

African American Asset Based Organizational Development **Hosted by: Long Island Racial Equity Donor Collaborative**

Understanding the Challenge

In 2017, [Policy Link](#) and the [Federal Reserve Bank of New York](#) released equity and credit profiles that revealed a \$24 billion gap in the Long Island economy that resulted from the racial income gap. These studies, along with a [landscape scan conducted by Urban Institute](#) (UI) in 2019, highlighted significant racial disparities caused by systemic inequities negatively impacting the income, assets and wealth of Black Long Islanders. Critical inequities in financial inclusion, credit access, and financial stability were found.

The [Long Island Racial Equity Donor Collaborative \(LIREDC\)](#) was established in 2018 by the Long Island Community Foundation (LICF) with the north star of fostering a more financially inclusive and racially equitable Long Island. In 2019, the Collaborative engaged UI to aid in the creation of a high-impact funding strategy. The Collaborative's work with UI included a review of the literature on the drivers of the racial wealth gap, identification of evidence-based strategies that increase incomes and build wealth, and identification of key community-based organizations working on economic justice and financial inclusion, capacity gaps for Black nonprofits on Long Island stemming from disinvestment, and community assets to build upon.

Building from data and research, The Collaborative's vision was to support nonprofit programs and projects that create economic opportunities; increase the capacity of community-based efforts that strengthen leadership opportunities; empower Black Long Islanders to create solutions to racial inequities; leverage these strengths to garner greater public and private investments to fund opportunities to increase financial access; support innovative, Black-led and serving suburban-oriented solutions to address inequities; and foster partnership, collaboration, and shared learning opportunities with donors in other regions to address racial and economic inequity.

To build community power and strength, The Collaborative began partnering with Prosperity Now's Racial Wealth Divide Initiative (RWDI) staff in 2020 to replicate the flagship Asset Based Organizational Development (ABOD) capacity building technical assistance program with seven Black nonprofits. This multi-phase program is informed by emerging promising practices, subject matter expertise, and grassroots models co-created in 16 cities, 11 states. Cohort and community of practice engagements inspire and support grantees as they design, develop, and implement innovative racial economic equity mobility pilot projects for collective impact.

The Racial Wealth Divide Initiative Approach

The Racial Wealth Divide Initiative advocates that communities of color need nonprofits of color with high impact asset-building services to address the national challenge of a broad and deep racial wealth divide. It is through this lens that RWDI approaches the work of the African American Asset-Based Organizational Development project.

The core aspects of Racial Wealth Divide Initiative's racial economic and wealth equity work are:

- **Build** an understanding of the intersection of income, assets, and racial economic inequality.
- **Expand** and establish social, economic, financial, and political networks across sectors to advance social change.
- **Improve** the ties and relationships between organizations of color, local organizations and asset-building institutions.
- **Prepare** and equip organizational leaders of color to lead local and national dialogues and advance agendas on racial economic equity and asset-building.

The goal of RWDI’s capacity building technical assistance projects is to provide the space, proven process, and subject matter expertise to support grantees in further defining and refining their concepts into prototypes ready to operationalize through pilot implementation in 2021, if selected. To address racial economic inequity in jobs/wages and access to credit for Black people on Long Island, the goal of each program is to shift economic outcomes for low- to moderate-income and/or low wealth Black people.

The Asset Based Organizational Development technical assistance capacity building program has supported dozens of organizations in building economic mobility programs and has strengthened grantees ability to integrate and sustain innovative human centered design and system change methodologies by refining concepts, designing prototypes, and implementing racial economic equity mobility pilots. Primary areas of competency are:

- Use macro and micro data and research to make the case for who the beneficiary is;
- Use data and research to name the beneficiary socioeconomic status (low or moderate income, low wealth, high debt, etc.);
- Make the case for why Black people with these characteristics are the intended recipients;
- Clearly define and articulate the economic mobility definition and pathway/ pipeline for clients;
- Visualize and maps programs and journeys for racial economic mobility and equity;
- Identify key performance indicators and success metrics organizations will use to know their proposed economic mobility program (access to jobs/wages or credit building) is making an economic impact in the lives of Black clients.

More information on each of the seven concepts to address racial economic equity can be found [here](#).

African American Asset Based Organizational Development Cohort Organizations

