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2020 demanded action from philanthropy…

2020 was a year marked by movements and popular resistance unprecedented in scope in the wake of the police murders of George Floyd and Breonna Taylor. These waves of protest were matched by waves of press releases, from foundations and businesses large and small, pledging not only verbal support for addressing racism but significant monetary pledges to make it a reality. Estimates of the total amount pledged ranged from the tens of billions of dollars on the low end to McKinsey’s mid-2021 estimate of $200 billion.

In December 2021, the Philanthropic Initiative for Racial Equity (PRE) released a report examining whether the new funding commitments to racial equity and justice made by foundations and large corporations were fulfilled. PRE’s finding, that the amount of confirmed money distributed was a mere shadow of the public pledges made, was corroborated by a report by PolicyLink and The Bridgespan Group in June 2021 after more grant data had been collected.

The story the data tells of 2020 is that when it comes to race, too often in philanthropy we talk the talk but we’re less likely to finish the race.

One of the most critical needs during the dual COVID and racial injustice pandemic was supporting children and families and protecting young people’s opportunity to learn and to thrive. As such, it was critically important that education and funders deliver at a accelerated rate]

… did K-12 education funders step up?

The Schott Foundation for Public Education worked with Candid, a center for nonprofit resources and tools, over the past two years to critically examine the ultimate measure of K-12 education philanthropy’s priorities: where the grant dollars go. Our project, #JusticeIsTheFoundation, assesses the collective philanthropic impact of giving in the education sector through a lens of racial equity and racial justice. The data tells the story of what philanthropy prioritizes and reveals blind spots in our collective response. In early 2021, we launched the project with the first data set from that collaboration, based on grants made from 2017-2019. In this report, we’re covering grants made from 2018-2020.

As you will see in the pages ahead, K-12 education philanthropy has a long way to go to meet the demands of this urgent moment.
#JusticeIsTheFoundation was the first project to examine education philanthropy with a dual lens of racial equity and racial justice. Schott worked closely with Candid to determine accurate and workable definitions that could be mapped onto reported grant data.

**Racial equity in education grants** refer to grants designed to close the achievement gap that persists between racial groups. Grants for racial equity include support for programs such as racial bias trainings for teachers or mentorship programs for Black and brown students.

**Racial justice in education grants** refer to grants designed to address the issues of the larger ecosystem necessary to close opportunity gaps. Racial justice grants focus explicitly on empowering people closest to the problem (students, families, school staff and community) organizing in their communities to change the systems and structures that generate and reinforce racial inequity. Racial justice grantmaking supports building community power, supporting policy change, engaging with policymakers, and building partnerships with advocates to advance racial equity.

For the purposes of this project, racial justice grants are considered a subset of racial equity grants.

“...justice at its best is power correcting everything that stands against love.”

—Rev. Dr. Martin Luther King, Jr.

Why is Investing in both Racial Equity and Racial Justice Critical?

Racial equity grants are provide much-needed immediate support to BIPOC children, their families, and the schools they attend. Tutoring to address the academic gaps, scholarship programs for low-income public school students and mentoring adults provide critical aids to some students and their families.

However, funders whose racial equity portfolios include racial justice grants understand that lasting change — the kind that continues long after a grant cycle and relies on public dollars — requires a different kind of investment. It requires an investment that creates a healthy, fair, just living and learning environment for young people and their families while also growing the power of those most often left out of political and economic systems. It positions the people closest to the problem closest to the solutions. It also means a systemic approach that leads to lasting, deeper and more meaningful changes. These grassroots movements create the power necessary to shift public systems toward racial justice.
KEY FINDINGS

• K-12 grantmaking peaked in 2018 and has declined ever since.

• Both racial equity and racial justice remain drastically underfunded by education philanthropy. Deep achievement and opportunity gaps mean student needs grow while funding stalls.

• At less than 1% of K-12 education grantmaking, philanthropy still drastically underfunds racial justice work.

• Education grantmaking to racial equity and racial justice *slightly decreased* in 2020, despite stated commitments from funders.*

• Racial equity education grantmaking has declined since 2015, when funding spiked after the Ferguson and Baltimore uprisings.*

• Racial justice education grants are disproportionately concentrated in the Northeast, while almost half of all K-12 students, majority students of color, are enrolled in the South.

*Based on Candid’s Foundation 1000 (F1000) data.
Grantmaking Totals

K-12 Education Philanthropy Grants, 2018-2020

Total Funding: $14 billion

Racial Equity:
$2.4 billion (17%)

Racial Justice:
$105 million (0.8%)

Racial Equity & Justice Grantmaking By Region

K-12 racial justice funding is concentrated in the Northeast. The majority of dollars, 61%, went to organizations based there. Only 13% went to those located in the South and 20% to those in the West. In comparison, racial equity grants are more evenly spread geographically.

Considering that 43% of all K-12 public school students of color are enrolled in the South and 29% in the West, there is considerable work to be done in ensuring that funding for both racial justice and equity goes where it's needed most.

K-12 Education Racial Equity & Justice Grants by Region, 2018-2020

**Racial Equity**

- West: 29%
- Midwest: 17%
- Northeast: 33%
- South: 21%

**Racial Justice**

- West: 20%
- Midwest: 6%
- Northeast: 61%
- South: 13%
Racial Equity Grantmaking Has Decreased Since 2015

Based on F1000 data, K-12 total grantmaking peaked in 2018. Racial equity grantmaking in the sector peaked in 2015, the year after the Black Lives Matter movement was born in the wake of the police murder of Michael Brown.

Candid’s Foundation 1000 (F1000) data is limited to grants of $10,000 or more awarded by a set of 1,000 of the largest U.S. private and community foundations each year. Because it is somewhat limited as a dataset, the absolute dollar amounts don’t matter as much as the change over time: it’s a sample that lets us detect trends in the sector. Note that F1000 dollars here are not adjusted for inflation.

Below are racial equity grant dollars as a percentage of total K-12 grant dollars. Both the total dollars and percentage have been trending downward since 2015. The slight percentage uptick in 2020 is solely due to a shrinking of the total K-12 grant dollar amount: it’s a larger slice of a smaller pie.

*Rapid's 2020 grantmaking data is not yet fully completed.
The data is clear: education philanthropy must step up to make the bold investments that the movements and this moment demand of us. This will take visionary thinking, difficult conversations, and new commitments to transparency and participatory grantmaking — but you’re not alone.

• Utilize the dual lenses of racial equity and racial justice as defined in this report to understand and change how your grantmaking portfolio is allocated. Use this report to present the case and urgency to do so.

• Educate yourself on justice movements in your focus area. Learn who the grassroots leaders are and what they are focused on changing. This requires having intentional conversations with those that are leading these movements. Attending convenings lead by grassroots orgs or entities that serve those organizations. National networks like Journey For Justice Alliance, Alliance to Reclaim Our Schools and Dignity in Schools Campaign can lead you to these local justice groups.

• Engage Education Justice intermediaries like Schott, Communities for Just Schools Fund, and Blue Meridian.

• Commit to trust-based philanthropy and sustainable funding practices: good resources to review include Building A Trust-Based Philanthropy, The Future of Philanthropy, and Foundations Build Flexible Funding.
• Share this report and build a strong plan of action with your colleagues to shift your organization’s grantmaking toward racial equity and justice. Connect with and learn about intermediaries that work with grassroots organizations on the front lines of education justice.

• Watch Schott’s 2021 Grantmakers for Education conference session, “Shaping a Racial Justice Portfolio.”

• Learn about the Southern Education Fund, working to end the school-to-prison pipeline.

• Read Communities for Just Schools Fund’s Annual Report.

• Provide support to the families and community leaders closest to the problems to direct, instigate and advocate for the support they need and the solutions they deem most effective.

• Evaluate your organization’s grantmaking strategies on a regular basis to ensure your actions are lining up with your new commitments. Share those evaluations with your grantees and encourage honest and frank feedback from them.

• Use and adapt existing tools like the Philanthropic Initiative for Racial Equity’s “Grantmaking with a Racial Justice Lens” guide.¹

• Evaluate the expertise both your organization and grantees have internally to be successful at understanding and developing strategies for thoughtful and intentional engagement.

• Hire staff that have experience working with and in grassroots communities. Empower those staff members to advise your organization and internal stakeholders on grassroots funding strategies.

• Bring together an advisory committee that intentionally includes impacted community groups, grassroots leaders and other philanthropic thought leaders to help evaluate and provide strategic advice.

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¹ This guide provides concrete steps that funders can take to better transform both their grantmaking and their internal organizational practices. Look in particular at the “Invest in Racial Justice” section starting on page 19.
METHODOLOGY

Data Sources

- Grants referenced in these findings come from Candid databases. Candid, the leading source of information about philanthropy and nonprofits worldwide, compiles and combines data on philanthropic giving from IRS filings, direct reporting by grantmakers, and public sources, such as foundation websites and news articles.

- The main data set for K-12 grantmaking features grants from U.S. private foundations and public charity grantmakers (including community foundations) awarded 2018-2020 and available in Candid’s database.

- Findings that reference changes in funding over time use Candid’s annual Foundation 1000 sets, which capture all grants of $10,000 or more awarded by a set of 1,000 of the largest U.S. private and community foundations each year.

- While Candid increasingly works directly with foundations and searches the web for data on real time grantmaking, the majority of Candid’s grants data comes from IRS filings. This method results in a 2-3 year lag from the time that grants are made to the moment when they appear in Candid’s database.

Candid data search strategy: K-12 Racial Equity

Transactions from Candid’s Racial Equity Funding Map, whose search strategy was developed in partnership with PRE. Transaction or recipient code contains:

- PE (Ethnic and racial groups), excluding PE040000 (People of European descent); or
- SR040200 (Ethnic and racial minority rights)

All transactions coded SB03 (Elementary and secondary education)

Funder type: independent, company sponsored, operating, community, and public charity

Years: 2018-2020

U.S.-based funders

U.S.-based recipients

Excludes pledges and transactions to unauthorized recipients

Includes all transactions awarded to and from*:

- Schott Foundation
- Communities for Just Schools Fund
• Nellie Mae Education Foundation

*These organizations were selected due to their clear, public grantmaking strategies centering racial equity and justice.

Candid data search strategy: K-12 Racial Justice

All transactions in the racial equity set that meet one of the following criteria:

Key words in transaction description or recipient name:
“institutional racism”/ “structural racism”/ “systemic racism”/ “racial profiling”/ “racial justice”/ “race justice”/ “racial injustice”/ “racial inequality”/ “affirmative action”

Key word combinations in transaction description or recipient name:
“racial equity”/ “racial inequit”/ “racial equality”/ “race equity”/ “race equality”/ 
+ “implement”/ “achieve”/ “structural”/ “community”/ “strengthen”/ “advance”/ “system”

OR

“race”/ “racial”/ “racism”
+ “disparit”/ “disproportion”/ “policy solution”/ “policy advocacy”

Population code combined with key words in transaction description or recipient name:
PE (Ethnic and racial groups) excluding PE040000 (People of European descent)

Combination of:
[Transaction subject coding:
Public Policy (SK010000)
Public Interest Law (SJ040700)
Philanthropy and public policy (SD010000)
Community Organizing (SN030200)

OR

Transaction strategy coding:
Advocacy (UK0100)
Coalition building (UK0500)
Equal access (UK0700)
Ethics and accountability (UK0600)
Grassroots organizing (UK0400)
Litigation (UK0300)
Systems reform (UK0200)
Key words in transaction description:

AND

[Transaction or recipient population coding:
PE (Ethnic and racial groups) excluding PE040000 (People of European descent)

OR

Key words in transaction description or recipient name:

All transactions awarded to and from*:
• Schott Foundation
• Communities for Just Schools Fund
• Nellie Mae Education Foundation

*These organizations were selected due to their clear, public grantmaking strategies centering racial equity and justice.

Frequently Asked Questions

Justice Is The Foundation FAQ >