

LEARNING IN ACTION



San Antonio Area Foundation
Where Giving and Community Connect

Since 1964, the San Antonio Area Foundation has distributed millions in grants and scholarships, bringing people and organizations together to address key community issues.

Context for Racial Equity Approach

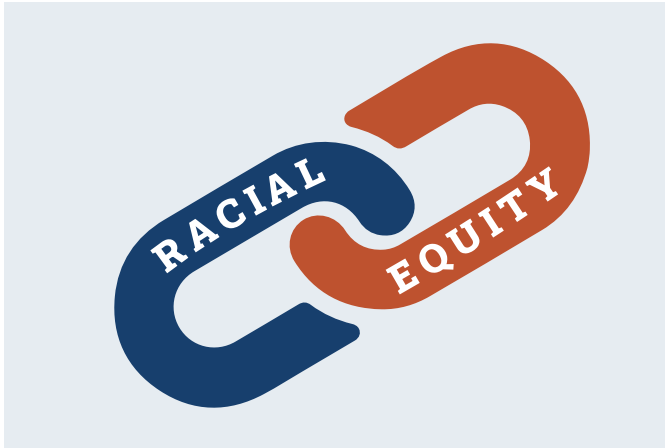
In 2017, the Area Foundation committed to developing a better understanding of where the community wanted the foundation to lead. At the time, San Antonio's poverty rate was stagnant; by 2019, it was increasing, contrary to the trend in nearly every other metropolitan area in the country. The foundation understood the urgency of embedding equity throughout the organization's structure, internal systems, and community-facing processes to ensure maximum impact for communities most in need.

Initially, the effort focused on the grantmaking process—outreach, the application, grant distribution, and the technical aspects. As more equitable grantmaking processes solidified, the foundation has been able to focus on its role as a convener, bringing together people and resources beyond grant dollars that increase the capacity of the nonprofit sector. At the same time, the foundation's board and staff consistently revisit grant processes in response to changes in the broader community and nonprofit ecosystem—as with the pandemic—and feedback from a broad range of nonprofit leaders and community members.

Investment Strategies Linked to Our Racial Equity Approach

The Area Foundation was an early adopter of Trust-Based Philanthropy, and these principles and practices guide the foundation's approach to equity. Rather than prescribing solutions for grantees and asking the incredibly broad range of organizations the Area Foundation works with—organizations diverse in sector, budget size, organizational structure, mission, history, and cultural grounding—to mold their impact to its definitions, the foundation looks to the organizations working in direct service to define how they measure success and impact. That requires the foundation's understanding of its work to adapt to grantees' language and definitions, rather than the other way around. That flexibility can be challenging if a funder's internal structure and reporting relies on rigid definitions of success, which often overlook real-world context and the need for organizations to adapt to changes in their environment and organization.

The advantages of Trust-Based Philanthropy and leading with equity became clear in 2020 with the arrival of COVID and the murder of George Floyd. Issues that had been



struggling to surface—systemic racism, failure of public health systems, lack of support for families and working parents—were abruptly pushed to the forefront, and funders and their nonprofit partners could no longer ignore flaws in philanthropy’s business-as-usual. For the Area Foundation, this moment provided the platform for challenging and honest conversations with the board and donor community. Two years later, the foundation has adopted a community-focused mission and vision that recognizes that its most important work is to identify the areas of greatest need and concentrate efforts on bridging gaps in resources.

This work is not undertaken from the position of detached outsiders; an “us” and “them” approach to the communities the foundation serves would create barriers to trust and progress. The foundation board and staff recognize that the opportunity to serve as a trusted partner is an immense privilege. We come to this work as members of the communities we serve—the foundation itself is made up of people of color, people with disabilities, members of the LGBTQIA+ community, parents, and caregivers.

Staff members’ understanding of economic and racial justice was shaped by their earliest experiences and role models.

These early lessons inform how they define and understand equity, which in turn drives the Area Foundation’s work to support vibrant communities where life outcomes are not limited by who you are or where you come from.

Closing the Opportunity Gaps

San Antonio’s development is at a critical point. The city’s long history of racial and economic segregation is evident in the allocation of resources in education, health care, housing, and urban infrastructure, and development. As the region continues to grow, there is a real danger that disparities will only increase, potentially destabilizing communities. But that trajectory can be changed.

And so, the Area Foundation’s work is centered on closing opportunity gaps with the understanding that the economic well-being of the entire region depends on a commitment to equity and understanding that funders cannot “other” communities and families living and working alongside them in San Antonio. Real change demands recognition of our interdependence, both in theory and in action. This understanding has fundamentally shifted how the foundation’s staff and board talk about and work in resource distribution. Its efforts now focus on the most marginalized populations across its service area, with a focus on underserved zip codes in San Antonio where lack of access to health care, education, housing, and transportation remain significant barriers to economic mobility.

Centering of racial equity has allowed the Area Foundation’s strategic plan and key performance indicators to hold staff and board members accountable to shifts along those lines, including identifying areas most in need and concentrating grants and programs in targeted neighborhoods and communities.

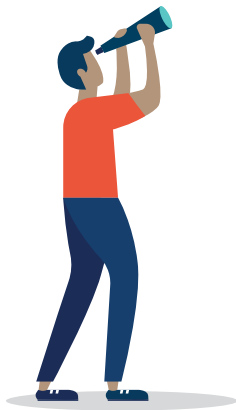
This commitment informs who the foundation brings to the table, how it designs grants and partners with nonprofits, and where it invests in capacity building.

Internal Practices and Grantmaking Strategies that Focus on Equity and Reduce Bias

This approach is employed at every step of the foundation’s work: in the design of grants and reporting requirements, outreach, technical support and feedback, community

presence, and elevation of platforms to help organizations reach a broader audience. It is also reflected in the willingness of the foundation's staff and board to learn from nonprofits and communities and adjust systems and programs to meet the needs of grantees and other stakeholders.

It also informs who the foundation brings in to do this work. The Area Foundation's mission to be San Antonio's most trusted and impactful philanthropic partner requires people who have a deep understanding and commitment to equity and lived experience of the realities of the failure to achieve equity. In building staff and committees, the foundation looks for individuals with the drive and expertise to change the landscape of philanthropy and what it means to be a philanthropist. That focus shapes outreach for job openings and interview questions, which target a deeper understanding of equity, gaining insight into how a person's heart and intellect work in concert to allow those most directly impacted by philanthropy to drive the foundation's work.



INTERNAL PRACTICES

- Design grants that fit the need
- Listen
- Construct solid technical support
- Consistent presence in the community
- Hire the right people

Centering Community Voice

The foundation also looks to nonprofit partners and community members, bringing them in early in the process through focus groups at which participants are asked to share what they need from the Area Foundation—who they want the Area Foundation to be. Thus far, more than seventy community leaders, including executive directors and senior staff at nonprofits, artists and cultural workers, educators, practitioners and care providers, and individuals active in communities across San Antonio, have attended focus group discussions. They urged the foundation to work directly on root causes and allow investments to be directed to solving

complex issues. The focus groups also highlighted a call for the foundation to be more representative of the communities it serves. That call has informed both hiring practices and the approach to building grant review committees. With this imperative, the staff drove changes within the organization's systems.

Building Understanding and Consensus

Along the way, staff and board were not adequately aligned at some moments. The staff recognized the need for more board engagement to allow full adoption of a strategic plan that included a change in mission that better communicated its vision of a more equitable San Antonio. To be sure, this change was rarely a linear process. **The social and economic ruptures that came to the forefront in 2020 created a rare opportunity to have bold and honest conversations about the hard truth of disparate realities for families living in San Antonio.** This was the moment that allowed a fully integrated shift toward equity in the Area Foundation's language, practice, and systems.

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With this shift came the recognition that asset building can be the most effective path forward, from band-aid solutions to true social change. Donors understand asset building and what it means for individual lives and for its impact across generations. The Area Foundation's challenge is to build more understanding and consensus around the power of asset building and how it can break the cycle of poverty within families and reshape the trajectory of individuals.

Coupled with that appreciation is the understanding that disparities in wealth can be traced to race-based policies that continue to affect access to education, employment, and home ownership. To be effective, asset building needs to acknowledge and address race-based differences in access to resources. Through general operating support, the Area

Foundation funds organizations that are doing this work in every sector, in addition to allocating funding and capacity-building programs in a way that allows organizations to move beyond siloed programs and into collective work.

Collective Impact Leading to Systems Change

Indeed, collective impact has emerged as one of the foundation's most powerful approaches to systems change work. Recent efforts include:

- Leading a county-wide Future Ready Plan for youth with a particular focus on brown and black youth. This is a collective effort to increase post-secondary enrollment in Bexar County with work centered around 1) healing and providing supportive relationships, 2) ensuring access to quality education and career prep, and 3) nurturing leadership potential in young people.
- Bringing together organizations serving older adults in housing, health care, transportation, and creative aging, in the recognition that challenges related to aging in place and social isolation for older adults cross color lines.
- Commissioning reports that illustrate current racial and economic injustices through a focus on the state of the African American community in Bexar County and the racialized wealth gap for Latino communities.
- Partnering with LISC to build a leadership program dedicated to Brown and Black leaders of community and economic development corporations.

In both collective impact initiatives and responsive grants, the foundation focuses its efforts on seventeen zip codes with the highest concentration of poverty. These are areas of the city where decades of enforced and de facto segregation have created entrenched poverty and overlapping indicators of need related to education attainment, employment, safe and affordable housing, and health outcomes. These are also neighborhoods that have strong community ties and neighborhood organizations born from social justice movements and rich cultural traditions. Currently, 77% of the San Antonio Area Foundation's responsive grants go to organizations serving these targeted zip codes, a shift the foundation has been working toward over several years of strategic planning and internal systems alignment. We recognize that this is an ongoing process, and continue to adjust other grant processes within this framework.

While we continue to support organizations focusing on wealth-building initiatives led by people of color, more investment is required if we are to build up the sector. Significant gaps remain in asset-building initiatives—particularly those led by people of color. Our work now is really aimed at nurturing the growth of this sector. As part of that, we have invested in place-based affordable housing initiatives and supported place-based initiatives for small business development in targeted zip codes because we recognize that people of color are the largest number of small business owners but lack access to capital to sustain and expand their businesses. Additionally, we are partnering with the Aspen Institute and Drexel University to launch the nation's first procurement playbook to ensure that more small businesses of color can access the unprecedented number of federal dollars coming to our city.

77%
OF GRANTS



Tactics That Support Grantmaking Strategies and How to Effectively Support Efforts Focused on Equity

INTENTIONAL SUPPORT FOR LEADERS OF COLOR

- Building diverse and inclusive grant review committees
- Diversifying the board and encouraging organizations to diversify their boards
- Directing grant funding and capacity-building programs toward organizations led by people of color
- Increasing access to professional development opportunities for leaders of color through outreach, community engagement, and financial support
- Creating opportunities for peer support and mutually supportive relationships between leaders of color, most recently in the Racial Equity Fellowship which brought Black, Latinx, and Native American nonprofit leaders together over multiple sessions to learn, share, and collaborate

AN ACCESSIBLE, INCLUSIVE, AND RESPONSIVE APPLICATION PROCESS

- Ensuring staff availability for application and technical support
- Engaging in outreach to individual organizations, particularly smaller organizations
- Working with intermediaries and ambassadors to reach communities that the foundation does not have strong connections with
- Consistently asking for, receiving, and integrating feedback from grantees into the application process

ADVANCING BEST PRACTICES IN GRANT STRUCTURES AND DISTRIBUTION

- Providing general operating support
- Implementing multi-year grants
- Reviewing grants in budget-size cohorts to ensure organizations of all sizes receive funding

CREATING REPORTING PRACTICES INFORMED BY TRUST-BASED PHILANTHROPY PRINCIPLES

- Coupling online reports with one-on-one meetings to support relationship building and position program officers as effective partners in community impact
- Seeking to understand grantees' definition of impact rather than restricting their work to a single, foundation-imposed definition of impact or an outcomes matrix

ABOVE ALL, A COLLABORATIVE APPROACH WITH A FOCUS ON IMPACT

For the Area Foundation's efforts to truly further equity in communities, equity must be at the forefront of its work every day, in every project. Even as the environment shifts, the day-to-day work remains informed by the strategic planning and the goals set in 2019, and those stepping stones toward equity have remained relevant.

Every process begins by looking at who the leaders of color are who are doing work related to the program intent; who is applying and where more outreach is needed; and who is on committees for every process.

Throughout the foundation's ongoing response to the pandemic, the focus on racial and economic equity in distribution of support has been unwavering. It has now become a reflex in program planning and crisis response to ask the questions and hold up work and processes to this examination every time, at every step.

Strategies for Sustaining the Work

The focus on equity must be held at every level of an organization to be consistent and effective. The journey toward an equity-focused organization is ongoing and must be integrated into all work. It cannot be set aside in times of crisis or defined by an end date. It is challenging and often frustratingly slow. Strategies to make the work sustainable and avoid burnout include:

Go in knowing there will be hurdles and expect them so that they will be less shattering.

Find allies in the work, among both peers and nonprofit organizations. This kind of change can be exhausting, as it constantly reminds you of how far we still must go to realize racial equity. Having ears to listen and shoulders to lean on as you struggle with opportunities and challenges is key to continuing to move forward.

Be in community continuously, sharing your work and providing opportunities to seek feedback.

Build a diverse “cabinet” to help you think through new ways to deliver the core message. When we are too close to the work, bringing in new perspectives can help illuminate

solutions and communicate the work across each process and program.

Be willing to work “at the speed of trust”—meeting stakeholders where they are—and be open to hard conversations.

Don’t get hung up on language. In some communities, “racial equity” is still a trigger. Use language that pushes the work forward while accomplishing racial equity.

Be kind to yourself and your team. This work is incredibly rewarding and challenging. Recognize that inequity was created through intentional steps over hundreds of years and will likely take just as long to reverse and rebuild systems.

Find the joy in this work; make opportunities to integrate creative expression and relationship building. Focusing only on processes will mean any change is superficial, transactional, and temporary.

Take time to walk away from the work and feed your soul—exercise, laugh with friends, take in a show. You are the most important part of the journey; the movement needs you for the long haul, so care for yourself so that you can get back up and do it again.



PATRICIA MEJIA

Vice President, Community Engagement, and Impact

Building assets should be the driving force in achieving racial equity. At every step, philanthropy has to focus on changing systems internally and externally - for the benefit of leveling the playing field for everyone in our communities.