



# Long Island Racial Equity Donor Collaborative

**2020 Request for Proposals: Planning Grant**

**Deadline: July 13, 2020 @ 5:00 p.m.**

*June 2020*

The Long Island Racial Equity Donor Collaborative is issuing an inaugural request for proposals for 8 six-month planning grants (of up to \$25,000) to support nonprofit organizations advancing racial equity by increasing access to living-wage jobs and improving financial wellness among black Long Islanders.

## About the Long Island Racial Equity Donor Collaborative

The Long Island Racial Equity Donor Collaborative is a pooled grantmaking initiative<sup>1</sup> administered by the Long Island Community Foundation. Through this fund, we seek to increase the capacity of Long Island-based, equity-focused organizations to strengthen and expand black Long Islanders' economic opportunities and financial health. To that end, we are making grant funding available to organizations on Long Island as well as collaborations between Long Island-based organizations and local, regional, and national partners.

Once the United States' first postwar suburb, Long Island has another opportunity to be a model and social laboratory for innovative responses to the changing dynamics of US suburbs. Although Long Island, which has 2.8 million residents, has had many successes, it also has a history of persistent segregation and racial disparities in wealth, housing, and educational attainment. The present economic costs resulting from the continued social and economic exclusion of black Long Islanders are glaring.

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<sup>1</sup> Long Island Racial Equity Fund's members include Apple Bank, Capital One, Citi, BankUnited, BNB Bank, JPMorgan Chase, Long Island Community Foundation, M&T Bank, Nassau Financial Federal Credit Union, and the Surdna Foundation.

Although Nassau and Suffolk counties have a combined annual economy of \$120 billion, Long Island is missing out on an additional \$24 billion annually because of persistent racial inequalities.<sup>2</sup>

The fund acknowledges the history and legacy of racism and racial inequity on Long Island. Recently, the scope and impact of policies and practices—including discriminatory housing practices systematically disadvantaging black homebuyers—have recently become clear to us, intensifying our commitment to addressing racial inequities on Long Island.<sup>3</sup> The Long Island Racial Equity Donor Collaborative views the development of this fund and its potential impact as a significant step in advancing existing racial-equity initiatives on Long Island, and as providing a model for how other funders can align their resources to advance equity in other suburban communities. Given this potential, the fund has been deliberate in

- **being evidence-informed** in selecting priority areas and strategic levers,
- **being inclusive** while developing the funding strategy articulated in this request for proposals, and
- **being open and inviting toward different stakeholders** in crafting this funding opportunity so the field can continue learning about existing promising strategies.

## The Long Island Racial Equity Donor Collaborative’s Mission

The Long Island Racial Equity Donor Collaborative which comprises forward-thinking foundations and leading financial institutions, will engage public and private funders in a regional, community-informed capacity-building initiative. The fund intends to serve as a convener, facilitator, and fundraiser while helping regional institutional leaders representing governments, nonprofits, and the private sector establish strategic priorities and guide targeted investments in critical areas of need for black Long Islanders.

We recognize that addressing racial equity requires directing resources and attention to the systemic barriers inhibiting economic mobility on Long Island. Attitudes and individual behaviors are not the causes of racial inequity. Our society’s racial gaps are functions of policies, practices, and organizational behaviors that have disproportionately impacted people of color. Therefore, it is imperative that the fund’s efforts be directed at the systems level, which means focusing on how organizations, people, government agencies, and nonprofits operate. Effecting change will require new partnerships between organizations, and it will require private and public agencies to reexamine their operations and adopt new models. Leaders representing different sectors (i.e., government, nonprofit, and private) will also need to begin thinking differently and laying the groundwork for new systems where organizations are aligned with improving key economic outcomes for our most vulnerable residents.

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<sup>2</sup> PolicyLink and PERE (2017). [An Equity Profile of Long Island](#). Retrieved: November 10, 2019

<sup>3</sup> Choi, Ann, Bill Dedman, Keith Herbert, and Olivia Winslow (2019) [Long Island Divided](#). *Newsday*, Retrieved: December 18, 2019.

The fund will leverage its assets and networks on Long Island, in the Mid-Atlantic region, and around the US to plan and prioritize activities to create an inclusive-prosperity agenda for Long Island. The fund plans to do so through a multiyear funding strategy, beginning with this funding opportunity. As part of this initiative, the fund will engage with businesses and workforce-development stakeholders, schools and local colleges and universities, foundations and nonprofits, local and state government, local and national banks, and other community stakeholders. Moreover, we recognize that the programs and projects should be embedded in a system of coordinated support to change community-level indicators and advance economic progress (specifically wealth-building) for black Long Islanders. The fund seeks to make progress toward systems-level goals including articulating clear, measurable outcomes; partnering with stakeholder organizations that have demonstrated commitment to racial equity on Long Island or are ready to act; increasing public and private funding for these efforts; and supporting champions who can advocate for policies that create or strengthen an enabling environment for this work.

Through this initial grantmaking opportunity and our ongoing work on Long Island, we seek to advance our work with an eye toward ensuring all Long Island Racial Equity Donor Collaborative processes—internal and external—are equitable. Therefore, our aim is to fund organizations with programs, practices, and activities that align with our commitment to advancing racial equity fairly and responsibly and providing black Long Islanders opportunities to leverage resources toward better economic outcomes. As such, we have adopted several equitable-grantmaking tenets to inform and guide our work.

## **Equitable Grantmaking**

The Long Island Racial Equity Donor Collaborative is committed to advancing racial economic equity on Long Island through grantmaking by centering equity in “what” projects we fund and “how” we fund them. As such, we hold ourselves accountable for addressing the systemic barriers that have reinforced and reproduced racial injustice among funders and have excluded deserving organizations from much-needed grants and other programmatic supports.

The fund’s goal—collectively and for each particular grantmaking opportunity—is to help nonprofits and other community-based organizations become more innovative, more financially secure and flexible, and stronger to have a greater impact in their communities.

As funders, we understand our privilege in this kind of funding opportunity, and we are committed to using every means available to ensure that how we use this grantmaking opportunity accommodates organizations with varying capacities and expertise.

To this end, and in our grantmaking, in our work with grantees, and in our work with each other, we are committed to the following:

- developing a transparent, open, and streamlined grant application and review process that minimizes barriers to entry for underresourced organizations

- soliciting applications from and funding a multitude of actors and institutions beyond the more visible organizations traditionally engaged and funded in this work
- providing grantees high-quality technical assistance during the planning grant term to facilitate capacity building for project work
- flexibly funding projects that will address racial economic inequity on Long Island without overprescribing the activities that will qualify for funding
- incorporating ongoing racial-equity research and discussions with Long Island stakeholders into the fund's mission and strategic goals
- listening to and learning from our grantees and supporting them by valuing their knowledge of, commitment to, and expertise about their communities

Ultimately, we believe these equitable grantmaking practices will lead to differences in “what” is funded, producing broader representation in the types and qualities of organizations selected for funding.

## Our Vision for this Grantmaking Opportunity

The Long Island Racial Equity Donor Collaborative envisions an inclusive and equitable Long Island where every resident can thrive. The fund seeks to eliminate the stark inequities between black and white Long Islanders by addressing systemic barriers to full social, political, and economic inclusion.

The challenges impeding black Long Islanders' economic mobility span several critical issue areas. For this grantmaking opportunity, the fund has prioritized two focus areas that, if targeted with resources and sustainable solutions, could transform the economic conditions and mobility of black Long Islanders. These areas are (1) **improving credit access and financial health**, and (2) **improving job opportunities, wage disparities, and career pathways**.

### Credit Access and Financial Health

On Long Island, among residents who experience a sudden job loss, medical emergency, or any other crisis leading to a loss of stable income, black Long Islanders are 27 percent less likely than white Long Islanders to have access to liquid assets to cover sudden costs. Roughly 20 percent of black Long Islanders have zero net worth or negative net worth (i.e., their debts outweigh their assets), compared with roughly 8 percent of white Long Islanders.

To address these gaps, we are open to proposals that seek to apply the following levers to build eligible Long Island organizations' capacity to improve credit access and financial inclusion among black Long Islanders.

## LEVERS

The Long Island Racial Equity Donor Collaborative aims to support planning grants that involve the following:

- **capacity building: strengthen existing organizations' capacity** to better address black Long Islanders' specific needs
- **pilot programs: support programming efforts** for neighborhoods and populations with the greatest needs
- **expand initiatives: maximize the impact** and alignment of regional programmatic efforts
- **test innovation: apply innovative approaches** that improve credit access and financial health among black Long Islanders and create a context for creative problem solving in the region
- **promote technological and institutional innovation: innovate to expand use of and access to financial systems** by addressing infrastructural inequities and weaknesses
- **equitable public policy: strengthen legislation and enforcement** to ensure customers are protected and the risks associated with regulatory frameworks do not disproportionately harm black Long Islanders
- **advocacy: create strategies and insights to engage with** and challenge the financial sector to protect, empower, and serve black Long Island clients

## OUTPUTS/INTERMEDIATE OUTCOMES

By funding projects in credit health and financial access projects, the Long Island Racial Equity Donor Collaborative aims to achieve the following outputs and intermediate outcomes:

- **broader access to the credit economy** and improved access to and use of prime lenders
- **increased credit capacity (i.e., access to credit)** among black Long Islanders
- **improve debt-management capacity** among black Long Islanders
- **measurably improved financial outcomes** (e.g., improved credit scores) among residents participating in programs

## Quality Jobs and Living Wages

There is a pressing need to address persistent unequal access to quality jobs and living wages between black and white Long Islanders. According to the US Bureau of Labor Statistics, black Long Islanders have 15 percent less access to high-opportunity jobs than white Long Islanders. In addition, wage growth for black Long Island workers decreased 6 percent between 2000 and 2014, and the wage gap between college-educated black Long Islanders and white Long Islanders is \$8 an hour.

Stakeholders we interviewed identified a lack of quality jobs on Long Island paying a living wage and a skills mismatch as two barriers to economic mobility. With these barriers in mind and to support wage growth and high-quality jobs for low- and moderate-income black Long Islanders, we have designed the fund to promote the following additional levers and goals.

## LEVERS

The Long Island Racial Equity Donor Collaborative aims to support planning grants to:

- **catalyze collaboration** between vested stakeholders
- **build systemic capacity** to address black Long Islanders' employment needs
- **invest in institutional infrastructure** (e.g., system governance structures and institutional relationships)
- **apply innovative approaches** that support the creation and expansion of quality jobs that earn living wages and an enabling environment where diverse stakeholders address regional employment inequities

## OUTPUTS/INTERMEDIATE OUTCOMES

By funding projects in quality jobs and living wages the fund aims to achieve the following outputs and intermediate outcomes:

- **improved knowledge** about and targeted responsiveness (by organizations) to the needs of Long Island's black workforce
- **new or stronger partnerships** and formal arrangements that specifically address critical needs
- **greater system capacity** to create and strengthen existing job pathways and remove barriers to employment

## Long-Term Outcomes of Grantmaking Opportunity

The Long Island Racial Equity Donor Collaborative views two focus areas of financial health and jobs/wages as having a bidirectional relationship, such that improvements to one can improve the other. The fund anticipates that the combined impact of its planning grants prioritizing initiatives that are replicable, scalable, and focused on connections with wider systems; and focusing on stakeholder engagement can create a system with greater capacity to serve black Long Islanders. The fund's initial strategy will involve strengthening collaborations between stakeholders in each focus area and investing in projects and programs that catalyze economic change on Long Island. In general, we anticipate achieving positive change in the following areas:

- Funded projects and activities will contribute to black Long Islanders' overall financial stability and make them more upwardly economically mobile.
- Higher family incomes will create opportunities for increased savings, better opportunities to plan for the future, and better opportunities to accrue wealth.
- Grants will contribute to improvements in workforce development and training programs, help align workers' skills with employers' needs, and motivate policies and legislation to sustain these changes.

- The planning grants and subsequent implementation grants will inform public policy and advocacy outcomes in the areas of (1) credit health and financial wellness, and (2) jobs and wages for black Long Island residents.

The combined research conducted by the Urban Institute, PolicyLink, and the Federal Reserve show that there are dire needs in both areas (i.e., credit access and job opportunities). The Urban Institute’s research has noted some of the deficits in the systems and organizations serving the Long Island community, and this emphasizes the critical need for organizational change. As such, the fund seeks to incentivize organizations to adopt novel approaches, broaden the reach of their programming, build bridges across boundaries, and increase their capacity to address the dire needs of black Long Islanders. We desire real and sustainable change on Long Island that is reflected in the actions of its organizational leaders and in the lives of those we are seeking to create opportunities for.

To these ends, the fund recognizes that key relationships with community-level partners and stakeholders are essential to this initiative’s success in its two focus areas. We therefore welcome their input, collaboration, and partnership during the planning grant process.

### **Desired Outcomes**

Using data on the economic conditions of black Long Islanders with low- and moderate- incomes, the Long Island Racial Equity Donor Collaborative will target specific, measurable outcomes that align with projects and programs positively impact (1) quality jobs and living wages, and/or (2) credit health and financial wellness for black Long Islanders.

### **Short-Term Outcomes**

The following are the fund’s desired short-term outcomes:

- **Quality jobs and living wages.** Improve employment opportunities and greater financial security, including enhanced connections to supportive workforce development programs and job training programs, as well as programs that match workers to living-wage jobs. (Possible examples include programs that help Long Islanders secure employment, increase or stabilize their wages, and access viable career pathways.)
- **Credit health and financial wellness.** Improve financial stability, including enhanced connections to appropriate banking and credit services that provide financial coaching and connections. Possible examples of improved financial stability include establishing a prime credit score; regular use of banking and investment accounts with the goal of increasing deposits, increasing liquid assets, and decreasing overdrafts and high withdrawal volumes; improved credit scores and/or decreased sources of negative credit; greater ability to pay bills on time and in full, and/or spend less than income on living expenses; increased individual or family assets and/or decreased family debt; increased financial wellness (a key social determinant of health); and greater housing stabilization and reduced risk of eviction and mortgage foreclosure.

### **Long-Term Outcomes:**

The following are the fund's desired long-term outcomes:

- **Quality jobs and living wages.** Build people's skills and upward economic opportunity. Possible examples of this include improving people's sense of well-being; increasing annual household income; decreasing people's debt-to-income ratios; enhancing career pathways and educational opportunities; and increasing community and neighborhood stability.
- **Credit health and financial wellness.** Increase economic stability. Possible examples include improved quality of life; lower percentage of household income spent on expenses (e.g., rent, credit card debt, high-interest loans); and increasing people's long-term savings, assets, and investments.

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## BOX 1

### Definitions

- **equity:** the fair treatment, access, opportunity, and advancement for all people, while making every effort to identify and eliminate barriers that have prevented the full participation or have enabled the systematic exclusion of some groups<sup>1</sup>
- **racial equity:** the condition that would be achieved if racial identity no longer predicted (in a statistical sense) how people fare<sup>2</sup>
- **economic equity:** the set of principles that inform how we design our economic institutions, with the goal of giving each person the opportunity to create a sufficient material foundation for a dignified, productive, and creative life<sup>3</sup>
- **economic inclusion:** equality of opportunity for everyone to participate in the economic life of their country as employers, entrepreneurs, consumers, and citizens<sup>4</sup>
- **quality job:** a job that contains at least three of the following five elements: a living wage, basic benefits, career-building opportunities, wealth-building opportunities, and a fair and engaging workplace<sup>5</sup>
- **living wage:** an hourly wage that allows a person or family to afford adequate shelter, food, and all other necessities<sup>6</sup>
- **financial health:** financial health means the ability to maintain balanced financial systems, weather financial shocks with resilience, and pursue important financial life goals<sup>7</sup>
- **low- and moderate-income communities:** low-income communities have a median family income of less than 50 percent of the area median income; moderate-income communities have median family incomes of at least 50 percent and less than 80 percent of the area median income<sup>8</sup>

**Note:** The definitions above were adapted from a variety of resources, including [The Independent Sector](#)<sup>1</sup>, [Racial Equity Tools](#)<sup>2</sup>, the [Center for Economic and Social Justice](#)<sup>3</sup>, [Center for International Private Enterprise](#)<sup>4</sup>, [Pacific Community Ventures](#)<sup>5</sup>, [Economic Policy Institute](#)<sup>6</sup>, [Center for Financial Inclusion](#)<sup>7</sup>, and [Federal Reserve Bank of New York](#).<sup>8</sup>

## Structure of this Grantmaking Opportunity

This grantmaking opportunity will occur in two phases: a six-month planning phase and an implementation phase. **Note: grantees must participate in the planning phase to be eligible for the implementation phase. Additional details about the implementation grants will be made available at a later date.**

During the planning phase, funding of up to \$25,000 will be available for eight projects. Project teams will receive technical assistance during both phases to develop and refine a strategic plan for the proposed work and to help project teams measure and evaluate project work.

### Eligibility Criteria

To be eligible for this funding opportunity, applicants for the planning phase should meet the following requirements:

- This is an open funding opportunity. We encourage proposals from applicants that represent a wide range of organizations and fields in the nonprofit sector.
- We encourage applicants that represent or have authentic relationships and/or collaborations with communities hardest hit by economic inequities on Long Island, specifically with black Long Island residents or organizations that serve Long Island's black communities.
- Applicants may include nonprofit organizations that are tax-exempt under Section 501(c)(3) of the Internal Revenue Code and are not private foundations or Type III-supporting organizations. (**Note:** Any organization whose 501(c)(3) status is still pending must have a funds administrator.)
- Lead-applicant organizations must be located on Long Island but are encouraged to identify external or non-Long Island organizations to partner with.
- Applicants must demonstrate a commitment to diversity and inclusion within their organizations—particularly at the senior-staff and board levels—and demonstrate a commitment to racial equity through strategy and/or a specific programmatic focus.
- Applicants proposing projects that address quality jobs and living wages must propose projects or services that would impact low- and/or moderate- income black Long Islanders in some capacity. Applicants proposing projects that address credit access and financial health can propose projects or services that would impact black Long Islanders of any income level.
- Applicants must be able to achieve all deliverables outlined in the specified time frame; lead applicants must be able to fulfill all outlined reporting requirements.

Lead applicants for this funding opportunity may not be

- a for-profit organization or entity,
- an individual, or
- a religious congregation (however, faith-based nonprofit organizations—including faith-based community development organizations with IRS tax-exemption status—are welcome to apply).

### **Planning Phase (Approximately 6 months: Sept. 2020–March 2021)**

This funding opportunity's planning phase is intended to offer Long Island-based organizations an opportunity to create or further develop programs, partnerships, and/or research proposals that address racial economic equity in Long Island. This phase aims to provide funds (up to \$25,000) to projects or partnerships that are ripe for action but require additional dedicated funds for planning and/or collaboration to be ready for implementation.

The goal of the planning phase is to equip project teams to develop thoughtful projects that seek to **improve credit access and financial health** or **increase access to living-wage jobs**, with a priority focus on black Long Islanders.

## TECHNICAL ASSISTANCE

All planning grant recipients will receive technical assistance to write, enhance, and adapt proposed implementation plans over the seven-month planning-grant period. The planning grant phase is intended to build planning grant recipients' capacity by helping them be better positioned to apply for future funding because of the dedicated time spent developing a comprehensive implementation plan. This targeted technical assistance will help achieve that goal.

# Planning Grant Submission Guidelines

To apply for a planning grant, please submit all materials listed below by **5:00 p.m. EST on July 13, 2020**. Applications will be reviewed and applicants will be notified of their status by early Sept. 2020.

A complete **planning grant application** should include the following components:

- **Application Form:** This one-page overview will include organizational information, the project title, a project summary, the proposed project's focus area (i.e., credit access/financial health or quality jobs/living wages), and the requested grant amount.
- **Project Narrative:** Please provide responses, of no longer than three single-spaced pages, to the following:
  1. What do you think could move the needle on economic inclusion in Long Island? How is your organization committed and situated to help advance racial economic equity on Long Island? What experience do you have in your proposed project's focus area (i.e., credit access/financial health or quality jobs/living wages)?
  2. How would you use this planning grant to explore how your organization could help make Long Island economically inclusive (e.g., activities, identified partnerships, strategic plans)?
  3. If funded for the implementation phase, what are your proposed project's anticipated outcomes? How might you execute this plan (any initial insights are helpful)?
  4. What is your proposed project's geographic scope and target population (e.g., a particular neighborhood or community hit hardest by economic inequities, specifically those with black Long Island residents or organizations that serve Long Island's black communities)? What authentic relationships and/or collaborations has your organization had with this community, and how will this local expertise inform your project approach?
  5. What transformative impact would your project have and how will it impact the community it serves? What are the project's intended short-term, intermediate, and long-term outcomes?
- **Project Timeline/Workplan:** Provide a timeline/workplan (including key milestones when relevant) for completing your proposed planning project during the six-month period.
- **Project Budget and Budget Narrative:** Provide a budget that includes line items such as staff time, consultant/partner fees, insurance, travel, supplies and equipment, and other indirect costs. Also, please include a budget narrative.

- **Lead Application Organizational Information:** This should contain demographics of the lead applicant's board of directors, and an organizational-staff chart.

## Selection Criteria

A competitive planning grant application will demonstrate the following:

- **The commitment and experience necessary to advance economic inclusion in Long Island among neighborhood or regional priorities** showcased by organization- or program-level goals and strategies.
- **Clarity of vision for and the overall approach of the proposed project**, including an articulation of how the planning phase will be used.
- **Initial articulation of anticipated outcomes and a plan for implementation.** The fund expects that planning grant recipients will use the planning phase to further develop these concepts, but applicants should show some thought about how they might design the implementation phase's.
- **Inclusive, collaborative processes that center black Long Islanders in the planning, design, development, and implementation of the proposed project.** As noted in the eligibility criteria, the fund encourages applications from organizations that represent or have authentic relationships and/or collaborations with communities hardest hit by economic inequities on Long Island, specifically with black Long Island residents or organizations that serve Long Island's black community.
- **Demonstrated ability for transformative impact for low- and moderate-income Long Island residents and/or black Long Islanders** within the geographic scope and target populations specified in the proposal.
- **The lead applicant's capacity to effectively achieve intended results in the designated time frames** during the planning and implementation phases.