

Justice Is The Foundation

*Assessing Philanthropy's Commitment
to Racial Equity & Justice in Education*

ACTION BRIEF



FEBRUARY 2024



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INTRODUCTION

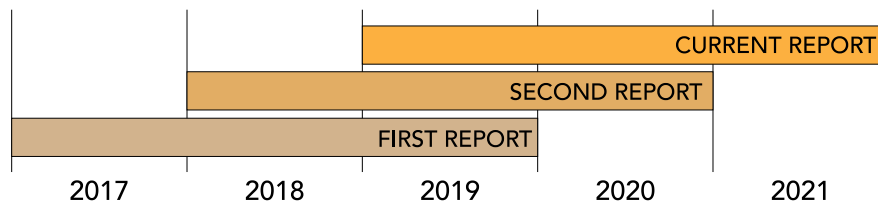
Where there is money, there is power, and neither exist within a vacuum. Concentrations of wealth are both created by and reinforce the historic and present hierarchies of race, gender, and class. As many philanthropic leaders and advocates have stressed, what matters now is not just to recognize that extreme inequality, but to help resolve it through shifting power and resources from the few to the many.

As racial justice movements grew in size and complexity across the twentieth century, their relationships with institutional funders grew as well, with [mixed results](#). The blossoming of popular movements against police violence and racial bias in the 2000s and 2010s presented a new generation of foundation leaders with an opportunity to support them. In 2020, the U.S. witnessed the largest set of protests in its history following the police murders of George Floyd and Breonna Taylor. Many foundations—and for the first time, some Fortune 500 companies—issued supportive press releases and statements. They not only expressed verbal solidarity in the fight against racism but also made substantial financial commitments. The moment promised to be an inflection point in philanthropy, in which the sector finally would make transformative investments in BIPOC-led and -serving organizations.

Has education philanthropy walked the talk?

The Schott Foundation for Public Education worked with [Candid](#), a center for nonprofit resources and tools, over the past four years to critically examine K-12 education philanthropy's grantmaking priorities. Our project, [Justice Is The Foundation](#), assesses the collective philanthropic impact of giving in the education sector through a lens of racial equity and racial justice. We believe that education philanthropy has an important and irreplaceable role to play in building a more just and equitable society: public schools touch 90% of students in the U.S., are often de facto centers of community and neighborhood cohesion, and have been a focal point of racial justice movements since Reconstruction.

The data below tells the story of what philanthropy prioritizes: we looked beyond the press release, to the checkbook. In early 2021, Schott launched this project with the first data set from our collaboration, Candid’s data on grants made from 2017-2019. To ensure a more reliable picture of the kinds of grants we are examining—comparatively small slices of a much large sector—and to account for different grant cycles, we selected a three-year period for study. In our second report, released in August 2022, we covered grants made from 2018-2020. This current report, the third in our series, covers 2019-2021: for the first time fully encompassing the racial justice uprisings of 2020 and philanthropy’s response.



The tireless efforts of BIPOC youth- and parent-led advocacy organizations are driving progress toward education justice and a multi-racial democracy in the United States. From fair school funding to fully inclusive and culturally responsive curriculum, from restorative practices to community schools, movements for education justice are rooted in these community-centered organizations. They play a pivotal role in the functioning of our democracy. But despite consistently demonstrating remarkable achievements with limited resources, these organizations face persistent challenges due to inadequate funding from philanthropy.

As you will see in the pages ahead, K-12 philanthropy still has a long way to go to meet student needs and the demands of this urgent moment. Funders should see this gap and not be discouraged, but emboldened: the opportunities to collaborate and support transformative work are myriad, scalable, and ready to effectively use new resources immediately.

Now more than ever, parents, youth, educators, and advocates are building power, showing philanthropy a clear path to achieving an equitable and just future for America. For those funders who want to take this path, look to the action steps in section four.

The best time to invest in racial justice was yesterday. The second-best time is today.

DEFINING RACIAL EQUITY AND RACIAL JUSTICE

Justice Is The Foundation is 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. (Schott and Candid use the Philanthropic Initiative for Racial Equity’s definition of [racial equity](#) in our grant database analysis.)

Racial justice in education grants refer to grants designed to address the larger systemic issues creating barriers to the 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.

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

Racial equity grants 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 programs 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, and 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 an approach that creates systemic change that leads to lasting, deeper and more meaningful improvements for all students, not just a few. These grassroots movements create the power necessary to shift public systems toward racial justice. Philanthropy’s role therefore is to enable these movements to succeed through funding and support.

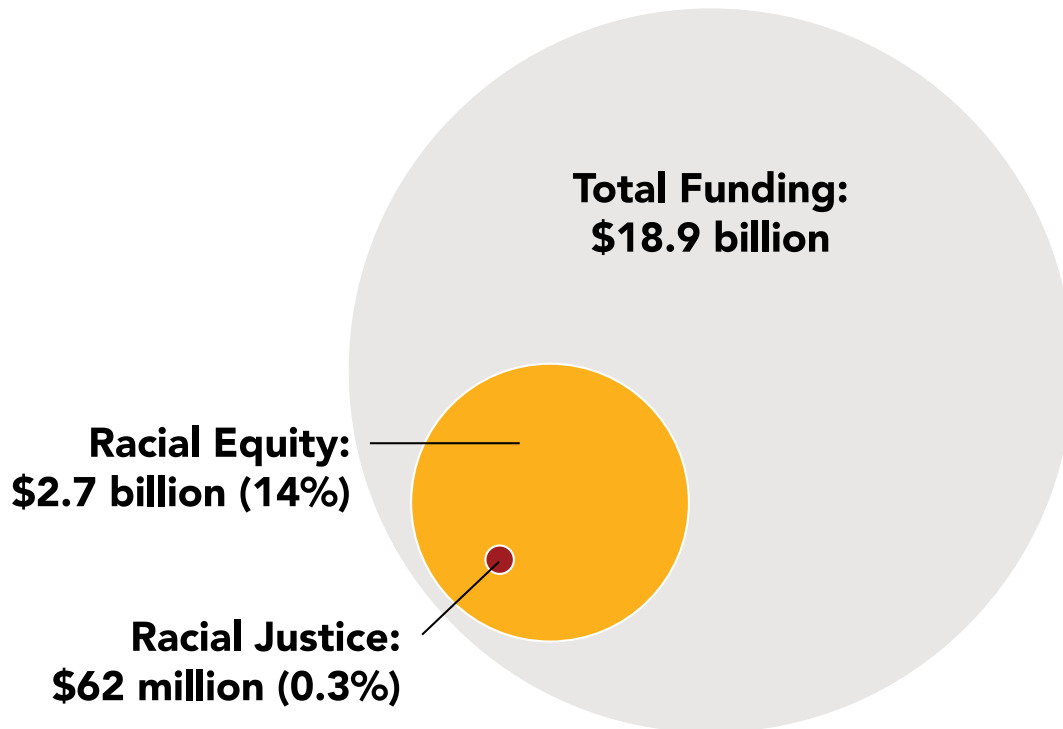
KEY FINDINGS

- While public statements show that K-12 education philanthropy understands the need for serious action to tackle structural racism in our schools and across society, funding priorities suggest the opposite.
- Both racial equity and racial justice remain drastically underfunded by the K-12 philanthropic sector. The stubborn refusal of the sector to ramp up investment over the past decade is all the more stark given that U.S. schools are now [majority](#) students of color.
- K-12 education philanthropy's already scant investment in racial justice dropped sharply compared to 2018-2020. The \$62 million recorded in 2019-2021—just 0.3% of grantmaking—pales in comparison to the still-meager \$105 million (0.7%) in 2018-2020. Given the monumental task of addressing and solving structural racism in our schools and wider society, this funding inadequacy cannot be overstated.
- Geographically, K-12 racial equity and justice grants are not properly flowing where students of color are found. Both sets of grants have recipients disproportionately concentrated in the Northeast, despite the fact that almost half of all K-12 students, and the majority of all students of color, are enrolled in the South.
- It has never been easier—or more urgent—for K-12 funders to step up and make transformative investments in racial equity and justice work. (See Action Steps below.)



Grantmaking Totals

K-12 Education Philanthropy Grants, 2019-2021



TAKEAWAY:

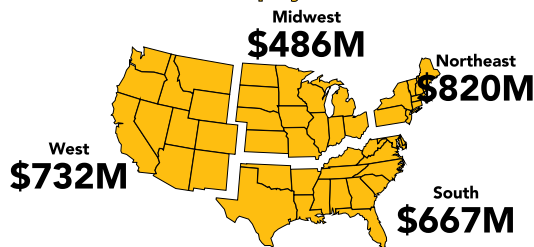
Racial equity work is drastically underfunded by K-12 philanthropy, especially for a U.S. school population that is now majority students of color. Investment in racial justice work—the efforts to solve the systemic inequities that racial equity work ameliorates—remains vanishingly small, especially compared to the scope of the challenge.

Racial Equity & Justice Grantmaking By Region

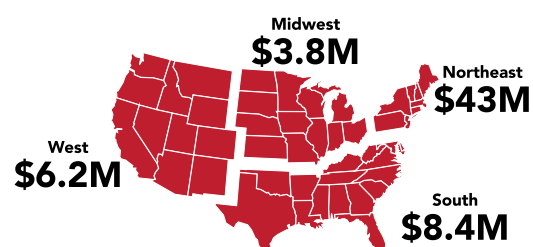
In addition to the distribution of grants by type, which we have examined so far, we can derive further insights by arranging them geographically by region. (See the Methodology for further discussion.)

K-12 Education Racial Equity & Justice Grants by Region, 2019-2021

K-12 Education Racial **Equity** Grant Dollars, 2019-2021



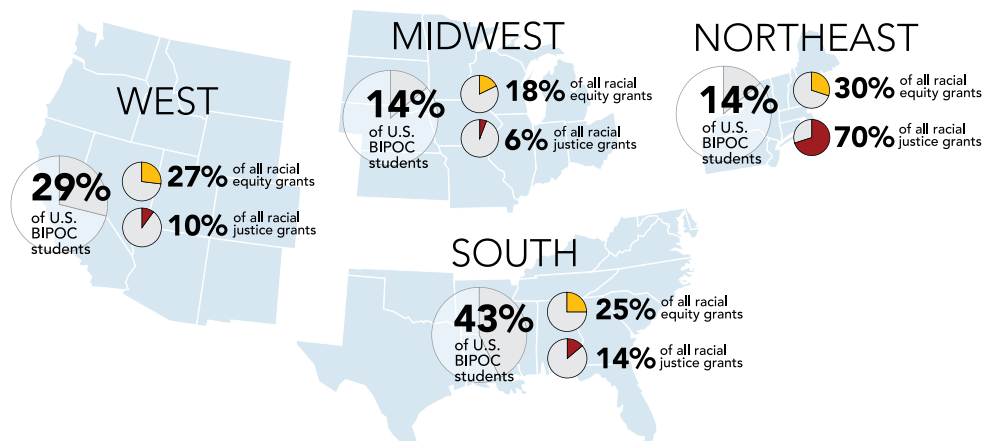
K-12 Education Racial **Justice** Grant Dollars, 2019-2021



Note: As stated above, racial justice grants are a subcategory of racial equity grants.

While K-12 racial equity funding is relatively equal across regions, racial justice funding is concentrated in the Northeast. A majority of those dollars, 70 percent, went to organizations based there. Only 14 percent went to grantees located in the South and 10 percent to those in the West. [43 percent](#) of all K-12 public school students of color are enrolled in the South and 29 percent in the West. This disconnect should raise alarm bells for whether funding for both racial justice and equity is going where it is needed most.

Geographic Location of BIPOC Students, Racial Equity Grants, and Racial Justice Grants By Proportion of U.S. Totals, 2019-2021



TAKEAWAY:

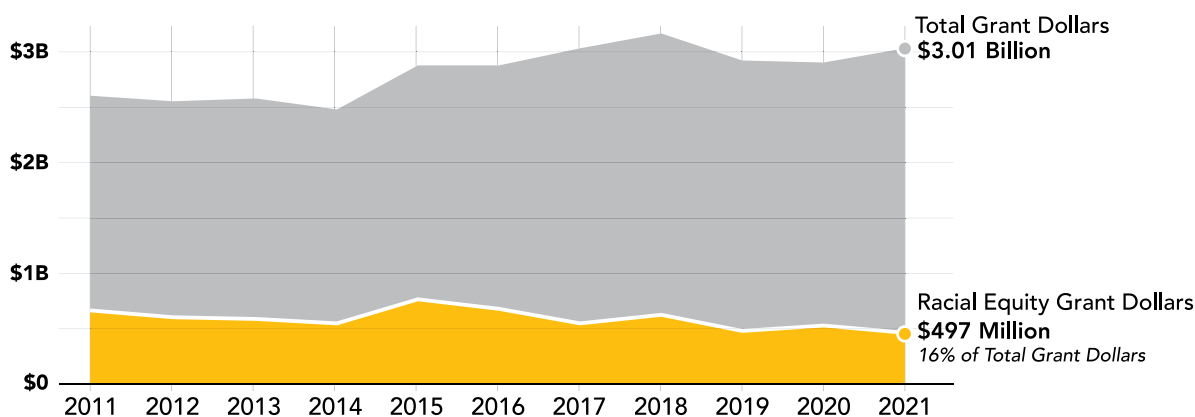
Not only is racial equity and racial justice work underinvested by K-12 philanthropy, the grants that are made do not favor the South or West, where most students of color reside.

The 2020 Racial Equity Funding Bump was Modest, and Didn't Last

Based on Candid's Foundation 1000 data set,* 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, bringing matters of racial injustice back to the fore of discourse in philanthropy.

While the data shows a modest uptick in racial equity grants in 2020, in 2021 it dropped, landing below even 2019's total.

K-12 Education Grant Dollars Awarded: Total and Racial Equity by Year



Based on Candid's Foundation 1000 data set.

TAKEAWAY:

Racial equity grant dollars remain stubbornly low despite ever clearer calls for greater investment on the part of K-12 grantmakers. This unresponsiveness suggests a serious structural barrier in the sector.

*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 dollars are not adjusted for inflation.

ACTION STEPS

The data is clear: a tiny fraction of grantmaking by education funders is dedicated to creating lasting systemic change that benefits all students. Communities, popular movements and our democracy demand more of us. This will take visionary thinking, difficult conversations, and new commitments to transparency and innovations in grantmaking practices.

Transform Grantmaking Strategy

1. Make historic, game-changing investments in grassroots organizations in the form of endowments. Learn more from our [EndowNow](#) and [Racial Justice in Education Endowment Collaborative Fund](#).
2. Increase the number of racial justice grants in your portfolio.
3. Commit to longer-term grant cycles to better accommodate the true pace of systemic change.
4. 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](#).
5. Work closely with intermediaries to connect with and learn about grassroots organizations working on the front lines of education justice.
6. 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.

Transform Organizational Practices

1. Hire staff who have experience working with and in grassroots communities. Empower those staff members to advise your organization and internal stakeholders on grassroots funding strategies.
2. Build a strong plan of action with your colleagues to shift your organization's grantmaking toward racial equity and justice.
3. 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.

Transform Analysis

1. Utilize the dual lenses of racial equity and racial justice as defined in this report to understand how your grantmaking portfolio is allocated.
2. 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 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.
3. Use and adapt existing tools like the Philanthropic Initiative for Racial Equity's "[Grantmaking with a Racial Justice Lens](#)" guide.¹

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 2019-2021 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.
- Dollar amounts are not adjusted for inflation.

A Note on Geography

To determine the geography of grantmaking, we use Candid's indication of the physical address of each grant recipient. We took a broad overview, categorizing grants by U.S. region, because this data is an imperfect measurement: the address of the recipient is not always indicative of where the final funding will be disbursed. To mitigate this issue, and prevent double counting grant dollars awarded, grants to grantmakers (e.g. intermediaries) are excluded.

To the extent that a significant number of racial equity and racial justice grant dollars are received by organizations based in regions other than the one(s) they serve, this would itself indicate a related, structural disconnect between those closest to the problems and those with the funding to solve them.

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: 2019-2021

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)

+

“discriminat”/ “systemic inequit”/ “systemic inequality”/ “structural inequit”/

“structural inequality”/ “structural equity”/ “unjust policies”/ “unjust practice”/

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)

OR

Key words in transaction description:

“justice”/ “advance equity”/ “policy” + “access”/ “mobiliz”/ “communit”/ “grassroot”/ “organiz”/ “movement”]

AND

[Transaction or recipient population coding:

PE (Ethnic and racial groups) excluding PE040000 (People of European descent)

OR

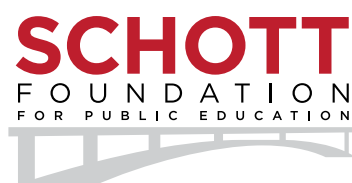
Key words in transaction description or recipient name:

“of color”/ “indigenous”/ “Black”/ “Native American”/ “Latin American”/ “Asian”/ “American Indian”/ “African”/ “Latino”/ “Latina”/ “Latinx”/ “racial”/ “racist”/ “racism”/ “immigrant”/ “school%to%prison”]

All transactions awarded to and from*:

- Schott Foundation
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