

# 2020 GRANTMAKING PORTFOLIO REVIEW



# TABLE OF CONTENTS

<u>CALIFORNIA AT A CROSSROADS</u>	3
<u>IRVINE'S APPROACH</u>	9
<u>2019 GRANTMAKING PORTFOLIO BY THE NUMBERS</u>	23
<u>THE PEOPLE AND CULTURE OF IRVINE</u>	31

CALIFORNIA  
AT A  
CROSSROADS



# CALIFORNIA AT A CROSSROADS

## IRVINE'S SINGULAR GOAL

*A California where all low-income workers have the power to advance economically.*

*Note: This Portfolio Review reflects our work, and conditions in California, in 2019 (before COVID-19 and its economic fallout).*

California's success depends on the opportunities for and success of workers earning the lowest incomes. The state is at a pivotal point, where we can make the changes needed to create a California economy that works for all its residents.

Problems persist, but there are also some promising trends. This section outlines the external factors and measures we take into account for our work.

### CONTINUED GROWTH, BUT NOT FOR ALL WORKERS

The California labor market is stronger today than it has been in decades, according to certain metrics tracked by the Public Policy Institute of California (PPIC). The state's economy has recovered and grown since the 2008 Great Recession, with an average of 385,000 new jobs each year. We have the lowest unemployment rate since 1976 (3.9 percent).<sup>1</sup>

Concerns about a tight labor market — caused by a booming economy with reduced immigration and labor force participation<sup>2</sup> — has pushed businesses to pay more attention to attracting and retaining workers. This includes offering higher wages, greater job flexibility, and more.<sup>3</sup>

Yet we know from economic data and our own listening that this growth primarily benefits only a subset of Californians; many are left behind. The annual income of families at the 90<sup>th</sup> percentile is 12 times that of families at the 10<sup>th</sup> percentile (\$262,000 versus \$21,000, respectively, in 2018), measured before taxes and safety net programs.<sup>4</sup>

[PPIC's 2020 report on California's Future](#) offers a glimpse of trends to come, and key highlights include:

- Employment opportunities, as they currently stand, are not pulling workers out of poverty
- Growing income levels are accompanied by growing disparities
- Regional disparities persist despite a strong economy
- Housing costs place a significant strain on workers
- Union membership is regaining momentum after years of decline

<sup>1</sup> Public Policy Institute of California, Jan. 2020, <https://www.ppic.org/wp-content/uploads/californias-future-economy-january-2020.pdf>

<sup>2</sup> Forbes, Feb. 2020, <https://www.forbes.com/sites/billconerly/2020/02/22/tight-labor-market-even-worse-based-on-new-census-projections/#6b101f0813f1>

<sup>3</sup> CNBC, Feb. 2020, <https://www.cnbc.com/2020/02/07/more-workers-call-the-shots-as-the-labor-market-tightens.html>

<sup>4</sup> Public Policy Institute of California, Jan. 2020, <https://www.ppic.org/publication/income-inequality-in-california/>

## CURRENT EMPLOYMENT OPPORTUNITIES ARE NOT PULLING WORKERS OUT OF POVERTY

California's poverty rate has declined for five consecutive years.<sup>5</sup> Yet the high cost of living means that nearly half (47 percent) of California workers are struggling with poverty, and more than eight in 10 of those workers are paid by the hour or the job.<sup>6</sup>

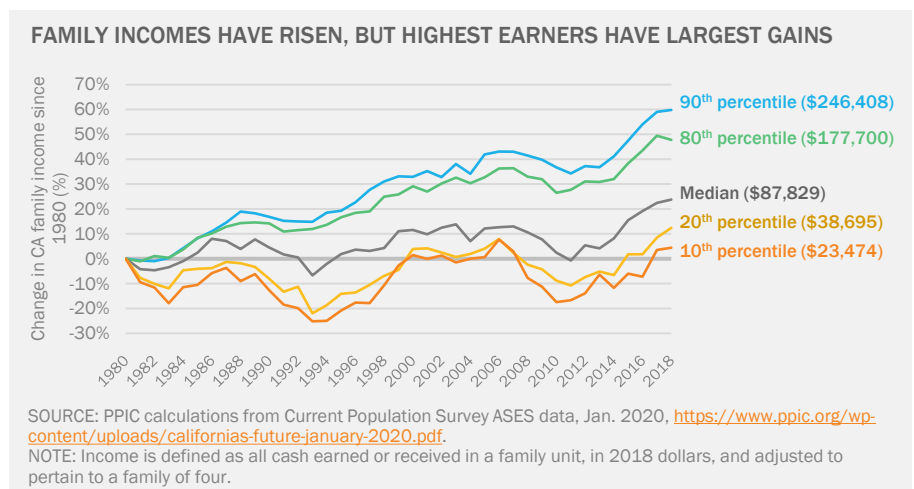
In 2020, California's minimum wage increased to \$12/hour for small employers and \$13/hour for large firms, but many workers struggling with poverty earn above minimum wage. These workers face persistent challenges: insufficient work hours, affordable childcare, and building skills for career advancement.<sup>7</sup>

## INCOMES HAVE GROWN, BUT DISPARITIES HAVE GROWN FASTER

From 2006 to 2018, average income for the top 5 percent of households grew nearly three times more than median household income, and income **fell** 5.3 percent for the bottom 20 percent.<sup>8</sup>

Nominal wages have experienced a slight uptick recently, but the decline in real wages underscore this disparity. A recent *New York Times* op-ed noted, "If the federal minimum wage in 1968 had kept up with inflation and productivity, it would now be \$22 an hour. Instead, it's \$7.25."<sup>9</sup>

Looking to the future, high-growth industries are concentrated in either high-wage (health care and professional services) or lower-wage (personal care aids, taxi drivers and chauffeurs, food preparation) industries, leading to increasing labor market polarization.<sup>10</sup>



<sup>5</sup> NPR, Sept. 2019, <https://www.npr.org/2019/09/26/764654623/u-s-income-inequality-worsens-widening-to-a-new-gap>

<sup>6</sup> PRRI, 2018 California Workers Survey.

<sup>7</sup> Public Policy Institute of California, Jan. 2020, <https://www.ppic.org/wp-content/uploads/californias-future-economy-january-2020.pdf>

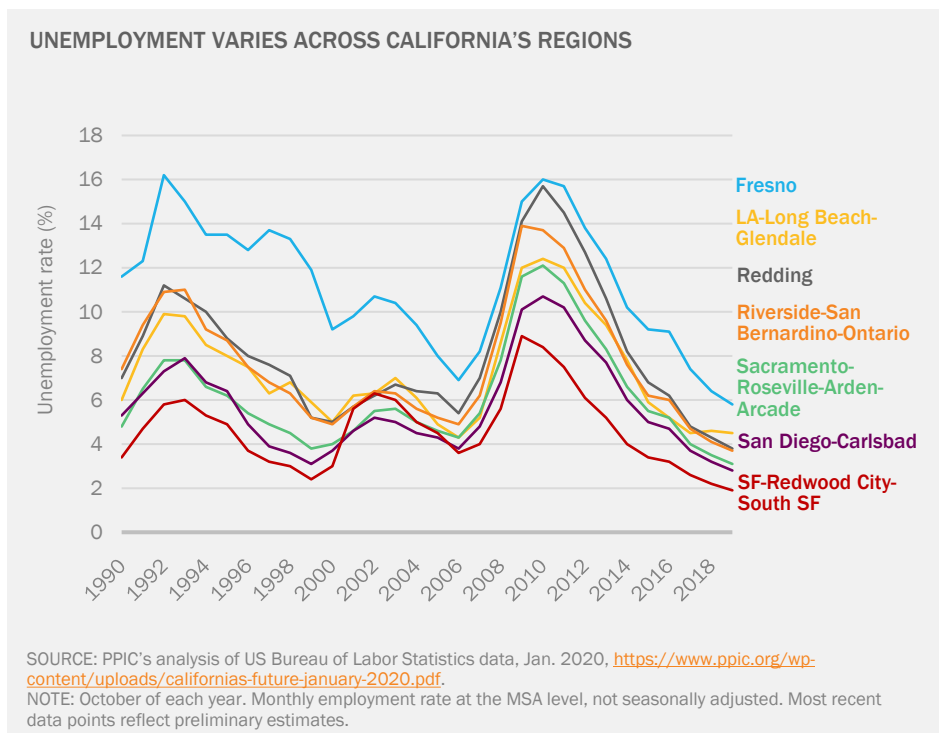
<sup>8</sup> California Budget & Policy Center, Sept. 2019, <https://calbudgetcenter.org/resources/income-inequality-significantly-increased-for-californians-in-2018/>

<sup>9</sup> New York Times, Jan. 2020, <https://www.nytimes.com/2020/01/09/opinion/sunday/deaths-despair-poverty.html>

<sup>10</sup> California Employment Development Department, 2016-2026, <https://www.labormarketinfo.edd.ca.gov/data/employment-projections.html>

## REGIONAL AND DEMOGRAPHIC DISPARITIES PERSIST

Unemployment, though at historic lows, is higher in inland and far-northern California. Rates are lowest (below 3.3 percent) in the San Francisco Bay Area, San Diego, and Anaheim-Irvine metropolitan areas, and they exceed 6 percent in only a few Central Valley metropolitan areas. The exception is El Centro in Imperial County with 21.2 percent unemployment.<sup>11</sup>



Disparities persist along demographic characteristics as well. National data from the Bureau of Labor Statistics show that usual median weekly earnings of Black and Hispanic full-time workers remain about 30 percent lower (\$756 and \$712 respectively) than their White and Asian counterparts (\$967 and \$1166 respectively). There is about a 20 percent disparity between men and women (\$1,022 versus \$936).<sup>12</sup>

<sup>11</sup> Public Policy Institute of California, Jan. 2020, <https://www.ppic.org/wp-content/uploads/californias-future-economy-january-2020.pdf>

<sup>12</sup> Bureau of Labor Statistics, Jan. 2020, <https://www.bls.gov/news.release/pdf/wkyeng.pdf>

# CALIFORNIA AT A CROSSROADS

“ It starts with housing, perhaps our most overwhelming challenge right now. We all know the problem. There’s too much demand and too little supply. And that is happening in large part because too many cities and counties aren’t even planning for how to build. Some are flat out refusing to do anything at all.

**Governor Newsom, State of the State speech, 2019**

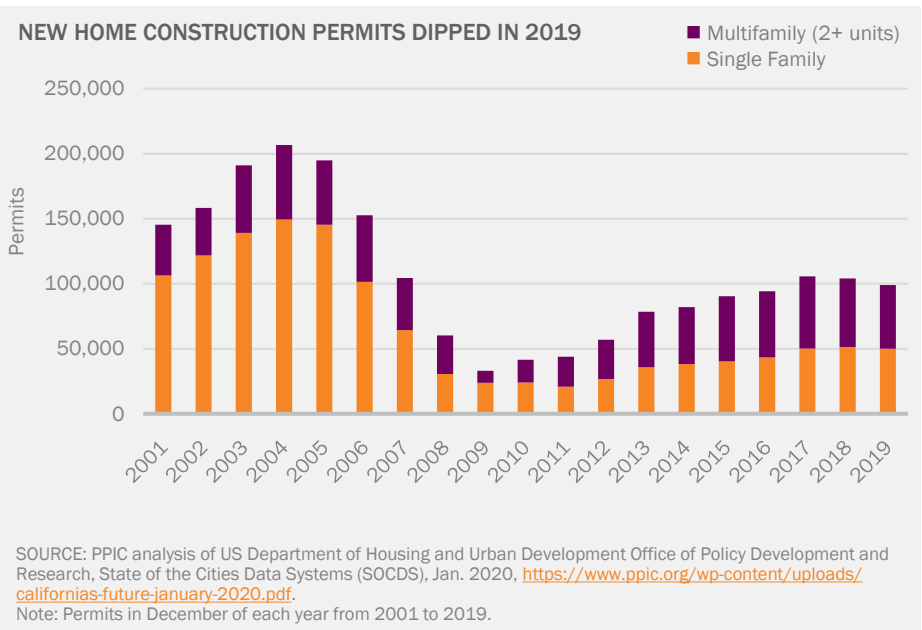


## THE EXORBITANT COST OF HOUSING IS SQUEEZING WORKERS

The cost of housing in California is a significant burden. From 2008 to 2018, California’s population grew by about 2.8 million people, while the growth of housing units was less than 900,000.

More than half (55 percent) of renters spend more than 30 percent of their household income on housing, and one-fourth of the nation’s homeless population lives in California.

The supply of housing continues to fall short of demand, with high land prices and labor costs as significant barriers to new construction.<sup>13</sup> The projected housing need moving forward is 180,000 housing units annually, while California has averaged less than 80,000 annually in recent years. The skew toward building single family homes rather than multifamily housing in the housing boom of the early 2000’s further exacerbated present day shortages.<sup>14</sup>



<sup>13</sup> Public Policy Institute of California, Jan. 2020, <https://www.ppic.org/wp-content/uploads/californias-future-economy-january-2020.pdf>

<sup>14</sup> California Department of Housing and Community Development, Feb. 2018, [https://www.calcog.org/clientuploads/Resources/Housing/SHA\\_Final\\_Combined.pdf](https://www.calcog.org/clientuploads/Resources/Housing/SHA_Final_Combined.pdf)

## UNION MEMBERSHIP IS REGAINING MOMENTUM IN CALIFORNIA

In 2019, union membership rose by 139,000 workers, representing 16.5 percent of California’s labor force — up from 15.8 percent in 2018. This is the first increase after years of decline in California and nationwide.

Driving the growth includes factors such as:

- California’s labor-friendly legislative environment
- Greater enforcement on wage theft and retaliation against union organizers
- Requirements of “joint employer” responsibility on subcontractor labor violations
- Fines for misclassification of workers as independent contractors<sup>15</sup>

## LOOKING AHEAD

California is at a crossroads, and our collective ability to harness opportunities and mitigate challenges will determine what is possible for the next generation.

With access to family-sustaining wages and advancement opportunities, low-income Californians can experience the growth and prosperity of the state’s economy. With stronger worker voice and enforcement of state labor laws, low-wage workers can experience their afforded rights, wages, and protections. And, with a local economy that works for all residents, workers in inland California can secure good jobs and participate in decisions impacting the local economy and their lives.

<sup>15</sup> Los Angeles Times, Jan. 2020, <https://www.latimes.com/business/story/2020-01-23/california-labor-union-membership>



# IRVINE'S APPROACH



## IMPLEMENTING AND REFINING OUR STRATEGY FOR GREATER IMPACT

Irvine's shift in 2016 was significant. We have now completed the move from multiple program areas to a singular focus — the economic advancement of low-wage workers — and to a portfolio of time-bound initiatives. In our third year of implementation, we are tracking progress and refining elements of our approach to increase the potential for significant, lasting impact.

Driving our work is a set of organizational values — accountability, curiosity, empathy, equity, nimbleness, partnership, and transparency — and a belief that we cannot achieve our goals alone. We need the expertise, resources, and reach that our grantees and other partners, across sectors, provide.

This section expands on our approach, including:

### How we work:

- Our initiatives model and how our initiatives reinforce and complement each other
- Examples of direct intersections between bodies of work
- How listening, learning, and adapting — part of our Impact Assessment & Learning framework — is part of our approach

### Updates on:

- Progress from the first two years of our Better Careers and Fair Work initiatives
- Our evolving Priority Regions strategy to better align our investments in inland California with our goal for low-wage workers
- Our efforts to partner with social sector funders, employers, labor, and policymakers
- Exploring new investments, based on what we've learned about need and opportunity, including pilot grants on housing affordability and a collective way to create lasting change across the state

## IRVINE'S GRANTMAKING PORTFOLIO

Our grantmaking portfolio is a collection of initiatives with specific outcome goals, timelines, and budgets that, individually and collectively, advance our goals.

Each initiative makes multiyear, flexible investments to a select number of organizations that provide direct service or critical supports to achieve the initiatives' target outcomes. We also work with these core grantees to identify other supportive areas of research, strategic communication, and innovation that could help core grantees – and the field writ large.

Irvine's grantmaking portfolio also includes smaller, targeted investments that complement our initiatives and advance our goals for a more equitable California. Examples include research, nonprofit media, supporting immigrant rights, and the Leadership Awards.

In 2020 we are exploring how our existing grantmaking and potential new funding can create transformative impact for working Californians. This includes identifying how our investments do – or can – produce both short-term gains for workers and significant, long-term change that is felt across the state.

# IRVINE'S APPROACH

## HOUSING PILOT GRANTEES

- Fund for an Inclusive California
- Housing California
- California YIMBY (Yes In My Back Yard)
- Turner Center for Housing Innovation at UC Berkeley

## EXPLORING NEW INVESTMENTS

### Housing

High housing costs severely impact workers living on low incomes, so addressing these challenges could increase the economic power of millions of workers. Irvine is exploring how our role and [grantmaking approach](#) might play a role through learning grants in 2019 and 2020.

We have invested \$6.2 million to date and will make a few more pilot grants this year to learn more about the complex issues surrounding housing affordability — while also supporting important work happening now.

We're focused on three key areas:

- **Research, advocacy, and organizing** to inform decision-makers and advance inclusive policies to address housing challenges facing workers with low incomes
- **Innovation** to reduce the cost to build affordable housing
- **Increasing the public's understanding** of the underlying drivers of the affordability crisis, highlight solutions, and underscore the urgent need for action

We will use input and learnings from grantees, policymakers, and leaders in the community to decide whether to recommend this housing exploration become an initiative in 2021.

### Statewide Impact

Our goal of all workers having the power to advance economically is about enhancing individuals' abilities to secure jobs that pay a family sustaining wage, gain the skills to advance their career, and participate in thriving communities, as well as ensuring that **fair, inclusive state-level policies and practices support these aspirations**. Irvine makes a range of investments to influence conditions at the state level, from supporting grantee efforts within initiatives to funding journalism, research, leadership development, and exploring public sector partnerships.

In 2020 we will learn how these current investments — and potential new ones — form a cohesive strategy that complements current initiatives and contributes to a more fair, inclusive California. A clearer and more defined state-level strategy would identify impact goals to hold ourselves accountable to, clarify the resources and timing required, and position us to proactively identify and support investment opportunities.

# IRVINE'S APPROACH

## UPDATES ON CURRENT WORK

In October 2019, our board reviewed snapshots of the progress and learning to date for our two current initiatives – Better Careers and Fair Work – after two years of their seven-year timelines.

### Better Careers

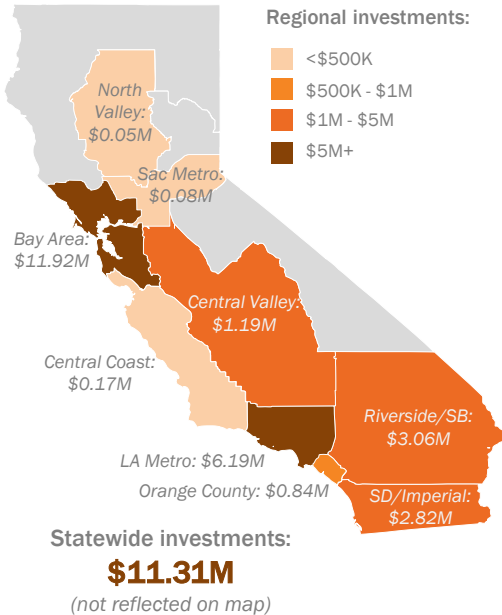
**Better Careers** connects low-income Californians to good jobs with family-sustaining wages and advancement opportunities. Specifically, the initiative, through its grantees and partners, aims to move 25,000 low-wage workers into jobs making \$18-34 per hour, while also strengthening grantees' abilities to train workers, partner with employers and the public sector, and/or to advocate for improved workforce development policies.

Better Careers has, since inception, invested **\$38 million through 34 grants**, including:

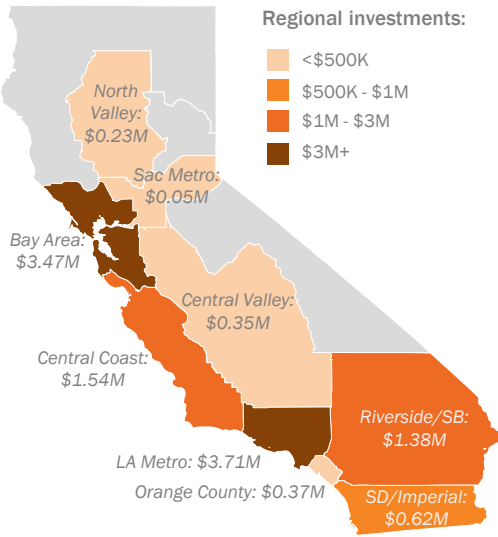
- \$22 million in **career pathways**
- \$6.5 million in **employer engagement**
- \$5.5 million in the **fields** in which grantees work

### Early examples of impact include:

- Three career pathways grantees report, from year one of their grants:
  - **1,602** people completing employment training
  - **1,787** job placements (88 percent full-time)
  - **\$14-25** as the average hourly wage
- Grantees report **239 employer partnerships** (most commonly in construction, healthcare, manufacturing, technology, and transportation)
- **Three** grantees are testing **public/private revenue models**
- **11** grantees have one or more **employers as a payer**



# IRVINE'S APPROACH



**Statewide investments:**

**\$17.98M**

(not reflected on map)

## UPDATES ON CURRENT WORK (cont'd)

### Fair Work

**Fair Work** seeks to ensure California's low-wage workers are afforded their wages, rights, and protections. The initiative supports partnerships between state and local enforcement agencies and worker organizations, and it invests in organizations that are increasing the number of workers who understand and advocate for their rights.

Fair Work has, since inception, invested **\$30 million** through **35 grants**, including:

- \$7 million in **wage enforcement**
- \$15.3 million in **worker engagement**
- \$5 million in **building strong, sustainable nonprofits**

### Early examples of impact include:

- Grantees leading wage-enforcement work report:
  - **\$41 million** in state assessments for wages owed
  - **\$8.7 million** in wages returned to workers
  - **5,400** workers represented since 2017
- Six Fair Work grantees (including leaders of affiliated groups) report:
  - **3,300** workers engaged as leaders
  - **31,000** workers recruited as members
  - **379,000** workers reached through advocacy efforts

# IRVINE'S APPROACH

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## UPDATES ON CURRENT WORK *(cont'd)*

### Priority Regions

Irvine continued its investments in inland California in 2019, with the belief that grantmaking in these communities can reduce the barriers that low-wage workers face for economic opportunity. In 2018 and 2019 we piloted an approach in Fresno and Salinas that allows local partners, who know their communities best, to decide where to invest in working Californians.

Irvine collaborated with the [Central Valley Community Foundation](#), [Community Foundation for Monterey County](#), and [Latino Community Foundation](#) to expand access to our grantmaking dollars to grassroots organizations. The goal is to strengthen their capacity to inform local community decisions and to develop local leaders (individuals and organizations).

We also made grants directly to local, culturally competent media organizations to increase residents' access to quality information, and to support planning efforts to develop inclusive, equitable economies in inland California, such as the [DRIVE](#) initiative in Fresno.

You can read a [blog post](#) from us about these early pilots and about [listening sessions](#) we hosted in 2019 with community leaders in Fresno and Salinas ([including these lessons](#)).

What we have learned will inform the evolution of our strategy and investments in 2020. In fact, we are excited to be on the cusp of a new, expanded strategy in our Priority Regions that can increase investments there for organizations, workers, and entire communities.



# IRVINE'S APPROACH

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## PARTNERSHIPS FOR GREATER IMPACT

Partnership is a core value for Irvine. We cannot achieve our goals alone, and nonprofits have long been partners via our grantmaking and as experts who inform our strategy. In 2019 we expanded our partnership efforts in other sectors. For example:

### Employers

More and more employers understand that investing in entry-level workers — including those often overlooked because of race, gender, experience, and other reasons — is the right thing to do *and* can grow their bottom lines. Helping these employers take their approaches to scale and promoting them to peers could benefit tens of thousands of California workers who seek new skills and higher wages.

In 2019, Irvine hosted, with regional organizations and leaders, [six employer roundtables](#) with 73 employers that produced important learnings. We turned those into a [report](#) about themes in recruiting, hiring, and advancing entry-level workers.

We are also exploring the role of employers through other investments:

- **FSG Talent Rewire Innovation Lab:** supporting a cohort of California companies to pilot and assess the return on investment for practices that advance entry-level workers
- **Los Angeles television and film:** a collaborative effort with leading entertainment companies to understand and address the challenges for efforts to attract diverse talent in film and TV production
- **Bay Area Council/Silicon Valley apprenticeship consortium:** funding a group of employers to work with the Bay Area Council to expand apprenticeships in technology for workers without bachelor's degrees

### Labor

Labor unions have a long history of organizing, empowering, and advocating for workers, including those making the lowest wages and who are most vulnerable at work. We are excited about current and future opportunities to partner with organized labor.

For example, we are working with the [California Labor Federation](#) to expand engagement and credentialing programs for low-wage and immigrant workers in the Inland Empire and Central Valley.

### Roundtable locations





## PARTNERSHIPS FOR GREATER IMPACT *(cont'd)*

### Public Sector

The policies and practices that those in state and local government create — and are charged with enforcing — have a tremendous impact on working Californians. Irvine cannot engage in political advocacy but is eager to partner with public officials and agencies committed to expanding opportunities for low-wage workers. 2019 examples:

- The [Future of Work Commission](#), via a grant to the [Institute for the Future](#), which includes leaders from multiple sectors hosting public discussions to develop a “new social compact for California workers”
- The California Strategic Enforcement Partnership, a collaboration between the state Labor Commissioner’s Office and community organizations to tackle wage theft, empower workers, and level the playing field for employers in several large industries
- Inland California cities that seek to leverage the new federal tax law’s [Opportunity Zones](#) incentive for development in under-resourced communities, with assistance from [Accelerator for America](#)
- Expanding apprenticeships in the Central Valley and Inland Empire, as part of Governor Newsom’s goal of 500,000 apprenticeships by 2029, with assistance from the [New America Foundation](#)

### Social Sector Funders

We are eager to learn from others working to improve economic mobility in California — and to share our work, lessons, and opportunities. Our goal is to maximize efforts, bring good ideas to scale, and build strong nonprofits and fields for the greatest possible impact in California.

Examples include regranteeing partnerships with community foundations in our Priority Regions and leveraging the expertise of the [College Futures Foundation](#) to invest in reforms and solutions for students’ postsecondary success (as we concluded a pilot in that field).

We also have combined ideas and funds from peers to protect immigrants’ rights and explore how to tackle California’s housing crisis.

## INTERSECTIONS ACROSS OUR GRANTMAKING PORTFOLIO

One goal for Irvine's transition in 2016 from three long-term program areas to a portfolio of initiatives was to better leverage our talent, expertise, and resources across the Foundation.

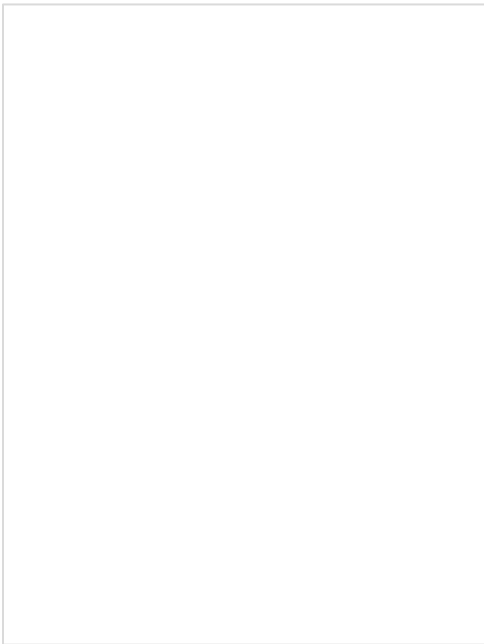
Each initiative has specific impact goals, timelines with end-dates, and budgets, but they share staff, knowledge, and, at times, grantees. Our initiatives and other bodies of work are designed to reinforce and complement one another, and, when possible, we proactively seek out opportunities for intersection and synergy across the grantmaking portfolio to amplify our overall impact.

Below and on the next page are examples of intersections across our grantmaking portfolio.

AREAS OF WORK	PORTFOLIO INTERSECTIONS
<p><b>Fair Work and Better Careers</b></p>	<ul style="list-style-type: none"> <li>• At our 2019 convening with Fair Work and Better Careers grantees, California's Labor Secretary highlighted the state's commitment to improving job quality and including worker voice in efforts to expand training partnerships among employers and providers.</li> <li>• This commitment opened the door for Fair Work grantees to gain more insight into workforce development systems so that they can broker connections to higher-wage positions and elevate the importance of worker voice within the current system.</li> <li>• The convening also enabled Fair Work grantees to learn from successful training practices employed by Better Careers grantees and for Better Careers grantees to learn more about worker rights.</li> <li>• Irvine staff are now in discussion with the Labor and Workforce Development Agency to support a research and assessment project to inform the agency's programs, policies, and investments related to job quality and worker voice, which would include grantee engagement from across the two initiatives.</li> </ul>
<p><b>Better Careers and Priority Regions</b></p>	<ul style="list-style-type: none"> <li>• Better Careers and Priority Regions share a common goal of moving low-wage residents into family sustaining jobs.</li> <li>• Better Careers invests in workforce development across California, while Priority Regions deeply focuses on supporting inclusive economies (including workforce development) in specific cities.</li> <li>• The work of the two initiatives intersects through grantee efforts in Fresno (Bitwise Industries, State Center College, Reading and Beyond/Bridge Academy), the Inland Empire (Chaffey College and Riverside Community College District), and Salinas (Hartnell College).</li> </ul>

# IRVINE'S APPROACH

AREAS OF WORK	PORTFOLIO INTERSECTIONS
<p><b>Fair Work, Better Careers, and Strategic Partnerships</b></p>	<ul style="list-style-type: none"> <li>• In 2018, Fair Work supported the L.A. Area Chamber of Commerce to explore a business approach consistent with the initiative's goal to ensure rights, fairness, and opportunities for low-wage workers. This investment led to the connection of the Chamber to other Irvine bodies of work, including Better Careers and Strategic Partnerships.</li> <li>• For example, in 2019 the Chamber collaborated with Strategic Partnerships to sponsor an employer roundtable in Los Angeles.</li> </ul>
<p><b>Fair Work and Protecting Immigrant Rights</b></p>	<ul style="list-style-type: none"> <li>• The intersections between Fair Work and Protecting Immigrant Rights are robust, since 40 percent of California's low-wage workers were born outside of the U.S.</li> <li>• Grantees across both work areas organize and mobilize immigrant workers, defend and enforce workplace rights (and other legal protections), and advocate for reform at the state and federal levels.</li> <li>• As part of Irvine's approach to grantmaking, staff are allocated to work on both teams, which led to these two areas making selective joint grants. For example, a grant of \$850,000 in 2019 to Asian Americans Advancing Justice–Asian Law Caucus provided legal representation to immigrant groups and supported organizations working to win back wages for immigrant workers.</li> </ul>
<p><b>Better Careers, Strategic Partnerships, and Protecting Immigrant Rights</b></p>	<ul style="list-style-type: none"> <li>• Better Careers and Strategic Partnerships share a goal of activating more employers to champion high-road practices that advance entry-level workers. Better Careers primarily accomplishes this through funding core grantees, while Strategic Partnerships focuses on approaches to direct employer engagements.</li> <li>• FSG Talent Rewire, an employer engagement program, has involved Better Careers grantees as thought-partners to support employers to “rewire” their internal talent systems to hire, retain, and advance populations facing barriers to sustainable employment.</li> <li>• Better Careers and Strategic Partnerships work in tandem to identify and support employer efforts to develop innovative approaches that advance economic mobility for low-wage workers.</li> <li>• Many low-wage workers have limited English proficiency. The March docket includes a grant recommendation for the National Immigration Forum to expand a program providing English-language development customized by employer and industry needs.</li> </ul>

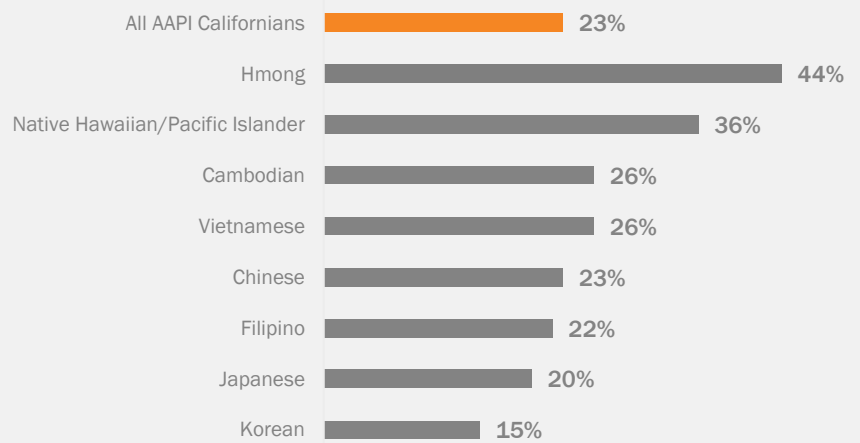


## OUR LISTENING EFFORTS

Listening, learning, and applying what we've heard are central to our work, driven in part by our [Impact Assessment & Learning Framework](#) (how we assess our progress and use what we learn to inform our grantmaking, strategy, and others). This listening takes many shapes, and 2019 examples (in addition to the above-mentioned employer roundtables and listening sessions in Fresno and Salinas) include:

- Convenings of our initiatives' core grantees, where they shared ideas and interest in potential research, strategic communications, and innovation that Irvine could support to benefit them directly and the fields in which they work
- A first-of-its-kind survey, in nine languages, of [Asian American and Pacific Islander \(AAPI\) workers in California](#) (building off our [2018 survey of all California workers](#)), which produced insights into the different perspectives and experiences of different AAPI communities. To the left is an image from one of the 10 community briefs we produced in English and native languages.
- Continued support of and leadership in the [Fund for Shared Insight](#), a funder collaborative that supports foundations and nonprofits in adopting listening and feedback practices with those they seek to serve. Through the Fund's Listen for Good Initiative, a dozen Irvine grantees are enhancing their ability to conduct high-quality client feedback loops for greater impact.

### PERCENT OF AAPI CALIFORNIANS WHO ARE WORKING AND STRUGGLING WITH POVERTY



SOURCE: PRRI/AAPI Data 2019 California Workers Survey.

## TRANSITIONING WORK

We made our final grants in 2019 for three areas of work under our previous strategy, each of which produced some additional learnings we shared with peers and their respective fields. In 2020 we will explore how to potentially transition elements of another body of work, Protecting Immigrant Rights, into other grantmaking strategies at the Foundation.

AREAS OF WORK	LESSONS LEARNED
<a href="#"><u>Linked Learning</u></a>	One element of the Linked Learning approach was <a href="#"><u>Regional Hubs of Excellence</u></a> – collaborations between school districts, employers, community groups, and others to promote college and career readiness. <a href="#"><u>Our evaluations</u></a> identified important lessons about the partnerships, leadership development, and pursuing both short- and medium-term change.
<a href="#"><u>Voter and Civic Engagement</u></a>	In 2016, Californians passed the <a href="#"><u>Voter's Choice Act (VCA)</u></a> to enable counties to send mail-in ballots to every voter and to make in-person voting 10 days earlier. In partnership with the California Civic Engagement Project at University of Southern California, Irvine commissioned <a href="#"><u>a study of the first five counties implementing the VCA</u></a> . The lessons informed the 10 additional counties implementing the VCA in 2020 (including Los Angeles and Fresno counties), which affects more than half of all California voters in 2020.
<a href="#"><u>Postsecondary Success</u></a>	This pilot grantmaking body of work was transitioned to a partner that we felt was better positioned to invest our funds. We gave \$5 million to the <a href="#"><u>College Futures Foundation</u></a> for grants to others that support improvements in how the California State Universities and California Community Colleges serve students.
<a href="#"><u>Protecting Immigrant Rights</u></a>	We began Protecting Immigrant Rights grantmaking in 2016 per dramatic changes in federal policies. Now we are considering what the shifting landscape means for immigrants, nonprofits that serve them, and Irvine's role. We supported The Institute for the Future's " <a href="#"><u>The Future of Immigration: Four Paths</u></a> " – scenarios and immigration trends on the horizon – and will consider in 2020 how these scenarios impact our current and potential grantmaking.

# 2020 GRANTMAKING PORTFOLIO AT A GLANCE

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## INITIATIVES

### Better Careers

Goal: To connect low-income Californians to good jobs with family-sustaining wages and advancement opportunities.

### Fair Work

Goal: To engage low-wage workers to secure their wages, rights, and protections.

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## ONGOING GRANTMAKING

### Leadership Awards

Goal: To recognize and support leaders advancing innovative and effective solutions to significant state issues.

### Media and Content Creator Grants

Goal: To inform policymakers and influencers of challenges faced by low-income workers in California, as well as solutions.

### Priority Regions

Goal: To strengthen nonprofit capacity and leadership in select California communities, such as Salinas, Fresno, and the Inland Empire.

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## PROGRAM DEVELOPMENT

### New Initiatives in Development

Goal: To support grantmaking that enables learning during the development of a potential future Irvine initiative.

### Research and Development

Goal: To support research that expands knowledge and grantmaking that tests new ideas to increase impact towards Irvine's North Star.

### Strategic Partnerships

Goal: To create relationships with organizations in the private, public, and philanthropic sectors to accelerate and expand Irvine's ability to achieve its North Star.

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## CULMINATING WORK

### Postsecondary Success

Goal: To strengthen low-income students' transitions to – and through – postsecondary institutions.

### Protecting Immigrant Rights

Goal: To protect undocumented Californians and their families through greater access to reliable, timely information and deportation supports.

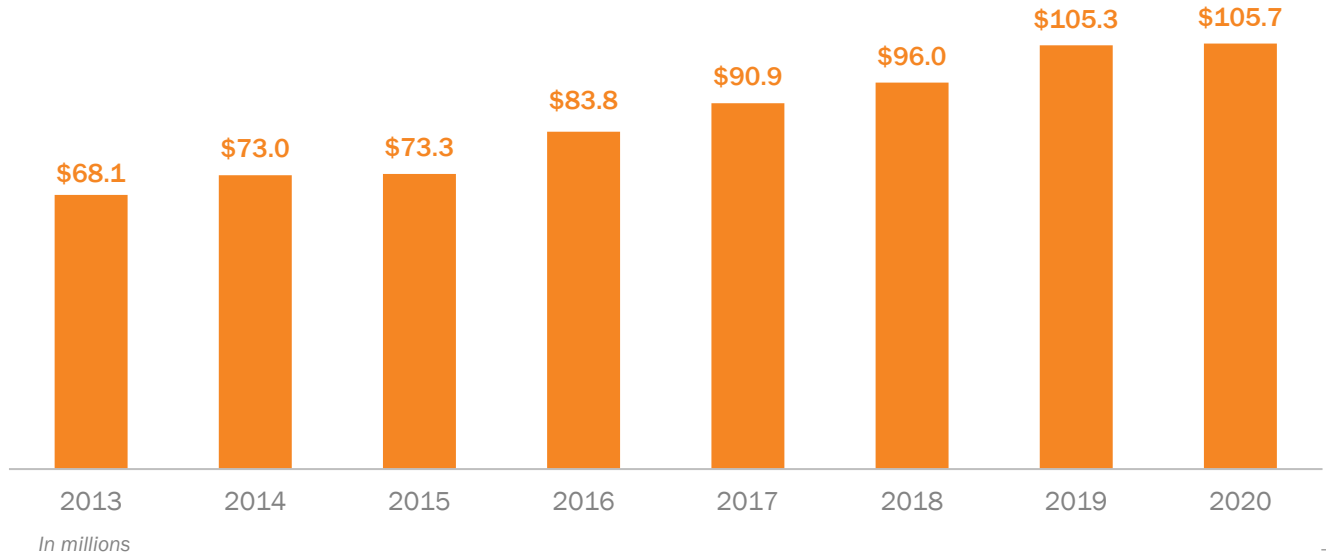
### Voter and Civic Engagement

Goal: To achieve a California electorate more representative of the state's population, and enable public decision-making informed by a broad cross-section of Californians.

# 2019 GRANTMAKING PORTFOLIO BY THE NUMBERS



# GRANTMAKING BUDGET 2013-2020



## 2019 GRANTMAKING BUDGET

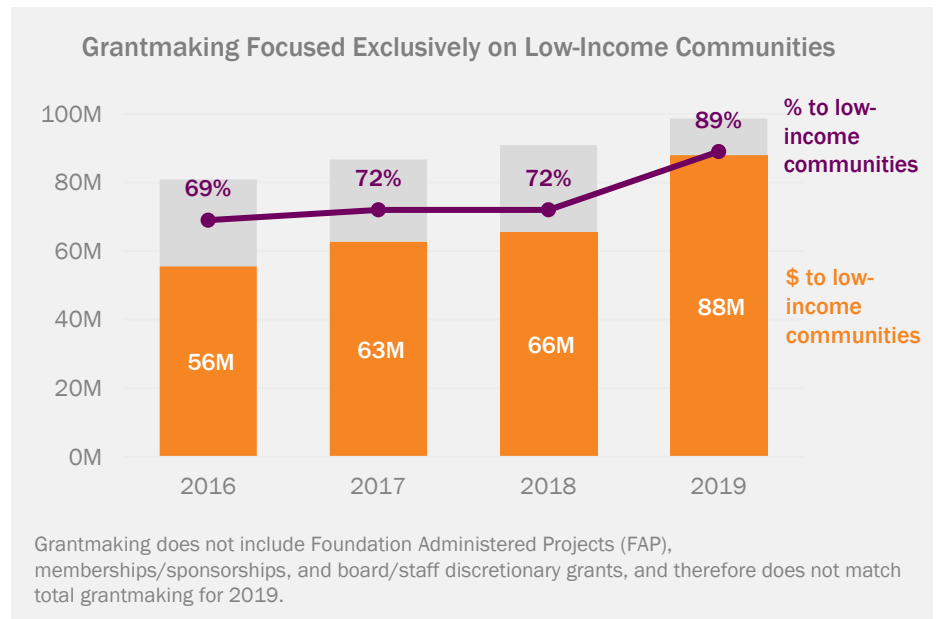
	2019 ACTUAL
<b>INITIATIVES</b>	
Better Careers	\$22,366,684
Fair Work	\$21,774,071
<b>ONGOING GRANTMAKING</b>	
Leadership Awards	\$3,121,089
Media and Content Creator Grants	\$1,670,000
Priority Regions	\$5,789,839
<b>PROGRAM DEVELOPMENT</b>	
Research & Development*	\$8,074,900
Strategic Partnerships	\$2,326,970
<b>CULMINATING WORK</b>	
Linked Learning	\$3,350,000
Postsecondary Success	\$6,990,878
Protecting Immigrant Rights	\$8,543,020
Voter and Civic Engagement	\$9,827,000
<b>ADDITIONAL GRANTMAKING</b>	
Impact Assessment & Learning	\$991,106
Institutional Relationship Grantmaking	\$1,480,000
Opportunistic Grantmaking	\$6,642,849
Flex Fund	\$500,000
Membership/Sponsorship	\$586,000
Board/Staff Discretionary Grants	\$1,240,550
<b>TOTAL</b>	<b>\$105,275,000</b>

\*2019 R&D budget included Housing and Statewide pilot grants.



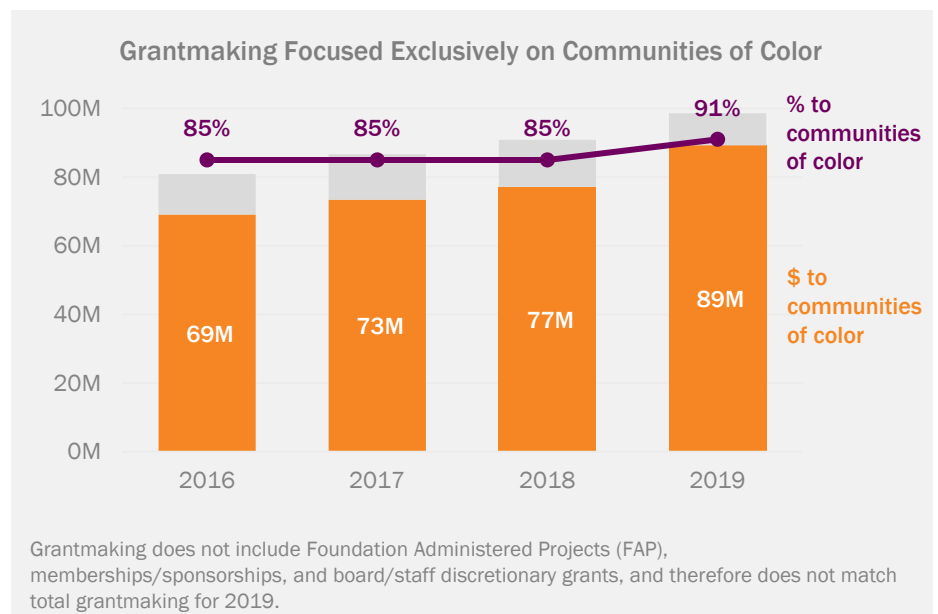
## 2019 GRANTMAKING TO SUPPORT LOW-INCOME COMMUNITIES

We expect our support to low-income communities to continue to increase as more of our grantmaking resources are focused towards our singular goal.



## 2019 GRANTMAKING TO SUPPORT COMMUNITIES OF COLOR

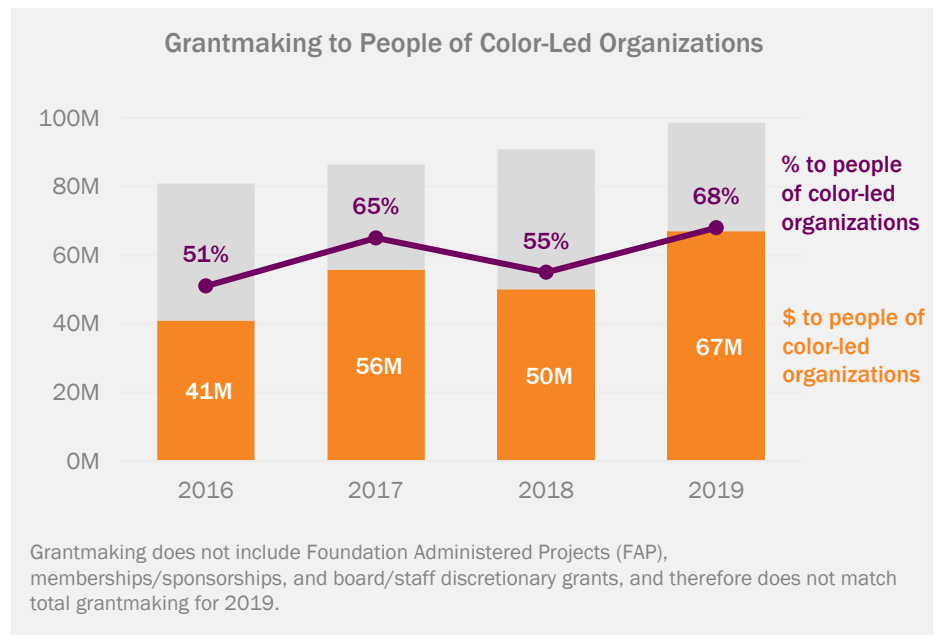
Our support for communities of color has continued to increase as more of our grantmaking resources are focused towards our singular goal.



# 2019 GRANTMAKING TO PEOPLE OF COLOR-LED ORGANIZATIONS

People of color-led organizations are defined as having met at least one of the following criteria:

- (1) CEO/Executive Director is a person of color
- (2) Board of Directors is comprised of 50 percent or more people of color
- (3) Staff is comprised of 50 percent or more people of color



# 2019 GRANTMAKING BY REGION OF CALIFORNIA



	2019 Regional Grantmaking	% of Total 2019 Regional Grantmaking	Active Portfolio* (as of 1/2020)	% of Total Active Portfolio Regional Grantmaking	% of California Population (2017)	% of Californians in poverty (2017)**
<b>PRIORITY REGIONS</b>						
Riverside and San Bernardino	\$8,611,508	18%	\$17,408,263	15%	12%	11%
San Joaquin Valley	\$11,454,159	24%	\$20,735,069	17%	11%	10%
<b>REMAINING CA REGIONS</b>						
Bay Area	\$9,844,924	20%	\$31,558,928	26%	20%	16%
Central Coast	\$2,122,108	4%	\$5,147,524	4%	4%	4%
Los Angeles Metro	\$8,571,427	18%	\$24,022,945	20%	28%	33%
North Coast and North State	\$168,025	0%	\$1,192,525	1%	1%	1%
North Valley	\$395,600	1%	\$557,600	1%	2%	2%
Orange County	\$2,125,244	4%	\$6,852,850	6%	8%	9%
Sacramento Metro	\$1,563,470	3%	\$1,974,151	2%	6%	5%
San Diego and Imperial	\$3,826,424	8%	\$10,642,624	9%	9%	9%
Sierra	\$30,000	0%	\$30,000	0%	1%	1%
<b>TOTAL REGIONAL GRANTMAKING</b>	<b>\$48,712,888</b>	100%	<b>\$120,122,478</b>	100%		
	2019 Grantmaking	% of Total 2019 Grantmaking	Active Portfolio* (as of 1/2020)	% of Total Active Portfolio Grantmaking		
<b>TOTAL REGIONAL GRANTMAKING</b>	<b>\$48,712,888</b>	47%	<b>\$120,122,478</b>	54%		
<b>TOTAL STATEWIDE GRANTMAKING</b>	<b>\$54,615,130</b>	53%	<b>\$102,026,150</b>	46%		
<b>TOTAL REGIONAL AND STATEWIDE</b>	<b>\$103,328,018</b>	100%	<b>\$222,148,628</b>	100%		

Note: Percentages may not add up to 100% due to rounding.

\*Active Portfolio is comprised of grants made in 2019 and multiyear grants made in previous years.

\*\*% of Californians in poverty - i.e., 33% of Californians in poverty live in Los Angeles. Source: PPIC calculations from the 2017 California Poverty Measure (CPM) research, as of January 2020. California Poverty Measure poverty thresholds are for a family of four that rents its place of residence. The CPM differs from the federal poverty line in that it takes cost of living into account.

# 2019 GRANTMAKING PORTFOLIO OVERVIEW

## 2019 GRANTMAKING CATEGORIES

### Initiatives

- Better Careers
- Fair Work

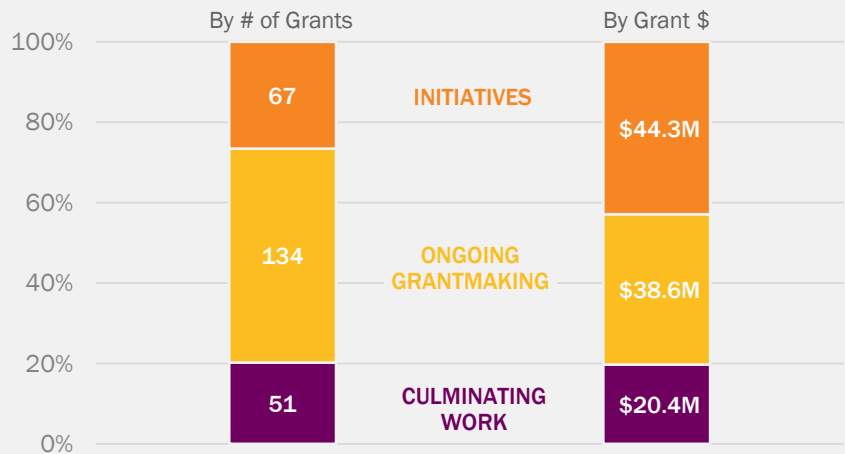
### Ongoing Grantmaking

- Additional Grantmaking\*
- Impact Assessment & Learning
- Leadership Awards
- Media and Content Creator Grants
- Priority Regions
- Protecting Immigrant Rights
- Research & Development
- Strategic Partnerships

### Culminating Work

- Linked Learning
- Postsecondary Success
- Voter and Civic Engagement

## 2019 Grantmaking Portfolio Overview

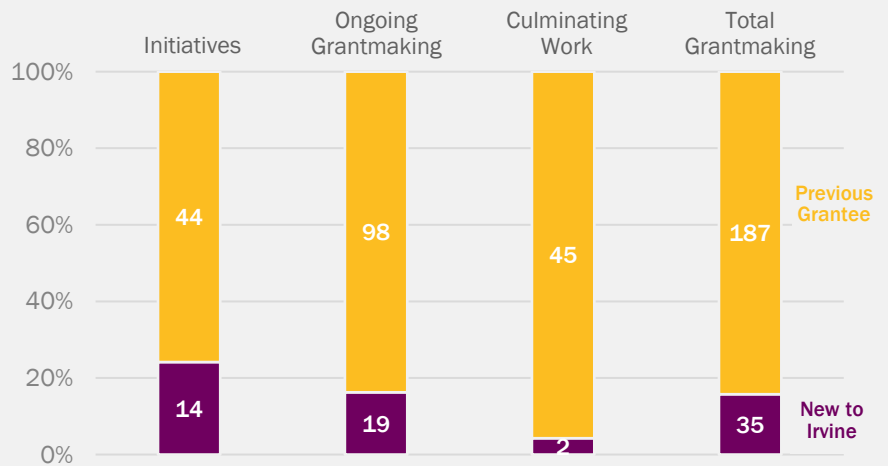


Note: Grantmaking does not include memberships/sponsorships and board/staff discretionary grants. It does include Foundation Administered Projects (FAP) and Flex Fund grants.

## PREVIOUS VS. NEW ORGANIZATIONS TO IRVINE IN 2019

A significant percentage of our grantmaking in 2019 supported organizations with a previous relationship to Irvine, as we continued with our ongoing commitments and the culmination of prior work. As we embark on new bodies of work, we anticipate a continued increase over time in organizations new to Irvine.

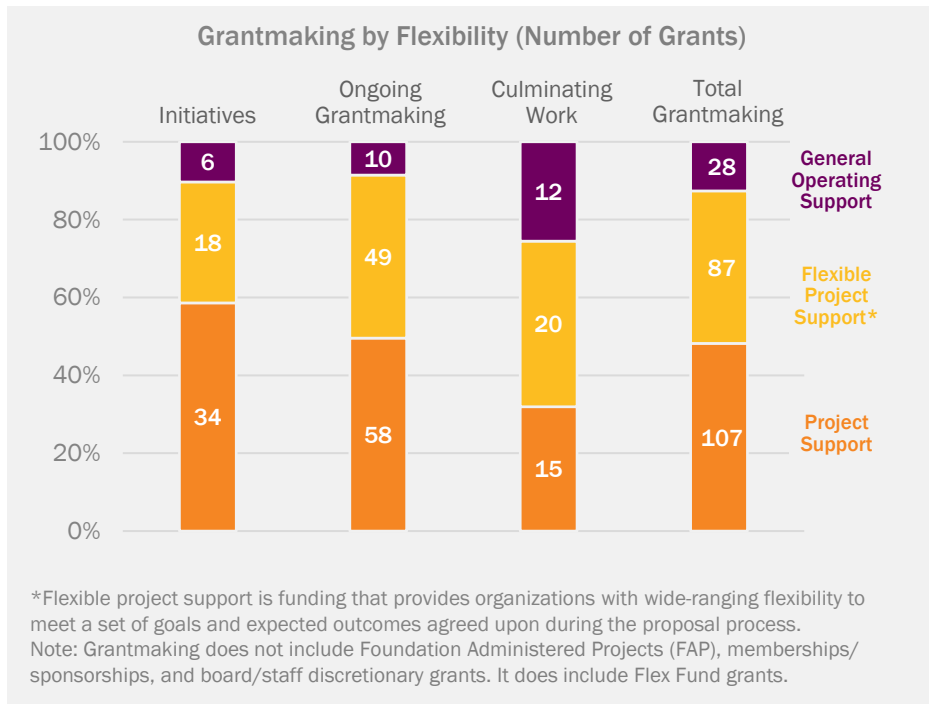
## Grantmaking by Grant History (Number of Grants)



Note: Grantmaking does not include Foundation Administered Projects (FAP), memberships/sponsorships, and board/staff discretionary grants. It does include Flex Fund grants.

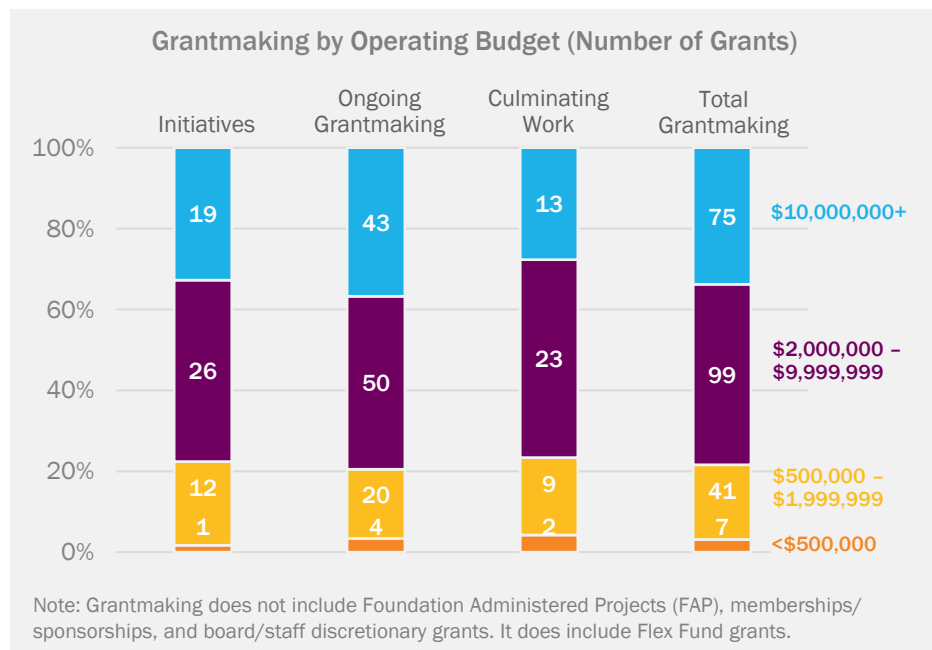
\*Additional Grantmaking includes Flex Fund, Membership/Sponsorship, Board/Staff Discretionary grants, and Institutional Relationship and Opportunistic grantmaking.

## TYPES OF GRANT SUPPORT IN 2019



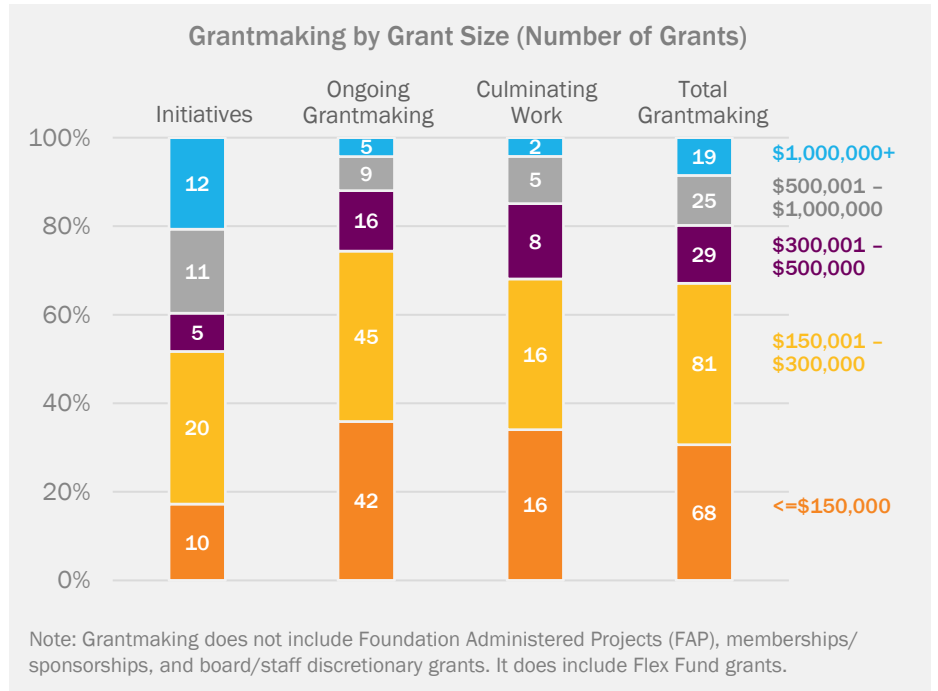
## OPERATING BUDGET SIZE OF 2019 GRANTEES

Through our initiative approach, our intention is to make larger investments to a select group of leading organizations. One tradeoff is grants to larger organizations that can absorb these types of investments, which we will balance with targeted support for priority geographies and underserved populations.

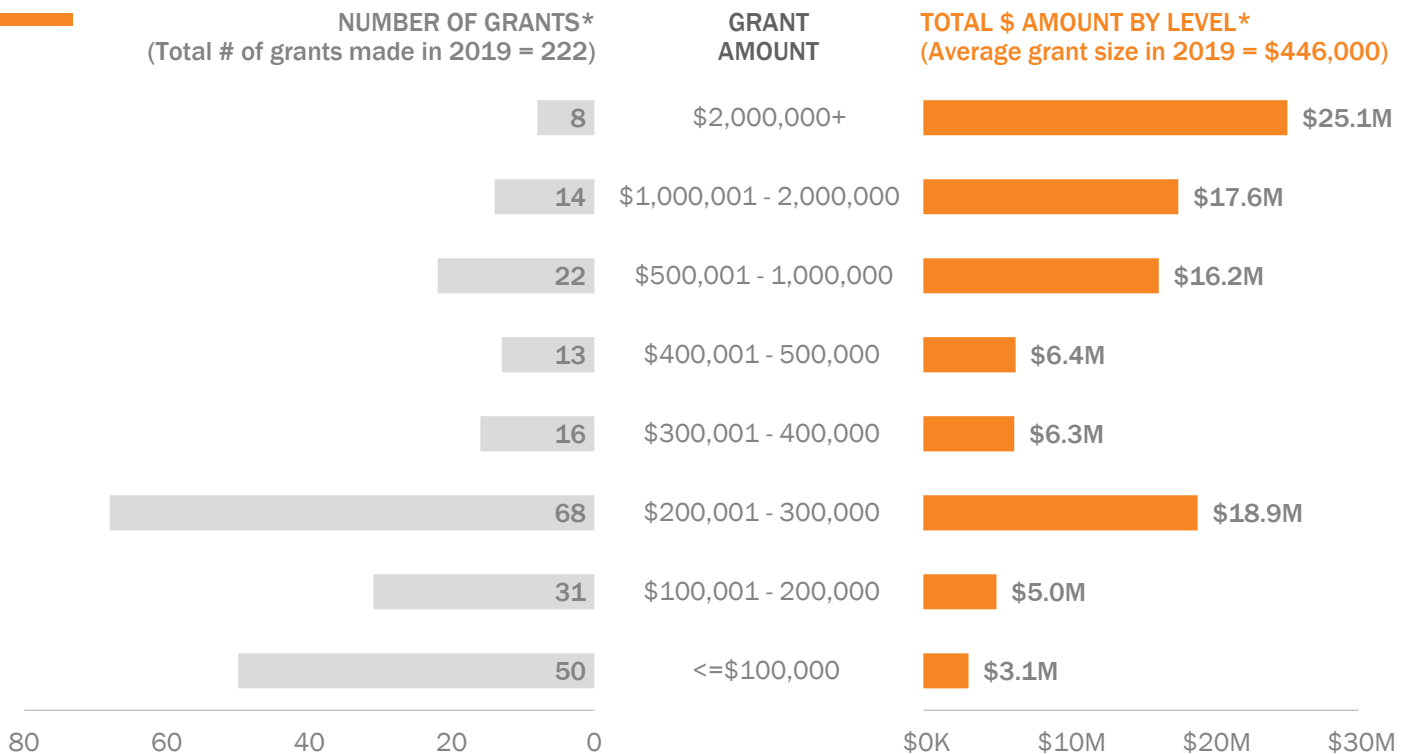


# GRANT SIZE IN 2019

As we continue to make relatively larger grants to “best in class” organizations through this approach, we will also make grants that promote equity in our grantmaking.



# TOTAL GRANTMAKING IN 2019 BY GRANT AMOUNT



# THE PEOPLE AND CULTURE OF IRVINE



# THE PEOPLE AND CULTURE OF IRVINE

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## Values

We embarked on an organizational journey to name our values at Irvine in 2018. Through an inclusive process, we identified our values as an institution. Our core values include partnership, empathy, curiosity, and nimbleness. These values show up in what we do day-to-day. We also identified aspirational values of accountability, equity, and transparency – these values guide us on where we stretch and grow. Each value guides how we work with grantees and communities, and how we work with each other. Below is a brief description of each value:

### **PARTNERSHIP**

*We collaborate with leaders across sectors for greater collective impact.*

### **EMPATHY**

*We intently listen to others to better understand who we serve and how.*

### **CURIOSITY**

*We are eager to learn and explore new things to make better decisions.*

### **NIMBLENESS**

*We are flexible and ready to adapt to new ideas and ways of working.*

### **ACCOUNTABILITY**

*We hold ourselves responsible for achieving results for the people of California.*

### **EQUITY**

*We work for justice and fairness as the norm for all Californians.*

### **TRANSPARENCY**

*We create trust by sharing information in a candid and timely manner.*

Over the past year, we have made great progress living into our values. We focused on 2-3 values each month and reflected on how they show up for us as individuals, as teams, and as an institution. Staff have recognized one another for living into the values through LOV (Living Our Values) notes, which recognize individual effort and celebrates our collective accomplishments. In addition to our internal efforts, we live our values through our grantmaking to drive greater impact. We believe that these values are the cornerstones of our work, as they keep us accountable to the people of California.



# THE PEOPLE AND CULTURE OF IRVINE

## Diversity, Equity, and Inclusion (DEI)

*\*DiaLab = A dialogue group co-facilitated by two staff members trained as inclusive facilitators, where a safe circle of 8-12 Irvine staff can share and listen to stories, ideas, and concerns about issues related to diversity, equity, and inclusion in their lives, work, and the world.*

## DEI STAFF ADVISORY COMMITTEE

In 2016, Irvine began a journey to create a more diverse, inclusive, and equitable culture at the Foundation and grow our cultural competency in service of our work. In 2017, the Leadership Team empowered a Diversity, Equity, and Inclusion (DEI) Staff Advisory Committee to make recommendations for DEI-related activities.

### Key goals of the committee include:

- Increasing our mutual understanding of our diverse experiences
- Cultivating a work environment and culture that supports everyone to show up as their authentic selves
- Increasing our ability to engage in dialogue around race, culture, and identity
- Increasing our ability to address DEI in the workplace

## 2019 ACCOMPLISHMENTS

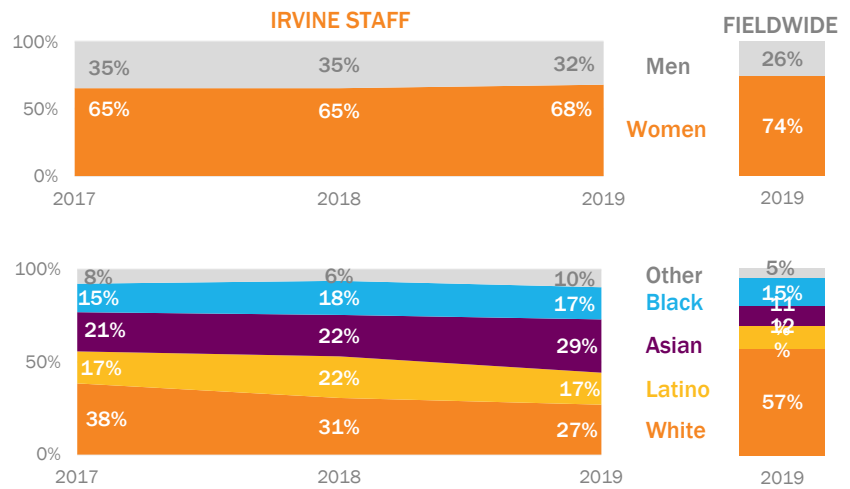
DEI Focus	2019 Accomplishments
<b>DiaLab*</b>	<ul style="list-style-type: none"><li>• DiaLab committee recruited new facilitators and participants for 2020 activities, and DiaLab sessions launched in February 2020.</li></ul>
<b>DEI Survey</b>	<ul style="list-style-type: none"><li>• Survey committee reviewed, discussed, and updated existing survey. Survey questions focused on staff's DEI experiences at Irvine, and results disaggregated by team, tenure, and location.</li><li>• Staff and team discussions facilitated in partnership with IA&amp;L to review results and create action plans as needed.</li><li>• In conjunction with the Staff Engagement Survey, the DEI Survey will launch again in Spring 2020.</li></ul>
<b>Partnership with Irvine Culture Workgroups</b>	<ul style="list-style-type: none"><li>• DEI committee members were embedded into the culture workgroups (e.g., Decision-Making and Values) to provide DEI-related perspectives, help construct framework, and communicate goals and efforts with staff.</li></ul>
<b>Staff Demographic Self-Identification</b>	<ul style="list-style-type: none"><li>• Through discussions with the DEI Committee and our evolving DEI lens, a more progressive method was launched in 2019 to collect demographic information by self-identification. This self-reporting method allows for greater accuracy, self-agency, and more fully acknowledges the complexities of race, gender, and sexual orientation.</li></ul>

# THE PEOPLE AND CULTURE OF IRVINE

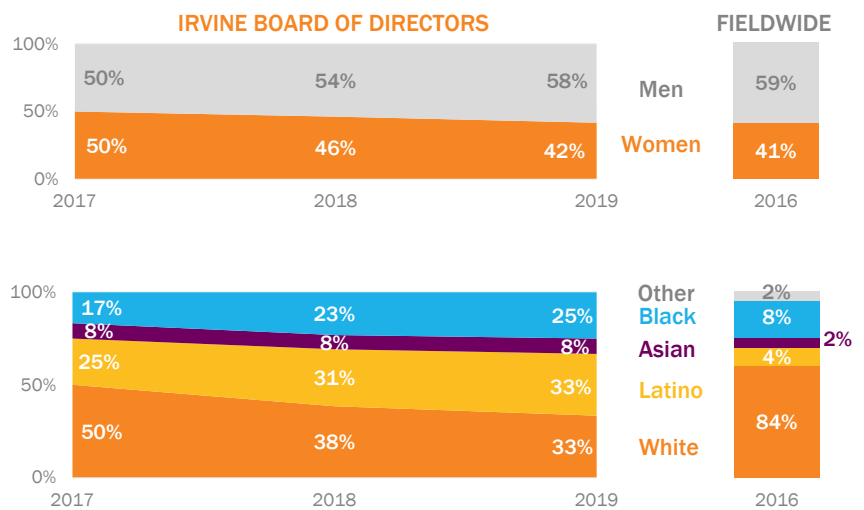
## Staff and Board Demographics

In the tables below, we provide demographic data on Irvine’s board and staff. We continue to benchmark our demographics against our peers, which show that our racial diversity continues to distinguish the Foundation from the broader field of private foundations.

The self-identification data, where staff and board members were asked to identify their own demographic representation, has been incorporated in the following charts:



Note: Fieldwide data comes from the Council on Foundations, 2019 Grantmakers Salary & Benefits Report. Irvine data includes staff members as of December 2019. Graph may exclude staff who have chosen not to disclose their data.

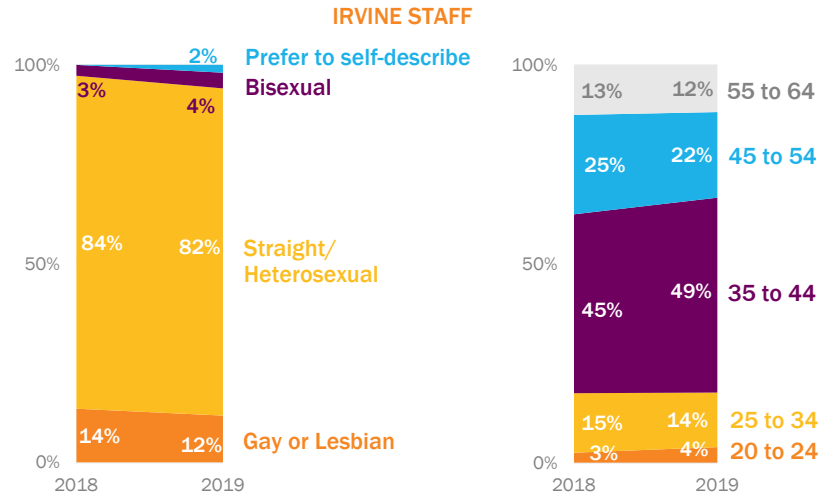


Note: Fieldwide data comes from the Council on Foundations, 2016 Grantmakers Salary & Benefit Report. Irvine data includes board members as of December 2019, and includes Irvine’s President and CEO, who is an ex-officio board member.

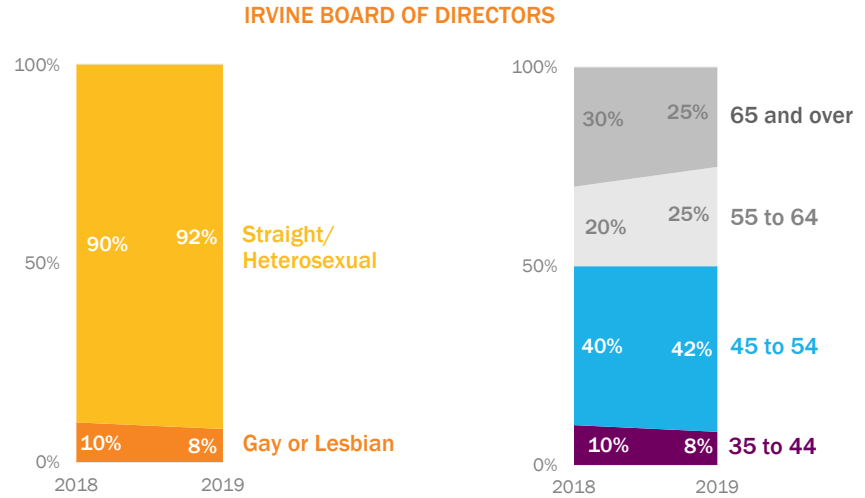
# THE PEOPLE AND CULTURE OF IRVINE

## Staff and Board Demographics

When we transitioned to a self-identification method of data collection last year, we added demographic categories for age and sexual orientation.



Note: Only responses captured from the self-identification survey are represented above. Includes staff members as of December 2019. Graph may exclude staff who have chosen not to disclose their data. No fieldwide data is available for these demographic categories.

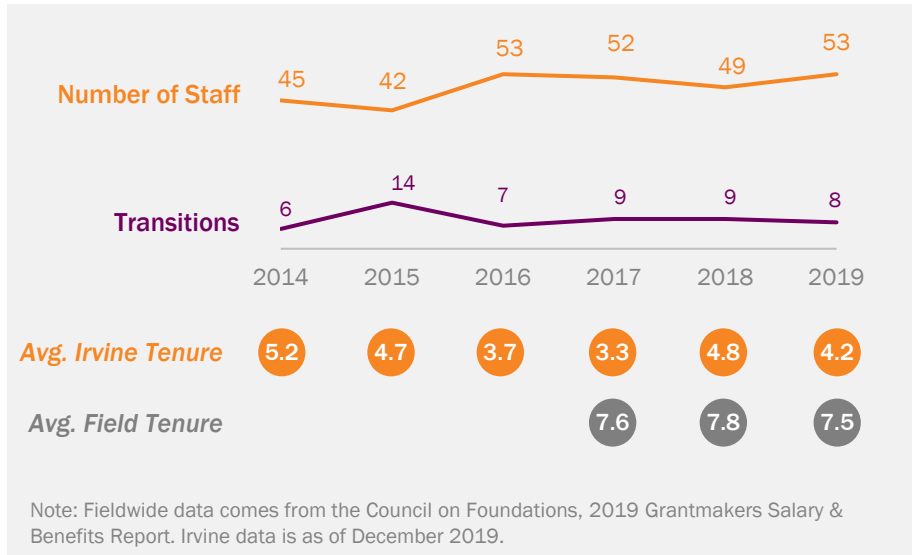


Note: Only responses captured from the self-identification survey are represented above. Includes board members as of December 2019, and includes Irvine's President and CEO, who is an ex-officio board member. No fieldwide data is available for these demographic categories.

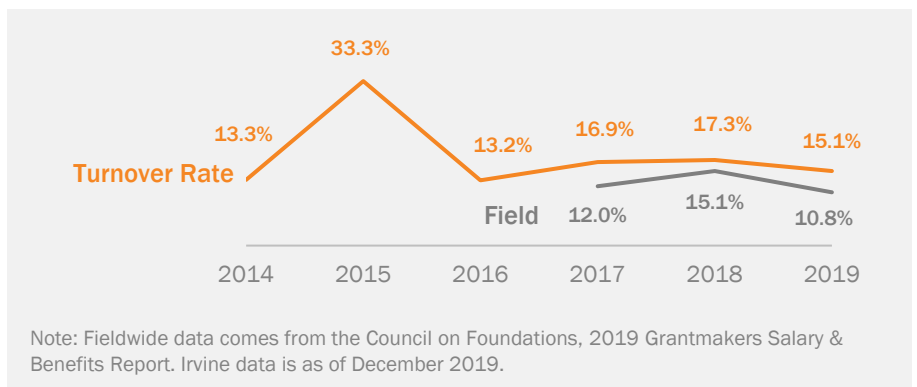
# THE PEOPLE AND CULTURE OF IRVINE

## Staff Headcount and Turnover

The table below shows that we have maintained our staffing levels from 2016, when we saw overall growth from previous years.



The chart below shows that our 15.1 percent staff turnover rate in 2019 is within our normal historical range.



We successfully recruited eleven new staff members in 2019. As of December 2019, **12 staff were located in our Los Angeles office, with the remaining 41 in San Francisco.**

