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Addressing Funding Disparities in Women of Color-led Organizations

by

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Abstract

Women of color who are founders and/or leaders of nonprofit organizations typically come from the communities they serve. While their experience within their communities gives them an edge on service delivery and impact, these leaders face funding disparities compared to other organizations. This report highlights the stories and experiences of three women of color founders and nonprofit leaders to provide insight into the funding barriers and how to mitigate these barriers. Suggestions for improvement include Trust based philanthropy, listening sessions, and Women of color-leader development circles.
Acknowledgments

Success in the nonprofit sector is, and should be, a team effort. This report is an effort of many. I would like to thank my MNA professors for sharing their knowledge and support, which has encouraged my career. Thank you to my husband, who has continuously supported my career and education. Without him, I wouldn’t have pursued my dream of attending graduate school. Thank you to my daughters for the inspiration and motivation. As a first-generation college graduate my goal as a mother is to provide them with the resources they need to pursue their passions and feel loved. And, thank you to the leaders I had the opportunity to interview. Due to the nature of exploring discrimination/racism/sexism/cultural history, these interviews were emotional. These leaders shared their stories to benefit the greater good despite the emotional journey. Thank you.
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Section 1. Introduction

Many nonprofit professionals agree that women of color (WOC)-led nonprofit organizations face funding disparities compared to other organizations. Working in the nonprofit sector, I have seen behind the scenes of many barriers/expectations myself and other women of color leaders have faced.

One year ago, I started a grant writing/grant management consulting company. My passion, experience, education, and drive pointed towards working with WOC-led organizations that come from the communities they serve. Working with these women, I have heard of their funding challenges, and I am dedicated to addressing these disparities. Addressing these disparities, combined with understanding the benefits of women of color-led organizations will help improve funding for these organizations, which will further drive their impact on the communities they serve.
Research is needed

Although more attention has been brought to WOC-led organizations, research is still needed to understand the funding gaps. This research aims to address the following questions in regarding to the funding disparities within WOC-led organizations.

Questions

1. What are the funding needs of underserved communities led by WOC?
2. What are the funding bubbles?
3. What are the barriers when applying for funding?
4. What are the barriers when funding is received?

Definition

According to Merriam Webster, the definition of a woman of color is “a woman whose skin pigmentation is other than and especially darker than what is considered characteristic of people typically defined as white”. As someone who identifies as a WOC, this definition doesn't fit my research. For this report, those that are being interviewed self-identify as a WOC and have the choice to further express their cultural and ethnic identity. WOC is a broad category, and each person has their own unique story to share. This report is to serve as insight to understanding what barriers may be present and how to help the nonprofit sector further develop and succeed. Additionally,
the research presented may provide insight into other nonprofit leader’s issues and successes with their own funding disparities.

Section 2: Non-systematic Literature Review

The Non-systematic literature review and webinar review conducted provides information to various aspects of the funding disparities for WOC-led nonprofit organizations. These articles relay more is expected of WOC-led/Black-led/Latino-led organizations with less funding. Research also indicates that funders may look at these organizations as a riskier investment, have more requirements, and funding is often short-term.

LC Johnson, founder of Zora’s House, states:

As we discussed this issue, both described a cycle that this level of racial inequity causes for women of color-led nonprofits. Low investment is only enough to account for survival needs, meaning there isn’t enough left over for these women to reach the full potential of their organization and dream. Johnson further explained, drawing from her personal experience founding Zora’s House, that women of color are expected to be exceptional and perfect to even be considered for financial investment. She added that this is still expected of them even when they do get investments, and the pressure rises and prevents them from taking risks because they become worried about losing investments and setting a “bad example” for future women of color in a similar position. In order to make any progress on this issue, steps must be taken to ensure that this environment of racial inequity in the philanthropic community is addressed. Johnson cited Pocket Change, the report from the Ms. Foundation, as a great resource for a to-do list for donors looking to correct their racial and gender biases. The simple and obvious, but still not practiced, solution to this problem is to allocate more funds to women of color, said Johnson. “Giving to these women
must also be tracked, to ensure that these leaders understand the investment trends,” she added. Equally importantly, donors should be open about their support for women of color publicly so that these non-profit leaders can serve as a resource and model for others (Pike, 2021).

Additionally, Ana Marie Argilagos, president of Hispanics in Philanthropy explains:

Foundations perceive groups led by Latinos as riskier than those led by white people and therefore are reluctant to fund them. Little has changed over time. Even as the population of Latinos in the United States has risen over the past decade to 18 percent, the share of philanthropic dollars going to Latino issues has remained at about 1 percent, according to a study by Candid (Pike, 2021).

The exploration of this topic brought me to an interesting webinar topic hosted by the Black Funders Network (BFN), titled *Navigating the Funding Terrain for Black-led Organizations*. This was held on May 31, 2023, which brought this topic to a current discussion. Many speakers mentioned funding for black-led organizations is often “temporary” and “narrow” (BFN, 2023). They indicated “Black and Latino-led organizations receive only 4% of philanthropy dollars” (BFN, 2023). To better these organizations, they indicated “The most sustainable funding for communities of color is government funding...for every dollar that funders give, the government gives twelve” (BFN, 2023).
Section 3: Methods and Approaches

I am thankful to have interviewed three incredible nonprofit founders and leaders. Although the interviews were informative, it was an emotional journey to hear each leaders’ stories of barriers, history, culture, racism, success, and triumph. I felt connected and impacted by their powerful stories.

The research method I used for this project were expert interviews. I conducted three expert interviews from women that self-identified as WOC and are founders and leaders of nonprofit organizations. These interviews were conducted via zoom, with follow up emails. The interviews were semi-structured and each one hour in length. I asked each expert ten questions regarding their experiences. Since some of the questions may have been triggering, I included a brief at the beginning of the interview to let me know if they would prefer to skip a question or take a break as needed.

The follow ten questions were asked to each interviewee:

1. Do you identify as a WOC? If you wish to state further how you identify you may.

2. What is your current role in the nonprofit sector and tell me about your nonprofit?

3. What are the benefits, in the nonprofit sector, of being a WOC nonprofit founder/leader?
4. Have you observed or experienced funding disparities within the nonprofit sector as a WOC leader?

5. If so, what are the challenges you have faced?

6. Can you share any strategies or approaches you have used to address funding disparities and increase financial support for your organization?

7. How do you think funders and philanthropic organizations can better support and address the funding disparities faced by WOC leaders?

8. Have you found any specific funding sources or grant programs that prioritize supporting organizations led by WOC?

9. How do you navigate the potential tension between addressing funding disparities and maintaining the autonomy and mission of your organization?

10. Are there any personal stories or anecdotes you would like to share that highlight the impact of funding disparities on WOC leaders in the nonprofit sector?
Section 4. Data Analysis

Expert 1

My first interview was with Statice Wilmore, who is the Founder and CEO of the Walter Lee Wilmore Foundation (WLW Foundation). Statice identifies as a WOC, African American and Native American. Although, she is hesitant in some circumstances to indicate her identity for fear of being “red-lined” due to her identity.

To speak to serving communities they come from, Statice expresses,

The WLW Foundation is a remembrance of her dad, Walter Lee Wilmore, who began smoking at age 9, and prematurely died from cigarette smoking at age 49. ...The mission of the WLW Foundation is to promote healthy lifestyles among inner-city youth and to engage them in positive alternative activities and programs that will enhance, protect, and preserve their health and well-being. ...[WLW Foundation] serve primarily youth and their families in Los Angeles County who are predominantly of low socio-economic status and from single-family parent households.

Statice sees many benefits in being a WOC nonprofit founder/leader. She is able to save lives and help people. It’s a way to give back to herself and honor her parents. Her goal from her “paycheck” is to create generational wealth for her family and to provide an opportunity for family to “take-over” the business in the future.
Statice explains she has experienced discrimination and disparities in funding her nonprofit but prefers not to talk about the disparities. As disparities are always going to be there and states, “it’s unfortunate that we’re always going to see funding disparities”. Statice also indicates that it is, “hard to deal with a topic that is deep and a moving target. It hurts”. But that we do need to highlight the disparities to move forward, and “we want to tell the world our story”.

Her improvement suggestions for funders and philanthropic organizations are for the funding sources to come together and put money into the same pot to not overlap funding, and rather address funding gaps. Statice suggests, “Small and new nonprofits should automatically receive funding during the first year, and from a separate pot of money, as it’s hard for a small and new nonprofit to compete against large and established organizations”.

Expert 2

My second interview was with Dr. Christine Coleman, who is the Founder and Executive Director of Sol Sisters Inc. Christine identifies as a WOC and Mexican-Iranian American. Sol Sisters serves the Oakland Bay Area, and their mission “is to help women overcome societal barriers by providing educational and empowering experience that promote community”. Christine saw herself in the women she served. She wanted to preserve and respect women’s cultural aspects while creating safe and researched
backed services. Her goal is to further explore how to connect women with privilege with underserved women.

Christine faces challenges in funding for her nonprofit because she doesn’t “know how to fundraise”. Christine exclaimed, “When can someone see me?! I need help” (Regarding funding her nonprofit). She has heard comments from others that have said, ‘it must be nice to be a brown woman because you can get ahead’. Yet, she doesn’t see that translated to receiving donor funds. She wants donors to trust WOC nonprofit leaders! They don’t need hand holding and to be evaluated.

Christine passionately expressed that she felt very seen being interviewed for this research project, she is trying to do good work but doesn’t have the appropriate funding. Christine exclaims, “My vision deserves funding, it’s not just a passion project, these services are impactful!”.

**Expert 3**

My third interview was with Yvette Williby, who is the founder and Executive Director of Mosaic Movement. When asked about her identity she expressed,

Yes! I am a woman of color. The reason is why I identify as a woman of color dates back to my mom and grandmother. My grandmother crossing the border with her seven children. ...My story is so distinctive. Every woman of color represents a blend of their history. ...I identify as Mexican American/Latina. I
know my life would’ve been different through nonprofit services. My experiences made her aware of the services that are needed in the community. I can’t fill all of them [services], but it’s my mission to serve through the services we offer.

Mosaic Movement has three distinctive programs that serve Orange, Los Angeles, and Riverside County. Mosaic Movement invests in underserved communities and works alongside community members to strengthen communication and create collective collaboration.

Yvette indicates Mosaic Movement needs a starting point (regarding funding). Running a nonprofit is new to her, as well as getting funding. Yvette highlights the benefits of her community and culture and recommends the community approach to increase funding with WOC led nonprofit organizations. If these leaders can band together and share funding resources and collaboration.
Section 5: Implications and Recommendations

1. Trust Based Philanthropy

*The Chronicle of Philanthropy* released a timely article on July 19, 2023, Following Court Ruling, Foundation Officials Urge Sharing Power with Grantees”. Indicating, “Foundations with control over millions of dollars in grant-making budgets should cede power to the people and nonprofit they seek to support if they are serious about pushing for racial equity...[the letter] pushed for more foundation to practice “trust-based philanthropy,” in which they reduce many of the application and reporting burdens normally placed on grantees, and “participatory grant making,” in which grantees and people who benefit from foundation grants device grant-making strategies in collaboration with foundation leaders (Daniels, 2023).

To align with the insight from the expert interviews conducted for this research project, all the interviewees mentioned they have faced barriers to funding due to strict requirements, competing against larger organizations, and extensive reporting requirements with limited staff. Trust based philanthropy doesn’t remove requirements and reporting, but rather indicates funders trust the nonprofit leaders to be the experts within their organizations to use the funding as needed.
2. Funders/Grantors host Listening Sessions

Aligning and preceding the first recommendation, I recommend funders and grantors to host listening sessions to those that have received or would apply for their funding. The purpose for these listening sessions is for potential grantees to hear what the funder is looking to fund, and for grantors to hear from the experts what funding gaps they are experiencing. The nonprofit leaders can share what they have identified as gaps in funding needed for their organization to maximize impact. Grantors also have an opportunity to interact with the type of organizations would apply, which will help in creating an application that suits all sides.

Additionally, these listening sessions can highlight the disparities being experienced by the communities the nonprofits are serving, as well as the funding disparities the organizations are experiencing. This provides a bridge between what is happening “on the ground level” to those who are distributing funds and will provide information to create more sustainable and impactful funding sources.

Listening sessions will also provide “a safe place” for leaders to share their thoughts on funding. The leaders interviewed for this studied all indicated that funders expect women of color to communicate in a more “submissive” way, which hinders their voice and can affect the award of funding if they’re “too vocal”. There shouldn’t be additional expectations or restrictions to funding dedicated to WOC-led organizations.
3. Women of Color Leader Communities

The interviewees expressed they felt barriers in receiving funding, but felt strength in community with other WOC leaders, supporters, and resources. The concept of a “Women of Color Leaders Community” or “Women of Color Leaders Circle” was discussed to use their cultural strengths of family and community to share funding resources and support.

This aligns with my passion and my company’s goals, to work with WOC-led organizations to obtain funding to further drive their impact on the communities they serve. To this I will host a “Women’s of Color Leaders Circle” which will bring WOC nonprofit leaders together, as well as, experts in the funding field to share tips, resources, and funding sources.

The women of color-leaders circle will consist of webinars to share information about their organization, their challenges, their achievements, and insights they may have to funding sources. Guest speakers from giving circles, foundations, and grants will share insights into successful proposals, upcoming funding, and have the opportunity to listen to the experts share their funding experiences.

Members of the WOC-leaders circle can connect outside of the meetings for continuous support, friendship, and resources. This will aim to build community and connection amongst each other, and open additional opportunities for networking and funding.
Additionally, this concept can be modeled by others to create their own circles. Certain leaders circles may wish to focus on a specific geographic location, nonprofit type, or cultural or ethnic identity. The goal is for leaders to have a safe place to discuss their barriers, network, share ideas, increase funding, and have their voices heard.

Section 6: Conclusions

In conclusion, WOC led organizations experience many funding barriers and are committed to positively change funding processes to be more inclusive and accessible. WOC nonprofit leaders typically serve the communities they come from and are highly educated and experienced, making them experts in their leadership roles/mission/organization. Their expertise should be trusted, and their voices should be heard to maximize their organizations impact and funding dollars.

The women I interviewed bring their passion, culture, and experiences to the table to make a change within the communities they serve. Their cultural identities serve their professional roles, and they see themselves as “privileged” among the communities they serve. These trailblazing women are committed to using that privilege to drive impact and make a difference.
The research was an emotional process for me and a passion project. My passion and connection with those that I interviewed translated to action with the planning and strategizing of the WOC leader circles. I am dedicated to using my platform as a business owner to connect these amazing leaders together with resources, networking, and funding. I feel supported by those I interviewed, as well as others that have been supportive of this research.

Research limitations and Continuation

This research has highlighted the voices of three amazing nonprofit leaders who as identify WOC. Their voices are powerful, and I am honored that this project served as a vessel to bring their stories forward. As powerful as these stories are, they are a small representation of the women of color nonprofit leaders in the field today. More research is needed in this area to continue to address community needs matched with available funding. Additionally, the term “women of color” is very broad and serves as a general category. Each identity, nonprofit type, etc, may have different challenges and strengths that need to be explored to continue maximizing funding and resources.

My plan for research continuation is to pursue a doctoral degree and continue this research. Additionally, I hope this inspires more research under the umbrella of this topic to be explored and further the nonprofit sector. There are many different research projects that can sprout from this topic.
Through my company, I am committed to serve the nonprofit sector and continue my own research, networking, connecting, and services to work with amazing WOC nonprofit leaders (and all great nonprofit leaders who come from the communities they serve) to increase their impact on those communities they serve.
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Author’s Bio

Jazz Thomas is a first-generation college graduate. Eager to pursue her undergraduate studies, she balanced part-time jobs and enlisted in the Army National Guard as Military Police. Following her Bachelor of Arts in Psychology, Jazz worked in the nonprofit field, and in Government positions. During her time in the military, Jazz demonstrated exceptional leadership and a strong work ethic, and earned the Meritorious Service Medal as a Protective Services Agent in Kabul, Afghanistan in 2015-2016. Following her deployment, Jazz served as a Federal Police Officer and an Investigator II for the State Bar of California. With the encouragement and support from her husband and utilizing her GI Bill from serving in Afghanistan, Jazz pursued a long-time dream of going to graduate school. Jazz is honored to have attended the University of San Francisco in pursuit of her Masters in Nonprofit Administration. Jazz started a grant writing and grant management consulting company in June 2022, called Edge Development LLC. Following the completion of the Masters in Nonprofit Administration, Jazz plans on continuing to grow her company to further drive the impact small nonprofit organizations have on the communities they serve.