

## Funding Pie: Rural CA Groups Want Bigger Bite

02.26.20 | Linda J. Rosenthal, JD



Across the United States, the need for philanthropic help is broad and deep. Sadly, though, funding for 501(c)(3)s serving those needs has been – and remains – deeply unequal.

For instance, according to a recent survey by the [National Committee on Responsive Philanthropy](#) (NCRP) on funding for immigrants' rights, just 14 cents on the dollar goes to front line state and local organizations. Instead, national organizations and policy advocates get the biggest part of that pie. Other studies, including a major one we discussed recently in [Who are the Funders Funding?](#) (August 22, 2019), confirm similar funding disparities across a broad swath of issues and causes.

### ***The Funding Gap: More Findings***

Close to our home base in Southern California comes another report in early 2019 by the Funders Alliance of San Bernardino and Riverside Counties. Titled [Inland Empire: Changing the Narrative—Toolkit for Nonprofits](#), it provides new evidence of the disturbing disparity between urban and rural communities.

Data shows that coastal Los Angeles County's nonprofit organizations receive about \$245 per capita – just a bit under the California statewide average of about \$263 per capita. But moving east to Southern California's two largest *non-coastal* counties – Riverside and San Bernardino – the amount drops precipitously. There, it's just over \$25 per capita.

Together, Riverside and San Bernardino are known as the "Inland Empire." From a population standpoint, the Inland Empire is fairly new compared to Los Angeles (which – itself – is relatively new when compared with the more established communities of – say – the East Coast of the United States).

The perception is that the Inland Empire is poorer than its Western neighbor by the seaside. But that's not accurate. [Los Angeles County](#) has a population of just over 10 million people and its median household income is \$61,015. Compare [Riverside County](#), with 2.45 million residents and a median household income of just over \$60,000. Similarly, see the statistics for [San Bernardino](#)

County, with its 2.17 million people and median household income of just a few thousand dollars less: \$57,176.

What accounts for this disparity? “Clearly, funding is not less because the need is less.” Long story short: There are more foundations in L.A. County than in the Inland Empire because Los Angeles is older and more established. “Almost by definition, growing areas (like the Inland Empire) are newer and younger, so they don’t have as many institutions with a long history of success and fundraising.”

There’s been some improvement in closing the gap in recent years; for instance, foundations have gone from granting \$61.3 million in 2013 to \$115 million in 2016 to Inland Empire nonprofit organizations. But there’s still a long way to go.

### ***New Funding Pitches***

That’s where impressive local organizing comes into the picture.

The 2019 report – *Inland Empire: Changing the Narrative—Toolkit for Nonprofits* – was partly a response by the Funders Alliance of San Bernardino and Riverside Counties to a scathing report over a decade earlier that painted a bleak picture of the area and its nonprofit organizations.

In 2008, The Irvine Foundation published *The Inland Empire Nonprofit Sector: A Growing Region Faces the Challenges of Capacity*. That report “characterized Inland Empire nonprofits as weak, with poor management practices” while noting the mitigating factors that “with few exceptions, most foundations in the Inland Empire are small, and the numbers of people and nonprofits per foundation are dramatically higher than in surrounding counties and the state.”

The lack of funding, of course, necessarily contributed to the fact that most Inland Empire groups are small, which in turn led to an incapacity to hire people to go after more grants. Currently, about “two-thirds of Inland Empire nonprofits have budgets of under \$25,000.” This chicken-vs-egg conundrum was in no small part the impetus for last year’s *Inland Empire: Changing the Narrative—Toolkit for Nonprofits*.

In *Why do nonprofits in Riverside and San Bernardino counties get so little funding?* (November 27, 2019), local leaders explain to a reporter from the *San Gabriel Valley Tribune* exactly how they have set about changing the narrative with the Toolkit developed by the Funders Alliance of San Bernardino & Riverside Counties and a local public affairs firm.

The aim is to pursue a strategy of rebranding the Inland Empire away from the commonly held vision by “outsiders” as “... a dusty desert lined with warehouses surrounded by soot-spewing diesel trucks.” These local organizers developed a “one-page cheer sheet and a comprehensive tool kit” with materials focused on describing the area as “... a place of natural beauty, affordable homes and unlimited potential.”

The Toolkit was distributed to hundreds of nonprofits and government groups in 2019, with positive feedback as well as encouraging results. According to Susan Gomez, CEO of the *Inland Empire Community Collaborative*, a technical advisory group for some 74 area nonprofits, it “hasn’t been easy to turn the narrative around” but they are now trying hard to change it. “Instead of us waiting for a funder, we said we need to be the change agents and identify the bright spots in our communities that they were not talking about.”

They report that “one by one, these entities learned to shake off negative imagery ... crafting new pitches, better grant applications, and story-telling videos.” Then “they started to see more money pour in.”

**Conclusion**

The lengthy story in the San Gabriel Valley Tribune is worth a read. It gives specific examples of how exactly certain nonprofits successfully changed their narratives and funding pitches along the lines recommended by the Toolkit.