MOVING BLACK-LED ORGANIZATIONS FROM CRISIS TO CHANGE: SOLUTIONS FOR SUSTAINABILITY

NOVEMBER 15, 2016

"If there is no struggle, there is no progress."
Frederick Douglass
Welcome

# Agenda

## I. Context
Susan Taylor Batten, President and CEO
ABFE

## II. Insight
Robert Phillips, Board Chair
BABUF

## III. Conversation
Vivian Chang, VP of Community Investment and Partnership
East Bay Community Foundation

## IV. Popcorn
Vivian & Small Group Leaders

## V. Change
James W. Head, President and CEO
East Bay Community Foundation

## VI. Partnership
James & All Attendees
CONTEXT
While there is a major gap in national data on the health and well-being of Black-led organizations (BLOs), emerging regional data suggests that the trends in the Bay Area mirror those of BLOs nationally.

Nationally, Black-led organizing groups are in crisis:
- **Black Door of Social Change** – 100 interviews
  - Small and underfunded
  - “Mom and Pop” shops with deep community roots
  - Limited operating capacity; little to no paid staff

Prevents Black-led groups from being on the front lines in coalitions that would help larger progressive movements.
Black foundation professionals in Chicago and Washington, D.C. have engaged in capacity building efforts for BLOs.

Philadelphia – African American Leadership Forum

- How African American-led Organizations Differ from White-led Organizations
  - More likely to serve teens, African Americans, and low-income residents
  - Are smaller, as defined by the number of staff and volunteers
  - Fewer cash reserves and are more dependent on government grants
  - All reported significant fundraising challenges; African American EDs reported even greater challenges
  - Need for diverse funding streams and creative funding strategies
  - Recommendations/actions:
    - Board development (and placement of AA talent on Boards)
    - Peer network/professional development
    - Fiscal management
    - Marketing and communications
REASONS FOR FRAGILE CAPACITY

- **Nationally 2006**: Among the top 10 foundations; less than 2% directed towards Black communities (mission = Black communities)

- **Chicago 2015**: One of the largest foundations invested $35 million in the city; less than one tenth of one percent ($375,000) went to Black-led organizations serving the Black community

- **National Response**: Emerging Black Social Change Funders Network
INSIGHT
Who Responded?

Who are the Bay Area’s BLOs?

What are BLO Areas of Opportunity?
WHO’S INFORMING THIS?

- 125 BLOs across Alameda, Contra Costa, Marin, Santa Clara, San Francisco and Santa Mateo Counties were invited to participate
- 57% or 71 organizations responded
- 46% or 57 organizations completed the survey
- 2 focus groups were held w/20 leaders
Black-Led Organizations In The Bay Area Are...
Concentrated in 3 Areas

- 95% of all BLOs are located in Alameda, Contra Costa and San Francisco Counties
- 66% are based in Alameda County
- Oakland is an important Black nonprofit service hub
81% are organizations in operation for over 9 years:

Number of Years in Existence

70% focus within the Bay Area region:

Geographic Focus
Almost 70% of BLOs have budgets under $1 million; almost half have budgets under $500k:

Budget Size

Over 60% have little to no reserves or endowment:

Financial Reserves/Endowments
Diverse in Their Funding Streams

Sources of Funding

Average Funding Mix

- Foundation Grants: 34%
- Government Contracts: 19%
- Individual Donors: 12%
- Earned Income: 11%
- Government Grants: 9%
- Corporate Grants: 8%
- Other Grants: 4%
- Endowment: 1%

Moving Black-Led Organizations from Crisis to Change: Solutions for Sustainability
Almost 70% of leaders have held their positions for 10 years or less:

- 25% for 0-2 Yrs
- 27% for 3-5 Yrs
- 16% for 6-9 Yrs
- 13% for 10-14 Yrs
- 10% for 15-19 Yrs
- 9% for 20+ Yrs

Only 15% see remaining in their current role for the long term:

- 41% for 1-2 Yrs
- 22% for 3-5 Yrs
- 22% for 6-10 Yrs
- 15% for 11+ Yrs
BLOs have limited staff support - 63% have staff of 10 or less; 85% have staff of 20 or less while only 15% have staff greater than 20:
BLO staffs in the San Francisco Bay Area are far more diverse than nonprofits nationally:
MOVING BLACK-LED ORGANIZATIONS FROM CRISIS TO CHANGE: SOLUTIONS FOR SUSTAINABILITY

...PRIMARILY SERVING AFRICAN AMERICAN AND LATINO COMMUNITIES

Average Race/Ethnic Make-up of Population Served

<table>
<thead>
<tr>
<th></th>
<th>All BLOs</th>
<th>Alameda</th>
<th>Contra Costa</th>
<th>Marin</th>
<th>San Francisco</th>
<th>San Mateo</th>
<th>Santa Clara</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td>3%</td>
<td>3%</td>
<td>2%</td>
<td>3%</td>
<td>5%</td>
<td>20%</td>
<td>0%</td>
</tr>
<tr>
<td>White</td>
<td>8%</td>
<td>7%</td>
<td>12%</td>
<td>2%</td>
<td>9%</td>
<td>6%</td>
<td>10%</td>
</tr>
<tr>
<td>Native American</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>0%</td>
<td>1%</td>
<td>9%</td>
<td>5%</td>
</tr>
<tr>
<td>Latino</td>
<td>23%</td>
<td>20%</td>
<td>44%</td>
<td>40%</td>
<td>17%</td>
<td>30%</td>
<td>30%</td>
</tr>
<tr>
<td>Asian</td>
<td>6%</td>
<td>4%</td>
<td>6%</td>
<td>7%</td>
<td>12%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>African American</td>
<td>59%</td>
<td>65%</td>
<td>35%</td>
<td>48%</td>
<td>56%</td>
<td>40%</td>
<td>50%</td>
</tr>
</tbody>
</table>
...largely renters with some ownership

- All BLOs: 22% owners, 54% tenants, 12% subletters, 12% no space
- Alameda: 7% owners, 60% tenants, 15% subletters, 18% no space
- Contra Costa: 43% owners, 43% tenants, 14% subletters
- San Francisco: 75% owners, 25% tenants

Building ownership distribution across different regions and their percentages of ownership, tenant, subletter, and no space categories.
...OVERWHELMingly FOCUSED ON YOUTH

Top Focus Areas

Youth Development 60%
Education 50%
Black Men & Boys 40%
Health 30%
Advocacy & Policy 20%
Economic Development 10%
Community Development 10%
Social Justice 5%
Arts & Culture 5%
Capacity Building 5%
Other 5%
...SERVING A RANGE OF PEOPLE ACROSS THE BAY AREA

Top Ten Populations Served:

1. Black
2. Low and Moderate Income
3. Underserved
4. Youth and Teens
5. Young Adults
6. Girls
7. Latino and Other Minorities
8. Children
9. Boys
...Feeling “OK” or “Well” about their performance but definitely want to improve

CURRENT STATE OF BAY AREA BLOs

- **All BLOs:**
  - Thriving: 11%
  - Performing Well: 32%
  - Performing OK: 44%
  - Not Performing OK: 8%
  - In Crisis: 5%

- **Alameda:**
  - Thriving: 8%
  - Performing Well: 37%
  - Performing OK: 39%
  - Not Performing OK: 13%
  - In Crisis: 3%

- **Contra Costa:**
  - Thriving: 14%
  - Performing Well: 29%
  - Performing OK: 43%
  - Not Performing OK: 14%

- **San Francisco:**
  - Thriving: 25%
  - Performing Well: 12%
  - Performing OK: 63%

**MOVING BLACK-LED ORGANIZATIONS FROM CRISIS TO CHANGE: SOLUTIONS FOR SUSTAINABILITY**
...mixed on their feelings around growth and confidence

GROWTH TRAJECTORY:
- In Decline: 2%
- Stagnant: 4%
- Too Slow: 14%
- Slow: 12%
- Just Right: 5%
- Fast: 35%
- Too Fast: 28%

CONFIDENCE IN THE FUTURE:
- Very Confident: 51%
- Confident: 42%
- Not Quite Confident: 7%
- Not At All Confident: 2%

Moving Black-Led Organizations from Crisis to Change: Solutions for Sustainability
Generally “Satisfied” with their Boards, except around Fundraising

Satisfaction with Key Board Roles & Characteristics

<table>
<thead>
<tr>
<th>Role/Characteristic</th>
<th>Very Satisfied</th>
<th>Satisfied</th>
<th>Dissatisfied</th>
<th>Very Dissatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advocacy</td>
<td>14%</td>
<td>53%</td>
<td>30%</td>
<td>4%</td>
</tr>
<tr>
<td>Budget Oversight</td>
<td>19%</td>
<td>61%</td>
<td>16%</td>
<td>4%</td>
</tr>
<tr>
<td>Continuity of Members</td>
<td>16%</td>
<td>65%</td>
<td>16%</td>
<td>4%</td>
</tr>
<tr>
<td>ED/CEO Evaluation</td>
<td>19%</td>
<td>44%</td>
<td>32%</td>
<td>5%</td>
</tr>
<tr>
<td>ED/CEO Support</td>
<td>23%</td>
<td>53%</td>
<td>19%</td>
<td>5%</td>
</tr>
<tr>
<td>Fundraising</td>
<td>7%</td>
<td>26%</td>
<td>49%</td>
<td>18%</td>
</tr>
<tr>
<td>Governance</td>
<td>16%</td>
<td>54%</td>
<td>28%</td>
<td>2%</td>
</tr>
<tr>
<td>Knowledge, Skills &amp; Abilities</td>
<td>32%</td>
<td>53%</td>
<td>14%</td>
<td>2%</td>
</tr>
<tr>
<td>Attendance</td>
<td>19%</td>
<td>58%</td>
<td>19%</td>
<td>4%</td>
</tr>
<tr>
<td>Participation</td>
<td>14%</td>
<td>53%</td>
<td>26%</td>
<td>7%</td>
</tr>
<tr>
<td>Number of Members</td>
<td>11%</td>
<td>46%</td>
<td>37%</td>
<td>7%</td>
</tr>
<tr>
<td>Policy Development</td>
<td>12%</td>
<td>53%</td>
<td>30%</td>
<td>5%</td>
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</table>
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...COLLABORATING RELATIVELY FREQUENTLY WITH FOUNDATIONS AS COMPARED TO CORPORATIONS AND DONORS

Collaboration with Key Stakeholders

- Community Members
- Businesses/Corporations
- Nonprofit Partners
- Foundations
- Gov't/Elected Officials
- Individual Donors
- Intermediaries
- Program Alumni

Legend:
- N/A
- Never
- Rarely
- Sometimes
- Often
- Always
AREAS OF OPPORTUNITY
There's a high level of interest in a collaborative capacity building initiative.

- 70% Very Interested
- 16% Interested
- 13% Somewhat Interested
- 1% Not Interested
WHAT’S NEEDED TO ENSURE BLO SUCCESS IN THE NEXT 3-5 YEARS?

3 MOST CRITICAL RESOURCES NEEDED

- Best-In-Class Systems & Training
- Leadership Development for Board & Staff
- Revenue to Support Growth

BLO SUCCESS
FOR MORE INFORMATION

Download the Full Report at:
http://babuf.org

Contact Duane Poe, President & CEO, at:
dpoe@babuf.org
SMALL GROUP CONVERSATIONS WITH BLOs

RED GROUP

DONALD GILMORE
EXECUTIVE DIRECTOR, COMMUNITY HOUSING DEVELOPMENT CORPORATION

NOHA ABOELATA
CHIEF EXECUTIVE OFFICER, ROOTS COMMUNITY HEALTH CENTER

GOLD GROUP

LENA MILLER
EXECUTIVE DIRECTOR OF DEVELOPMENT, HUNTERS POINT FAMILY

CHERYL VAUGHN
EXECUTIVE DIRECTOR, SOLAR RICHMOND

GOLD GROUP

ARTHUR SHANKS
EXECUTIVE DIRECTOR, CYPRESS MANDELA TRAINING CENTER

BRANDON NICHOLSON
EXECUTIVE DIRECTOR, HIDDEN GENIUS PROJECT

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INITIATIVE GOALS

Enhance the growth, sustainability, impact and sense of community of Black-led anchor institutions in the Bay Area that provide critical programs and services to ensure the long-term vitality of the organizations and the Black communities they serve.

Apply a fresh, dynamic and replicable approach to collaborative capacity building that further develops the nonprofit sector with a lens toward race and equity.
Moving Black-Led Organizations from Crisis to Change: Solutions for Sustainability

Path to Greater Impact & Sustainability

- Partnership with Funders
- Community for Peer-Learning & Networking
- Funding to Spur Innovation & Growth
- Board & Leadership Development
- Best-in-Class Training & Technical Assistance
INITIATIVE DESIGN

Target:

BLOs in Alameda, Contra Costa, San Francisco and San Mateo Counties that:

- Are community anchor institutions serving as cornerstones in their respective communities
- Have a track record suggesting potential to sustain and increase their long-term durability and impact
- Demonstrate commitment to promoting equity
- Are willing to take ownership and be accountable for results
- Have an ability and desire to provide feedback to the Initiative's governing body

Mechanism:

Unique delivery of deep investment including mentors and coaches, training and technical assistance and facilitation of peer connection and learning:

- BLO Accelerator for Emerging BLOs: 2 Cohorts of 5 BLOs each
- BLO Stabilizer for Mature BLOs: 1 Cohort of 5 BLOs
- BLO-Wide Peer Community & Learning: For all 125+ BLOs
Innovative community anchors that have a vision for growth, promising ideas and a willingness to work in new ways to catalyze personal, organizational and community change

- An intensive 6-month program including classroom and online training focused on areas such as management, marketing, finance and innovation
- Mentors, coaches and technical supports to develop a bold growth idea
- Opportunity to pitch their idea to funders and receive a 3-year investment to assist with development costs, ongoing technical support and training
Mature community anchors with long-term leaders seeking guidance to prepare for a thoughtful executive transition to ensure organizational and community sustainability

- A 3-year program including leadership development, board recruitment, advanced training and supports such as succession planning, strategic planning and executive search
- Mentors, coaches and technical supports to assist the outgoing leader, senior management, board and incoming leader in managing change
- Priority opportunity for successfully transitioned BLOs to enter the Accelerator

**Target:**

**Mechanism:**

**PLAN**

**THRIVE**

**ADAPT**
All BLOs in the four-county service area

- Current database includes 125 BLOs

Key elements will include:

- An online community for peer networking and learning
- A conference and access to certain workshops/speakers
$10 million over 7 years will support up to 10 BLOs in the BLO Accelerator, 5 BLOs in the BLO Stabilizer and over 125 BLOs in community-building and peer learning

- Includes program management; evaluation; contracts with trainers, consultants, speakers, coaches and vendors; travel; and an online community with networking opportunities for all BLOs

<table>
<thead>
<tr>
<th>BLO Budget</th>
<th>Accelerator (2 Rounds)</th>
<th>Stabilizer (1 Round)</th>
<th>TOTAL:</th>
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<tr>
<td>2017</td>
<td>$500,000</td>
<td>$1,000,000</td>
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<td>2018</td>
<td>$1,000,000</td>
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<td>$2,000,000</td>
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<td>2019</td>
<td>$1,000,000</td>
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<td>2020</td>
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<td><strong>TOTAL:</strong></td>
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<td><strong>$10,000,000</strong></td>
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INITIATIVE TIMELINE

2016
- Select Lead Agency
- Appoint Advisory Committee
- Engage BLOs in Design
- Announce Initiative
- Secure Resources
- Issue RFP for Evaluator
- Issue RFQ for Consultants

2017
- Continue Securing Resources
- Develop Assessment & Training Modules
- Convene BLOs: Kick-off Meeting
- Initiate Online Community
- Announce Grants
- Launch Accelerator & Stabilizer
- Implement Data Analysis Systems
- Ongoing Support & Monitoring

2020
- Launch a 2nd round of the Accelerator, including new leaders from the Stabilizer

2023
- Leveraging evaluation learnings, refine & expand/replicate the Accelerator & Stabilizer
PARTNERSHIP

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REASONS TO JOIN

- Joint Learning
- Risk Sharing
- Opportunities for Replication/Expansion (to other geographies and/or populations of color)
To support the implementation of the BLO Accelerator and BLO Stabilizer, the leading investors are currently seeking support from foundations, corporate contribution programs, government agencies and individual donors.

Partners are encouraged to award Multi-Year Grants to the fund, administered by The East Bay Community Foundation, by February 28, 2017.

To invite a proposal or request additional information, contact:

Sachi Yoshii
Director of Strategic Initiatives and Special Projects
East Bay Community Foundation
Ph: 510-836-3223; Email: syoshii@eastbaycf.org
JOIN US

THE CALIFORNIA ENDOWMENT

EAST BAY COMMUNITY FOUNDATION

KAPOR CENTER FOR SOCIAL IMPACT

THE SAN FRANCISCO FOUNDATION

THE CALIFORNIA WELLNESS FOUNDATION

SODA FOUNDATION

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