93 percent of those who completed training are now employed.

There's also Re-engage Dubuque, in which "coaches" reach out to young people ages 16 to 21 who have dropped out of school—another problem that disproportionately affects minority students. The coaches find them by looking at dropout lists, surfing Facebook, and dropping by fast-food restaurants to chat up people behind the counters. More than 200 students have been reconnected to education opportunities, with more than 60 completing diplomas or high school equivalent degrees in the last two years. In September, John Deere cooperated with the Multicultural Family Center for a "teen night," during which employees shared information about careers in welding assembly, and instrumentation.

Van Milligen says, "The Community Foundation functions as the backbone organization for these initiatives by providing continuous communication, tracking the measurable outcomes, and holding the players accountable."

Building on the dialogues and the monthly "Snapshots" of data, survey results, and citizen comments, Inclusive Dubuque shared



NANCY VAN MILLIGEN
(RIGHT)

a summary of the Community Equity Profile in Fall 2015, at a culminating summit. Task forces will then be organized around the topic areas that have been discussed all year. Van Milligen says: "Our community is resource-rich. We have strong nonprofits with the capacity for making change. How can we connect the dots better?"

The initiative faces a number of challenges, among them, political passions stirred up by immigration and other issues. "It's a lot easier to work on early childhood reading than it is to work on race and equity," Van Milligen says.

"I think to do this work you have to really know yourself and to really understand your own biases—and we all have them—and work on that," she says. "So, yes, it has been eye-opening." Among the goals so far unmet has been diversifying the foundation's board, although, she adds, "We have absolutely made it a priority."

The challenge is worth it, Van Milligen insists: "In a town like ours, these would be the kind of issues where if you didn't want to talk about them, you wouldn't have to. So why are we talking about it? Because it couldn't be more important."

WHEN TO SPEAK UP: AN OUTSIDER'S PERSPECTIVE



It was a bit of a surprise when, in the days following the unrest in Ferguson, Missouri, the Executive Director of the Sierra Club—an organization synonymous with environmental protection—spoke out on the issue of race. **Sierra Club Executive Director Michael Brune** discusses his decision to weigh in on “non-environmental” issues and why he sees advancing DEI as critical to his organization’s work.

When people ask me why it’s important for the Sierra Club to weigh in on “non-environmental” issues like racism, voting rights, and immigration, I like to quote Martin Luther King: “Injustice anywhere is a threat to justice everywhere.”

From Henry David Thoreau to John Muir, the environmental movement was founded on a firm belief in the moral distinction between right and wrong. Injustice is clearly wrong, of course—but so is indifference to injustice. Silence becomes complicity. To quote Dr. King again, “In the End, we will remember not the words of our enemies, but the silence of our friends.”

“*I like to quote Martin Luther King: ‘Injustice anywhere is a threat to justice everywhere.’*”

Not everyone agrees. Some thoughtful and well-intentioned people have questioned whether, by speaking out on these issues, the

Sierra Club risks becoming less effective at what one letter writer referred to as our “fundamental issue of environmental protection.”

I understand that concern, but the Sierra Club’s Board of Directors and I believe that exactly the opposite is true.

Injustices in our political system and in our culture also empower polluters and lead to the destruction of our most cherished places. Working toward a just, equitable, and transparent society is utterly essential if we want to meet unprecedented environmental challenges like climate disruption. To prevail, we need as many people as possible to find common ground in opposition to our true adversaries: greed, fear, ignorance, and self-interest.

You needn’t look far to find that common ground, either. The same economic logic that drives corporations to cut costs by paying poverty wages also drives them to conduct their businesses unsustainably. When people of color are systematically denied the right to



SIERRA CLUB MEMBERS
IN NEVADA MARCH FOR
CLEAN ENERGY.

vote, the corrosive effect on our democracy serves the interests of wealthy polluters. And when a coal-burning power plant is built near a community of color, it's a lost opportunity for clean energy.

Once we come together, we will be both righteous and powerful, but we're not there yet. The single greatest weakness of the environmental movement today—including the Sierra Club—is that, despite many years of talking about the importance of diversity, equity, and inclusion, we still can't say we're fully walking the walk. We still don't reflect the demographics of the communities in which we live and work.

I'm hopeful that, for the Sierra Club, this is finally changing. In May of 2015, our Board of Directors adopted a multi-year DEI plan that details the immediate and short-term steps required to advance our work through 2018. Why do I believe this effort will succeed where others have not?

First, because I can already see how this

organizational commitment is positively affecting our environmental work. We are finding allies we never had before. When we stand in solidarity with other communities in their struggles, we find that they become powerful partners. Second, because we are holding ourselves accountable—just as we would with any other campaign. If there is anything we've learned from decades of disappointing progress on this issue, it's that good intentions are not enough. Deadlines, diligence, and data are essential.

“ Once we come together, we will be both righteous and powerful, but we're not there yet. ”

We're not Pollyannas. We harbor no illusions that we can end all of the injustice in the world. But if we can make a difference by doing our own part and through righteous support, we should.

INCREASING ACCESSIBILITY IN THE ARTS



A conversation with Anne Mulgrave, Manager of Grants and Accessibility, Greater Pittsburgh Arts Council

The Greater Pittsburgh Arts Council (GPAC) is the primary arts advocacy and service organization in the Pittsburgh region, as well as a local grantmaker. We spoke with Anne Mulgrave, Manager of Grants and Accessibility.

D5 GPAC is well-known in the Pittsburgh community for its efforts to increase the accessibility of arts and culture to those with disabilities. How did you become involved in this work?

AM In 2010, GPAC was approached by the FISA Foundation to increase access to the arts to those with disabilities. As the primary arts service organization in the Pittsburgh area, GPAC has the relationships with the arts community that made it logical for us to undertake this field-wide effort. Our first step was to survey GPAC members. We asked, “Where are you with accessibility?” We learned that organizations were interested in the topic of accessibility, but for most of them it wasn’t a priority. They felt held back by capacity issues and were unsure where to begin.

GPAC sees it as our mission to make it a priority. We put goals related to accessibility in our own strategic plan and started a pilot program for organizations in our region. In 2011, we began to bring together people with disabilities with staff from arts organizations for Lunch & Learns to discuss

what each needed—what those with disabilities needed in order to access the arts and what arts organizations needed to have in order to become more accessible. More and more people started coming to these gatherings and learning from each other. Arts



ELAINE HOUSTON (LEFT) AND ANNE MULGRAVE (RIGHT) LEAD A WORKSHOP ON MAKING CONFERENCES ACCESSIBLE.

organizations started to see barriers that they hadn't known were there. The great thing about arts organizations is that they're full of people who are creative problem-solvers. They came to this work with the attitude that problems can be solved.

Since 2010, there has been remarkable growth in organizations that have jumped on board with access. Today there is positive peer pressure, where the question is, "Who's not doing it?" No one wants to be the odd man out.

D5 How have you changed your own work as a grantmaker?

AM We provide technical support to grantees before they submit proposals and take the opportunity to ask them questions about access for people with disabilities. The grant review panels now also include people with disabilities. One member is blind, and the applications were not accessible to people who are blind, so we had to make changes—and were able to show that a person who is blind offers a valuable perspective. GPAC also tracks how grants serve artists with disabilities, if artists choose to disclose. These steps build trust between GPAC and the disability community.

D5 What does it look like when someone has greater access to arts and culture?

AM The Pittsburgh Cultural Trust, which owns the seven biggest arts venues in the city, is a great example. The Trust decided to make all their venues accessible programmatically.

Their first big undertaking was to host a sensory-friendly performance of *The Lion King* that would be accessible to people with autism spectrum disorders. It was a really big deal! In addition to changes in the music and lighting, the theater created quiet spaces with



A DRESS REHEARSAL WITH CITY OF ASYLUM AT THE NEW HAZLETT THEATER IN PITTSBURGH.

special carpet for audience members if they became overwhelmed. Staff were trained and performers were prepared to expect more vocalizing in the audience. The website provided details ensuring the audience knew what to expect, down to the parking set-up.

Families were really moved—they said they had never felt so welcome. And it had a big impact on the people with autism, mostly kids. The idea is that over time, social inclusion would be prioritized and all performances would include these accommodations.

“ We learned that organizations were interested in the topic of accessibility, but for most it wasn't a priority. ”

D5 What's your overall vision for this work?

AM Art changes the world. If you're going to the Civic Light Opera every week and there's an American Sign Language interpreter, it's a distraction at first. But the next time, if the interpreter isn't there, the absence is noted. These steps change people's attitudes toward disabilities. It becomes the norm.

ACTIVITIES AROUND ACTION

D5 continued to advance its regional strategy of targeting DEI resources and support to pre-existing and emerging local networks. Regional associations of grantmakers played an important role in convening funders and supporting momentum for DEI. D5 held DEI workshops and provided support for Associated Grant Makers (Massachusetts), Florida Philanthropic Network, Philanthropy Network of Greater Philadelphia, Philanthropy New York, Philanthropy Ohio, and Northern California Grantmakers.

D5 also provided a communications workshop with funders participating in the Funders' Network PLACES Fellowship program—a year-long program that offers tools, knowledge, and best practices to enhance funders' grantmaking decisions in ways that respond to the needs and assets of low-income neighborhoods and communities of color.

D5 marked the 25th anniversary of the Americans with Disabilities Act with a series of guest blog posts by funders. This series raised the visibility of those with disabilities in the movement and helped ensure that people with disabilities are represented in the work.



SELECT D5 ACTIVITIES

- Communications workshops, “Inspiring Action to Advance Diversity, Equity, and Inclusion in Philanthropy,” Northern Virginia, Philadelphia, Boston, New York, San Francisco, Fresno
- Session at 2014 National Center for Family Philanthropy annual conference, “Diversity, Inclusion, and Equity in Philanthropy”
- Session at 2014 River Gathering (Philanthropy Northwest, Grantmakers of Oregon and Southwest Washington) annual conference, “Do Cohorts Really Work?”
- Session at 2014 Forum of Regional Associations of Grantmakers annual conference, “Advancing Diversity, Equity, and Inclusion”
- Session at 2014 Independent Sector National Conference, “Inclusion, Diversity, and Equity: Taking Our Vision from Imagined to Realized”
- Four-part webinar series November 2014 co-sponsored with the Forum of Regional Associations of Grantmakers
- Featured speaker to 2015 Florida Philanthropic Network’s Tampa Bay Funders, “D5 Coalition: Fueling A Movement”
- Panelist at 2015 Americans for the Arts Annual Convention, “How Can the Arts and Culture Strengthen Community Identity?”
- Plenary speaker and panelist at 2015 Philanthropy Ohio Annual Conference, “Advancing Diversity, Equity & Inclusion in Ohio,” and “Fueling a Movement for Diversity, Equity & Inclusion”

FUNDING

At the core of D5's work is a commitment to make more financial resources available to diverse communities. As the stories in this section demonstrate, using data to inform grantmaking strategies and welcoming diverse voices to the decision-making table are two effective ways of building more equitable portfolios.

IN THIS SECTION

A Philanthropist's Story Informs Her Giving

Ana Valdez, Philanthropist

Activities around Funding

A PHILANTHROPIST'S STORY INFORMS HER GIVING



A Conversation with Ana Valdez, Philanthropist

At the core of D5's work is a commitment to making more financial resources available to diverse communities and building the capacity of diverse donors. D5 caught up with Ana Valdez, a philanthropist and political and media consultant based in Los Angeles, to hear more about her personal story, and how it influences the way she helps the Latino community tell its own.

D5 What is it about your own story that fuels your philanthropy?

AV I grew up in Mexico City in a privileged home, and there were many treats to it, but I always knew there was something wrong. The differences between the haves and have-nots was very painful, for me at least.

Latinos are very generous—with our family, our friends, our environment, and our church. There is a culture of giving, but it's a very different culture of giving from what the foundation world is used to. We Latinos may not know much about structured giving, and that I think is an education process that we could all use to achieve tremendous results in the future.

D5 As an activist philanthropist, you are taking your commitment to the next level by working with peers and colleagues to strengthen the ability of the Latino community to tell its own story. How can individual philanthropists play a more active role, beyond contributing financial resources, to strengthening the communities they care about?

AV There are many ways to have an impact in the communities philanthropists care about, besides donating money. They can volunteer doing the work that the organization does, in the field. This has an impact both on the people the organization serves and the staff of the organization; it creates a better understanding of the organization's challenges, and it helps with work that otherwise would have to be paid.

They can also recruit their peers to volunteer with them. This creates awareness of the need of the mission in a larger number of people, who can eventually become supporters of the cause, too.

They can volunteer at a higher level, with their time and expertise, by being on the board of directors, helping with important decision-making, donating their expertise and professional ideas, and being the voice of specific demographics they are serving.

Philanthropists can also be spokespeople who tell the story of the organization and its mission wherever they go, both in their social and professional circles.

Philanthropists can also create awareness of the cause by writing articles and books, giving talks, being part of panels, etc.

D5 How is the field doing in terms of building authentic partnerships with donors from a diverse set of backgrounds and experiences?

AV I believe there is a will to include more diversity, and I know of many boards and non-profit human resources departments that have the mandate to do so. Unfortunately, I don't think they have been very effective in the majority of cases. Recruiters need to be even more innovative in their systems and processes.

I recently heard a COO of one of the largest entertainment companies in the U.S. encouraging his VPs to “go against your instincts” as a possible way to achieve more

diversity in hires. I am not sure it is “going against your instincts” as much as it's “going out of your comfort zone.” The traditional demographic that has made hiring and recruiting decisions most of the time has no connections or relationships to other demographics.

They have the obligation to achieve optimum performance for the organization, to dedicate time and effort to create those connections and new networks, and to have a robust pool of candidates to consider every time they have staffing needs.

There are some organizations and businesses that have achieved these goals. They made it a priority, created the commitment, and made it a requirement of good practices. And they have achieved unimaginable levels of success in their mission overall by having a staff and board that represent the people they serve.

ACTIVITIES AROUND FUNDING

D5 continued to highlight diverse donors through our *I Am a Philanthropist* video series. The brief videos featuring seven philanthropists of diverse backgrounds were accompanied by a series of blog posts in late 2014 through early 2015. The idea appears to have caught on, with the National Center for Family Philanthropy and Hartford Foundation for Public Giving producing similar videos.

D5 also partnered with Philanthropy Southwest to cohost a forum exploring the role of population-focused funds in strengthening communities, using D5's report as a springboard for discussion.

SELECT D5 ACTIVITIES

- Session at 2014 Council on Foundations Community Foundation Conference, “We Are Philanthropy”
- Convening co-sponsored with Philanthropy Southwest, “Population-Focused Funds: Positioning for the Future”
- Completed and promoted the “We Are Philanthropy” suite of films highlighting philanthropists from diverse communities

LEADERS

Philanthropy's leadership is critical to our movement's progress. But even as these issues become more important and relevant, foundations and other philanthropic organizations have a long way to go in elevating diverse leaders from different races and ethnicities, genders, LGBT communities, and people with disabilities.

We are making progress. The stories in this section demonstrate how prioritizing diverse leaders can help a foundation achieve its mission.

IN THIS SECTION

A Family Foundation's Shift Toward Diversity and Equity

Graustein Family Foundation

A Foundation President Shares Her Views on the Value of Diversity in the Boardroom

Unmi Song, Lloyd A. Fry Foundation

Building a Diverse Leadership Pipeline to Tackle the Issue of Equity

Minnesota Council on Foundations

Activities around Leaders

A FAMILY FOUNDATION'S SHIFT TOWARD DIVERSITY AND EQUITY

To achieve its desired impact on social issues, the leadership of the **William Caspar Graustein Memorial Fund** knew it had to do more than just tackle the issues of race and inequality. It needed the right person to do it.

The William Caspar Graustein Memorial Fund was created as an “expression of love, hope and possibility,” according to Bill Graustein, the son of the man who created it. Archibald Graustein established the family foundation in 1946 to honor his brother, William, a Harvard math professor who had died in a car accident the year before. Their father had died recently as well, several business ventures failed, and hope seemed in short supply. But as a forward-looking gesture, Archibald created a foundation that would support education, to which the Graustein family believed it owed its success in the New World.

After all, Adolph Graustein, the family patriarch, had emigrated from a small town between Warsaw and Gdansk to Boston in the 1870s, and from his humble beginnings as a dairy deliveryman, sent six children to college. College, in turn, launched that generation of Grausteins, women and men alike, into startlingly successful academic, engineering, and business careers.

The Hamden, Connecticut-based foundation's first big inflection point came in 1993, when money left to Archibald's widow passed to the trust. Given the hundredfold increase in resources, the foundation had to get more serious about honing its mission, and it

““ *The choice of director reflected the trustees' decision to pay more attention to the systemic disadvantage of poor people of color.* ””

settled on improving education with a focus on early childhood. It partnered with communities and statewide partners to build new programs, strengthen existing ones, bolster parental involvement, and train educational leaders. The result has been ambitious projects like the Discovery Initiative, which invested more than \$60 million in 54 Connecticut communities and other partners from 2001 through 2015.



DAVID ADDAMS

Now the Fund is in the midst of a second major shift. Bill Graustein and his trustees had come to feel that the Fund would not make the desired progress addressing social issues unless it more explicitly addressed issues of race and inequality. To oversee that transition, in 2014 it hired as executive director David Addams, a former director of diversity at the ACLU and Vice President of Special Initiatives at



DAVID ADDAMS (FAR LEFT) STANDS WITH LEADERS RECOGNIZED BY THE COMMUNITY.

the New York Urban League, who had made a mark running the Oliver Scholars in New York City, which identifies promising minority students and prepares them to succeed in top independent high schools and colleges.

According to Bill Graustein, “The choice of director reflected the trustees’ decision to pay more attention to the systemic disadvantage of poor people of color.” A new mission statement, unveiled in 2015, pledges the Fund “to achieve equity in education by working with those affected and inspiring all to end racism and poverty.” And in an open letter posted on the group’s website, Addams said the Fund would fight harder against “seeming acceptance of the status quo” where racial and economic inequality were concerned. In revisiting its mission, the board and staff were “united in our resolve that rigorous attention to equity underlies our future work,” Addams wrote.

For Bill Graustein, the journey towards a new appreciation for diversity and equity was spurred by several factors. First, he came to see his father’s story through a fresh lens. Archibald, a first-generation college student, had felt like an outsider in Harvard’s class of 1905. He often told Bill an anecdote involving a fellow first-generation college friend named Amos White, whom a professor barred from

entering a lecture hall one day because he was late (he had been studying in the library, and the clock stopped). Amos protested at first, then left—only to seek out a heating grate through which he could eavesdrop on the lecture. Archibald framed the story as one about resilience, cleverness, and a hunger for self-improvement, but there was another dimension, which he revealed only the final time he related the story to his son, shortly before his death in 1969: Amos was black. Looking at the handful of black faces in photos of that Harvard class—there were very few black students at Harvard then and an only slightly larger number of German-American names—Bill Graustein says, “I began to understand that my own family’s history was deeply rooted in the diversity of this country.”

Bill’s evolution into a proponent of diversity and equity was slow but steady. After the Fund’s expansion in 1993, he gradually shifted his energies from a career as a research geochemist into full-time philanthropic work.

“I started out in this with some good intentions, with a bit of family story as a motivator, and with a whole lot of privileged cluelessness, too,” he says.

Early on, he threw himself into building the Community Leadership Program, which identifies people who yearn to make a difference regardless of credentials or job title and brings them into conversation with one another, providing professional development along the way.

“My own work has been in creating places where people have the opportunity to step out of their cultural comfort zone, but not be punished,” he says. “And what has been personally really energizing is seeing how people respond to that opportunity, and how

it corresponds with their yearnings. My sense is that the barriers to greater inclusion and equity aren't all external. The various 'isms' are perpetuated by people's reluctance to step into a vulnerable space."

The journey has been a family affair. Bill's daughter, Lisa Graustein, also on the board, has worked as a diversity consultant and at a Boston public charter school, and those experiences, and her insights, have also shaped the Fund's new direction.

Addams, who is African American, is the hands-on leader executing the new vision. "Having had the experience I've had, at the child and family level, I am going to be focused on driving results to that level," Addams says. "Not just looking at how to change policy and systems, but how are we going to change the lives of children who need help?"

Asked whether it was important that the Graustein Fund turn to a leader of color at this juncture, Addams responds: "I don't know if it has to be an African American person, but it has to be someone who can bring a missing perspective to the Fund. Part of that is understanding racism as well as—for me—having had the direct experience of coming up from poverty, and experiencing the barriers, and having been raised by a single black mother." Addams grew up on the South Side of Chicago, in a neighborhood that was, and remains, nearly all black. From there he made the daunting leap to Princeton.

The Fund will continue to attack barriers to achievement within schools and school districts, but, in an interview, Addams says a new focus will be "the barriers outside schools that undermine kids and undermine communities." Board members and staff members are thinking hard about how to

translate the mission statement into new programmatic activity; they hope to present guidelines for the next phase of grant giving by mid-2016. They have begun to reach out to groups in Connecticut that share an equity focus, such as the Sheff Movement, which has fought to desegregate Hartford schools since the late 1980s, as well as to ordinary parents of school-age kids. "We want to drill down and talk to the grass roots," Addams says. "We want to hear from the most disadvantaged parts of the community."

Bill Graustein sees an inclusive process of engagement as being nearly as important as the projects that emerge from it. "The main thing is trying not to circle the wagons and doing our planning behind closed doors, and then unveiling new ventures to the communities we work with," he says. "It really has to be done in partnership. And it is going to evolve and change even as you're doing it."

"Diversity," he adds, "is not about the composition of our board—or not just about that—but about what we are doing to actually talk to the people we are affecting."

As the Graustein Fund takes a wholehearted step forward into the vulnerable space Bill Graustein speaks of, he reminds his staff—himself, too—of lessons he's learned through all those difficult cross-cultural conversations he has brokered over the years. "Don't be afraid of messing up," he says. "If you are embarking into new territories and behaviors, which is what this is about, you never get it right the first time. You will inevitably stumble the mumble before you walk the talk."

David Addams chimes in: "You are almost guaranteed to fail, the first time." In pursuit of the goal of equity for Connecticut's children, the William Caspar Graustein Fund is willing to stumble, if that's what progress takes.

A FOUNDATION PRESIDENT SHARES HER VIEWS ON THE VALUE OF DIVERSITY IN THE BOARDROOM



D5 asked Unmi Song, President of the Lloyd A. Fry Foundation, two key questions:

Why is it critical to have diverse perspectives in a foundation's leadership?

What can CEOs do to successfully nurture and facilitate trustee engagement in these issues?

Here are her insights.

It has been said numerous times already, but there is still significance in the statement, **different backgrounds and life experiences bring a richer and more diverse conversation to boardrooms.**

Diversity can bring in points of view that would never have occurred to a group otherwise. In the way that a lawyer will tend to look at an issue differently than a banker would, so too does a person of color, an immigrant, or a person from the LGBTQ or disability community.

“*Different backgrounds and life experiences bring a richer and more diverse conversation to boardrooms.*”

A person of color from staff can add perspective, but it is **much more powerful when a board member brings that perspective.** It allows for a deeper and richer conversation. Sometimes it can bring the issue “closer to home,” make it more personal, show the rest of the board that the issue is not just about “others,” but about all of us. That is powerful when we are talking about fundamental structures in our society.

Serving as a trustee of a foundation is an exceptional opportunity—there are not many people who have had the experience. There are not many people with whom to share your experience or of whom to ask questions. And that is exponentially more the case for trustees of color or other excluded communities.



When our trustee Graham Grady organized the first reception for foundation trustees of color, there was significant interest and enthusiasm. **They stayed past closing time and we needed to walk them out the door while they continued their conversations.** They were eager to build a community and share experiences. It now has become an annual event, co-sponsored by the Donors Forum (now known as Forefront). And there is a trustee subcommittee on Diversity and Inclusion.

Do you have to have someone from the community to speak for the community?

Does it help to have someone who has experienced discrimination to bring a different perspective on ways to address poverty? Is it reasonable to ask one person of color to speak on behalf of all people of color? The answer to these types of questions is not always the same. But having these perspectives bring nuance, complexity, and depth to analysis and investigation.

Introduce the topics. Highlight the issues. Bring information and resources. Make it easy for the board members to engage. Keep looking for resources, articles, and events that could be of interest. It is not a one-time event. It is an ongoing issue that is connected to all types of topics. Look for different contexts and approaches.

THE FRY FOUNDATION PROVIDES SUPPORT TO NONPROFIT ORGANIZATIONS THAT HAVE THE STRENGTH AND COMMITMENT TO IMPROVE CONDITIONS FOR LOW-INCOME, UNDERSERVED CHICAGO RESIDENTS.

Get involved. Your participation tells the board it is something important to you and something you value enough to put your time and effort into.

“ *Introduce the topics. Highlight the issues. Bring information and resources. Make it easy for the board members to engage. Keep looking for resources, articles, and events that could be of interest.* ”

BUILDING A DIVERSE LEADERSHIP PIPELINE TO TACKLE THE ISSUE OF EQUITY

To advance diversity among foundation staffs, the **Minnesota Council on Foundations** is taking action to give people of color a foot in the door.

The Minnesota Council on Foundations (MCF), whose 182 grantmaking members distributed more than \$1 billion in 2014, or about three-fourths of the foundation giving in the state, is a trailblazer in the movement to advance diversity, equity, and inclusion in philanthropy. More than two decades ago it first developed a Diversity Framework that called on foundations to consider diversity across all of their many roles—as grantmakers, employers, economic entities, and community citizens. MCF has continued to be a thought and action leader on the subject, conducting research and providing resources that serve the field.

MCF's most recent initiative to advance diversity, equity, and inclusion tackles the under-representation of people of color among foundation leaders. It is building a

pipeline of talented professionals who can, in time, rise to executive positions. Diverse leadership that more fully reflects the nation's diversity can help foundations fulfill their missions to have positive community impact. Or as the president of MCF Trista Harris puts it, "The idea is that the people closest to the problems are the people closest to the solutions."

Two decades of survey data collected by MCF helped the organization recognize the need for more diverse leaders in philanthropy. Starting in 1995, MCF asked its members to report the demographics of their staffs. Member surveys were done roughly every five years, with the last survey administered in 2010. Over the years, MCF's Working Toward Diversity reports highlighted challenges and blind spots in the philanthropic world—and the reports themselves spurred change. Twenty-six foundations answered both the 1995 and 2000 survey, for example. In the first, 46 percent reported "no position" on diversity. Five years later, that was down to 12 percent.

The 2010 report highlighted the dearth of diverse leaders in the field: for example, although Asian Americans represented 3.2

““ *The idea is that the people closest to the problems are the people closest to the solutions.* ””

percent of all Minnesota workers, they occupied none of the chief executive suites in philanthropies. Latinos, at 3.1 percent of the population, also lagged in representation as executives (1.9 percent) and board members (1.8 percent).

While Harris says the experience of producing the surveys was useful and “a push to our member organizations that we all need to pay attention to these issues,” the reports also had enough limitations to lead MCF to discontinue the survey series after 2011. “MCF was concerned that surveying foundations was producing a rosier picture than was warranted where diversity was concerned,” says Harris, who is black. “The most diverse foundations were the most likely to respond.”

But in halting “Working Toward Diversity,” MCF has hardly turned its back on data. “Data collection in the field is critical, and it is even more important as philanthropy gets up to speed, and big data becomes a vital decision-making tool,” Harris says. MCF is working to build a new database encompassing information about its members, and as it does so, its goal is to incorporate diversity data, so that it has such information about all of its members, not just the ones that respond to a periodic survey.

MCF was also concerned that by focusing its resources on the survey and reporting, it may have been taking too detached a role. “Our concern,” says Harris, “was: how do you move from describing the problem to doing something about it?” After long conversations at the board level about MCF’s responsibility and role, in 2013 MCF, in partnership with the Bush Foundation, launched the Ron McKinley Philanthropy Fellowship Program. This program trains members of under-represented groups for careers in philanthropy, with a focus on racial diversity. The fellows make \$60,000 annually for three



MINNESOTA COUNCIL ON FOUNDATIONS PRESIDENT TRISTA HARRIS.

years, plus generous benefits, and they get comprehensive coaching on how to be a grantmaker in the 21st century. Member foundations give MCF a grant to pay the fellows’ salaries; they are placed in those foundations but employed by MCF. There were four fellows in the 2014 cohort, six in the 2015 cohort, and there will be eight in the cohort that will start work in 2016.

MCF was expecting applicants to the program to be fairly green, maybe just out of graduate school (though it does require five years of work experience). “Instead, we got

TRISTA HARRIS WAS JOINED BY MCF MEMBER GRANTMAKERS IN TRAVELING TO SWEDEN IN 2015 TO LEARN ABOUT EARLY CHILDHOOD EDUCATION.



experienced professionals who recognized that this would be a great way to get a foot in the door,” Harris says. “It is usually a closed door—a closed network.” The presumption is not necessarily that fellows will be hired by the foundation they work for but that they will gain contacts and exposure at philanthropies throughout Minnesota. Two fellows from the first two cohorts were hired before their fellowship had run its course.

During the fellowship, attention is given to readying these minority staffers for the long haul. “It’s hard being a person of color, being in a position of authority and relative privilege, and thinking your organization is not doing enough to effect change,” Harris says. “We’ve talked to the fellows a lot about how you have to take care of yourself, so you can do this for the long run. One strategy is to develop majority group allies. This work shouldn’t only be on the backs of members of minority groups.”

The context for MCF’s work is a state that’s not as forward thinking on race as it likes to

“ Our concern was, how do you move from describing the problem to doing something about it? ”

think it is. Minnesota is proud of its progressive tradition, but it has some of the biggest gaps in equity between white and minority populations with respect to lifespan, education, and incarceration. A 2005 report by the Brookings Institution, Itasca Project, and Living Cities titled “Mind the Gap: Reducing Disparities to Improve Regional Competitiveness in the Twin Cities”¹ helped to prod the community into action. “There were more and more conversations about the systemic problems here—how people don’t succeed because the system is set up for them not to be successful,” Harris says.

Is there broad acceptance of that truth? “If you go by what you read in the comments section of online newspapers, the challenges are as great as ever, but in the boardrooms of foundations, we are truly making progress,” Harris says. From a pragmatic angle, local industry is recognizing that they won’t have the workforce they need if the inequities go unaddressed. And by creating a pipeline of leaders equipped to tackle issues of equity and inclusion with fresh perspectives, the Minnesota Council of Foundations is shifting from analysis of the problem to a more active, vigorous intervention.

1. <http://brook.gs/258QiNk>

ACTIVITIES AROUND LEADERS

In recent years, there has been a growing focus on the lack of diverse leadership in the nonprofit sector. Research into the demographic breakdown of nonprofit and foundation staff in the environmental field and the arts has shown that the challenge of diversifying leadership in philanthropy persists. These reports come against a backdrop of increased scrutiny of the tech sector, which is being criticized very publicly for its lack of diversity.



Some forward-thinking leaders in the tech sector—including major companies like Facebook, Google, and Apple—have pledged to share demographic data. It is up to philanthropy to decide whether it will lead or allow the problem to continue.

D5 did its part to emphasize the need for greater diversity within the leadership of foundations through presentations at convenings with groups, including Forefront (formerly Donors Forum), NEO Philanthropy (formerly Public Interest Projects), Exponent Philanthropy, and the Smithsonian Institution.

SELECT D5 ACTIVITIES

- Presentation to Forefront (formerly Donors Forum), “Diversity Pipeline Programs Scan”
- Webinar co-sponsored with NEO, “Career Trajectories of People of Color in Philanthropy”
- Session at 2014 Exponent Philanthropy Annual Conference, “Diverse Boards, Diverse Perspectives”
- Webinar co-sponsored with the Forum of Regional Associations of Grantmakers, “Vision and Voice: The Role of Leadership and Dialogue in Advancing Diversity, Equity, and Inclusion”
- Panelist at Smithsonian National Museum of African Art convening on increasing diversity in museums

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