



# LGBTQ Funding and Racial Equity Funding: Can We Talk?

by Karen Zelermeier

Every year, Funders for Lesbian and Gay Issues (FLGI) tracks how many U.S. foundations offer grants to lesbians, gay men, bisexuals, transgender and queer (LGBTQ) issues, measuring total foundations, total giving and total grants to LGBTQ organizations and projects. We gather this data by asking foundations to report who they are funding, the kind of support they are providing and for what issues and populations. We have learned that hundreds of foundations – large and small, public, community, corporate and private – collect data on their grantees as a part of their ongoing work. And while inconsistent taxonomies present numerous problems, the task does not appear to be so onerous as to prevent foundations from doing it.

FLGI is one of several identity-based affinity groups established over the past three decades to address an inequitable distribution of resources that undermines the very heart and soul of what it means to be a democratic society. These groups also challenge the underwhelming representation of people of color, LGBTQ people, people with disabilities and women in leadership positions within foundations and nonprofit organizations.

## A Critical Conversation

These are the very concerns the proposed California Assembly Bill 624 (AB 624) aims to address. Whether one agrees that the public policy arena is an appropriate or effective space for redressing inequities and discriminatory practices within philanthropy (I do), or that AB 624 is the right legislation to achieve equity (I do not), we owe the Greenlining Institute our thanks. In raising the issues that prompted the legislation, the institute has ignited a conversation within philanthropy hitherto unheard at the current decibel level. The debate pushes those of us who believe in the value of diversity and equity to articulate our positions with a greater degree of intellectual rigor.

FLGI is under no illusion that, by itself, this information will shift grantmaking or produce greater equity. However, we do

believe that it serves as a critical tool for engaging people in dialogue, strategic thinking and advocacy. Demographic data sets benchmarks, helps identify funding trends, gaps and opportunities, and makes visceral the issues of inequality and under-representation. Yet it is precisely because this information is so important that AB 624 falls short. By requiring that only the largest California foundations report this data (a small group in total), the bill absolves the many small and mid-size foundations that should also be working for greater equity in philanthropy.

## Research Prompts a Shift in Mission

I offer my own organization's experience as an example of how data collection can compel institutional equity. FLGI's annual research findings helped spur our board of directors in 2006 to alter our organization's mission and rethink our programming. Year after year, our data revealed that organizations and projects explicitly working with LGBTQ people of color, lesbians, transgender people, and poor and low-income LGBTQ people received mere fractions of the overall giving by U.S. foundations to LGBTQ communities. It seemed that grantmakers supportive of LGBTQ issues mirrored the broader philanthropic trend of devoting few resources to address the confounding inequities within our communities.

So FLGI shifted its direction. To address these funding inequities, our board rewrote the organization's mission to seek "equality and rights for LGBTQ individuals and communities by mobilizing philanthropic resources that advance racial, economic and gender justice." Rooted in our new mission were two premises: the LGBTQ rights movement could not succeed if any segment of our community was left behind, and concurrently that sustainable social change will only occur when LGBTQ issues are contextualized as part of broader movements working for justice. Towards that end, we are committed to strengthening our coalition-building, collaborations and partnerships with others seeking LGBTQ\*

racial, gender and economic rights and to learning from those already involved in this work.

We have operationalized our new mission with two new cutting-edge programs. **Common Vision** is a national, multiyear initiative, spearheaded by FLGI and guided by a partnership of 14 national affinity groups. Common Vision convenes grantmakers in various regions of the country to share best practices and best thinking in a collaborative process that will model and document grantmaking that promotes healthy communities with widespread equity. The **LGBTQ Racial Equity Campaign** aims to spark a broad philanthropic conversation about the best ways to repair racial inequities in our communities and across the sector. Its goals are to increase funding support for LGBTQ communities of color and to enhance racial equity practices within LGBTQ foundations. We will mirror this work with racial equity funders, advocating that they recognize and include LGBTQ people of color organizations in their grantmaking.

### **LGBTQ Funders Racial Equity Report Card**

No other project embodies the dimensions of AB 624 more than our LGBTQ Funders Racial Equity Report Card. This report card examines how grantmakers, who have been critical in shaping the priorities of LGBTQ organizations, understand racial equity in their grantmaking, governing documents, policies and practices, demographics, leadership and strategic communications. Our findings suggest that while almost all of these foundations articulate a shared commitment to racial equity, very few of them translate their stated commitment into their grantmaking practices or internal operations.

Most of the foundations reviewed in our report rarely, if ever, offer grants to LGBTQ people of color efforts. Further, the demographic leadership across staffs and boards in these foundations rarely includes people of color and many funders rely on policies and practices that are race-neutral. Fortunately, there are a few notable foundations that have institutionalized inclusive policies and practices and who pave the way to a broader understanding of inequities in our country.

So where is the role for government intervention? And when should philanthropy regulate itself, or volunteer its own solutions? For starters, our report card will distill lessons and tools that could compel foundations to voluntarily change their practices – to move from well-intentioned to intentional. And perhaps the furor over AB 624 will also encourage grantmakers to diversify their grantmaking, as well as their staff and trustees. But history makes us dubious. FLGI's efforts build on a long history of pushing for voluntary action that has hardly fulfilled the promise of philanthropy to create equity and strengthen our democracy.

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As argued throughout, the need for measuring foundation financial support for LGBTQ rights is essential: without data on total LGBTQ giving and grants, our ability to track foundation

progress vanishes. In regards to collecting data on the sexual orientation of staff and trustees, many (including some of our dearest allies) have argued that the act of requesting this information violates one's privacy and may inadvertently "out" employees who'd rather not disclose their sexualities. (Is it possible that the institutionalized invisibility of sexual orientation perpetuates a sense of one's work environment as unsafe and one's sexuality as something to hide?) Yet diversity reporting is always presented in aggregate numbers. Couldn't a foundation administer an anonymous online questionnaire that preserves privacy and still reports the data? And if data on "sexual orientation" (and "gender identity," had the bill's authors seen the full diversity of our communities) is not collected, how can we measure whether LGBTQ people participate in philanthropic decision-making? How can we assess whether LGBTQ people of color – often at the furthest margins – are represented?

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\* Based on our 2006 data, LGBTQ people of color are receiving 9 percent of all LGBTQ specific funding; lesbians receive 5 percent of the pie; and the transgender community receives 2 percent of the dollars.