MacArthur Foundation

Dear friends and colleagues,

MacArthur is committed to building a world that is more just and equitable. We believe this starts with examining how we work and who we support.

To realize this commitment, in 2019 we began collecting demographic data on all U.S.-based organizations we support through grants and impact investments. Grantees and impact investees were encouraged to participate, and their responses were shared with MacArthur Staff at the aggregate level. The <u>survey results</u>, which we released in 2020, were invaluable as we began examining our practices and processes with an eye toward equity. Lessons learned from this data collection influenced our Equitable Recovery grantmaking last year.

We will launch our next demographic data survey in May. After much consideration, we have decided to ask all U.S.-based grantee and impact investee organizations to participate in this survey, and MacArthur program Staff will have access to individual organizations' responses. We will not, however, make individual organizations' data public. Our public report on demographic data will continue to use only aggregate data.

We understand that this is a change in our practices and that you may have questions about why we made this decision and how your organization's demographic data will be used.

Why We Are Collecting Demographic Data

Diversity, Equity, and Inclusion (DEI) is one of <u>MacArthur's values</u>. We believe that the best, most impactful work results from organizations with staff who represent a variety of backgrounds and experiences and that center the voices of people who know and understand the communities we seek to serve.

We recognize we have work to do to achieve this ideal, among our Staff and the organizations we choose to support. Many of the traditional practices in philanthropy, including our organizational, grantmaking, and investment practices, have helped maintain inequities in the United States and around the world.

In the years ahead, we want to change our practices and processes to treat all organizations fairly and better support diversity in our grantmaking and impact investments. The demographic data we are collecting will allow us to be accountable for making progress in the years ahead.

As we improve how we work, we hope to influence other foundations to pursue similar goals.

How We Plan to Use Your Organization's Demographic Data

We will use demographic data from future surveys to better understand the organizations we work with, the grants and impact investments we fund, and an organization's progress toward becoming a more diverse organization. We will use this information to look at the diversity of individual organizations as well as the diversity of our grantees and impact investees in the aggregate. This will allow us to be in continuing conversation with grantees about their organizations' priorities.

Demographic data will be one input, among many, in our decision making. In addition to collecting demographic data to understand an organization's approach to diversity, we also collect a range of information from prospective grantees and investees, including financial and strategy documents, lists of board members, and evaluation plans. All of this will continue to inform our decision making, with no single piece of information being determinative.

Our goal is to—over time—fund a more diverse set of organizations. In some cases, this may require supporting grantee and impact investee organizations in their efforts to become more diverse and inclusive. In other cases, this may require working with new organizations.

Ways to Learn More

A sample survey and link to frequently asked questions are available on the <u>survey</u> <u>resource page</u> on our website. We will host a <u>webinar to field your questions</u> on May 19 from 10:30 - 11:30 a.m. Central Time.

If you have questions, please do not hesitate to reach out to our Staff. Your Program Officer is also available to talk with you about this new approach, or you can <u>contact</u> <u>us with questions</u>.

Like many of you, MacArthur has worked in recent years to better live our value of Diversity, Equity, and Inclusion. We understand that some of you are just beginning to grapple with this, while others are further along than we are. Wherever you are on the journey, we want to be in conversation with you about this crucial work and our shared commitment to it.

With gratitude,

John Palfrey, President