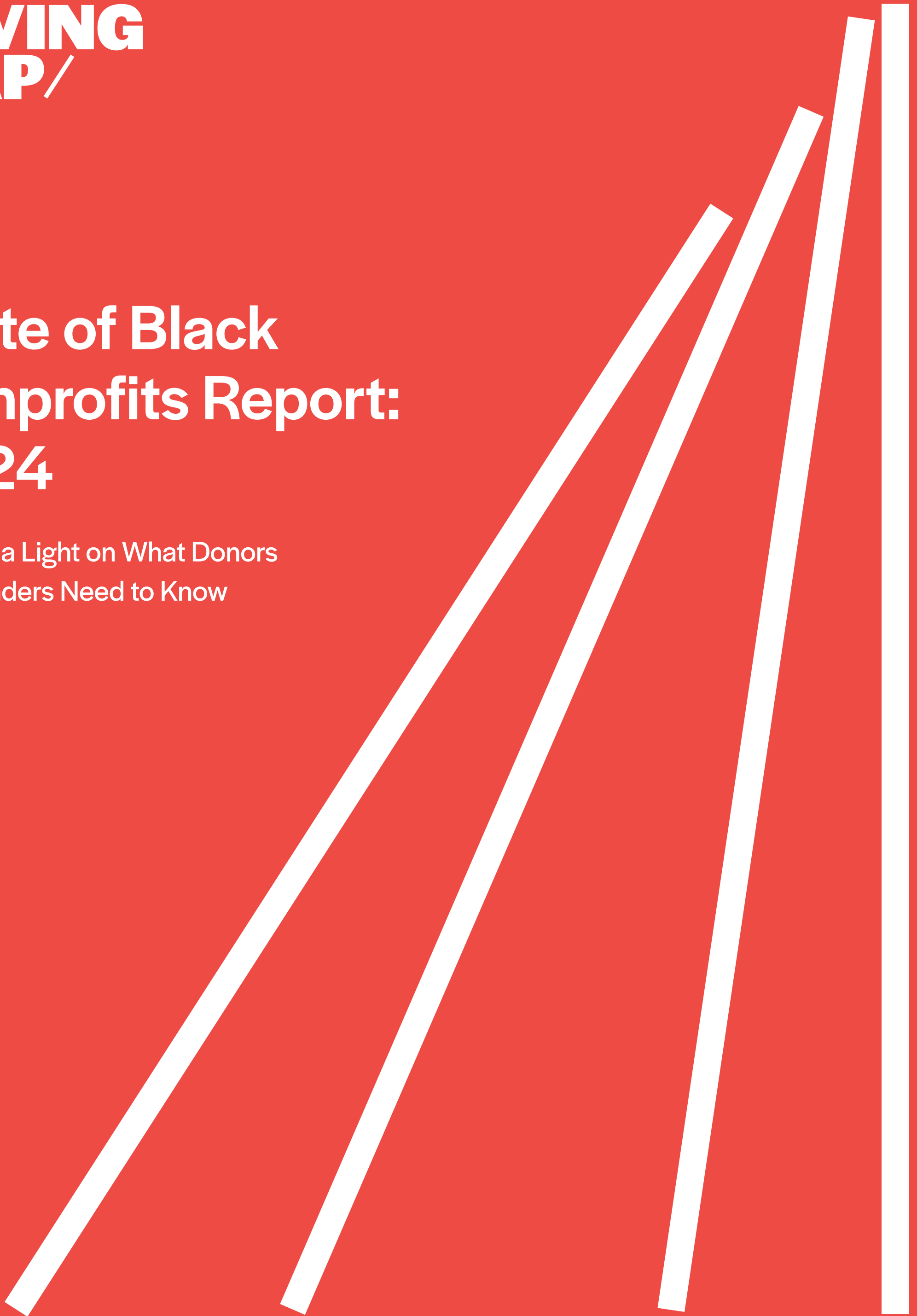
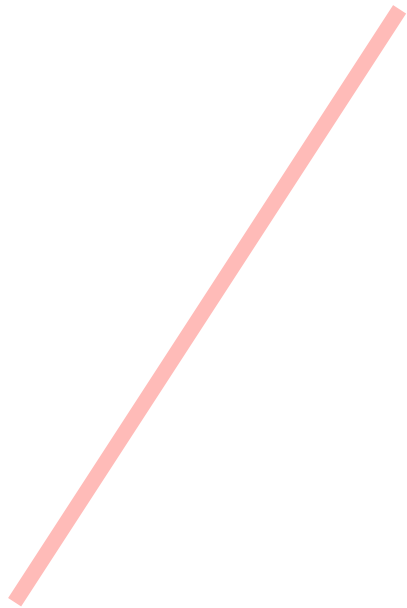
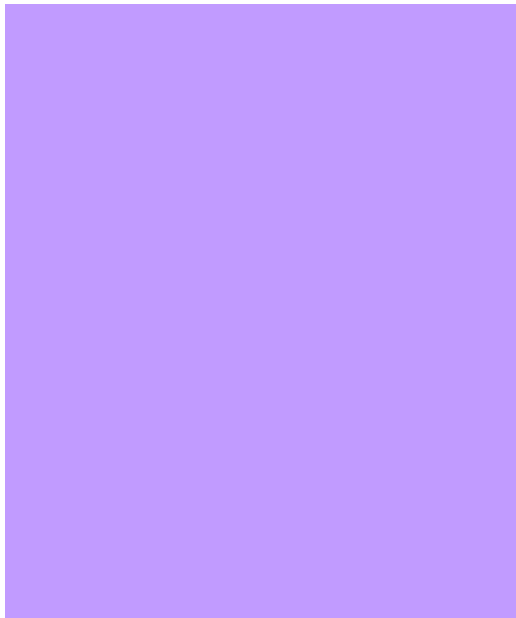
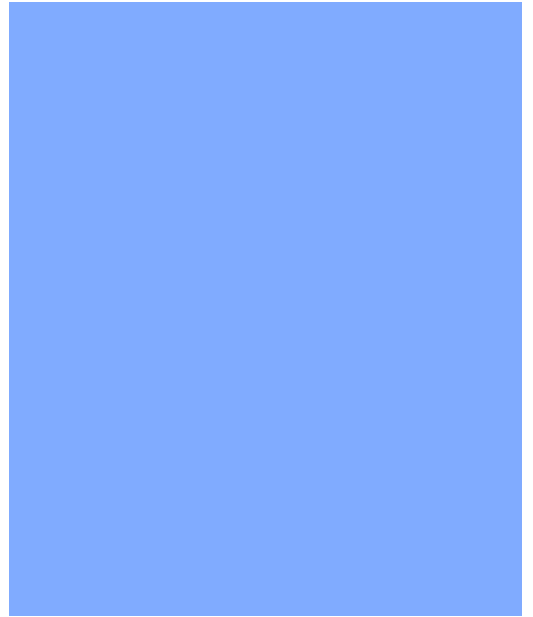
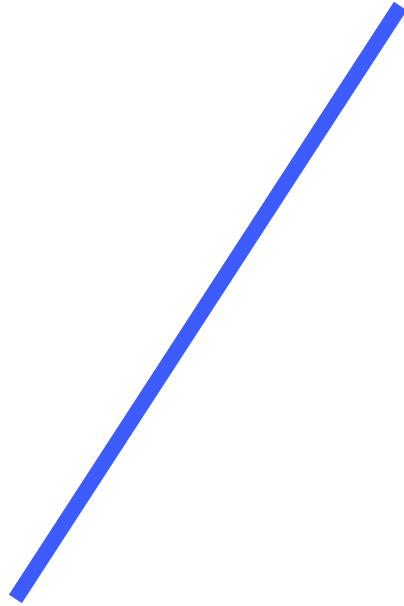
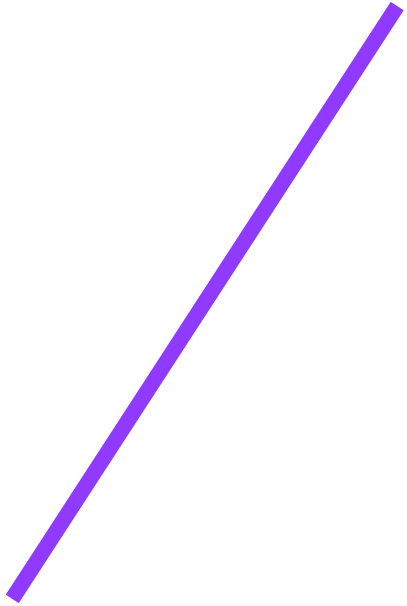
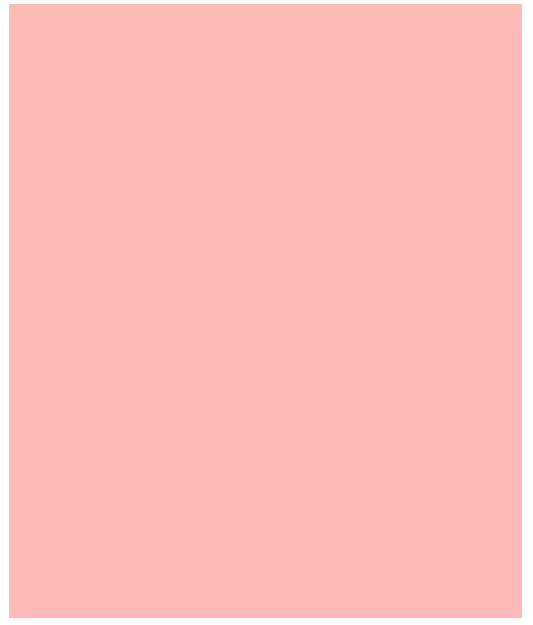
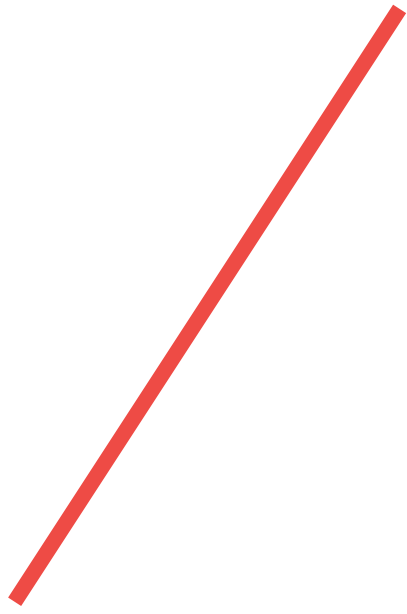


**GIVING  
GAP/**

# State of Black Nonprofits Report: 2024

Shining a Light on What Donors  
and Funders Need to Know





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# Table of Contents

|                          |    |
|--------------------------|----|
| <b>Executive Summary</b> | 5  |
| <b>Introduction</b>      | 9  |
| <b>Methods</b>           | 15 |
| <b>Demographics</b>      | 17 |
| <b>Findings</b>          | 25 |
| <b>Conclusion</b>        | 33 |
| <b>About Giving Gap</b>  | 39 |





**The needs of Black-led nonprofits are unique. Bringing awareness to the needs and concerns of these organizations can do nothing but good!**

– Joseph Ceasar, Executive Director

*Legacy Institute for Financial Education*



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# **Executive Summary**

This report underscores the pivotal role of Black-founded nonprofits as service providers, agents of positive change, and champions of racial equity and justice.

**/ Despite their unwavering commitment to addressing our country's greatest social challenges, Black leaders and their organizations are forced to navigate a funding ecosystem that unfairly advantages their white counterparts and restricts their own capacity for growth.**

This report's findings emphasize the unique characteristics of Black-founded nonprofits as high-performing organizations and asserts the responsibility of donors, grantmakers, and funding platforms to collaboratively align opportunities for equitable investments.

**/ If we are to create a more just future in which we can all thrive, donors and foundations, as well as the general public, must address systemic issues at their root.**

This study employs an exploratory approach, drawing from existing Giving Gap data consisting of survey responses from Black nonprofit leaders and organizations. This survey sample of 168 was combined with data from Giving Gap's intake form and from 990 data provided by Candid, a nonprofit information database, for a total sample of 1222 Black nonprofit organizations. This report defines a Black nonprofit as a not-for-profit organization that is founded or co-founded by a Black person(s). Organizations led by a Black person or those that serve Black communities but are not founded by Black person(s) were excluded from this study.

# Key Findings

## Black Nonprofits are your Best Best

1

### **Black leaders don't hesitate to roll up their sleeves**

An overwhelming majority of respondents (82%) reported being deeply involved in their organization's daily operations.

2

### **Black leaders have been through it**

Staggeringly, 92% of leaders have personal experiences related to their nonprofit's mission, fueling their commitment toward their organization's causes.

3

### **Black leaders have skin in the game**

Founder's primary motivation for their work is passion and belief in the mission (91%), followed by lived experience (62%).

4

### **Passion and commitment don't pay the bills**

Despite their dedication, many leaders need to supplement their nonprofit income with additional jobs due to financial constraints (62%).

5

### **Black nonprofits need to keep the lights on**

The top need identified by these organizations is financial support for general operations (97%), highlighting the importance of grants and contributions.

6

### **Support is touch and go**

2020's societal crises, such as the COVID-19 pandemic and the Black Lives Matter movement had a significant impact on fundraising for 78% of organizations. 22% of the leaders surveyed did not experience increased funding. Additionally, for those who had strong fundraising success, increased support was usually short-lived.

7

### **Money is key, but it isn't everything**

Success is not solely attributed to financial support. Leaders highlighted their strong skill sets, spiritual practices, and support networks as crucial factors.

# Demographics

**22** Causes

### They tackle it all

Black-founded nonprofits address a wide array of issues reaching all corners of the nonprofit sector.

**40%**

### They have a stronghold in the South

A substantial percentage (40%) of these nonprofits are located in the South, where the largest population of Black Americans resides.

**60%**

### Black women take the lead

Notably, (60%) of the nonprofits sampled were founded by Black women, reflecting their standout leadership, and their significant contributions and vested interest to and in social progress.

### They address community needs holistically

The top three cause areas include

**24%** Education

**13%** Arts & Culture

**12%** Health

Implying the priority of these matters to the Black populations being served.

“

**After 2021, the money slowed way down, and we are struggling to scale up fundraising to accommodate it. Black Lives no longer matter.**

– Gabrielle Ines Souza, Executive Director

*The Okra Project*



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# Introduction

Nonprofit organizations address needs and provide support and services to fill critical gaps within communities.

- / Black nonprofits specifically play a key role in social progress, leading with racial equality and justice strategies while also considering the racialized experiences of Black communities.<sup>1</sup>**
- / Despite these organization’s unwavering commitment to community and social transformation, donors and funders overlook Black nonprofits when granting access to opportunities for organizational growth.**

In 2019, white-led organizations’ revenue and net assets were, on average, 76% and 24% larger than their Black-led counterparts respectively.<sup>2</sup> Among organizations focused on improving the outcomes of Black boys, for example, those led by white leaders received 45% more funding and held 91% greater unrestricted assets than their similar Black-led counterparts.<sup>3</sup> While the primary aim of philanthropy is to address inequality, research reveals that race is a determining factor in not only who gets funding and how much, but who is redlined by inequitable funding practices.

This report asserts Black nonprofits are a best bet for donors and funders and makes a case for their increased support.

- / Drawing from a diverse array of sources including research reports, organizational data, and targeted survey findings, this report underscores the urgent need for sustained investments in Black nonprofits to enhance their organizational capacity, leadership development, and the breadth of their influence within the communities they serve.**

# Impact of Black Nonprofits

Decades of disinvestment in Black communities has left enduring scars on community members' economic resources and opportunities.

**/ Yet, against these odds, Black nonprofits have risen to the occasion, employing targeted universalism<sup>4</sup> to bridge these gaps and provide vital services and programs in fields such as education, healthcare, environmental justice, and workforce development to achieve secure and strong community conditions.**

Another significant characteristic of Black nonprofits is their unrelenting commitment to meeting people where they are, both literally and figuratively. A case study conducted in Philadelphia concluded that many Black nonprofits are strategically located in the neighborhoods they work with,<sup>5</sup> making them uniquely aware of the fundamental issues affecting that community. Moreover, Black nonprofits are often led and staffed by people who reflect the diversity of the communities they serve.<sup>6</sup>

Several notable examples illustrate the transformative impact of Black nonprofits across diverse sectors: **The Black Women's Health Imperative**,<sup>7</sup> founded by Byllye Avery in 1983, has grown into a nationwide advocate for the health equity of Black women and children. **Sista Afya**,<sup>8</sup> an organization led by Black women, offers mental wellness services and tailored programming in Chicago. **Braven**, founded by Aimee Eubanks Davis, connects underrepresented students to post-education opportunities, fostering partnerships with educational institutions and employers to empower students toward economic mobility. **Black Arts MKE**,<sup>9</sup> based in Milwaukee, Wisconsin, enriches the cultural landscape by providing art programming and skill-building opportunities, thus increasing the accessibility and visibility of African-American culture.

**/ In every corner of the nonprofit sector, Black leaders are bridging gaps and empowering historically marginalized communities.**

# Funding Gaps

## #BackBlack

**Despite these significant contributions, Black organizations, due to historically racist policies and underrepresentation in the field, face an unfair funding gap currently estimated at \$20 million.<sup>10</sup>**

A 2017 report highlighted that “less than 2% of funding by the nation’s largest foundations is specifically targeted to the Black community.”<sup>11</sup> Even in the wake of increased awareness driven by the Black Lives Matter movement in 2020, total funding explicitly allocated to Black organizations barely exceeded 2%,<sup>12</sup> even though the Black population comprises over 13% of the total U.S. population. This disparity underscores the pressing need for equitable and representative investment in Black organizations and their communities.

**The broader issue lies in the nonprofit sector’s focus on direct services rather than those that build capacity, which hinders organizations’ ability to address systemic issues at their root.<sup>13</sup>**

This focus limits the resources available for service delivery and jeopardizes organizations’ sustainability, particularly for those led by Black leaders. Funders also impede Black leaders from expanding their services and developing their leadership when access does not include skill-building opportunities and technical assistance. Investing in professional development and social capital catalyzes organizational growth and success.

Creating spaces and platforms that aggregate funding and align opportunities is imperative. Philanthropic barriers, such as donors’ lack of urgency, difficulties in securing trusted advisors, and struggles while navigating the journey are prevalent.<sup>14</sup> Black organizations are disproportionately affected by these, specifically in terms of capacity, professional development, and social capital. So, we must shift our mindset: **The current landscape offers an opportunity to redefine collaboration and growth, and to cultivate intentional investment in these organizations.**

“

Our work was born from a space of othering and the deep feeling of cultural and ancestral erasure. When Hued Songs creates experiences, programs, and workshops we insist that folks bring themselves, their whole selves. Our work challenges the notion that Blackness is monolithic and highlights the complexity of our hues, excavating and exploring stories and voices in a way that demands agency and humanity.

– Kunya Rowley, Executive Artistic Director

*Hued Songs*



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# Motivation for Change

The indelible impact of Black nonprofits on local communities is immeasurable. These organizations exist on the crux of historically disinvested communities, yet hold the key to addressing long-standing disparities and creating a more equitable and sustainable support system for all. The time is ripe for investment, as social initiatives align with Black organizations that have been at the forefront of racial equity and justice work.

**/ By closing funding gaps and fostering equity and justice, we amplify the transformative power of Black nonprofits and pave the way for a future characterized by equality and awareness. In this future, we all thrive.**

In support of this goal, this report examines the unique qualities of Black nonprofits and the unjust barriers imposed by philanthropy to unearth new, pressing questions, inform follow-up research, and make a case for increased support for Black-founded organizations.

# GivingGap.org

## GIVING GAP

[ABOUT US](#) [BLOG](#) [SUBMIT A NONPROFIT](#) [SUBSCRIBE](#) [SEARCH](#)

### Welcome to the largest free searchable database of Black-founded nonprofits in the United States.

We make it easy to find and support causes you care about.

Search by [All Causes](#) in [All States](#)

Search by [Keywords](#)



## GIVING GAP

CANCEL

Search by [Keywords](#)



### RECENTLY ADDED ORGANIZATIONS

#### Forward

POVERTY PREVENTION & HOMELESSNESS SERVICES, BELTSVILLE, MD

Forward exists to equip the under served community through career development, outreach, and youth mentor-ship. We seek to break down barriers that hinders growth for disadvantaged youth, and the homeless population.

[FORWARDINCORPORATED.ORG](#)

DONATE

● [Founded](#)  
● [Led](#)  
● [Serving](#)

#### LifeLung

HEALTH, HOUSTON, TX

LifeLung raises lung disease and lung health awareness through education, research, prevention, and support to create more healthy, active, longer lives.

[LIFELUNG.ORG](#)

→ DONATE

● [Founded](#)  
● [Led](#)  
● [Serving](#)

#### Shirley Proctor Puller Foundation

EDUCATION, ST. PETERSBURG, FL

Shirley Proctor Puller Foundation advances reading, math, and science literacy, helping to close the achievement gap for Black/multi-race children in the St. Petersburg, Florida community.

[SPPF.ORG](#)

→ DONATE

● [Founded](#)  
● [Led](#)  
● [Serving](#)

#### The Garden Club Project

FOOD JUSTICE & HUNGER PREVENTION, BLACKLICK, OH

The Garden Club Project helps end hunger and encourage kids to eat healthier.

[THEGARDENCLUBPROJECT.ORG](#)

→ DONATE

● [Founded](#)  
● [Led](#)  
● [Serving](#)

# Methods

This exploratory report utilizes data collected by Giving Gap via three sources:

- 1** | **A survey sent to nonprofit leaders/organizations**
- 2** | **An intake form on the Giving Gap website**
- 3** | **Form 990 information via a third-party nonprofit information database**  
(Candid, a nonprofit that provides comprehensive data and insights about the social sector)

Combined, these serve as a Black nonprofit database for Giving Gap (we use the term ‘Giving Gap platform’ to refer to this data).<sup>15</sup> The platform’s information provides general organizational characteristics whereas the survey provides a window into organizations’ distinctive experiences and perceptions. At the time of analysis, the Giving Gap platform included 1222 organizations of which 61 were fiscally sponsored. The survey, referred to in this report as the Giving Gap survey, had 168 responses, which includes a subgroup of the organizations in the database.

In this study, we define Black nonprofit organization as a not-for-profit organization that is founded or co-founded by a Black person(s). Because of this, only organizations that are either Black-founded and Black-led, Black-founded and Black-serving were included in the analyses. Organizations led by a Black person or those serving Black communities but are not founded by Black person(s) were excluded from this study. In the Giving Gap Platform, the majority of organizations (839 out of 1222 of the sample) did not have information about their founders’ or co-founders’ racial identities. We included these organizations in our analyses to maintain the sample size from the data; however, findings from this dataset should be interpreted with full awareness when relating them to the definition of a Black nonprofit organization.

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## Recently added organiza

### Higher Heights Youth Empowerment Programs

EDUCATION, NEW HAVEN, CT

Higher Heights Youth Empowerment Programs change the lives of under-represented college-bound students to empower, encourage, and equip them to obtain a post-secondary education.

HIGHERHEIGHTSYOUTH.NET

DONATE →

Founded  
Led  
Serving

### Barbershop Books

Donate to Support

\$

USD

### Tip Giving Gap services

Giving Gap has a 0% platform fee for organizers and relies on the generosity of donors like you to operate our service.

\$

USD

Share my name and email address with this charity

**PayPal**

### Equity Endowment

COMMUNITY & ECONOMIC DEVELOPMENT, CROFTON, MD

Equity Endowment works to close the racial wealth gap by investing in minority led investment funds and businesses.

EQUITYENDOWMENT.ORG

DONATE →

Founded  
Led  
Serving

### Tracy and Sunshine Gantt Ministries

POVERTY PREVENTION & HOMELESSNESS SERVICES, EASLEY, SC

Tracy and Sunshine Gantt Ministries provides assistance, resources, tangible items, food and shelter to individuals who are less fortunate, poverty-stricken or homeless.

### Biz Markie's Just A Friend Foundation

FOOD JUSTICE & HUNGER PREVENTION, LANHAM, MD

The Biz Markie's Just A Friend Foundation provides support and resources to families in or at risk of entering the foster care system and those experiencing food deprivation.

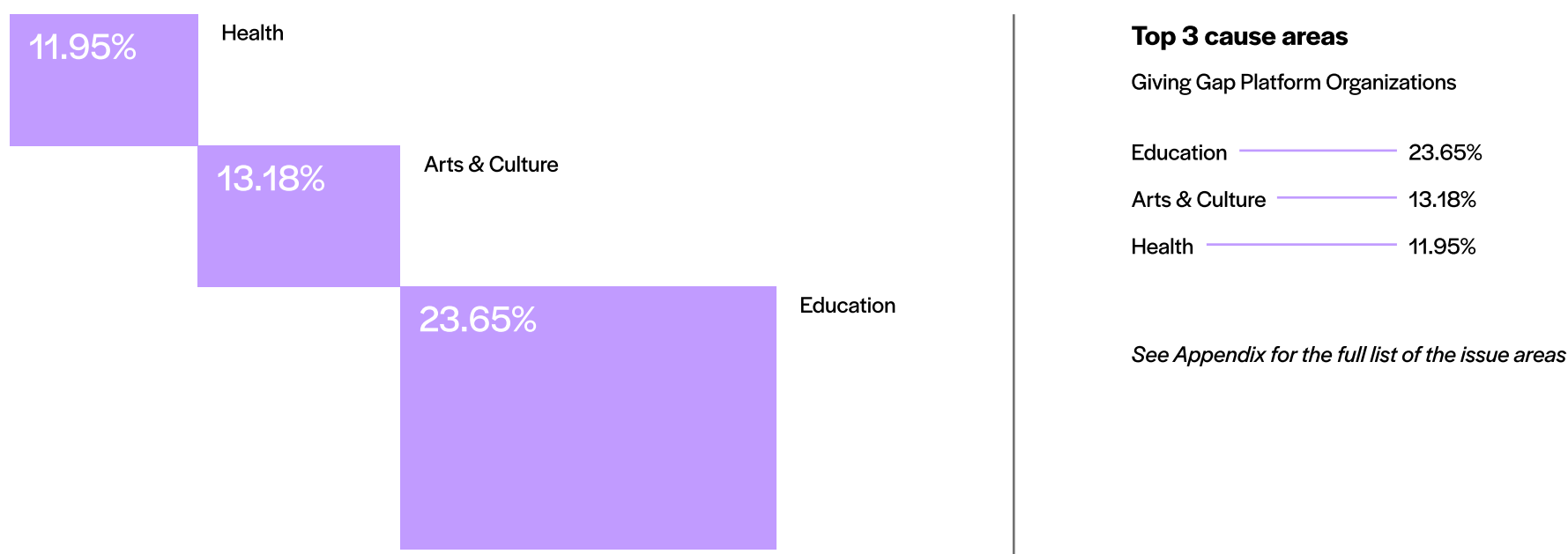


# Demographics

## Giving Gap Platform Organizations

**1** | Black nonprofits represent a wide variety of issue areas, addressing community needs and providing support across the four major US regions.

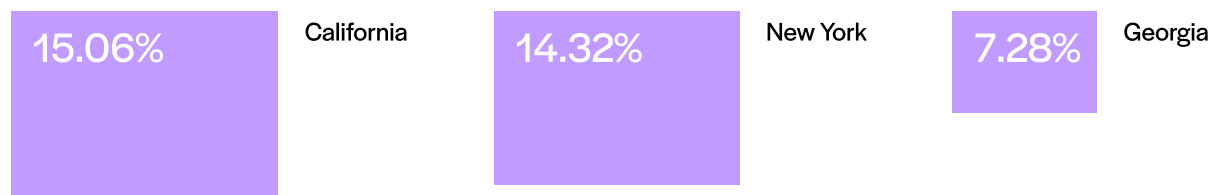
Education was a top cause area for 1/4 of these organizations, followed by arts & culture and health, indicating these cause's importance and priority to the Black communities being served.



**2** | The majority of Black nonprofits are located in the South (40.71%).

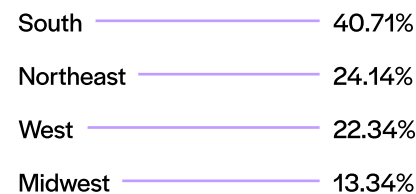
Aligning with the fact that the highest concentration of US Black populations lives in this region.<sup>16</sup> Additionally, Black-founded nonprofits are more likely to be located in the communities they serve.<sup>17 18</sup>

# 40.71%



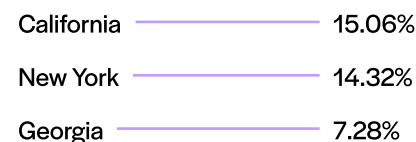
### US regions distribution

Giving Gap Platform Organizations



### Most Represented States

Giving Gap Platform Organizations

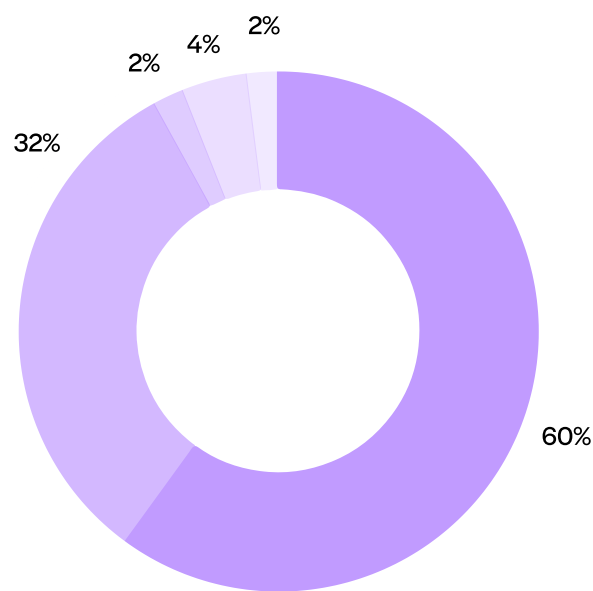


**3 | The majority (60%) of the nonprofits are founded by Black women who bring unique value to social progress while also experiencing unique challenges.**

According to the Stanford Social Innovation Review,<sup>19</sup> Black women “have been—and still are—trailblazers in philanthropy, centering collectivism to advance social change.” But while “society has greatly benefited from the achievements of Black women in social progress,” Black women themselves have not. Because of wage gaps rooted in sexism and racial discrimination, estimates show that Black women are denied \$964,400 in earnings throughout a 40-year career. However,

**“ Black women still remain committed, supporting causes with their time, actions, and even capital, as they give 25% more of their wealth compared to white donors.**

**59.98%**



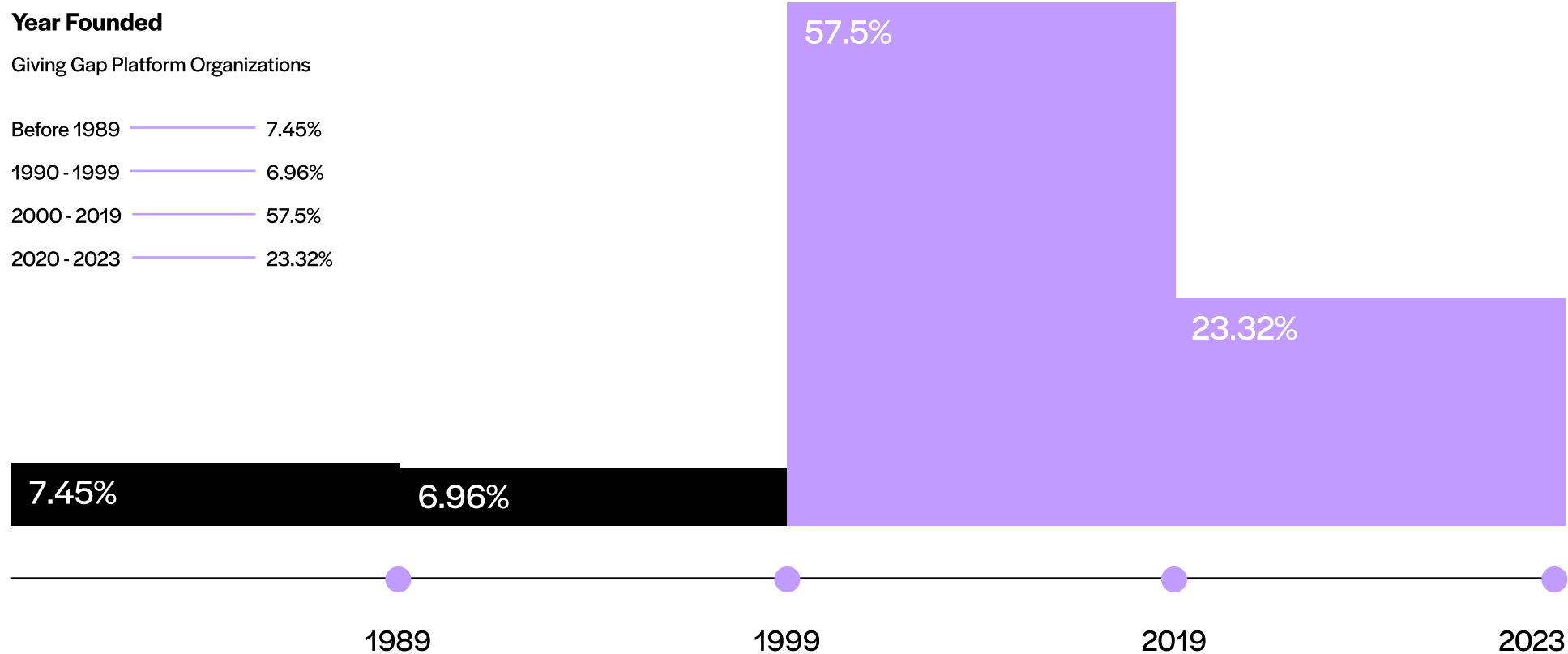
**Founders'/Co-Founders' Gender Identities**

Giving Gap Platform Organizations

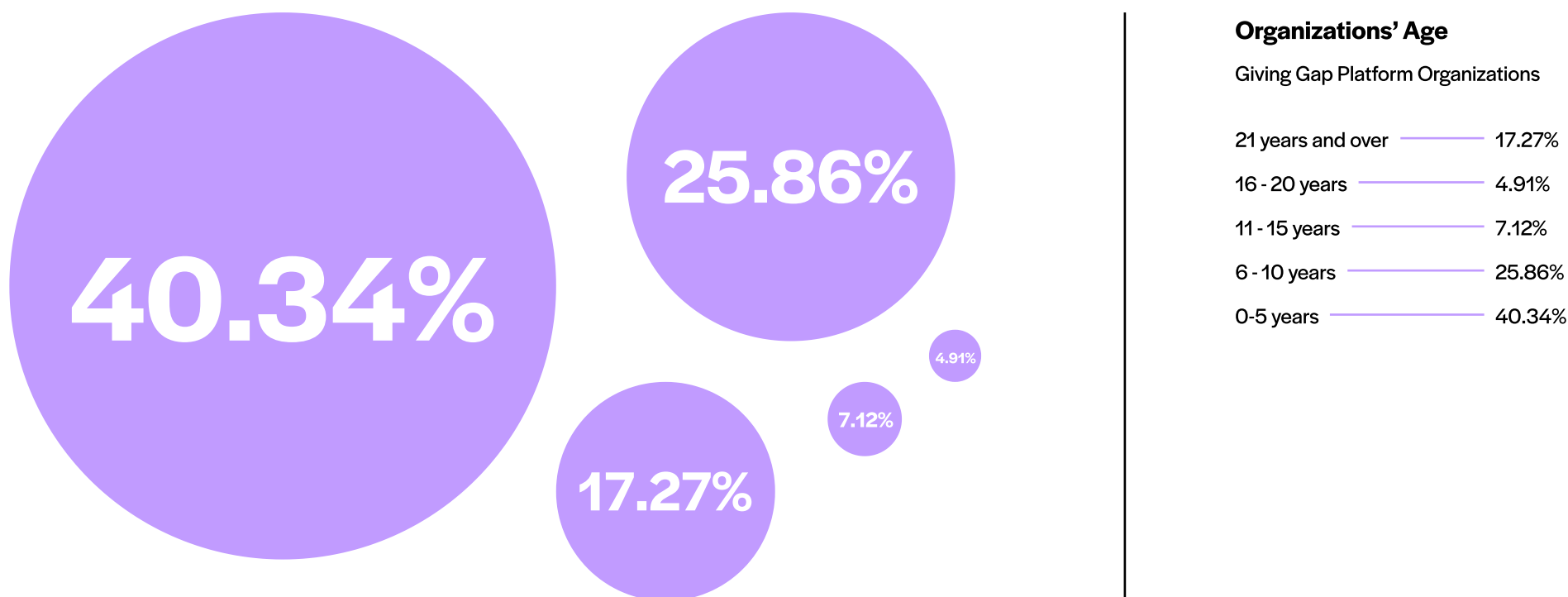
|                  |        |
|------------------|--------|
| Female           | 59.98% |
| Male             | 32.41% |
| Gender Neutral   | 1.88%  |
| Multiple Genders | 4.01%  |
| N/A              | 1.72%  |

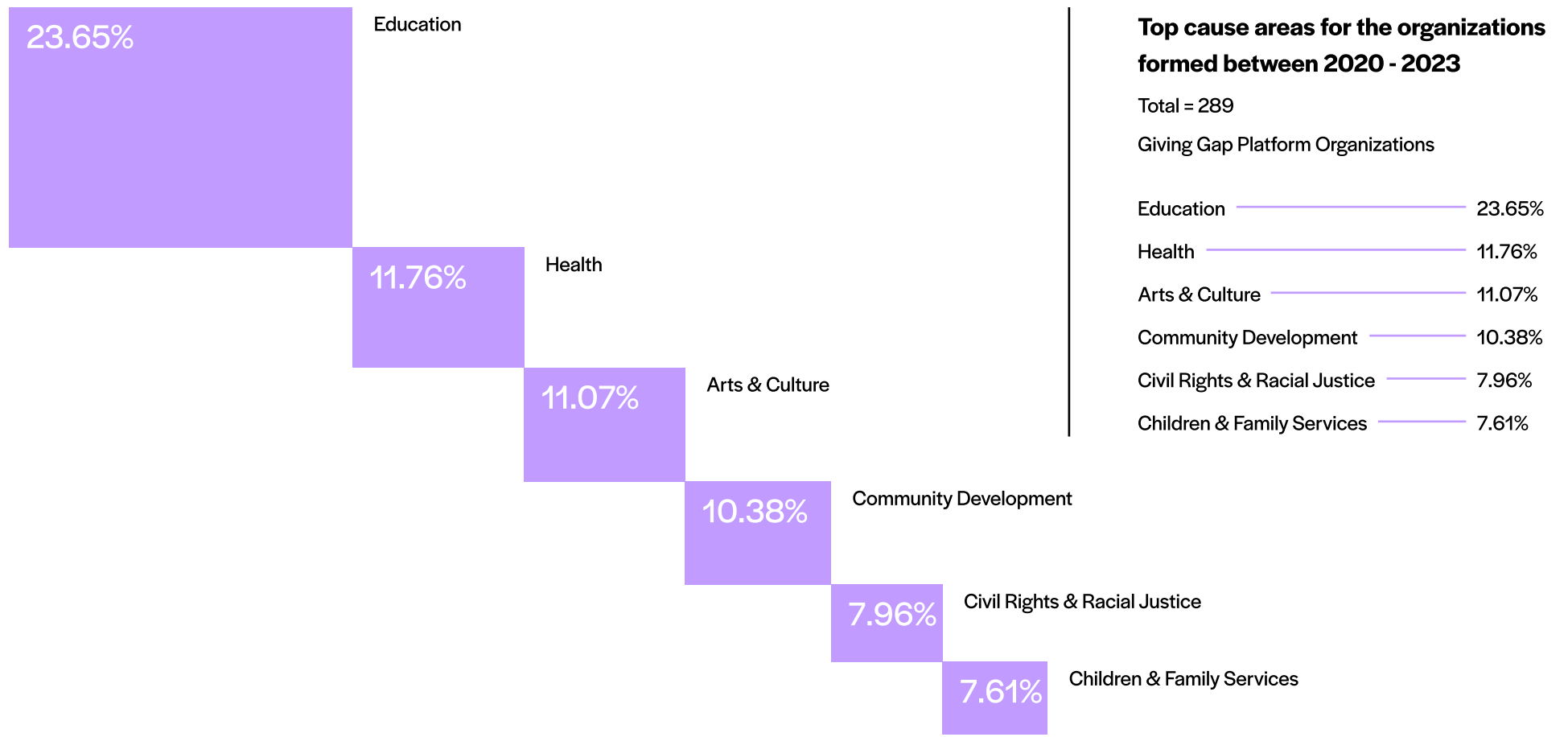
## 4 | The majority of Black nonprofits were founded in the past two decades.

Fewer than 1/5th of the nonprofits sampled are over 25 years old, suggesting the conditions in the nonprofit ecosystem are not conducive to the growth and long-term sustainability of Black nonprofits and/or that there are historical barriers to Black founders.



About 1/4th of Black nonprofits were formed in the past 3 years. Likely, the increased need and support for Black organizations in these past years (given the COVID-19 pandemic and the Black Lives Matter movement) accelerated the formation of these younger nonprofits.





# Demographics

## Surveyed Organizations

**1** | The majority of the organizations surveyed were Black-founded, Black-led, AND Black-serving.

**73.81%**



**124**

**Black-founded, Black-led, Black-serving**

### Organization Background

Giving Gap Surveyed Organizations

|   |              |
|---|--------------|
| Black-founded                           | 10.12% (17)  |
| Black-founded, Black-led                | 14.29% (24)  |
| Black-founded, Black-serving            | 1.79% (3)    |
| Black-founded, Black-led, Black-serving | 73.81% (124) |

This proportion aligns with the Giving Gap platform data. 73% of the organizations that provided information about their founders/co-founders' backgrounds (total = 383) possess this trio of characteristics.

**76.50%**



**293**

**Black-founded, Black-led, Black-serving**

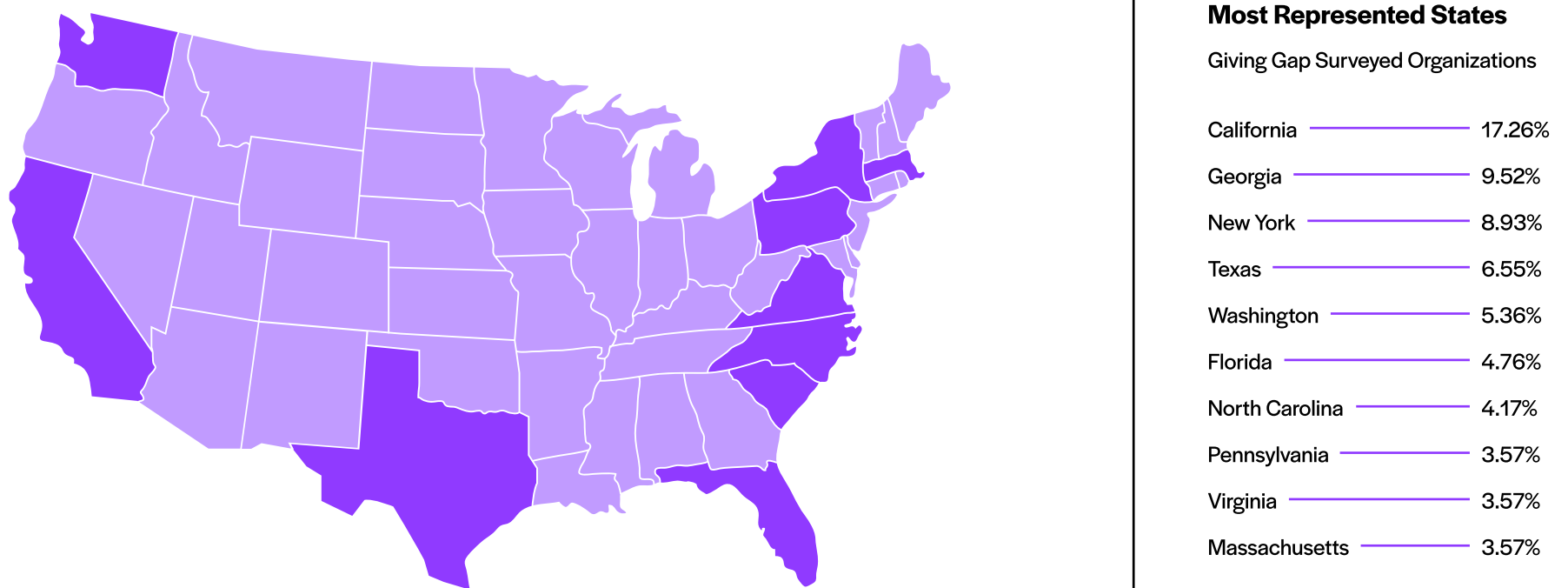
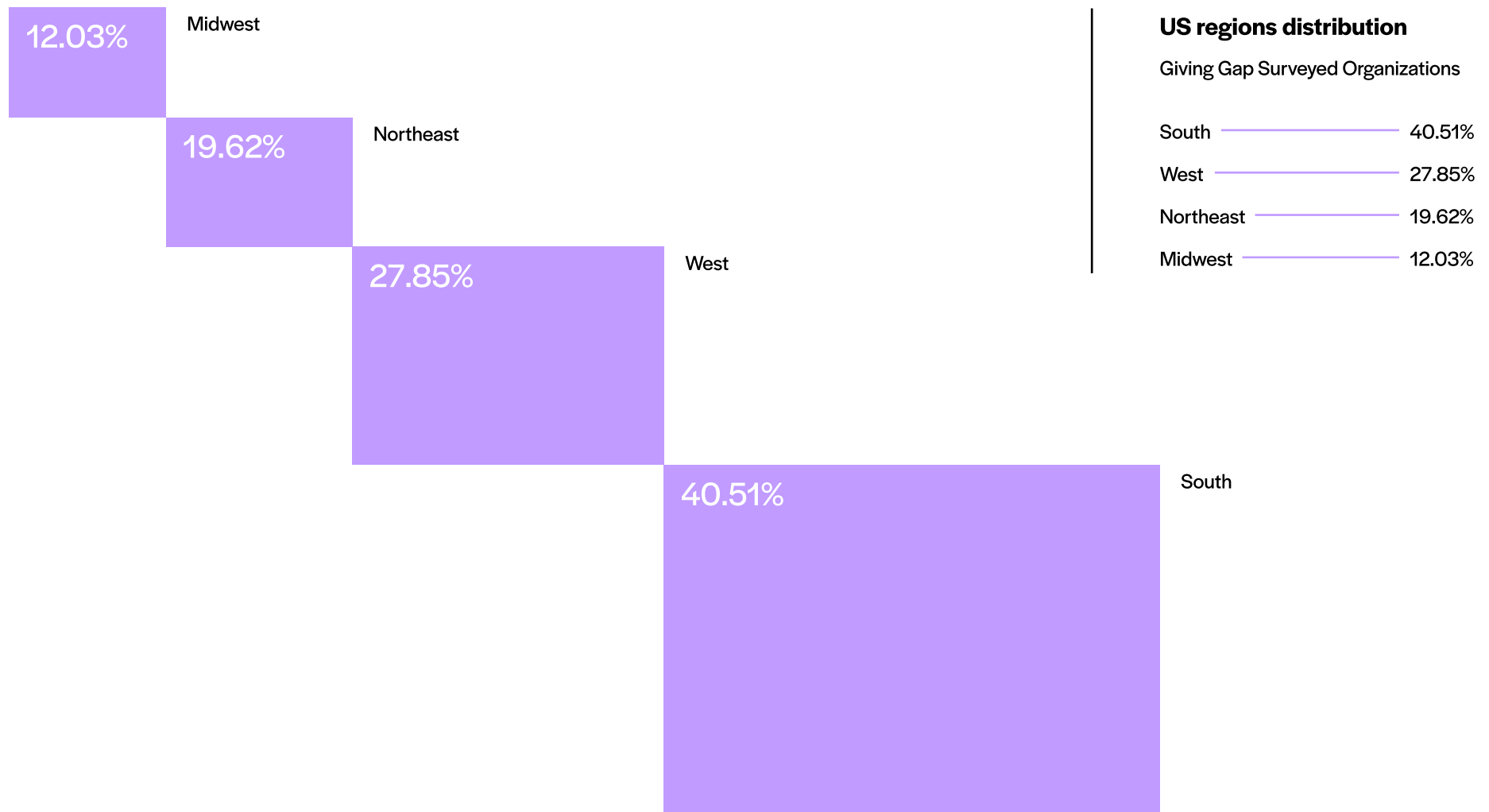
### Organization Background

Giving Gap Platform Organizations

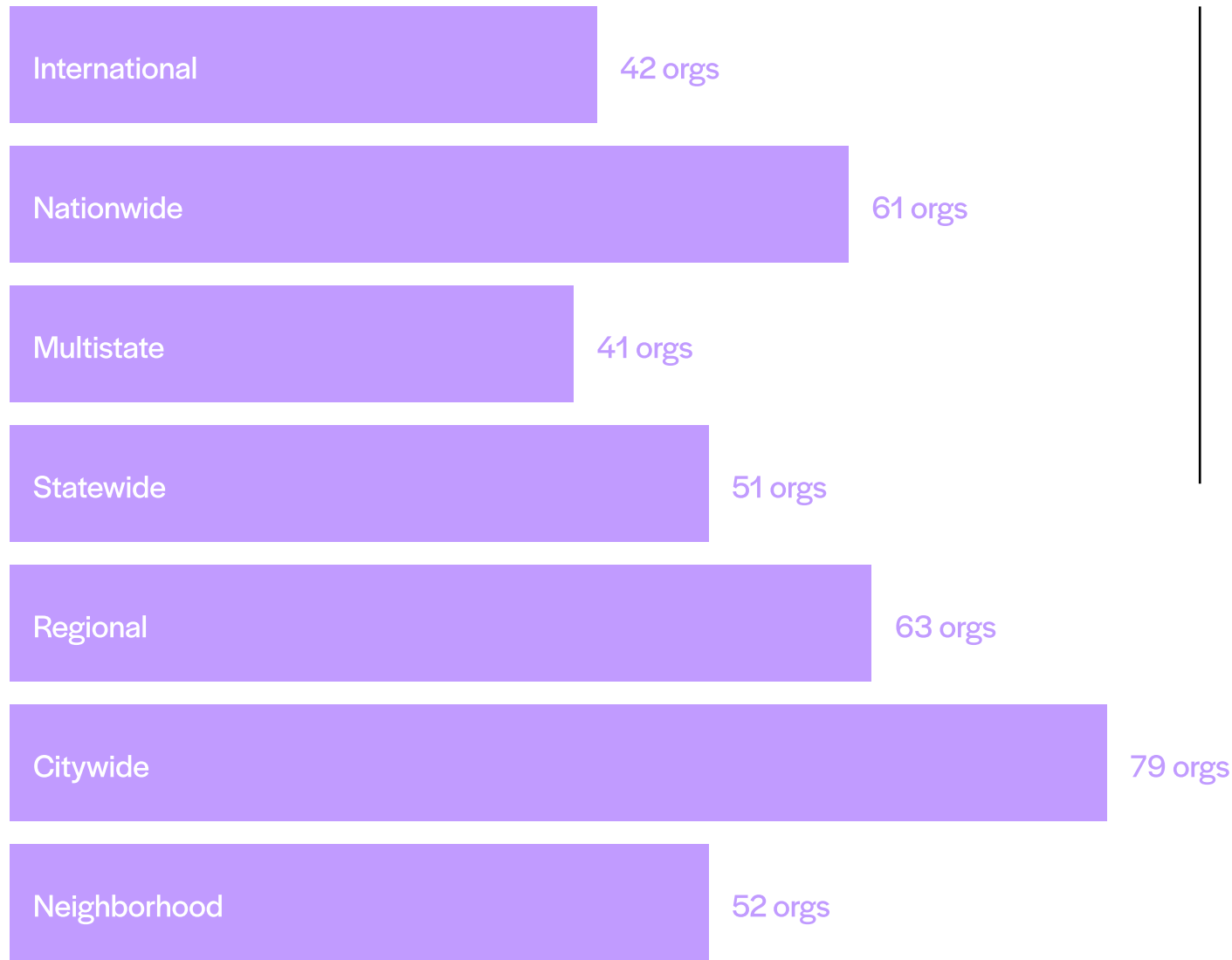
|   |              |
|---|--------------|
| Black-founded                           | 10.97% (42)  |
| Black-founded, Black-led                | 9.14% (35)   |
| Black-founded, Black-serving            | 3.39% (13)   |
| Black-founded, Black-led, Black-serving | 76.50% (293) |

## 2 | The highest regional representation is from the South which aligns with the fact that the majority of Black people in the US live in the Southern states.<sup>20</sup>

The organizations represent all 4 regions of the United States (as divided by the Census Bureau).<sup>21</sup> The Midwest is home to the second largest concentration of Black Americans, yet in the survey, nonprofit representation in the Midwest representation was lower. California, on the other hand, was the state with the highest representation.

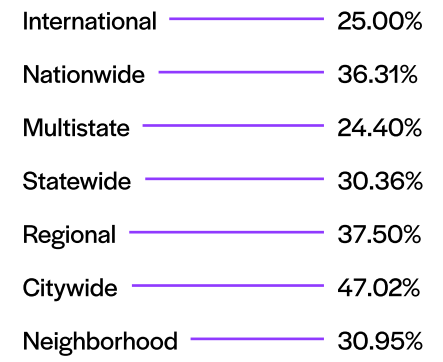


Yet, the scope and the impact of the organizations' work reaches beyond their specific geographies.



**The geographic scope of the organization's work**

Giving Gap Surveyed Organizations



“

After 14 years, we have not had a government, city or county grant, but yet I have been able to push on by building meaningful relationships via social media, and throughout my community.

– Crystal Clark-Chatman, Founder  
*Beautiful Spirited Women*



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# Findings

## Surveyed Organizations

### 1 | Black leaders do not hesitate to roll up their sleeves.

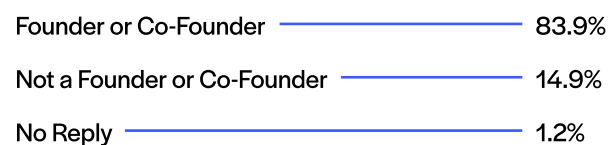
The majority (82%) of the respondents were either founders or co-founders of their organizations, implying that they were involved in the day-to-day of their organization’s operation.

# 83.9%

## Founder or Co-Founder

#### Founder / Co-Founder Status

Giving Gap Surveyed Organizations



### 2 | Black leaders have been through it.

A strong majority (92%) of the leaders have personal experiences in their cause and bring their lived experience to the issues their organization addresses. 96% of founders/co-founders responded yes to this question, implying that their founding of the organization was deeply rooted in and inspired by their insider perspective.

# 92%

## Has lived experience

#### Founder / Co-Founder / Leader’s Lived

Giving Gap Surveyed Organizations

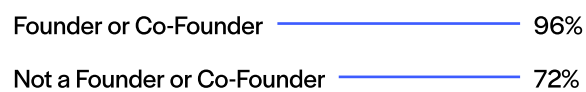


The majority of those who were not co-founders (72%) also have lived experience as represented below.



### Founder Status X Lived Experience

Giving Gap Surveyed Organizations



Research suggests that this is a unique value Black nonprofits provide to the movement ecosystem.

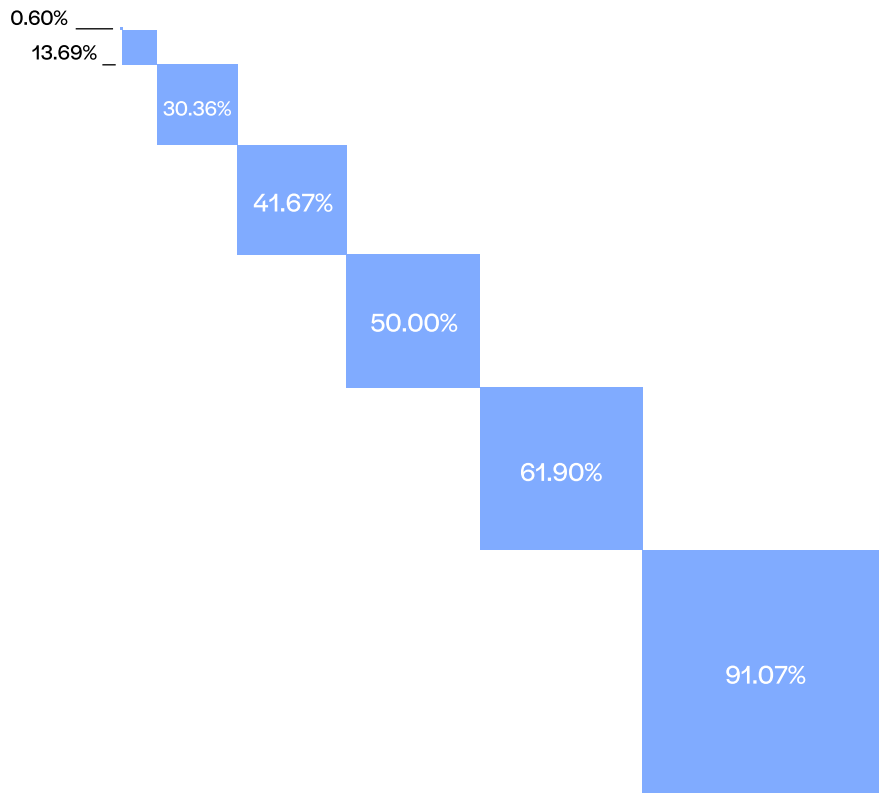
**/ Black-led nonprofits are more likely than other nonprofits to have leadership and staff representative of the community they serve.<sup>22</sup>**

As demonstrated through the ongoing work and intention of service provision, this emphasizes the role of Black-led nonprofits in leading work to achieve equity and racial justice.

While research on the influence of lived experience on leadership is still growing, lived experience is a discipline and is on the way to becoming a recognized professional approach in the mental health field (Roennfeldt & Byrne, 2021).<sup>23</sup> Research shows that lived experience-based work is emancipatory, values-driven, informed by, and springing from a commitment to social justice (Gillard et al., 2017).<sup>24</sup> In this context, leaders can both lead and act as peer support, leading to a stronger, non-paternalistic, experientially grounded, and more equitable movement.<sup>25</sup>

### 3 | Indeed, the majority of the leaders have skin in the game.

They are motivated by their strong passion and faith in their work and their personal relationship to their cause. Many consider this work their “calling” in life emphasizing the fact that their work is not “just a job” for them.



#### Motivations for Doing the Work

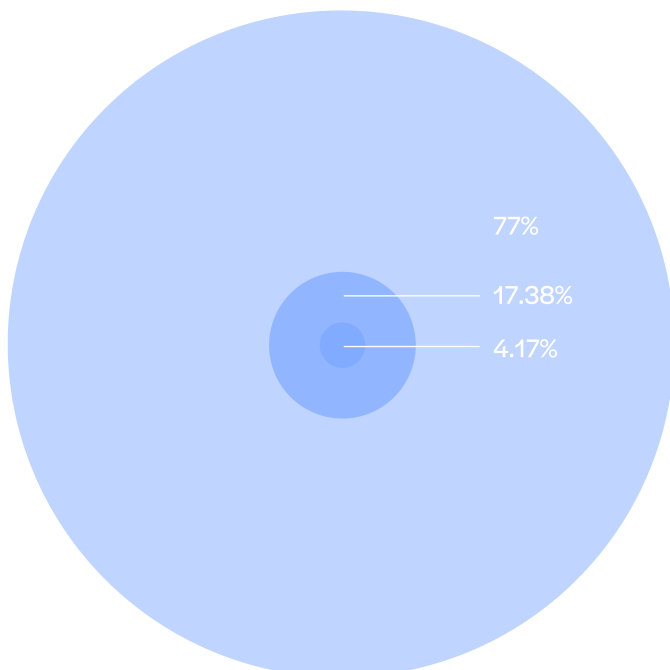
Giving Gap Surveyed Organizations

|                                      |        |
|--------------------------------------|--------|
| My passion and belief in the mission | 91.07% |
| My lived experience                  | 61.90% |
| A calling                            | 50.00% |
| My skills and abilities              | 41.67% |
| Desire to change policy              | 30.36% |
| Duty and/or obligation               | 13.69% |
| Money and/or prestige                | 0.60%  |

*Note: multiple responses were allowed*

### 4 | Unfortunately, passion doesn't pay the bills.

Although the majority (77%) of the Black nonprofit leaders work full-time for their organizations, the majority (56%) still need to take on additional work to supplement their income.



#### Founder / Co-Founder / Leader's Full-Time

Giving Gap Surveyed Organizations

|   |        |
|---|--------|
| Of those who work full-time (30+ hrs/week) noted they work 45+ hours a week | 77%    |
| Work part-time (20-30 hrs/week)   | 17.38% |
| Work less than part-time (under 20 hrs/week)                                | 4.17%  |

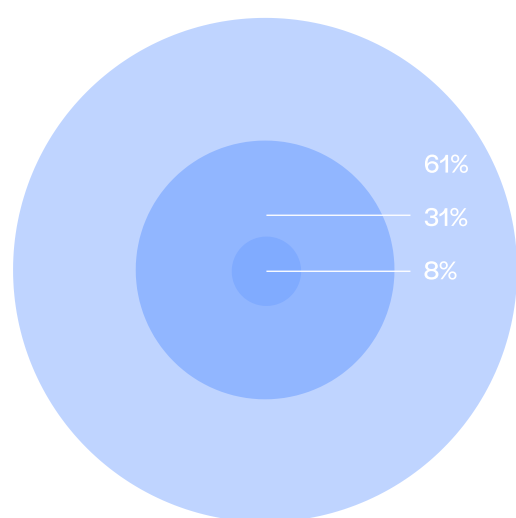
## Do you work an additional job to supplement your income?

108 (61.71%) said yes, and 55 (31.43%) said no.

Some participants who responded “other or I don’t want to say” were retired from other jobs or doing occasional engagements (not full-time jobs) for additional income.

Out of 168 respondents, 153 filled out both of the above questions: 55.9% of those who work full-time reported working an additional job to supplement their income.

100% of part-timers and 85.7% of less than part-timers/volunteers also work an additional job to supplement income.



### Need of Additional Income

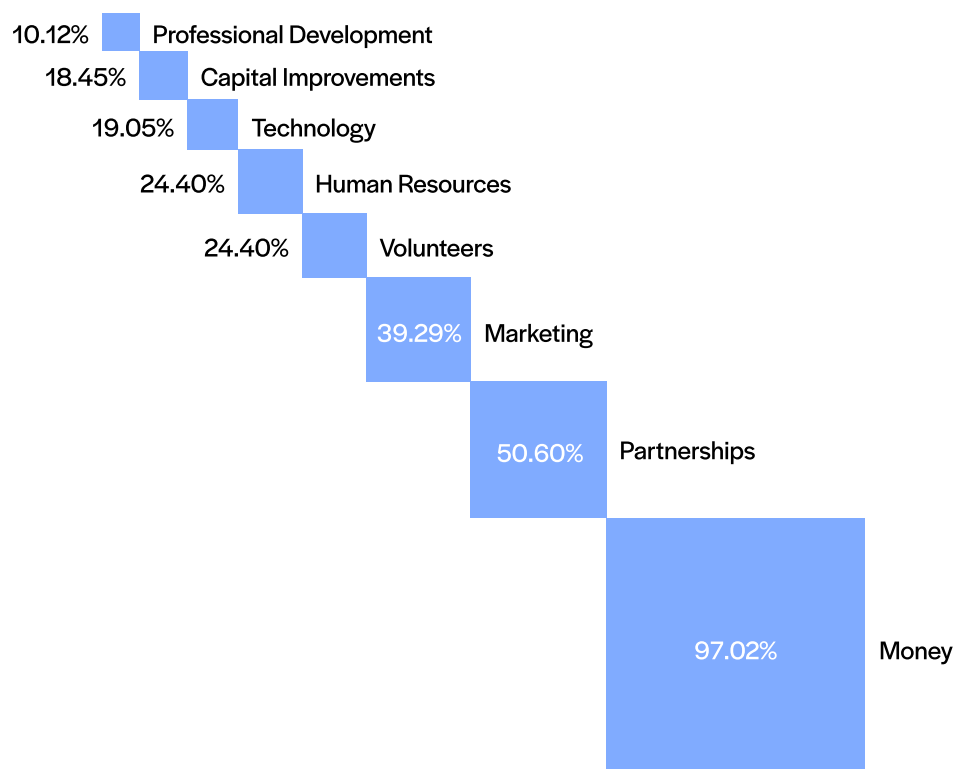
Giving Gap Surveyed Organizations

|                              |     |
|------------------------------|-----|
| Works additional jobs        | 61% |
| Doesn't work additional jobs | 31% |
| Other                        | 8%  |

## 5

**An overwhelming majority (97%) of Black nonprofits are in need of money to keep the lights on.**

Many rely on grants and contributions to support their missions, but this funding can be unpredictable. Focused resources toward general operating support and networking are needed.



### Organization's Top Needs

Giving Gap Surveyed Organizations

|   |        |
|---|--------|
| Money (including support for general operating) | 97.02% |
| Partnerships                                    | 50.60% |
| Marketing                                       | 39.29% |
| Technology                                      | 19.05% |
| Volunteers                                      | 24.40% |
| Human Resources                                 | 24.40% |
| Capital Improvements                            | 18.45% |
| Professional Development                        | 10.12% |

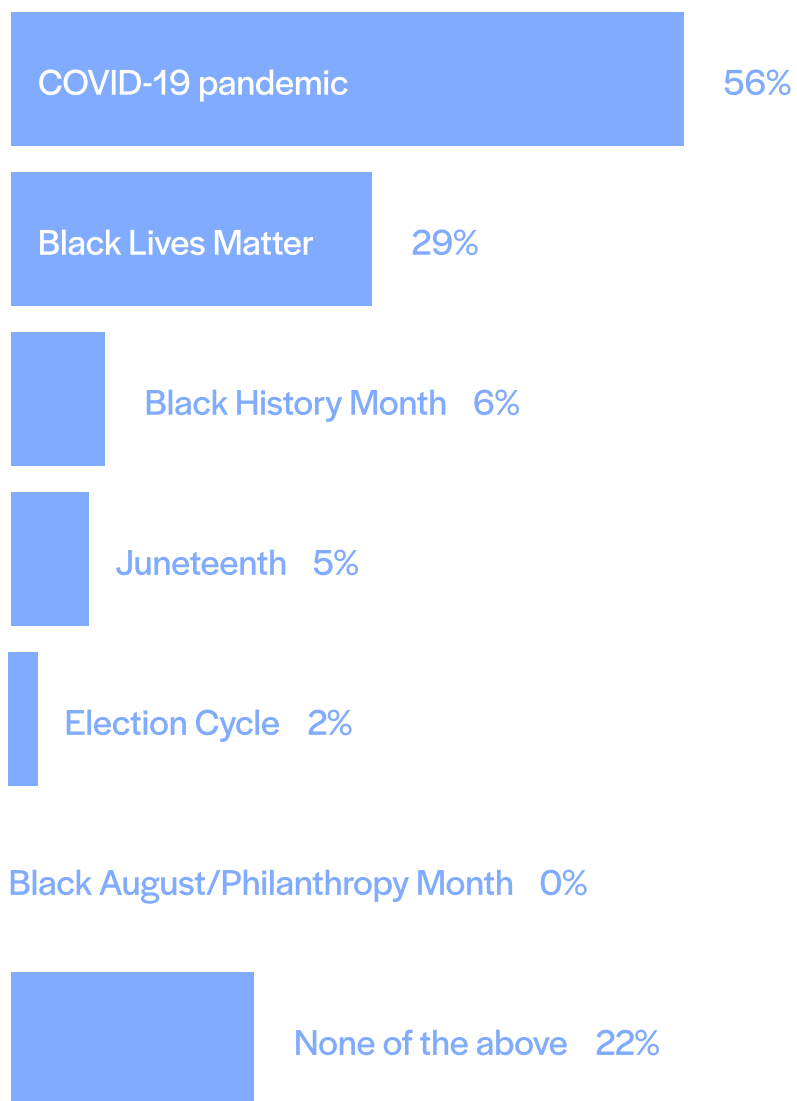
Note: multiple responses were allowed

According to data provided by Candid (Form 990, Total=619), 609 (98.38%) of the nonprofits sampled reported receiving grants and donations as part of their revenue. 573 (92.57%) reported that grants and donations accounted for more than 50% of their annual total revenue. In contrast, 363 (58.64%) organizations reported service revenue (defined as the portion of total revenue received through program services i.e. tuition fees, ticket sales, etc.), as a component of their revenue, but among them only 36 (5.82%) reported that service revenue accounted for more than 50% of their total revenue. Similarly, only 312 (50.40%) of these organizations reported investment income as part of their revenue on Form 990 (Investments are defined as interest payments, dividends, and capital gains through the sales of securities or assets) and none reported that investment contributed to more than 50% of their total revenue. This finding highlights the importance of grants and donations to the operations of Black nonprofits.

## 6 | Support may come and go in waves.

While the majority of the organizations (57%) cited events borne out of 2020’s widespread societal crises (e.g., the COVID-19 pandemic and the rising prominence of Black Lives Matter) that helped inspire institutional giving, about 1/5th did not experience any increase in funding. Research suggests that support is typically short-lived, even for those organizations with stronger fundraising success.

### Which 2020 events had the most impact on the organization’s fundraising success



#### 2020 Events that Impacted Organization’s Fundraising

Giving Gap Surveyed Organizations



According to the NCRP's "Black funding denied"<sup>26</sup> study published in 2020, the 50 biggest public companies in the US collectively committed at least \$49 billion dollars to racial equity organizations. Unfortunately, in many cases, this funding was short-term, not multi-year. Due to funding inconsistencies, these efforts have barely moved the needle toward infrastructure and programmatic success.

Moreover, while 60% of respondents reported that their annual revenue increased since 2020, 90% reported that their expenses increased. This suggests an increased need for the organization's services, but that this demand is causing decreased capacity.

1. 114 (67.86%) survey respondents said that their annual revenue increased since 2020, while 54 (32.14%) of them reported a decrease.
2. 155 (92.26%) reported an increase in their organization's annual expenses since 2020, while 13 (7.73%) reported a decrease.

A significant number of organizations that reported either an increase or decrease in their revenue also reported an increase in expenses. Specifically, 94.74% of nonprofits that reported a revenue increase also reported increased expenses; similarly, 87.04% of nonprofits that reported a decline in revenue also reported increased expenses.

## 7 | Money is key, but it isn't everything.

Support takes many forms. The combination of personal and professional assets and community support is vital to the sustainability of this work.

Respondents cited their own strong skill set (43%), spiritual practice (42%), and support network (42%) as their key motivating factors. Fewer than 1/5th of respondents linked financial support to sustainability, suggesting that while financial support is important, it is not the sole factor contributing to an organization's success. 'Throwing money' at the problem is fruitless without other supportive measures like awareness, development, and ongoing training. This underscores the importance of looking at support more holistically: Funders using this information should look into new measures to support these organizations.

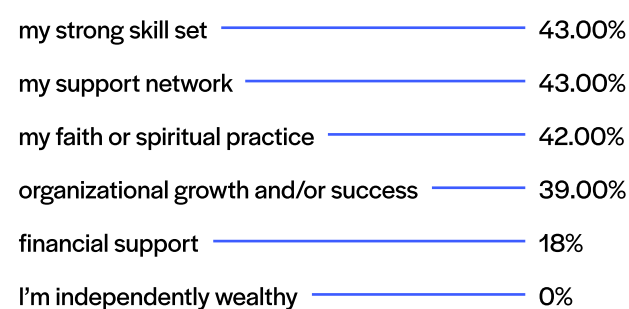
Success breeds more success for over 1/3rd of respondents. For these organizations, organizational expansion and success led to increased sustainability. Indeed, research 16 illustrates that a robust organizational infrastructure is key to nonprofit success. However, according to Urban Institute's Nonprofit Overhead Cost Project,<sup>27</sup> many foundations underfund overhead costs; these foundations have a tendency to 'reward' the "leanest profiles" in this regard, prompting nonprofit leaders to cut these costs and underreport expenses. This also highlights the importance of a more holistic approach to the funding ecosystem: Support encourages organizations to build their infrastructure and empowers them to experience an abundance mindset.

### Reasons for how they personally sustain doing this work



#### Reasons for Sustainability

Giving Gap Survey Data



“

I have the privilege of working alongside my dear wife Rozie and our five girls in the work of Inner County Outreach. I get to live out the dream of most dads – to create something, hand it over to your kids, and watch them excel beyond what you could have imagined! How precious and blessed is that? I take pride in my church, my family, and my ICO family. All of them contribute to shaping the man, the dad, the husband, and the pastor that I am!

– **Rev. Dr. Nathaniel T. Johnson, President & Founder**  
*Inner County Outreach*



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# Conclusion

This report offers an exploratory overview of Black-founded nonprofits, revealing their unique characteristics, challenges, and their leaders' remarkable dedication. The findings assert the need for targeted support and resources to ensure the sustainability and growth of these organizations, especially in the face of financial constraints.

Moving forward, further research is needed to delve deeper into the specific challenges faced by Black nonprofits and to explore strategies to enhance their long-term viability. Black-founded nonprofits do so much with so little, and holistic investment should be a priority for funders, policymakers, and advocates alike.

Specifically, these investments should focus on:

- 1 Increased investment in Black nonprofits**

Flexible funding that allows organizations to grow and improve their capacity, programming, and operations is fundamental to supporting change. As a note, unrestricted funds are important to ensure that capacity can be built.
- 2 Representation in the field**

Research illustrates that funders with a diverse board of directors ensured staff accountability, leading to more equitable processes, policies, and programming. Staffing funding institutions in a way that is representative of a community cultivates awareness and sensitivity and leads to stronger, more inclusive programming and operations. (Azevedo et al., 2020).<sup>28</sup>
- 3 Networking and professional development opportunities**

Money isn't the only problem: Strong, long-term support, such as programs and resources, would help Black-founded nonprofits better navigate the existing philanthropic space, and would boost their competitiveness in the grantmaking process. These resources will empower leaders to make strong cases for their work to large foundations and government agencies and to everyday and high net worth donors. Online hubs offering support and resources would potentially bridge the gap between large funders and small nonprofit organizations. In the future, networking and support will strengthen and forge partnerships between organizations to generate collective impact and alignment on universal missions.
- 2 Shifting mindsets and ceding power**

Practicing new holistic ways of thinking about the philanthropic ecosystem helps Black-founded organizations reclaim their voice in this space. Ultimately, transparency, trust, and bottom-up action will help support these organizations' future.

**5****Creating accessible and equitable funding processes**

Providing and increasing access to unrestricted funds is key to ensuring equality in the philanthropic space. More efforts in intentionally engaging Black-founded nonprofits, understanding their missions, and adjusting selection criteria will increase these organizations' profound impact on the communities they serve. (Racial Equity and Philanthropy).

A. This could include the aggregation and alignment of funding opportunities that intentionally direct funds to address challenges at the systems level (Four Pathways to Greater Giving, pg 19).

B. Some foundations are experimenting with participatory grantmaking,<sup>29</sup> which could serve as an introductory framework to this idea.

**6****Being explicit about race**

The color-blind ideology negatively impacts the long-term success of Black-founded organizations. Attempting to do the work without addressing race will not resolve the root cause of disparities experienced across communities. We must shift mindsets and focus on adopting a racially-conscious perspective to more effectively address the insidious causes of race-based inequity.<sup>30 31</sup>

# Appendix

## Black Nonprofit Issue Areas

|    | Types of Cause                             | Count | Percent<br>( total = 1222 ) |
|----|--|-------|-----------------------------|
| 1  | Education                                  | 289   | 23.65                       |
| 2  | Arts & Culture                             | 161   | 13.18                       |
| 3  | Health                                     | 146   | 11.95                       |
| 4  | Civil Rights & Racial Justice              | 100   | 8.18                        |
| 5  | Community & Economic Development           | 78    | 6.38                        |
| 6  | Children & Family Services                 | 63    | 5.16                        |
| 7  | Criminal Justice                           | 42    | 3.44                        |
| 8  | Gender Equity                              | 40    | 3.27                        |
| 9  | Benefactors                                | 39    | 3.19                        |
| 10 | Careers                                    | 37    | 3.03                        |
| 11 | Technology                                 | 36    | 2.95                        |
| 12 | Food Justice & Hunger Prevention           | 31    | 2.54                        |
| 13 | Environment                                | 26    | 2.13                        |
| 14 | Athletics                                  | 24    | 1.96                        |
| 15 | Poverty Prevention & Homelessness Services | 24    | 1.96                        |
| 16 | Violence Prevention                        | 17    | 1.39                        |
| 17 | LGBTQIA+                                   | 15    | 1.23                        |
| 18 | Clubs & Associations                       | 12    | 0.98                        |
| 19 | Global                                     | 11    | 0.90                        |
| 20 | Media                                      | 9     | 0.74                        |
| 21 | Immigrant & Refugee Assistance             | 7     | 0.57                        |
| 22 | Human Services                             | 4     | 0.33                        |
| 23 | Religious                                  | 4     | 0.33                        |
| 24 | Disaster Prevention                        | 3     | 0.25                        |
| 25 | Animals                                    | 2     | 0.16                        |
| 26 | No answer                                  | 2     | 0.16                        |

# Endnotes

- 1 <https://www.bridgespan.org/insights/disparities-nonprofit-funding-for-leaders-of-color>
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- 12 <https://www.ncrp.org/2023/03/community-foundation-giving-to-black-communities.html>
- 13 <https://www.ncrp.org/2020/08/black-funding-denied.html>
- 14 <https://www.bridgespan.org/getmedia/37911384-bac3-4a5c-8c3d-8ddafd21f928/four-pathways-to-greater-giving-no-appendix.pdf>
- 15 Platform eligibility was determined by the following criteria: At least 50% of the founders are of African descent, registered 501(c)3 or fiscally sponsored by a 501(c)3 in good standing with the IRS, nonprofit registered and based in the United States (even if mission as an international scope).
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- 18 <https://philanthropynetwork.org/resources/how-african-american-led-organizations-differ-white-led-organizations-research-report>
- 19 [https://ssir.org/articles/entry/investing\\_in\\_black\\_women\\_leaders\\_with\\_the\\_dream\\_capital\\_they\\_need#](https://ssir.org/articles/entry/investing_in_black_women_leaders_with_the_dream_capital_they_need#)
- 20 <https://www.pewresearch.org/social-trends/fact-sheet/facts-about-the-us-black-population/>
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**#BackBlack**

# Partners & Supporters



# About Giving Gap

Giving Gap (formerly known as Give Blck) was created in 2020 by Christina Lewis, Stephanie Ellis-Smith and David Setiadi. The founders, with a background in philanthropy and tech, sought to redeem the tragic losses of 2020 into something positive by creating a robust digital platform that centralizes the nation's Black-founded nonprofits and makes it easy for people to find and support cases they care about. To date, Giving Gap has cataloged over 1,300 nonprofits and engaged over 60,000 users to collectively donate over \$2.65 million.

## Report Acknowledgments

Melody Buyukozer Dawkins, Ph.D., Yopina G. Pertiwi, Ph.D. and Marilyn Nguyen, B.A. of Social Insights provided data analysis and wrote this report with support from Giving Gap CEO, Heather Infantry. Additional guidance and oversight was provided by Giving Gap's board of directors. This report would not have been possible without the participation of our nonprofit members and the generous support of our funders the Bill & Melinda Gates Foundation, Fidelity Charitable Catalyst Fund and the W.K. Kellogg Foundation. Report layout and design by Tenzi Lobo.



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