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**More Than One Third of Leanly-Staffed Foundations Say Racial Equity is Very Relevant to Their Work**

*New Report from Exponent Philanthropy Highlights How Leanly-Staffed Foundations Operate and Influence Many Communities and Causes*

Washington, D.C. – A large number of foundations with few or no staff say racial equity is very relevant to their mission and are making grants that reflect close connections to communities and causes, according to Exponent Philanthropy’s 2019 Foundation Operations and Management Report.

Almost three in four foundations (72 percent) report racial equity as somewhat or very relevant to their mission, with almost two in five (37 percent) reporting that racial equity was very relevant to their work. Nineteen percent had or were creating mission statements that included an expressed commitment to racial equity.

“We are at the beginning of a journey and there is certainly much more work to do. What is exciting and promising is that a growing number of our members are focusing on diversity, equity and inclusion, acknowledging its importance to their overall philanthropic impact,” said Henry L. Berman, CEO of Exponent Philanthropy.

The report found that when it comes to governance and leadership within their organizations, only 15 percent of boards include more than one person of color. Across all foundation types, independent foundations had a higher proportion of boards with members of color. However, a little more than 20 percent of respondents had or were in the process of completing a training and employee self-assessment on racial equity.

The report also found that half (50 percent) of all family foundations surveyed are engaging the next generation of philanthropists in their work through activities such as board service, site visits and discretionary grantmaking. Funders said involving the next generation of philanthropists led to increased use of technology (28 percent), a greater focus on impact and evaluation (16 percent), and updated foundation policies and procedures (14 percent).

**Other key findings include:**

- Leanly-staffed foundations give locally, nationally and internationally. The vast majority support their local communities (84 percent) and 26 percent give internationally.
- Twenty-five percent of leanly staffed foundations allocated more than three-quarters of their grants budget to one issue area, while 23 percent funded six or more issue areas. The top issue areas funded are education (79 percent), human services (68 percent) and health (61 percent).
Many foundations are working to support vulnerable populations, including children (80 percent) and economically disadvantaged individuals (70 percent). Seventy-nine percent award general operating support grants, while 69 percent give capacity building grants. Seventeen percent are engaged in impact investing.

"Foundations with few or no staff are driven by a strong desire to improve people’s lives and are making an outsized impact, not just in their communities, but around the world,” Berman said. “This survey shows that funders are evolving to reflect the needs and realities of the communities and causes that are most important to them."

About the Report
The 2019 Foundation Operations and Management Report provides a snapshot of the practices of participating organizations at the time they were surveyed. The report is based on responses to the 2018 Exponent Philanthropy’s Foundation Operations and Management Survey. Exponent Philanthropy surveyed 1,794 foundation members across the United States, with 468 members responding. The 2018 survey asked respondents to provide information about the foundation’s most recently completed fiscal year. For more than half of respondents (52 percent), the 2017 calendar year was the most recent fiscal year.

About Exponent Philanthropy
Exponent Philanthropy is the country’s largest association of funders—nearly 2,000 members strong—and the only one dedicated to serving foundations with few or no staff, philanthropic families, and individual donors. Its vibrant network has in common lean operations and a style of philanthropy motivated by personal passion, community needs, and the strong desire for better outcomes. Exponent Philanthropy provides high-quality and cost-effective programs, resources, and connections that maximize members’ dollars and time for the benefit of diverse communities and causes. Learn more about the Exponent Philanthropy community and its impact at https://www.exponentphilanthropy.org/wp-content/uploads/WhoWEare2019.pdf.

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