Responsive Philanthropy

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IN THIS ISSUE

The Alliance of Californians for Community Empowerment (ACCE) organized numerous protests against Steve Mnuchin and OneWest Bank's discriminatory lending and questionable foreclosure practices. Photo courtesy of ACCE.

Philanthropy: It's time to choose sides

By Dan Petegorsky

As moneyed interests take over the White House, where will Philanthropy take its stand? With the most powerful or the most vulnerable?

PHILANTHROPY AS A FORCE FOR GOOD

As the 2016 presidential election campaign reached its crescendo last summer, the Consumer Financial Protection Bureau (CFPB) – a central achievement of the financial reform legislation passed by Congress in the wake of the 2008 Great Recession – was seeking comments on a set of rules the agency had drafted to rein in payday lending. One of those offering supportive testimony at a public event in Oakland, California was Erica Wood, chief community impact officer for the Silicon Valley Community Foundation (SVCF), the largest community foundation in the United States.[1]

The prior year, SVCF made grants totaling $760,000 to a range of community, advocacy and legal service organizations that had been taking on the payday lending industry at the local, state and federal levels, using a variety of educational, legal and organizing strategies.[2] One of its grantees, Housing and Economic Rights Advocates, hosted the Oakland event.

Putting its reputational capital on the line alongside its grant dollars wasn't a new role for SVCF. In April 2015, as the CFPB was developing the new rules, SVCF led a group of 57 community foundations across the country that signed a letter urging CFPB Director Richard Cordray to "bring tough regulations and enforcement to the marketplace."[3]

The foundations and their grantees now have their work cut out for them. The rules and, (*continued on page 12*)

ncrp
National Committee for Responsive Philanthropy
challenging grantmakers to strengthen communities

A message from the President and CEO

Dear Readers,

These are incredibly challenging and scary times. Philanthropy has a hugely important role to play in protecting the most vulnerable in our society.

Nonprofit organizations of all shapes and sizes are driving the largest mobilizations and the judicial defense of civil rights. Those groups will continue to play a critical role in the years ahead to protect and promote equity, justice and democracy.

But they can't do it alone. They need philanthropy – grantmakers and wealthy donors – to step up, too, as leaders, partners and supporters to ensure that they have the resources to win.

In "Philanthropy: It's time to choose sides," NCRP's Dan Petegorsky sees two options for foundations and wealthy donors: They can either side with the most powerful or stand with the most vulnerable. "General statements aren't enough," Petegorsky writes. "The times demand more specific actions targeting specific policies."

Tony Mestres of Seattle Foundation answered questions about the foundation's journey from an impartial "philanthropic bank" to a civic leader in "Serving Greater Seattle with a commitment to equity and opportunity." In the interview, Tony says, "When we do what's right for the community, we are doing what's right for the community foundation. This requires taking a stand and leaving impartiality behind."

Rolling back the Affordable Care Act (ACA) has been a priority of the new presidential administration from day one. Kate Villers of Community Catalyst and an NCRP board member shares why this spells trouble for the millions of people who rely on the ACA and the country's other health insurance programs. In "The ACA battle in the headlines only hints at opportunities for concerned foundations and donors," she identifies critical lessons from the passage and implementation of the ACA for funders to help the fight for health care rights.

We asked NCRP members to share in their own words what they think nonprofits need to effectively advocate for and organize communities in defense of equity, inclusion and social justice. Read their responses in "From outrage to action: How philanthropy can support the Resistance."

The LGBTQ Racial Justice Fund has been listening to their movement-building grantees from the South about how the fund and its members need to respond to the challenges brought by our new political reality. The Fund's Miabi Chatterji shares what she heard in "8 Lessons from our Southern grantees in the fight for equity and justice."

Our Member Spotlight features The San Francisco Foundation, a community foundation in the Bay Area that "mobilizes resources and acts as a catalyst for change to build strong communities, foster civic leadership and promote philanthropy." Last November, they launched the Rapid Response Fund for Movement Building.

We hope you find value in these articles and other resources[1] we're sharing with all in the sector striving for an equitable and just society. Let us know what you think: Send comments and story ideas to community@ncrp.org.

Sincerely,

Aaron Dorfman
President and CEO, NCRP

[1] Check out our latest research and blog posts at http://www.ncrp.org/publications/.

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Serving Greater Seattle with a commitment to equity and opportunity: A Q&A with Tony Mestres

Tony Mestres joined Seattle Foundation in 2014, bringing 20 years of leadership in the high-technology industry to philanthropy and social impact in Greater Seattle. Together with the board of trustees, Tony is leading the foundation's evolution from an impartial philanthropic bank to an authentic civic leader committed to advancing equity and opportunity. NCRP's Yna Moore asked Tony about the foundation's journey so far.

Yna: Tell us about the Seattle Foundation's move toward greater civic leadership. Why is this role important and how does this fit in with the foundation's overall strategy to support equity and social justice?

Tony: There's no debate about the role that community foundations should be playing in society. We are powerful civic leaders, providing deep knowledge about our community to the philanthropists we work with every day. A community foundation committed to carrying out its mission in any of our country's major metropolitan regions must assume the role of civic leader; the challenges are too great and complex not to.

Creating a meaningful and measurable social impact is also a competitive commercial differentiator for us. Philanthropists have many choices in the marketplace. They can open a private foundation or work with the charitable arm of a national financial services provider, but they come to us when they realize that we are much more than an investment vehicle for philanthropic dollars.

Tony Mestres

At Seattle Foundation, we offer effective philanthropic advising, deep community knowledge and powerful civic leadership, all to advance equity and opportunity. We are unambiguous about this commitment. That clarity is attracting more philanthropists, nonprofit leaders, corporate leaders and elected officials to partner with us.

I believe that, when we do what's right for the community, we are doing what's right for the community foundation. This requires taking a stand and leaving impartiality behind.

Yna: What were the important steps you took as you began operationalizing the foundation's commitment to equity and justice?

Tony: It has been important from the start to demonstrate that our commitment to social impact is inspired by more than values and beliefs. We are disciplined in our use of data and research to substantiate our positions and our investments. For example, our partnership with King County is driven by racial and economic data that capture the tangible impacts of poverty on people in terms of health, life expectancy and more, along with regional economic competitiveness. This data guides our investments and how we engage with policymakers.

In 2015, we captured our new approach to community philanthropy with our brand: "the heart & science of philanthropy." This describes us as both champions of the heart and practitioners of the science of strategic philanthropy. We know we need compassion and substantiated strategic execution in order to make authentic, long-term, social change.

Yna: What tips would you have for other community foundations that are hoping to play a similar role in their regions?

Tony: The Seattle Foundation comes to the table with humility and openness to listen to opposing and divergent voices. We are genuine about getting feedback from all perspectives, and that is the most important role for a community foundation to play.

We call our approach to community impact the "3C model": communicate, convene and catalyze. We catalyze public, private and philanthropic investment, including funding, knowledge and people, to advance social change.

Convening brings together philan-

New and Renewing Members

Arcus Foundation

Asian Pacific Community in Action

Barr Foundation

The California Wellness Foundation

CivicLab

Edward W. Hazen Foundation

Ford Foundation

Foundation for Child Development

Greater New Orleans Foundation

Hill-Snowdon Foundation

Hull Family Foundation

Interfaith Worker Justice

Kansas Health Foundation

Kresge Foundation

Lloyd A. Fry Foundation

MapLight

Mary Reynolds Babcock Foundation

Max M. and Marjorie S. Fisher Foundation

Midwest Academy from Chicago

National Housing Resource Center

National LGBTQ Task Force

New Visions Foundation

North Star Fund

Northwest Area Foundation

Pittsburgh Foundation

Silicon Valley - Mendelsohn Family Fund

Southern Coalition for Social Justice

Tecovas Foundation

Winthrop Rockefeller Foundation

Seattle Foundation's Vibrant Democracy Initiative aims to strengthen the voice and participation of underrepresented communities to allow for more equitable systems change. Photo courtesy of Seattle Foundation.

thropists, community leaders, academics, practitioners and, most importantly, residents to explore new ways of thinking about community needs and pathways to greater opportunity.

We also have begun to exercise our communication muscle. We know our most valuable assets are our knowledge, our networks and our voice. When we activate these strengths, we elevate the cause of equity and opportunity, and we advocate for the system change necessary to create the inclusive community we desire for all Seattle residents. We also can fight the fragmentation that often hinders effective policy-level change.

A community foundation that wants to assert its civic leadership needs to start with an evaluation of its readiness and capacity to execute well on all three C's.

Yna: What can nonprofit grantees and donors do to encourage or support this kind of role in their own community foundations?

Tony: Our mission is to ignite powerful, rewarding philanthropy to make Greater Seattle a stronger and more vibrant community for all. Now, more than ever, the "for all" is imperative. Political divisiveness and polarization have reached new heights, and, regardless of what side you lean toward, there exists a cacophony of feelings and anxiety about the future.

With nonprofits and philanthropists alike wondering how we are going to find a path forward, everyone should expect more from community foundations in leading that journey. We see ourselves as "the community's foundation," and our partners should push us for leadership and accountability.

Large foundations, in particular, do not necessarily always conduct the self-inspections they should. We need to be held accountable for investments that directly benefit underserved communities and advance greater equity and opportunity.

A community foundation's focus cannot be defined by geography alone. We need to measure, with precision, how our efforts explicitly support people of color, the LGBTQ community, women, young people and other vulnerable populations. ■

The ACA battle in the headlines only hints at opportunities for concerned foundations and donors

By Kate Villers

We now know what to expect from our country's new president, Donald J. Trump. Encouraged by campaign-staff-turned-presidential advisers like Steve Bannon and a cooperative Congress, Trump will continue to do his best to create chaos and disruption by tearing down existing legislation, agencies and regulations that protect and serve those with the least wealth, opportunity and power.

As a legislative first act, Trump and Republican congressional leaders, House Speaker Paul Ryan and Senate Majority Leader Mitch McConnell, immediately set to work on their promise to repeal the Affordable Care Act (ACA). Trump did his part through the issuance of a vague but potentially damaging executive order. The 200-day legislative strategy of Ryan and McConnell is to repeal and replace key portions of the ACA by spring, and then tackle tax reform before the August recess. They also have strongly indicated they want to restructure, reduce and cap federal funds for Medicaid and privatize Medicare.[1]

TAKING AIM AT HEALTH JUSTICE

Passage and implementation of the ACA marked a critical milestone in progress toward health justice. Altogether, 22 million of the 50 million Americans who were uninsured pre-ACA now have affordable coverage, either through state marketplaces or Medicaid expansion. Eleven of the 22 million are low-wage working adults enrolled in Medicaid. Medicaid covers 74 million people, or one in four Americans.

Privatization of Medicare – a GOP goal for many years – also figures into the plan. Joining the principal players in this assault is the narrowly-confirmed and ethics-challenged new Secretary of Health and Human Services, Tom Price, long on the record as determined to decimate our central safety net program for older adults. In a 2009 *Politico* op-ed he wrote, "Nothing has had a greater negative effect on the delivery of health care than the federal government's intrusion into medicine through Medicare."[2]

There is a major opportunity for foundations and donors to bring this varied spectrum of stakeholders together to develop long-term organizational strategies and roles, effective messaging and coordination of their work.

House members and senators, however, fear political blowback from older and sicker Americans, and likely will postpone an outright attack on Medicare until after the 2018 election.

But Medicaid is in immediate danger. The ACA expanded Medicaid eligibility for adults up to 138 percent of the poverty line. In 32 states, the federal government is providing generous funding to cover Medicaid program expansions now enrolling over 11 million low income adults. This coverage will disappear with ACA repeal. However, Ryan and Price propose to *further* lower Medicaid spending to below *pre*-ACA levels by setting an absolute limit on federal spending through block grants or per capita spending caps. With a smaller, fixed pool of dollars, states will be forced to limit eligibility, cut back on covered benefits and/or require beneficiaries to pay more.

These changes will have devastating consequences for the millions enrolled in Medicaid and for state budgets. Sixty percent of Medicaid spending is on care for children and adults with disabilities and older adults over 65, many from middle-class families. One-half of Medicaid beneficiaries are children in poor families, and Medicaid pays for nearly one-half of births.[3]

GOP lawmakers will be emboldened if they succeed with gutting the ACA and slashing Medicaid funding. Despite Trump's campaign promises to never

Pennsylvania health advocates conducted a massive protest while GOP lawmakers met to discuss their health care agenda in Philadelphia. Photo courtesy of Pennsylvania Health Access Network.

change Medicare "like all those other Republicans," he probably would sign privatizing legislation if he buys the wholly invented narrative that his action will "save Medicare" from fiscal insolvency.

So how will ordinary families afford unregulated increases in health care costs when they can no longer rely on Medicaid, on the subsidies, new insurance benefits and free care obligations of hospitals created by the ACA, or on Medicare-guaranteed insurance coverage when they turn 65?

The fight to establish a right to health care is part of a long-term struggle for racial, social and economic justice in the U.S. It will have ramifications on all the other issues queued up by this administration to eat away at decades of progress toward greater civil and economic rights for all. It is morally and strategically critical to fund the ongoing struggle for health care rights at a time when the federal government's role in assuring such a wide range of rights is under attack.

FIGHTING FOR HEALTH JUSTICE: FUNDING STRATEGIES

Foundations and wealthy donors can play critical roles in responding and staying the course to insure that groups in the broad ecosystem making up the resistance to the Trump and Republican health care agenda have the resources to win. This will require a variety of strategies working in concert: organizing affected constituencies and channeling them to effective action, pushing health sector stakeholders to speak out on behalf of their patients, battling in the courts, engaging the broader public through media, and coalescing with organizations waging economic security and racial justice campaigns.

Foundations and philanthropists can learn many lessons from the epic efforts to pass and implement the ACA. Among them:

- **Fund the field.**
  A robust infrastructure[4] of both national and state organizations is going all out to deploy as many resources as possible to take advantage of the current charged political moment. They need resources to coordinate their actions. Under the banner of "no repeal without replacement," they are mobilizing public awareness right now, putting pressure on members of Congress and assisting local groups to put political pressure on their state and federal elected officials and to organize public protests and rallies in nearly every state.

  To date, this has delayed the Republican timeline. Some GOP Senators have filed competing ACA "replacement" proposals, none of which would solve the problem of taking insurance away from millions and raising premiums for millions more. Meanwhile, grassroots opposition continues to gather steam, and public opinion has shifted still further toward "fixing" rather than repealing the ACA and re-enacting a substitute.

- **Fund for the long term.**
  Because some form of repeal of the ACA is likely to prevail, funders need to support advocacy and organizing for the longer term as well as immediately. The good news is that state and national groups are already preparing for the long haul – to restore losses, regroup and move on. Fighting back will probably not totally prevent, but will at least mitigate, the damage.

  With 74 million Medicaid enrollees, organizations representing diverse constituencies of low-wage workers, vulnerable older Americans, families of children with disabilities and families in poor communities must make common cause to

preserve a robust federal role in Medicaid. There is a major opportunity for foundations and donors to infuse sufficient resources to bring this varied spectrum stakeholders together to develop long-term organizational strategies and roles, effective messaging and coordination of their work.

- **Fund at the state level.**
  This convergence of organizations and mobilized constituencies is needed and already developing at the state level. A key factor in the ACA passage was the emergence of a new health care justice voice from the states in influencing the national debate. State-based organizations already successful in advancing progressive health policy at the state level were able to pivot and bring united, informed advocacy to the federal fight.

  Health justice infrastructure groups now exist in over 40 states. They convene and mobilize large coalitions, including organizations with grassroots members. They vary in their communication, mobilizing and policy capacities. If funded, they are well positioned to make preserving health care affordability and coverage an issue that candidates for state and national office in 2018 and beyond cannot avoid.

  Notwithstanding the unfolding federal fight and in the wake of federal retreat, both governors and legislatures will feel pressure to preserve some of the ACA's insurance and financial assistance provisions. Success in ratcheting up constituency pressure will be critically important to counteract immediate conservative push-back and to demonstrate the political saliency of enacting policies that will inform the next generation of progressive federal health care policy.

- **Fund a range of organizational capacities and strategies.**
  Pennsylvania health advocates played a key role in organizing a recent 5,000-person protest when GOP congressional lawmakers met in Philadelphia to plan their health care agenda. Just a few days before, signs carried by millions of women (and men) marching in large and small cities across the country demonstrated strong resistance against the rollback of health care rights.

  These and other events hint at a ripe opportunity to resource existing state- and community-based groups as well as those new to the fight, to develop new levels of health care organizing capacity. State health infrastructure organizations already have health policy and political expertise, but they and community-based partner organizations need capacity to expand community education, constituent leadership development, systematic base-building, and ties with organizations leading other economic and social justice movements. Likewise, social movement organizations unfamiliar with health issues and politics need support to fully engage and collaborate with groups advancing health equity campaigns.

- **Fund nonpartisan public education and promote civic engagement especially among low-income communities.**
  People of color and poor communities are benefitting disproportionately from the new health care law and Medicaid. Millions gained coverage due to the ACA, but many were not voters. The lesson is that simply providing people with a new public benefit doesn't motive them to vote, as Democrats had hoped and Republicans feared would happen through passage of the ACA.

  The work of health advocates needs to be coupled with vigorous efforts by civic organizations of all stripes to engage beneficiaries of the ACA, Medicaid and Medicare and enable lots of angry people to engage in the political process in future elections.

There has not been a moment in recent American history when the impact of philanthropy can make a more critical and essential contribution, not just in defending crucial and people-affirming programs, but also buttressing the robustness of our democratic institutions to respond when those among us with the least power to defend themselves are being systematically put at risk on so many fronts at once. ■

Kate Villers is a NCRP board member and president of Community Catalyst, a national advocacy organization that believes that affordable quality health care should be accessible to everyone. Community Catalyst has moved $5 million into resistance campaigns led by state organizations to influence decisions about repealing the ACA and restructuring Medicaid and Medicare.

Notes

1. Harris Meyer, "President Trump's healthcare plate is full, and it won't go down easy," *Modern Healthcare*, January 20, 2017, http://www.modernhealthcare.com/article/20170120/MAGAZINE/301219967.
2. Tom Price, "How the GOP wants to fix health care," *Politico*, July 30, 2009, http://www.politico.com/story/2009/07/how-the-gop-wants-to-fix-health-care-025581?paginate=false.
3. The Common Wealth Fund, "What would block grants or limits on per capita spending mean for Medicaid?" November 2016, http://www.commonwealthfund.org/publications/issue-briefs/2016/nov/medicaid-block-grants.
4. See Richard Kirsch, "The time is now: How grantmakers can help preserve health access for millions of Americans," *Keeping a close eye on philanthropy*, February 1, 2017, https://www.ncrp.org/2017/02/time-now-grantmakers-can-help-preserve-health-access-millions-americans.html.

From outrage to action: How philanthropy can support the resistance

NCRP members share what nonprofits need most from foundations and donors as they advocate for and organize communities around equity, inclusion and social justice.

"THIS ELECTION TAUGHT US MANY things. One lesson for sure is there is no time to pause and look inward. The sustained effort for equity and justice will require commitment from philanthropy to work on structural change, power building and inclusivity.

I heard Ava Duvernay tell a story about when she was making *Selma*; there were moments when she would get a lot of resistance. She said not only did Oprah provide resource and mentorship, she would call those who were being resistant and say, 'Let the Sister through.' We need philanthropy to say and do just that."

– Joia Crear-Perry, Founder and President
National Birth Equity Collaborative

"THIS NEW POLITICAL MOMENT, ESPECIALLY since Donald Trump's election, is marked by a wave of ugly threats and attacks. We anticipate a scale and breadth of attacks the likes of which we have not seen in many years, as governmental and nongovernmental forces attempt to undermine, disband, disrupt and roll back the progressive policies, organizations and communities that our partners have organized, strengthened and won over the past several years.

Now, more than ever, we need funders and donors to facilitate resources going to organizations that help them inoculate themselves, be on alert for attacks and remain prepared and well-defended."

– Emily Goldfarb, Director and Consultant
RoadMap

"NONPROFITS COMMITTED TO FIGHTing for justice and equity were already feeling the pressure before Trump entered the picture. As grantmakers, the best gift we can give them is a real voice at our tables and the reassurance that we're not going anywhere.

We need to let them know we're committed to providing them with substantial flexible, reliable support. That at least takes one worry away and frees them up to use their power to double down on the advocacy and community mobilizing that will be important for the fight ahead."

– Kathleen Enright, Founding President and CEO
Grantmakers for Effective Organizations

"IT MIGHT NOT BE FLASHY, BUT THE truth is that social justice movements need more of the same kind of financial support they have always needed – now. More than ever, they need the public, unequivocal, unrestricted support of funders.

Philanthropy needs to firmly, vocally plant itself on the side of social justice. Funders and donors cannot distance themselves from or reduce support even if it becomes unpopular or even dangerous to speak out for social justice. Philanthropy needs to demonstrate that it will not abandon those who bear the brunt of racism, sexism, Islamophobia, homophobia, economic inequality and more."

– Iimay Ho, Executive Director
Resource Generation

"WE ARE EXPERIENCING A NORMALizing of extreme and explicit racial bigotry and seeing disturbing new directions in federal policy. At the same time, progressive movements are increasingly mobilizing for resistance and protest. Our response is to expand our community lawyering model serving directly impacted communities and to lift up the effectiveness of sustaining social justice movements at the state and local levels.

Using a racial equity framework and a deep commitment to community-determined priorities, we will use advocacy, organizing, communications and litigation to expand opportunities for civic engagement, to prevent voter suppression and gerrymandering, and to end the school-to-prison pipeline and mass incarceration.

Foundations can best support our efforts by strategically focusing on state and local initiatives that build capacity where systemic changes are most likely to gain traction in this new environment and by committing to a long-range vision of change that prioritizes multi-year, general support funding."

– Anita Earls, Executive Director
Southern Coalition for Social Justice

"UNPREDICTABLE AND UNPRECEDENTed are the public affairs watchwords for the next four years. Nonprofits serving the vulnerable and those organizing for the thousand-points-of-policy-battles are more important than ever.

What we need isn't complicated: we need unrestricted, multi-year core support. Instead of focusing on predictable outcomes, instead of focusing on identifying the 'best' nonprofits, we must all seek to strengthen our nonprofit ecosystems.

Unrestricted, multi-year, core support. It's the strategy that allows leadership to be remarkable."

– Jan Masaoka, Chief Executive Officer
California Association of Nonprofits

"COMMON CAUSE NEEDS CRISIS FUNDing to deal with the unprecedented challenges democracy faces. With staffed chapters in 23 states and a rapidly growing activist base of more than 700,000, we give voice to the people through inclusive democratic reforms like voting, transparency, redistricting and small donor public financing to promote economic and social justice.

From Watergate to Citizens United, we fight money's corrupting influence. While battling unprecedented ethics and accountability issues in Washington, we will work with broad coalitions to move redistricting, voting, transparency, national popular vote and other reforms at the state level to break down barriers to participation."

– Karen Hobert Flynn, President
Common Cause

"THE 2016 ELECTION RESULTS WILL bring important transitions, policy shifts and strategic questions for the nonprofit sector. Partnerships with foundations and donors will be paramount, as we understand and navigate this new context together.

This will be an important time for the public voice of nonprofits, including public education, about the role and benefits of governmental activity and its valuable partnerships with the nonprofit sector.

Nonprofit leaders, managers, boards and volunteers will need more peer connection and support to counter discouragement and burnout.

As policymakers press for possible cuts to funding for social programs, nonprofits will need to employ defensive strategies in public policy and have increased access to more practical information on the financing of the nonprofit sector."

– Jon Pratt, Executive Director
Minnesota Council of Nonprofits

"WE BELIEVE THAT PRESIDENT TRUMP WILL WORK TO FULFILL HIS CAMPAIGN PROMISES TO detain and deport millions of undocumented immigrants, expand racial profiling through stop-and-frisk policies, and repeal important policies such as the Affordable Care Act and Deferred Action for Childhood Arrivals. As the largest network of faith-based groups in the nation, we know we can continue to move issue agendas in this climate, but we also know we must create greater scale to do so.

Our foundation and donor partners can support us in building that scale, which will allow us to take defensive action to protect our families now and seize opportunities for offensive action that will build the long-term change we need."

– Scott Reed, Executive Director
PICO National Network

8 Lessons from our Southern grantees in the fight for equity and justice

By Miabi Chatterji

My colleagues and I at the LGBTQ Racial Justice Fund (RJF) have been thinking hard about how our institutions need to respond to the changes the Trump administration will make to our national culture and policies. Particularly for those of us who support vulnerable communities such as immigrants; refugees; Latinx, Muslim and black people; incarcerated or formerly incarcerated individuals; sex workers; LGBTQ people; youth of color and people with disabilities, we are wondering how we can help defend these communities that have so many solutions to reduce inequality and injustice.

The fund, a collaborative of nine leading progressive funders, supports grantee partners that, for many years, have been working in 10 Southeastern states on issues such as mass incarceration, the school-to-prison pipeline and state violence against LGBTQ people and people of color. It focuses on the South because of the many powerful multi-issue organizations poised to make an impact on racial justice and LGBTQ rights there and because of how underresourced the region is philanthropically. And, as Southern racial justice and LGBTQ rights organizers are pointing out to us now, they know how to fight against right-wing repression.

We have been listening carefully to our cohort of brilliant and brave movement-building grantees, and I'm eager to share that we've heard:

1. Organizations need time to recoup and to plan for the years ahead.
While many foundations have the capacity to move relatively quickly and want to check in on their grantee partner's activities, grassroots organizations need to ground themselves in their communities and figure out how their people want to respond. It's terrific if a group has plans already, and you can support with rapid-response or capacity-building grants, but if they need reflective time, we should not see it as a lack of forward movement.

Ms. Dee Dee Chamblee, founder of LaGender, part of the Solutions not Punishment Coalition in Georgia, at LaGender's induction into the National Civil and Human Rights Museum.

2. National victories and models for social-justice gains are unlikely to be realistic goals, even for groups that were on the cusp of them.
The LGBTQ rights movement was happily surprised in the past few years when the Department of Justice worked as an ally on some of our demands for equity. In the realm of racial, gender and immigration justice, federal policies and precedents have been much less friendly, but organizers still made incredible headway in making cultural change, particularly in making visible the inhumanity and racism of our prison and policing systems.

There will be fewer opportunities to work with federal offices such as the DOJ on state-level legislation (such as when it took a stand against North Carolina's transphobic HB2, one of many "bathroom bills") and the ability to make national cultural change. LGBTQ communities of color can no longer expect that the federal government will continue on a path toward greater equity.

Our partners plan on focusing on local solutions, even if their ambitions may have been national a year ago. What works for one county, one parish or one state is not going to work in a neighboring one, they remind us – par-

ticularly in conservative states where governors and states legislatures are using Trump's election as an opportunity to introduce deeply regressive bills.

For example, a House delegate in Virginia recently introduced an HB2-style bill that would require school principals to notify a student's parents if the student makes any attempt to be "treated as the opposite sex." Copycat bills in other states have already followed.

3. Culture and context matters.
Our grantee partners want to hire local trainers that understand the sociopolitical landscape and organizational challenges in their region. They value being able to identify their own capacity-building needs and the opportunity to apply for RJF funds on a rolling basis.

They can make use of local resources and people who best know the realities on the ground. For LGBTQ people and people of color, this is invaluable. National convenings or trainings can be helpful periodically, but they often support the same circuit of nationally recognized progressive speakers and those with relative privilege.

Collaborating with local sources of knowledge and expertise helps build leadership pipelines in our social justice movements and sends the message that we value the wisdom in vulnerable communities.

4. Holding the line should count as an achievement.
Particularly in the South and other areas where states are governed by Republican super-majorities (the governorship and both houses of the legislature), a huge amount of work has to go into defeating bills before they are voted on and fighting hate-filled misinformation about our communities. This work happens quietly and isn't sexy, but it is vital.

In the cultural sphere, many grassroots organizations work with community leaders that have deep influence in their towns, schools and congregations on issues of LGBTQ justice, racial justice, police brutality and immigrants' rights. Those relationships can be fraught and take time to build and cultivate. This work is often invisible and does not result in the kind of clear, replicable victories that foundations often look for.

We urge funders to see this defensive work as a form of accomplishment. Make it clear on your reporting forms so that grantees will tell you about this type of labor and what they've resisted.

5. Emergency needs require flexibility.
In the field of LGBTQ rights, many groups are focusing on helping transgender people update their IDs and other documents and address their emergency mental health needs. One brilliant example is our New Orleans grantee BreakOUT's Trans Defense Fund. Immigrant rights' groups are doing parallel work (and there are groups, such as the Transgender Law Center and its new initiative the Trans Immigrant Defense Network, that work at the intersection of these two communities).

This type of work may look different from what we originally funded groups to do – for example, campaign development or policy advocacy – but working to meet emergency community needs strengthens future campaign work – and could keep people safe, sane and in the country with their families.

The next four years
will ask us
to arrive at work
with our best selves
and to share
good practices
with one another.
We will have to
stay on our feet and
work together.

6. People are reaching out for direct-action training.
In Trump's first week in office, we saw a blossoming of mass protest by those who are not already involved in activism. Racial Justice Fund grantees such as Southerners on New Ground and Southern Vision Alliance are experiencing a dramatic uptick in the number of people contacting them, requesting information and training.

They anticipate more direct action and nonviolent civil disobedience in the coming years, a great deal of it from first-timers. Many of our grantee partners provide small, grassroots groups with training on direct action and safety, such as Project South, GetEQUAL and GSA Network. They all need more resources to continue this work.

7. Digital security is a significant need.
As organizations reflect and regroup, there are concrete ways foundations can help them. One is in funding particular projects that can help them become safer, stronger and more secure in their work.

Many organizations, particularly in rural and small-town areas, are run by those who are (*continued on page 14*)

Philanthropy: It's time to choose sides

(continued from page 1)

indeed, the very future of the CFPB itself, are under threat from Congress and the new administration. President Trump recently promised to "do a big number" on the whole slate of financial reforms known as "Dodd-Frank."[4] House Financial Services Committee Chairman Jeb Hensarling has said that he "will not rest until Dodd-Frank is ripped out by its roots and tossed on the trash heap of history."[5]

To help achieve those ends, Trump picked as Treasury Secretary former Goldman Sachs executive Steve Mnuchin, who had served as his campaign's finance chair. Mnuchin notoriously ran OneWest bank, which has been a prime target of SVCF grantees like the California Reinvestment Coalition (CRC) for both its shady foreclosure practices and discriminatory lending – practices about which he lied to the Senate during his confirmation hearings.[6]

OneWest profited handsomely while foreclosing, often improperly, on some 36,000 homes in California alone. Its racially discriminatory lending practices were recently the subject of a CRC complaint. As the coalition's director Paulina Gonzalez put it, seeing Mnuchin at the helm of the Treasury Department is "like the fox has been nominated to guard the henhouse."[7]

PHILANTHROPY FOR PERSONAL GAIN

Mnuchin and OneWest also embody a philanthropic role that is diametrically opposed to the role SVCF and its colleagues played on predatory lending. Mnuchin used his bank's foundation to back the 2015 sale of OneWest to CIT Group for $3.4 billion, putting tens of millions of dollars into his own pocket.[8]

Despite significant opposition to the merger from public interest groups because of OneWest's wrongful foreclosures and racial discrimination, an array of other nonprofits testified in favor of the merger, citing the bank's good corporate citizenship.

As *Politico* found, all of those groups had received grants from the bank's charitable arm, the OneWest Foundation, which Mnuchin chaired – opening him up to allegations that he used the foundation for his own personal benefit.[9] In nonprofit attorney Rosemary Fei's words, "This is exactly what appeared to happen with the Trump Foundation. It is not an appropriate use of charitable assets to benefit an affiliated business."

As *The Washington Post*'s David Fahrenthold reported throughout the 2016 campaign, Trump's private foundation (which was funded largely by unusual contributions from others, not himself) engaged in self-dealing, paying off debts incurred by his business operations.[10] "Donald Trump spent more than a quarter-million dollars from his charitable foundation to settle lawsuits that involved the billionaire's for-profit businesses."

> Some in the philanthropic sector use the fortunes they steward to challenge systems that gave rise to inequities of wealth … others use philanthropy as a means to reinforce that inequitable status and further enhance their own wealth and positions.

Another Cabinet member, Betsy DeVos, won confirmation as Secretary of Education, a post for which she was supremely ill-qualified. This was based on two factors: Her philanthropic giving focused on undermining the very system of public education she will now oversee, and her family's enormous political giving to Republican candidates and party committees, which she herself admitted could amount to some $200 million.[11] This included contributions to an array of the very senators who voted to confirm her.[12]

Although not illegal, DeVos' actions exemplify what researcher and author Jane Mayer has dubbed "weaponized philanthropy" in her book *Dark Money*[13] – the marriage of private philanthropy with targeted political contributions in support of a sweeping political agenda.

In a *Roll Call* op-ed cited by The Center for Public Integrity, DeVos herself admitted, "I have decided to stop taking offense at the suggestion that we are buying influence. Now I simply concede the point. … We expect a return on our investment."[14]

THE INHERENT CONTRADICTIONS OF PHILANTHROPY

Let's face it: Big philanthropy is an institution of the rich and powerful. The fortunes of the wealthy – whether living or dead – provide the resources that drive the giving patterns of organized philanthropy. The political and market forces that have swelled those fortunes (and foundation endowments) in recent years have at the same time sharply deepened the divide between the haves and the have-nots.

As the examples above show, some in the philanthropic sector use the fortunes they steward to challenge systems that gave rise to inequities of wealth in the first place, while others use philanthropy as a means to reinforce that inequitable status and further enhance their own wealth and position.

The president has stacked his administration with wealthy individuals who will reap enormous personal benefit from policies that he and Congress will pursue. In addition to de-regulating Wall Street, the proposed elimination of the estate tax will similarly benefit the most advantaged.

Bloomberg political reporter Sahil Kapur noted following the election, "President-elect Donald Trump, who won the hearts and minds of millions of working-class voters, may help deliver a multibillion-dollar bonanza to America's wealthiest families."[15]

For example, the estimated savings for Trump himself would range from $564 million to $1.9 billion; for Commerce Secretary Wilbur Ross, $545 million. The family of Betsy DeVos, $900 million.[16] Currently, his Cabinet is already worth $4.5 billion,[17] and the move would dramatically further the accumulation of dynastic wealth.

So as wealthy donors and philanthropic endowments stand to reap big rewards from such policies, how grantmakers respond can either exacerbate or counter the divides of wealth and privilege.

Unfortunately, when major umbrella organizations of the nonprofit and foundation sectors convene, the least common denominator approach often yields the narrowest of responses. The widest calls from nonprofit and foundation networks focus on preventing a potential cap on federal charitable deductions, as well as resisting further regulation of endowments, donor advised funds and other giving vehicles.

In *Gilded Giving*,[18] Chuck Collins, Helen Flannery and Josh Hoxie note that philanthropy as a whole is becoming increasingly top-heavy. "While itemized charitable deductions from donors making $100,000 or more increased by 40 percent, itemized charitable deductions from donors making less than $100,000 declined by 34 percent."

And a new report from Vanguard Charitable Endowment Program reveals that "nearly 60 percent of contributions in 2016 came from non-cash assets, such as highly appreciated assets that would otherwise be subject to capital gains if sold."[19]

NOW MORE THAN EVER, FOUNDATIONS NEED TO CHOOSE SIDES

It's understandable why the sector is frightened that removing incentives for charitable giving might further drain their coffers at a time when government funding for public services may be eviscerated. But it feels dangerously short-sighted for the sector to plant its common flag in this turf only, while avoiding the far more ominous ravages ahead.

General statements aren't enough. The times demand more specific actions targeting specific policies, like defending the banking reforms targeted for elimination or opposing Trump's Muslim travel ban.[20] Funders need to dig deeper like The California Endowment, which is committing $25 million to a Fight4All program to protect the health, safety and wellness of all Californians.[21]

So it's time for funders to choose what kind of return on investment they're seeking: Returns that cement the power and influence of the wealthy – and line their own pockets – or returns that lift up those on the down side of power to challenge those perquisites. ■

Dan Petegorsky is senior fellow and director of public policy at NCRP.

Notes

1. See related blog post on https://www.siliconvalleycf.org/blog/announcements/svcf-urges-strong-federal-payday-lending-rules-town-hall.
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3. See press release at https://www.siliconvalleycf.org/press-release-april-8-2015.
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8 lessons in the fight for equity and justice

(continued from page 11)

new to nonprofit leadership. They are expressing a need for digital security training to help them with everything from secure communications to dealing with opposition attacks and even hate crimes.

8. There's a need, now more than ever, to create "unity fights."

As Mary Hooks, co-director of SONG, puts it, "unity fights"[1] allow us to connect issues like immigration, incarceration, educational equity, bodily self-determination and fair wages. As Marisa Franco, leader of Mijente, an RJF grantee partner, writes, "We seek to move with other communities who have had a target placed on their back and more than ever connect the dots between the criminal justice system and immigration enforcement system."[2]

Groups with intersectional lenses on social justice like SONG and Mijente are most poised to bring groups together, build alliances and create progressive platforms of resistance and power. But bringing groups together takes resources, and very few funders provide specific support to coalitions and networks.

Examples of intersectional coalitions to look into are the Southern Movement Assembly, immigrant and refugee rights statewide coalitions and Safe Schools coalitions.

RJF chooses to reside within a public foundation with a history of providing long-term support to intersectional organizing that connects issues of sexual orientation and gender identity with race, migration, class, dis/ability, national origin and age. Partnering with the Astraea Lesbian Foundation for Justice means that their expertise and credibility with activists around the country becomes our strength as well.

Working with public foundations in this post-election moment has deep meaning. Public foundations feel the ups and downs of political swings on their budgets and are therefore in touch with the grassroots in a particular way. They, too, need our support.

The next four years will ask us to arrive at work with our best selves and to share good practices with one another. We will have to stay on our feet and work together. In this spirit, we at the LGBTQ Racial Justice Fund welcome chances to work with other funders and funding networks such as Grantmakers for Southern Progress, NCRP and Funders for LGBTQ Issues.

We are always looking for new ways to engage with a wide variety of funders and would love to hear from your institution. Please send inquires and ideas for partnership to lgbtqracialjustice-fund@astraeafoundation.org. ■

Miabi Chatterji is program officer of the LGBTQ Racial Justice Fund. She has been on the funding side of the table as well as the grant-writing side, as a volunteer and member of several community-based groups for young people, people of color and workers.

Notes

1. View https://vimeo.com/162723706.
2. From a letter sent to funders and allies on November 16, 2016.

The San Francisco Foundation

San Francisco, CA
sff.org

THE SAN FRANCISCO FOUNDATION

NCRP: Why was it important for The San Francisco Foundation (TSFF) to launch the Rapid Response Fund for Movement Building in November?

SSF: We believe that effective movements for social change have always been and must continue to be led by those most directly impacted by inequity, particularly low-wage workers and people of color. Soon after the election, The San Francisco Foundation launched the Rapid Response Fund for Movement Building[1] to provide fast resources to organizations needing urgent support to work on the front lines of equity movements. Through this fund, TSFF is responding to the urgent needs of low-income communities of color, and it is supporting actions led by and for people most impacted by the issues they seek to address.

Now, more than ever, we recognize that equity movements need the flexibility to respond, in real time, to pressing issues that disproportionately have an impact on the communities we serve.

NCRP: The foundation also announced that it had reached out to various community leaders about how it could best "participate, partner and lead" to support immigrants, refugees and their impacted citizen family members in the San Francisco Bay Area. What have you learned so far?

SSF: In November, we reached out to leaders in the immigrant rights movement and to faith and community leaders to hear what they would need in response to potential federal action. In anticipation of federal action, we awarded grants to support nonprofit organizations that are focused on helping immigrants and their families. We quickly deployed resources to immigrant legal service organizations and community-based organizations to educate the immigrant community in our region on their rights, legal options and how to prepare their families for this new environment. We know that access to affordable and reliable legal advice and representation will be critical for families facing the possibility of deportation as well as mental health concerns that are greatly affecting children.

The current crisis facing immigrants and refugees and the communities where they live is unprecedented and requires a rapid and significant increase in resources from philanthropy – both from individual donors and institutions.

NCRP: Why is support for civic participation important to the foundation?

SSF: We believe that civic participation and leadership make a true democracy. With rising income and wealth inequality and the ongoing under-representation of young people, residents earning low wages and people of color in the political process, we see the critical importance of supporting movements that grow the voice and influence of those left out of decision-making. We embrace the challenge of fostering and sustaining grassroots community and political leadership that reflect the growing diversity of the Bay Area.

NCRP: What tips would you offer other funders who are looking at how they can begin support for or improve how they're advancing equity and social justice?

SSF: Be bold in your leadership on all levels – board of trustees, CEO, staff, donors and community partners. Listen to the community needs.[2] Gather strong data and analyze it.

The TSFF equity strategy was developed through a multilayered, data-driven process that engaged the full staff, the board of trustees, donors, nonprofit and philanthropic partners, grassroots leaders, academic experts and more than 1,000 residents across the region. It was a journey of listening, learning and poring through data. It challenged everyone who participated to grapple honestly with complex, often unspoken issues of race and ethnicity and how they intersect with place and opportunity. It pushed the foundation leadership and staff to be flexible, embrace uncertainty and take risks. ■

Notes

1. See http://sff.org/programs/nurturing-equity-movements/rapid-response-fund-for-movement-building/.
2. Learn more about TSFF's listening sessions at http://bayareavoices.org/.

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by Lisa Ranghelli and Caitlin Duffy June 2016

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