

# Whose Environment Will be Funded?

## Balancing Popular Appeal and Community Accountability in Workplace Fundraising

By Elly Kugler, NCRP

In 2000, two nonprofits both attempted to raise money using a mechanism for grassroots fundraising known as a workplace giving fund, with very different results. The Silicon Valley Toxics Coalition, which works on regional environmental justice issues, received \$10,560 in 2000 and only \$6,100 in 2002. The national conservation organization Nature Conservancy, however, received \$71,192 in 2000 and \$79,810 in 2002. Both were participants in Earth Share California, an alternative workplace fund (AF) not affiliated with the United Way that runs campaigns throughout California with the goal of “giving corporations, government agencies and small businesses an easy and efficient way to care for the environment.”<sup>1</sup>

The disparity in the amount that these organizations earned, while potentially resulting from their geographic focus, also reveals the disparate impact of environmentally focused AFs: Large national organizations and conservation or education-focused groups are more likely to earn larger amounts of money from environmentally focused workplace giving funds than small local organizations and groups with an environmental justice focus.

As part of a soon-to-be-released study, NCRP examined 70 regionally based AFs that were formed as alternatives to the United Way, analyzing the amount of money they give away and the kinds of member organizations they give to. Created to bring a stream of grassroots revenue to movements and communities that were underfunded or excluded from other workplace giving groups, these AFs have significant financial impact. Combined, they gave approximately \$11 million to more than 2,000 nonprofit organizations during each year studied (2000, 2001, and 2002).

Of alternatives to the United Way, AFs dedicated to supporting environmental organizations annually gave away a combined total of approximately \$3.5 million to member organizations from 2000 to 2002.<sup>2</sup> But to whom were they giving that money? To get a better sense of the giving practices of the funds, NCRP analyzed the finances and activities of a random sample of 25 percent of AF beneficiaries. Looking at this sample, it is clear that certain sectors of the environmental movement tend to generate more donations from environmentally focused

workplace giving federations than others, with traditional conservationist and environmental organizations and large national environmental organizations often receiving the lion's share.

### Where Is the Environmental Justice?

The U.S. Environmental Protection Agency's Web site defines environmental justice (EJ) as “the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies” and adds that “it will be achieved when everyone enjoys the same degree of protection from environmental and health hazards and equal access to the decision-making process to have a healthy environment in which to live, learn, and work.”<sup>3</sup> Similarly, a glossary of environmental terms provided by the Navy defines EJ as “the fair treatment of all races, cultures, incomes, and educational levels with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies. Fair treatment implies that no population of people should be forced to shoulder a disproportionate share of the negative environmental impacts of pollution or environmental hazards due to a lack of political or economic strength.”<sup>4</sup>

Implicit in both governmental definitions is the understanding that some communities are more adversely affected by pollution, waste dumping, and other negative environmental activities than others. In other words, there are certain racial and socioeconomic groups of people in the United States—specifically, low-income people and people of color—who shoulder a disproportionate share of negative environmental impacts and do not enjoy the same level of protection as other groups do from environmental hazards. The Silicon Valley Toxics Coalition, for example, has within its mission the more traditional environmentalist goal of advancing environmental sustainability and improving community health, but also works to “ensure democratic decision making for communities and workers affected by the high-tech revolution in Silicon Valley.”<sup>5</sup> In its research and publications, it tracks the disproportionate environmental impacts that the computer manufacturing

industry has had on low-income people of color, with a special focus on women, and in its organizing, it focuses on building the power of those affected to organize in their own interests.

Unfortunately—and surprisingly, given their historical purpose—environmentally focused AFs have low levels of EJ groups participating and proportionately lower levels of funding going to those that do participate. Scanning down the list of local and national affiliates of Earth Share affiliates and beneficiaries of other environmental federations throughout the country, several words keep reappearing: “conservancy,” “research,” and “education,” all traditional activities of the environmental movement. One way in which EJ organizations are often different from these environmental organizations is their accountability to specific communities and groups of people. Since toxic dumping, environmentally harmful factories and a whole bevy of other environmental threats have disproportionately affected low-income people and people of color, EJ organizations work to expand the power and self-advocacy skills of these communities.

One way to assess whether a group has an environmental justice focus is to examine which communities (if any) the group is accountable to. As part of the larger workplace giving study, NCRP tallied organizations that were specifically accountable to or organizing with a particular constituency. Of the 518 beneficiaries of environmental AFs in the study, only 19 could be linked to a specific constituency, and many of these organizations were only tied to a specific age group—such as the Environmental Alliance for Senior Involvement or the Student Conservation Association. While some environmental organizations may have smaller projects that are accountable to a particular constituency, organizations engaged with a low-income constituency of color were strongly lacking.

Why are more environmental justice organizations not beneficiaries of environmentally focused AFs? There are several possible reasons.

**Time and resources:** Applying to participate in an AF can be a long process with a lot of paperwork, and participating can often require a longer time commitment from organizations than other forms of funding.<sup>6</sup> Many times, organizations are required to devote significant staff time (often 50 to 200 hours a year) to working on the AF’s campaign. Some EJ organizations and small organizations may be too understaffed to be able to participate.

**The perils of mass appeal:** Workplace giving is a tremendous tool for accessing pools of donors, but its strength rests in being appealing to as large a range of workplaces and employees as possible. The same influences that push AFs to engage in broad messag-

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ing around clean water and children’s health also may push them away from taking on organizations that name and fight the ways that environmental contamination is caused or perpetuated by specific companies and governmental agencies within specific low-income communities. Workplaces being solicited for support could potentially be the targets of EJ organization campaigns, or at the very least may have a strong reaction to seeing fellow companies targeted for their role in contaminating specific communities.<sup>7</sup> If environmental AFs accepted more organizations dealing with these kinds of issues, they might have a harder time gaining access to new companies where they could run their fundraising campaigns. Environmental AFs may also fear that including organizations that work to fight environmental contamination and build the leadership of low-income communities of color would limit their appeal to white middle-class donors.

**A “push towards the national”:** The majority of environmental AFs are affiliates of Earth Share, which describes itself as a “membership federation of local,

national, and international environmental and conservation charities”<sup>8</sup> with “state affiliates in 18 states.” In the case of Earth Share affiliates, besides the “perils of mass appeal” noted above, another reason for the dearth of EJ organizations in their campaigns is the arrangement that state affiliates have with the governing national body. That arrangement specifies that all affiliates of Earth Share are required to accept a long list of national and international environmental organizations as beneficiaries in their campaigns. In interviews conducted with Earth Share affiliates, several representatives mentioned their discomfort with this “push towards the national,” as one person put it. Several AF representatives felt that this policy had negatively affected their attempts to fund local environmental organizations. Since the AFs must be careful

If not the environmental AFs, where? There are limited sources of workplace funding for EJ organizations. The United Way, the largest workplace giving organization with more than 1,300 local affiliates, does not seem to be an option for most EJ groups. In response to a query regarding EJ organizations to the national United Way, Sheila Consaul, director of Media and Public Relations, responded that “all funding decisions are made at the local level; we don’t have a national policy regarding support for any organization or type of organization.” She said that “generally, the most common issues of focus for United Ways relate to the goals of helping children and youth succeed, improving access to health care, promoting independence and economic self-sufficiency, and strengthening and supporting families.” She added, “In 2003, the last year for

which we have data, United Ways contributed \$641,000—approximately 3.6 percent of funding allocations—to support programs and organizations that fall into the “environmentally related category.”

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about the number of beneficiary organizations they permit into their campaigns in order to maintain a high enough level of funding for all beneficiaries, each large national group they include is potentially one less space for a small local group. Including more well-known national and international groups also makes it difficult to add to workplace campaign sites local groups that are less well-known and potentially riskier.

**Who avoids whom?** It is unclear whether the environmental AFs stay away from EJ organizations or if EJ organizations stay away from the AFs. In one interview, a representative from an environmental AF said that the fund did not have environmental justice organizations in its campaign, and that such organizations would fit better within a Community Shares campaign or another type of workplace giving fund. In this case at least, it appears that the AF excluded EJ organizations from its definition of an appropriate environmental organization. In an interview with the beneficiary organization of another fund, the representative mentioned that the group’s environmental AF was beginning to take more interest in including EJ organizations.

Based on these standards, most environmental organizations, including EJ groups, do not qualify to receive money from the United Way. EJ organizations are doubly condemned, since most United Way chapters focus on funding direct service organizations and many United Way chapters specifically avoid admitting groups engaged in activism or community organizing. The majority of EJ beneficiary organizations found within NCRP’s study were members of Community Shares, such as Community Shares of Louisiana, or other local nonenvironmental AFs. However, Community Shares is not present in every state and region.

### **Getting the Lion’s Share**

During the course of research on beneficiaries of AFs, a few beneficiaries appeared to stick out as unusual in a pool of primarily small, local organizations funded by workplace giving federations. These groups, called megabeneficiaries within the study, had budgets that were hundreds of times bigger than most local groups, had whole departments related to fundraising and organizational promotion, and for the most part had a national or international focus. The largest portion of

these megabeneficiaries were members of environmental AFs.

The most notable example of a megabeneficiary is The Nature Conservancy. Funded by all Earth Share groups, it received from its various Earth Share campaigns what would be phenomenal sums of money for small local organizations. In 2002, it received just over \$43,000 from Earth Share of Texas and about \$37,000 from Earth Share of Georgia. While these amounts are well above the median amount received by most beneficiaries of these funds and across the study, they are a miniscule amount for the Conservancy. Those monies combined make up less than a hundredth of a percent of The Nature Conservancy's budget.

While some AFs distributed quantities that were within \$1,000 of each other to all beneficiaries, others had gaps upward of \$100,000 between the beneficiaries who received the most and those who received the least, and environmental federations tended to have some of the greatest disproportion between most and least funded. Several factors contribute to this disproportionate distribution. Larger organizations operating in the public limelight are more likely to be immediately recognized by workplace givers, and more likely to be able to devote staff time to promoting the organization and generating a large amount of workplace giving revenue. Small organizations that may not be particularly well-known, even within their own geographic region, are far less likely to generate significant revenue unless their AF is working aggressively and creatively to promote all beneficiaries.

When megabeneficiaries such as The Nature Conservancy are competing with groups like the Silicon Valley Toxics Coalition, it's an unfair fight unless the AFs step in to ensure increased parity in funding.

### **The Challenge for Environmental AFs**

To maintain a balance in groups funded and to ensure that EJ groups and small groups don't get shortchanged, environmental AFs may want to consider some shifts in policy and practice:

1) All environmental AFs may want to consider expanding their definition of what constitutes an environmental organization to include groups working in accountable collaboration with low-income communities and communities of color around specific environmental problems disproportionately affecting those communi-

ties. This may mean admitting groups that do not do work exclusively around environmental issues, but by bringing in these groups, the environmental AFs may expand their appeal to a broader audience.

2) Since the majority of the environmental AFs are affiliates of Earth Share, Earth Share may need to be involved to facilitate these changes. If the full inclusion of EJ and small organizations is a priority, Earth Share may want to consider renegotiating its contract with its affiliates to help them take on additional small and locally focused organizations—for example, by allowing affiliates to limit the number of national and international organizations required to be listed as campaign beneficiaries. Alternatively, Earth Share could form an EJ fund by drawing revenue from a percentage of the amount affiliates are required to pay to be part of the national organization, or by drawing on general monies given to Earth Share rather than to particular beneficiaries. Money from this fund could be cycled back to state affiliates that have admitted EJ organizations, or to a pool of EJ organizations selected by Earth Share affiliates.

In a time when many environmental AFs appear financially healthy and Earth Share affiliates have a strong national body to coordinate their work, it may be time for them to step up their efforts to fund environmental justice and small, local organizations.

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### **NOTES**

1. From the Earth Share of California Web site: [www.earthshareca.org](http://www.earthshareca.org).
2. These AFs include both regionally based, fully autonomous environmental federations and formerly autonomous groups that became state affiliates of Earth Share, a nationwide network of nonprofit environmental and conservation organizations. The majority studied are Earth Share affiliates rather than completely autonomous federations.
3. [www.epa.gov/compliance/environmentaljustice/index.html](http://www.epa.gov/compliance/environmentaljustice/index.html).
4. [enviro.nfesc.navy.mil/erb/acro\\_gloss/gloss/gloss\\_efg.htm](http://enviro.nfesc.navy.mil/erb/acro_gloss/gloss/gloss_efg.htm).
5. From Silicon Valley Toxics Coalition website: [www.svtc.org/about/index.html](http://www.svtc.org/about/index.html).
6. From interviews conducted with a cross section of representatives of beneficiary groups of alternative workplace giving funds.
7. One example of such an occurrence took place in North Carolina, where North Carolina Waste Awareness and Reduction Network was forced to stop participating in a workplace giving campaign due to pressure from an influential local company that the network was targeting due to massive environmental contamination.
8. From the Earth Share Web site: [www.earthshare.org/about\\_us/aboutus.html](http://www.earthshare.org/about_us/aboutus.html).