

Racial Equity Implications of the COVID-19 Pandemic: Opportunities for Philanthropic Response

Update to "Opportunities for Philanthropic Response to the Coronavirus (COVID-19) Crisis" By Sonali Madia Patel, Alexandra Hughes Smith, and Gayle Martin

May 13, 2020

Table of Contents

1.	Introduction	2
2.	Principles for incorporating racial equity in COVID-19 grantmaking	2
3.	Key thought leaders and resources for work on racial equity and COVID-19	4
4.	Challenges arising from COVID-19 that are affecting communities of color	4
	Health challenges	5
	Socioeconomic challenges	6
	Child care and education challenges	7
5.	Overview of affected communities of color and immigrants	7
	African Americans	7
	Latinx populations	8
	Native Americans	9
	Asian Americans	9
	Undocumented immigrants	. 10
	Women of color	. 10
6.	Challenges for organizations led by people of color	. 11
7.	Starting list of opportunities for giving	. 11
	Advocacy and policy organizations	. 11
	Local community and population-specific funds	. 12
	Health-related supports	. 13
	Socioeconomic supports	. 13
8.	Taking a longer-term view: Prioritizing racial equity in grantmaking beyond COVID-19	. 14

2 Copley Place, 7th Floor, Suite 3700B Boston, MA 02116 USA T. 617.572.2833 Bridgespan Africa Initiative 10 The High St, Melrose Arch 2076, Johannesburg South Africa T. +27.11.012.9280 Bridgespan India Private Limited 9th Floor, Platina, G Block, Plot C 59 Bandra Kurla Complex Mumbai 400051 India T. +91.22.6628.9624

New York

333 Seventh Avenue 11th Floor New York, NY 10001 USA T. 646.562.8900

San Francisco

88 Kearny Street Suite 200 San Francisco, CA 94108 USA T. 415.627.4500

1. Introduction

The COVID-19 crisis, like so many before, is revealing and compounding deeply entrenched inequities in our society—inequities rooted in long-standing structural racism. In the United States, communities of color are bearing the brunt of the pandemic's health and socioeconomic consequences. This document, which builds on Bridgespan's memo on "Opportunities for Philanthropic Response to the COVID-19 Crisis" and on its research on racial equity in philanthropy, elaborates on how the crisis is disproportionately affecting communities of color and where there are opportunities for philanthropists to address inequities in their response.

As funders move quickly in response to the crisis, they should seek to **avoid and reverse racial bias in the funding process**. Organizations led by people of color face differential barriers to funding and are at greater risk of closure due to this crisis. An equity-centered response can ensure that organizations serving highly impacted communities have the resources to survive this crisis and continue to provide essential services.

Moreover, prioritizing racial equity will help funders maximize the impact of their giving. A race-neutral approach would fail to account for the ways that existing disparities and structural racism affect outcomes. In a recent newsletter, the racial justice organization Race Forward underscored this point: "In this moment, explicitly naming race as a factor that informs how we assess 'Who is most vulnerable? Who is burdened? Who benefits?' will ensure that emergency response practices and policies proactively integrate racial equity into local government responses to COVID-19." And deliberately prioritizing racial equity will further benefit the rest of society through the "curb-cut effect," which has shown that laws and programs designed for vulnerable groups have positive impacts on others.

This document also highlights a subset of credible actors with a racial equity focus who might serve as partners and effective channels to deploy capital swiftly and responsibly. However, it is not a compendium of the universe of organizations and initiatives in these areas (particularly at local levels). We have begun to compile a list of other actors actively engaged in the areas outlined in this update, which we can share upon request and augment with your suggestions.

This is a snapshot of needs and opportunities that we have come across to date. In a rapidly changing environment, we anticipate new needs, opportunities, actors, and channels will emerge.

2. Principles for incorporating racial equity in COVID-19 grantmaking

Building on the broader principles for giving in a crisis outlined in Bridgespan's memo, "Opportunities for Philanthropic Response to the COVID-19 Crisis," there are several ways philanthropists can intentionally center racial equity in their response efforts:

• Make race explicit in giving strategies: Philanthropists who make their commitments to racial equity explicit are more likely to avoid inadvertent bias in their giving. As an op-ed by Race Forward points out, "Experience tells us that race-silent analyses and strategies often reinforce and exacerbate racial inequities. Race-silent language in philanthropic work also tends to reinforce racial biases among staff, grantees, donors, and organizational partners. A better strategy is to name race and racism in your diagnosis of the problem and the design of your response to it."

- Pursue trust-based giving of flexible resources: Trust leaders of color, serving communities of
 color, to identify needs, develop solutions, and surface who is doing the best work within
 communities. Deploy trust-based principles in structuring your giving—these include being
 transparent and responsive in communications to minimize power imbalances, and soliciting
 and acting on feedback.
- **Give locally:** Follow the lead of local funders and networks, especially those who have deep knowledge of, and existing trusted relationships in, communities of color—for example, emerging community response funds that are working specifically to channel funding to frontline organizations in communities of color in various cities.
- Broaden the base of your grantees; diversify grantmaking channels: It is critical for
 philanthropy to support current grantees to sustain their core work through this crisis. But in
 this unprecedented moment, it is also worth looking more broadly at equity-focused efforts,
 especially those led by people of color, and at nontraditional actors like mutual aid networks,
 worker cooperatives, and unincorporated community groups. Emerging community-led
 innovations and areas of work being identified by leaders of color and equity practitioners
 require support, in addition to established, issue-oriented program areas.
- Address root causes of COVID-19 racial disparities, while meeting immediate needs: Understanding the historical, systemic drivers of current racial disparities in COVID-19 clinical outcomes and socioeconomic impacts is critical to identifying and supporting longer-term solutions. As historian Edna Bonhomme noted in a recent op-ed, structural racism is the "most dangerous pre-existing condition" for communities of color in the United States today. Applying a historical lens and systems analysis in developing COVID-19 giving strategies pushes stakeholders not only to address immediate disproportionate impacts in communities of color today, but also to support ongoing efforts to transform racist systems that are driving these disparities; such efforts include advocacy and community organizing on healthcare, housing, economic, and criminal justice policy.
- Build power in communities of color: Invest in community organizing and community-led advocacy efforts that support people of color in building power to advocate for their needs and rights in the face of the immediate crisis and beyond. Support is needed to ensure leaders of color, representing communities of color, are at the table in making decisions about public policy and resource allocation. This crisis also presents an opportunity for communities to deepen organizing efforts to more comprehensively address the structural drivers of racial inequities being exposed and exacerbated through this pandemic.
- Take an intersectional approach to focus on the most impacted: Structural racism is interconnected with other systems that also marginalize populations along lines of identity and difference. Where possible, funders and grantees should disaggregate data not only by race, but also by other identity markers, for example, taking into consideration race, gender identity, sexual orientation, and immigration status when identifying communities at greatest risk and in need of differential support. Vulnerabilities will be compounded in this epidemic and require intersectional responses to reach the most marginalized and at-risk.

These principles **build on the work of numerous leaders in the field**, several of whom are highlighted in the following section.

3. Key thought leaders and resources for work on racial equity and COVID-19

A number of organizations are developing tools, guidance, and resources to ensure an equity lens is applied to COVID-19 response efforts: Racial Equity Tools has developed a comprehensive list of COVID-19 Racial Equity & Social Justice Resources and analysis from thought leaders, the NAACP outlined 10 equity implications of COVID-19 and corresponding civil rights advocacy recommendations, and PolicyLink has developed a resource center on COVID-19 and race, which includes commentary and a set of principles to realize the promise of equity in our recovery. Building Movement Project and Solidarity Is recently hosted a webinar with grassroots and movement leaders on how COVID-19 affects communities of color and immigrants.

Leaders such as Michele Kumi Baer at Race Forward have developed guiding questions for philanthropists to ensure racial equity is centered in crisis response plans and funding. Justice Funders has published articles and hosted webinars about the ways that funders can support a just transition toward a regenerative economy during this crisis. The Philanthropic Initiative for Racial Equity offers guidance and resources on how grantmakers can advance racial justice (including in responding to the pandemic), while the Donors of Color Network developed a shared Google Doc to continually update lists of resources and available funds. The United Philanthropy Forum has outlined actions for funders to take to keep equity at the forefront of philanthropic responses, and over 190 foundations and philanthropy-serving organizations signed an open letter calling on philanthropists to denounce viral racism and rising xenophobia directed toward Asian American communities.

4. Challenges arising from COVID-19 that are affecting communities of color

A note on language: This document uses the terms Hispanic and Latinx based on the terminology in the sources cited in the research, rather than selecting a single term.

During times of crisis, the inequities already in the system intensify. The most vulnerable and marginalized populations in society carry a disproportionate share of the hardship—and are often left out of response and recovery efforts. This is not surprising—the systems that respond to pandemics and other crises are the same systems that have historically under-resourced and underinvested in marginalized communities. In the United States, this disproportionately means communities of color. Racial disparities in American socioeconomic and health outcomes are well-documented: consider that the typical white family has 10 times the wealth of the typical Black family and seven times the wealth of the typical Latinx family, and Black mothers and children die at disproportionately higher rates than their white counterparts, regardless of income.

Disparities such as these are rooted in long-standing structural racism and inequity, including practices and policies such as legalized segregation, redlining, labor market and housing discrimination, and mass incarceration. Now, as COVID-19 ravages communities across the country, these disparities are being brought into starker relief. Preliminary data show the virus is disproportionately affecting people of color—a national study released in early May showed that disproportionately Black counties account for over half of coronavirus cases in the United States and nearly 60 percent of deaths, and data from New York City in early April showed the virus is twice as deadly for Black and Latinx people than white people. At the same time, communities of color are being hit particularly hard by the economic crisis.

Health challenges

People of color are confronted with a range of challenges that make them more vulnerable to the virus, including:

- Higher rates of chronic health conditions: As the Center for American Progress notes: "From
 automobile and refinery pollution to lead-contaminated water and food deserts, structural and
 environmental racism has contributed to higher rates of serious chronic health conditions in
 communities of color." These preexisting conditions, which include higher rates of asthma,
 diabetes, obesity, HIV/AIDS, and other chronic conditions, increase people of color's risk of
 becoming seriously ill or dying if infected by the virus.
- Living conditions create barriers to social distancing: Residential segregation in the United States has restricted tens of millions of people of color to densely populated urban areas, making social distancing—an essential prevention strategy—particularly challenging for communities of color. Moreover, people of color are more likely to live in multigenerational housing situations and rely on public transportation, further exacerbating the challenges of social distancing. Incarcerated populations and people experiencing homelessness, who are disproportionately people of color, face particularly significant challenges to practicing social distancing and other preventive measures.
- Inability to work from home: People of color also occupy a large number of positions in frontline industries; the Paraprofessional Healthcare Institute found that 60 percent of home healthcare workers are people of color, while a study from Scott M. Stringer, New York City's Comptroller, found that 75 percent of frontline workers in the city—grocery clerks, bus and train operators, janitors, and child care staff—are minorities. Black and Hispanic workers are also much less likely than white workers to be able to telework, and have less access to paid sick leave and paid leave for child care. While recent federal legislation expanded the mandate for paid leave related to COVID-19, millions of workers were excluded; those that can't afford to stay home are left to risk their health and safety in order to continue working, even if they or a family member falls ill.
- Barriers to healthcare access: Financial, information, and language barriers, along with discrimination and bias in the healthcare industry, often create challenges for people of color seeking care; these populations are more likely than white Americans to lack health insurance and, among non-elderly adults, more likely to report going without needed care due to cost. While federal legislation was enacted to make COVID-19 testing free for uninsured individuals, the Kaiser Family Foundation notes that "uninsured people may lack a usual source of care and not know where to go to obtain testing. They also may still forego testing or treatment out of fear of costs if they are not aware of the resources provided to help cover costs for uninsured individuals. Additionally, some may still face large out of pocket costs for care that these provisions might not cover." The racial digital divide will also make access to critical telehealth services challenging for many people of color—Blacks and Hispanics face greater barriers relative to white people in broadband adoption, even after accounting for differences in income.
- Barriers to healthcare quality: Even if people of color are able to access healthcare, the care they
 receive is often of poorer quality and less intensive than care provided to white Americans.
 Research suggests that when healthcare providers are located within majority African American

and Hispanic neighborhoods, they tend to offer lower-quality care. Medical providers' implicit bias also affects many aspects of healthcare. Moreover, people of color are underrepresented in clinical trials, the result of barriers including financial and logistical challenges and mistrust of medical practitioners and scientific experimentation based on past injustices. This trend is concerning given that drugs may have different effects on different populations, and early access to experimental drugs could extend life spans or improve quality of life.

Socioeconomic challenges

People of color are disproportionately confronted with a range of challenges that make them more vulnerable to the economic impacts of the virus, including:

Limited financial resources and savings necessary to weather the pandemic: People of color have
long been systemically inhibited from building wealth and discriminated against and exploited in
the labor market. Now, they are likely to be hit hardest by the economic collapse resulting from
the pandemic. A record 20.5 million people lost their jobs in April, sending the unemployment
rate soaring to 14.7 percent, the highest level since the Great Depression. Unemployment for
Black and Hispanic workers surged even higher—to 16.7 percent for Black workers and 18.9
percent for Hispanic workers.

Limited financial reserves will exacerbate the economic crisis facing communities of color—in an April 2020 survey by Pew Research Center, nearly three-quarters of Black and Hispanic adults said they did not have emergency funds to cover three months of expenses. Black and Latinx workers are also more than twice as likely as whites and Asians to be among the working poor (people who spent at least 27 weeks in the labor force but whose income still falls below the official poverty level). The Pew Research Center study also showed that 48 percent of Black adults and 44 percent Hispanic adults reported that they "cannot pay some bills or can only make partial payments on some of them this month," compared to 26 percent of white adults. The financial vulnerability of these populations is likely to have ripple effects, exacerbating racial and ethnic inequities in homeownership and food security.

While government benefits, such as stimulus checks, unemployment benefits, and the Supplemental Nutritional Assistance Program (SNAP) benefits, can help families weather the crisis, technology will be a critical component of accessing these benefits as social distancing recommendations remain in place. Yet racial disparities in broadband adoption will make accessing these public benefits—and conducting other important business, such as online banking and virtual rent payments—particularly challenging for many people of color.

Minority-owned businesses face unique challenges: While emergency federal aid has been
allocated for small and medium businesses, minority-owned businesses have reported
challenges accessing the funding. Securing bank loans is particularly challenging for minorityowned businesses, who often have weaker banking relationships than white-owned businesses;
this will in turn make securing federal aid particularly challenging as many banks prefer to deal
only with existing customers when making loans through federal programs.

Child care and education challenges

As schools and child care centers are shuttered around the country, people of color will face distinct challenges.

- Child care challenges: Child care businesses, which are disproportionately owned and staffed by women of color, provide essential support for working families in their communities. Yet widespread closures resulting from the pandemic are leaving many providers, which already operate with thin margins, without critical tuition revenues—as a result, their viability is under threat. The effects of the pandemic on the child care system will perpetuate racial inequities nationally and locally. Home-based child care, which is often the best choice for families in low-income communities looking for flexible, affordable, conveniently located, and culturally and linguistically aligned providers, is particularly at risk financially. Chances are high that many of the providers who run these businesses (who are more likely to be women of color) will permanently close their doors, with devastating effects on their livelihoods and families in their communities. Provider closures will not only hinder children's healthy early development and kindergarten readiness in the immediate term, but the disruption is likely to have significant long-term effects on children's health and well-being. The ripple effects will extend beyond children, affecting parents' ability to return to work, and by extension economic and social mobility.
- Digital divide likely to exacerbate disparities in academic achievement: The transition to digital learning will be particularly challenging for students of color and students from low-income families. Roughly one-third of households with school-age children whose annual income falls below \$30,000 a year do not have a high-speed internet connection at home, compared with just 6 percent of such households earning \$75,000 or more a year, gaps that are particularly pronounced in Black and Hispanic households. These challenges are likely to exacerbate income and racial disparities in academic opportunity.
- Higher education challenges: A survey by Student Loan Hero found Black and Hispanic college students are experiencing higher levels of food and housing insecurity due to the pandemic than their white peers. They are also more likely to be taking on debt to deal with the crisis than white students. When college campuses shut down, students already at high risk for dropping out—first-generation college students, low-income students, and students of color—will likely face barriers in returning. Moreover, while higher education institutions across the board are likely to suffer financially as a result of the pandemic, historically Black colleges and universities (HBCUs), which rely heavily on tuition and often have smaller endowments than non-HBCUs, are likely to be hit especially hard.

5. Overview of affected communities of color and immigrants

While the challenges resulting from the pandemic will be experienced across communities of color, there will be distinct experiences and manifestations within specific communities.

African Americans

As the Center for American Progress puts it: "From slavery to Jim Crow, from redlining to school segregation, and from mass incarceration to environmental racism, policies have consistently impeded or inhibited African Americans from having access to opportunities to realize the American dream."

African Americans confront differential barriers that produce disparities in a wide range of health and socioeconomic measures, including life expectancy, wages, and wealth—inequities that are now being compounded by the pandemic.

In alarming early data, we are already seeing the disproportionate toll that COVID-19 is taking on Black communities—an Associated Press analysis from mid-April of available state and local data shows that nearly one-third of those who have died are Black, despite representing only 14 percent of the population in the areas covered in the analysis, and in Georgia, more than 80 percent of hospitalized COVID-19 patients were African American. Black adults have higher rates of obesity, diabetes, and asthma, increasing their risk of serious complications from the virus, and are more likely to live in dense urban areas and rely on public transportation, all increasing opportunities for exposure. Black Americans are also more likely to be part of the COVID-19 "essential" workforce—representing nearly 30 percent of bus drivers and nearly 20 percent of all food service workers, janitors, cashiers, and stockers—further increasing their and their families' risk of exposure.

Moreover, Black Americans are less likely than white Americans to have health insurance and often face discrimination and bias in the medical system, which may discourage them from seeking or obtaining the care they need. Thirty-two percent of African Americans, for instance, have experienced racial discrimination when going to a doctor or health clinic, and studies show that racial biases among medical practitioners affect many aspects of healthcare. A lack of early communication about the threat of the pandemic also led to a dearth of reliable information in some Black communities, allowing dangerous misinformation to spread.

African Americans are also particularly vulnerable to the financial fallout of the pandemic: in April, the unemployment rate for Black workers jumped to 16.7 percent, compared with a 14.2 percent jobless rate for white workers, following trends from the Great Recession, when overall US unemployment peaked at 10 percent but reached 16.8 percent for Black workers. In a Pew Research Center survey from April, 73 percent of Black adults said they did not have emergency funds to cover three months of expenses, compared to 47 percent of white adults.

The pandemic, and ensuing health and economic suffering, is also likely to exacerbate mental health challenges. As the NAACP puts it: "African Americans are also more likely to experience traumatic stress from racism, poverty, homelessness, and exposure to violence and incarceration, which puts them at an increased risk for mental and behavioral health problems. Yet African Americans are less likely to seek mental healthcare because of the shame, stigma, and lack of access to culturally competent mental health services."

Latinx populations

Latinx people face a range of challenges that increase their vulnerability to the health and financial impacts of the pandemic. On May 7, *The New York Times* reported a number of states where Latinx populations are being disproportionately impacted by the virus—in lowa, Latinx people account for more than 20 percent of coronavirus cases though they are only 6 percent of the population, and in Washington State, Latinx people make up 13 percent of the population but 31 percent of cases.

Healthcare insurance rates among Hispanic populations are particularly low—nearly one in five lack health coverage compared to 8 percent of white Americans. Factors such as limited access to care and lack of affordable, nutritious food in Latinx communities contribute to particularly high rates of obesity

and diabetes among Hispanics—increasing their risk of growing seriously ill or dying from the virus if infected. Furthermore, they are less likely to be able to work from home—research shows that only 16 percent of Hispanic workers can do their jobs from home, compared to 30 percent of white workers. Latinx populations also make up a large number of workers in essential industries—in New York City, for instance, Hispanics make up nearly 40 percent of employees at grocery stores, convenience stores, and drug stores, and represent over 60 percent of people who work as cleaners. For those that fall ill and are able to access the health system, Latinx populations may face challenges receiving culturally and linguistically competent care.

Latinx populations are also likely to be hit hard by the economic crisis: in April, the unemployment rate for Hispanic workers jumped to 18.9 percent, up from 4.4 percent in February. In a Pew Research Center survey from April, 70 percent of Hispanic adults said they did not have emergency funds to cover three months of expenses, compared to 47 percent of white adults.

Native Americans

Systematic disenfranchisement of Native Americans over centuries has severely hampered social supports and the economy in these communities, and now increases Native Americans' vulnerability to COVID-19. The Navajo Nation, for instance, has one of the worst coronavirus outbreaks in the United States—as of May 3, the tribal nation had a higher coronavirus death rate than every state in the country except New York, New Jersey, Connecticut, and Massachusetts. Native Americans have a greater chance of having diabetes than any other US racial group, and many tribal communities lack clean water and have overcrowded homes (as many are multigenerational), heightening the risk this population faces. Further, in 2018, 22 percent of non-elderly American Indians and Alaska Natives (AIANs) lacked health insurance as compared to 8 percent of white Americans. Barriers to care will be particularly significant for this population: the Indian Health Services, which is responsible for providing health services (including COVID-19 testing) to AIANs, has historically been underfunded relative to the healthcare needs of their communities.

Levels of poverty in Native American communities are particularly high: the 2016 poverty rate among Native Americans was nearly double the national average for all people, a problem likely to be exacerbated as sources of income for tribal governments and employment for tribal members, such as casinos, museums, and cultural centers, shut down.

Asian Americans

Since the outbreak of COVID-19, acts of racism and xenophobia directed toward Asian Americans, ranging from verbal harassment to physical assaults, have grown rapidly. In one month, Stop AAPI Hate, a project to track hate crimes against Asian Americans and Pacific Islanders, received nearly 1,500 reports of coronavirus discrimination from Asian Americans across the country. Scapegoating minorities is an alarming trend seen in other times of crisis, such as the uptick in hate crimes against Muslims in the United States following the 9/11 attacks.

The pandemic—and resulting misinformation and discrimination against Asian Americans—has also hurt Asian American workers and businesses in the United States. The Center for American Progress reports that prior to New York City's shutdown of nonessential businesses, the largest restaurant in New York City's Chinatown lost \$1.5 million and saw a 50 percent drop in business, a trend mirrored in other parts

of the country. ProPublica also noted that one in four Filipinos in the New York-New Jersey area work in the healthcare industry, and are on the front lines of the pandemic.

Undocumented immigrants

Effective supports for communities of color must also account for immigration status as a distinct factor that intersects with systemic racism. Undocumented immigrants in the United States, who are ineligible for most federal public benefits, are already among society's most vulnerable, and those vulnerabilities are likely to be exacerbated as a result of the pandemic. Immigrant populations may face language barriers to accessing the information and care they need, and undocumented immigrants may fear interacting with the healthcare system and avoid seeking testing or treatment, due to mistrust and concerns about potential deportation or the risk of adversely affecting green card applications.

Undocumented immigrants and families with children who are US citizens but have at least one parent who is undocumented do not qualify for critical federal relief, including cash assistance and expanded unemployment benefits, despite the fact that collectively, undocumented immigrants pay billions of dollars in federal taxes annually and a large number work in industries decimated by the pandemic. Immigration advocates argue that excluding this population from federal relief efforts not only leaves undocumented immigrants especially vulnerable, but could hurt public health efforts to stem the spread of the virus.

Moreover, many undocumented immigrants not working in industries shuttered by the pandemic are essential workers such as farmworkers, but often lack the benefits necessary to keep them safe and healthy, such as health insurance and paid sick leave. Immigrants in detention centers around the country are especially vulnerable due to crowded, unsanitary conditions, and frequent transfers of detainees among facilities. As of May 8, 788 individuals in Immigration and Customs Enforcement (ICE) custody have tested positive for COVID-19, about half of the 1,593 people tested—though advocates believe that limited testing is masking the severity of the problem.

Women of color

While early data show the coronavirus is killing more men than women, women face a wide range of challenges resulting from COVID-19. Women take on the majority of child care, eldercare, and domestic responsibilities, which are likely to increase during this time; women are also more likely than men to report that the pandemic is negatively impacting their mental health. Moreover, women make up the majority of victims of domestic abuse globally, which is now rising worldwide.

Yet women of color—subjected to the dual burden of racial and gender discrimination—are especially vulnerable. A *New York Times* analysis of census data found that nonwhite women are more likely to be doing essential jobs than anyone else, risking greater exposure to the virus. Moreover, women of color are disproportionately represented in low-wage jobs, leaving many with limited financial resources and savings necessary to weather the economic crisis. Latinas, for instance, make up a share of the low-paid workforce that is more than twice as large as their share of the workforce overall, while Black women's share of the low-paid workforce is 1.5 times larger than their share of the overall workforce.

6. Challenges for organizations led by people of color

Organizations led by people of color—which are frequently organizations that provide critical services and employment in communities of color—are at greater risk of downsizing or closure due to this crisis. Our research on racial equity in philanthropy indicates that leaders of color face substantial barriers to capital—among the highest quality applicants to Echoing Green's fellowship programs, the revenues of Black-led organizations are 24 percent smaller than the revenues of their white-led counterparts. The unrestricted net assets of Black-led organizations are 76 percent smaller than white-led counterparts—a particularly startling disparity, as unrestricted funding often represents a proxy for trust.

Disparities by the race of the leader repeatedly persist even when taking into account factors like issue area and education levels. For example, among organizations in Echoing Green's Black Male Achievement fellowship, which focuses on improving the life outcomes of Black men and boys in the United States, the revenues of the Black-led organizations are 45 percent smaller than those of the white-led organizations, and the unrestricted net assets of the Black-led organizations are 91 percent smaller than the white-led organizations—despite focusing on the same work.

These funding disparities are the result of multiple "barriers to capital" across all stages of the fundraising process, including getting connected to funders, building relationships and rapport, securing financial support, and sustaining relationships over time. These findings affirm what leaders of color and racial equity advocates like ABFE, the Philanthropic Initiative for Racial Equity, Race Forward, and Building Movement Project have been saying for decades.

7. Starting list of opportunities for giving

As a first step, proactively check-in with equity leaders and people of color in your portfolio and networks, and listen for opportunities to provide support. Leaders of color are often most proximate to the challenges and best positioned to understand needs—and hence best positioned to enact realistic, impactful solutions. Support could include differential funding for those organizations—which are less likely, on average, to have significant financial reserves or deep philanthropic networks—and soliciting suggestions of other opportunities for impact in a community or field.

Below, we highlight a set of credible actors with a racial equity focus, or that predominantly serve communities of color or immigrants, that might serve as partners and effective channels to deploy capital swiftly and responsibly—but it is not a compendium of the universe of actors working in these areas (particularly at local levels). These organizations have been shared by Bridgespan colleagues or leaders in the sector, or have surfaced in desktop research. We have begun to compile a list of other actors actively engaged in the areas outlined in this update, which we can share upon request and augment with your suggestions.

Advocacy and policy organizations

Structural inequities cannot be remedied without addressing the policies underpinning them. Currently, pandemic-response policies are being designed and passed at an unprecedented pace. Policies enacted today should be designed to overcome existing structural inequities, not just for immediate needs. As such, it is critical to empower and elevate the voices of communities of color, who will be affected by these policies for years to come. This includes building power in communities of color through

community organizing and state, local, and national advocacy and partnering with governments to support initiatives designed to empower and uplift communities of color. The Libra Foundation and Groundswell Fund are examples of foundations investing in these areas—the Libra Foundation recently awarded \$22 million in grants to social justice organizations led by, and building power with, those most impacted by systemic oppression; Groundswell Fund, a public foundation that supports grassroots organizing by women of color and transgender people of color, has increased its rapid response funding and dramatically increased capacity-building support for grantees.

Many national organizations, including Advancement Project, CLASP, Color of Change, Community Change, LatinoJustice, the Lawyers' Committee for Civil Rights Under Law, the NAACP Legal Defense and Educational Fund, the National Domestic Workers Alliance, PolicyLink, Race Forward, The Leadership Conference on Civil and Human Rights, and UnidosUS, are advocating for the needs and rights of communities of color. Many of these organizations are also working on voting rights and 2020 Census outreach, which face significant challenges resulting from the pandemic. Other organizations, such as State Voices, The Brennan Center for Justice, and the Southern Coalition for Social Justice, are working to ensure communities historically underrepresented in democratic processes, including people of color, are included and represented. Hispanics in Philanthropy also established a Civic Participation Fund to provide grant funding to grassroots nonprofits helping to ensure Latinx people are counted in the 2020 Census.

A number of organizations, including America's Voice, The Sentencing Project, and Vera Institute for Justice, are advocating for the health, safety, and well-being of incarcerated populations and detained immigrants, who are disproportionately people of color.

Asian Americans Advancing Justice, a national organization dedicated to advancing the civil and human rights of Asian Americans through education, litigation, and public policy advocacy, has also compiled a list of resources to combat racism and xenophobia arising from COVID-19 and continues to operate its website, www.standagainsthatred.org, to document hate crimes, harassment, and discrimination experienced by Asian Americans.

To ensure communities of color have access to the technology and internet necessary to access vital services, including public benefits, telehealth, online banking, and virtual learning—during the pandemic and beyond—investment in addressing the digital divide is necessary. Free Press is drawing attention to racial disparities in broadband adoption and Free Press Action is calling on Congress to help bridge the digital divide during this critical moment.

With police playing a critical role in maintaining public safety and public health during the pandemic, it will be important to ensure equity in policing is upheld. The Center for Policing Equity is a research and action think tank that partners with law enforcement and communities of color to reduce racial bias in policing and uses data to create levers for social, cultural, and policy change.

Local community and population-specific funds

There are many emerging COVID-19 response funds focused on specific populations of color, or focused on communities with very high proportions of people of color. These funds are leveraging the expertise and trusted relationships in communities of color built over many years by umbrella organizations and

funders. In looking at local response funds, philanthropists should probe whether the fund has an explicit racial equity focus and ensure there is a clear strategy to reach those most in need.

Local response funds are an effective channel for directing funds to community-based nonprofits that are meeting basic needs, such as food, shelter, and healthcare. The Brooklyn Community Foundation is explicitly prioritizing the escalating needs in communities of color, while the Latino Community Foundation launched the Love Not Fear Fund to channel critical funds to Latinx-led organizations serving California's most vulnerable communities—the elderly, undocumented immigrants, farmworkers, and working-class families in the Central Valley and Inland Empire. There are numerous examples of funds dedicated to supporting immigrants or specific communities of color, including Hispanics in Philanthropy's COVID-19 Rapid Response Migration Fund, the Native American Community Response Fund (launched by the Decolonizing Wealth Project, Native Americans in Philanthropy, and the National Urban Indian Family Coalition), and First Nations Development Institute's COVID-19 Emergency Response Fund. GirlTrek, a nonprofit creating a movement of Black women improving their own health and the health of their communities, launched the GirlTrek Gives Back Fund to provide emergency financial assistance to members who are facing extraordinary financial hardship.

Other funds have been developed to support workers in specific industries where immigrants or people of color make up a large share of workers. These funds, such as the National Domestic Workers Alliance's Coronavirus Care Fund, the One Fair Wage Emergency Coronavirus Tipped and Service Worker Support Fund, and The Workers Fund (launched by The Workers Lab to support gig and low-earning contract workers that have lost wages), provide direct financial assistance to affected individuals, alleviating some of the economic hardships.

Health-related supports¹

Community-based organizations, such as VOCAL NY and Make the Road NY, play a critical role in disseminating information to vulnerable and disproportionately impacted populations (e.g., the incarcerated, housing unstable, underinsured, and immigrant communities) through targeted outreach campaigns and resources. At a national level, CareMessage is helping community health centers and free and charitable clinics disseminate critical COVID-19 related messaging via SMS/text, particularly for communities of color.

Community health centers and programs, such as La Clínica del Pueblo, the Community Outreach and Patient Empowerment (COPE) Program in Navajo Nation, and the National Association of Free and Charitable Clinics' network of 1,400 clinics and pharmacies, play an important role in ensuring immigrants and communities of color have access to the healthcare they need.

Socioeconomic supports

Economic hardship

Several organizations are providing cash directly to affected families, such as the Family Independence Initiative which, in partnership with Stand Together, launched a COVID-19 relief campaign. Opportunity Fund, a community development financial institution that provides microloans to underserved small

¹ Several of the organizations included in the health-supports and socioeconomic supports sections also work on advocacy and policy issues.

businesses, particularly those owned by low- and moderate-income immigrants, people of color, and women, launched the Small Business Relief Fund to provide immediate relief to self-employed and small-business owners struggling as a result of COVID-19.

With communities of color being hard hit by rising unemployment, the need for workforce development and job training programs will increase—the Center for Employment Opportunities is one example, and is exclusively focused on providing employment services to individuals who have recently returned home from incarceration.

Child care/early childhood development

In a recent blogpost, Bridgespan underscored the importance of investing in child care as a means of supporting equitable recovery in one's community and encourages funders to meet child care providers' immediate needs while raising awareness about the child care crisis and help providers navigate the hurdles to securing and gaining access to new public support. As the post notes, it will be essential to engage organizations with knowledge of and connections to child care providers in communities that are particularly hard hit by the health impacts of COVID-19 and by unemployment. These may include community action agencies, which have deep roots in their communities, including communities of color and rural communities. Other organizations, such as Latino Policy Forum in Chicago, affiliates of UnidosUS, or affiliates of the National Domestic Workers Alliance, will be able to reach the large number of immigrant women working in child care. For funders specifically interested in helping home-based providers, who are often low-income women of color, Home Grown (a national funder collaborative) has developed a toolkit for establishing an emergency fund that meets the needs of local providers and caregivers.

Education

The Schott Foundation for Public Education, a foundation dedicated to supporting grassroots movements for racial justice and education, is partnering with national organizations, including the Journey for Justice Alliance, the Alliance to Reclaim Our Schools, and the Dignity in Schools Campaign, to create the Loving Communities Response Fund. The initiative will support community-led organizations serving youth and families directly impacted by school closings, lost wages, food insecurity, and potential homelessness.

At the higher education level, philanthropists can support college persistence organizations such as Beyond 12 and OneGoal that are providing historically underrepresented students, including students of color, with the support they need to succeed. Funding for historically Black colleges and universities (HBCUs, predominantly Black institutions, and minority-serving institutions may also be channeled directly to institutions or to national organizations such as Thurgood Marshall College Fund (TMCF) and the United Negro College Fund. For example, TMCF established the TMCF COVID-19 HBCU Emergency Fund to help students attending HBCUs address housing, technology, food, and other COVID-19 related costs.

8. Taking a longer-term view: Prioritizing racial equity in grantmaking beyond COVID-19

The pandemic is bringing into stark relief long-standing structural and systemic inequities. How stakeholders choose to respond will have important and long-lasting implications for communities of color. For philanthropists, putting racial equity at the center of the response is necessary not only in the

immediate term to address the disproportionate impacts of the crisis on communities of color, but also—critically—in the longer term to advance necessary structural change. As Michele Kumi Baer from Race Forward notes: "Short-term responses without a long-term vision for a more racially just economy and healthcare system are likely to reinforce the racist status quo. As we respond to the COVID pandemic, the question at hand is less about whether or not we 'return to normal,' as many pundits are articulating. That 'normal' has been unjust, dysfunctional, and ineffective, especially for people of color, disabled people, and queer people. Instead, get clarity on the long-term shifts and changes you are working toward in the short-term so you can actively re-imagine and re-calibrate for a more just future."

This moment has the potential to be a catalyst for transformative change, and building the power, influence, and capacity of leaders most proximate to the challenges will help realize this potential. For philanthropists, this means that commitments to racial equity must be intentional and explicit given the prevalence of unintentional racial bias in philanthropic funding. Deepening existing relationships and intentionally seeking out and building new ties with frontline organizations advancing racial equity and justice—especially those led by people of color—is essential. Infusing these leaders and organizations with rapid, flexible, and significant financial resources and other supports to build new capabilities across advocacy and direct service, and accelerate efforts to address disparities can help ensure the immediate and longer-term response is inclusive and equitable. Investing in these relationships during this time of crisis can set the foundation for deeper and more authentic collaboration going forward. As Lori Villarosa of the Philanthropic Initiative for Racial Equity puts it: "Approaching your grantmaking with a racial justice lens is not just for times of crisis. By employing this lens at all times, funders can unlock long-term transformational impact and strengthen the community-wide infrastructure needed to foresee, respond to, and avert potential damages from crises like the COVID-19 pandemic."

For more information on racial equity in philanthropy, see two articles recently published by Bridgespan that call renewed attention to the persistent and substantial barriers to capital leaders of color face: "Racial Equity and Philanthropy: Disparities in Funding for Leaders of Color Leave Impact on the Table" and "Overcoming the Racial Bias in Philanthropic Funding."