

Diversity, Equity, and Inclusion from the Ground Up:

Experiences of Social Justice Organizations as
Grantees within the Philanthropic Sector

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Foreword

Diversity, equity, and inclusion [or DEI] initiatives have become increasingly prominent within Canadian philanthropy over the past five years. Moreover, the growth of these initiatives has accelerated in the COVID-19 context, as well as in response to recent calls from civil society for social and racial justice in Canada.

Many philanthropic foundations have opted to direct their attention to principles of DEI within the sector, and how the implementation of DEI principles in the sector can contribute to a fairer and more equitable Canada. However, research in this area has focused on the policies and practices of philanthropic foundations as articulated by staff and directors, and/or data collected by foundations about their grantees. As a result, little is known about how social justice organizations who receive grants from foundations experience the implementation of DEI principles at the funder level.

In March 2020, Dr. Adam Saifer launched a research project that sought to address this knowledge gap, drawing on in-depth interviews with leaders of social justice organizations in Toronto and Montreal. The project was supervised by Dr. Jean-Marc Fontan (PhiLab-UQAM) and was conducted in partnership with Philanthropic Foundations Canada (PFC) and the Fondation Lucie et André Chagnon (FLAC). Funding for this research was provided by Mitacs, the two philanthropic partners (PFC and FLAC) and the Social Sciences and Humanities Research Council of Canada (via PhiLab).

The current report documents and explores in detail the key themes and issues that emerged from these in-depth conversations with leaders of social justice organizations. These themes extend through a range of domains including language, ethics, power, strategy, measurement, and networks. While, at times, critical of current practices and policies within the sector, the goal of this report—and the larger research project in general—is to help foundations advance in their DEI journey. Such reflection and action is increasingly urgent against the backdrop of social, economic, and ecological crises and injustices. Following this, the report concludes with a series of recommendations for Canadian grantmaking foundations.

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Introduction

Canadian philanthropy is at a crossroads.

The sector continues to generate innovative strategies and tools for creating positive societal impact that feature, among other things, social finance tools, cross-sectoral partnerships, and data-driven approaches. At the same time, philanthropy is increasingly the target of public critique, accused of perpetuating inequalities by avoiding the root causes of societal problems, facilitating the undemocratic allocation of public funds, and generally being premised upon problematic forms of wealth accumulation.

Amidst these critiques and revelations, the Canadian philanthropic sector has begun to reflect on ways to mobilize their resources, expertise, networks, and power to combat social, economic, racial, and ecological injustice. This progressive and reflexive turn in philanthropy has become all the more pressing within a COVID-19 context that has both revealed—and exacerbated—serious racial, gender, and class inequities in Canadian society.

At the forefront of this process of learning and adaptation is an approach to philanthropy that incorporates principles of diversity, equity, and inclusion into grantmaking, governance, and management. Commonly referred to as **DEI philanthropy**, this umbrella approach to philanthropic practice has become a key touchstone in the sector's efforts to contribute to a fairer and more equitable Canada.

So far, however, research on DEI philanthropy—both within Canada, and in the United States—has followed a top-down approach, focusing on how DEI values are implemented within foundation boards, staff hiring, governance policies, and grantmaking practices. As a result, the data we have around DEI philanthropy centres exclusively on either: (1) the policies and practices of grantmaking foundations as described by its staff and directors; or (2) data collected by foundations about their grantees—data shaped by significant power inequalities given the precarious position of grantee organizations within the philanthropic sector.

That's to say despite all the talk around DEI philanthropy, we actually know very little about the perspectives of actual grantee organizations doing important justice and equity work on the ground, as well as their experiences navigating the philanthropic sector.

The following report begins to address this knowledge gap by centering the perspectives of these **social justice organizations**. It is guided by the belief that foundations, policymakers, and researchers committed to creating more diverse, equitable, and inclusive communities and organizations have much to learn from the grantee organizations that DEI-focused philanthropy funds, and the experiences of those who lead these organizations.

Context

In order to understand the experiences of social justice organizations doing critical equity and justice work, and what their perspectives can tell us about the possibilities, limits, and tensions of DEI philanthropy, it is helpful to establish a shared definition of DEI, as well as DEI philanthropy.

Across the sector, DEI practitioners and advocates have often circled back to a rather straightforward description of DEI:

Diversity is a number, equity is an outcome, and inclusion is a behavior

This simple definition can be very helpful as it draws clear boundaries between each of DEI's three components: (1) diversity; (2) equity; and (3) inclusion. Moreover, it highlights the importance of prioritizing all three components in unison.

From here, we can expand a bit more on each component of DEI:

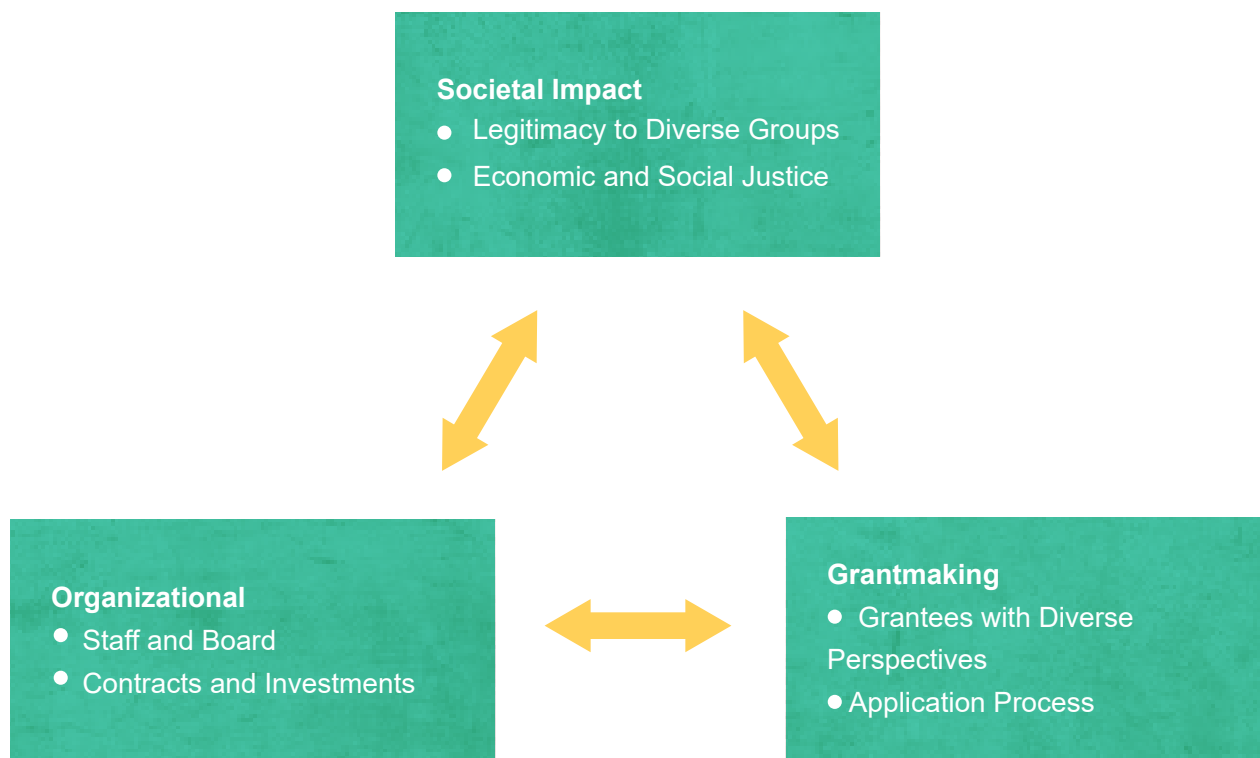
- **Diversity** refers to the ways in which people differ from one another including, for example, based on race, gender, sexual orientation, and religion. The application of a diversity lens to philanthropy implies an understanding that “diverse” (or non-dominant) groups have typically been excluded from philanthropic grantmaking and decision making, and that this reflects larger systems of exclusion and oppression, as well as hierarchies of knowledge and expertise, within society.
- **Equity** refers to the elimination of structural barriers that impede fair treatment, access, opportunity, and advancement of all people. Structural barriers can be thought of as “the rules of the game” that unfairly hinder certain groups of people in a given context, be it the workplace or a courtroom, running for political office or dealing with a medical professional. These impediments can be the result of “formal rules” like laws or policies, but also “informal rules” like beliefs, prejudices, or customs.
- **Inclusion** entails the creation of an environment—both within organizations and within society as a whole—where any individual or group is welcomed, respected, supported, and valued to fully participate. While diversity can be quantified, inclusion goes a step further, referring to the degree to which diverse individuals, groups, perspectives, and worldviews are included in a given context.

DEI philanthropy in practice

This definition provides a good starting point for examining the values and assumptions underlying DEI philanthropy. But what does DEI philanthropy actually mean in practice? What specific policies, programs, and priorities are proponents of DEI philanthropy putting into place within grantmaking foundations and the wider philanthropic sector? And how do grantee organizations experience these policies, programs, and priorities in their interactions with the philanthropic sector?

To set the stage for this study of the experiences and perspectives of leaders from social justice organizations, we conducted an extensive scan of DEI philanthropy practitioner texts produced in Canada and the United States¹ over the past five years.² Through this literature scan, six priorities of DEI philanthropy were identified. These priorities were further grouped into three levels of action: (1) organizational priorities; (2) grantmaking priorities; and (3) societal impact priorities [Fig 1.]

Fig 1. - Levels of Impact



¹ While this research focuses on the Canadian context, DEI thinking in Canadian philanthropy closely follows the more established DEI philanthropy literature coming out of the United States. That being said, it is important to note that the meaning of diversity, equity, and inclusion are different in Canada than in the United States. These differences reflect the two countries differing national identities, histories, and political culture.

² Drawing on specific inclusion/exclusion criteria, our sample of texts was narrowed down to 50 documents divided into five categories: (1) Policy documents from DEI philanthropy consultancies, grantmaking foundations, and philanthropy member organizations; (2) Short essays and blogs authored by grantmaking foundations; (3) Articles in practitioner-focused publications like the *Stanford Social Innovation Review*, *Alliance Magazine*, and *Inside Philanthropy*; (4) Research reports on DEI philanthropy; and (5) DEI philanthropy toolkits for practitioner use.

Organizational priorities

- **Staff and Board:** DEI philanthropy involves an examination of who sits on a foundation's board, and which staff are hired. This process also requires a close look at pay equity, as well as the active recruitment of a more diverse candidate pool within foundation hiring. It actively addresses how specific positions of power within a grantmaking foundation tend to be given to white people or men, while other positions are reserved for women and people of colour. DEI advocates emphasize that such decisions are necessary for reflecting—and connecting with—the communities that the foundation serves, as well as shifting organizational culture so that communities are involved in decision-making processes.
- **Contracts and Investments:** DEI plays a key role in the selection of foundation partners, contractors, vendors, and suppliers. Foundations can award contracts to individuals—as well as organizations run by individuals—who are racialized, Indigenous, female, queer, or disabled. They can select partners based on the partner's own implementation of DEI principles. Foundations can also transition to a 100% impact investing portfolio that prioritizes DEI. This involves rewarding businesses with diverse leadership, as well as organizations that explicitly work toward social, economic, and ecological justice through their commercial practices.

Grantmaking priorities

- **Grantees with Diverse Perspectives:** DEI grantmaking involves moving resources to organizations run by community representatives and with perspectives typically marginalized within the philanthropic sector. This process of marginalization is often the result of beliefs and prejudices—the informal rules—that govern the philanthropic sector. Challenging these informal rules involves significant reflection by the grantmaking foundation. Specifically, funders must confront the fact that the philanthropic sector tends to rely on a narrow set of tools for understanding and crafting solutions to societal problems. This narrow approach limits how funders evaluate what a “good” or “safe” grantee organization might look like, as well as what successful grantee-funder relationships should look like.
- **Application Process:** The application process is a major barrier to DEI grantmaking. Traditional application requirements position grantmakers as gatekeepers to funding. They also place undue burden on grantee organizations already facing structural barriers, whether along the lines of race, class, gender, citizenship, or ability. Champions of DEI philanthropy put forth a number of strategies to counteract this including reducing the burden placed on grant applicants who dedicate time to applying yet are unsuccessful by offering stipends, as well as providing training and coaching to those who apply but may lack proficiency in the language of application.

Societal impact priorities

- **Legitimacy to Diverse Groups:** Through DEI grantmaking, foundations can provide legitimacy to grantee organizations, social movements, and perspectives that tend to be silenced within both policymaking and grantmaking, as well as within the halls of power. Through partnering with, and elevating these voices and perspectives, foundations can facilitate social change at a level that seeks to address historic and structural inequities, as well as those perpetuated by the foundation.

- **Economic and Social Justice:** The philanthropic sector's turn to DEI principles requires a full reimagining of structures and practices within the sector in order to help advance social and economic justice at the societal level. This involves addressing what causes the need for charity, rather than focusing on doing charity work itself. For many DEI philanthropy advocates, this is an ongoing challenge as the sector is powered by capitalist forms of wealth accumulation that have relied on worker exploitation, dispossession of Indigenous lands, and destruction of the environment. The assets that philanthropy has to redistribute—whether accumulated through business or endowments—are inseparable from the inequities that DEI philanthropy attempts to eliminate.

Framing the study

Now that we've established a common understand of DEI, as well as how foundations, consultants, practitioners, educators, and researchers are applying DEI to philanthropic policy and practice at the foundation level, we can turn to the focus of this study: the perspectives of actual grantee organizations doing critical equity and inclusion work on the ground, as well as their experiences navigating the philanthropic sector.

This report is driven by three research questions:

1. What barriers and challenges do social justice organizations face working with the philanthropic sector?
2. How do social justice organizations respond to and navigate these barriers and challenges?
3. How can grantmaking foundations better support the work of social justice organizations?

Participants

Data for this research was collected through one-to-one interviews with leaders from 30 social justice organizations located in either Toronto or Montreal. All participating³ organizations engage in programming explicitly related to diversity, equity, and inclusion—as well as social justice—goals. Moreover, all participant organizations have an advocacy component to their work, targeting systems and structures of oppression and power in Canadian society, rather than—or in addition to—more traditional charitable service provisions. Once these baseline criteria were met, we prioritized recruiting a sample of social justice organizations that ranged in annual expenditure [Figure 2], program focus [Figure 3], and annual revenue received from philanthropic funders [Figure 4].

³ All the interviews were conducted between May and August 2020 and, due to the COVID-19 pandemic, over Zoom or telephone. Each interview lasted between 40 and 90 minutes. Interviews followed a “semi-structured” format, meaning that the conversations between researcher and participant were loosely guided by several pre-planned open-ended questions. Our decision to work with 30 organizations was determined during the study design based on an estimation of when we would reach a point of data saturation as it relates to the three guiding research questions. As well, 30 interviews provide enough variance to identify a range of unique experiences and identify themes of commonality for future study.

Fig. 2 - Annual Expenditure

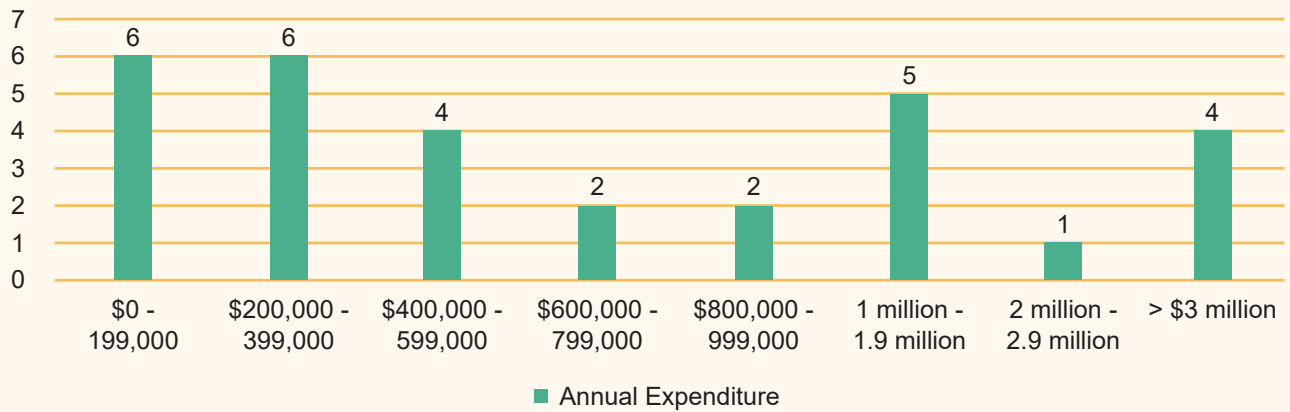


Fig 3. - Area of Focus

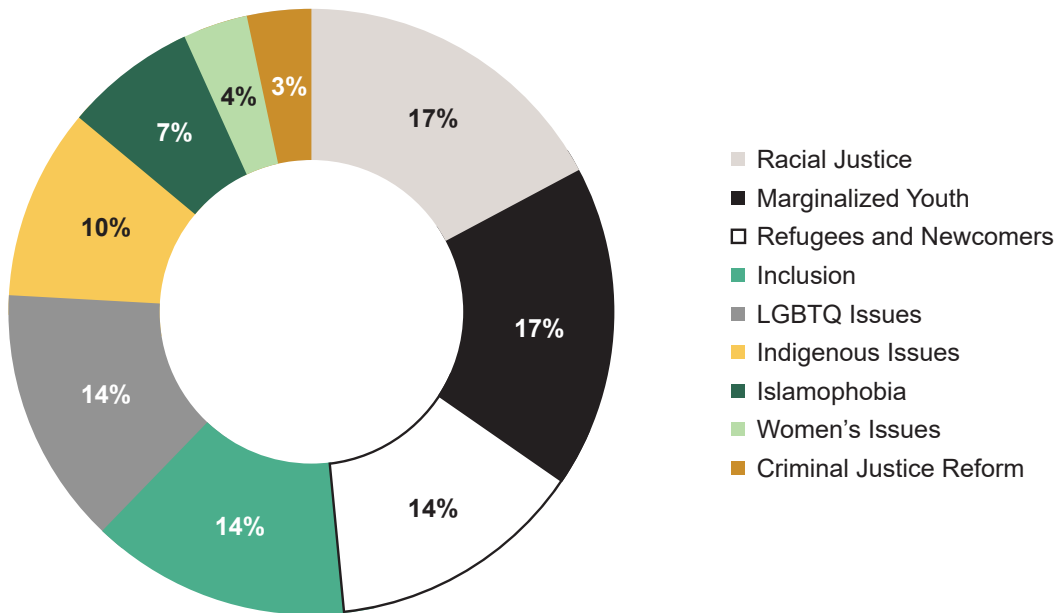
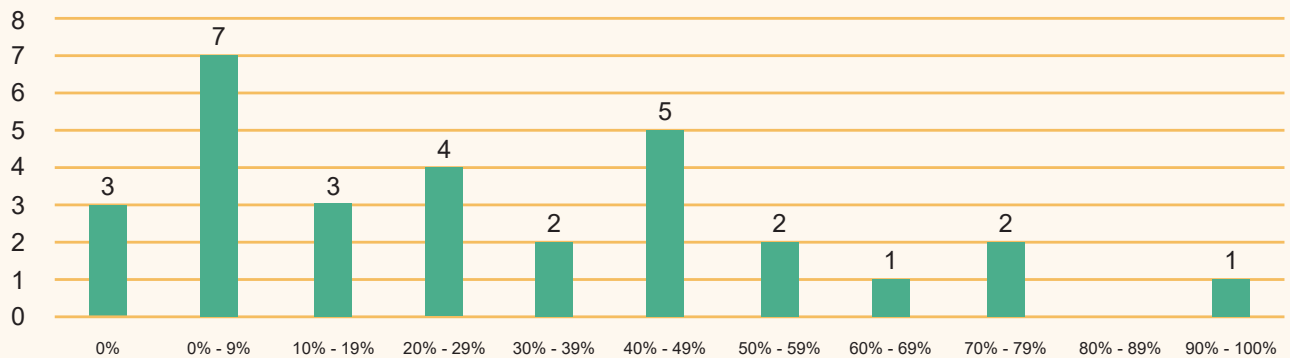


Fig 4. - % of Total Revenue from Foundations



Learning from the study

This section examines some of the key overarching trends, insights, and observations that emerged out of the interviews. They are organized around six overarching issues raised by the participants:

1. DEI as a Funding Category
2. The Ethics of Fundraising for DEI issues
3. Projectization and DEI
4. Philanthropic Power and DEI
5. Metrics, Measurement, and DEI
6. Philanthropic Networks and DEI

It is important to note that, of the 30 participants, more than half requested that their responses be kept anonymous. The reasoning behind this decision varied by participant.

Issue 1: DEI as a funding category

For all social justice organizations, principles of diversity, equity, and inclusion are at the core of what they do. That being said, each participant understands DEI—and mobilizes this understanding of DEI—differently. These differences are often dictated by the size of the organization, the particular equity and justice issue or issues they focus on, and their approach to doing social justice work.

However, despite the importance of DEI within their organizations, many participants voiced concerns regarding the use of “DEI” as a funding category within the philanthropic sector, as well as the use of DEI language more generally in relation to equity-focused work.

1. DEI is just a box to be ticked

"And they're like, 'Let's put a black person in here so that our box has been ticked.'"

— *Rahul Varma Teesri Duniya Theatre*⁴

⁴ [Teesri Duniya Theatre](#) is dedicated to producing socially and politically relevant theatre that supports a multicultural vision of society, promoting interculturalism through works of theatre, and creating theatrical styles based on the cultural experiences of visible minorities living in Canada.

According to participants, DEI is often just a box to be ticked for funders. This doesn't mean that funders have bad intentions. However, it does mean that, for participants, DEI funding within the philanthropic sector tends to rely on a simplistic set of definitions created by the funder. This common approach to DEI frames diversity as a thing that can be quantified or measured using numbers. It also prioritizes diversity over inclusion and equity—two concepts that are far more complicated and nuanced.

Naomi Bain, Artistic Director of the Artists Mentoring Youth Project,⁵ refers to this as “surface diversity,” which she defines as:

...diversity for paper, so you can have your tokens and you can check off those boxes.

Similarly, Nabeel Ahmed, President of the Board of the Tessellate Institute,⁶ notes that DEI initiatives sometimes become “a game of minority representation”:

It becomes a game of adding a chair to the table. You know, “We used to have these 10 people at the table, and now there's an 11th person, and their experience is slightly different so let's get a chair for them too.”

Most notably, the creation of these DEI boxes and categories can place limitations on the work of social justice grantees. As Alica Hall, Executive Director of Nia Centre for the Arts,⁷ notes, DEI terminology,

...doesn't allow the grantee to actually define for themselves as an organization where they want to go and what they're trying to address.

In other words, DEI terminology can require grantees to fulfill pre-conceived ideas passed onto them by funders and mainstream society in order to secure funding.

⁵ [The Artists Mentoring Youth Project](#) [AMY] is a free, barrier-free performing arts training program serving young women and non-binary youth. AMY breaks down barriers to participation by providing meals and transportation; accessible, queer and trans inclusive and anti-racist environments; and more. With the mentorship of professional artists, AMY participants learn to tell their stories with honesty, integrity, and artistic rigour.

⁶ [The Tessellate Institute](#) is an independent, non-profit research institute that explores and documents the lived experiences of Muslims in Canada. Since 2007, The Tessellate Institute has been a pioneer in the Muslim community for creating evidence-based research, multi-media projects, and training programs that educate both the wider public and our own community about the lived experiences of Muslims in this country.

⁷ [Nia Centre for the Arts](#) is a Toronto-based charity that supports, showcases, and promotes an appreciation of arts from across the African Diaspora. Nia creates spaces for Black Art through supporting professional and emerging artists to learn, grow and show their art. They provide opportunities for young people and the community to develop healthy identities with their cultures to enhance creative capacity. They also create opportunities for the community to experience creative works of established black artists through festivals, exhibitions and community events.

2. Diversity has no real meaning here

"This word you call diversity which we all use it has no real meaning."

-Tonya Williams, Reelworld Screen Institute

Many participants also argue that “diversity” and “diverse” are not particularly useful concepts for understanding social justice work. Simply labelling something “diverse” does not tell you much about who the “diverse” grantee is, what makes them “diverse,” and the work that they do. Rather, in the Canadian context, “diversity” simply communicates that the grantee isn’t (led by) a straight, white, cis-gender, man. As a result, the “diversity” category lumps all “diverse” grantees together into one group: “the diverse.” Alica Hall explains this by recounting an experience she had at a major philanthropic sector conference:

Everyone in every speech was just like, “we need to move the dial on diversity and inclusion.” “We need diverse ‘this’. We need diverse ‘that’. We need inclusion,” And it’s like: What are you actually talking about? Because diversity could mean just women. Diversity could mean Indigenous people. Diversity could mean queer people. Diversity could mean Black people.

Tonya Williams, Founder and Executive Director of Reelworld Screen Institute,⁸ puts forth a similar critique, outlining the insidious way in which this rigid binary of “diverse” v. “non-diverse” plays out in DEI funding initiatives:

If a broadcaster says, “we commit to 50% diversity,” and everyone cheers, I’m the person in the room going, “I don’t understand why people are cheering?” You’ve basically said, everybody on the planet is in the 50%. Other than single, straight white men who speak English and who are Christian. They get 50% and all the rest of us get 50%. That is not a fair distribution of funding.

In practice, these issues are problematic for two reasons. First, it means that all “diverse” grantees—which, as Tonya Williams notes, are the vast majority of the population—are competing for the same grants. Second, it means that the nuances and differences between various “diverse” groups and “diverse” lived experiences are equated and thereby erased.

2. Cultural differences vs. material inequities

"We've created this 'catch-all' and it's safe and doesn't name anybody."

-Alica Hall, NIA Centre for the Arts

⁸ [The Reelworld Screen Institute](#) provides year-round initiatives, programs and events to foster professional development for Canadian racially diverse talent, to deepen their artistic practice, and to strengthen this creative community and network. Reelworld Institute is working to increase the number of Canadian decision makers who identify as Black, Indigenous, Asian, South Asian, Middle Eastern and Latin.

Participants point out that DEI initiatives often focus on symbolic/cultural differences rather than economic/material inequities between groups. Haran Vijayanathan, former Executive Director of the Alliance for South Asian AIDS prevention,⁹ takes issue with this:

You're not inclusive just because you show up to an event, eat a samosa, and watch a dance. You're not aware of the South Asian community. Sorry. That's not inclusion. That's showcasing and that's about it.

In other words, DEI language can lend itself to the celebration of cultural diversity, rather than the material-basis of DEI issues like racialized poverty, the mass incarceration of Indigenous peoples, or the overrepresentation of trans people experiencing homelessness. By focusing on cultural differences, rather than material inequities, the DEI funding category also has the potential to shield funders and those in power from reflecting on their own role in contributing to inequities. Alica Hall highlights this problem with DEI as a “safe” and “catch-all topic”:

It doesn't mean anything. It means that you're not actually naming the issues or addressing them. [...] It's "Oh, we all need to belong. And we all need to feel comfortable," as opposed to actually thinking through a number of facets, and what are the barriers for X group to be able to work or do business with us.

In this way, participants highlight the need for a nuanced understanding of DEI, and an awareness of how DEI language can redirect conversations away from structures of power and social/economic justice, toward an uncritical celebration of cultural difference.

Issue 2: The ethics of fundraising for DEI issues

For social justice organizations, working with private philanthropic funders is an important component of their fundraising portfolio. It provides a range of advantages over working with government funders including less administrative burden via reporting requirements and more flexibility with grant spending.

However, social justice organizations also encounter ethical issues while fundraising within the philanthropic sector. The nature of these issues differs in accordance with the grantee's mission/mandate, their size/assets, and how “radical” their approach/worldview is.

⁹ [Alliance for South Asian AIDS Prevention](#) provides HIV/AIDS, sexual health and support services for South Asian communities in the Greater Toronto Area. They focus on three main programs areas: (1) Support for People Living with HIV/AIDS through peer counselling, peer support networks, referrals and treatment information; (2) Education around HIV/AIDS and sexual health through workshops, resource development and outreach; and (3) Community development through volunteerism, arts-based engagement, communications and community-based research.

1. The ethics of taking philanthropic dollars

"Is it okay to take money that maybe wasn't made in the most ethical way and put it into something incredibly ethical?"

-Anonymous Executive Director

Participants are very conscious of the tensions and contradictions between their DEI work, and the ways in which a philanthropic foundation (corporate or private) accumulates their assets. However, social justice organizations navigate this tension in a number of ways.

Some participants see no issue working with corporate or private foundations with links to businesses that involve (what they view as) unethical practices, as long as they feel that the funder's interest in their organization is genuine. As one participant from a grantee organization working on issues affecting Indigenous youth explains:

My view on it is, most of these energy companies are not new to working with Indigenous people. They have their own agreements with Indigenous communities. [...] They're not doing lip service to it by just throwing money at us. For me, if they align with what our vision, mission and values are, then I don't think there's any reason not to work with them.

On the other hand, some social justice grantees refuse to work with foundations that they feel are in direct conflict with their mission, and the interests of the specific populations they work with. For Haran Vijayanathan, creating and enforcing these boundaries is key to the integrity of Alliance for South Asian AIDS Prevention:

We are very cautious and conscious about which corporations we engage for funding and for donations, simply because it goes back to that whole inclusion and diversity concept. [...] So being conscious of the social aspects of those organizations as well and what harm they've caused, or what harms they haven't caused, and aligning ourselves appropriately.

Haran draws on a specific example to explain what this looks like in practice:

We wouldn't take money from Abbott Laboratories because Abbott has a huge history of abusing people living with HIV through high drug prices. [...] It really is looking at the history of that corporation and how they've actually maintained social responsibility.

Some participants from social justice organizations admit that they have no choice but to accept any and all grants that are offered to them in order to keep their organizations afloat. An anonymous participant from a small arts for social change organization explains:

We're so small, we don't have the resources to do that sort of research into who people are. Some of the philanthropic donors we have, I don't know how they made their money. And that crosses my mind at times. But it's like, is it okay to take money that maybe wasn't made in the most ethical way and put it into something incredibly ethically? We're in such a tight financial position. It's very hard to say no.

On the other hand, an anonymous participant whose organization works with racialized communities in Toronto explains that since certain philanthropic foundations (and/or associated business) already profited off their community, they are entitled to these philanthropic funds and accept them without hesitation:

We've called out the Toronto Police Services, and there's been a lot of pushback around the police. But if the Toronto Police Foundation turns around and says, "We did a fundraiser and we'd like to give you \$10,000," I don't think I'm going to say no, because I'm going to say, "Well, you know what, the harms you have caused our community—we will use this money to support the community to find ways of healing."

2. Fundraising and exploitation

"It's exploitative because you're exploiting your clients, and it's exploitative because you're exploiting yourself."

-Richenda Grazette, Head & Hands

Participants describe the personal and ethical challenges that accompany the actual process of interacting with elite philanthropic funders. Some participants note that it would be easier to receive philanthropic funds if they presented their clients who are racialized, poor, and queer as “suffering victims” or, as one participant put it: “parading them around like a show pony.” Haran Vijayanathan, again, explains how Alliance for South Asian AIDS Prevention navigates this tension:

We're not UNICEF. We're not World Vision. We're not going to sit there and show that poor child who they could have helped with their money. [...] I'm not going to make money for [the funder] or for their organization based on the struggle of the individual.

Richenda Grazette, former Executive Director of Head & Hands,¹⁰ adds that fundraisers from equity-seeking groups are aware of the power of these narratives, and can draw on them to their own advantage:

Part of it is using your own closeness to the clientele as an advantage to be like, "it could be me." [...] It's exploitative, because you're exploiting your clients and it's exploitative because you're exploiting yourself. When you're a person of colour or a queer person or trans person in fundraising, [funders] look at you and they're like, "oh, let me help you." Or they look at you and they dismiss you completely.

¹⁰ [Head & Hands](#) envisions a society where all youth are participants and are inspired by the endless possibilities available to them. Their mission is to work with youth to facilitate their empowerment and to promote their physical and mental health. Through education, intervention and referral, and in collaboration with other organizations, they provide medical, social and legal services and recreational activities to youth of diverse communities, free of charge.

Walking this tightrope is difficult for fundraisers from equity-seeking groups who must navigate the boxes that funders place on them. In fact, Grazette describes how this practice of self-exploitation can take “a personal toll on marginalized bodies”:

They will not trust you; they will not see you as professional. [...] With the way we dress and our embodiment, they'll be less interested, saying “I don't see myself in you.” They don't say but you can tell right? [...] So many fundraisers are women and philanthropists are men. So it's already like at the base built on a foundation of power imbalance. And fundraising is selling and selling is flirting and all these things that go into it.

For social justice organizations, philanthropic fundraising is an ethically fraught terrain that can challenge the values, beliefs, and identity of their organizations, as well as individual fundraisers.

Issue 3: Projectization and DEI

The tension between short-term project-based grants and more general core funding is commonplace throughout the philanthropic sector. Project-based funding models are believed to provide grantmaking foundations with an additional level of control over grantee spending, while formalizing accountability between funders and grantees. However, they often do so at the expense of charities and the communities they serve. Specifically, “projectization” puts grantees in a precarious financial situation, jeopardizing their sustainability and capacity to cover overhead costs. This model of philanthropic funding—albeit less rigid than government funding models—creates a unique set of issues, challenges, and barriers for social justice organizations. For participants, these vary based on the nature of the work being done by the grantee, who they serve, as well as who make up the staff.

1. Fixation on the new

“It's not always about expansion. Sometimes it's about just innovating within.”

-Anonymous Executive Director

Participants explain that their social justice work is not necessarily about the creation of new programs, or the continuous expansion of existing programs. This approach creates challenges within the dominant projectization framework. For some social justice organizations, organizational and program development entails small innovations over a long period of time. According to the Executive Director of a charity focused on issues related to criminal justice reform, focusing on the continual creation and expansion of new projects can have a negative impact on existing projects that might be better served by small tweaks or innovations:

You don't want to just create project after project after project. Sometimes you create a project, and then that project grows like a tree. And they have all these branches. So, you want funders to support those branches off that one project and not just say, “Okay, now we're done funding that project. Let's go on to a new one.”

Lucy Chaimiti, Executive Director of Adam House¹¹, goes a step further by emphasizing that some charitable programs are enough as is. She explains that her organization provides important programming for refugees, and that these programs simply need to keep going in their current form. This, she believes, is difficult for many philanthropic funders to accept:

[Philanthropic funders] seem to want to help you start something new. But what if you don't want to start something new? What if what you're doing on its own is enough? [...] We don't want to start a program for the sake of getting funding. We just need ongoing support to do what we do, which is already valuable.

Moreover, she explains that her organization can, in fact, do far more for its diverse clientele by referring out than by creating new programs:

We're not serving such a large population that we can necessarily start programs at our location. We have 23 people. And in 23 people, we could have a doctor who speaks fluent English all the way down to someone who worked as a driver in their country of origin and speaks no English. [...] We have such a diverse population that [...] we prefer to refer out.

2. Community building and equity-focused work

"Creating impact is sustained relationship building over a number of years."

-Anonymous Executive Director

According to participants, equity and justice work is premised on building relationships and trust with the communities in which their organizations operate. It's long-term work that involves building coalitions within communities at the grassroots level. Participants explain that this kind of necessary movement-building and coalition-building is extremely difficult to do with short term project-based grants, particularly when we take into account the kinds of quantitative metrics that often accompany such grants.

As one participant explains, long-term funding is not only about sustaining an organization, but also about creating the conditions for them to be able to establish relationships and trust, and collaborate with communities:

To come and fund us and to go into a community for one year is not going to create impact. Creating impact is sustained relationship building over a number of years. And that's how you create real trust and sustainable relationships. It really is through years of work. Not funding and then moving on to the next thing.

¹¹ [Adam House](#) is a non-profit Christian refugee reception centre located in Toronto, serving over 2000 refugee claimants (unsponsored refugees) since 2002. They are advocates; assisting newly arrived refugee claimants by providing shelter, orientation to life in Canada, and navigation through the complex immigration and settlement process. Adam House welcomes refugees regardless of race, ethnicity or creed.

These concerns around sustainability not only allow for relationship building with communities; they also enable staff to direct time and energy toward programming rather than grant writing, and accountability to communities rather than funders. As Naomi Bain of the Artists Mentoring Youth Project explains, the current project-based funding model fails to account for the future and “what comes next”:

We need to think about how we're going to be able to sustain ourselves. How are we going to be able to give ourselves a salary? And it's not simple. A lot of these funds do not focus on capacity-building. A lot of these funds do not focus on what comes next.

Another participant wishes that funders interested in DEI work and supporting social justice grantees would realize that this project-based model does not align with the actual operations of their organizations:

Not a lot of funders want to just fund your audit or all the kinds of menial things that are required to run a nonprofit. A lot of funders want to say, "We're funding this amazing project!" Which is really good and cool for the funders to talk about. But in order to do that, we also need to pay salaries.

3. Devaluing labour and overhead costs

"They'll say, Oh, I give it to the place with the least admin fee or who spends the least on admin."

-Katie Hutchinson, VIBE Arts

Finally, some participants voice a unique perspective on funders' preference for project funding over core or overhead costs. They believe that this is rooted in a devaluing of the labour that goes on in social justice organizations. Katie Hutchinson, Executive Director of VIBE Arts,¹² explains:

We had this one foundation, where maybe 35% of the overall grant was staff salaries. "Why is that so high?" [they said.] "I'd rather pay for that in art supplies." Really? You'd rather pay for a bunch of sketchbooks that aren't going to get used as opposed to paying for a well-paid human to go and deliver these programs? Nobody would ever ask if they were opening a new startup, "How much are you spending on people? I'd rather spend it on computers."

She goes on to articulate an observation shared by many participants: that there is a tendency to de-value the kinds of (often racialized and gendered) labour that happen within the charitable sector at large, and within social justice organizations more specifically:

¹² Established in 1995, [VIBE Arts](#) is an award-winning charitable organization committed to providing children and youth in under-resourced communities with high-quality arts education. VIBE Arts works in partnership with youth-serving organizations and works together to increase their impact and participation through arts programming.

You'll hear them say, "Oh, I give it to the place that spends the least on administration. So you're basically saying you want to give somewhere that's not run as well? Where people don't have computers to use? [...] You want people working in these uncomfortable environments to do really important work? Or maybe not retain really high performing staff, because we can't pay them a competitive salary?"

For participants, the dominant project-based funding model creates a unique set of challenges for grantee organizations doing diversity, equity, and inclusion work, as well as community work geared toward social and economic justice.

Issue 4: Philanthropic power and DEI

For participants, philanthropy's increased interest in DEI issues is a double-edged sword. On the one hand, increased philanthropic involvement and interest related to justice, equity, and social change is beneficial because it directs significantly more financial resources—as well as public attention—to social justice organizations and the issues they work on. At the same time, participants voice concern that philanthropic funders often find themselves with a powerful role in steering which societal issues are addressed—as well as how they are addressed—even if they're not qualified to do so.

1. The issues that catch the eye of elites

"The funding has continued. And it all stems from one photo."

*-Paul Clarke, Action Réfugiés Montréal*¹³

As highlighted during the COVID-19 pandemic, systemic racial, gender, and class inequities are a fundamental characteristic of Canadian society. However, as participants note, philanthropic involvement in, and prioritization of, specific DEI causes are often determined by the stories and issues that catch the attention of elites. Paul Clarke, former Executive Director of Action Réfugiés Montréal,¹³ for example, describes how the 2015 photograph of Alan Kurdi impacted his organization for years:

On September 2nd 2015, there was a photo of a little boy—a Syrian boy—who drowned in Turkey. And that changed Action Réfugiés Montréal. The composition of our funding was quite dramatically increased. [...] On September 3rd 2015, just about every media outlet called us. On September 4th 2015, every media outlet had my voice. [...] When I was coming back from a CBC interview, there was a phone call from Fondation du Grand Montréal that basically said, "We read about you in the newspaper. Sounds like you need money. How much do you need?"

¹³ [Action Réfugiés Montréal](#) is a strong voice for refugees in Montréal and beyond. As a not-for-profit, faith-inspired charitable organization, they seek justice for asylum-seekers and refugees. They promote partnerships among people in refugee and faith communities and society at large for mutual empowerment. Through Action Réfugiés Montréal's Detention, Sponsorship and Twinning programs, they provide hope and assistance while raising awareness of refugee rights.

A similar story was recounted by an Indigenous-focused grantee organization in response to the Truth and Reconciliation Commission:

The Truth and Reconciliation commission's report gave us a lift in the sense that it really shone a spotlight on Indigenous issues. And we've been lucky enough to be able to get out there in a way that people have been able to find us.

Likewise, participants that work with organizations focused on racial justice noted a dramatic uptick in donations and funding after the murder of George Floyd, and the subsequent mainstreaming of the Black Lives Matter movement. Ericka Alneus, former Philanthropic Development Advisor of Pour 3 Points,¹⁴ recalls the weeks following George Floyd's murder:

We started receiving donations. I didn't understand. We weren't doing anything different. [...] A lady called and said, "Can we do a 50km run in my neighbourhood?" There was a restaurant that decided to do a pop-up [restaurant where] you buy some food, and they donate. There was a place that decided to do a cycling course online, and proceeds were given to us. Being a Black person, I was touched by it.

Some participants suggest that this phenomenon is indicative of philanthropy's "herd mentality." Haran Vijayanathan, however, suggests that this can also lead to funders avoiding particular DEI causes:

There's this sort of pack mentality of, "Oh, you're my white friend, and you're rich, and I'm a brown friend, and I'm rich, and we're going to go to this event together. [...] But then they forget that there are small little organizations that are really fighting, because there are still people from our [South Asian] community who can't access those services at the AIDS Committee of Toronto.

Similarly, Paul Clarke observes that funders will avoid certain equity issues when there is some degree of stigma attached to them:

We have a detention program where we visit people who are detained by the federal government for immigration reasons. [...] Very plainly and honestly and fairly [the funder] said, "We're not going to do that. We're not going to fund something that helps people in jail. Maybe it's fine what you do. It's probably great that you do it. But, we're not."

¹⁴ [Pour 3 Points](#) builds a community of sports coaches dedicated to improving the achievement of athletes in low-income schools by effectively teaching life skills through sports. They do so by enlisting beginner coaches into a two-year sports coaching apprenticeship that includes leadership training, courses on youth development, practical coaching experience in a low-income school, mentoring, and peer-to-peer learning.

2. Power to shape the conversation

"When you come to moments where you want to say, 'Excuse me, you're crossing a line now,' that can be hard to say because they're your funder."

-Anonymous Executive Director

Some participants also describe a complex situation where philanthropic funders endorse a particular approach or framework to solving a DEI issue that conflicts with the social justice organization's own view. While disagreement is natural and inevitable in any collaborative relationship, this puts the grantee in a precarious situation with current or potential funders. One participant, who serves as the Executive Director of an education-focused charity describes the pros and cons of philanthropic funders taking a more active role in "articulating how they want the world to change":

Sometimes it's problematic because suddenly funders are in there, doing the same work as you in a way. You can end up in a situation where your funder is sort of your competitor as well. [...] And it's great. And it's complex. And sometimes it is challenging. Because when you come to moments where you want to say, "Excuse me, you're crossing a line now," that can be hard to say because they're your funder.

In this spirit, Richenda Grazette explains that she prefers working with funders that have a degree of humility regarding their knowledge of the DEI issue, and place their trust in the hands of grantees:

The philanthropy folks that I like the best are the ones who know that they won't understand [the issues you work on] and accept that. And therefore, trust you. That's what's really important.

Philanthropic funders' outsized influence in shaping policy conversations is well-documented, particularly in the United States, as well as within global development contexts. While social justice organizations welcome the growth in philanthropic interest (and philanthropic dollars) around DEI issues, there exists real concern around wealthy philanthropists steering how DEI issues are understood and addressed in communities that they know little about.

Issue 5: Metrics, measurement, and DEI

The question of metrics, measurements, and reporting requirements is an area of significant disagreement across social justice organizations. For some participants, metrics and measurement provide a means to communicate impact to funders in a straightforward manner. They believe that organizations that are able to make the biggest impact will receive the most support from funders. The majority of participants, however, explain that funder-defined metrics and measurement tools are not well-suited for DEI work for a number of reasons.

1. Inability to measure equity-focused impacts

"We should not need to meet the needs of funders; we should want to meet the needs of our communities and [...] of the people that we are serving."

-Nabeel Ahmed, The Tessellate Institute

Some participants highlight that the kinds of outcomes they produce are difficult to measure using standard funder metrics and measurement tools. For Diversité artistique Montréal,¹⁵ these challenges are connected to their organizational structure as a member's association. Another significant challenge is the resource intensive nature of measuring the kinds of long-term impacts that social justice organizations have. Simon Paradis, the organization's former Fundraising and Administrative Coordinator, explains:

The impacts are [felt] maybe in a year or two years. But we don't have the resources to go back. Or people's location has changed. How do you measure impact in society? How do you measure equity and inclusion in the long run?

Haran Vijayanathann expresses a similar concern using a personal story:

I graduated from university, and I graduated high school, but I was also suicidal for most of my youth and adolescence. But a lot of young people go through that. [Metrics] don't look at some of those issues, right? [...] Yes, they graduate school, they get a nice job, but there's still some sort of impact that those things have left and potentially one bad day you go right back to where you were as a child.

For Nabeel Ahmed of The Tessellate Institute, the very idea that social justice organizations need to meet the metrics of funders is a DEI issue in itself. He explains:

We should want to meet the needs of our communities and [...] the people that we are serving. But [funders] love marketing. [...] We know of at least one funder, who's kind of stopped working with us, because they're like, "Well, you're not doing a good enough job telling the story of what you did. Sure, it might have had an impact on the people that you work with. But we want to be able to tell that story."

¹⁵ [Diversité artistique Montréal's](#) mission is to promote inclusion and cultural equity by supporting immigrant and racialized artists of all disciplines in the development of their careers. They strive to increase awareness of ethnocultural diversity issues as well as empower the community to address them. On the political front, they keep abreast of issues related to racism and inclusion, make recommendations for achieving cultural equity in the arts, and encourage initiatives to overcome systemic barriers that hinder the equitable development of culturally diverse artists and organizations.

2. What counts as impact?

"When we start doing things from an Eastern practice or philosophy, or whatever you want to call it, then there's direct conflict with the funder."

-Haran Vijayanathan, Alliance for South Asian AIDS Prevention

At the core of this question is a disagreement around what counts as impact. This is particularly notable in the case of social justice organizations, and it often takes two forms. First, as one participant explains, true DEI impact often involves political or system-level shifts through policy changes. However, these sorts of long-term macro-level impacts can be difficult to track and measure:

For many funders, a change in policy is too far removed. So it's harder for them to wrap their head around that. I think I can use [corporate foundation] as an example. They actually expressed frustration at what's not happening in terms of, are we building skills that kids need for the future? That's [the corporate foundation's] focus. But it's been a hard process to go, "We need you to be part of the concrete conversation around system change."

Some participants complained that foundation metrics tend to be grounded in a white Western framework, with racist ideas and preconceptions about what counts as impact. This can create conflict between funders and grantees. Haran Vijayanathan gives a cogent example:

We use cooking as a social way of gathering people, engaging people and having them talk about their feelings and emotions and learn through those processes. But in the Western world, for us to be qualified as providing a program or service, we need to have a 12-week step program where we are able to monitor someone who walks in desperate, and then they walk out feeling great. There's like the whole Alcoholics Anonymous or 12-step program where you're moving people through rather than looking at people. [...] When we start doing things from an Eastern practice or philosophy, or whatever you want to call it, then there's direct conflict with the funder.

3. Experiences of measurement

"I am being scrutinized in a way that other organizations might not be scrutinized."

-Tonya Williams, Reelworld Screen Institute

Racialized people who participated in this study describe being under increased scrutiny from funders as well as other organizations in the sector because of their identities. Tonya Williams explains this, drawing a parallel to her experience as a Black woman being surveilled while shopping in a store:

Everything is questioned. Every penny we spend is questioned in a way that I'm not sure other [white-led] organizations are. And every time I see an organization of colour get found out, I'm pretty sure white organizations are doing the exact same thing. But they're not under the gun in the same way. [...] I feel the same nervousness I feel when I walk into a store. The assumption is I'm probably going to steal something.

On the other hand, Richenda Grazette of Head & Hands speaks to both the ethical and practical issues and tensions that accompany the collection of data from clients in marginalized communities in order to provide the metrics that funders desire:

That is definitely something that's hard for some of our team, particularly our street work team, because they're just out meeting random kids or random people on the street. And it would totally ruin their ability to provide good care to kind of be like, "are you a person of color? What kind?"

For social justice organizations, the challenges with fulfilling funder metrics are manifold and nuanced. On the one hand, it can be challenging—both conceptually and practically—to measure the impact of their work. At the same time, the actual experience of “being measured”—for both staff and beneficiaries—is differently felt by staff and beneficiaries from equity-seeking groups.

Issue 6: Philanthropic networks, trust, and DEI

Throughout the interviews, participants describe the philanthropic sector as an opaque funding arena, governed by networks, trust, and unspoken rules. On the one hand, this suggests a degree of in-depth and long-term relationship-building that often distinguishes the philanthropic sector from government-based forms of funding. In fact, these trust-based relationships have proven particularly generative during the COVID-19 pandemic, facilitating the agile response of funders, and increased flexibility with social justice organizations.

At the same time, this less-formalized funding arrangement means that it can be difficult for social justice organizations to establish new partnerships with foundations. Moreover, as participants suggest, establishing and maintaining trust-based relationships with funders can prove uniquely challenging for social justice organizations, and can interfere with their own DEI priorities.

1. The importance of networks

"It's really all about who you know. It's continuously all about who you know."

-Naomi Bain, Artists Mentoring Youth Project

A common sentiment shared by participants is that grantees need some pre-existing connection to a foundation—often through a board member, or a recommendation from another foundation—to initiate a new funding relationship in the philanthropic sector. In her own experience with VIBE Arts, Katie Hutchinson notes that,

...the majority [of relationships] have come through connection. Somebody who knows someone who knows someone.

She further explains that,

once a foundation decides who their group of beneficiaries are, they really stick with that. And we've both benefited from that because ours have stuck with us for a long time but also it's hard to get any new folks. [...] We have had exactly zero success getting people to actually come to a program despite that being the best practice [for attracting new funders].

For Alicia Hall, philanthropic funding is defined by its lack of transparency, which makes it extremely challenging to strategically approach potential funders, particularly for small social justice organizations. She compares this to applying for government grants:

[Philanthropy's] not like public granting bodies where I can give the program officer a call, get a sense of sort of what their priorities and interests are right now. It's very "closed doors," and lots of work. Lots of foundations don't even have contact information, it's just kind of like this one-page site.

2. DEI and trust-based relationship

"Wealthy-looking white women rule that relationship."

-Anonymous Executive Director

Participants highlight that trust is the foundation of their relationships with funders. This has its strengths and its weaknesses. As Fabiola Ngirabatware, former Funding and Development Coordinator of the Centre for Community Organizations [COCO]¹⁶ explains, philanthropic partnerships “are a more personal relationship than with government funding; most of the government professionals don't necessarily know or don't necessarily have a personal relationship with the grantee organization.” At the same time, however, she adds that, “it's difficult to navigate that very personal relationship with foundations. That's how you earn trust, by growing that relationship. Your funding will be kind of dependent on your capacity sometimes to be able to maintain a relationship.”

¹⁶ [The Centre for Community Organizations](#) (COCO)'s mission is to help build a more socially just world by supporting the health and well-being of community organizations in Québec. Through supporting organizational development, offering training, disseminating resources, producing research, and by strengthening links between nonprofit organizations, COCO helps to promote the vitality of the community sector in the province.

However, trust between funders and grantees does not occur in a vacuum. It is shaped by the larger philanthropic funding environment, implicit biases, and who holds positions of power. Speaking from his own experience as Executive Director of Teesri Duniya Theatre, Rahul Varma explains how the trust that grounds philanthropic relationships are influenced by race (as well as gender, class, and citizenship status):

There is a lack of trust [and] it is racialized. You are permitted to enter into the field [of philanthropy]. There is a democracy in this country. No one will prevent you from entering. But once you are there, you are kept at a level where you just don't increase in size because of all the social factors and one of the major ones is racialization.

3. Board representation

"Our board is also part of the community that we're trying to serve. I think that's important."

-Richenda Grazette, Head & Hands

The issue of “needing to have someone on the inside” coupled with the ways that race—as well as class and gender—shape trust in the funding arena creates a serious problem for organization staffing and board formation. For many social justice organizations, having a board and staff that reflect the communities they serve is one of the key components of their DEI commitments. For Naomi Bain, a major strength of their organization is,

...creating an environment that is reflective of the community that we are serving. Our organization is mainly run by women, non-gender conforming folks, and trans folks. That, in itself, makes us really unique in that we reflect our participants really, really well.

Richenda Grazette makes a similar point:

An important reason why organizations like Head & Hands should exist and be funded, is that our board also reflects our clientele. So our board is largely BIPOC [Black, Indigenous, People of Colour], a huge amount of queer folks on our board. Our board is also part of the community that we're trying to serve. I think that's important.

Herein lies a significant tension for social justice organizations in the philanthropic sector. On the one hand, they want to reflect the communities they serve. On the other hand, developing and maintaining funding relationships in the philanthropic sector requires grantee boards to have pre-existing connections with elite foundations.

Simon Paradis highlights how these challenges manifest for his organization:

The board usually goes to activities—cocktails or events and they will meet people. But the difficult part is most of my board doesn't have those contacts. [...] Two are born in Canada. All the other ones are born abroad. To get people with the recognition to go ask a big donor to give 10,000 dollars, That's difficult. That's a problem for diversity.

Furthermore, he notes, even once the board members are “in the door,” there are additional challenges that reinforce Rahul Varma's earlier point on the racialized nature of trust:

Usually you start relationships with [potential donors] with small talk. But if you don't have the same experiences in your life you don't watch the same TV programs, you don't like the same sports, you don't know the same artists—how are you going to connect?

This brings up the overarching questions of accountability: are social justice organizations first and foremost accountable to their funders? Or to the communities they serve? And how can an organization be accountable to, and representative of, the communities they serve, when their funding and sustainability is tied to knowing “some-body on the inside” of philanthropic organizations?

Conclusion and key takeaways

Over the past five years, “diversity, equity, and inclusion” has played an increasingly prominent role in policies, practices, research, and rhetoric in the philanthropic sector. This DEI turn is, without question, indicative of growth, reflection, and concern within Canadian philanthropy, as well as a commitment to participate in larger social movements for a more equitable and socially just society. These conversations and shifts at the foundation and policy level are all the more important within a COVID-19 context that has both revealed—and magnified—existing material inequities and forms of societal oppression based on class, race, gender, sexuality, and ability. [Likewise, COVID-19 has uniquely impacted the social justice organizations that this report has focused on as well.](#)

However, despite this significant movement in the sector, it appears that the sector still has work to do to shed philanthropy's top-down orientation that traces itself back to the early days of the Carnegie Foundation, through the philanthro-capitalist movement led by donors like Bill Gates. DEI philanthropy has, until now, remained a subject defined, discussed, and critiqued by philanthropic funders, consultants, and the rare researcher focused on funder behavior, rather than on the grantee organizations doing critical equity and justice work on the ground.

The purpose of this report is to invert this dominant framework—to examine DEI philanthropy from the perspectives of social justice organizations who are the target of such funding priorities. In doing so, a number of key issues have been brought up that should inspire grantmaking foundations to think and act differently around their DEI work.

Issue one: DEI as a funding category

- **Takeaway:** DEI might not be the best framework for pursuing justice and equity.
 - Why?
 - DEI is easily quantified and can turn into a box to be ticked by funders

- DEI terminology can be used as a way to avoid talking about and naming specific issues
- DEI can shift the focus to cultural representation issues rather than material inequities
- **Recommendation:** Funders need to understand and account for the limits of DEI terminology. This must involve explicitly naming the problems they seek to address through their philanthropic work, whether anti-Black racism, the legacies of settler-colonialism, or wealth inequality. In doing so, funders must also foreground material inequities, rather than simply celebrating cultural differences.

Issue two: The ethics of fundraising for DEI issues

- **Takeaway:** Fundraising for DEI issues is ethically fraught, and can challenge the values, beliefs, and identities of social justice organizations and their staff.
 - Why?
 - Social justice organizations often see a contradiction between how philanthropic assets are/were accumulated, and the DEI goals of their organization
 - Fundraising for DEI issues can often result in the exploitation of marginalized clients through presenting them as one-dimensional victims
 - The practice of fundraising in elite fundraising spaces can take a serious emotional and psychological toll on queer, disabled, and working class fundraisers
- **Recommendation:** Funders need to educate themselves on the source of their assets, and how these accumulation practices relate to the communities they seek to help through their DEI work. This relationship should be made clear to their grantees. As well, funders must work to disrupt patronizing charitable sector narratives that reduce beneficiaries and organizational staff from equity-seeking groups to stereotypes of the poor suffering victim. Fundraising for DEI issues is hard work. It's exhausting. And this is additionally so for fundraisers from marginalized groups.

Issue three: Projectization and DEI

- **Takeaway:** Project-based funding models create unique challenges and barriers for social justice organizations and their DEI work.
 - Why?
 - Social justice programs do not follow a linear growth trajectory; they must be nurtured and supported over time
 - Social justice work requires building relationships, trust, and coalitions with communities at the grassroots level; short-term project-based funding makes this very difficult
 - Projectization devalues the labour that goes on in social justice organizations—labour that is typically done by women and people of colour

- **Recommendation:** Funders need to adapt to how social justice organizations run their own organizations rather than relying on tools and strategies from the world of business and management. They also need to understand that DEI outcomes are accomplished by the labour of hardworking staff. Labour produces this social value. Shying away from overhead costs means that social justice organizations will lack the resources to hire and retain—as well as support—talented, committed, and well-trained workers to develop and deliver programs.

Issue four: Philanthropic power and DEI

- **Takeaway:** Philanthropy's power to steer conversations around how DEI issues are understood and addressed can create conflict with grantees who have differing views and priorities, yet depend on them for funding.
 - Why?
 - The social justice work that receives support from philanthropic funders are determined by what's in the news at the time, what is viewed as uncontroversial, and what's good for business.
 - Funders can become competitors of social justice organizations if they endorse a different approach to addressing a DEI issue, placing grantees in a precarious position.
 - Funders may have undeserved power shaping policy conversations around communities that they have little connection to.
 - **Recommendation:** Funders need to learn to walk the fine line of active engagement around specific DEI issues without trying to dictate how these issues are addressed. Funders need to create safe spaces for grantees to talk about their relationship and co-create projects. Social justice organizations are embedded within communities, have social ties, and have been doing this work for a long time. They want philanthropic allies and supporters who trust them to carry out the work in the way that they know how.

Issue five: Metrics, measurement, and DEI

- **Takeaway:** Quantitative metrics and measurement tools are not well-suited for social justice work and, in some cases, can be harmful to this work.
 - Why?
 - Long-term DEI impacts are difficult to measure and require a lot of resources to track and measure.
 - Funder metrics often overlook or dismiss DEI impacts, whether because they are policy/systems-based, or because they come from a non-Western framework.
 - Funder scrutiny is experienced differently by social justice organizations led by individuals from equity-seeking communities.
 - The actual process of gathering data on beneficiaries of social justice programs can be harmful to beneficiaries.

- **Recommendation:** Funders need to understand that the metrics and forms of measurement they employ are not value-neutral. Funders need to work with grantees to define metrics and outcomes in a way that makes sense for the particular projects and approaches being employed. In doing so, accountability can be altered so that social justice organizations are accountable to the communities they serve, first and foremost, rather than their funders.

Issue six: Philanthropic networks and DEI

- **Takeaway:** While philanthropy's trust-based relationships have their benefits, these less formalized funding arrangements can create unique challenges for social justice organizations and interfere with their own DEI priorities
 - Why?
 - Grantees express that pre-existing contact with philanthropic funders is required in order to establish a funding relationship.
 - While social justice organizations aspire to have a board of directors that is representative of the communities they serve, this can mean that they are less able to build connections and relationships with elite funders.
- **Recommendation:** Foundations committed to DEI should formalize the process through which new social justice organizations can get in touch with them. They should actively seek out social justice organizations on their own, ask to see their programs in person, and go from there. Foundations should also seek out other philanthropic organizations committed to doing DEI work in the sector. Foundations should set a quota for new partnerships each year. Finally, foundations need to prioritize diversifying their own staff and board so that interactions between social justice organizations and funders are not so unequal.