

Pittz, Will and Sen, Rinku (Spring 2004). Short Changed: Foundation Giving and Communities of Color. Oakland: Applied Research Center. Downloadable at www.arc.org.

SHORT CHANGED; FOUNDATION GIVING AND COMMUNITIES OF COLOR

Findings

- An assessment of the numbers presents an unpromising picture: although people of color make up nearly one-third of the general U.S. population, grants explicitly targeted to benefit them constituted only seven percent of foundation giving in 2001. (Specific references to Native American, Hispanic, African-American, and Asian-American data are presented.)
- The data reveal that while foundation giving to communities of color has increased in recent years, it has not kept pace with overall increases in philanthropic support. From 1994 to 2001, grants increased by 63 percent (to a total of \$16.8 billion). During the same period, grants designated to communities of color increased by 55 percent (to approximately \$1.2 billion).
- As a proportion of total foundation giving, grants to communities of color fell from a peak of nearly 10 percent of all grants in 1998 to seven percent in 2001, the lowest point in over a decade.
- Civil rights and social action funding remains a low priority for foundations. In inflation-adjusted dollars, funding for civil rights and social action increased from \$137,493 million in 1998 to \$184,980 million in 2001. Yet the proportion of foundation support for civil rights and social action fell to 1.1 percent of all foundation giving in 2001, down from 1.4 percent in 1998.

Methods

- A literature review of key articles and publications on funding in communities of color, social change funding, and racial justice initiatives; data analysis of funding trends from 1994 to 2001 as reported by the Foundation Center, as well as analysis of data from the Council on Foundations, the Independent Sector, and the Joint Affinity Groups; interviews with more than 40 key actors within the philanthropic community and individuals working in the area of racial justice advocacy; and summaries of case studies and key findings of ongoing research in the field of race and social change.

Observations and Conclusions

- Several observations have emerged from this study that can inform the work of both funders and racial justice practitioners. The recommendations . . . highlight the ways in which funders can effectively support racial justice efforts and ensure that racial justice becomes and/or remains a priority within their foundation.
- The report observes that “greater diversity among foundation staff has not increased giving to communities of color or racial justice efforts.” It states, “Many foundations have worked to diversify their staff and trustees, yet this diversity has not resulted in increased funding to communities of color. Rather, increased diversity of foundation staff has paralleled a decreased share in foundation support for communities of color, leaving foundation staff of color unsupported in the attempt to move foundation dollars to communities of color and to make racial justice a foundation priority.”