

**4<sup>TH</sup> ANNUAL HANDY L. LINDSEY, JR. AWARD &  
LECTURE ON INCLUSIVENESS IN PHILANTHROPY**

2006 Honoree & Lecturer:

**AURIE A. PENNICK**

Presented by:



and



TUESDAY, OCTOBER 24, 2006  
5:30 pm - 8:00 pm  
Loyola University Chicago

## **LECTURE BY AURIE A. PENNICK**

Executive Director & Treasurer of The Field Foundation of Illinois, Inc.

Introduced by:

CLEO F. WILSON

Past Awardee & Lecturer

Executive Director, The Playboy Foundation

Cleo, thank you so much for that glowing introduction. Thank you to Chicago African Americans in Philanthropy for this tremendous honor. I see so many friends and law school buddies, current and former colleagues, other former co-workers, neighbors and even members from my church in Grayslake here. Thank you all for coming. Also, thank you to the Field Foundation Board members Tina Tchen, Marshall Field, Philip Hummer, and George Ranney and the wonderful staff Mae Hong, Kim Riordan Van Horn, Mark Murray, Debra Pitts Brown, Joann Ross and Tom Czuback for coming tonight and also thank you to my beautiful and talented daughters, Faith and Keidra. And of course a heartfelt thank you to Handy for his many years of friendship, mentorship and of course, for his old job. Some of you may not be aware, that I also followed Handy as the third Minority Fellow at the Chicago Community Trust. Handy was the first. So, if you notice a suspicious pattern, you're right. But I'm not stalking Handy - just his career.

Honestly, most of you here have worked with Handy or know of his outstanding reputation in Chicago and the nation. So you must know that following in Handy's footsteps is not easy - especially in high heels. But it is also a tremendous honor to follow in the footsteps of two of the most respected people in Chicago Philanthropy I know - Cleo Wilson and Nick Goodban. Like Handy, both Cleo and Nick have been tireless and determined in their efforts towards inclusiveness in philanthropy. They too have been my mentors, my friends and my supporters when I was both in and out of philanthropy. Tonight, I will do my best to deliver a lecture worthy of Handy, Cleo and Nick's

contribution and service to the field of philanthropy. I plan to be concise, as well as a bit provocative, so that hopefully we can have a fruitful discussion after.

You've heard a little about my background. So it's safe to say that I've been around the block a few times. In fact, as a native Chicagoan by now, I guess you could say I've probably been around the entire city. I was raised by a single parent, and later became a single parent myself. So without realizing it, my lens as a single mother shaped my life just as much as being an African American.

So, in all my positions, and I've had quite a few, I've made it my personal goal to learn as much about the people I worked with as I did about the work I was doing. It was important for me to try to see things - through the eyes of others. It made not only the work I was performing more enjoyable, it made the whole work experience more educational. But with all my other experience, it wasn't until I came to philanthropy, that I saw my community, my city and my country through an even broader lens. It was a lens that brought great reward, as well as great personal challenge.

In addition to broadening my exposure to the world around me, philanthropy has provided me the opportunity to work not only with Handy, Cleo and Nick but with Bruce Newman, the former president of the Chicago Community Trust, Rebecca Riley the former vice-president at the MacArthur Foundation, Eleanor Peterson, former president and founder of the Donors Forum, Marta White, Bob Carter, Sunny Fischer, Louis Delgado and David Pesqueira, another former Trust Minority Fellow, Kaye Wilson, Gwen Rice, Susan Motley and too many more to name. Working with this group of diverse, innovative, risk-taking individuals set the stage for what I believe all philanthropy should and could be.

Philanthropy then, as now, is an extremely rewarding profession. After having taken a detour to practice law and run a fair housing organization, I'm thrilled to

have found my way back into the fold. I'm also thrilled to find this second time around, that philanthropy, locally as well as nationally, has become far more diverse than it was almost twenty years ago. Twenty years ago it was not uncommon for me to be the only person of color in a room full of funders.

Today, twenty years later, much has changed. Here in Chicago, we have Millennium Park on the lakefront alongside a totally upscaled Navy Pier just a few blocks from the beautiful landscaped Northerly Island. But sadly, all that has changed in the past twenty years has not been for the better. In New York City, ground zero now stands where the Twin Towers of the World Trade Center once stood. And since September 11<sup>th</sup>, suspicions and distrust continue abound. In the media, out of fear, or just plain ignorance, people of different races, cultures and religions are portrayed as the enemy as often as they are as fellow Americans. And people's sexual orientation seems more important than their professional experience.

I realize that during these difficult times, the very notions of inclusiveness and diversity are sometimes difficult to embrace. But it is during these most difficult of times that the notions of inclusion and diversity become most important. Because as sad as it is, twenty years later in philanthropy, on too many occasions, I still find myself the only African American, and sometimes the only person of color in a room full of funders.

That said, there are visible signs of progress. Yet, the recent 2006 Donors Forum Survey on Diversity and Inclusiveness carries a message of mixed results. For example, even though women represent 75 percent of total staff, they represent 37 percent of the governing boards of local foundations, up from 34 percent in 1990 but down from a high of 41 percent in 1998 and 40 percent in 2002. Nationally, in 2004 women were 35.8 percent of governing boards, up from 33.6 percent in 1996.

The findings for people of color are equally as mixed. In 2006, African Americans represented 13 percent of governing boards of local foundations nearly doubled that of 7 percent in 1990. But nationally, in 2004 African Americans comprise only 6.7 percent of boards of foundations a meager increase from 6.1 percent in 1996. Locally, in 2006, Latinos were 7 percent of governing boards, more than double the 3 percent in 1990. But, in 2004 Latinos were nationally only 3.3 percent of governing boards a one percent increase from 2.3 percent in 1996. In 2006, locally Asian Americans represent a mere 2 percent of reported governing boards. And, nationally, in 2004, that figure was only 1.5 percent a minute increased from 1.2 percent in 1996. Locally, as well as nationally, the percentage of Native Americans and other is negligible at best. And people with disabilities and LGBTQ (lesbian, gay bisexual, transgender, queer and questioning) represented 1.9 percent of governing boards.

So from the top, meaning governing boards, the news regarding inclusiveness seems both good and bad. The good news is that here in the Chicago area, we are ahead of the nation. The bad news is that nationally, as well as locally, we still have a long way to go.

Turning our attention the next level - staff leadership of local foundations, that is CEO's and Executive Directors, we see that in 2006, women held 63 percent of these positions, but as good as that sounds this represents an 8 percent decrease from 2002. Also locally in 2006, we find that African Americans held 9 percent of CEO and Executive Director positions: And some of us get counted twice. But, shockingly, in 2005 that national figure of African American CEO's was less than 3 percent.

In 2006, Latinos locally represented 3 percent of CEO's and nationally, in 2005 Latinos were 2.3 percent. Other and biracial represent 6 percent locally. Nationally, in 2005 Asian American/Pacific Islanders were a mere 1 percent and Native Americans were only 0.3 percent.

We all know that statistics tell only part of the story. So if we convert the 9 percent of African Americans CEO and Executive Directors of major local foundations, how many fingers do you think we would represent? ... Would you believe four? And if you added the actual bodies of Latino and Asian American CEO's, how many fingers would you hold up now? ... Would you believe six? Six fingers represent the total number of local African American, Latino and Asian American heads of foundations in Chicago. And with these six fingers, we're still ahead of the nation.

Now, clearly, I don't want to trivialize the progress that has been made in philanthropy over the years. It has been substantial and without such progress, I wouldn't be here today. But in this case I believe the numbers do speak for themselves. Because even though there has been an increase in diversity at foundations, that diversity has not managed to make it's way up to the highest level of leadership and governance; supporting my earlier contention that we have a ways to go.

To that end, I applaud the Donors Forum for not only gathering and disseminating this data, but also for working collaboratively with Chicago African Americans In Philanthropy, Latinos In Philanthropy and Asian American/Pacific Islanders in Philanthropy to put together an upcoming diversity event. That said, we still need more. We need to make inclusiveness more than a one-day event, frankly more than a once a year lecture, we need to make it our core. As important as this lecture series may be, and it is very important; as well as any future event, we need to do more than talk about inclusiveness and diversity. We need to act, everyday in a manner that fosters and encourages inclusion. If we are serious about these issues, and I pray that we are, then we must tackle them head on, taking the good with the bad. We must be elated by philanthropy's increased diversity while closely exploring ways to do better.

But to do that, we need to not only examine ways to increase the numbers of people of color at all levels in philanthropy, but we also need to look at ways to increase the tenure and the mobility of people of color. It is not unheard of that whites remain in philanthropy for many, many years. Susan Berresford, the president of the Ford Foundation in New York, has been with that foundation for over three decades. I believe starting out as a program officer.

But a recent study of over 500 foundation staff and board members support the assertion that people of color continue to face numerous challenges in navigating foundation hierarchies. The study found that the "glass ceiling" is all too real for people of color. In Chicago, with the exception of only a few, the tenure for persons of color in the foundation world, is relatively short. And let's face it, positions in philanthropy - at all levels - are highly coveted and not easy to come by. So why don't people of color stay?

Of course, we know that people leave jobs for all kinds of reasons, better jobs, relocation, retirement, etc. But in philanthropy, for people of color, all too often it seems that they just leave. We need to learn more about why people of color leave for no visible reason. I'm told that conducting analysis of staff attrition is considered a very valuable human resources tool in the corporate world. Why not do it in philanthropy as well? What we glean from this analysis may be helpful towards establishing a more supportive, work environment for everyone, but particularly for persons of color. If we are serious about this, we cannot afford to have diversity in philanthropy become like a revolving door - one person of color in - one out.

To accomplish this, I urge the Chicago African Americans In Philanthropy with Latinos in Philanthropy, Asian Americans/Pacific Islanders in Philanthropy and others concerned about inclusiveness and diversity, to go beyond special events and research and work to establish an on-going process to monitor locally how well we're doing on inclusiveness and diversity in philanthropy. Let me be

clear, I'm not suggesting that we create a new entity or that new monies be allocated. I believe that we already have the resources, all we need now is the will. But as we know, all too often the will is the hardest piece to come by.

Yet, the numbers show us that Chicago philanthropy has already exemplified its leadership with regards to inclusiveness, so it is within our reach to take the next step and set an example for the rest of the nation to follow.

I've talked about philanthropy from the inside. Before I close, I'd like to focus on philanthropy from the outside. From the lens of the organizations and the communities we fund. Here, the data reveal an even more mixed message of good and bad news. According to the Applied Research Center publication, "*Shortchanged: Foundation Giving and Communities of Color*", sadly greater diversity among foundation staff has not increased giving to communities of color or racial justice efforts. Instead it appears that, "increased diversity of foundation staff has paralleled a decreased share of foundation support for communities of color, and the same is true for women."

"*Shortchanged*" states, "as a proportion of total foundation giving, grants to communities of color fell from a peak of nearly ten percent of all grants in 1998 to seven percent in 2001, the lowest point in over a decade. For example, in 2000 and 2001, funding designated for African American communities fell to 1.4 percent of total foundation giving, after ranging from 2.0 to 3.6 percent of giving between 1994 and 1999 respectively (*Foundation Giving Trends 2003*)."

I said that the message was mixed because there is some very good news. In 2001, funding to Latino communities rose from \$140 million in 2000 to \$168 million, which was 2.1 percent of all large grants. Likewise, Asian-American/Pacific Islander communities received between 0.3 and 0.5 percent of total grant dollars between 1994 and 2001. The average grant for Asian-American/Pacific Islander communities grew 125 percent to a whopping \$80,100 in that same period.



Yet, in 2000 and 2001, giving to Native Americans accounted for only 0.5 percent of total foundation giving, equaling its lowest level in the past decade. Lastly, support for immigrants and refugees totaled \$121 million in 2001, representing only 0.7 percent of all large grant dollars. This, despite the fact that foreign-born U.S. residents comprise 11 percent of the population, up from 8 percent a decade ago and that since 9/11, immigrants have increasingly become the target of hate crimes and rampant civil rights violations. In a 2003, Council on Foundations report, it was revealed that of the \$1.7 billion distributed, only 2 percent or \$34 million went to low-income and immigrant communities.

In fairness, all of this data was compiled prior to the historic philanthropic effort following aftermath of Hurricane Katrina, whereby billions of foundation dollars were and are being directed to communities along the Gulf Coast, most notably New Orleans. But having recently visited New Orleans, I must say, that it does not bode well for us that it takes a horrendous act of God before we provide funding to deserving African American and low-income communities.

When recalling Hurricane Katrina, I can still visualize the scared, horrified faces of poor and mostly black, desperate and abandoned people of New Orleans. Closer to home, I see that same look of desperation and abandonment, whenever I go back to Englewood - the community where I grew up. In the same manner, that I believe that inclusiveness for boards and staff of foundations should not be a revolving door, I also believe that inclusiveness, for communities of color should not be a one-way street, leading to nowhere. Because I believe that real inclusiveness cannot only be reflected by the composition of foundation boards, CEOs and Executive Directors and program and support staff. I believe real inclusiveness and diversity must also be exhibited by our grant making. It must be implicit in every aspect of the way we do business, from beginning to end. But to achieve this goal, philanthropy must value every community in our increasingly diverse society. With communities of color we cannot afford to

adopt a one size fits all mentality. Real inclusion and diversity in philanthropy demands that we respond differently, but fairly to all communities.

Years ago, a colleague once said that philanthropy was merely a microcosm of the larger society. He said when it came to diversity and inclusiveness, it was unrealistic and perhaps even naive to expect philanthropy to do better than the rest of society. I vehemently reject that notion now as much as, I did then. Because I believe that philanthropy's lofty charitable status brings with it a special responsibility for transparency, integrity and accountability. In other words, I believe it expects of us, exactly what we expect of our grantees.

If philanthropy fails to openly embrace real inclusiveness and diversity from the inside out, I believe we will have failed our obligation to our ourselves, to our grantees, and to society. I know we can do this. It's not rocket science. Because frankly, when you get right down to it, if philanthropy doesn't thoroughly embrace inclusiveness and diversity, who will?

It would be remiss for anyone who for ten years led the only fair housing organization in the country founded by Dr. Martin Luther King Jr., the Leadership Council for Metropolitan Open Communities , which would have celebrated its 40<sup>th</sup> year anniversary this past August, not to end this lecture with a paraphrased quote from Dr. King. So here it is:

*"Let us leave here tonight with a greater readiness. Let us stand with a greater determination. And let us move on in these powerful days of challenge to make philanthropy what it ought to be. We have a responsibility to make philanthropy better."*

Thank you.