

Executive Summary **JANUARY 2012**

# CULTURES *of* GIVING

ENERGIZING AND EXPANDING  
PHILANTHROPY BY AND FOR  
COMMUNITIES OF COLOR

A report by the W.K. Kellogg Foundation  
with major contributions from  
Rockefeller Philanthropy Advisors



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*A Partner With Communities Where Children Come First*

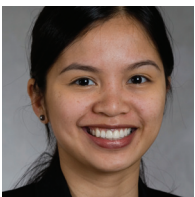
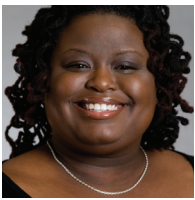
# WHAT IS IDENTITY-BASED PHILANTHROPY?

**IDENTITY-BASED PHILANTHROPY** is a growing movement to democratize philanthropy from the grassroots up by activating and organizing its practice in marginalized communities, particularly communities of color. Simply described, it is the practice of raising and leveraging resources by and from a community on its own behalf, where “community” is defined not by geography but by race, ethnicity, gender, or sexual orientation.

Just as identity-based philanthropy serves many groups, it also gets organized and formalized through many different giving vehicles. Currently, **IDENTITY-BASED FUNDS**—which themselves take many forms—are the primary vehicle through which this philanthropy gets expressed. Identity-based funds work by pooling together solicited donations and contributions from community donors and then redistributing those funds (through grants) to individuals or organizations doing work in that community to promote social change. Because these funds are organized and run by community members, they aggregate not just dollars but donor knowledge, enthusiasm, expertise, activism, and pride.

Identity-based funds now raise and distribute nearly **\$400 MILLION EACH YEAR**, which is roughly equivalent to what a foundation with \$8 billion in assets would grant out annually. Much of that \$400 million is coming from donors of color—many of them new to formal philanthropy—whose generosity and desire to help elevate their communities are being tapped in increasingly organized and successful ways.

While we believe strongly in the philanthropic work being done by all identity-based communities, the primary focus of Cultures of Giving was the sizeable subset of identity-based philanthropy conducted in communities that define themselves by race, ethnicity, or tribe only—also known as **COMMUNITIES OF COLOR**. In the United States, identity-based philanthropy is active in but not limited to the African American, Latino, Asian American, Arab American, and Native American communities.



For many people, the word “philanthropy” probably triggers images of billionaire moguls gripping huge cardboard checks, front-page news stories heralding eight-figure donations, or people in suits slicing giant ribbons with giant scissors to dedicate schools or stadiums now bearing their names. The individuals in these images are usually very rich, and most of them are white. While their philanthropy is vital, it is not the only kind.

What if instead the word “philanthropy” also conjured images of Hmong women in Minnesota meeting to discuss where to direct their giving circle’s next grant? Or recent Arab American immigrants in New York City learning how to navigate thorny legal documents through a program funded and supported by hundreds of Arab Americans giving modest donations? Or Native Americans in Arizona pooling their time, money, and know-how to help preserve traditional tribal languages?

**Welcome to the new faces of philanthropy.**

Historically, communities of color have been underrepresented in mainstream giving institutions and underserved by their philanthropic dollars. Identity-based philanthropy arose to address that gap by empowering communities to tap into their own rich traditions of giving and harness that generosity as collective, community philanthropy. Through this work, communities of color are breaking new ground—and changing the face of philanthropy in the process.

In 2005, the W.K. Kellogg Foundation launched the Cultures of Giving program to recognize, celebrate, and promote this emerging area of philanthropy. We hope that this body of work—summarized here and chronicled more fully in the complete report—inspires foundations, funders, and donors to seek out ways to support and participate in the kinds of philanthropy that are blossoming in communities of color across the United States.

# CULTURES OF GIVING IN CONTEXT

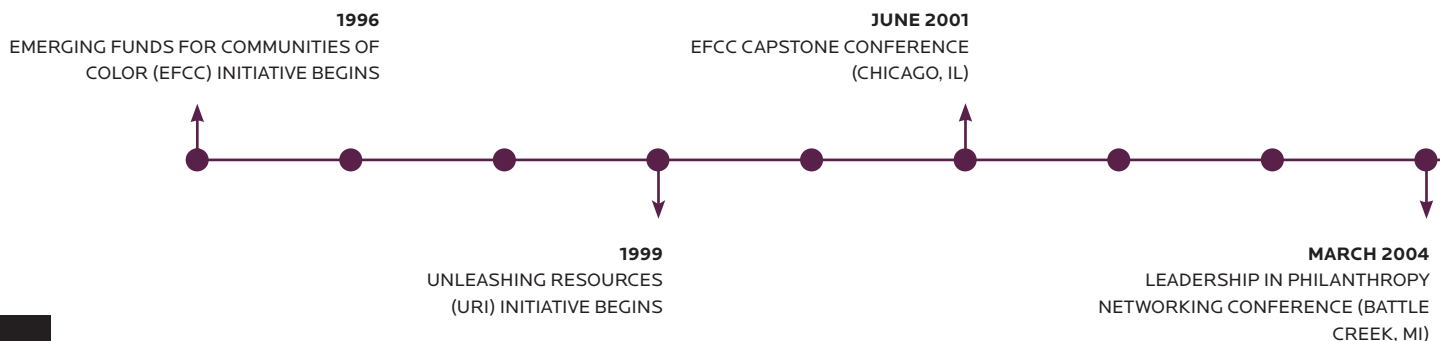
Since 1996, acting both alone and in partnership with other major foundations—including the Ford Foundation, the David and Lucile Packard Foundation, The California Endowment, and the Charles Stewart Mott Foundation—we have been exploring ways to help support and grow philanthropy by and for communities of color throughout the United States. What started for us as a single experiment quickly snowballed into a massive 15-year effort—the centerpiece of which was Cultures of Giving.

**‘96** In 1996, intrigued by the potential of these funds to both effect change in communities of color and bring unique resources to the philanthropic table, the Kellogg, Ford, and Packard foundations launched the **Emerging Funds for Communities of Color (EFCC)** initiative—the first major effort within mainstream philanthropy to acknowledge and support these funds as a field.

**‘99** In 1999, the Kellogg Foundation on its own launched the **Unleashing Resources Initiative (URI)**. Under URI, we tested new strategies for expanding philanthropy into undertapped communities via three integrated approaches: supporting emerging leaders and donors, creating and sharing knowledge, and building tools for nonprofit sustainability and innovative giving.

**‘04** In 2004, we organized the **Leadership in Philanthropy Networking Conference**, bringing together 85 leaders of identity-based funds and organizations to help us assess philanthropy’s current realities, imagine its ideal evolution, then explore the gaps in between.

## CULTURES OF GIVING MILESTONES



We invested several million dollars in these early explorations—a commitment that yielded invaluable insights into philanthropic activities within communities of color and helped us set and sharpen our strategy for our largest effort yet: Cultures of Giving. Among our key findings:

- The face of philanthropy is rapidly changing to become as ethnically, culturally, and socioeconomically diverse as our country’s population.
- Philanthropy is being expressed in communities of color in a multitude of ways that are not always recognized, counted, or valued as philanthropy—but identity-based funds are starting to boost that visibility.
- Surprisingly little is known or understood about the scope, breadth, and depth of identity-based philanthropy or how best to support it.
- No matter which community they served or what social change issues they addressed, nearly all identity-based funds and their supporting organizations face similar challenges and opportunities—both of which are considerable.

“ The Kellogg Foundation has made an explicit commitment to racial equity in everything we do. We view this kind of philanthropy as a core piece in our overall toolkit in support of children and families.”

**Sterling K. Speirn**  
PRESIDENT AND CEO  
W.K. KELLOGG FOUNDATION

## WHAT IS PROPELLING THIS FIELD FORWARD?

While the needs served by identity-based philanthropy have always been present and always been great, several strong trends are converging to make this a critical moment for the field to rise in visibility and importance—and gain the support it needs to grow to full potential.

### COMMUNITIES OF COLOR ARE GROWING IN SIZE.

Most ethnic and racial groups are growing faster than the overall American population. By 2050, just 47 percent of the U.S. population will identify as white (versus 67 percent in 2005).

### COMMUNITIES OF COLOR ARE GROWING IN ASSETS.

In many communities of color, average income still hovers below the overall American average—but that gap is closing.

### COMMUNITIES OF COLOR ARE GIVING AT INCREASING RATES AND LEVELS.

Sixty-three percent of Latino households now make charitable donations. Nearly two-thirds of African American households donate—to the tune of \$11 billion each year.

### ACROSS COMMUNITIES, THE NEED FOR SUCH GIVING IS ALSO RISING.

Communities of color receive a very small percentage of mainstream philanthropic dollars despite an often disproportionate need. Meanwhile, the global economic crisis has further increased the need and the call for private dollars to help fill in the gaps.

Together, these trends are propelling the field of identity-based philanthropy forward, enabling and empowering people of color to take a stronger leading role in addressing both urgent issues and long-term social change in their communities.

**2005**  
EXPANDING THE BOUNDARIES AND THE NATIONAL LEADERSHIP IN ACTION AWARDS BEGIN

**2007**  
INNOVATION & IMPACT BEGINS  
.....  
CULTURE OF GIVING NATIONAL NETWORKING CONFERENCE II (SEATTLE, WA)

**MAY 2011**  
CULTURES OF GIVING CAPSTONE CONFERENCE (WILMINGTON, NC)

**2006**  
CULTURES OF GIVING NATIONAL NETWORKING CONFERENCE (TEMPE, AZ)

**2008**  
CULTURES OF GIVING NATIONAL NETWORKING CONFERENCE III (TEMPE, AZ)



# A SNAPSHOT OF THE FIELD

Just how big is identity-based philanthropy? Who are its main players and what are their most pressing challenges? What are funds' primary giving priorities, and how do they vary by community? To answer these questions, we commissioned an assessment of the scope and capacity of identity-based funds in the United States that would establish baselines for the field as a whole.

The result was the most comprehensive inventory of identity-based funds ever created, researched and compiled by Rockefeller Philanthropy Advisors with additional funding support from the Diversity in Philanthropy Project. The inventory documented a total of 355 funds, looking within and across communities to surface their often unique philanthropic priorities and practices. All numbers shared below, and in the full report, are current through 2009.\*

**Find far more detail** about each community's funds—including their origin, structure, age, and giving priorities—in the full report.

ANNUAL GRANTS AWARDED BY IDENTITY-BASED FUNDS



\* Since completing this initial inventory of identity-based funds, commissioned by the W.K. Kellogg Foundation as part of Cultures of Giving, Rockefeller Philanthropy Advisors has continued its work to develop a comprehensive database of identity-based funds. At the time of publication, the updated database now includes more than 400 funds that collectively raise and distribute roughly \$400 million annually.



## AFRICAN AMERICAN FUNDS

*83 funds collectively giving more than \$25 million annually*

**RANGE OF ANNUAL GRANTMAKING:**

*\$1,250 to \$17 million*

The African American community has some of the oldest and most deeply entrenched identity-based funds, with its first funds established in the 1920s. Prior to 1970, it had more funds than any other identity-based group. Almost a quarter of the African American funds included in the inventory were established in the last 10 years, a significant portion of them at community foundations.

## ASIAN AMERICAN AND ARAB AMERICAN FUNDS

*24 funds collectively giving \$2.5 million annually*

**RANGE OF ANNUAL GRANTMAKING:**

*\$5,000 to \$829,000*

Identity-based funds in the Asian American and Arab American communities are relatively new—but growing. Many donors in these communities give overseas at significant levels through remittances and formal diaspora foundations, helping account for the current small number. Giving circles—the most prominent model for grantmaking in these communities, at 37 percent of the sample—are mostly young, with nearly half established in the last few years.

## LATINO FUNDS

*41 funds collectively giving nearly \$39 million annually*

**RANGE OF GRANTMAKING:**

*\$4,500 to \$27 million*

Although the oldest Latino fund was established in 1967, growth in these funds has been fairly recent, with the largest number established in the 1990s. Approximately half of Latino funds are affiliated with community foundations and most were established in the 1990s and 2000s. While independent funds represented just a quarter of all Latino funds, the overwhelming majority of grantmaking dollars—94 percent—come from these funds.

## NATIVE AMERICAN FUNDS

*60 funds collectively giving more than \$73 million annually*

**RANGE OF GRANTMAKING:**

*\$8,500 to \$26 million*

While many Native American funds grew out of the Native rights movement in the 1970s, almost half were founded after 1997. Native American funds exhibit the widest range in organizational structure; they also feature some distinct philanthropic vehicles and fund types, due to the status of Native tribes as sovereign nations and to the diversity of Native giving traditions.

## WOMEN'S FUNDS

*96 funds collectively giving more than \$31 million annually*

**RANGE OF GRANTMAKING:**

*\$5,500 to \$3.6 million*

Women's funds have the longest history: the earliest were founded before 1900 and focused primarily on the educational and vocational needs of girls and women. When the women's movement came into full force in the 1970s, the growth of these funds accelerated. This community had the largest percentage of endowed funds. Also, 61 percent of women's funds are independent (and responsible for roughly 85 percent of total grantmaking).

## LGBTQ FUNDS

*34 funds collectively giving \$9.6 million annually*

**MEDIAN GRANTMAKING BUDGET: \$69,000**

LGBTQ identity-based funds experienced their biggest growth in the 1980s and '90s. Although the AIDS epidemic was a galvanizing force for the development of formal philanthropic entities during those decades, funds established during this period were also concerned with promoting civil rights. Fifty-nine percent of these funds are affiliated with community foundations, the highest percentage for any community profiled.

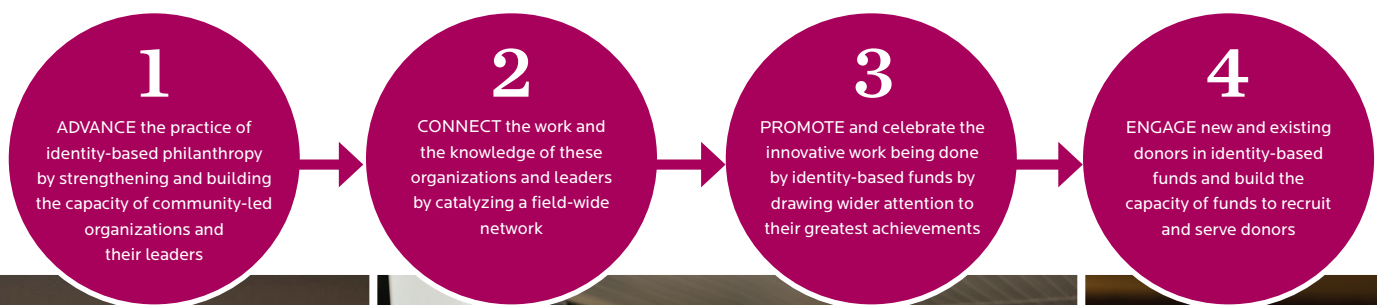
# CULTURES OF GIVING

## FOUR STRATEGIES TO STRENGTHEN AND SUPPORT THE FIELD

Cultures of Giving unfolded through a series of programmatic strategies stretching from 2005 to 2010. In total, we awarded \$15.5 million through four strategies, each of which had a different but complementary objective:

- **Expanding the Boundaries** was a pilot grantmaking initiative designed to **ADVANCE** the practice of identity-based philanthropy by strengthening and building the capacity of community-led organizations and their leaders.
- **Building a Community of Practice** aimed to **CONNECT** the work and the knowledge of these organizations and leaders by catalyzing a field-wide network.
- **The National Leadership in Action Awards** would **PROMOTE** and celebrate the innovative philanthropic work being done by identity-based organizations by drawing wider attention to their greatest achievements.
- Finally, **Innovation & Impact** would **ENGAGE** new and existing donors in identity-based funds and build the capacity of funds to recruit and serve donors.

From the outset, our aim was to test out various approaches for how to best support the field, then shift our strategic focus in response to what we were seeing and learning from the organizations and people we funded.







## ADVANCE: EXPANDING THE BOUNDARIES

The broad goal of our first major Cultures of Giving strategy was to advance the work of emerging leaders and donors in communities of color; increase the size, impact, and effectiveness of philanthropy in these communities; increase the engagement and visibility of identity-based funds; and amplify the presence and force of identity-based giving within mainstream philanthropy. Our financial commitment was matched to the task: we invested \$9.3 million in Expanding the Boundaries—a tenfold increase over our earlier exploratory investments. Explains deputy director Alandra Washington: “We wanted to infuse income into these organizations and help them expand their impact exponentially.”

In total, we awarded 29 grants averaging just over \$300,000, with the majority funding projects that focused on leadership development and capacity building. To ensure that Expanding the Boundaries had maximal impact on the field, we gave grants to a critical mass of organizations and programs that were at their tipping point and would realize profound and powerful results from our investment.

**CARDINAL STRITCH LEADERSHIP CENTER** used its grant to develop and launch the Philanthropy Incubator Project—one of fewer than 30 such programs in the country designed to identify, inform, connect, and support diverse, emerging donors of color in strategic philanthropy.

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**NATIVE AMERICANS IN PHILANTHROPY** expanded the scope of Native philanthropy by broadening and deepening a network of Native funders, mainstream funders, and Native nonprofits committed to this work.

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**WOMEN'S FUNDING NETWORK** provided leadership and donor engagement training to dozens of African American women and girls and helped numerous African American women's organizations develop new strategic philanthropy competencies.

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**ASIAN AMERICANS/PACIFIC ISLANDERS IN PHILANTHROPY (AAPIP)** used its grant to incubate the very first giving circles ever to be established in the Asian American community. Since then, more than 600 Asian American/Pacific Islander donors have pooled their money and time through AAPIP giving circles, awarding \$600,000 to 70 nonprofit organizations in the Asian American community so far.

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## CULTURES OF GIVING PROGRAM GOALS

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- Build and strengthen the **CAPACITY** of identity-based organizations
- Help identity-based organizations gain greater **ACCESS** to knowledge, tools, and funding streams that could strengthen their work, including those coming from mainstream philanthropy
- Support and strengthen **LEADERS** and improve the leadership pipeline of people of color
- Catalyze new and stronger **NETWORKS** within and across communities
- Innovate new culturally relevant **TOOLS, MODELS, AND PRACTICES** for engaging and building the leadership capacity of community donors
- Raise the **VISIBILITY** of identity-based organizations within the wider philanthropic field
- Support the **DEVELOPMENT** of new philanthropic institutions in communities of color
- Encourage **RESEARCH** on giving across communities of color and **CODIFY** the best-practice tools, trainings, and lessons that are emerging



## CONNECT: BUILDING A COMMUNITY OF PRACTICE

A second goal of Cultures of Giving was to catalyze a community of practice. To that end, we initiated a suite of activities designed to help transform an amorphous group of philanthropic and community leaders working independently in their respective communities into a network of change agents connected by a common and recognizable social agenda.

The centerpiece of these efforts was a series of annual national Cultures of Giving networking meetings. These gatherings brought together community and philanthropic leaders from around the country who were either doing work in communities of color or had an interest in doing so. In order to ensure the relevance of these meetings, grantees co-designed them with us. Meetings featured plenary discussions, panels, breakout sessions, and site visits highlighting the good work being done locally in communities of color. Case studies were presented, best practices lifted up—and many opportunities created for networking. “We built in a lot of time for dialogue, because that’s where a lot of the biggest learning happened,” says Donna Chavis, executive director of NCGives and an active member of the Cultures of Giving network.

The meetings drew large crowds, with 100 to 150 grantees, donors, and grantee collaborators attending each event. As the network grew stronger and grantees became more familiar with one another’s work, the collective conversation evolved from “who we are” and “what are we doing?” to “how we do it.”

The annual national networking meetings proved pivotal in creating cohesion among grantees and, ultimately, in building a strong community of practice. The gatherings helped forge and strengthen relationships within the group by identifying common threads in their work and facilitated knowledge sharing and resource leveraging. These relationships were instrumental in helping grantees identify (1) new techniques and strategies that they could modify or use in their respective communities and (2) partners and collaborators who could provide information, workshops, or trainings they lacked the expertise or staff to provide.

“How do you assess the volume of outcomes resulting from the power of the collaboration?” says Diana Wilson, president of Faith Partnerships, a Cultures of Giving grantee. “It wasn’t about the money. It’s what came out of the opportunity to get to know one another.”

**Read more** about the Cultures of Giving network, and our efforts to catalyze it, in the full report.



## PROMOTE: NATIONAL LEADERSHIP IN ACTION AWARDS

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Drawing wider recognition and attention to the innovative work being done by our grantees, their partners and donors, and other leaders in the field was also a critical piece of our overall support strategy. Why? Because identity-based philanthropy’s practitioners and organizations are often not very visible to one another—let alone to mainstream funders. For many identity-based organizations, even raising awareness of their funds, programs, and services within their own communities can be challenging because the people they serve are widely disbursed, their outreach budgets are small, or both.

In 2005, we launched the National Leadership in Action Awards as a way to more formally and publically showcase the transformative work being done in communities by nonprofit and philanthropic leaders of color. We gave out 15 awards in total, five each in 2005, 2007, and 2008. Award winners received \$50,000, an original commissioned art piece, and assistance in garnering media coverage of their award.

**THE ROSE COMMUNITY FOUNDATION** won in 2008 for incubating and launching the Latino Community Foundation of Colorado, its first ever Latino fund. “The award solidified that we were doing the right thing: that focusing on Latino philanthropy was important not just for us but for the whole field of philanthropy,” says senior program officer Elsa Holguín.

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The **NATIONAL COMMUNITY DEVELOPMENT INSTITUTE** (NCDI), an Oakland-based intermediary that provides technical support and training to identity-based organizations, used its 2005 prize to support its social responsibility work. “We intentionally used the funds to supplement our costs when working with groups that couldn’t pay for our services,” says founder Omowale Satterwhite.

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**THE ASIAN AMERICAN FEDERATION** won in 2007 for its work to advance the civic voice and well-being of Asian Americans through increased community philanthropy, research, and support—including its extensive work to rebuild New York City’s Chinatown after 9/11. “Getting recognized by a national foundation helped build our credibility,” says executive director Cao K. O.

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**ASSOCIATED BLACK CHARITIES OF MARYLAND**, a 2007 winner, used its award money to energize its outreach to African Americans in Baltimore, update its educational philanthropic tools, establish a partnership with an area magazine, and develop a network of informational workshops and forums about philanthropy.

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## WHY DONORS MATTER

One of the most powerful ways for an identity-based fund to amplify its impact is to expand its primary resource for doing so: namely, its donor base.

Without a doubt, communities of color teem with generosity. Much of that generosity is informal and casual, expressed through acts of benevolence and support so prevalent that they simply seem part of the fabric of a community taking care of itself. But when that generosity gets harnessed and directed through formal philanthropic vehicles like identity-based funds, something interesting happens. The funds can do more for their communities because they have more resources. But donors can also do more. Their contributions of time, money, and know-how can take on even greater power, depth, and dimension.

The first step in expanding a donor base is creating greater awareness and knowledge within communities about collective, strategic giving. “There are lots of individuals in communities of color who have the potential to give and want to give but need the support to help them become more effective in giving,” says Kellogg Foundation trustee Joseph Stewart. The next step is expanding their engagement once they’re onboard. “I don’t think people come into this being a social change donor. So what will you do to help donors move through those levels of development?” says Darryl Lester, principal and founder of HindSight Consulting. “What’s challenging is figuring out how to best support these new donors in their philanthropic journey, quickly moving them beyond the early stages of checkbook giving and toward leveraging their time and dollars through a more strategic lens,” adds Katherine Fulton, president of Monitor Institute.

*(continued on page 11)*



## ENGAGE: INNOVATION & IMPACT

Many of our grantees were under-resourced when it came to fundraising and continued to seek out strategies, tools, and skill sets to attract donors in their respective communities. In general, culturally specific donor engagement strategies remain largely underdeveloped—and even successful ones are rarely shared or codified. The goal of Innovation & Impact—the final strategy of Cultures of Giving—was to spur the creation and circulation of donor engagement strategies that would raise the visibility of identity-based funds and attract the deeper donor base each desired. Our total investment in Innovation & Impact was \$3.4 million, with 30 grants going to 23 organizations through two formal funding cycles and one supplemental round.

**1. TOOLS AND CAPACITY GRANTS** supported the creation and dissemination of tools, trainings, and workshops specifically designed to help identity-based organizations conduct successful donor engagement and fundraising campaigns. In order to build out the knowledge of those already engaged in this work, we focused most of our grants on organizations that already had some experience in developing and disseminating culturally specific donor engagement strategies and adapting mainstream fundraising techniques to the needs of community-based organizations.

**THE CENTER FOR COMMUNITY ACTION** used its grant to develop tools for engaging multicultural, rural donors in supporting women’s empowerment across North Carolina.

San Francisco-based **HISPANICS IN PHILANTHROPY** circulated its training and curricular materials to Latino donors and funds all over the country.

**THE GROTTO FOUNDATION** used its grant to expand its philanthropic leadership program to include culturally based trainings on donor engagement, fund development, and fundraising for Minnesota’s Native American community.

**THE CENTER ON PHILANTHROPY AND CIVIL SOCIETY AT THE GRADUATE CENTER OF THE CITY UNIVERSITY OF NEW YORK** used its grant to give other grantees—and more than 85 additional community-based organizations and foundations nationwide—free access to its extensive research on philanthropy in communities of color.

**2.** Simultaneously, we issued **CHALLENGE GRANTS** in an effort to stimulate increased giving, collective giving, and/or major gifts from community donors. Organizations used these grants to strengthen the engagement of existing donors by helping them organize and plan their giving; bring an existing identity-based fund to scale or establish a new one; and/or challenge donors to raise funds on behalf of particular community causes. Doing so required many grantees to create brand-new strategic donor engagement models for connecting donors to relevant community issues and change efforts—or to seek assistance in doing so from tools and capacity grantees. Indeed, many of the organizations who received these grants had never run a challenge campaign before—and more than a few had never actively sought community donors. Yet despite these barriers—and despite the faltering economy—**every single one of the challenge campaigns met or exceeded its fundraising goal.**

Prior to its grant, **POTLATCH FUND** relied entirely on funding from private and corporate foundations. The challenge grant enabled Potlatch to explore new approaches to cultivating individual Native donors. Its efforts paid off: Potlatch raised \$287,897 from individual donors through the challenge grant, versus the \$55,000 in private and corporate donations raised the previous year.

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**THE ARAB COMMUNITY CENTER FOR ECONOMIC AND SOCIAL SERVICES (ACCESS)** used its challenge grant to launch a new identity-based fund, the Center for Arab American Philanthropy (CAAP)—the first fund in the United States to engage Arab Americans in strategic philanthropy. New donors included Arab Americans who gave already but not strategically; those who worked in formal philanthropy but were not connected to their community organizations; and young professionals who had little philanthropic experience but were actively engaged in community service.

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**THE HISPANIC FEDERATION** used its challenge grant primarily as an incentive to attract first-time donors and to increase the giving of current donors. By the end of the challenge period, the Hispanic Federation saw a 23 percent increase in individual donors and had increased its grantmaking budget by 20 percent.

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Yet this is a critical conversion, because just as identity-based fund organizers have sophisticated “inside” knowledge about how best to help their communities—so too do their donors. “Who knows best about the area you’re making grants to? Who can spark new energy into this area and provide a value that is unmet?” says Kellogg Foundation trustee Ramón Murguía. This is why most funds view their donors as partners, eagerly welcoming their hands-on input and involvement. “The people who are ‘experts’ at social change and who have the potential to make the most difference,” says Scot Nakagawa, former interim executive director of the Social Justice Fund, “are those most impacted by that change.”

“That’s why identity-based funds need the capacity to mobilize, support, and share ideas among this new generation of donors,” adds Fulton. “How will the funds capture and leverage the dollars, the donors, and the leadership to tackle the difficult problems facing these communities and beyond?” This is the critical question—and donors sit right at its center.

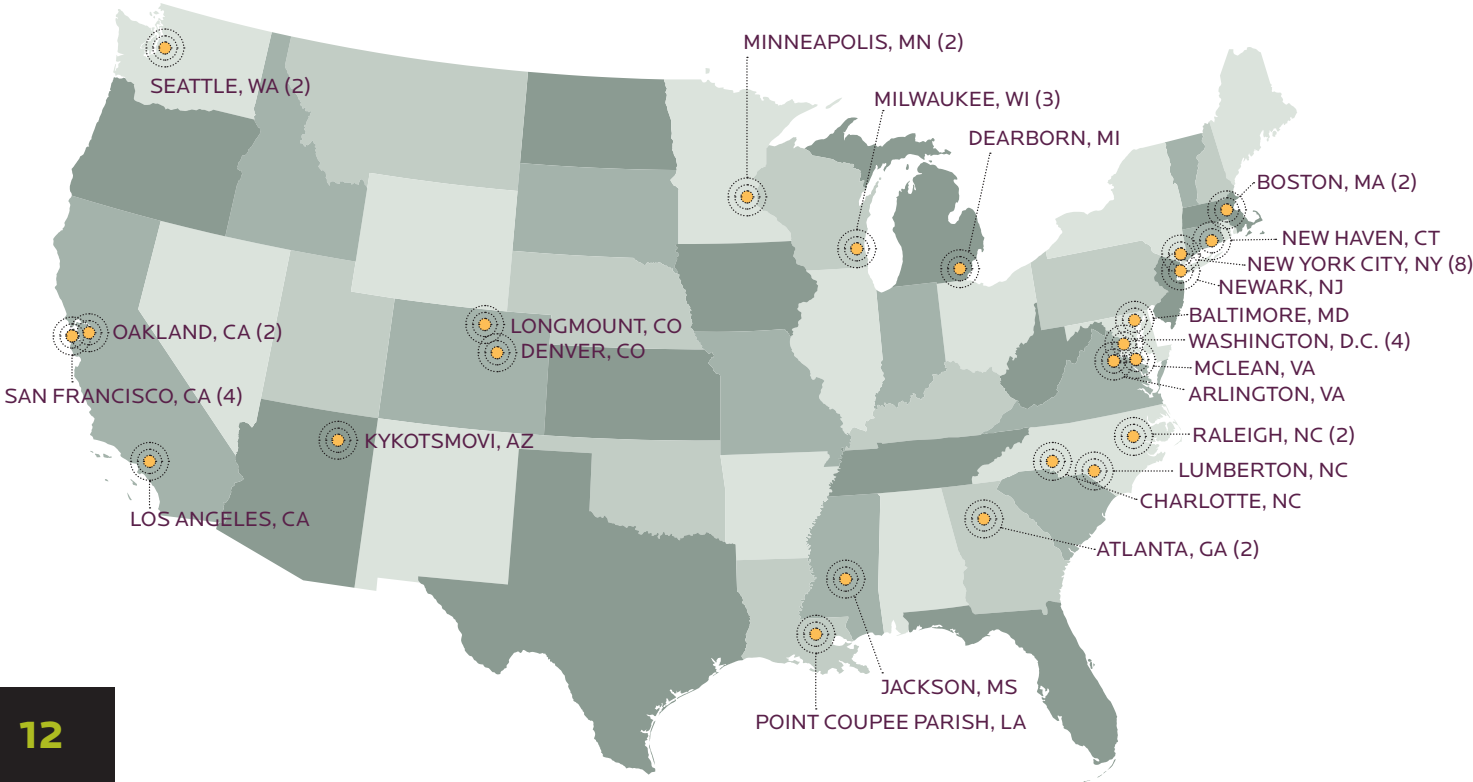


# MAJOR ACHIEVEMENTS & EMERGING LESSONS FOR THE FIELD

The four Cultures of Giving strategies, as well as the exploratory steps that preceded them, were all different but complementary efforts to feed and water the same growing tree. Each effort was designed to help identity-based funds and their supporting organizations build new roots while at the same time expand their capacities and capabilities outward and upward. And early results suggest that this is exactly what happened.

Across the Cultures of Giving network, grantees' knowledge and sophistication grew appreciably over the period of their funding. "Their work showed terrific progress and momentum," says deputy director Alandra Washington. "Even through rocky times like the economic recession, it got better, more strategic, and more aligned as time went on." This was particularly true for grantees funded under more than one initiative and/or those who participated in the national networking meetings over multiple years.

MAP OF CULTURES OF GIVING GRANTEES



Obviously, not all grantees followed the same trajectory or held themselves to the same metrics of progress and success. But it is no exaggeration to say that Cultures of Giving had a significant impact on grantee organizations and the communities they serve. The early outcomes are inspiring:

- Grantees established **205** working collaborations during the course of this work, and **91** percent of grantees engaged in knowledge-sharing.
- **94** percent created new leadership during Cultures of Giving.
- **82** percent reported developing effective new models and practices.
- **\$5.9 million** was raised by the 64 percent of grantees reporting figures for the period of their funding—all of which targeted programs and services in communities of color. Assuming the remaining 36 percent generated funds at a similar rate, the total amount raised could be as high as **\$8.8 million**.
- Cultures of Giving challenge grant campaigns raised **\$4.4 million** in contributions from more than **1,500** community donors.
- Despite coinciding with the economic recession, all challenge grant campaigns **met or exceeded** their match.
- Overall, donor engagement deepened: **150** outreach events were attended by **2,500+** donors of color.
- **1,400** staff of community-based organizations attended **75** trainings and workshops.
- **17** new formal 501c3 community organizations emerged as a result of grantee activities.
- More than **\$2.9 million** was distributed through grants back into communities of color. (This figure does not include the costs of leadership development trainings, capacity building workshops, and other services and programs created by grantees to spread awareness and build engagement in their communities.)

While it will take a greater longitudinal study to fully measure the impact of Cultures of Giving on vulnerable children and families, we do know that millions were positively touched by this work. We also have a conservative estimate of the number of communities likely to have been directly affected, as well as their broad-stroke characteristics, based on the zip codes in which grantees were located and the places where community mobilization occurred:

- **226** local communities were touched directly by grantee community funding and mobilization activities. **92** percent were in urban locations.
- **7.7 million** people live in these communities, including **1.7 million** families and **1.9 million** children under the age of 18.
- On average, **15** percent of families in these communities are headed by women and have children under the age of 18, and at least **10** percent earn less than \$10,000 a year. Both of these estimates are more than twice the national rate. Across communities, median family income was **27** percent lower than the national median.
- **1.4 million** community residents live below the federal poverty level—and **36** percent are children.
- Unemployment in these communities is **twice** the national rate.

**Read more** about the impact of Cultures of Giving—on our grantees and their communities—in the full report.

# KEY LESSONS, CHALLENGES, AND BEST PRACTICES

**Staffing and staff capacity.** Nearly half of Cultures of Giving grantees reported staffing challenges. Most had limited staff to begin with, and the additional work required to manage a new program or strategy threw many into immediate staffing distress. Identifying people with the appropriate levels of experience and expertise, and learning how to cultivate a staff of skilled professionals who stick around for the long haul, were also key challenges. Yet having dedicated staff—particularly fundraising staff—greatly increased their capacity to attract and retain donors.

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**Leadership.** Identity-based funds established and led by individuals from the community they serve had the greatest growth potential and staying power. Additionally, funds led by long-term leaders who had championed them since their inception experienced considerably more stability. By far the most significant leadership challenge faced by grantees was turnover: many experienced the “revolving door” problem, particularly when it came to the leaders of their fundraising staff.

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**Culturally relevant donor engagement.** Developing and deploying targeted donor engagement strategies that strengthened donors’ connection with community issues greatly enhanced a fund’s relevance and reach. Grantees that researched the various practices of giving in their communities, identified concrete community assets that could be used to address community needs, and took into account the diversity within their communities when designing outreach and programs were the most successful.

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**Demonstrating ROI.** Measuring social change is a fuzzy prospect at best. Demonstrating value and impact can be particularly challenging for organizations focused on harnessing time and talent versus raising and distributing dollars. Yet funders and donors alike want to know that their resources are being used strategically to create real change. As the field grows over time, the pressure to demonstrate measurable impacts will increase.

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**Trust and transparency.** “When funders come to a community, there are immediate and detrimental power disruptions,” says Fred Keller, Kellogg Foundation trustee. These disruptions can become particularly charged when the issues being supported through funding relate to race, ethnicity, personal identity, and community self-determination. Clarity and transparency are fundamental to building trust between funders and funds and between funds and their donors.

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**Target-rich networking.** Encounters with potential funders, donors, and partners become highly more likely in “target rich” environments. The most nimble and successful grantees were those constantly trolling workshops, conferences, and community events for new knowledge and connections. Nearly all grantees reported that establishing relationships with other community institutions—whether civic, religious, or professional—helped leverage their leadership potential.

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**Building an endowment.** Many funds have very small endowments and have to raise money year to year. With few exceptions, grantees viewed endowment building as key to the future success of their funds and others like them. Yet raising money to direct toward an organization’s sustainability can be extremely difficult. According to RPA’s inventory of identity-based funds, roughly 40 percent of these funds have endowments, with those endowments tending to be relative to organizational size.

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**Basic funding.** Funders—and donors—are often reluctant to finance unglamorous administrative and capacity building needs like office overhead and other backend costs of grantmaking, preferring to see their dollars put directly toward community issues. Many funds also find themselves scrambling for money to hire professional staff and for ongoing training and technical assistance. Yet securing grants to cover all these costs is vital.

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**Succession planning.** Leadership transitions also need to be anticipated and planned for. If they aren’t, funds can grind to a halt, losing their momentum and the continuity of their programming while new leadership is secured. Transitions are especially important if a particular leader serves as the “face” of the fund; this applies not just to executive directors but to project

coordinators or other staff who have overall responsibility for the implementation of program activities.

## BEST PRACTICES

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Across the board, **challenge grants** proved a highly effective strategy for attracting new community donors, reengaging existing donors, and raising a fund’s visibility. Most donors want to see their contributions used immediately and specifically to address community needs, and challenge campaigns enable that. Meanwhile, “match” money can be put toward endowment-building.

From the outset of Cultures of Giving, we made an explicit choice to help support and grow philanthropy in communities of color by focusing first and foremost on communities’ existing resources and capabilities—a stance known as the **asset-based approach**. Funds and organizations working inside communities of color know best what they needed to move ahead; we saw our role as supporting those judgments by providing financial backing and other resources. Our grantees, in turn, took up this stance in their efforts to draw out community donors, knowledge, and participation—to great success.

# A CALL TO ACTION

In this moment, we know far more about identity-based philanthropy, as a field and as a practice, than ever before. Yet while Cultures of Giving has shed bright new light on how philanthropy works in communities of color and what it needs in order to grow, some big questions remain. How sustainable are identity-based funds over time, and what are their long-term impacts? How long might it take to bring the field to scale, and what kinds of investments will that require? It will likely be years, possibly decades, before we have our answers.

Yet it's also true that the efforts and investments we make now will help shape and determine these outcomes. And not just these outcomes—but quite possibly the future of the field of philanthropy itself. Indeed, it is not enough to say that the field—and the face—of philanthropy is changing. Philanthropy has already changed. The only question is how fast and how well our traditional structures will catch up with it.

We believe that the entire sector must learn from, be inspired by, and grow with the rich mosaic of donors and funds that are working in the heart of this country's communities of color—and that working with and within racial, ethnic, and tribal communities to envision and effect social change on behalf of vulnerable children and families will become increasingly critical to everyone's future success.

This means providing seed support and other forms of assistance to funds throughout their growth cycle. It means embracing identity-based funds as critical partners in the sector and forging stronger connections with philanthropic leaders and other change agents within communities of color. It means diversifying the leadership of mainstream philanthropy to reflect our nation's changing demographics. And it means shifting our practices to reflect what communities of color are teaching us about the future of giving.

**AT OUR LEADERSHIP IN PHILANTHROPY NETWORKING CONFERENCE IN MARCH 2004, WE ASKED 85 LEADERS OF COLOR TO DEFINE THEIR VISION FOR PHILANTHROPY'S FUTURE. THEY DESCRIBED A FUTURE THAT WE ASPIRE TO—A FUTURE IN WHICH:**

- Philanthropy is more broadly and inclusively defined.
- Philanthropy's communities of color share and swap best practices and approaches in structured ways.
- More open sharing between communities of color and mainstream philanthropy enhances and expands everyone's effectiveness.
- The broader field of philanthropy recognizes and reflects the changing face of society.
- There is no distinction between mainstream philanthropy and identity-based philanthropy, no walls or "zero-sum" thinking between communities of color, and no special labels or asterisks attached to this work. It is all simply philanthropy.



The Cultures of Giving report and executive summary were published in January 2012 by the W.K. Kellogg Foundation, with major contributions from Rockefeller Philanthropy Advisors.

Many people and organizations contributed their time, talent, passion, and insight to the work reflected in these publications. Individually and collectively, they have enhanced this work and this field through their efforts, and we extend deep gratitude and appreciation for their energy and dedication. The names of these individuals and organizations are listed in the acknowledgment section of the full report.

## **ABOUT THE W.K. KELLOGG FOUNDATION**

The W.K. Kellogg Foundation (WKKF), founded in 1930 by breakfast cereal pioneer Will Keith Kellogg, is among the largest philanthropic foundations in the United States. Based in Battle Creek, Michigan, WKKF engages with communities in priority places (Michigan, Mississippi, New Mexico, and New Orleans) nationally and internationally to create conditions that propel vulnerable children to realize their full potential in school, work, and life. To learn more, visit [www.wkkf.org](http://www.wkkf.org) or follow WKKF on twitter at [@wk\\_kellogg\\_fdn](https://twitter.com/wk_kellogg_fdn).

The Kellogg Foundation is currently the largest single funder of identity-based funds in the United States and a leader in the field's efforts to diversify philanthropy. Our commitment to achieving racial equity and empowering new forms and faces of giving in all communities is reflected in all our work and contributes to our vision of a nation that marshals its resources to ensure that all children have an equitable and promising future—a nation in which all children thrive.

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## CULTURES of GIVING

ENERGIZING AND EXPANDING  
PHILANTHROPY BY AND FOR  
COMMUNITIES OF COLOR

A report by the W.K. Kellogg Foundation  
with special contributions from  
Innovative Philanthropy Advisors



### CULTURES OF GIVING: THE FULL REPORT

Identity-based philanthropy is transforming the way that generosity flows through and to communities of color—and creating new philanthropic resources, new forms of community empowerment, new leading actors, and new methods to tackle complex problems in the process. As a result, this emerging field is influencing and invigorating the way that philanthropy across all communities gets practiced at a time when many of our old forms are crumbling.

This executive summary provides an overview of the W.K. Kellogg Foundation's work to date to promote and expand philanthropy in communities of color. For hard copies of the full report—which offers more in-depth findings and lessons from this work, and also shares results from the first-ever national inventory of identity-based funds—please contact the W.K. Kellogg Foundation at (269) 968-1161 or [communications@wkkf.org](mailto:communications@wkkf.org) and use reference number 834. Both the full report and this executive summary are available online at [www.wkkf.org](http://www.wkkf.org).

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