COMMUNITY PHILANTHROPY
AND RACIAL EQUITY:
WHAT PROGRESS LOOKS LIKE

Results of a Preliminary Inquiry

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INTRODUCTION

The Effective Communities Project (ECP) exists to assist socially concerned organizations and communities respond more effectively to the problems of society. It has a long-standing interest in philanthropy and its role in supporting efforts to increase social justice. In the project supported by the Ford Foundation, the subject of this paper, ECP began to examine how community philanthropy can deepen social justice work, especially in the American South.

The expressed purpose of this project is to learn better *how to note progress* in this important arena. Philanthropy, as an essentially human endeavor meant to support efforts given shorter shrift by the private and public sectors, has undergone countless changes in form since its beginnings in earliest human history. Because philanthropy operates within the same cultural force-fields as private endeavor and public service, philanthropy changes with the times; its impulse may be universal, but its manifestations are highly culture-bound.

It is not our intention to dwell in this cultural history, though two of the working papers in this document provide insight into this issue. Suffice it to say that major changes have been afoot for the last two hundred years, shaped largely by the industrial revolution and its consequences globally, by evolving conceptions of culture, race, and class locally, and by evolving conceptions of society's obligations to its various members.

Philanthropy during this time, as well as earlier, evolved from a purely human impulse – universally recognized if not universally practiced – to give, share, and be generous, at least under certain circumstances. All major religious traditions have always recognized and promoted this impulse as manifestation of humankind's better qualities and as an avenue to a more ennobled life for both the giver and the recipient. Secularized popular culture, too, recognizes acts of generosity as "feel-good stories" that generate "warm and fuzzy feelings," relief from the harshly competitive world of "making a living." Generosity has an especially honored place in the US Tax Code, which rewards it with favorable tax treatment for donors of money to organizations specially recognized for "doing good."

As a result, in the US at least, numerous kinds of philanthropic institutions have arisen over the years. Predominant is the full range of private foundations, community foundations, and corporate foundations that make cash grants to the full variety of nonprofit organizations. Also active are hundreds of operating foundations that conduct their own programs.

Distinguished from these forms of institutional philanthropy are the strategies for fundraising used by every kind of charitable organization from door-knocking to mail solicitations to workplace payroll deductions to friend-on-friend campaigns. Generosity, measured in dollars donated to noncommercial and nongovernmental activities, operates at a level in the US unmatched *per capita* in the world.

Evolution in institutional philanthropy parallels, in time at least, evolution in "race relations" in this country. The same industrial revolution that created unprecedented numbers of people of wealth in the North created unprecedented dislocation of those rooted to the land in the South, both white and black. African Americans, newly freed from the dehumanizing bonds of slavery, faced the decimated and humiliated civic culture of "Reconstruction." The domination of whites over blacks, though officially outlawed, continued to live in the hearts and souls of the American South.

While the legal foundations that uphold institutionalized racism have been largely struck down and rewritten (at least at the federal level), its culture remains an all-too-potent force throughout the country, especially in the South. Just as one example, in the elections just concluded, a majority of voters in Alabama voted *not* to remove Jim Crow language from their state's constitution. Fear of tax increases to support a more adequate public education system (attended now almost exclusively by low-income people, predominantly African Americans) was cited as the reason.

In every arena of social life, from education to income to housing to health, indicators of racial equity show substantial disparities among all ethnic groups, but primarily between whites and blacks[1]. Simply put, on average, whites go further in school, earn higher incomes (even when adjusted for education), live in better housing (even when adjusted for income), stay more clear of legal problems, and are more likely to survive the health and social risks of infancy, adolescence, and adulthood. Structural inequalities – differences in gatekeeper practices that favor whites – are blamed for much of these disparities. In other words, blacks are more likely than whites not to be attracted into the dominant systems of education, health care, credit, and genuine support, beginning at the earliest moments of life. In short, a culture of success – or perhaps a culture of access – is more prevalent in the European American community than in the African American, and this is perpetuated through the generations unless interrupted.

Community philanthropy, a concept emerging from American philanthropy's contact with Eastern and Central Europe after the fall of the Soviet Empire, is somewhat distinct from the field of formal community foundations in this country; it is viewed as follows:

> Community philanthropy is the act of individual citizens and local institutions contributing money or goods along with their time and skills, to promote the well-being of others and the betterment of the community in which they live and work. Community philanthropy can be expressed in informal and spontaneous ways …

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[1] One of the best examples of this kind of research is *The State of the South 2004: Fifty Years After Brown vs. Board of Education*, produced by MDC Inc, Chapel Hill. (see www.mdcinc.org).

It can also be expressed in formal, organized ways whereby citizens give contributions to local organizations, which in turn use the funds to support projects that improve the quality of life.[2]

Community philanthropy invests in and celebrates human competences and cultural traditions as assets and uses these resources to foster innovation, risk-taking, and creativity in tackling community problems. Community philanthropy recognizes that solutions to community problems often come from unexpected places and from people excluded from community decision-making. Community philanthropy is highly reminiscent of American philanthropy *before* the rise of large private fortunes, when the chances of surviving in our nation's earliest primitive conditions practically required the generosity and kindness of neighbors as well as strangers. Indeed, community philanthropy has always existed side by side with institutional philanthropy.

What can community philanthropy bring to the struggle for racial equity and social justice? It can do a number of things:

It can rejuvenate philanthropy as it exists within the community, drawing on the new wealth migrating back to the South as well as on long-established cultural patterns;

It can enable a variety of emerging efforts to play more significant roles in bridging the divides that limit racial equity; and

It can provide examples of making inroads in arenas where more established institutional philanthropy feels challenged or limited, thereby legitimizing a wider variety of organizational styles and efforts.

A preliminary inquiry

Within the Ford Foundation there exists a cluster of grants that became the ideal subject for this study. Within its Community Philanthropy and Civic Culture Program is an initiative called "Community Philanthropy, Race and Equity in the American South (CPREAS)." ECP was encouraged to draw our sample of organizations for study from that group. The CPREAS portfolio has two goals:

Goal 1. Increase the pool of philanthropic assets in the American South to build equitable communities and to address the racial divide; and

Goal 2. Equip Southern philanthropies to work with business, government, and the nonprofit sector to promote racial, economic, and social equity in the region.

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[2] European Foundation Centre, *Report on Community Philanthropy*, 2002.

Nearly three dozen groups have been funded with these goals in mind. The CPREAS portfolio does not fit the blueprint of a traditional initiative, however. While the above two goals were the pretext or subtext for nearly three dozen grants, they were not the formal guiding goals of the kind that normally anchors an initiative. There was no Request for Proposals announcing a common set of goals and objectives that applicants must address; it was not an initiative for community foundations specifically or civil rights groups specifically or any other formal type of organization, and indeed there is very little similarity among the groups getting funding. There was no cohort of groups starting out at the same time heading toward the same goals and, most untraditionally, none of the groups even knew initially that they were part of an initiative. Instead, they are each pursuing their own exploration of the territory defined loosely by the terms "community philanthropy" and "racial equity."

What makes this portfolio of grants interesting is the search by many of these groups for a more authentic form of philanthropy, one that engages hearts and souls, a form that is activated in the pursuit of racial equity and social justice. Other efforts are aimed at helping traditional philanthropic institutions accommodate growing demands to be accountable to broader publics. Various efforts are supported in this portfolio, many of them barely recognizable to the dominant culture, were it even to consider them.

This preliminary inquiry conducted by ECP, framed as an exploratory year in a possible three-year time frame, set out to learn how best to mark progress in the endeavor to create more racial equity by building community philanthropy in the American South.

We chose to visit ten organizations benefiting from Ford's philanthropy, and to ask, essentially, "What can be learned from attempting this kind of work?" The key message in the introductory letters to the chosen organizations states that "our job essentially is to discover what you're learning about doing this kind of work. Ford has an interest – we all have an interest – in discovering what's working and what's challenging in this whole arena that they call 'community philanthropy and racial equity'."

With each site, we asked to meet with people from the staff and board, and with people from other stakeholder or community groups allied or connected with that organization's effort, in whatever combinations or assemblages made sense for two days of focused conversation on the opportunities and challenges of this kind of work. Sometimes these gatherings piggy-backed on other events of the organization, other times they were created for us. The last two hours of each site visit was a debrief, in which we presented our impressions and learnings from these discussions. Afterward we wrote more formally about what we understood, and presented it in a letter to the organization.

The ten sites were chosen to create the best mix of these kinds of efforts:

> Efforts to transform traditional philanthropy, or to expand its capabilities to deal more effectively with racial equity issues;

Efforts to build on uniquely African American traditions of generosity, community, and faith;

Efforts to build leadership and community capacity to address CPREAS-like goals; and

Efforts to foster learning, develop information and data, create policy, and strengthen the organization to equip it better to address CPREAS-like goals.

Two of our three "travel team" members went on each site visit. Steven E. Mayer, Ph.D., Principal at the Effective Communities Project, went on all visits, and was accompanied by either Betty Emarita, President, Development and Training Resources, or Vanessa McKendall-Stephens, Ph.D., President, Face Valu Evaluation Consulting. All the sites were visited between May and October 2004. One site dropped out at the last moment and was not replaced. The remaining nine organizations visited and debriefed are shown below. A profile of these organizations and their activities is offered in Appendix A.

AJAMM Ministries, based in New Orleans

Black Belt Community Foundation (BBCF), based in Selma

Faith Partnerships Incorporated, based in Raleigh

Foundation for the Mid South (FMS), based in Jackson

Institute for Church Administration and Management (ICAM), based in Atlanta

National Rural Funders Collaborative (NRFC), based in Dallas

New Generation of African American Philanthropists Fund (NGAAP), a project of Hindsight Consulting, based in Durham

Southern Partners Fund, based in Atlanta

Twenty-First Century Foundation, based in New York

Three working papers

The three travel team members, colleagues in different combinations over the last ten years, bring strength in these areas:

Community philanthropy, not only the traditional forms of institutional philanthropy and the newer forms of community foundations, but also the newer kinds of community philanthropy being developed in Europe, and those kinds traditional to Africa and the American (rural) South;

Community inquiry, especially with organizations striving to do the community's work, in a very wide range of arenas, such as education, agriculture, and community development, as well as human services and social action, and even including nonprofit, civic, and public settings;

The American South, in both urban and rural regions, and at its black and white edges in the realms of community life, political life, educational life, and professional life;

Organizational dynamics, including assessment, organizational development, organizational learning, and program and initiative evaluation.

Each of the three brings his/her own perspective, of course, and this diversity of perspectives and experiences was greatly valued throughout this inquiry. After all the site visits were completed, and after all debriefing letters written, each of the three travel team members was commissioned to write a paper based on insights from the nine site visits, corresponding to these three themes:

- What are we learning about community philanthropy and racial equity?

- What are we learning about organizational and community capacity in relation to creating more racial equity?

- What are we learning about noting progress in this arena?

These three papers follow, forming the balance of this report. An important feature of these papers is that we all essentially saw the same things, but through our different lenses. More accurately, Steven Mayer saw all nine sites, Betty Emarita saw five, and Vanessa McKendall-Stephens saw four; the nine debrief letters served as the database for all. If sometimes the language in the thumbnail vignettes seems the same, it's because we all made use of the debrief letters. What differs among the papers is the framing, which reflects our different world views, journeys, and professional experiences; what's remarkable, we feel as a team, is that the views in each paper complement and support each other.

We regard these as working papers, subject to evolutionary and intentional change during the next two years' work of further exploration, critique, and refinement.

> ***What We Are Learning about Community Philanthropy and Its Potential for Addressing Issues of Racial Equity,*** by Betty Emarita, ECP team member and President, Development and Training Resources. This paper explores three dynamics that both overarch and lie at the core of progress, and reveals the personal risks inherent in this arena, where even naming the forces at work practically flies in the faces of the powers that be. But there's power in naming and claiming the virtues of culture in reinventing the community's philanthropy in achieving racial equity.

> ***Developing Community Philanthropy in the American South: Emerging Organizational Practices,*** by Vanessa McKendall-Stephens, Ph.D., ECP team member and President, Face Valu Evaluation Consulting, Inc. This paper describes the progress made in creating organizations better equipped to deal with the challenges of equity-producing change. It is written from the premise that organizational work, especially organizational work motivated by a social justice imperative, is built on shared, culture-defined life experiences.

> ***Community Philanthropy and Racial Equity: What We Are Learning about Noting Progress,*** by Steven E. Mayer, Ph.D., Principal, Effective Communities Project. This paper is written from the imperatives of "strategy." It takes seriously the idea that these projects all intend to "move the needle" on the racial equity scale of justice, and looks at their connections to the larger dynamics of change.

Following these three papers is a summary of ***Opportunities for Making Further Progress***, to which all three writers contributed.

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<center>
Introduction by Steven E. Mayer, Ph.D.
Principal, Effective Communities Project
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WHAT WE ARE LEARNING ABOUT COMMUNITY PHILANTHROPY AND ITS POTENTIAL FOR ADDRESSING ISSUES OF RACIAL EQUITY

By Betty Emarita
President, Development and Training Resources

The issue of racial equity is so intimately embedded in the lives of the projects that ECP visited that it is both omnipresent and invisible. All of these projects wrestle with this reality to some degree, depending upon their organizational structure, board composition, staff, and external environment. After all, US apartheid was a fact of life barely 40 years ago. Racial inequities are structural, part of the current and historical context.

Most of the projects we visited as part of this inquiry function – or have staff that function – in two worlds: African American and European American. While these worlds are more visible to each other than ever before, in many substantive ways they remain veiled. Assumptions, politeness, oblique language, and stereotypes often substitute for real information about what is unknown, unseen, or unacknowledged. The history that explains the present is forbidden conversation, and a present that is illumined by honest reflection has too few sponsors.

Nevertheless, the reality is changing. Things are no longer neatly divided along racial lines. The veils are being lifted. A new iconography and language are developing at the same time as old ones are being adapted and reclaimed. They are incomplete, inconsistent, and surprising. They are also a challenge to the field of philanthropy, which must recognize and understand this critical process, for it can either generate or deny the resources to support it.

In the face of such complexities, we cannot yet reach conclusions. We offer stories — impressions gleaned from conversations, observations, and visits that describe some of the nuances giving rise to these new conventions. We hope that these stories will point the way to tools that can contribute in practical ways to foundation boards and program officers who must make life-altering decisions in this environment.

The stories about these projects illustrate three dynamics:

- The importance of relationships and trust;

- The tension between organizations and the external environments in which they function; and

- The necessity for appropriate technical assistance in order to facilitate learning experiences in a global context.

The projects in which the concepts of philanthropy and racial justice were most clearly joined were rooted in the African American community or led by African Americans. These descriptions reflect those perspectives and experiences.

Behind the Veil: When mapping the unknown, translating the unsaid, and framing the unacknowledged, new forms are needed. The internal journey can be as important to understanding as the external one. So in these italicized passages, I invite you to accompany me on my internal journey: I am an African American woman, who grew up in the South. I am part of a three-person team: The other two members are Steven, an American man born to European parents and Vanessa, also an African American woman. We visited nine projects. I am adept at veiling in order to be safe and successful. I have decided to lift the veil and tell you what I see.

Relationships: an infrastructure of trust, cooperation, and mutual assistance with a spiritual imperative

There is broad agreement that relationships are an important dynamic in how projects generally move forward. However, culture plays a significant role in how relationships are understood and experienced. In the projects we visited that were rooted in the African American community, relationships created a strong, vibrant, and highly nuanced infrastructure that operated from a spiritual imperative. While this imperative was obvious in faith-based projects such as Faith Partnerships and the Institute for Church Administration and Management, it was also a very strong factor in the Black Belt Community Foundation.

> The **Black Belt Community Foundation (BBCF)**, based in Selma, Alabama, is taking shape in a highly polarized environment, made more contentious by hotly contested local elections. Our visit took place the day before the local election.
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> To say that the environment is polarized is an understatement– part of the veil. During the previous election, the tower of the 50,000-watt black-owned radio station was bombed, and the African American state senator who now sits on the BBCF board received death threats. A white woman who had held a local office for several years was being ostracized and targeted for defeat by the white community because she had said that the Ku Klux Klan was wrong.
>
> In this environment, courageous people are forming a community foundation whose vision is a transformed Black Belt region, where all residents contribute to healthy communities and a productive regional economy for the benefit of all its citizens. The board is intentionally diverse with white and black members, women and men, grassroots workers and highly influential people, young and old people. The networks represented by this board are formidable. It includes a state legislator, a vice-president of Auburn University, executives of a local industries and a state utility, the editor of a local newspaper, and executive directors of regional nonprofits and commissions. While board members participate as individuals rather than as

formal representatives of institutions, the historical significance of their institutional connections and availability cannot be overstated.

The concept for BBCF and its core leadership comes from the African American community. BBCF is inviting the white community to join its efforts to make the foundation reflect all people in the community. The organization has been effective in its efforts to create a board that is inclusive. It wasn't easy.

Individual board members were chosen with great care and much discussion. Effort was made to choose whites who were not afraid to interact with blacks on an equitable basis, and who had demonstrated an ability to stand up for what they believed. A significant number of blacks were chosen who were in powerful or highly visible positions and had strong, grassroot family ties. They could function in European American and African American cultural modalities at a variety of social and economic levels, and they were willing to build bridges. As one board member said:

> *We chose the right white people and the right black people. Being able to talk about race issues is paramount ... We have had the right white people at the right time. They understand that this foundation will not accept past structural inequities. They will be powerful ambassadors for the foundation.*

Developing and applying such highly nuanced criteria required intense, honest discussion and a profound depth of analysis – of personal qualities, external conditions, and history. It is an example of the qualities of trust, cooperation, and mutual assistance *as they were understood in the African American community*.

It required a core of people on the board to embody these questions that are personal, structural, and spiritual:

1. Are you willing to see through the eyes of a higher power? (By faith, you must be able to move beyond your own ambitions, wounds, and fears to a bigger vision.)

2. Can you understand another's world? (You must be willing to understand, with compassion, worlds in which you do not live and which may be hostile to you.)

3. Can you hold an *other's* hand? (You must be willing to hold out your hand to that hostile world and create a bridge, knowing the risks to the *other* and to yourself.)

Embodying these questions and living the standards they imply is the ultimate engagement. In an apartheid culture, the challenge presents itself everyday. When asked how she was able to work with a person who is in constant opposition to progressive, unifying goals, one board member replied, "*I just think to myself, 'Somebody loves this person. It's my job to find out why'.*"

The embodiment of these questions was not limited to BBCF board members. African American community members who had participated in community forums expressed similar views. One man described his efforts to maintain a respectful and authentic relationship with a local elected official who had worked diligently to undermine a major event he was planning. The elected official had wanted a prominent place in the event when he saw that it would be successful. When asked how he was able to show such generosity of spirit, the organizer of the event replied simply, *"If you gonna call for righteous, you got to* be *righteous."*

This embodiment creates a different quality of relationship and is the mother of charismatic leadership. The concepts of trust, cooperation, and mutual assistance take on a depth of meaning that is demonstrated many times over in the communities we visited. It is a powerful infrastructure that must be acknowledged in its full dimensions.

> ***Behind the Veil:*** *At a small working conference of community foundations, white and black foundation officers got to hear each others' stories. People spoke frankly. During the closing session, as people told what they valued most about the sessions, a white person thanked the black people present for their patience and their willingness to mentor and teach white people. The black people were visibly moved and shocked. Like me, I think they had never heard a white person acknowledge or appreciate how hard it is to continually choose connection over rage.*

Navigating both internal and external environments

In matters of philanthropy and racial equity, the external environment is every bit as important as the organizations that take on the work. On their own, organizations are simply not strong enough, whether they are statewide or local, to change structural inequities entrenched in the external environment. Outside catalysts are essential. In South Carolina, that is the role played by the National Rural Funders Collaborative is playing.

> The **National Rural Funders Collaborative (NRFC)** convenes periodic learning laboratories in support of its grantees. It also works to expand the community of rural funders and to unify diverse voices for rural community change. We visited a two-day reflective learning session organized by NRFC for its South Carolina grantee, the South Carolina Association of Community Development Corporations (CDCs).
>
> The South Carolina Association of CDCs is a statewide organization that focuses on community-based economic development. Its executive director and most of its members are African American. Its member CDCs are predominantly rural. The South Carolina Association has existed since 1994 and has approximately 45 members. Even so, many decision makers on state and local levels are said to be unfamiliar with CDCs. According to one community foundation executive director:

My board doesn't understand CDCs. The board and the community need to be educated ... People want to know how it works and where the money goes. [They want] more transparency.

South Carolina is one of the most rural states in the US. It has been hard hit in recent years by loss of jobs and industries – a trend that promises to continue. More than many states, South Carolina has a centralized public policy-making process, with power concentrated at the state level. It also has wealth held in only a few hands. It is polarized along racial lines and, among European Americans, along class lines.

It would have been extremely difficult for the executive director of the CDC association to attain credibility, gain access to decision makers in the private and public sectors, and to have action-oriented discussions about economic issues important to his largely African American, rural, low-income constituents. As it happened, several serendipitous events took place more or less simultaneously.

NRFC funded the South Carolina Association of CDCs and convened a series of learning laboratories with its grantee in which local foundations, state agencies and institutions, and other stakeholders were invited to participate. At the same time, the Mary Reynolds Babcock Foundation, a Southern regional foundation, funded a planning process in which five statewide organizations – including the South Carolina Association of CDCs, South Carolina foundations, and other stakeholders – participated.

The executive director of NRFC is a European American man raised in Louisiana, familiar with Southern codes of language, gesture, and behavior. In leadership positions on his staff were two young, savvy African American program officers, one of whom was from South Carolina. More remarkably still, the program officer in charge of the Mary Reynolds Babcock Foundation initiative was an African American woman, highly knowledgeable about South Carolina and the region. While racial identity alone is insufficient, these individuals were all well connected to their cultures, aware of highly nuanced interracial dynamics, and willing and able to discuss them. They had among them the skills to strategically navigate the external environment strategically.

It is rare indeed to have the perspectives of three African American foundation program officers on a project. It creates a critical mass of information and experience in positions of power that cannot be easily dismissed. These program officers were able to share information, validate the perspective and experiences of the grantee, support each other, disseminate accurate and nuanced information, and challenge assumptions – at multiple levels of the project.

This team was a learning lab within itself. It could make sufficient resources available to entice disparate stakeholders to the table and keep them there. It could raise critical questions that the grantee could not, and graciously model behavior that

contrasted dramatically with inequitable patterns typically found in post-apartheid cultures. For example, the director of NRFC often stepped back and allowed the young, black program officers to take the lead. He demonstrated respect for their insights, actively supported their suggestions and observations, and showed his ability to learn from them.

Such congruence does not happen enough. More often in the philanthropic sector, there is only one minority program officer (if at all) at any given foundation (if there is even one) who has a finite amount of time and energy. As a result, initiatives are designed and strategies implemented based upon inadequate information and limited understanding.

In order to make more progress in community philanthropy and racial equity, learning must take place on foundation boards and staff as well as among grantees. Strategies must be planned and implemented that impact the external environment so that grantees can work more effectively and not get bogged down by circumstances over which they have little control.

This type of planning by funders requires both black and white perspectives, with strategies crafted sometimes together and other times in homogenous groups before they are shared. The risks and consequences for European Americans who stand up for racial equity can be different from those faced by African Americans. At a conference of community foundations in Kentucky, a European American foundation board member spoke of the isolation he felt when he spoke up for racial equity. A European American presenter in a session on ethics and funding at the 2004 Conference of Community Foundations told of her experience of being pressured by a powerful board member not to fund a proposal by an African American organization. She was distraught over her decision not to fund what she believed to be a sound proposal, but felt any other choice would have made it impossible for her to lead.

These stories indicate a need for strategic support for European Americans in philanthropy who stand up for racial equity. In-depth analyses that include statistical data, case studies, and shared personal experiences can lead to more effective frameworks for designing initiatives, making funding decisions, and supporting grantees. This type of intentionality can increase awareness, transfer skill sets from funders to stakeholders, and lead to greater impact on external environments.

Behind the Veil: Even though I know many white people who work for social and economic justice, I have rarely heard white people talk about the risks they take or their fear of consequences. I have never heard white people talk about how to help or protect each other when they stand up for racial equity. The conversations I've heard have all been about how to help black people – not each other. What does that mean?

Wanted: applied learning opportunities that are globally aware and culturally appropriate

The right kind of applied, structured learning experiences, including technical assistance, can consolidate, refine, synergize, and extend knowledge. The wrong kind can do just the opposite. Many of the structured learning experiences made available to African American organizations are designed to make their information and processes more intelligible to institutions in the dominant culture. Most of those institutions arose from Western European and European American culture and reflect those values.

Many of the projects rooted in African American culture have organizational processes that reflect African cultural antecedents as well as European ones. The most appropriate learning experiences will recognize these distinctions and build upon them both.

> For example, Hindsight Consulting has formed **New Generation African American Philanthropists (NGAAP)**, a giving circle in Raleigh/Durham, North Carolina. The NGAAP circle consists of ten active members, people who have agreed to donate a certain amount of money for a charitable purpose. The project has a principle investigator and a three-member guiding circle that includes the principle investigator. The guiding circle is introducing the language of philanthropy to the members and leading the circle through planning and reflective exercises. Circle members have formed several subcommittees to take on specific tasks, such as developing operating principles, bylaws, and funding criteria.
>
> NGAAP members are in their prime. They are raising families, starting businesses, and establishing their careers. They are all part of the African diaspora – primarily African American, with some members from Africa and the Caribbean. The founding members of the circle are friends and have worked together in varying capacities for a number of years. The ties of friendship are an important factor in attracting people and keeping them involved, along with a strong desire to connect with cultural traditions. According to the coordinator and principle organizer:
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>> *[There is a] burning desire to get back to our roots … of wanting to connect our children to values of the past. Like with mutual aid societies. We need to get back to that … to reclaim the extended family. People have a huge sense of urgency. They are tired of materialism. People come for the connectedness with each other – not just for change in community.*
>
> While members are asked to make a minimum cash contribution annually, NGAAP emphasizes giving time and talent as well. The circle is not incorporated and has no plans to do so. In fact, the principle investigator does not view himself as an executive director of an organization, but rather as a consultant, guide, leader, and facilitator. He is also assisting a giving circle that is forming in Birmingham, Alabama. While some of his time and that of the guiding circle is covered by grant funds, a significant portion of their time is volunteered.

If European American cultural modalities are followed exclusively, the type of technical assistance suggested would most likely build the capacity of the guiding circle in the direction of expanding its role, hiring staff, and replicating its process many times over, reaching a targeted dollar amount in circle contributions and perhaps consolidating some of the funds to form a larger one. However, such a path deviates from some of the core values of connection, friendship, and culture that are driving the circle.

It may be important to introduce the circle to *osusu*, which is a type of informally organized saving/giving circle among Nigeria's Igbo. Among the Igbo in Nigeria, *osusu* is a type of informally organized saving/giving circle. It is found by other names in many parts of West Africa and the Caribbean. In Trinidad, it is known as *susu*. Members contribute a certain amount of money monthly to the circle. The circle can contribute the money to a particular cause (similar to mutual aid societies), or each month it can give the money to one of its members. Each member, in turn, receives all of the money contributed that month. This process continues until all members have received the proceeds from one month. It is flexible and effective, with little bureaucracy involved. Some circles function just within an extended family. Others are more broadly based.

Perhaps NGAAP would find useful elements in both models and as it develops and refines its process to resonate with the desires and cultural values of its members.

Black Belt Community Foundation (BBCF) faces a similar issue. The origins of BBCF are quite different from many other community foundations. Rather than starting with donors with financial assets to give, the BBCF started with people who had a vision of what they wanted in communities. They convened 20 meetings in the 11 counties they serve to share information about the foundation, hear ideas, and to engage people in a process of mapping community assets.

BBCF focused on the communities it serves, rather than focusing its attention first upon building an endowment of financial assets. The executive director said, *"Our communities are our endowment."* This view profoundly distinguishes BBCF from other community foundations in a profound way. It also affects the type of technical assistance that would be most useful.

BBCF may find it helpful to look at community philanthropic models in southern Africa that resonate strongly with its approach and orientation and are also operating in a post-apartheid culture. While there are more cultural antecedents in Africa and the Caribbean, some European community foundations are also focusing more on identifying community assets, discourse, and volunteer development than upon building endowments. They may provide useful examples as well.

To be most effective, the types of learning experiences available to grantees must reflect appropriate cultural modalities and incorporate more international perspectives. Important work in this regard is being done by the Institute for Church Administration and Management and Faith Partnerships.

> The **Institute for Church Administration and Management (ICAM)**, based in Atlanta, Georgia, has conducted intensive interviews with black clergy all over the country who are effectively grappling with issues of social justice, philanthropy, stewardship, and the management of resources. Many of the ministers have traveled extensively and some of their congregations have longstanding ties to missions in African countries. However, their methodologies, rooted in African American cultural traditions, are largely unrecognized.
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> From these interviews, ICAM has developed five models that offer a framework for understanding the role of African American churches in today's context. The models provide a range of lens and strategies for both clergy and lay people to determine development, management, and programmatic approaches that best work for their particular situation. ICAM's primary research gives it an opportunity to develop a variety of instructional materials that arise from the cultural roots and practical experiences of its constituents. It can form the basis for curricula, technical assistance, and other learning tools that can contribute significantly to the field and to the organization's long-term financial health.
>
> **Faith Partnerships**, based in Raleigh, North Carolina, is generating new knowledge in a pilot project that engages African American ministers across denominations as Table of Faith Donors. With technical assistance from Faith Partnerships, the ministers are *collectively* figuring out how to transform society to be more equitable, interact in mutually beneficial ways with both philanthropic and financial institutions in the dominant culture, and work with each other across denominations. In addition to honing their individual visions, they are developing a broader common vision for the Table of Faith and sharing their practical experiences in creating opportunity and in addressing issues of poverty and inequity. This work, at its core, is very much about building authentic relationships in a spiritual context for the benefit of community.
>
> The North Carolina churches involved in the Table of Faith Donors pilot project are all strong, grassroots institutions deeply embedded in the communities they serve. The group includes low- and high-resource churches. The projects in which the ministers are involved, such as housing developments, entrepreneurship and job training, credit unions, and the management of sophisticated planning processes and large operating budgets, are transforming old relationships in both urban and rural settings. Several of the churches have become significant economic engines and information hubs in their cities, town, or counties. The range of church-based philanthropic activities demonstrates an almost seamless interface among faith, philanthropy, and social justice, and exemplifies the unique role that the church has played in African American communities for centuries.

Faith Partnerships is providing technical assistance that gives these churches a new language with which to describe their work, tools that they can use to increase their effectiveness, and an additional lens through which their efforts can be seen and recognized by others – all while affirming core, cultural values. This language, new tools, and lens enable them to interact more powerfully with financial, policy making, and philanthropic institutions in the larger culture and to influence their behavior to include considerations related to equity and social justice.

It is important to recognize that the role culture plays in technical assistance. Technical assistance designed for mainstream philanthropic institutions may not work well for African American churches that are engaged in such activities. For example, most foundations do not consider it important to align their investments with their mission. In the larger culture, a foundation can receive high marks for sound philanthropic practices even when its investments support ventures that contribute to the problems its grant making is trying to solve. With many African American churches, however, it is important to "walk the talk." Philanthropy and social justice are closely aligned as expressions of faith.

In the international arena, the necessity of coherence between technical assistance and culture is a lesson that is well understood. With the growing diversity in the US – including the African American population – those lessons can find new applications. It takes time, resources, and commitment to design new learning tools. In the philanthropic marketplace where ideas are currency and outcomes are supreme, there is always the temptation to short-circuit the learning process by pushing ahead too quickly before there is sufficient understanding.

ICAM and Faith Partnerships are not alone in making discoveries. Several of the projects ECP visited are developing new knowledge that, under the right circumstances, can be an extraordinary resource for other similar projects and for the field, while contributing to the sustainability of their organizations. These are simmering pots – and well worth the wait.

I removed my veil, made myself visible. And I am still alive. After all is said and done, I think the real work is here: behind the mind, beneath the heart, just under the skin. The places barely touched and never scrutinized. I invite you to visit me here, have some tea, and work with me on this puzzle. It is possible to do this. It is possible to do this. It is possible to do this.

<center>***</center>

This infrastructure of relationships, these efforts to shape internal and external environments, and new opportunities for applied learning reflect both overarching themes across projects and the intensely personal, courageous explorations that we saw time and again in the people whose work we describe. Most of the projects we visited have gathered the breadth of these experiences and have moved toward an intentionality that is transforming them into organizational structure.

DEVELOPING COMMUNITY PHILANTHROPY
IN THE AMERICAN SOUTH:
EMERGING ORGANIZATIONAL PRACTICES

By Vanessa McKendall-Stephens, Ph.D.
President, Face Valu Evaluation Consulting, Inc.

How do projects organize themselves to work on community philanthropy and racial equity issues? What informs the work they opt to do and the shape they take? Organizations choose structures that grow out of the lived experiences of those who work in them and of the organizations themselves. Projects use their current capacity to conceptualize their work and to guide how they stretch to reach new places.

This paper explores three emerging themes about organizational practices that surfaced during ECP's site visits to nine projects working on community philanthropy and racial equity. Firmly rooted in African American culture and traditions, most of these projects benefit from a tapestry of rich legacies woven from shared histories in faith and ministry, personal sacrifice for the greater good, social justice work, community organizing, capacity building, and organized traditional philanthropy.

Emerging practices we highlight include:

> Using lived experience to shape future possibilities;

> Building organization capacity; and

> Creating internal processes for reflection, learning, and sharing.

The structure of the projects we visited is no accident. Their emerging forms and work are intentional, imply a journey over time, and reflect deep learning applied to their current contexts. The insight of project practitioners is used to seek effective strategies to build African American community philanthropy and to address the challenges and opportunities of social change. Their lived experiences sharpen their focus as they consider structure and participation and reflect on their progress. Their lived experiences arm them with know-how as they reach through experience to possibility.

Each emerging theme is discussed below and includes illustrations not intended to be exhaustive.

Using lived experience to shape future possibilities

The organizations we visited are "standing on broad shoulders of those who have come before." These projects build on expertise, social networks, culture, and organizational traditions. Whether they focus on giving "time, talent, and treasure" common to African American giving traditions or on taking social action through community organizing, these projects work in Southern contexts of racial oppression and power imbalances. Improving existing social change strategies and discovering new ones to grow community philanthropy happen in difficult social and economic realities.

These projects ground their work in what they already do, what they know best, and who they are: community organizers, ministers, conveners, information gatherers, foundations, or technical assistance providers. The scope of the work they choose influences their required reach. Working deeply in place supports mission alignment; working further away means extending organizational structure and capacity. An excellent example of how a project benefits from and uses lived experience is Southern Partners Fund.

> **Southern Partners Fund** is a public foundation serving Southern communities and organizations working on issues of social, economic, and environmental justice in a twelve-state region. This dynamic group of organizers and activists is stirring up things in their communities. They work together across regional and racial lines, often in the face of entrenched racism and threats to personal safety. Their work includes education reform to address racism and oppression in rural Georgia, environmental justice in Florida where a freshwater lake in a minority community is being contaminated, and racism and conflict in the school system taken on by a florist club in a small Georgia community. These projects are discovering more about what works in their unique locations. They are learning how to support a regional effort that builds on the strengths of the people, culture, and traditions of the African American community.
>
> These partners use their experience in community organizing and social justice to focus their work. Southern Partners Fund's philosophy of community philanthropy reflects their developing concept of democratic philanthropy where "people doing the social justice work have control over resources." Leaders benefit from their mutual experience and philosophies and are committed to sharing power and supporting democratic roles for participants. The democratic philanthropy they espouse is a way to address inequities in the Southern region that give another face to community philanthropy. One member described democratic philanthropy as
>
> > *helping folks have skills, building a cadre of "on the ground" consultants, facilitators, and researchers, and modeling different ways of giving that include permission, trust, space, affirmation, access, and connection.*
>
> Southern Partners Fund applies its emerging concept of democratic philanthropy to organizing and making decisions. The organization chooses an inclusive approach to

defining the roles of grantees and board members. For example, partners can also be grantees or voting board members who receive funding and other resources to accomplish their work. The ideal composition of the partnership is a balance in diversity – ethnic, gender, and regional. Partners assume that leaders must own the decision-making table, not just be a part of it. So grantees are also fund members who participate in meetings and vote.

Another example of the connection between lived experience and Southern Partners Fund's work is the grantee selection process. Each partner can submit a funding proposal to Southern Partners Fund, as can other social justice organizations. To facilitate grant award decisions, leaders structure a transparent process within the organization that promotes two-way conversation and consensus building. The aim is to create a democratic table from which partner coalitions address social inequity and racism. Nonvoting members have opportunities to provide input during the selection process as well as during other decision-making processes. This approach is contrary to many existing decision-making processes in the South where a select, privileged group decides. One board member talked about the intention of the process:

> *We don't want grantees to be only in a position to apply; we want them to be in control, to grow the work, to guarantee it. It's scary. You are taught in the South that the best you can do is to get as much from the system as you can, but you will not [be allowed to] control the system. With other colleagues on the ground, organizations can now be formed by those who have been through the fire. Decisions come from people who have been in the storm [that is, they have experienced the struggles of fighting for justice and equity in the South].*

A third example of how lived experience shapes Southern Partners Fund's work is its approach to building partner capacity. An ultimate outcome is to create a cadre of skilled individuals engaging in strategic alliances and addressing equity issues in their communities. A key strategy used is convening partners, especially in rural communities, to share organizing and networking strategies to support local efforts. Networks increase partner abilities to make change. Engendering and protecting trust supports strong relationships among colleagues and partners.

One member said,

> *We experience differences and tensions arise in our community work; but we are not alone, not isolated. We have a network available that we can trust.*

Southern Partners Fund's approach to leadership development is capacity focused and embedded in the constructs of grassroots organizing. It works to help communities address issues and to know what they know.

Building organizational capacity

The projects we visited are building staff, partner, and organizational capacity to further community philanthropy and to address racial equity in their contexts. They use their experience. They are intentional. Approaches reflect their philosophies, changing needs, learning, and relationships with African American communities and social justice challenges. Building capacity also means understanding how to change complicated social structures that are protected by self-interest and discriminatory power. These projects are extending their capacity to support the know-how they bring to developing community philanthropy within the context of racial equity.

Two key areas where projects are building capacity are defining and increasing African American donorship, and strengthening organizational infrastructure to support their work. Each is discussed below.

African American donor development

There is no one definition or profile of a black philanthropist or donor. Therefore, developing philanthropic action among African Americans requires approaches that go beyond those used in traditional philanthropy, and projects we visited demonstrate their understanding of that difference. These projects exhibit an understanding of the importance of the historical development of African American philanthropy, of the collective identification of target issues for donors to consider, and of the importance of respecting and nurturing relationships.

Projects we visited understand that African American giving has a long history, most often associated with the black church and social networks.

> The **Institute for Church Administration and Management (ICAM)** in Atlanta provides five models for understanding the role of black churches after conducting intensive interviews with black clergy who are addressing social justice, philanthropy, stewardship, and the management of resources all over the country. These models based on primary research provide a wealth of information communities can use to instruct their work.

Historically, African American philanthropy is associated with issues affecting African American communities, often resulting from years of inequity and discrimination in the Southern region. The projects we visited are increasing their ability to name the issues that then become opportunities for coalition building with potential partners.

These projects identify potential donors and convene them to raise understanding of the history and possibility of black philanthropy; they spend time helping groups appreciate what they already do, envision what they want to and can do, and understand the systemic nature of oppression. From there, the projects can identify leverage points they can reach. They also work collaboratively with potential donors to define community philanthropy.

The **BBCF** in Alabama held nearly 20 community meetings to share information about community foundations, hear ideas, and map community assets. What emerged was a new view of philanthropy that went beyond financial wealth.

NRFC also uses convening as a way to build capacity for dialogue in one of its projects in South Carolina, where the flow of information across race and class is limited. NRFC is expanding and diversifying the community of rural funders through facilitated dialogues among rural-focused foundations in South Carolina. It is unifying voices for community change.

Respecting and nurturing existing relationships create the foundation for these projects' donor development strategies. The projects respect the gift of trust that is often extended by the African American community with whom they share values and similar experiences. Projects begin where donors are, and they connect to issues and build a vision for future philanthropy. While they bring direct experience in traditional donor development, these projects must move beyond those practices to define donor characteristics as they experience them. Potential donors for these projects not only bring money, but also offer the "time, talent, and treasure" embedded in African American giving traditions and community experiences.

True to its grass roots orientation, the origins of the **BBCF** are quite different from many other community foundations. Their motto is "Taking what we have to make what we need." Rather than starting with donors with financial assets to give, the foundation started with people who had a vision of what they wanted in communities. The foundation is a way of serving that vision. It is not money driven, but people driven and sees the community as the endowment. Black Belt community members represent talent, skill, dedication, kinship/friendship networks, intergenerational wisdom, commitment to nurturing youth, and the preservation of cultural wisdom from many traditions. These strengths are the bedrock that keeps many communities functioning – despite the lack of financial resources.

Founded 33 years ago, the **Twenty-First Century Foundation** is a black public foundation based in New York City with a national presence. The foundation builds strategic alliances to advance black philanthropy and its impact on racial equity. Its philanthropic philosophy suggests moving from the charitable impulse that already exists in communities to strategies that have greater impact, such as supporting policy change, advocating systems change, and accessing varied community power bases in communities, including emotive and spiritual power.

The Twenty-First Century Foundation is clarifying its second generation of donor education and development strategies designed to reach broader audiences. The foundation tailors culturally specific donor education to African American individuals and organizations. Using convening as a key method, it launched a pilot effort that gathered potential donors at roundtables in four cities: New York, Chicago, Los Angeles, and Oakland. During a dialogue about racial equity issues

affecting the African American community, foundation leaders focused specifically on black men and boys. Their theory of action suggests that "connecting community assets with community needs" and "focusing, not fragmenting" giving in the black community will produce more black wealth and improve societal conditions. The roundtables offered options for potential donors to "leverage their resources (including time and money) for maximum impact" by contributing to a grantmaking pool designated for these issues. This approach builds capacity for community members to see themselves as philanthropists and also targets high-wealth donors.

The Twenty-First Century Foundation uses several key strategies in its donor development efforts that include researching issues that affect the African American community, convening individuals and groups to raise awareness of wealth-building strategies and opportunities, connecting respectfully with potential donors so that they trust bringing their gifts to the foundation's efforts, channeling gifts to issues of importance to donors, and organizing opportunities for greater impact. The Executive Director's position and experience in the foundation arena increase the foundation's ability to influence perspectives and raise issues related to community philanthropy with a special emphasis on the African American community.

A major accomplishment and key strategic move was hiring an experienced director of development as well as a donor development specialist to provide support for their expanded philanthropic efforts. This capacity directs needed resources and capacity to development efforts.

Strengthening organizational infrastructure

Among the projects we visited, we noted an emerging focus on institutionalizing African American philanthropy by creating the necessary infrastructure, skill sets, and capacity to sustain and grow. As these projects work, they learn more about what they know and what they need to know. Supporting this wealth-building strategy requires increased capacity in several areas that include fundraising, board development, staff capacity, operational support, decision making, governance, structuring and managing funds, and communication. Three of these are discussed in more detail below.

Fundraising. These projects are working to increase their capacity to develop more effective fundraising strategies as they realize what they need to know in order to move forward. Not only do they solicit technical assistance and contract with consultants to figure out how to build a fundraising strategy, but they also develop creative ways to build capacity. For organizations that have to grow quickly in this area, the challenge of long-range fund raising is critically important.

> **Faith Partnerships** uses convening, technical assistance, and other capacity-building opportunities to build a collective fund among black churches in North Carolina. They are developing a shared vision and the practical experience to address issues of poverty, disparity, and opportunity in the African American community.

The Crickets, a group of partners and board members of **Southern Partners Fund**, identify fundraising opportunities in order to develop a more diverse funding base. Members are building skills and learning how to tap into new funders.

Board development. These projects are employing a variety of methods to build the capacity of their boards, especially related to their roles with fundraising.

The Twenty-First Century Foundation is building understanding and buy-in with its relatively new board. Board members actively contribute to emerging foundation strategies for educating donors, developing wealth, and addressing community issues. This cadre of diverse board members brings influence, knowledge, and leverage.

BBCF has assembled a powerful board of directors that is diverse and inclusive across racial, gender, and economic lines. The business and institutional affiliations of board members and their networks are formidable.

AJAMM Ministries is clarifying the functions of its newly formed active board and advisory committee and how they interact. They are working with consultants to coach them through the process.

Staff capacity. Key staff positions and abilities are essential as organizations extend their work. These projects are building organizational infrastructure by adding strategic staff positions and deepening staff knowledge.

The Twenty-First Century Foundation chose to add key staff based on its expanded philanthropy work in regional settings. The new positions, a development director and donor specialist, allow attention to focus on development efforts. The foundation also added a financial manager to provide expertise and contribute to establishing timely, effective financial and investment processes, and a program specialist with experience in community-based work and evaluative practices.

Faith Partnerships is developing mechanisms that will provide operational support over time. The board and ministers at the Table of Faith are the beneficiaries of this work and are also challenged to help put these mechanisms in place. More support for core operations will allow the project to bring on a development officer and additional help to further develop this work and disseminate what it has learned.

Creating internal processes to reflect, learn, and share

The projects we visited are creating internal processes to reflect on and learn from their experiences. Projects vary in their choice and use of strategies to support reflection. They work to adapt their practices based on what they learned. Using a self-study model to focus on learning for program improvement can increase progress toward social equity.

A beginning approach to reflective practice involves using more organic methods – naturally occurring opportunities to learn what works. These opportunities flow from conversations with peers at staff meetings, in hallways, and during other times to share and talk about issues. The projects we visited usually focus on the near term – what is happening now and what needs to happen next. Because projects can use their own words to clarify their questions, they can create a useful learning cycle by focusing also on the difference they want to make and the associated outcomes.

Some projects are working toward more systematic reflection as a tool to build organizational capacity and choose productive strategies. In addition they are examining ways to use reflection as evaluative tool to track progress. Context is important for these projects, so finding effective ways to tell their story in different settings with different audiences is essential.

> **AJAMM** provides several illustrations of how one project is creating an organic reflective process and embedding it in its organizational practices. It began by articulating its biblically based "theory of action"— what it believes will help create the change it wants to see. The theory is simple, clear, and direct – if you build, enhance, and support women in ministry to develop leadership skills they can "make a difference in the community at large" with their unique gifts and contributions. AJAMM used several strategies to develop its reflective process, which are discussed in more detail below.
>
> Reflecting on progress at meetings. Working with consultants and a board member with strategic planning experience, AJAMM clarified its mission and vision and shared it with members and partners. At each meeting, leaders and board members address mission alignment and ask key questions such as: "What are we learning?" "Does this fit our mission?" "What else do we need to do?" Leaders keep track of observations.
>
> Discussions also take place during monthly "preaching clinics" designed to hone the gifts of women ministers through capacity building, networking, and fellowship. Out of those conversations grew specific activities aligned with mission such as mentoring, opportunities to shadow, coaching, monthly preaching clinics, and an annual conference featuring workshops on housing, financial freedom, spirituality, building community, and race and gender equity, among others.
>
> Examining project assumptions. AJAMM is communicating its vision exactly and clearly, so that partners can own it and claim it. During participatory reflective

conversations, members purposefully explore what they assume will make a difference for women ministers and the challenges in their community. Their conversations bring assumptions about their work to the surface and alert participants to the potential of actions inside and outside the church that can bring about a more just society. One board member described the conversation this way:

> *The discussion helps us focus. We address questions such as "What is the key to making this work" "How do I do what I do?" "What does the everyday picture look like and how does it work?" "What is the core that causes it to work?" It pushes people to think critically. We are doing systematic reflection. There is a lot of work involved and we brainstorm whether or not what we are planning fits the mission and vision – if it doesn't, it can take you off course. If it is not working, we have to figure out what works.*

Linking leadership development for women ministers and social justice. AJAMM also established clear links between the leadership development of women ministers and the push out toward social justice. As women discover their calling and put it into practice in their ministries, they influence change both inside and outside of the church walls. The steps that individuals choose have clear links to how they conceive their calling and potentially impact others. Women make the link for themselves and then move out. They become models through which social change can happen.

Developing evaluation tools and practices. A board member or evaluator works with AJAMM to develop evaluation tools for their annual conference and other activities. The planning group uses information gathered to inform planning and program design. In this way, they can make informed decisions linked more clearly to the vision. They are also connecting their evaluative work with strategic planning.

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These three emerging practices – building the work on shared experience, building organizational capacity, and reflecting and learning ways to enhance change – all help inform future efforts to develop and strengthen community philanthropy in the South. As projects and organizations develop greater expertise with these, they can teach others and help spread the practices. As they become more widespread, the chances for increasing opportunities for racial equity improve.

COMMUNITY PHILANTHROPY AND RACIAL EQUITY: WHAT WE ARE LEARNING ABOUT NOTING PROGRESS

By Steven E. Mayer, Ph.D.
Principal, Effective Communities Project

Change and progress are not the same thing. Change happens constantly in all spheres of natural and human activity, large and small. Change in itself does not signify good or bad. Progress, on the other hand, means "change in a favored direction." In this project, progress means "change in the direction of more racial equity, or more social justice."

Progress is not easily measured in any numerical sense. In this project, we do not intend to measure progress per se; instead we want to notice its manifestations. We want to notice and compile the indicators of progress – to note what progress looks like.

Looking for signs of progress is a different activity than measuring outcomes, results, or impact. The terms "outcomes," "results," or "impact" suggest some kind of end-state; unfortunately, end-states are essentially illusory or arbitrary moments in time. Progress, on the other hand, is always in flux, changing with prevailing policies and practices and a myriad of contextual factors. Looking for signs of progress acknowledges this flux.

Furthermore, attempts to measure outcomes, results, or impact in this project suggest there exists a comprehensive metric of equity. Here, too, such efforts are destined to come up short, since no such metric exists. While certain aspects of equity can be measured (by comparing rates of health status, educational opportunity, or wealth for different groups, for example), there is no technology for realistically combining all the different aspects that make up equity into anything that can reasonably serve as a summary metric. In addition, there is no realistic technology for attributing changes on such a measure to the efforts of particular programs or policies.

Rather than attempt to create a clumsy measure of dubious utility we suggest the more down-to-earth, more human activity of looking for signs of progress. This approach has the major advantage of acknowledging the perspectives of all those involved in efforts to achieve more equity, since it is they who provide the basic data needed to help the field answer the questions of how to achieve progress. In our study, we ask those close to the programs, "What does progress look like, from your perspective?" In this way, we can help the field discover promising tactics for "moving the needle" that indicates improved racial equity.

Moving the needle

In discussions of how to make progress, one sometimes hears the metaphor of moving the needle. People ask, "What does it take to move the needle of racial equity," for example. The question uses the imagery of an old-time grocery scale that weighs produce. On the face of that scale is a needle that indicates the weight of the produce; the heavier the product, the more the needle moves. We can similarly imagine a scale or gauge displaying degrees of equity – at the low end of the scale the needle indicates low equity and at the upper end it indicates high equity. The needle is connected to all of society's efforts to achieve (and to resist) improved equity, and it points to the current level of achieved equity. The more successful the effort to achieve equity, the more the needle moves upward.

True, this metaphor contains all the elements of an overall metric of racial equity, the very metric we dismissed a few paragraphs above. But rather than focus on the scale itself and the intricacies of its calibration, we choose to focus on what makes the needle move. The place to look, continuing with the metaphor, is behind the needle, where we imagine all sorts of mechanisms, all interconnected through complex gears – the inner workings of the scale itself. These are the mechanisms of cultural and political change, moving at their own pace, with the end result (for the moment!) registered by the needle.

We find this image of moving the needle to be useful. Rather than burn up endless hours finessing an allegedly comprehensive metric that will actually be inadequate in too many respects, we choose to focus on the creative imaginations and acute perceptions of people engaged in the struggle to move the needle. In our site visits we asked groups, in essence, "What does progress look like to you?" "Where is forward, and what are you doing to head there?" and "What are you learning about how to make progress?"

Moving the needle that indicates increased racial equity takes the work of many. Ultimately, the mechanisms that drive the needle are too complex to explain and too hidden from view, but they are worthy of exploration. The nine different groups we examined are working on different parts of the puzzle, different mechanisms that are connected, in various degrees, to the needle.

While there are probably many ways to sort and categorize all the little signs of progress we saw in the groups we visited, we propose the following set of seven. These signs of progress emerged from an analysis of what we were hearing from our respondents on the ground about progress, as well as our experience with organizational and community development and change dynamics. For each, we include a thumbnail description of how it works, how the mechanism is connected to the needle, and what that sign of progress looks like in those sites where it was most evident.

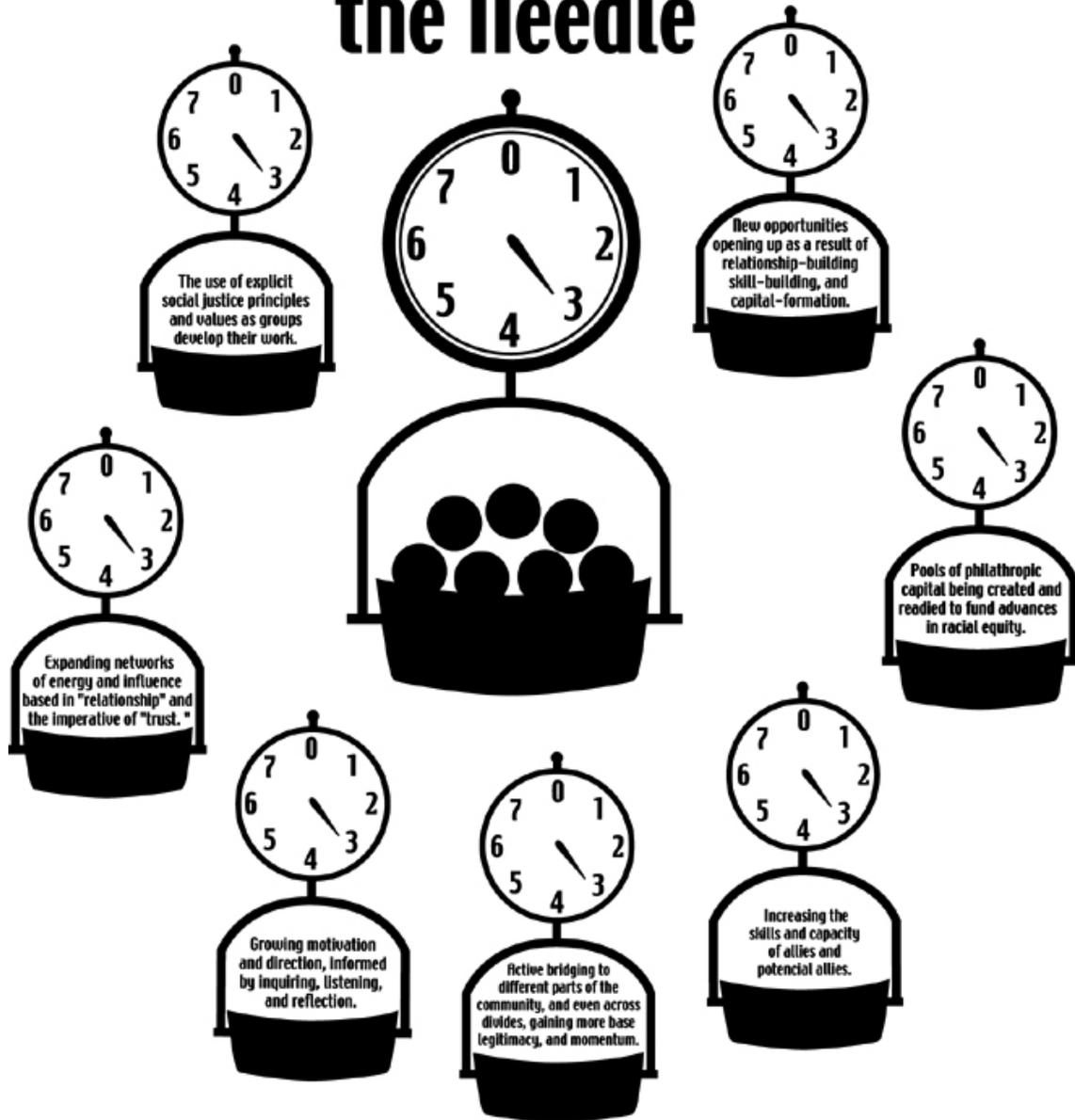The seven key signs of progress we regard as key to moving the needle are:

> *1. The use of explicit social justice principles and values as groups develop their work.*
>
> *2. Expanding networks of energy and influence based in "relationship" and the imperative of "trust."*
>
> *3. Growing motivation and direction, informed by inquiring, listening, and reflection.*
>
> *4. Active bridging to different parts of the community, and even across divides, gaining more base, legitimacy, and momentum.*
>
> *5. Increasing the skills and capacity of allies and potential allies.*
>
> *6. Pools of philanthropic capital being created and readied to fund advances in racial equity.*
>
> *7. New opportunities opening up as a result of relationship-building, skill-building, and capital-formation.*

Knowing the factors that underlie progress is important for creating strategy to make ever more progress. These signs of progress, if indeed they stand up to the scrutiny of others, can be useful to other organizations, to would-be allies at all levels, to institutional supporters, and even to the very organizations that brought them to light in the first place.
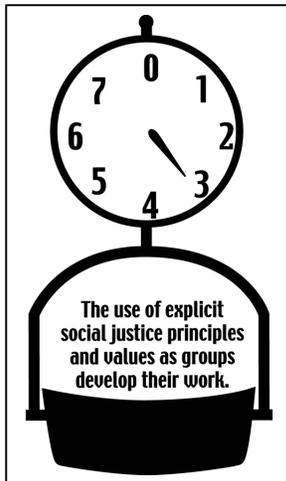
We think each of these signs is connected to the main needle that indicates racial equity. They indicate important underlying mechanisms that connect first to the two goals of Ford's project (increased financial resources plus increased skill in relating to larger society's change mechanisms), and then to the major needle indicating improvements in racial equity.

The following figure (next page) illustrates our use of this needle metaphor. The readings on each scale are the same because the linkages are not yet known. Once they are, the metaphor will be even more powerful for creating strategy to make change.

Moving the Needle

The use of explicit social justice principles and values as groups develop their work.

New opportunities opening up as a result of relationship-building, skill-building, and capital-formation.

Expanding networks of energy and influence based in "relationship" and the imperative of "trust."

Pools of philathropic capital being created and readied to fund advances in racial equity.

Growing motivation and direction, informed by inquiring, listening, and reflection.

Active bridging to different parts of the community, and even across divides, gaining more base legitimacy, and momentum.

Increasing the skills and capacity of allies and potencial allies.

Signs of Progress in Achieving Greater Racial Equity

The use of explicit social justice principles and values as groups develop their work.

Sign of Progress #1 – The use of explicit social justice principles and values as groups develop their work.

Moving the needle requires the force of people and organizations working in concert or coordination to affect the mechanisms of change. People come together in groups when they share values. Groups can produce more movement when members share values and principles and a vision of the kinds of change they want to see, and see how they can operate to produce that change.
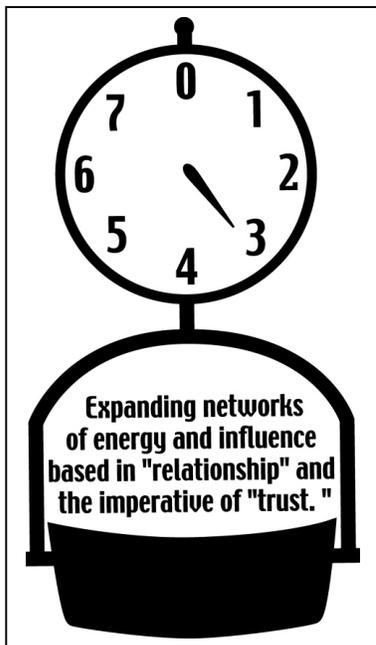
What this sign of progress looks like…

The leadership of the **Institute for Church Administration and Management (ICAM)** reflects the history and evolution of the African American church as an institution that embodies the values of philanthropy and social justice, deeply grounded in a spiritual imperative. Its leadership comes from the highest levels of the church, social action, philanthropy, and academia. It exists to teach church leaders "the ethical and the excellent," a concept of stewardship that places financial resources in service to humanity as a spiritual imperative.

At the **New Generation of African American Philanthropists Fund (NGAAP)** giving circle, facilitators strive to coach members on "a broader vision of philanthropy," one in which the time, talent, and treasure of local African Americans are pooled in efforts to school themselves in opportunities for providing help and support to local efforts to increase racial equity. The values and life experiences of giving circle members are significant touchstones in the development and deployment of philanthropic capital.

AJAMM Ministries is a biblically based, spirit-filled organization with inspired and committed leaders and participants. It intends to be an explicit model of developing leadership abilities in women ministers. The work is based on assumptions that the following are important: provide space where women discover their voice and their gifts, nurture relationships and meaningful engagement that supports individual work and growth, empower women to take on their visions so that they can stir up their own gifts, and demonstrate the principles that are taught outside the walls of the church.

Black Belt Community Foundation (BBCF) is a new community foundation in a region with a highly polarized history that continues to have an impact on its present. BBCF has begun its life with a powerful board of directors that is diverse and inclusive across racial, gender, and economic lines. Its deepest commitment is to keeping *community*, in its broadest sense, at the heart of its development process.

Southern Partners Fund builds on members' experience and philosophies as community organizers working on social justice issues. The fund believes that the full promise of democracy in the American South is thwarted by the persistence of deeply rooted social injustices. It brings principles of trust-building and democratic philanthropy, a belief in equitable distribution of resources and power, and the benefit of building informed coalitions to create change. The participants teach each other.

Expanding networks of energy and influence based in "relationship" and the imperative of "trust."

Sign of Progress #2 – Expanding networks of energy and influence based in "relationship" and the imperative of "trust."

While the white community bases organizational life on authority and control, African American culture is built more on the concepts of relationship and trust. Expanding networks through trust helps to grow the networks further, legitimize the work, and plant the seeds for resource development and bridging across divides. Expanding networks are a source of growing strength and influence that can be directed to policy change, large and small, inside and outside the community. Growing, vital networks can better influence policy makers than small, non-growing networks. Expanding networks is connected to the needle indicating increased equity.

What this sign of progress looks like…

At **NGAAP**, giving circles are begun by invitation from a trusted leader with solid local connections. "Relationship" and "trust" form part of the genesis of such gatherings, and the group bonds further as it explores members' own personal connections to philanthropy through such discussion points as family history, community, faith, and generosity. This process has allowed members to identify their own charitable impulses, see themselves as philanthropists, and plan ways to invest their philanthropic capital consistent with their values, interests, and priorities.

At the **Twenty-First Century Foundation**, board members recognize that the attractiveness of their foundation is based on the trust placed in it by members of the African American community. The foundation works hard to extend its influence through the personal and professional networks of its board members, which are tapped in its fundraising efforts.

At **BBCF**, the business and institutional affiliations of board members and their networks are formidable. It is clear that many board members are deeply connected to the communities in the eleven counties that BBCF serves. The

foundation believes "our community *is* our endowment" and therefore builds on and leverages the relationships that are the backbone of its communities.

At **Faith Partnerships**, faith and African American faith-based institutions are combined into a powerful force for community development. The full range of denominations have come together to figure out how to use the assets of their churches and congregations to transform society. This work, at its core, is very much about building authentic relationships in a spiritual context for the benefit of community.

At **Southern Partners Fund**, where member nonprofits compete for scarce philanthropic capital, giving the gift of trust to their fellow members around the table is the biggest gift of all. Whether measuring the growth of community philanthropy or racial equity, they say, the growth of trust is the central ingredient.

Growing motivation and direction, informed by inquiring, listening, and reflection.
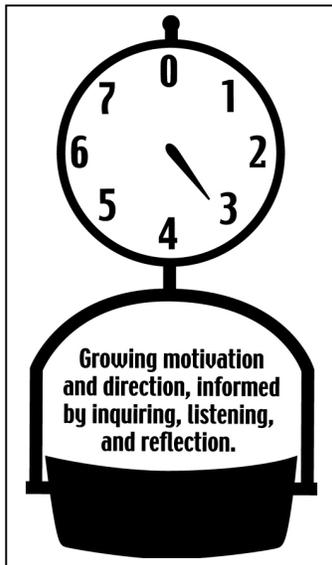
Sign of Progress #3 – Growing motivation and direction, informed by inquiring, listening, and reflection.

Sensible strategic direction, widely owned, reduces the chances of costly wanderings in the desert, mission drift, or stagnation. Strengthened organizational capacity increases the chances of forward progress and increased influence and impact. Combined, they increase the chances of reaching the next levels of effectiveness more adroitly. Inquiry, listening, and self-reflection serve to ground the vision and keep it owned by authentic expressions of community.

What this sign of progress looks like…

At **NRFC**, we witnessed very successful meetings designed to be structured learning opportunities for supporters and potential supporters of rural community development. The meetings were designed so that all parties could speak and be heard, questions could be raised and answered, and common understandings reached.
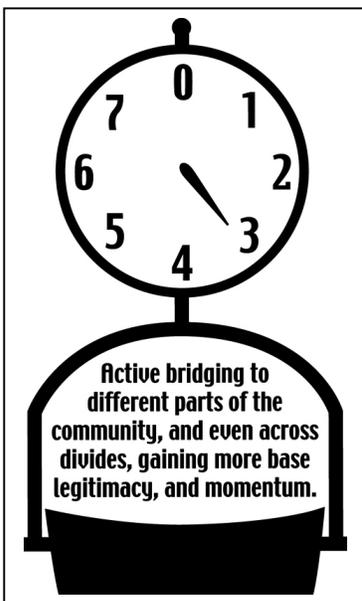
At **Foundation for the Mid South (FMS)**, we heard from several key voices (all inside the foundation) that it "has been changed," and it has "transformed itself," resulting from an intensive regimen of board learning and reflection. Site visits to South Africa and Chicago were transformative experiences, described as "heart-and eye-opening." The board was "moved beyond our comfort zone," attributing this to immersion in cross-cultural contexts and the sense of bonding that comes from sharing intense experiences.

AJAMM uses a continuous improvement model in which it thoroughly critiques its annual conference and modifies it accordingly for the following year, yielding consistent upgrades. This keeps the organization on track, and keeps it in good standing with participants and sponsors, who see it as ever-sharpening its work.

BBCF convened nearly 20 community meetings across its 11 county region to share information about community foundations, to hear ideas, and especially to map the region's human assets. This helped establish a relationship with various constituencies and, more importantly, set a tone for development that recognizes the human assets of the region: talent, skills, dedication, kinship/friendship networks, intergenerational wisdom, commitment to nurturing youth, and the preservation of cultural wisdom from many traditions. This philanthropy is based in the vision of what leaders and people want for their communities.

At **Faith Partnerships**, a Table of Faith Donors has been formed to educate African American church leaders on the potential of philanthropy as well as local community and economic development activities. The Table of Faith Donors is a laboratory in which members can learn from each other the potential and pitfalls of engaging in community and economic development activities.

At **ICAM**, extensive interviews were conducted with African American clergy all over the country who are grappling with issues of social justice, stewardship, and the management of resources. The people interviewed are highly effective contributors to their communities, but their work has not been well recognized. Compiling their wisdom under the aegis of ICAM provides a new platform for exploring and advancing five new models for moral and ethical community leadership.

Active bridging to different parts of the community, and even across divides, gaining more base legitimacy, and momentum.

Sign of Progress #4 – Active bridging to different parts of the community, and even across divides, gaining more base, legitimacy, and momentum.

The equity needle is moved when policies and culture are changed, such that practice is changed. This requires political will, preceded by widely shared convictions of doing the right thing. This in turn requires a broadening base of support, and momentum (Signs of Progress #1 to #3). New allies are needed – people with whom to make common cause, who recognize that racial equity is more just and can have more payoff than inequity. Bridging divides allows an organization to draw on its relationships and gain more legitimacy with those in control, which greatly increases the chances of moving the equity needle.

What this sign of progress looks like…

NRFC creates forums for meaningful and safe discussions in polarized territory. Playing the extremely important role of convener, NRFC brings together local funders with active community-building organizations in a setting conducive to mutual learning. Participants in these meetings look for larger frameworks for discussion that can unify diverse voices and interests. The result is greater understanding of issues, and greater insight about ways to play mutually supportive roles. This sets the stage for productive partnerships that bridge former divides.

Faith Partnerships intends to use its assets – congregations of all denominations across the spectrum of African American North Carolina – to partner more effectively with financial institutions and organized philanthropy. At Faith Partnerships' gatherings, churches of all stripes listen to each other, connect with each other, and transform old relationships. In doing so, they are able to find a common cause and present a more formidable force in their dealings with strong institutions of the dominant culture.

At **BBCF**, asset-mapping discussions held across the region help to engender further discussions and begin bridging dividing lines – geographical, cultural, racial, economic, and political – to acknowledge that all residents of the region live together within a global context. This bridging creates opportunities for creative partnerships that can attract philanthropic and private investment of various kinds.

NGAAP, having helped pioneer the concept of giving circles, intends to provide blueprint materials and support to other African American communities interested in starting such a circle. An in-house evaluator is helping the group critique its curriculum materials for upgrading and possible dissemination. With more and more giving circles, the concept of community philanthropy can operate more freely in the African American community, creating more capital and energy toward solutions of equity.

The **Twenty-First Century Foundation** is launching a major initiative to attract donors and make grants in four different cities around the country, to expand its base.
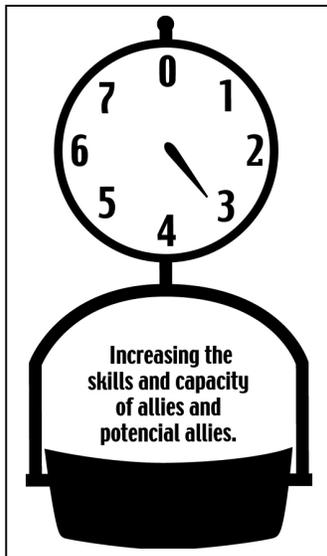
Sign of Progress #5 – Increased skills and capacity of allies and potential allies.

Creating opportunities for people and groups to learn more about community philanthropy and how to apply their learning to the task of increasing equity are obviously connected to the racial equity needle. That is, increasing skill is needed to move the needle. Several of these groups are working explicitly to provide people with those skills.

What this sign of progress looks like…

AJAMM intends specifically to develop leadership skills among African American women ministers, preparing them to work outside the walls of the church in acts of community leadership. Leadership development activities include mentoring, opportunities to shadow, coaching, monthly preaching clinics, and an annual conference featuring workshops on such topics as housing, health, financial freedom, building community, spirituality, and race and gender equity.

Southern Partners Fund practices notions of democratic philanthropy, in which the power of skill building is shared widely. Southern Partners' work is grounded in "the village," not just the individual or organization, working together to raise all.

Faith Partnerships works deliberately to increase the capacity of local churches to become effective partners in community and economic development. It provides technical assistance and advice on issues of stewardship and accountability, helping churches attain their tax-exempt status, and preparing them in needed technical roles.

At **NGAAP**, as part of the giving circle process, members think through issues of making a difference and success. In addition to preparing themselves as philanthropists, they become more able to serve on various nonprofit boards. Benefits include "learning to frame the issues ourselves," and "being suppliers of support and help rather than demanders" – self-empowerment of a significant proportion.

NRFC's staff is diverse, with respect to race, gender, and age. In their "learning labs," they model diversity in ways that cannot fail to impress other potential partners. They demonstrate a way to unify seemingly divided voices, going beyond tokenism, and marshaled them in joint efforts – a demonstration that is particularly obvious in racially polarized territory.

The **Twenty-First Century Foundation**, as part of its development of a grantmaking initiative on African American men and boys, has had to school itself on the issues and explore potential partners in four different cities, efforts that will help it become more effective as it deals with other issues in the future.

Pools of philathropic capital being created and readied to fund advances in racial equity.
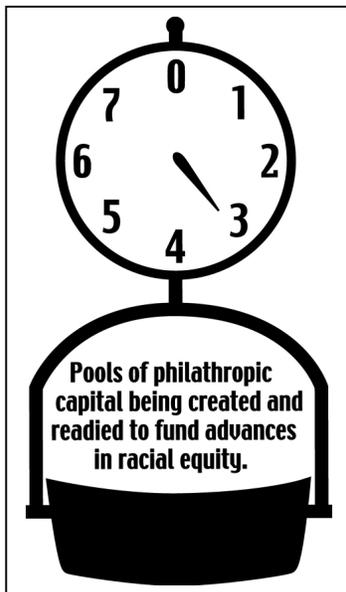
Sign of Progress #6 – Pools of philanthropic capital being created and readied to fund advances in racial equity.

This follows intentional efforts at donor education and relationship building. Donations of time and talent (in addition to treasure) draw on engagement of partners and donor education that seeks to gather more kinds of energy that can be deployed. Moving the needle takes money, or, rather, turning the mechanisms that move the needle takes money.

What this sign of progress looks like:

At **NGAAP**, members of giving circles began by putting money on the table, then proceeded to school themselves on opportunities for deploying it meaningfully after learning about the region's many opportunities as well as processes for grantmaking. In the process, several members established donor-advised funds or made new provisions in their wills for charitable giving.

NRFC intends specifically to expand the community of rural funders and the pool of funds supporting rural development. It does this by educating traditional funders in issues facing rural development in ways that allow funders their space and integrity. Helping funders see opportunistic space for local investment in terms that are consistent with their missions allows them to step forward.

At **Faith Partnerships**, the Table of Faith Donors offers a vehicle to learn how to connect with foundations and financial institutions in the larger culture. As churches become more capable and stronger players with increasing track records, they are in a position to attract more substantial funds. Faith Partnerships is exploring different avenues for holding and investing money specifically gathered to aid these efforts.
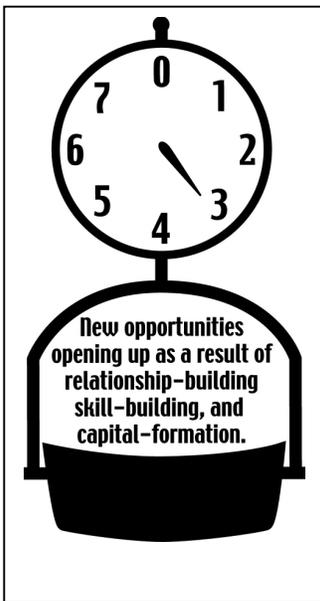
The **Twenty-First Century Foundation** is creating a grantmaking initiative on African American men and boys to attract African American donors. The foundation is convening meetings in four cities to educate potential donors about the issues, and to learn from practitioners what has worked so far. Success will add to the foundation's efforts at endowment building (it is one of only a few

endowed black foundations) and will enable it to continue to make grants to worthwhile organizations.

At **AJAMM,** the skills and talent of women ministers are being developed to play leadership roles that count as community philanthropy. Practicing at the intersection of faith and philanthropy, acts of charity and generosity are transformed into acts of community leadership in furtherance of racial equity.

Southern Partners Fund was created in large part through the generosity of a single donor, the Bert and Mary Meyer Foundation, with the intention that it serve as a model of democratic philanthropy. The Bert and Mary Meyer Foundation's generosity was not simply a gift of money, but a gift of power and control over the money; rather than insist grantees be powerless, it insisted that they provide stewardship over the entire pool of funds that comprise Southern Partners Fund. With these assets, Southern Partners Fund intends to fuel the engines of social change in the South.

BBCF has access, through its board members, to a radio station that covers much of the Black Belt region of Alabama and to a publishing house that distributes material pertinent to community philanthropy and racial equity. These are major assets.

New opportunities opening up as a result of relationship–building skill–building, and capital–formation.

Sign of Progress #7 – New opportunities opening up as a result of relationship-building, skill-building, and capital-formation.

New opportunities that shape practices and policies are essential to moving the needle. While official practices and policies – the stuff of legislation and legal sanctions – are one touchstone of progress, unofficial goings-on within the culture(s) may tip the balance even more. With new rules and the acceptance of the spirit of new rules comes the opportunity for more equitable sharing of power and resources. Prerequisites are dialogue moving toward innovation, with stronger leadership and stronger organizations and a more willing dominant culture. As relationships and skills are built, as capital is accumulated, and as divides are bridged, more opportunities arise. With success comes further success.

What this sign of progress looks like:

Faith Partnerships is recognizing its growing bargaining power to form a "ministry of community development," attracting opportunities and funds that allow member churches to play larger roles in their communities. To some extent, the church has always been the de facto community foundation in the community;

such partnerships and engagements make this even more true now. As a result, churches and their leadership "can go where we've never been allowed before." And in turn, foundations and financial institutions are being influenced to see church institutions as viable partners.

At **AJAMM**, women African American ministers, newly empowered with leadership skills, are stepping out and speaking up, supporting other women in self-improvement. As they become more practiced, they expect to play larger roles in supporting local change efforts regarding women's health, finances, and housing. They become entry points for dominant system representatives or gatekeepers to connect with African American women.

At **ICAM**, the invention of five new models for moral and ethical community leadership provides opportunities for advancing the role of the African American church as leadership institutions. Each of these models allows a different approach to levers of change affecting the role of the church.

FMS is re-forming the foundation to play a more responsive role to conditions on the ground. After a lengthy process designed to give a more inclusive grounding to its community philanthropy efforts, the board is struggling to find legitimacy as a multicultural institution. If successful, it will be in a significantly more influential position to support – through its substantial grantmaking and its use of board influence – to create innovation in local policies and practices.

Southern Partners Fund makes its grants in twelve Southern states following principles of capacity building and leadership development for its member organizations. It works simultaneously to strengthen capacity as well as to stake its members to roles advancing issues such as educational equity, inter-group relations, farm worker rights, and safety and security in civic life.

OPPORTUNITIES FOR MAKING FURTHER PROGRESS

By Steven E. Mayer, Ph.D., Betty Emarita,
Vanessa McKendall-Stephens, Ph.D.

During the course of writing these three papers, Effective Communities Project (ECP) team members met to answer the question, "What would help these groups, all dealing with community philanthropy and social justice, improve their chances for success in the short and long term?" While we answered this question for each of the organizations we visited, we present below only the cross-cutting themes. In doing this, we discovered that many of the challenges that some groups face are exactly the areas in which other groups have progressed. The opportunity for peer learning, in which everyone has something to offer as well as something to learn, is great.

* * *

Bridging divides and addressing structural inequalities. The largest challenge we see is that the space in which these groups work is sufficiently indifferent, recalcitrant, or hostile that it is hard to carve out room to operate. Groups have to carve out a more hospitable working space from the lines that traditionally separate these groups from the forces of opposition. One large opportunity for improving the odds of success is to help change the context in which they work, to soften up the territory so that forward progress can be made.

Creating discussions that address structural barriers could greatly increase the rate of forward progress, yet embracing such opportunities is fraught with danger. Creating discussions about local issues that engage local people is a skill set that many of these groups want to strengthen. This work is all about softening the territory, working the edges, moving into newly created space, and producing benefits along the way. Finding the way forward is fraught with risk. Sometimes an outside catalyst is needed to use recognized authority to help create discussions that include people from both sides of the divide – discussions that can yield more understanding, allies, and cooperation. Some of the groups we visited are more practiced in these arts than others, and all would benefit from deep, engaging exchange of insights and encouragement from others doing similar work.

It takes a while for some groups to recognize they have permission, or to give themselves permission, to think strategically about structural issues. Putting oneself in the driver's seat, and empowering oneself to create solutions are major progress markers. Continuous gentle support to these groups that encourages their sense of what's possible is an important part of the success mix.

* * *

Growing better ways to organize the work. Bridging divides is enabled when there has been progress in organizing based on principles, widening the networks, and taking cues from the community. But two barriers, or hindrances, intercede. One is that the model of nonprofit management that we've all inherited as generally accepted practice is not one that serves such efforts particularly well. The top-down model of board governance, CEO execution, and staff support was designed originally for ancient Middle East armies, medieval European churches, and modern American corporations – all entities with issues of control and very firm boundaries separating outside the organization from inside. We feel that struggles to change policy toward greater equity and to build a mutually supportive civic culture require more participation and energy from regular folk acting in their roles of concerned citizens and advocates for fairness and less on direction from centralized and formalized organizations. It will be *people*, ultimately, who create a better society. Organizations will still play an important role, but their structures are frequently too separate from the real work force. What we need are ways for organizations to form and grow and integrate, rather than separate, people's energies. We need organizational styles that are more nurturing, more inviting, and more inclusive around the edges, that create new ways for people to contribute. A more intentional effort to develop more inclusive and empowering organizational forms would be welcome. For the purposes of the task at hand, these forms should be friendly to African American modes, to rural realities, and to the paucity of financial resources.

Second, the concept of organizational growth seems to be insufficiently appreciated. The field needs new conceptions of growth that fit the realities of community life. Growth is a dirty word in some nonprofit circles, suggesting business or marketplace values akin to greed. But we don't define the concept as growth in budget or staff size as much as growth in impact and influence. If the term "organization" can be understood differently, perhaps organizational growth can, too.

When a project is achieving well, and developing its ideas and actions with growing competence, and beginning to provide benefits to people and communities, what are the responsibilities of different parties to make it grow further, so that it benefits more people and communities? We realize this is brand-new territory in the lives of these organizations and the people in them and touched by them. The question is what are the responsibilities of the originators, the funders, and the new host communities to help a good idea along? And how fast should that happen? There is a right and proper pace that needs to be honored, while at the same time we need to create the conditions for spreading the benefits. In the dominant culture there is quite a bit of lore about diffusion of innovation and technology transfer and going to scale that could be useful, but we have to recognize that the good new ideas being developed through this portfolio are still fragile and relatively untested, and too much pressure to grow could kill or corrupt or betray or otherwise damage them.

* * *

Developing philanthropic capital. Part of the issue of growth is the timidity many groups feel about competing with other groups. Many nonprofits, even big ones, assume the

amount of philanthropic money available in this world is finite, so that striving or asking for more is seen as taking from another group. In fact, given the right support, the philanthropic pie has always expanded (as does the non-philanthropic pie). The groups we visited could use the kind of coaching that lets them get to the next level of capacity. They could also benefit from getting connected to regular information about funding opportunities that support their mission. We saw one group almost get derailed by reaching for funds that would have taken it adrift, only because it had a limited view of other options.

"Making the ask," the art form that fills philanthropic coffers, is a skill area that could use greater understanding in an African American way. The groups we visited are all doing things that are very sophisticated, in that they are drawing deeply from their own culturally rooted dynamics. They are building on deep reservoirs of knowledge and faith, and moving in ways that have hitherto been blocked or denied. We sense that it is all so freshly seeing the light of day that the groups themselves may not even know what they have. Yet communicating the value of their own process, purposes, strategies, and cultural assumptions, describing them in their own terms but in ways that allow others – maybe even those in the dominant culture – to understand them and value them better, will be essential to long-term survival. The purpose is essentially to gain more and more credibility and respect for these groups, so that they attract cooperation and resources from an increasing variety of sources, resulting in the kind of momentum that stands to move the needle.

If these groups developed their skills in speaking across cultures, multilingually, to reach all the way to the ears of the dominant institutional funding community, they would be way ahead, especially if the funding community could then recognize a wider variety of working organizational styles as legitimate. Working organizational styles needed to move the needle are on display in this portfolio, but are not easily recognizable or legitimized by dominant culture, and they need to be nurtured by a growing variety of supporters.

The African American community, too, is not used to seeing these kinds of organizations or the kinds of work being promoted. Since these groups are trying new things, though drawing on old themes, a newer story can and must be told to get additional support from the African American community itself.

* * *

Deployment of philanthropic capital in the struggle for racial equity. Community philanthropic organizations in the endowment-building business must go beyond the question of how to accumulate more money or tap new sources, and get to the much more fundamental question of how to deploy accumulated capital creatively to address local issues. With traditional American community foundations, 95% of the money coming in is immediately shipped to faraway places to supply working capital for corporations to do work that has nothing to do with community. Only 5% is used locally to support operations and make grants. We think that model does not serve local communities very

well. We need some new thinking about investment strategies that allow community philanthropy organizations to deploy more money in the service of local community problem-solving.

In the business world, of course, the developers of good ideas get to benefit financially. This concept could be translated to the philanthropic context. Several of the groups we visited have developed products or services that could be sold (as distinct from being given away) so as to develop income streams for the organizations. Several groups have created services that are clearly useful to others as well, not just as consumers, but as potential partners. These groups could benefit from consultation on business models that would allow them to benefit financially from their growing "product line." How their ideas are protected from piracy or unwanted takeover is the subject of intellectual property rights and their protection; these groups could use some help protecting the assets they are creating.

Also needed are grantmaking strategies that make the most strategic use of very small amounts of money – small given the external conditions, locally and globally, faced by these groups. The need for cash grants is endless; need can't carry the day as a litmus test for funding. In our opinion, money is well spent when a case can be made that the work strengthens a mechanism that moves the needle, as we've explored the concept in this paper.

APPENDIX A
PROJECT SITE DESCRIPTIONS

AJAMM Ministries, based in New Orleans, Louisiana, was established in April 2001 to support women in ministry by offering opportunities that may not have been afforded to them as a result of social and gender bias. AJAMM offers women in ministry resources, training, and information in key areas including preaching technique, leadership, finance, health, liturgical praise, biblical history, and the organization and administration of ministry. The resulting network produces women who are engaged and involved in opportunities to develop strong and effective ministries throughout the country.

The project funded by the Ford Foundation allowed AJAMM to hold an annual conference on developing leaders in areas of fellowship, spirituality, connectivity and sisterhood; have monthly peer critiques to build the skills of women ministers; hold quarterly seminars about the acquisiton of affordable housing, credit restoration, and money management; provide mentoring for young women in the ministry; and strengthen the organization through board training, strategic planning, fund development, evaluation, and networking.

Executive Director: Mary Washington

Black Belt Community Foundation (BBCF), based in Selma, Alabama, is a new community institution with the mission of forging a collective stream of giving from the community and other sources so the people living in the South's Black Belt can enhance continuing efforts to improve their situation by taking what they have to make what they need. Its vision is of a transformed Black Belt, where all residents contribute to healthy communities and a productive regional economy and reap the benefits of shared gifts. Engagement of a broad cross-section of Black Belt residents in the practice of giving is central to the foundation's philosophy and key to contributing effectively to true transformation in the Black Belt.

The project funded by the Ford Foundation allowed BBCF to establish an office, hire initial staff, and develop management systems; develop a group of individual and institutional donors; design and implement an initial grants program and process; provide training and skill development opportunities to strengthen the region's nonprofits; develop and implement a strategy that engages a broad group of community residents in the development and program activities of the community foundation; and continue to build the board and governance capacity.

President: Felecia Jones

Faith Partnerships Incorporated, based in Raleigh, North Carolina, encourages coalitions of churches and faith-based organizations to create – and operate effectively – the proper structure for their charitable efforts: a 501(c)(3) organization that is essential in obtaining financial assistance from outside groups. Faith Partnerships works with congregations in North Carolina, Florida, and Virginia. It brings expertise in everything from grant writing to small business seminars; assists faith-based organizations and congregations through capacity building for focused giving, primarily in rural and urban African American communities; and encourages religious organizations to make the kind of socioeconomic changes that can take hold and grow in distressed communities.

The project funded by the Ford Foundation allowed Faith Partnerships to pilot a strategy to enable faith-based groups to establish and govern permanent assets for the communities that they serve through establishing endowed funds, to continue to reach out to key leaders of congregations and faith-based organizations interested in participating in the faith-based donors' fund, and to build a team of funders to work in a collaborative effort. In effect, Faith Partnerships is helping faith-based groups to move from charity to philanthropy, and to learn to work collaboratively with large sums of money, to organize giving and maximize contributions to leverage public and private support, and to connect spiritual, philanthropic, and community-based work.

Executive Director: Diana Jones Wilson

The mission of the **Foundation for the Mid South (FMS)**, based in Jackson, Mississippi, is to build the communities, resources, and leadership of Arkansas, Louisiana, and Mississippi through change strategies based on regional cooperation. FMS uses private philanthropic resources to fund, develop, and promote initiatives in the areas of education, economic development, and families and children. It focuses on grantmaking and other kinds of assistance to help build leadership in the region, increase the capacity of the region's communities, institutions, and nonprofits to do their work; to grow philanthropy in the region; to encourage public engagement among the region's citizens; and to strengthen the foundation's own institutional capacity to serve as a regional resource and to sustain that capacity.

The project funded by the Ford Foundation allowed FMS to continue its role to build effective philanthropy to promote social change in Arkansas, Louisiana, and Mississippi. The project is about transformation – the way that philanthropic resources are raised, the way that philanthropic resources are used, and the way that FMS and other philanthropic organizations are governed, managed, and led. In essence, the project is about providing a new analytical framework about how philanthropy can address issues of race and social equity that will enable FMS and other philanthropic organizations to be more effective in their mission of economic and community development.

President: George Penick

Institute for Church Administration and Management (ICAM), based in Atlanta, Georgia, supplements theological education with leadership training opportunities to ensure African American religious leaders acquire the administrative and management skills to help move the black church into the 21st century. To do this, ICAM has formulated leadership development activities to specially target the black church's senior executives, pastors, officers, and lay persons. Through a combination of week-long seminars and three-day workshops, ICAM currently offers 17 courses that focus a broad range of topics including financial management and fiscal accountability, institutional development, long-range planning, management of human resources, personal and institutional liability, and computer technology.

The project funded by the Ford Foundation allowed ICAM to launch a new initiative, *Preparing Black Religious Leaders for Moral and Ethical Community Leadership.* Through this initiative, ICAM identified leadership models that build bridges across racial lines, defined a practical leadership paradigm for black religious leaders in the South, advanced discourse regarding the practice of moral and ethical leadership within American religious institutions, and identified a vehicle to introduce new leadership paradigms to established and emerging leaders at various levels of the black church.

President: Jacqui Burton

National Rural Funders Collaborative (NRFC), a project of the Calvert Foundation, is a partnership working to expand resources for rural communities and families facing persistent poverty. NRFC's goal is to leverage resources to strengthen and sustain rural community transformation and to build the field by strengthening rural practices, expanding philanthropy, and advancing policy change. It seeks to strengthen rural practice and performance through articulating and measuring rural success in the areas of community wealth creation, family self-sufficiency, and leadership transformation; to expand philanthropy and leverage public and private investment through increased funding for rural community transformation; and to advance rural policy that is informed by the transformative work within rural regions themselves.

The project funded by the Ford Foundation allowed NRFC to support rural capacity building and wealth creation in persistently poor, low-wealth regions of the nation, galvanize regional philanthropy and public support to make these efforts more sustainable, and aid creating a stronger grassroots voice at the regional and national levels. NRFC hopes to begin to identify broad, reliable rural indicators than can provide guidance to current and future rural initiatives in articulating a more accurate measure of success and lasting impact.

Executive Director: Jim Richardson

New Generation of African American Philanthropists Fund (NGAAP), a project of Hindsight Consulting, operates in Raleigh/Durham, North Carolina. Its mission is to identify, cultivate, and raise resources to aid in the distribution of funds to improve the quality of life for African Americans living in North Carolina's Greater Triangle. NGAAP gathers contributions, educates members about the power of collective philanthropy, and broadens their awareness of issues affecting African Americans in the Triangle. NGAAP works primarily with people in their 30s and 40s, with funds held at the Twenty-First Century Foundation. Hindsight Consulting also operates a similar giving circle, the Birmingham Change Fund, primarily for people in their 20s to mid-30s, with funds held at the Birmingham Community Foundation.

The project funded by the Ford Foundation allowed continued work with African American young adults to promote community philanthropy (sharing time, talent, and money), reconnect to their collective history and tradition, identify opportunities or gaps that could benefit from collective community philanthropy, enter into dialogue with senior African Americans, engage in deeper analysis of barriers African Americans face in reaching new levels of self-sufficiency and strategies to bridge the racial divide, and look at how to pool their resources in strategic and organized ways.

Principal: Darrel K. Lester

Southern Partners Fund based in Atlanta, Georgia, provides general operating and technical assistance grants to rural, grassroots organizations in twelve Southern states: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia. The fund's mission is to strengthen the social justice community in the rural South, and it pursues this mission through providing financial support to grassroots organizations working for social, economic, and environmental justice; expanding the philanthropic footprint in the South by developing and nurturing relationships that encourage other funders to invest in Southern organizing work; and refining a community-owned model of democratic philanthropy for the South by providing skill-building trainings and leadership development opportunities. Through these connected strategies, Southern Partners Fund aims to provide resources to the South, be a resource for the South, and be a resource in the South.

The project funded by the Ford Foundation allowed Southern Partners Fund to advance its vision of itself as a cutting-edge foundation, employing the most effective and efficient grantmaking strategies, practices, and policies; as a unique regional resource able to adeptly leverage information and money to facilitate social change in the South; and as a model of democratic social change philanthropy able to channel the experience, wisdom, and judgment of grassroots organizers and activists efficiently into grantmaking and relationship-building operations.

Executive Director, Joan P. Garner

The mission of the **Twenty-First Century Foundation,** based in New York City, is to advance strategic black philanthropy. The foundation pursues its expanded mission through three primary goals: assisting black donors in developing giving programs, with emphasis on endowment building and strategic community philanthropy, strengthening nonprofit organizations and leaders serving the African American community, and serving as a forum for black donors and community and nonprofit leaders interested in innovative approaches to addressing black community issues. Ultimately, the Twenty-First Century Foundation is creating an institution in which the intellectual, philanthropic, and social capital within the African American community can be gathered and directed towards sustaining and propelling black America forward into the 21st century.

The project funded by the Ford Foundation allowed Twenty-First Century Foundation to increase development capacity to attract more high-impact individual donors in addition to institutional support, build the philanthropic potential of the African American community and channel the lessons learned back into new donor education programs, and provide technical assistance and support in designing local black donor education programs.

Executive Director: Erica Hunt