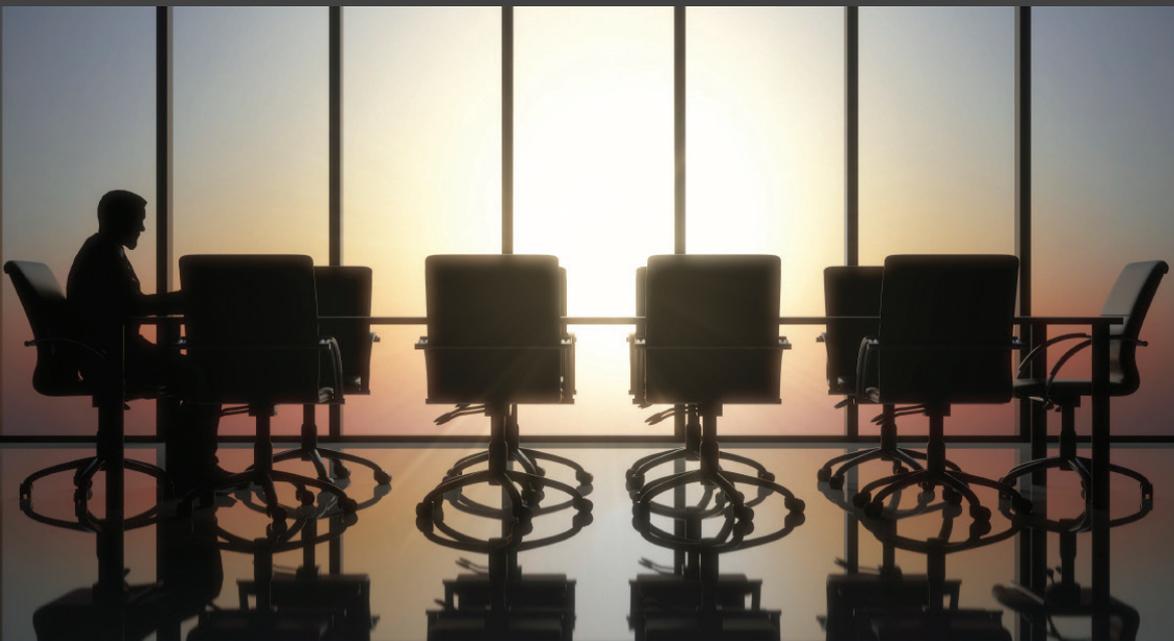




ABFE

A Philanthropic Partnership for
Black Communities



A Call to Action: Trustee Advocacy to Advance Opportunity for Black Communities in Philanthropy

April 2016

ABFE, with the assistance of Marga, Incorporated

Executive Summary

This Call to Action encourages foundation Trustees to increase the representation of Black leadership among foundations' staff, vendors, consultants and grantees. It emerges from the Association of Black Foundation's (ABFE) initiative, *Leverage the Trust*, which promotes the role of Black Trustees in making philanthropy more responsive to Black communities.

In this regard, Black Trustees are positioned to influence:

- **Black professionals' opportunities to lead in foundations in senior positions and the pipeline for Black talent for the institution;**
- **Opportunities for Black professional services and vendors to do business with the philanthropic sector; and**
- **Expanded foundation funding in Black communities in ways that are effective and responsible to the issues impacting our lives.**

This Call to Action includes specific ways in which Trustees can encourage improvements in their foundations in these three areas. Regarding staffing opportunities, Trustees can request employment data, highlight the value of a diverse staff, include staff and leadership diversity in CEO evaluations, strengthen lines of communication between Trustees and staff and influence searches.

With respect to vendors and consultants, Trustees can request data on procurement practices, engage CEO's about the benefits of hiring Black vendors, contact Black Chambers of Commerce, establish lines of communication between vendors and Trustees, leverage Board committees to advocate for Black vendors and encourage hiring and building the capacity of Black vendors. And in grantmaking, Trustees can request routine data on grantmaking in Black communities, request routine data on investments in Black-led organizations, increase awareness of prospective Black grantees, encourage investment in capacity building, increase foundations' outreach in Black communities and make use of ABFE's Responsive Philanthropy in Black Communities Framework.

A sample template to help foundations measure demographic data is included in this document as well. The template can help foundations understand the demographics of their grantees, vendors, consultants and staff. Overall, this Call to Action can help foundations become more inclusive and guide Trustees and CEO in taking concrete steps to become more responsive to Black communities.

Background

In 2011, ABFE: A Philanthropic Partnership for Black Communities launched *Leverage the Trust*, an initiative which harnesses the power of Black Trustees to promote effective and responsive philanthropy in Black communities. This Call to Action is designed specifically to encourage foundation Trustees to ensure that there are opportunities for Black leadership among foundations' staff, vendors and consultants and grantees. While this document focuses specifically on Black Trustees and their role in advocating for Black leadership, it can also be helpful to foundation Trustees interested in making their institutions more diverse, equitable and inclusive for other populations as well.

Overall, it is important for foundation Trustees to establish a voice in their organizations. It has become increasingly apparent that foundations do not automatically become more diverse and inclusive without intention. Typically, someone must ask the questions that will lead an institution to consider why it is important to increase diversity on numerous levels. In foundations, and many other institutions, Trustees are well-positioned to raise these matters. Furthermore, CEOs are accountable to Trustees, enabling those in governance positions to elevate equity, diversity and inclusion among institutional priorities, and encourage CEOs to make necessary adjustments.

Charge

Foundation Trustees set policy for grantmaking institutions; as such, they are critically important to ensuring that policies and practices are in place to facilitate opportunity for Black communities.

ABFE is calling on Black foundation Trustees throughout the country to become more intentional in three specific areas:

- 1. Ensuring that Black professionals have opportunities to lead in foundations in senior positions and that there is a pipeline for Black talent for the institution;**
- 2. Ensuring that Black professional services and vendors have opportunities for doing business with the philanthropic sector; and**
- 3. Ensuring that foundations are funding Black communities in ways that are effective and responsible to the issues impacting our lives.**

The Call to Action is designed to provide specific guidance to Trustees on these issues. In each area, we included guiding questions that you may raise with the CEO and/or in Board meetings, as well as specific action steps. At the end of this document, we've also included references for further reading, as well as templates used by foundations around the country to collect data on the diversity of foundation staff, vendors and grantees that you may use in your governance work.

CALL TO ACTION

I. Leadership: Ensure that Black professionals have opportunities to lead in your foundation in senior positions and the institution is intentional about building diversity.

Guiding Questions: What is our experience in recruiting and retaining Black leadership in the foundation? What are our pipeline strategies?

Actions

- **Request routine data on the foundation's employment of Black professionals.** Foundations that embrace a commitment to racial equity in their policies and practices have evolved to the point where inclusive hiring is the norm. These foundations routinely collect and analyze data on staff diversity to track progress on this issue. The template in *Figure 1* is an example of what foundations have used to collect and demographic data on staff diversity that you might use in your governance work.
- **Discuss the importance of a diverse staff.** A diverse staff can make for a more effective institution. This is particularly important in foundations, which are guided by social missions, to bring about change in various issues disproportionately impacting Black and other underrepresented communities. The inclusion of representative voices at the highest level of staffing ultimately informs foundation practice.
- **Include the diversity of staffing and leadership in the CEO's evaluation.** Trustees are responsible for evaluating the CEO's work; board members can leverage this role to prioritize the inclusion of Black leadership and broader diversity within the institution. Ideally, a foundation CEO owns the significance of diversity and inclusion in staffing. Trustees are best positioned to ensure that the CEO feels accountable for the foundation's progress in this regard. The CEO's review could include discussions of performance expectations and metrics around their ability to retain Black professionals and other professionals of color. ABFE's *The Exit Interview* offers the field a candid picture as to why Black professionals leave grantmaking institutions. The reasons range from not believing that there are real opportunities for meaningful leadership roles in the institution, feeling isolated, as well as a lack of urgency on behalf of foundations to address contemporary issues facing Black communities. Trustees should expect that CEOs understand the unique staffing and retention patterns that pertain to Black professionals as well as other diverse staff.
- **Establish lines of communication between Trustees and staff.** Black Trustees and staff often only encounter each other in Board meetings where staff deliver presentations. Foundation Trustees should request additional opportunities to interface with staff and exchange information. Trustees can also make themselves available to staff for offline conversations.
- **Influence searches.** Trustees can influence searches by encouraging foundations to reflect on their pipelines and pathways to leadership for Black professionals within the institution. They can also continually ask whether existing searches are surfacing Black candidates. As searches progress, Trustees can continually ask about the diversity of the pool and the track record of a search firm's experience in including Black and other diverse professionals. Seeking out and hiring Black search firms can also increase the likelihood that searches will identify Black candidates. Additionally, Trustees can activate their own networks to bring diversity to the candidate pool.

II. Vendors, Professional Services and Consultants: Leverage the economic influence of your foundation to support entrepreneurship and wealth creation for Black businesses.

Guiding Questions: What is our track record in hiring Black businesses and vendors? How do we source our vendors and professional services? Do we have a transparent and/or competitive process? What are the opportunities in this area?

Actions

- **Request routine data on the foundation's hiring of Black vendors, professional service contractors and consultants.** As indicated in *Figure 1*, foundations can continually gather demographic data on vendors, professional service contractors and consultants.
- **Speak with the CEO directly about the "business case" for hiring Black vendors.** As so many foundations operate with missions to reduce inequities and improve society, a commitment to hiring Black vendors is consistent with these social goals. Consistent hiring of Black vendors, professional service contractors and consultants brings additional capital to Black communities and builds Black wealth.
- **Contact local Black Chambers of Commerce or equivalent associations to raise awareness about Black business in your region.** Foundations can take advantage of existing resources on Black businesses. Lack of connections between Black businesses and foundations has been a barrier to Black businesses securing contracts with foundations. But foundations can enhance their awareness of Black businesses by contacting associations that have already built constituencies.
- **Establish lines of communication between prospective vendors and Trustees.** Many foundation Trustees might not have the connections to prospective vendors themselves. Vendors should be encouraged to reach out to foundation Trustees about their services so that Trustees will have prospects on hand to mention when opportunities arise.
- **Use Board committees as a pathway to advocating for Black vendors.** A finance or investment committee of a Board, for example, could be a forum for discussion about the presence of Black investment management or consulting firms. Trustees serving on audit committees can use this as a forum to discuss the presence and/or hiring of Black accounting and auditing firms. Trustees on program committees can engage in conversations about the hiring of Black consultants that bring content to the foundation's work on social issues, as well as reviewing the use of Black caterers for program events. The use of committees is not only relevant regarding vendors, this is also an important approach to increase grantmaking and influence hiring and promotions.
- **Encourage both hiring of Black contractors and professional services, as well as building their vendor capacity.** Many foundations not only suggest they are unaware of Black suppliers, they also often indicate that some Black and diverse potential vendors may not have the breadth or capacity to handle contracts. Trustees advocating for engaging Black businesses must be prepared to address the range of likely responses to recommendations to diversify. As capacity is among the more frequent responses, Trustees can not only hold their foundations accountable to bring in diverse vendors, they can encourage them to establish capacity-building services to strengthen vendors' capabilities. Ultimately, building vendor capacity furthers philanthropic missions to strengthen communities, as this increased capacity can lead to greater wealth and empowerment in communities.



III. Grantmaking: Ensure that your foundation funds Black communities and invests in Black grantee organizations.

Guiding Questions: How is our grantmaking specifically targeted to Black communities? What is our track record in supporting Black-led organizations?

Actions

- ***Request routine data on the foundation's grantmaking in Black communities.***
Trustees should request racial demographic information on the communities in which the foundation makes grants. Of note, as gentrification happens in many of the urban cities of the country, it is important to explore the presence of Black populations now residing in the suburbs and its alignment with foundation investments.
- ***Request routine data on the foundation's investments in Black-led organizations.***
Trustees are not necessarily steeped in the various community-based organizations working in the areas supported by the foundation. Foundations fund in Black communities and other communities of color, but the funds do not necessarily support organizations led by people of color. Research has shown a significant disparity in the percentage of minority-led organizations funded by private philanthropy compared to white-led organizations. In particular, Black-led social change organizations seem to have had a hard time attracting sufficient funding to support their work. Indigenous leadership is important in the field of social change, leadership that shares experiences (race, neighborhood, class, etc.) with the population that it serves. It is important to be persistent in requesting the demographics of grantees to ensure that the data collection will happen. Once it is in place, Trustees can encourage the foundation to establish goals to increase the number of grantees reflective of the communities they serve. *Figure 3* offers a template used by some foundations to collect data on the racial composition of grantees that you might use in your governance work.
- ***Increase awareness of potential Black grantees in foundations' priority areas.***
When Trustees know of the organizations with the capacity to help foundations advance their program strategies, they can mention these organizations in meetings. Often, program staff may know of Black organizations but need the support of Trustees to ensure that they have access to funds.



- **Encourage investment in capacity building.** Some foundations suggest they will not invest in organizations led by people of color because they lack capacity. While some smaller organizations may not write proposals acceptable to many foundations, proposal-writing and other aspects of non-profit management or advocacy can be learned. If foundations are committed to investing in community-based organizations representing often underrepresented communities, they should be simultaneously interested in strengthening the capabilities of these organizations. Trustees can encourage their foundations to invest in capacity building for the grantees and prospective grantees representing Black communities. And while Trustees can encourage greater capacity building, they must also question or counter the idea that any representative indigenous organizations lack capacity. Many of these organizations have capacities that larger, well-financed organizations do not. Trustees can make the case for the significance of supporting organizations that are truly in tune with the needs of their communities.
- **Influence foundations' capacity to engage Black communities by increasing outreach and time spent in communities.** Distance from Black communities limits foundations' capability to identify organizations led by and serving communities of color. Foundation staff cannot actually know of the critical issues facing communities and the organizations serving these communities unless they are connected. Trustees can advocate for foundation staff to increase their outreach in Black communities. For example, foundation staff could attend evening meetings or events to get a better sense of community affairs.
- **Encourage foundations to broaden and deepen their commitment to Black communities relative to ABFE's Responsive Philanthropy in Black Communities Framework.** As Trustees help shape foundations' strategic plans, there are opportunities to help direct foundation grantmaking toward Black communities and/or issues that disproportionately impact us. ABFE encourages foundations to adopt their framework for responsive philanthropy in Black communities that is guided by five core principles and areas of investment: community organizing and constituency engagement; policy change, system reform and program delivery; leadership and infrastructure in Black Communities; strategic use of data; and communications.¹



How to Use This Call to Action

This Call to Action is a guide with specific suggestions to increase the representation of Black communities in foundations at various levels. One can maximize the value of this guide with an intentional effort to implement the ideas herein.

Share this Call to Action with Board Chairs and CEO's. Effective implementation requires buy-in from leaders positioned to head conversations that can make way for institutional changes.

Additionally, ask the Board Chair and CEO to include this Call to Action on an upcoming Board meeting agenda. A broad Trustee and CEO-level discussion about the importance of inclusion to the foundation, and the need for specific steps to actualize wider representation, can lay the groundwork for future action.

Use this document to encourage goal-setting. The first conversation as a Board with the CEO may or may not lead to official goals. Over time, it will be useful to establish a long-range vision for increased inclusiveness that can guide approaches such as those indicated in this document.

Periodically review this Call to Action as a Board, with the CEO, to track progress, and remind leadership of strategies that can inform efforts. It may take some time to achieve goals. And it is important to consistently remain committed to the kinds of practices that can increase responsiveness to Black communities. The demographic template could be particularly useful in establishing and tracking numerical goals.

The Tools

Section 1:

Collecting Data on the Diversity of Foundation Board and Staff²

I. Race

Table 1. Race/Ethnicity Among Foundation Boards and Staff

	Black	Asian	Latino	Native American/ Alaska Native	Pacific Islander/ Native Hawaiian	White	Multi- ethnic ³	Do not wish to provide ⁴
Board								
Executives & VPs								
Directors								
Program Officers and Managers								
All Other Staff								
All Staff								

II. Gender

Table 6. Gender Among Foundation Boards and Staff

	Black	Asian	Latino
Board			
Executives & VPs			
Directors			
Program Officers and Managers			
All Other Staff			
All Staff			

² These tools were originally drafted by the Marga Incorporated & Race and Equity in Philanthropy Group.

³ Equivalent to Federal Agency Code “More than one race.”

⁴ Equivalent to Federal Agency Code “Unknown.”

Section 2:

Collecting Data on the Diversity of Consultants, Vendors and Professional Services

- I. **Geography Served:** Country, State, County, City, Neighborhoods, Not-Place Based
- II. **Have Minority business certification?**
 - a. Yes
 - b. No
- III. **Indicate your organization's type of service:**
 - a. Accounting and Finance
 - b. Compensation
 - c. Legal
 - d. Occupancy
 - e. Printing and Publications
 - f. Travel, Conferences and Meetings
 - g. Administration
 - h. Catering
 - i. Communications and Public Relations
 - j. Dues, Training and Development
 - k. Equipment
 - l. Fundraising
 - m. Interest/Banking
 - n. Insurance
 - o. Investment Management and Consulting
 - p. Information Technology
 - q. Lobbying
 - r. Project/Program Management
 - s. Repairs and Maintenance
 - t. Research and Documentation
 - u. Supplies and Stationary
 - v. Advocacy and Policy Development

IV. Race/Ethnicity

Table 3. Race/Ethnicity Among Organizations Providing Consultants, Vendors and Professional Services

	Black	Asian	Latino	Native American/ Alaska Native	Pacific Islander	White	Multi-ethnic	Do not wish to provide	Not Applicable
Owners									
Board Chair									
Board of Directors									
Senior Leadership: CEO, COO, CFO									
Senior Management									
Other Organizational Staff									
Project Lead									
Project Administration									
Other Project Staff									

V. Gender

Table 4. Gender Among Organizations Providing Consultants, Vendors and Professional Services

	Men	Women	Specify Other:
Owners			
Board Chair			
Board of Directors			
Senior Leadership: CEO, COO, CFO			
Senior Management			
Other Organizational Staff			
Project Lead			
Project Administration			
Other Project Staff			

Section 3:

Collecting Data on the Diversity of Grantee Organizations

- I. **Geography Served:** Country, State, County, City, Neighborhoods, Not-Place Based
- II. **Indicate organization's primary type of work:**
 - a. Direct Service
 - b. Coalition and Network Building
 - c. Evaluation
 - d. Advocacy/Systems Change
 - e. Research
 - f. Fiscal Agent
 - g. Capacity Building
 - h. Communications
 - i. Education and Training
 - j. Policy and Law
- III. **Indicate the primary type of work the organization funds:**
 - a. Direct Service
 - b. Coalition and Network Building
 - c. Evaluation
 - d. Advocacy/Systems Change
 - e. Research
 - f. Fiscal Agent
 - g. Capacity Building
 - h. Communications
 - i. Education and Training
 - j. Policy and Law
- IV. **Type of support received by your organization:**
 - a. Project
 - b. Capacity Building (organization)
 - c. Core Operating (organization)
 - d. Capital Support
 - e. Endowment
 - f. Program Related Investment
 - g. Other

V. Race

Table 5. Race/Ethnicity in Grantee Organizations

	African American	Asian American	Hispanic or Latino	Native American	Pacific Islander	White	Multi-ethnic ⁵	Other	Do not wish to provide ⁶
Board Chair									
All Other Board Members									
CEO/Executive Director									
Senior Management ⁷									
Administration ⁸									
Project Director ⁹									
Leadership ¹⁰ / Management									
Administration									

VI. Gender

Table 6. Gender in Grantee Organizations

	Men	Women	Specify Other:
Organization Board/ Trustees			
Board Chair			
All Other Board Members			
CEO/Executive Director			
Senior Management			
Leadership Management			
Administration			
Other Staff			

⁵ Equivalent to Federal Agency Code “More than one race.”

⁶ Equivalent to Federal Agency Code “Unknown.”

⁷ Those in a managerial and/or decision making position on the funded project other than CEO, Executive Director or Project Director.

⁸ Administrators other than those in managerial administrative positions (i.e. finance, operations, support).

⁹ Person primarily responsible for carrying out goals and objectives of funded project.

¹⁰ Those who are in a managerial and/or decision making position on the funded project other than the Project Director.

Section 4:

ABFE's Responsive Philanthropy in Black Communities Framework

Community Organizing and Constituency Engagement

- Philanthropy builds the power of, and invests in, the people who are most impacted by the issue. With an increased understanding of the strengths and assets of a diverse Black diaspora, grantmakers will provide more effective tactics in their grantmaking. This will inform a range of culturally appropriate engagement strategies that should ensure authentic and inclusive participation of constituents who can voice and act upon their community's strengths and unique challenges.

Policy Change, System Reform and Program Delivery

- Philanthropy focuses on influencing the root causes of disparities to primarily include the federal, state and local policies, and program practices and regulations that disproportionately and adversely impact Black communities. ABFE will emphasize increasing constituents' capacity to identify root causes and their effects, and develop policy strategies that ultimately eliminate those primary causes. This will influence the development and implementation of more effective philanthropic strategies that address Black communities' needs while advocating for positive policy change.
- Philanthropy addresses the interaction and relationships between systems and programs (child welfare, corrections, workforce development, homelessness, health, education, etc.) and their inter-connected and cumulative effect on Black communities. Inequitable outcomes in Black communities are aligned and reinforced by detrimental policies and direct services across systems. ABFE will develop and share tools and processes to increase the capacity of grantmakers and other change agents in their respective communities to understand the cross-sectional issues relative to their work.

Leadership and Infrastructure in Black Communities

- Philanthropy aims to build the leadership capacity of Black communities and strengthen the infrastructure of its core institutions. Black communities are disproportionately impacted by the current trends facing the non-profit sector: a transition in leadership from baby boomers to a new generation of managers, as well as the economic recession. ABFE is particularly concerned with the lack of Black leadership in large non-profits that tend to attract more dollars, as well as the low investments made in Black-led non-profits overall. Giving that builds on the strengths and assets of Black leaders and core institutions that support our community is critical.



Research/Data

- Philanthropy is built on, and supports, activities to compile data sets disaggregated by race to inform how the Black community fares. Accessibility to comprehensive, disaggregated data is essential to the support of services and funding to Black communities. To ensure the field uses data that is more specific and accurately reflects the Black community's demographics, needs, assets, deficits, etc., ABFE advocates for access to data disaggregated across the Black Diaspora that lifts up our strengths, as well as our challenges.
- Philanthropy supports evaluation activities that rely on the use of varied data sets, and is transparent and clear about the impact of investments on Black communities. ABFE advocates for the use of a range of quantitative and qualitative data that emerges from a variety of methods and sectors. To ensure it's recognizable to a varied audience and informs actionable solutions, ABFE will promote the translation of data into user-friendly information which can guide action. In addition, it is critical that evaluation activities to assess program and policy grantmaking tell the full and candid story of its impact on Black communities.

Communications

- Philanthropy minimizes the dominance of inaccurate images in Black communities. Inaccurate images of Black communities are counter-productive and even impair policy creation and implementation. Foundations are uniquely positioned to help provide the support needed to articulate a more balanced and authentic representation of Black communities. ABFE encourages philanthropy's proactive use of varied tools and mediums in strategic communications. Meaningful investments in carefully crafted public information can influence a shift in programmatic focus, community behavior and long-term change. It will attract allies who can be convinced that Black communities possess a set of assets to be developed and invested in. ABFE will support philanthropy's strategic communications to utilize the full range of media outlets, social networking platforms and community-accessible media to communicate to a broader audience a richer and empowering narrative of Black life.



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