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# Funding Opportunities for Non-profit Organizations Led by Black Women

LaQuasha A. Dixon
*Walden University*

# Walden University

College of Social and Behavioral Sciences

This is to certify that the doctoral study by

La'Quasha Arve` Dixon

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Review Committee
Dr. Gary Kelsey, Committee Chairperson, Public Policy and Administration Faculty
Dr. Wallace Swan, Committee Member, Public Policy and Administration Faculty

Chief Academic Officer and Provost
Sue Subocz, Ph.D.

Walden University
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Professional Administrative Study Submitted in Partial Fulfillment

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## Abstract

This study addressed significant disparities in funding awarded to non-profit organizations (NPOs) in the United States, led by Black women. Racial bias and the lack of knowledge about alternative funding sources were key factors contributing to this funding gap, which limited the capabilities of these organizations. The research question guiding this study was: In addition to government grants and program sponsorships, what other funding sources are available to NPOs led by Black women? The conceptual framework employed as a foundation for the research was the concept of creating a diverse funding portfolio for sustainability. The purpose of the project was identify alternative funding sources that could help narrow funding disparities. The financial stability of non-profits increasingly relies on diverse income strategies as traditional funding avenues have become highly competitive. Data were collected through a four-question semi-structured interview with Black female NPO leaders. Data analysis involved identifying common themes, correlations, and differences in participant interview responses. The findings were used to create a detailed guide outlining and defining alternative funding strategies, including relationship building, community engagement, and mission-driven partnerships. By addressing the unique funding challenges faced by Black women-led non-profits, this research provided potentially actionable solutions for a more equitable funding landscape. Ultimately, empowering these leaders might foster an inclusive funding environment, catalyze social change, and enable organizations to better serve their communities.

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# Dedication

To my daughter, Alirah, and my son, Aven—you are my driving force, inspiring me to create something meaningful to leave behind for you. To my mother, your unwavering love and support gave me the foundation to begin this journey, and I could not have finished without you.

Acknowledgments

I want to acknowledge the extraordinary legacy of Black women , marked by resilience and empowerment. Together, we uplift one another, pouring our strength into our families, friends, and communities. Our collective resilience and dedication to supporting each other lay a powerful foundation for future leaders.

I want to extend my heartfelt thanks to my closest friends for being my sounding board over the years. Your encouragement and understanding have made all the difference, and I am truly grateful to have you by my side.

I extend my sincere gratitude to my advisor, Binh Ngo, and my professor, Dr. Kelsey, for their unwavering support and guidance throughout this dissertation process. Their encouragement and insightful feedback were invaluable, pushing me to persevere and complete this challenging journey. I am deeply grateful for their mentorship, patience, and dedication to my academic growth. Their belief in my potential was a constant source of motivation, and I am truly thankful for their role in this achievement.

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Section 1: Introduction

## Introduction

Black women have often been discriminated against and face racial bias, which has contributed to the gap in the funding environment (Taffe & Gilpin, 2021). Inadequate funding prevents non-profit organizations (NPOs) led by Black Women from functioning optimally. Implementing diversity and equity values driven by the implied organizations correlates with the insight that Black people are underfunded by external funders like government agencies and public sponsors (Ginther et al., 2009). Funders and funding sources should look to implement diversity, equity, and inclusion tactics with working knowledge of the deficit around the available funding funneled to Black women. This notion is also true for the additional support concerning the underfunding of NPOs led by Black women, which was gathered in a 2011 study concerning the funding process of the National Institutes of Health (NIH). These researchers found that grant applications submitted to the NIH by Black non-profit organization leaders were less likely to be funded than applications submitted by White counterparts.

## Organization Background and Problem Statement

Despite leading non-profit organizations, Black women often struggle to establish enduring relationships with key donors and funding sources comparable to their White counterparts. Unfortunately, attempts to address this disparity and bridge the funding gap have proven ineffective. Forscher et al.'s (2019) study findings showed that this race inequity has not changed. Forscher et al. examined its impact on an indicator of implicit bias and a variety of explicit measures longitudinally by using the Black-White Implicit

Association Test (IAT) created by Greenwald et al. (1998) as their measure of implicit race bias. The explicit measures included established racial attitudes (Brigham, 1993), the sources of one's motivation for responding without prejudice (Plant & Devine, 1998), and whether one believes their behavior is more biased than appropriate. In addition, because the intervention included education about the adverse effects of discrimination, the authors developed a measure assessing concern about discrimination in society (Monteith & Voils, 1998). These studies present evidence that a racial disadvantage impacts the ability of Black women to lead NPOs due most efficiently and effectively to a lack of adequate funding.

Innovating Young Minds Inc. (IYM) offers life training skills, mentoring, professional counseling, and after-school tutoring to troubled and vulnerable youths between 13 and 18. The organization is focused on empowering, teaching, nurturing, and mentoring individuals to be the best versions of themselves and become more morally relevant to their immediate communities. They also provide community outreach through charitable efforts within our community. The mission of IYM is to empower youths to become their highest self to reach their full potential. Also, by providing life skills training, professional counseling, mentoring, and after-school tutoring, the organization helps troubled and vulnerable teens make informed decisions that benefit their futures. Currently, the primary funding sources for Innovating Young Minds Inc. include grants, individual donations, special events, and sponsorships.

IYM takes pride in offering professional services while creatively developing ways to provide youths with quick, reliable, friendly, and quality care. In order to

maintain the organization's current status and plan to grow the objective, secure and consistent forms of income outside of government funding and traditional forms of fundraising are needed to supplement the already established lines of funding for the organizations, which will also benefit businesses alike. Efforts have been made through online crowdfunding and spontaneous giving from an array of sources to fund the mission of the organization, which have aided them in successfully operating the organization since the start of the service provided by the organization.

## Purpose

According to Johnson and Smith (2019), non-profit organizations led by Black women receive less money from grants, sponsorships, or individual donations (Johnson & Smith, 2019). Black women have fewer resources and the capacity to achieve their goals and sustain the organization in the long term. There are other alternatives that NPOs led by Black women can use to raise funds for their organizations. The study identified additional methods of raising funds other than program sponsorships and government grants for NPOs currently not utilized by Black women when attempting to acquire additional funding. This was accomplished by interviewing Black female leaders who have successfully accessed funding sources other than program sponsorships and government grants.

Rendon (2022) examined three years of funding data for 164 non-profit organizations that applied to Echoing Green's highly competitive fellowship program from 2012–2015 to determine funding levels and other available information. Echoing Green described themselves as "at the intersection of social justice and social innovation,

connecting our expertise and global networks to emerging leaders creating long-lasting social change" (Rendon, 2022). Uncovering alternative funding sources was essential to the outcome of this study, as it explored the nature of fundraising for non-profit organizations led by Black women compared to their White counterparts. Previous findings, such as Rendon's discovery that groups led by Black women receive less funding than those led by Black men or White women, underscored the need to explore why budgets for White-led organizations are 24% larger than those led by people of color.

## Summary of Data Sources and Analysis

For this study, I primarily gathered data from Black female non-profit organization leaders in the United States through semistructured interviews. These interviews employed a set of predetermined questions along with additional inquiries to delve deeper into the participants' insights on managing and fundraising for non-profit organizations. By conducting these interviews, first-hand accounts of the participants' experiences were obtained, shedding light on the challenges and successes faced by US non-profits. Purposive sampling was employed to select Black female non-profit leaders in the United States, targeting individuals with specific characteristics relevant to the study. This strategy enabled the identification of participants, which is crucial to addressing the research objectives efficiently. Data were collected through a four-question semistructured interview, permitting flexibility to explore emerging themes. The interviews underwent thematic analysis to identify patterns and codes within the data, facilitating a comprehensive understanding of the main themes and their relationships. By

meticulously analyzing the data, I aimed to provide an in-depth exploration of the participants' experiences and insights related to managing and fundraising for non-profit organizations in the US.

Thematic analysis helps people understand how the knowledge and experiences of Interview participants connect. These details indicate a range of important insights. Sorting these findings into clear categories helps us make sense of them, each category having its importance. Coding the data is like refining raw material, leading to a clear understanding of what the Interview is designed to reveal. This approach helps uncover the main themes in the interview results, making them clearer and more meaningful. According to Braun and Clarke (2006), thematic analysis is a systematic and flexible method used in qualitative research to identify, analyze, and report themes within data.

## Definitions

*Government Funding*: Government funding refers to the financial support provided to non-profit organizations by government agencies at the federal, local, and state levels. Such funding comes in the form of contracts and grants. Government funding is the primary source of resources for many non-profit organizations. However, the organizations must meet the eligibility criteria set by the government to receive support.

*Non-Traditional Funding*: Non-traditional funding sources are alternative sources of financial support to non-profit organizations, which may come from private foundations, corporate philanthropy, individual donors, social impact investing, and collaborative partnerships.

*Leaders:* Leaders are individuals who hold positions of influence and authority in an organization and are tasked to guide, direct, and make decisions.

*Crowd Funding:* The practice of funding a project or venture by raising small amounts of money from a large number of people, typically via the internet.

*Social Impact Investing:* An impact-investing strategy is an investment strategy that targets companies or industries that produce social or environmental benefits.

## Significance

The study began by highlighting the funding disparities facing non-profit organizations (NPOs) led by Black women in the United States. However, the study focused on exploring and documenting alternative funding sources beyond government grants and sponsorships. The research aimed to assist Black female non-profit leaders in identifying additional avenues for financial support, ultimately enhancing their organizations' sustainability and impact. This investigation can further contribute to unraveling systemic racial biases pervasive in the philanthropic landscape, ultimately fostering a more equitable environment for all NPOs. The study's outcomes are anticipated to elevate awareness and offer practical insights into the specific challenges confronting non-profit organizations helmed by Black women. This study provides a crucial opportunity for non-profit leaders, especially Black women at the helm, to consider diverse funding alternatives beyond conventional government grants and sponsorships. Potential strategies include exploring partnerships with corporations for sponsorships, engaging in crowdfunding campaigns to harness community support, establishing endowments or planned giving programs, and seeking foundation grants

tailored to support underrepresented groups. By diversifying alternative funding streams, organizations can enhance their financial resilience and broaden their impact within their communities. This enhanced financial sustainability helps address immediate funding disparities and contributes to long-term organizational growth and stability.

## Summary

The research question of this study was as follows: In addition to government grants and program sponsorship, what other funding sources are available to NPOs led by Black women? I explored and identified other revenue collection alternatives to fully answer the research question in this qualitative research study. This exploration aimed to uncover a wider range of financial resources that could support these organizations beyond traditional funding avenues.

Section 2: Conceptual Framework and Relevant Literature

## Introduction

Although Black women are well represented as employees across the non-profit sector, they are less likely to be in leadership positions, especially in larger non-profits (Grissom, 2018). This speaks to the scale of representation amongst leaders in the non-profit sector and the likelihood that those relationships will reflect or impact the funding process in favor of Blackfemale leaders. The notion that cultural relationships can positively impact the funding process within the non-profit sector is well-founded. Individuals and organizations with pre-existing cultural relationships or networks are more likely to benefit from these connections and advantages. This dynamic is not limited to any particular racial or ethnic group; it is a universal aspect of fundraising and resource mobilization in the non-profit world. Concepts from which this study draws include trends in fundraising and philanthropy supporting non-profit organizations led by Black women and the related need for alternative sources of revenue. The lack of women in leadership in NPOs can be attributed to discrimination and bias that prevents them from attracting grants and program sponsorship.

There is also a noticeable difference in opportunities presented to Black women as compared to White women. For example, they have limited opportunities to climb the corporate ladder compared to White women (Carter & Peters, 2016). Black women might also face more obstacles in accessing quality education and scholarships than their White counterparts (Davis & Maldonado, 2017). This inequality can limit their academic and professional development. Discrimination and racial bias create challenging work

environments that are more stressful for Black women (Holder et al., 2015). It is, however, essential to clarify that the lack of women in leadership roles within non-profit organizations is a separate issue from their ability to attract funding sources. While both issues are significant and interconnected, addressing gender and racial disparities in non-profit leadership and addressing funding disparities require distinct strategies and approaches. The objective is to illuminate alternative revenue streams these leaders can harness to amplify organizational financial resources, potentially counteracting the prevailing inequities. This strategic shift underscores the imperative for diversification in revenue generation, hinting at broader implications for financial sustainability and the cultivation of more equitable non-profit systems.

## Literature Search Strategy

In conducting a comprehensive literature review, a systematic and strategic approach is necessary to identify, evaluate, and synthesize all relevant materials. This study focused on diversifying funding sources for non-profit organizations led by African-American female leaders. A multi-pronged search strategy was employed, ensuring a holistic understanding of the topic. Initially, the Academic Complete database was consulted, offering various scholarly articles, e-books, and other academic resources. Specific keywords such as *non-profit funding, African American female leaders,* and *funding diversification* were used; a preliminary list of relevant materials was generated. Filters like publication date and source type were then applied to refine the search further.

Next, Walden University resources were explored. Walden University boasts a rich repository of doctoral dissertations and research studies related to non-profit

management and leadership. By using advanced search functionality and Boolean operators, a more targeted search was conducted; for example, terms like AND between *non-profit* and *African American female leaders* helped focus the search. Academic One followed as the next database consulted. Its multidisciplinary coverage provided a broader perspective. Cross-referencing findings from Academic Complete and Walden resources allowed for identifying gaps in the literature; specific materials in Academic One could then fill these gaps. Therefore, this literature search strategy employed multiple databases and resources for a comprehensive and nuanced understanding of the topic; systematic navigation and refined search parameters resulted in a robust body of literature, laying the foundation for in-depth review and analysis.

## Conceptual Framework

The funding for non-profit organizations can be classified into traditional and non-traditional sources. Traditional sources are conventional funding options, such as government grants, corporate sponsorships, and private foundations supporting non-profit organizations. Non-traditional sources are emerging avenues like social impact investing, earned income strategies, crowdfunding, and collaborative partnerships, which can be explored to provide NPOs with a potential for diversification. Internal and external factors influence the NPO funding environment. The external factors that affect such an environment include the mission, alignment, strategic planning, and the ability to access and manage diverse funding sources.

External factors include policy changes, philanthropic trends, and economic conditions in the country. NPOs face challenges associated with accessibility of funding

sources, competition, administrative burdens, and eligibility criteria. This study explored strategies for overcoming the identified challenges using approaches such as grant writing, diversification of revenue streams, and donor cultivation. Another parameter that comes into the interplay in assessing the different financing sources and the ability to obtain funding is the impact assessment, in which the diversification of funding sources can impact the ability of the NPO to achieve its objectives and contribute to financial stability and organizational resilience.

The stability of non-profit organizations' finances relies on a diverse income approach. This is especially true when customary funding avenues like government grants and sponsorships have grown fiercely competitive. For African-American female trailblazers at leading non-profit organizations, the task goes beyond merely obtaining finances; it involves broadening and diversifying funding sources.

## Literature Review for the Study

Pearson (2020) accentuated the distinct difficulties experienced by African American female leaders, explicitly addressing the ramifications on health, wellness, and general welfare within their organizations. As a result, this conveys the significance of financial solidity, attainable via an assorted financing portfolio. Depending too heavily on solitary or limited income sources could endanger an organization's fiscal well-being, especially during economic setbacks, policy revolutions, or donor priority shifts (Gunnerson, 2019). By diversifying financial streams, non-profits can more effectively traverse these unpredictable situations.

A varied financial portfolio can significantly boost a non-profit's credibility and esteem as support from diverse sources suggests extensive confidence in its goals and operations. This wide-ranging endorsement can further entice additional donors, forming a virtuous cycle of reliance and reinforcement (Gunnerson, 2019). Secondly, African American female forerunners in the non-profit arena frequently struggle with deep-rooted prejudices and inadequate access to conventional funding circles (Pearson, 2020). Wiles-Abel (2020) expounded on sustainable income tactics employed by Black women non-profit executives, primarily in marginalized communities where such leaders often operate. In their case, diversifying income channels is not merely strategic but essential. Expanding their financial foundation aids in equipping their organizations with resistance to systematic biases and tribulations.

Hyppolite (2019) explored the trajectories of African American female leaders in their climb to executive positions, underlining the significance of groundbreaking funding tactics in their progression. Beyond governmental grants and sponsorships, numerous alternative methods exist. For instance, cultivating robust relationships with individual benefactors can result in steady, unrestricted financial backing. Crowdfunding platforms, which have revolutionized the fundraising landscape, allow non-profits to access a vast pool of global contributors. Moreover, forging collaborative alliances with corporations, beyond mere sponsorship, can align with organizations whose endeavors are consistent with the non-profit's objectives. Urging supporters to bequeath assets guarantees a lasting financial foundation; simultaneously, social ventures can supply funding and harmony with social impact goals. Consequently, for African American

female trailblazers within the non-profit realm, diversifying monetary resources becomes a tactical necessity and a countermeasure for systemic barriers. An extensive body of literature, from Pearson (2020) to Gunnerson (2019), consistently upheld that broadening funding sources ensures fiscal sustainability and augments an institution's legitimacy and scope.

In addition, Gunnerson (2019) delivered an all-encompassing examination of techniques for broadening revenue streams within non-profit entities. This analysis underscores the urgency for leaders in this sector to transcend conventional financing paths and consider alternatives such as social entrepreneurship, affiliations with private enterprises, crowdfunding initiatives, and community-driven projects. Diversifying revenue channels empowers non-profits to alleviate risks linked to excessive dependence on one source while fostering sturdier financial footing. For African American female pioneers, this diversification represents more than just a calculated approach; it is also an honor to their resourceful leadership. Hyppolite (2019) documented the strides made by these Black women toward executive management, capturing their peculiar challenges and victories with an emphasis on their ability to maneuver intricate fiscal terrain despite meager resources. By broadening financial avenues, these remarkable figures ensure the monetary welfare of their organizations.

**Gap in Funding**

The existing gap in the funding of NPOs presents unique challenges that are insightful into more significant societal problems. It uncovers racial bias and stereotypes in light of the discrepancies that Black women face when they lead NPOs, preventing

them from obtaining the required funding. Limited networks and resources are also of significant concern because they create barriers for African American female leaders to establish and sustain non-profit organizations. The current state of NPOs run by Black women can provide insight into historical disadvantages and intersectionality.

According to Rendon (2022), organizations led by people of color are awarded less grant money than organizations led by their white counterparts. They are trusted less to decide how to spend those funds than groups with White leaders, according to a new report disseminated by the Bridgespan and Echoing Green consultancy (Rendon, 2022). This organization invests in and provides support for leaders of emerging social enterprises. NPOs led by Black women receive far less funding from government funding sources, resulting in insufficient resources and the inability to sustain the organizations' programs. There is a need for additional forms of residual income that comply with non-profit statutes. The American Association of University Women (AAUW, 2016) published *Barriers and Bias: The Status of Women in Leadership* to broaden awareness of the gender leadership gap and to motivate a change in the status quo (Hill et al., 2016).

A clear gap in funding and funding opportunities exists between organizations led by Black women and those led by White counterparts. NPOs that Black women lead lack the resources that they need to fulfill their goals. This occurrence can be attributed to the fact that NPOs with Black leaders are trusted less than groups with White directors to make decisions about how those funds are spent (Dorsey et al., 2020). Data have indicated that organizations led by White executive directors tend to have budgets 24% higher than those of executive directors of color (Heckler, 2019). Groups led by White

women receive more funding than those led by Black women. White-led groups tend to receive a higher value of undesignated net assets, with the difference sometimes being as much as 76% (Heckler, 2019). These donations can be used for any purpose, making it easy for organizations with White directors to engage in various activities that can be very beneficial to the growth of the organizations. Many reasons contribute to this funding gap. Most donations are connection-oriented, meaning organizational leaders need networks comprising influential people to get funding. Black directors are not as well connected or invited; they have fewer relationships with people and organizations that are very influential in the philanthropy industry. A study of non-profit leaders conducted by the Building Movement Project found that 50% of executive directors of color lack relationships with funding sources, compared to only 33% of White executive directors (Heckler, 2019). Securing a place in philanthropy is challenging because Black female leaders do not have the resources to cultivate relationships with potential funders.

**Diversity, Equity, and Inclusion**

Diversity, inclusion, and equity are critical factors for NPOs. Still, they seemingly are not implemented correctly in the funding process, which affects the funding environment and opportunities allocated to Black women and the NPOs they lead. The National Council of Non-profits has advocated for equity and justice (Washington, 2021). The focus has been on denouncing exclusion, intolerance, and racism in these organizations. The gap can be significantly reduced if organizations commit to inclusion, diversity, and equity. Then, organizations would intentionally create space for positive outcomes. Every NPO needs to articulate values that guide its work.

According to Dorsey et al. (2020), differences remained even when non-profits with leaders of color were awarded grants. The research found that the unrestricted assets of groups with leaders of color were 76% smaller than those led by Whites. Among the groups focused on improving the lives of Black men, the unrestricted assets of groups with leaders of color were 91% smaller than those with White leaders. Board and staff meetings should provide a platform to review these values regularly to ensure that minority women are not excluded or discriminated against (Heckler, 2019). Ensuring that the organizations adopt strong values is essential to promoting inclusivity and diversity.

**Racial Bias**

Racial bias has also reinforced the implied funding gap. Most family donors are not guided by the values of inclusion, diversity, and equity in their giving. This means that organizations led by directors of color tend to spend more time and resources trying to convince more individuals to donate to their cause. Despite the efforts, they are not always successful because racial biases prevent them from getting donations from certain individuals. Spending money trying to get more is often detrimental because it leaves Black-operated NPOs with few resources for their programs. This has a negative effect because if organizations led by Black women with a mission directed to individuals of color or minorities are perceived by the majority to have less impact on society, fewer individuals and groups will be willing to donate to them. “Because personal relationships are so central to securing foundation grants, diversifying foundation staff can be an effective way to reduce the racial funding gap,” Thomas-Breitfeld says. He also says, “A

more diverse staff will bring relationships with the leaders of color doing the work on the ground."

Many leadership positions within NPOs are predominantly held by white individuals, creating barriers for Black professionals seeking to advance into these roles. This underrepresentation limits opportunities for Black people to scale up within the organization. When there are few to no Blacks in powerful and influential positions, racial and gender discrimination tends to be rampant. Another problem that presents itself due to the lack of representation of minorities on boards is that minority communities are underserved. The Rendon (2022) study revealed that about 75% of the program's fellows identify as members of the communities they serve. However, she had not understood the extent to which the groups were treated differently regarding general operating support. She suggested that there were clear indications in her findings that foundations do not trust leaders of color to spend money as efficiently as the funds would be intended for. "Unrestricted assets are the cushion, the breathing room that gives organizations the ability to pivot, be entrepreneurial, and be more sustainable. That wiggle room and cushion that White-led organizations have that Black-led organizations automatically don't was such a profound, gob-smacking moment" (Rendon, 2022). Due to the findings and commentary above, a fresh perspective was reflected upon in this area of non-profit funding, with attention to funding opportunities afforded to leaders of color also highlighting the jaded misconception of how those leaders are perceivably projected to allocate the funds.

**Leadership Opportunity**

Many Black women feel that their race has negatively impacted their ability to attain more success. Black women working in NPOs face many difficulties that prevent them from becoming more successful (Talley & Fund, 2019). One of these difficulties is a pay gap between Black and White women in the same ranks (Heckler, 2019). Most leaders and co-workers in these organizations are White men. According to Heckler (2019), 86% of non-profit leaders are White men. Women account for 43% of non-profit leaders; of those, only 3% are Black (Alcaraz-Minnick, 2020; Stewart & Kuenzi, 2018). Black women constitute 13.7% of the women in the United States or about 6.7% of the population. Although Black women comprise 8% of NPO employees, only 2% of NPO executive directors are Black females (AAUW, 2016; Pierre, 2019). This causes a disadvantage to Black women because they lack mentors; they do not experience as much career advancement as their White counterparts, who can participate in various mentorship programs. Although Black women have the necessary skills, they are generally considered underqualified. This limits their opportunities for promotion to leadership positions. Negative stereotypes, such as anger, have hindered their growth as most of their grievances are neglected. Racial and gender inequalities have dominated the non-profit sector, leading to worse treatment and less room for Blacks to learn and grow.

The recent cases of deaths and brutality caused by law enforcement officers have helped NPOs led by Blacks to raise more money. George Floyd's murder and the protests that followed caused Black-led organizations and groups working for racial equality to receive numerous donations. For instance, the Black Lives Matter Global Network

Foundation received more than 1.1 million individual donations in the month following Floyd's death (Kosuri & Pantin, 2021). Similarly, Higher Height for America, an organization focused on building Black women's political power, received 10 times the regular donations it had previously received. This wave of funding is still desperately needed. Over the years, organizations that support Blacks have not received much funding compared to their White counterparts. Individuals recognize the reality of this gap, and it is incredibly problematic. This is not a permanent solution because there is still a need to create more awareness of the issues affecting minority women and how people can step in.

There is a need for a timely intervention on the issue of NPO funding. Organizational leaders have been fighting to dismantle systemic racism and promote policies that ensure all individuals are treated fairly regardless of the color of their skin. Black-led organizations across America are fighting deeply entrenched racist systems. To succeed in this fight, these organizations need funding. It is necessary to ensure that all groups fighting for racial equality receive the resources they need to make a difference. Even as the protests in America die down, people must remember to continue to advocate for inclusive and equitable philanthropy, and that means directing their support to organizations of color or Black-led organizations working for social justice.

**NPOs Led by Black Women – Funding Environment, Compliance, and Options**

A 501(c) (3) status shows that an organization is a federal fundraising organization (Internal Revenue Service [IRS], 2022). Each organization must be registered in the state where it wishes to fundraise. NPOs are exempt from the IRS, so

they can save more money and channel it to their programs. A 501(c) (3) status must be applied for by the IRS for an organization to be exempted (IRS, 2022). NPOs receive favorable tax treatment, including avoidance of unemployment taxes and federal income. All non-income activities should be documented, and all non-income taxes paid if not related to 501(c) (3) status. For federal government grants, there should be a certification from the granting agency (IRS, 2022). The organization's leader should also document how the funds were used, how much was left over, and what was accomplished.

Charitable registration is done by the Secretary of State or Attorney General of the respective state. There are different documents for registering fundraisers in different states. NPOs must also file financial records annually with the authorities, including Form 990 (IRS, 2021a). Once an NPO's leader follows these laws, the organization can be exempted from specific taxes, allowing them to save money and fund their projects easily.

An alternative that has been successfully adopted by some NPOs is engaging in activities that generate income to fund the organization's programs. It is worth noting that an organization should consider several legal and practical requirements before engaging in an income-generating activity. These include whether the income-generating activity is taxable, whether the activity may contribute to the loss of tax-exempt status, and whether the activity is operated within the organization. Non-profits have a limit on the number of unrelated business activities they can engage in. The IRS has not specified the income that may be derived from unrelated business activities (IRS, 2021c). Leaders of NPOs must still proceed with caution not to breach any IRS laws.

An organization may be required to pay tax if its business activities are unrelated to charitable purposes. This tax is related to unrelated business income taxes (UBIT), which are imposed when the income is derived from a trade or business carried on frequently and unrelated to the non-profit's fulfillment of its exemption (Price, 2021). Trade and commerce are subject to UBIT if their purpose is to make a profit and raise money. UBIT does not apply to business activities that are regularly conducted, like a commercial activity of a non-exempt organization. The restriction on NPOs arises from the NPO's tax-exempt status under the 501(c) (3) status (IRS, 2022). An NPO may earn passive or residual income from activities in which UBIT is not imposed. There are exemptions for passive or residual income to which UBIT does not include:

- volunteer-run activities;
- sale of donated goods, including a charity auction;
- a business conducted for the convenience of members, employees, and officials in museums, hospitals, dormitory laundries, and many others (UBI Exclusions, 2021);
- dividends, exchanges, or leases of a donor list with another NPO that is exempt from tax, gains from the exchange or sale of acquired property, rents from their property, interest, and royalty payments (Ibele, 2017);
- advertising and corporate publicity, including pricing information, information about the use of a product or service, and endorsements, are subject to UBIT; Sponsorships with no expectation of substantial benefit beyond recognition of non-profit status are not subject to UBIT; Donations

from solicitation of sponsorship for fundraising are subject to UBIT taxation (IRS, 2021b); and

- The exemptions to which UBIT does not apply have internal exemptions. That is, the activities may not be abused or used for profit.

**Alternative Funding Sources for African American Female Leaders in Non-profits**

The long-term success and expansion of non-profit entities are profoundly impacted by their ability to broaden their sources of revenue. Traditionally, governmental grants and sponsorships have constituted the bedrock of their fiscal backing. Yet, the contemporary tendency underlines the importance of examining alternative monetary channels. This change is especially pertinent for organizations led by African-American women, who frequently confront unique obstacles in the funding environment (Pearson, 2020). One dominant alternative to traditional funding is annual fund donations. These donations come from individuals, typically annually, aimed at enhancing either general operations or distinct projects of a non-profit. The scope of these gifts may vary from minimal to considerable sums and are often solicited through yearly drives, mailings, or events. Wiles-Abel (2020) stressed that for numerous Black female leaders overseeing non-profits, building solid connections with individual benefactors and nurturing a sense of community around their cause is essential. Such donations not only provide a steady stream of income but also become invaluable assets during times of economic downturns.

In addition to annual donations, sizable personal contributions play a crucial role. These are substantial donations individuals provide, frequently resulting from targeted fundraising efforts. The financial repercussions of such gifts can be

transformative for a non-profit organization. Gunnerson (2019) highlighted the importance of cultivating relationships with potential major donors, understanding their philanthropic tendencies, and ensuring these align with the non-profit's goals. For African-American women in leadership positions, leveraging personal and communal networks can be an invaluable strategy in acquiring these significant donations, a point emphasized by Hyppolite (2019). Legacy gifting emerges as a timeless technique for generating revenue, wherein benefactors apportion their wealth – frequently in the form of bequests, insurance policies, or trusts – to charities after passing away. Wiles-Abel (2020) emphasized that cultivating a profound sense of trust and loyalty among donors is paramount for encouraging this kind of support.

Meanwhile, foundation grants constitute another significant avenue for assistance, deriving from private, corporate, or family entities to reinforce specific initiatives or a non-profit's general operations. Due to the highly competitive funding landscape, meticulous and persuasive grant applications are essential. Gunnerson (2019) advised that non-profits should tirelessly explore all potential grant sources – prominent national foundations and lesser-known local organizations. Furthermore, Pearson (2020) suggested that African-American female leaders can bolster their likelihood of securing grants by mastering the subtle craft of grant writing and developing solid relationships with foundation staff members.

In today's digital era, crowdfunding has risen as a significant influence - with siteslike Kickstarter, GoFundMe, and more enabling the accumulation of minor contributions from many donors. Gerber et al. (2012) observed that triumphant

campaigns correlate to enthralling stories and dynamic community participation. Bikumalla (2023) underscored the “FundRaiser” platform’s effect on equalizing funding opportunities, particularly for disenfranchised groups. Simultaneously, inter-sector collaborations are gaining prominence; these encompass non-profits allying with profit-oriented companies for reciprocal advantages. Perl (2022) expounded on the burgeoning connection between non-profit entities and the cannabis sector - using states such as New Jersey as examples.

Consequently, these alliances furnish non-profits with fiscal backing, in-kind donations, orpooled resources, businesses reap the rewards from enhanced public standing and communal benevolence. Thereby, funding diversification embodies more than monetary tactics; it indicates the tenacity and flexibility of non-profit leaders. Maneuvering this intricate financing terrain for African-American females directing these establishments entails amalgamating strategic prowess, nurturing connections, and mobilizing communities - a viewpoint reverberated by Hyppolite (2019). As the non-profit realm transforms, adopting a multi-pronged strategy toward fundraising will be paramount in securing enduring viability and significant impact.

## Summary

In the landscape of non-profit organizations in the United States led by Black women, seeking alternative funding opportunities is crucial for sustainability and growth. These organizations often face unique challenges in accessing traditional funding sources. According to a report by the Ms. Foundation for Women (2020), Black women-led non-profits encounter barriers such as limited access to capital and systemic inequities

in the philanthropic sector. To overcome these obstacles, exploring alternative funding avenues becomes essential. This may involve leveraging crowdfunding platforms, forming strategic partnerships with corporations or foundations that prioritize diversity and inclusion, or tapping into community-based fundraising initiatives. By diversifying their funding streams and embracing innovative approaches, these organizations can not only thrive but also amplify their impact in addressing pressing social issues within their communities.

The literature underscored the urgency of diversifying funding sources as a pivotal solution to the lack of universal knowledge of alternative options. By exploring and leveraging a variety of financial streams, non-profits led by Black women can mitigate the challenges they face in acquiring resources. Emphasizing the importance of diversification is essential to bridge the existing gaps and counter the effects of systemic biases and challenges encountered in securing financial support. The literature also revealed that the underlying racial stereotypes adversely affect the progress, stability, and success of organizations led by Black women, creating the need for urgently addressing the underlying racial bias and amplifying the need for regular reviews of funding allocations. The literature review findings revealed some of the persisting disparities in funding non-profit organizations led by Black women that become more pronounced when such organizations have fewer unrestricted assets than those led by White counterparts. Racial bias remains a significant barrier, with family donors often lacking a commitment to inclusion and equity in their giving practices, resulting in African-American female-led non-profits investing substantial time and resources to convince

potential donors. The lack of representation of minorities in leadership positions within non-profits further exacerbates these challenges, limiting opportunities for mentorship and career advancement.

Section 3: Data Collection Process and Analysis

## Introduction

NPOs need to generate revenue to achieve their goals (Kingston & Bolton, 2004). The amount of revenue leaders receive via sources, in addition to grants and sponsorships, needs to be increased, especially given the existing gap between Black and White female leaders of NPOs. Black female NPO leaders must explore other options that can enable them to raise more funds that they can use for their programs and projects. This study used nine individual interviews with nine participants as the primary source of data collection. The interviews helped obtain first-hand information from Black non-profit leaders about the funding gap, its impact on the organization, and their alternative sources of revenue tactics or knowledge thereof. Interview participants were sought via Facebook groups: Black Women in Non-Profits, Black Girl Doctorate, and the Black female non-profit leaders' network amongst the "Innovating Young Minds Inc." leaders. Utilizing LinkedIn as a source for participant recruitment involved crafting a concise and engaging recruitment message, posting it in relevant groups, reaching out to potential participants through direct messaging, and leveraging professional connections to expand the study's reach.

The data obtained from the interview provided information on alternative funding opportunities for Black women leaders in the non-profit sector. The interview questions were designed for replication and further study. The interview consisted of open-ended questions, was conducted virtually, and took no more than 30 minutes to complete. Each interview response was analyzed to ensure the research questions were fully answered.

The analysis thoroughly examined the narratives and perspectives shared by the participants, facilitating a nuanced and multi-layered comprehension of the funding challenges and alternative revenue strategies within the non-profit sector led by Black women.

## Practice-Focused Research Question(s) and Research Design

### Research Design

This study employed a qualitative research methodology to explore the experiences, challenges, and perspectives of Black female non-profit leaders' navigation of funding sources. The qualitative approach enabled the collection of first-hand experiential data, offering insights and solutions through open-ended inquiries with Black female participants. Its flexibility in data collection facilitated the potential to gather additional or unintentional information pertinent to the research question, aiding in discovering unexpected findings and emerging themes in the research domain. The approach was ideal for contextualizing data because it was used to study the phenomena in its natural setting. During data collection, I interacted with different respondents and assessed how they interacted with their environment and cultural and social structures, contributing to a holistic understanding. The generic qualitative research approach enabled me to capture rich and descriptive data, crucial in adequately exploring the complex social issues associated with the research topic. It helped me collect data from the participants' perspectives and provide participants with a chance to share their lived experiences.

**Practice-Focused Research Questions**

RQ: In addition to government grants and program sponsorship, what other funding sources are available to NPOs led by Black women?

The study utilized generic qualitative research to explore relevant and alternative funding sources. Generic qualitative research was preferred due to the flexibility of the open-ended model applied to the questions, which allowed for exploring the research topic without preconceived hypotheses or rigid research questions. Such flexibility is ideal for profoundly assessing the subject matter and discovering emerging themes in the study (Vaismoradi & Snelgrove, 2019). Also, the research subject was a complex phenomenon that could be understood from multi-faceted approaches. Therefore, generic qualitative research was ideal for assessing human behavior, attitudes, and experiences and capturing the richness and depth of confounding factors (Vaismoradi & Snelgrove, 2019).

## Roles of the Researcher and Client Organization

As the researcher, I was responsible for designing and executing the research study, which included developing research questions and selecting the appropriate data collection methods. I collected data through interviews; in doing so, I ensured that the data collection process was respectful, consistent with the underlying research objectives, and ethical. Then, I coded to systematically organize and interpret the data to uncover emerging patterns and themes. I also analyzed the collected data and interpreted the research findings using thematic analysis. I ensured that ethical considerations associated

with the study, such as confidentiality and informed consent, were followed. Finally, the research findings and implications were reported and disseminated.

## Methodology

### Data Collection Methods

The study's primary data source were Black female non-profit organization leaders in the United States. The data collection process relied on semi-structured interviews using a set of predetermined questions. Additionally, I implemented open-ended questions within the interview context to further explore and enrich the gathered information (Husband, 2020). Interviews-provided first-hand accounts of the participants regarding their experiences managing and raising funds for non-profit organizations in the United States.

### Sampling

I used a purposive sampling strategy to select participants who were Black female non-profit leaders for organizations in the United States. Purposive sampling was an ideal approach to recruiting participants for this study because it targets participants' pre-identified characteristics (Berndt, 2020). This approach helped me identify participants relevant to the research, which was critical to obtaining data to address the research objectives. It efficiently identified participants who fit the criteria of interest while saving time and resources compared to random sampling methods. I selected individuals with experience and success in raising funds besides government aid and sponsorships. I used purposive sampling to help identify and include such experts in the study by positioning the sample group as a subset of the population to inform the study.

## Data Collection Instruments

I collected data using a four-question semi structured interview, which guided the interview process. However, it allowed for flexibility to explore any emerging themes. This flexible structure yielded rich, qualitative data while staying focused on the research.

## Strategy for Data Analysis

I recorded all interviews with the permission of the Interview participants for further analysis. I completed nine interviews with nine participants. I transcribed the interviews and analyzed them using thematic analysis. Thematic analysis is a qualitative research method used to identify, analyze, and report patterns (or themes) within data. This approach helped identify recurrent themes, patterns, and codes from the interview transcripts. I then read to familiarize myself with the data and made notes on the notations to capture the emerging main themes (Vaismoradi & Snelgrove, 2019). I then shifted to initial coding in which short descriptive codes were attached systematically to texts in the transcript to capture meaningful content related to research objectives.

I generated initial themes by grouping related codes and preliminary themes and refining or changing the initial themes. I then refined the themes to ensure they were coherent, internally consistent, and distinct. I then mapped the data by creating a visual map or matrix to organize the themes obtained and their relationships. Subsequently, I conducted detailed descriptions and in-depth analyses of each theme to explore their context, meaning, and interconnections with other themes. These explorations elucidated the significance of each theme and its relationship with the research questions. Rendering a comprehensive understanding of the theme's relevance to the research objectives.

## Issues of Trustworthiness

In qualitative research, the trustworthiness of findings is crucial for establishing the credibility and validity of the study. To enhance trustworthiness, researchers typically employ various validation processes. During the interview process member checking was employed with each individual interviewed. Member checking involves sharing the findings with participants involved in the study to ensure that their perspectives and experiences have been accurately represented in the research. Allowing participants to review interpretations or conclusions validated the authenticity and credibility of the study, enhancing its trustworthiness. This process also fostered transparency and mutual understanding between the researcher and the participants, strengthening the overall quality of the research outcomes. Moreover, engaging in prolonged interactions with participants, like conducting in-depth Interviews over an average of 30 minutes per participant, allowed me to delve deeper into the context, capture the complexity of participant experiences, and further validate the research findings. This approach not only strengthened the credibility of the study but also ensured a comprehensive and refined understanding of the research.

## Ethical Procedures

### Informed Consent

In preparation for the Interviews, prior to engagement, the participants, who were Black women occupying roles as fundraisers or non-profit leaders, received detailed information regarding the study's nature and objectives. I asked participants to provide informed consent, indicating their understanding of the research aims and the utilization

of their data within the study context, aligning with ethical guidelines (Goodwin et al., 2020). Additionally, I ensured that participants were fully informed about the study, their role in it, and the handling of their data, thereby emphasizing respect for their autonomy and confidentiality throughout the research process.

**Confidentiality**

Before conducting the Interviews, I informed all participants about the process and its purpose. In the analysis and representation of obtained data, the confidentiality of participants was ensured by assigning pseudonyms for reporting purposes (Goodwin et al., 2020). I securely stored interview data and accessed them only by myself.

Bias in research Interviews can significantly impact the quality and validity of study findings. Biases can arise from various sources, including the researcher's preconceptions, the interview setting, and the participants themselves. Establishing rapport with interview participants is essential in reducing bias. Building trust and a positive relationship with participants can help create a comfortable environment where individuals feel more inclined to share their authentic experiences and perspectives. By fostering open communication and demonstrating empathy towards participants, researchers can mitigate potential biases that may arise from power dynamics or misunderstandings.

Addressing bias in research  is essential for maintaining the integrity and validity of study outcomes. By establishing rapport with participants, researchers can minimize biases and enhance the credibility of their research findings. This strategy not only

contributes to the quality of the study but also upholds ethical standards and promotes a more rigorous and unbiased research process.

## Summary

The choice of research method depends on the nature of the research purpose, research question, the research data involved, and prospective participants. This study utilized a generic qualitative approach to obtain in-depth data on the nature of funding and resources for non-profit organizations in the United States led by Black women. I used purposive sampling to identify and recruit relevant participants for the study. I collected data using semi-structured Interviews to help me collect relevant information from participants while allowing for additional questions based on emerging themes and information. I recorded interview sessions for further analysis using a thematic analysis approach. The privacy and confidentiality of participants was safeguarded, and informed consent was obtained before data collection. This approach was tailored to ensure adherence to ethical considerations surrounding participant confidentiality and privacy.

# Section 4: Results and Recommendations

## Introduction

These findings explore the diverse strategies utilized by Black Americans leading various non-profit organizations to secure alternative financing beyond traditional government support and sponsorships. These leaders engage in relationship-building, community involvement, and mission-driven partnerships while also honing specialized fundraising skills to diversify their income streams and adapt resources to their unique environments. They demonstrate resilience in navigating challenges by adopting a blended portfolio of financial support tailored to their specific organizational contexts. The findings emphasize the importance of cultivating social and institutional connections, grassroots philanthropic advocacy, and synergistic collaborations, particularly for Black women in leadership roles. By considering innovative funding options such as corporate partnerships, crowdfunding, endowments, and targeted foundation grants, these organizations can enhance their financial sustainability, address funding disparities, and promote long-term community growth and stability.

## Data Collection

Data were collected through a four-question semi structured interview, permitting flexibility to explore emerging themes. I collected the interview recordings via mobile devices and computers; I used Google Forms to acquire participant information and keep track of coding. I transcribed the interviews to ensure that all verbal responses were accurately captured. Once transcribed, I organized the data into a chart, which

facilitated easy comparison and coding of responses. This structured approach enabled me to report findings clearly and effectively, enhancing the overall analysis process.

## Data Analysis

The study's data analysis was centered on thematic analysis of the semi-structured interviews conducted with Black female non-profit leaders. This approach involved identifying common themes, correlations, and differences in the participants' responses regarding the funding gap's impact on their organizations and potential alternative revenue sources. By systematically analyzing the qualitative data collected from the interviews, I aimed to extract meaningful insights that would guide Black female NPO leaders in better understanding the state of non-profit funding within their demographic. The findings were then summarized and presented as a practical guide, offering strategies for overcoming funding disparities and enhancing the financial sustainability of their organizations.

## Findings

### Individual Donations and Crowdfunding

Five of the nine respondents mentioned exploring individual donations and crowdfunding platforms to engage community support and raise funds. Online crowdfunding campaigns provided an accessible way to share success stories and solicit smaller donations from a broad donor base. Individual donations remained a consistent source of funding mentioned whether through regular planned giving, special events, or crowdfunding. Tapping into individual donors allowed these non-profits to connect directly with supporters and foster a sense of community investment in their mission.

Participant 7 explained, “With this career move, it put me in the space where I had to learn my new community, build relationships within my organization, community partnerships, and relationships within the state.” Participant 3 highlighted the broader impact of funding, stating, “Greater sources of funding promote achieving of objectives of the organization and having a great impact to the community.”

**Corporate Partnerships and Sponsorships**

Corporate contributions emerged as another popular funding avenue. Five of the nine respondents described leveraging mission alignment with corporate social responsibility initiatives to pursue sponsorships, partnerships, and in-kind donations from local businesses. This aligned corporate resources with the non-profit’s work, allowing meaningful engagement between sectors. As Participant 8 explained, “Corporate partnerships have been invaluable, providing us with sponsorships and in-kind donations. For example, a local tech company recently donated laptops for students to use during college application workshops.” Corporate funding provided stable multi-year support when partnerships were strategically cultivated. Similarly, Participant 5 stated the significance of individual donations: “Individual donations are a powerful fundraising avenue for nonprofits. Cultivating relationships with individual donors and implementing effective donor stewardship strategies can lead to recurring donations and major gifts.”

**Foundations and Institutional Grants**

Seven of the nine non-profits turned to local and national foundations for grant funding to scale specific programs or initiatives. Respondents actively researched foundations that shared their goals around education, youth empowerment, or other focus

areas to apply for targeted support. One organization partnered with a university to obtain a grant, indicating the benefits of institutional collaborations. Foundations offered substantial unrestricted or project-based funding when non-profits demonstrated strong program design and impact aligned with funder priorities. Participant 8 shared, "Partnerships with educational institutions have opened doors to specialized grants, allowing us to launch targeted initiatives."

**Fee-for-Service and Earned Income**

Two respondents explored fee-based earned income models. Participant 8 explained, "Our fee-for-service model includes offering specialized workshops to schools, helping them develop effective college guidance programs." Earned income provided an additional sustainable funding stream while leveraging program expertise (Bocquet et al., 2020). Membership programs and product sales were also used to generate recurring revenue through value-added benefits and promotional merchandise. Developing earned income diversified funding and engaged beneficiaries as paying customers invested in service quality. Participant 8 added, "Our fee-for-service workshops generate additional revenue while expanding our influence."

**Stewardship and Endowments**

Three respondents implemented stewardship-focused strategies like annual galas, alumni outreach and developing an endowment base. Special celebration events cultivated long-term supporters within the local community and highlighted the non-profit's achievements. Participant 8 stated, "Cultivating relationships with individual donors and implementing effective donor stewardship strategies can lead to recurring

donations and major gifts. Participant 7 further elaborated, noting, “Additional funding sources, besides government grants, and programs sponsorships that I have explored and utilized or Rotary Grants, grants provided by local electrical companies, and endowments, Also individuals with invested interest in the mission of the nonprofit organization ...” Targeting alumni networks encouraged former volunteers and beneficiaries to continue their involvement as donors, ensuring the program legacy. Endowments offered a pathway to sustainable funding independent of volatile economic cycles or changes in public support for the cause area. Recurring major gifts and planned giving could seed endowments over the long run (Bocquet et al., 2020).

Therefore, the study revealed that Black women in non-profit organizations strategically diversified funding for their non-profits beyond traditional sources. Community engagement through individual support, specialized programming to generate earned income, cultivating corporate partnerships, pursuing mission-aligned foundations, and stewardship initiatives all enhanced financial resilience and sustained social impact over time. A balanced approach to revenue generation strengthened organizational capacity and mission delivery. Participant 8 explained:

> Establishing dedicated grant programs specifically for nonprofits led by Black women would be transformative, ensuring that our application processes are both accessible and transparent. Providing capacity-building resources such as training in grant writing, financial management, and strategic planning would strengthen our ability to secure funding.

**Contribution of Alternative Funding Sources to Organizations**

When I asked the respondents about the contribution these alternative financing sources made towards achieving their organizational goals and objectives, all nine respondents indicated that the additional financing contributed towards the expansion of program impact and reach. Discussing how alternative funding allowed for expanded programming, outreach, and scaling of initiatives. Foundation grants enabled one organization to place more college advisors in schools, directly increasing their impact. Corporate sponsorships and partnerships provided critical materials like laptops to benefit clients directly. This theme of alternative funds expanding on-the-ground work to fulfill organizational missions was prominent.

Additionally, it was identified that extra financial resources enhanced operational and organizational sustainability. These financing sources supported the operational stability and long-term sustainability of different types of sources based on the received responses, including sustaining everyday functioning for one non-profit executive carrying out specific programming. Regular membership revenue, together with sponsorships, provided stable operation funding for another. Long-term financial stability was achieved through the creation of endowments, while earned income was obtained through fee-for-service activities. Some respondents suggested that the encouragement of sustainability had a diverse funding mix, decreasing dependence on a single source.

In addition, all nine respondents confirmed that the availability of additional financing sources triggered innovations and growth prospects. They explained how other funds fostered new growth through innovation, expansion, and partnerships, according to

the interview questions. It was interesting that one organization invested grants into summer programming pilots. A prime way was through corporate sponsorships to get involved in creating or co-financing a new event or a new initiative for others. Source-specific initial new initiatives began more focused, as per one head. Combined with such examples, they explained how diversified funds acted as an engine that continuously propelled further improvement, innovation, and changes sustained by the availability of elastic funding. This theme focused on presenting non-profits as growing organizations using other sources to reinvent themselves instead of remaining stagnant. As Participant 4 stated, “Directly connecting us with funders who want to support our causes. Oftentimes, it’s not what you know but who you know. So, we can have great missions.”

Another theme that emerged from the responses was the availability of additional financing facilitating community ownership and advocacy. Respondents discussed how personal and crowdfunded forms fostered local stake and advocacy ownership of the cause. Engaging grassroots meant non-profits’ individual donations and crowdfunding: Many of the respondents mentioned exploring individual donations and crowdfunding platforms to engage community support and raise funds. Online crowdfunding campaigns provided an accessible way to share success stories and solicit smaller donations from a wide donor base. Individual donations remained a consistent source of funding mentioned, whether through regular planned giving, special events, or crowdfunding. Participant 9 highlighted this, stating, “By tapping into individual donations and crowdfunding, we’ve fostered a sense of ownership and support within our community, leading to increased engagement and advocacy for our cause.”

Unfair distribution of funds invited others to proactive, intentional mobilization of the missing voices. Lastly, respondents stated that through policy and program reforms, for example, the development of focused grant programs, the use of versatile funding sources, and easily navigable application procedures, they were able to secure funding strategies. Strategies also included ending “race philanthropy” as well as engaging funders to contribute towards Black initiatives. This theme described the need to fund programs for recurrent targeted or accessible mechanisms, eligibility criteria that met social inclusion, and an anti-bias accountability system. It did this in relation to how fluid approaches did not solve experienced structural issues encountered.

Insights for obtaining funding beyond government grants and program sponsorship emerged from the interview questions. An insight obtained from five respondents was relationship building and networking. Respondents stressed the need to develop personal contacts and communicate with other people in society if additional funding was to be sought. Rotary clubs and chambers of commerce directly enabled leaders to showcase work and develop increased recognition in cases where funding might have been desired. For this reason, respondents gained funds from new sources and attention to their missions, demonstrating how networking, as social capital investment, opened source funding beyond the well-known ones. As Participant 8 shared, this “led to serving as a board member for several of these organizations. Through that, I become the first black Rotary club president.”

Among the respondents, 4 highlighted leveraging community engagement and impactful storytelling to attract donors. Hosting events and sharing compelling client

success stories through crowdfunding campaigns resonated strongly with individuals and deepened stakeholder investment. This personal connection activated grassroots support and major donations, according to leaders. The theme brought forward here is how building personal affiliation through mission-focused narratives inspired community "buy-in" and mobilized local philanthropic activism. Collaborating with allied institutions through strategic partnerships emerged as a funding facilitator. Partnerships with local universities and companies led to grants, program funding, donated goods, and specialized support, according to respondents (Bowers, 2021). This theme conveyed how resource-strained non-profits could amplify impact and access new capital pools by forming mutually beneficial alliances.

The emphasis on dedicated membership strategies, along with maintaining a cohesive narrative across different engagement avenues—such as galas and online platforms—enhances the ability to reach and engage individuals effectively. This approach allows for a more significant and organized effort in soliciting support and participation from a broader audience. As Participant 6 noted,

> Fundraising through events, either online or in-person, is a tried-and-true way to raise money for a nonprofit. Whether you host a walk-a-thon, hike-a-thon, gala dinner, concert, or online auction, a charity event can engage current donors and also attract new ones. Live events can also help raise your organization's visibility and brand, as well as help build up your mailing list.

The insights mentioned the development of grant writing, measurement of impact, and how to seek foundation support that matched organizational missions. This theme

focused on the use of flexible approaches taken to improve competitiveness for ‘other’ funding forms requiring specialized skills and documentation. Skills anticipation enhanced leaders’ positioning within entrepreneurial philanthropic environments. Consequently, the responses placed more focus on community relationship development, partnerships, engagement, and competency, offered by gateway-expanding routes to other forms of funding and not the conventional ones. Sustainable funding streams require the blended approach of these elements in order to fully support holistic funding development.

## Deliverables and Recommendations

Based on the insights provided, several deliverables and recommendations can be identified to support non-profit leaders, particularly those led by Black women. One potential deliverable is a comprehensive guideline document that outlines various alternative funding strategies, including relationship building, community engagement, and mission-driven partnerships. Additionally, training workshops could be offered to enhance specialized fundraising skills and relationship management techniques. A resource toolkit containing templates and resources for crowdfunding campaigns, establishing endowments, and planned giving programs would also be beneficial. Moreover, a partnership framework could be developed to guide strategic collaborations with corporations and foundations tailored to the needs of Black-led non-profit organizations, along with a repository of case studies showcasing successful examples of financial resilience in such organizations.

In terms of recommendations, non-profit leaders should actively seek out diverse funding sources beyond traditional government grants and sponsorships. Investing in relationship-building within the community is essential to foster engagement and support for funding initiatives. Engaging in crowdfunding campaigns can mobilize community support, while establishing endowment funds or planned giving programs can create sustainable income streams for long-term financial stability. Strengthening collaborations with other organizations will allow for resource sharing, knowledge exchange, and increased funding opportunities. Additionally, activating grassroots philanthropic advocacy can raise awareness and support for Black-led non-profit organizations. Finally, it is crucial to tailor financial strategies to meet the distinct needs and contexts of individual organizations, effectively leveraging available resources. By implementing these deliverables and recommendations, Black women-led non-profit organizations can enhance their financial sustainability and broaden their impact within their communities.

## Evidence of Trustworthiness

In conducting this qualitative research, I prioritized the trustworthiness of my findings by implementing rigorous validation processes, including member checking, to enhance credibility and authenticity. A critical aspect of this approach was ensuring the confidentiality and anonymity of all participants. I took deliberate steps to keep names, email addresses, contact information, and any identifying details strictly out of the study. This commitment to anonymity not only protected the privacy of participants but also eliminated potential biases that could arise from identifiable information. By maintaining confidentiality, I aimed to create a safe environment for participants to share their

perspectives openly, which in turn contributed to the integrity of the research process. This dedication to ethical standards reinforced the overall quality of the research outcomes, allowing for a more objective analysis of the data gathered while honoring the voices and experiences of those involved in the study.

## Strengths and Limitations of the Study

### Strengths

The study exhibits several strengths that enhance its credibility and relevance in addressing the funding disparities faced by non-profit organizations led by Black women. One notable strength is the use of qualitative methods, particularly semi-structured interviews, which allowed for in-depth exploration of participants' experiences and insights. This approach facilitated a nuanced understanding of the strategies employed by Black female non-profit leaders to secure alternative financing and navigate the funding landscape. The implementation of member checking further strengthened the trustworthiness of the findings, as participants had the opportunity to review and validate their perspectives, ensuring accuracy and authenticity in the representation of their experiences. Additionally, the focus on relationship building, community engagement, and diverse funding strategies provided actionable recommendations for enhancing financial sustainability, thereby contributing valuable insights to the field of non-profit management

### Limitations

While the study offers significant contributions, it is not without limitations. One limitation is the potential for sampling bias, as the study primarily reflects the

experiences of a specific demographic group—Black women leading non-profit organizations. This focus may limit the generalizability of the findings to other populations or non-profit leaders from different backgrounds. Additionally, the reliance on self-reported data through interviews may introduce subjective interpretations and personal biases, which could affect the overall analysis. Furthermore, while the study emphasized anonymity and confidentiality, the small sample size might still lead to the identification of participants indirectly, raising concerns about privacy. Lastly, the contextual factors impacting funding disparities may vary significantly across different regions and sectors, suggesting that the findings may not fully capture the complexities of the broader funding landscape for non-profit organizations.

## Summary

In conclusion, the insights obtained from the interview questions revealed that Black Americans running different non-profit organizations employed a wide range of strategies to secure alternative financing. These financing sources played a significant role in enabling organizational activities that could not be financed adequately by the traditional government and sponsorship models. They employed relationship building, community engagement, mission-driven partnerships, and cultivating specialized fundraising skills to strategically diversify their income streams through adaptively leveraging available resources in their respective environments. The leaders also demonstrated resilience against the different challenges emerging from the organizational activity through a blended portfolio of financial support tailored to their distinct organizational needs and contexts. Cultivating social and institutional connections and

activating grassroots philanthropic advocacy were important considerations for the growth of the non-profit organizations, coupled with exchanging synergistic collaborations and strengthening competencies in mobilizing community capital to achieve equitable access to sustaining revenues.

This study provides a crucial opportunity for non-profit leaders, especially Black women at the helm, to consider diverse funding alternatives beyond conventional government grants and sponsorships. Potential strategies include exploring partnerships with corporations for sponsorships, engaging in crowdfunding campaigns to harness community support, establishing endowments or planned giving programs, and seeking out foundation grants tailored to support groups. By diversifying funding streams, organizations can enhance their financial resilience and broaden their impact within their communities. This enhanced financial sustainability not only helps address immediate funding disparities but also contributes to long-term organizational growth and stability.

Section 5: Dissemination Plan and Conclusion

## Dissemination Plan

A multi-faceted approach was employed to effectively disseminate the findings and recommendations of this study to non-profit organizations facing funding disparities, particularly those led by Black women. Initially, a comprehensive guideline document will be developed, outlining various alternative funding strategies and deliverables identified in the research. As well as provide comprehensive definitions for the alternative fundraising methods within the dissemination. This document will be shared directly with participating organizations and distributed through relevant networks and associations that focus on supporting Black-led non-profits. Additionally, training workshops will be organized to enhance specialized fundraising skills and relationship management techniques, allowing leaders to actively engage with the material in a practical setting. These workshops will be advertised through social media platforms, community bulletin boards, and partnerships with local organizations to reach a broader audience of non-profit leaders who may benefit from the insights provided.

Additionally, to broaden the reach of this project, targeted dissemination efforts will be made to audiences such as philanthropic foundations, corporate sponsors, and community stakeholders interested in supporting diversity and inclusion within the non-profit sector. Venues for dissemination will include conferences focused on non-profit management and funding, webinars that allow for interactive discussions, and community forums where stakeholders can engage in dialogue about funding challenges and solutions. An online repository featuring case studies and resource toolkits will also be

created, making the research accessible to a wider audience. By utilizing these venues and targeting various stakeholders, the project aims to foster a collaborative environment that encourages the sharing of knowledge and resources, ultimately enhancing the financial sustainability of Black women-led non-profit organizations.

## Summary

In conclusion, this study depicts the critical importance of exploring alternative funding strategies for Black women-led non-profit organizations, highlighting the current challenges they face within traditional funding frameworks. By illuminating the diverse experiences and innovative approaches employed by these leaders, the research provides valuable insights into the state of funding and the myriad possibilities available for securing financial support. The core message is clear: by actively seeking out and diversifying funding sources—through relationship building, community engagement, and strategic partnerships—Black women leaders can enhance their organizations' financial resilience and broaden their impact within their communities. This study serves as both a guide and a call to action, encouraging non-profit leaders to embrace new funding avenues and empowering them to navigate the complexities of the funding landscape with confidence and creativity. Ultimately, fostering financial sustainability is essential to ensuring the growth and stability of organizations vital to addressing their communities' unique needs.

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Appendix A: Case Study

# Case Study Participants Needed

## $20 Gift Card Of Choice

Seeking black female leaders of nonprofit organizations who have experience acquiring funds for their organization or experience acquiring funds from alternative sources that are not government or public funding; to answer a short questionnaire of four open-ended questions.

The questionnaire is anonymous and will not need or reveal the names of the participants or the organizations that they are associated with. The questions should be answered to the best of your ability with as much detail that can be provided without revealing any identifiable information.

THANK YOU!

**CRITERIA**

- A Black Woman or identify as a black woman
- Founder, Leader or Financial Staple for a NonProfit Organization

**To Partipate Text or Email La'Quasha Dixon**

803-766-3848

Arved421@Gmail.com

# Appendix B: Interview Questions

1. What additional funding sources, besides government grants and program sponsorship, have you explored or utilized to support your organization?
2. How have these alternative funding sources contributed to achieving your organization's goals and sustaining its operations?
3. What strategies or methods could facilitate equal access to funding for non-profit organizations led by Black women?
4. Could you share specific instances or insights about obtaining funding beyond government grants and program sponsorship for your organization?