



Philanthropy New York

2022 Board Report



Introduction

Each year, this final report offers us an opportunity to reflect on the year that was and identify the earnings that will shape our work in the year to come. This year, to better equip you in conversations with your peers, you will see that we have tried to share more stories about the ways that we are re-shaping the way we work at Philanthropy New York.

The Management Team gathered in November to define the key themes you will see below. Instead of trying to neatly fit each department's accomplishments into one theme, we identified examples of the ways we are shifting, changing, or executing new work that serves a particular purpose at PNY. We challenged ourselves to reflect more intentionally on "how" we are working rather than "what" we accomplished.

We couldn't resist including a few specific notes about work that was accomplished in the last quarter of 2022 (it was a busy quarter!) And, since this is a report to the board, it felt important to include a section about the ways we are working internally to build a strong, sustainable organization that is prepared for the change management work ahead of us. Overall, we hope that you will come away with a sense for how our work fulfills our **purpose** as an organization – to support philanthropic organizations to create a more equitable, sustainable, and democratic society.

We've established a year-end ritual in this report of reflecting on the ways that PNY's values have shown up throughout the year, so I offer a brief reflection here:

Learning: We launched two new cohort programs designed to help philanthropic practitioners critically analyze their practices, coach each other, and build new goals to align their work with their values. And we deepened our own facilitation skills and power analysis in the design and implementation of programs, network and working group conversations.

Leadership: We refined and re-aligned our policy work in service to our vision and built powerful relationships with both our nonprofit partners and the new mayoral administration. PNY's health, education and environmental working groups provided early insight and feedback to newly appointed commissioners, and our Public Policy Committee led the way on critical conversations about contracting and pay equity.

Interdependent community: Together with the board and our members, we shaped a vision and framework for the next five years that will guide us as we live into our aspiration of becoming an anti-racist organization. We defined the ways that we want to be accountable for that vision and we identified those in our community whose lived experience and aligned values can best help us course-correct and repair when we have done something that is not aligned with this framework.

Equity: As a board, you have collectively continued to show up in a generative mode of board leadership. You've tackled some challenging discussions around how power operates in our sector, what the shift from "service" to "catalytic" means for this organization, and how we can best look to the movement leaders and equity practitioners for modeling and visioning for the future of our sector. You've adopted a posture of curiosity and possibility that has allowed us to re-imagine our work in service to racial equity, and, you affirmed an orientation to accountability that asks each of us to be accountable as individuals and for all of us to collectively build accountability as an organization.

I hope you enjoy the report that follows!

Nurturing trusted communities of practice that create the conditions for learning and peer-to-peer leadership

Philanthropy New York creates spaces for peers to learn from one another, to work to address similar goals in ways that align with their institutional and individual values and to build their voices around shifting practices in philanthropy. Philanthropy New York programs, networks, and working groups spark questions that members had not previously thought to ask and produce changes in philanthropic practice. This work requires deep leadership development – all PNY networks and working groups are chaired by members for members. Crafting these spaces involves creative and thoughtful planning of facilitated conversations that allow for community building, vulnerability and trust. This year, PNY has endeavored to help these groups go beyond “the work” to test assumptions, identify the values that influence their work, and ground in purpose to ensure more meaningful conversations. We have also begun to require that issue-based working group co-chairs attend racial equity training in an effort to create new conditions for learning and partnership within those groups.

Creating new ways of leading and being in community:

Our CEO Networks are one of the places in which we have spent intentional time and effort to create new conditions for learning and leadership development. This year, PNY staff refined, iterated and deepened our partnership with CEO Network Co-Chairs to provide the spaces and structures to help CEOs share information and grow as leaders in relationship and community with others. Transforming this work required:

- *Designing agendas that help leaders surface ingrained assumptions or traditions*
- *Asking questions that intentionally put vision and values at the center of a conversation*
- *Embodying equity in facilitation (for example, putting relationship before task, using a me/we/community frame to make visible self, role and system).*

We have also been building new ways of working with other PNY networks, such as the Foundation Lawyers Network, Foundation Administrators Network, and Philanthropic Assistants and Coordinators Network. This includes new practices such as democratic agenda-setting using tools like [Lean Coffee](#). The format starts off by anonymously sourcing and upvoting topics that resonate for the group, giving everyone an equal voice. Instead of solely inviting guest speakers to share their expertise, we intentionally carve out more space for members in attendance to share their own wisdom, reflections and lived experiences, and/or the questions and tensions they still grapple with. “Flipping the classroom” creates more engaged learning experiences, encourages critical thinking, and reaffirms the leadership each member brings to the community.

Across our networks and working groups, we worked to craft more purposeful conversations that allowed us to come back to equity-centered practices. For example:

- PNY staff incorporated lines of inquiry that prompted organizers and speakers to think more deeply about purpose, impact, and equity. We used questions such as:
 - *Was this [conversation] designed with equity in mind?*
 - *Who benefits from this, and who is disadvantaged?*
 - *How can this be efficiently and effectively transformed to reduce bias, discrimination, and inequity?*

Finally, our YLBC cohort created new ways of interacting with mentors and mentees. In many mentor/mentee groups, the learning model is one to many, with the mentor taking on the role of knowledge holder and sharer. In our model, while the mentor is chosen for his/her/their tenure in and knowledge of the system, they are encouraged to create a space that acknowledges and celebrates the wisdom of the mentees as well. This model allows mentees to be more confident in their leadership while also allowing the mentor to occupy the role of learner.

Helping professionals grapple with significant organizational change management:

This year, PNY's Foundation Administrators, HR professionals and COOs had the task of implementing a new employment law, the **New York City Pay Transparency Act**. This was an opportunity for PNY to help members center equity in a core organizational practice – payroll. We designed two programs that examined how salaries express organizational values and helped members adopt a values-based framework in compensation. Following a session this summer on pay equity analysis, we dove deeper in November with a session tailored to our HR Directors and the COO Roundtable which discussed the importance of establishing a compensation philosophy and the effective use of pay ranges. Speakers made clear that pay transparency requires shifts in organizational culture and represents significant organizational change management work. Members have also been reaching out to PNY staff for one-on-one discussions and coaching to help them think through their approach to implementation.

Another organizational challenge that requires organizations to adopt a new posture is the adaptation of a hybrid workplace. In CEO and COO groups and across programs like our recent [Evolution of the Work Place in Hybrid Times](#), PNY sought to create conversations that centered equity, moved from transactional details to values-based discussions, and helped decision-makers focus less on the “how” of a hybrid workplace and more on the “why” of decision-making.

There is perhaps no topic more challenging for foundation professionals than foundation spending in times of great urgency and perceived scarcity. Helping CEOs, COOs and Foundation Finance professionals to pinpoint the assumptions, values and orthodoxies that underlie their spending decisions has been an important priority in the latter half of this year. In addition, in the last quarter of the year, we worked with the Foundation Financial Managers Group to produce our annual **Administrative Expense Survey** to help benchmark the ways that foundations are spending and determine trends across a portion of our membership.

Designing finely tuned learning strategies that support equity practices

Philanthropy New York crafts intentional and thoughtful learning spaces that help our members move philanthropic practice – individual and institutional – in an anti-racist, equitable direction. PNY creates honest, vulnerable spaces for members to bring forward core challenges and curiosities in our networks and working groups. This allows us to source issues that are timely and challenging and develop thoughtful learning strategies that both address the content our members want and create

the conditions necessary to examine assumptions and unearth new possibilities for philanthropic practice.

Embedding equity principles in core programming:

Our popular [PNY Core: Philanthropy 101](#) five-module curriculum is in its 7th year. Each year, we refine the curriculum with member facilitators to ensure that both the content and the modes of engagement in the program create opportunities for participants to pause, reflect, and grapple with the tensions between philanthropic history, current practice, and issues of racial equity. This year, we offered participants reflective prompts such as:

- *Where did the wealth of your organization come from?*
- *What have you observed, in the time you've been at your foundation, about how your organization is grappling with power?*
- *What do you believe you have the power to do in your role to keep your work and your organization grounded?*

These inquiries and other group activities help the newest members of our community understand their role in the broader philanthropic ecosystem and their personal sphere of influence. While this program was originally crafted with an academic approach, we have shifted delivery of the content to incorporate our community's lived experience and expertise. Facilitators share personal experiences and the tensions they encounter in discussions of the grantmaking cycle or conflicts of interest.

Designing programs that center a critical analysis of race and skills for equitable practice:

In 2022, we hosted a wide variety of conversations that helped members build a critical analysis of race, as well as build the skills needed to embody a more equitable posture in their work (e.g., active listening, mindfulness, self-care, and healing, etc.):

Our [43rd Annual Meeting - Purpose as Compass](#) explored purpose and power in philanthropy, previewing some of the key themes in our Strategic Framework. Through movement, art, and PhilTalks, we helped our members reimagine philanthropy in service to racial equity and purpose. Please see the Q2 Organizational Report for more details on our Annual Meeting.

Following the Annual Meeting, we hosted a series of programs that provided members with opportunities to dive deeper into the skills, mindsets and postures needed to engage in equity and change management work. For example:

- Over the summer, we built a series of skills-building sessions around equity practices. This series aimed to help members identify new ways of thinking, being, doing, and feeling. We started this series in June with [Beyond Listening, Ensuring Others are Heard](#). This workshop, designed for all philanthropic roles, offered tools and techniques for listening intentionally and without assumption. It helped participants to develop a new appreciation for listening as a vital tool for creating a more equitable philanthropic practice.
- We engaged [Camille Cyprian](#) to design a workshop that offered somatic tools and techniques to become more self-aware and self-reflective. The program also offered participants exercises that help us to manage the discomfort that often accompanies racial equity work.

- In the fall, we hosted a conversation with Keecha Harris, Rose McKinney-James, and Nathaniel Smith, on [The Path to Racial Equity: How Board Readiness Informs Organizational Readiness for Black Leadership](#), engaging CEOs and Trustees to ask themselves: *In what ways does the current composition of our board present a barrier for us to reaching the future we envision?* Speakers shared the conditions and mindsets necessary to not only *diversify* foundation boards, but also to create a culture of *belonging* necessary to help foundation leadership shift its organizational vision and values in service to dismantling inequity.
- This fall we also provided our members skills-based policy programming that challenges myths about boundaries on philanthropic giving and encourages funder practices that affect systems change. We partnered with The Funders Network and Bolder Advocacy to co-host [From Cautious to Courageous: How Foundations Can Step up Advocacy & Invest in Change](#), a series that encourages funders to consider the wide range of advocacy activities that can support their vision for change.

Practicing the skills necessary for more equitable organizations

This year, PNY launched a new Racial Equity Working Group (REWG) to support members who are already committed to and practicing racial equity within their organizations. REWG was initially designed along the same lines as other cohort-based learning groups at PNY. The intention was to have a consistent group of members, who were actively working on racial equity in their organizations, come together to share the learnings and challenges of their work. The group evolved. The ideas that emerged from how to convene such a group, as well as the actual learning itself, took on a more organic tone and allowed for wisdom to be shared fluidly. Conversations grew out of both trust and vulnerability. Members formed relationships with each other and began to rely on peer learning and empathy to explore the challenging tensions of reckoning with philanthropy's role in perpetuating racism while actively working to create more anti-racist practices and structures.

As the board has seen in previous reports, 2022 also ushered in our first pilot of the [Trust-Based Philanthropy with a Racial Equity Lens](#) cohort. This program was designed to help participants leverage trust-based values to bolster their organization's racial equity goals, both internally within their organizations and externally with their grantee partners. Members have expressed their appreciation for the space to share their experiences, learn and exchange tools, practice peer-coaching, and collectively grapple with the discomfort that comes with change.

PNY's Trustee salons sparked learning around the conditions that trustees must create for both effective board governance and navigating change management in service to a foundation's ultimate purpose. This year, we hosted two salons. The first featured Anne Wallestad and Jason McGill in conversation about Purpose Driven Board Leadership (see the Q1 organizational report for more information). At our November event, Elizabeth Alexander of the Andrew Mellon Foundation and Darren Walker of the Ford Foundation engaged in an intimate, humorous, and honest discussion of the ways Elizabeth has sought to navigate change within a large, established foundation that is deeply rooted in tradition and tied to academia. She and Darren discussed the conversations, conditions, agreements, and tensions that were part of the governance and leadership journey as the institution has moved through significant transition. As "homework," we asked the more than 90 people in attendance to think about the key lesson or learning they want to lift up with their boards so that the learning would leave the room and reverberate across our membership.

Developing communications tools that help members operationalize equity in their organizations:

In our communications, we honed more consistent and explicit messaging to support members to operationalize equity commitments. We developed new “Program Insights” pieces to amplify the learning from key programs. We used the following questions to guide our listening in programs so that we could lift up key ideas that align with our strategic framework:

- *Is there a discussion of power (building, ceding, sharing)?*
- *What are the speakers naming as concrete shifts that need to happen in behaviors, mindsets, policies, practices?*
- *Is there “conventional wisdom” that is being named and re-thought?*

For member-written Insights pieces, we prioritized pieces that narrated the process of organizational change or made visible the tensions inherent in philanthropy that members grapple with.

Examples include:

- Program Insights: Amplifying learning from programs to address both internal and external equity work:
 - [Insights from “Racial Pay Equity: Putting Your Money Where Your Values Are”](#)
 - [Supporting Leaders of Color? Insights from “Showing Up to Share Power: A Conversation with Building Movement Project”](#)
 - [Purpose as Compass - A Recap](#) (Annual Meeting)
- Member-written Insights: Narrating process of organizational change in service to greater equity; grappling with tensions:
 - [Listening, Learning and Taking Action: Our Journey to Advance Racial Equity](#)
 - [What’s at Stake and What’s at Play: My Reckoning with Philanthropy](#)

Leveraging relationships and leadership to strengthen equity practices across the PNY community

Exercising influence in service to change is a fundamental premise of our value of leadership. We seek to build, nurture and maintain trusting and accountable relationships among members so that they can exercise influence within their communities and spheres of influence. Our new Strategic Framework includes commitments to build our own skills and capacities for facilitation, conflict mediation, and racial equity analysis. It calls on us to create accountability mechanisms and practices that put repair at the center of our work together as a community. Translating and upholding PNY’s values in our board strategy, committee and network work requires peer-to-peer leadership. Equipping the board and other leaders within PNY to do this work is key to upholding this commitment.

Expanding Racial Equity Training for people holding leadership positions in PNY communities:

In November, we offered two half day Racial Equity Trainings for PNY Leadership and Working Group Co-Chairs. Facilitated by Cardozie Jones, these sessions invited committee members and co-chairs to build shared understanding around core racial equity concepts, grapple with the often-undiscussed protocols that prevent us from discussing race and develop lines of inquiry that can help them shift power in service to equity within their committees or steering committees and/or across their broader network.

Reframing working group goals in service to equity:

PNY's issue-based working groups (Health, Youth and Education, Environment, Justice Reform and International Grantmaking) are key communities where peer-to-peer leadership around racial equity can be practiced. This year, PNY staff worked to develop new leadership in these groups and to help leaders develop goals for integrating equity into the operations and frameworks of the groups. For example, our Youth and Education group held a series of conversations with the Chancellor of Education and his staff. PNY worked to shift these meetings from polite presentation towards real dialogue. Members were able to thoughtfully share feedback on the impact that the Mayor's policies and narratives would have on communities of color.

We also worked with working group leadership to reset the partnership commitments between staff and co-chairs in service to shared leadership. This requires that co-chairs share power and expertise with staff, acknowledging that PNY hires staff who bring substantial experience and skill in crafting impactful agendas, programs, and collaborative conversations. Building collective agreement around how responsibility is shared between staff and co-chairs is ongoing work that requires returning often to PNY's values and organizational commitments.

Building internal accountability for Board Committee equity work:

As part of our work to build the board's accountability for embedding racial equity in our practices, the Executive Committee invited the co-chairs of all Committees to join the November meeting to discuss the ways each committee is approaching equity commitments, what committees are learning, what tensions are emerging, and what ways they might continue to adapt this work in service to equity in the future.

This year, the board has grappled with more complex and nuanced questions as we worked to live into PNY's value of equity across the institution. A few examples:

- Committee on Members – The Committee was a critical sounding board and contributor to the Strategic Framework. As part of the committee's racial equity commitment to construct meeting agendas to create better conditions for committee members to bring their full identities to each meeting, we consistently invited folks to contribute from multiple perspectives: me (personal identity), we (from the context of professional role), and community (in the context of the larger ecosystem). Through the strategic direction setting process, the committee helped PNY break down the monolith of membership by providing individual insights and reactions to the content and identifying institutional contexts for change. They supported ambassadorship efforts by helping to name the key values that members hold when they are reading the framework and began focusing on the leadership they could bring to their roles as ambassadors.
- Public Policy Committee – The Committee is now using a set of questions to ensure that equity implications are reviewed on all public policy positions. The committee is endeavoring to

understand the impact of both process and the outcome that our policies would have on communities of color. For example, since we know that the nonprofit sector is primarily staffed by low-income women of color this was a critical point in the decision to prioritize our public policy agenda on supporting the strength and sustainability of the nonprofit ecosystem and our support of the Living Wage ballot initiative.

Nurturing a collective conversation within our community

This year, we sought to amplify PNY staff voices in the collective conversation about racial equity in our field. As a result of both investing in our internal racial equity learning and development and hiring staff who bring that expertise and experience to PNY, we are now able to share PNY's institutional voice in conversations about racial equity and offer more diverse perspectives around what we are learning.

Highlights/Examples:

- Kathryn's CEO messages shared PNY's learnings in real time and intentionally previewed ideas and commitments included in the Strategic Framework
 - [The Space between Intention and Impact](#)
 - [Reframing Accountability as an Act of Humanity](#)
 - [Purpose as Compass](#)
- Donita offered reflections on cultivating belonging in philanthropy, the importance of hearing the voices of folks newer to the field, and the power of intentional conversation as a leadership practice.
 - [Equitable Opportunities for Effective Philanthropy](#)
 - [Can Conversational Leadership Shift an Entire System?](#)
- Carolyn led an interview about the concerted effort around public service loan forgiveness and the opportunities it provides regarding retention of public sector staff at a time of high attrition, poverty mitigation, and racial equity.
 - [The Philanthropic Community Can Help 250,000 New Yorkers Access \\$10 Billion in Loan Forgiveness: A Conversation on Public Service Loan Forgiveness](#)

Building PNY's leadership and partnership in the field

Philanthropy New York's new strategic framework calls on the organization to align our work with our partners in the broader philanthropic and nonprofit fields, support and amplify calls for systems change, and develop new relationships with external leaders to ensure the organization is accountable to more equitable ways of working. We are aligning our work with a network of institutions dedicated to the vision and practice of a more equitable and sustainable nonprofit and philanthropic field and to the redistribution of the wealth and power extracted from marginalized communities. We can do this collectively as one membership voice and individually as leaders across the institution.

Strengthening the voice of our members with a new City administration

The year began with a new administration in City Hall, and PNY used the transition as an opportunity to build member engagement in local policy. Each PNY working group successfully met with key representatives of the Adams administration during the first half of the year. This included the Deputy Mayor for Strategic Initiatives, the Comptroller, Chancellor of Education and Commissioners for the Dept. of Health, Youth and Community Development and the Dept. of Environmental Protection.

These meetings required us to facilitate a process in which we worked closely with the leadership of each working group to source key policy priorities and provide recommendations to new government leadership based on our members' experience and expertise across their grantee portfolios. Working groups are often made up of individuals representing foundations with a wide range of priorities and approaches. Coordinating a *collective* set of recommendations and streamlining agendas for meetings with government representatives required a great deal of compromise and collaboration in service to more impactful and meaningful conversations.

The board can see details about previous engagements in the Q2 and Q3 reports. In the last quarter of the year, we hosted a [Funder Briefing with Jade Grieve, Chief of Student Pathways \(NYC DOE\)](#), in collaboration with our [NYC Youth and Education Funders Working](#) and [Fund for Public Schools](#). This program highlighted the important role of public-private partnership in achieving post-secondary readiness for New York City students. In advance of the election, we also hosted an [October 18th session](#) with NYC's Racial Justice Commission to discuss its three landmark ballot proposals to change the city's charter, aimed at eliminating barriers and promoting racial equity.

Building sector partnerships for greater allyship

In 2022, PNY focused extensively on our role as an ally. We signed on to campaigns, actively engaging in the advocacy work of our partners like the Human Service Council and Nonprofit New York, and continually refined and aligned our policy work with our values and vision. As a result, PNY has been able to demonstrate our commitment to positioning philanthropy as an ally to the nonprofit sector and demonstrate to our members that without larger structural change, we will not alleviate the very conditions that many of our members are trying to impact. One of the critical ways we sought to partner with the sector was an invitation to the Chief Policy Officers of Nonprofit New York, HSC and FPWA to serve on Philanthropy New York's Public Policy Committee to inform our annual slate of initiatives and provide governance level input into PNY's policy activities.

One of the key issues that we have worked collaboratively with our peers to address has been to keep pressure on the new administration to reduce the drastic backlog of unprocessed contracts and payments to the nonprofit sector. As previously reported, we hosted a June conversation with the Deputy Mayor, Comptroller and Director of MOCS to provide an update on the steps the administration is taking to staff up contracting and finance staff, reduce administrative burdens and change calcified and irrelevant contracting policies that delay payment. We engaged the administration and our members in a discussion on the City's strategy and overall commitment to improve processes for nonprofit contracting. Continued and significant engagement on this issue is critical as delayed payment processes erode the sustainability of the sector and jeopardize an already overburdened workforce.

In addition, in November, PNY partnered with the Human Services Council to host a lunch with both funders and nonprofit agencies to discuss responses to the recent influx of more than 20,000 asylum seekers in New York City. Dozens of NYC health and human services and immigration agencies and a number of PNY funders discussed core issues related to the City's response. Many City agencies are

reportedly asking highly competent providers to step up and provide services for this population, but several nonprofits have been forced to turn the City down because there is no funding attached to the request. Providers reported staff who are already over-stretched and burned out from their response to COVID. The need to build the sector's overall capacity and the pay of service providers could not have been more evident in the meeting.

The group agreed on several key issues, including:

1. *Legal support: Of the 77 legal service providers in NYC, only 15% have the capacity to support asylum cases*
2. *Mental health services: The trauma experienced by adults and children seeking asylum is a critical issue that requires immediate support.*
3. *Workforce: Advocacy to remove the 150-day waiting period for working papers could not be underscored enough. This is an educated population of people who want to work. Right now, they are relegated to the underground economy.*
4. *Coordination of services was noted again and again. If there were funding to actually coordinate both the needs and the offers of support, that would vastly improve the informal and uncoordinated services currently being provided.*

Providing thought partnership and leadership in service to equity throughout the sector

Sector partnership serves as an opportunity for PNY to both learn from and contribute to our partners in the field. This includes supporting efforts to bridge understanding between the nonprofit and philanthropic sectors and support an equity analysis in program and policy work. It also includes sharing PNY's equity journey and sharing the leadership of PNY staff with our partners. We have highlighted instances of PNY staff exercising leadership in the field throughout the year in our reports to the board, and below are some highlights:

- Carolyn Peters, Manager of Learning, volunteered on the United Philanthropy Forum Conference Planning Committee in 2022, contributing her programming expertise to this year's conference in Seattle.
- Yi-Ching Lin, Vice President of Learning, shared her insights and recommendations in one-on-one interviews in the areas of the Trust-Based Philanthropy Project, the Leading Forward initiative, and a member strategic direction inquiry. She also participated in the AAPIP-NY Peer Coaching pilot.
- Marlon Williams, Vice President of Policy and Collaborations, served on Independent Sector Panel, analyzing the equity challenges inherent in the ACE Legislation, and he spoke on the ways that PNY's values are shaping our public policy efforts at the Council on Foundations Annual conference. Marlon serves on an advisory committee for the United Philanthropy Forum's Policy Work.
- Kristen Ruff, Senior Vice President serves on the United Philanthropy Forum Board of Directors.

- Kathryn O’Neal-Dunham, Chief Executive Officer, served on the keynote panel of the United Philanthropy Forum’s Annual Conference, *“The Future of PSOs”*.

In 2022, our communications also aligned with and amplified our thought partnership and advocacy for the nonprofit field. We used our communications to offer leverage and support for our nonprofit advocacy partners.

- Kathryn and Marlon drafted an opinion piece in New York Nonprofit Media: [Mismanagement at nonprofits? Think again](#). The piece addresses misplaced attention paid to fraud at nonprofits and focused on the larger, structural issues that harm the nonprofit sector.
- We amplified our partners’ focus on the implications of racial equity-focused ballot initiatives in NYC: [To Achieve Equity, We Must Accurately Measure Need](#)

Building PNY’s internal organizational capacity for equity, learning, and leadership

Becoming an anti-racist organization requires change management both within our institution and in our relationships with members and sector partners. We undertake this work understanding that it constantly evolves as we try, fail, learn, and adapt. It requires that we individually and collectively build our capacity and skills for undoing old ways, reimagining new ones, sharing leadership and responsibility, and repairing harm as it arises. And, because this work demands constantly grappling with the everyday trauma of racism, it also requires individual and collective healing and restoration. All of these aspects of the work can only be done in an organization that is fiscally sound and with staff that are committed to their roles and the organization’s vision.

Strengthening our team:

In 2022, we maintained and built a strong, unified team. We hired and onboarded a new Director of Finance and Administration, Director of Communications, Executive Coordinator, and Member Engagement Manager. We also accommodated the significant leaves of our Chief of Staff, Director of Communications, and VP of Policy and Collaboration. Transition, as you all know, can cause significant disruption and loss of institutional knowledge, and requires that those who remain take on additional responsibilities. This team worked with great intention to make sure that new staff members had the structures they needed to learn and grow into meaningful contributors to our work. These transitions also required that we re-prioritize work, including adjusting our internal organizational change management initiatives.

After several rounds of discussions in 2021 among staff to determine how best to create policies and benefits that reflect our values, we made significant updates to staff benefits to ensure staff could prioritize rest and that they would be supported through major life events by PNY’s leave policies. Finally, we took the unprecedented step of increasing the salaries of those earning the least at PNY ahead of our normal compensation increase schedule to be responsive to the significant inflationary environment.

Adjusting our internal policies to ensure strong operations:

In 2022, staff continued to refine and hone the key criteria, guided by our values and staff needs, that defined our first hybrid in-office/work from home period. We instituted a hybrid model that allowed for some autonomy and flexibility, and we crafted policies that allowed us to use remote work to accommodate staff who (like me) needed to work from home for medical or family reasons from time to time. We also intentionally created work from home periods that would allow staff both the flexibility for travel and family time over the holidays and ensure minimal exposure during peak COVID/flu season. We continue to learn and adapt the model as we better understand our members' needs and desires for in-person and online engagement and community-building.

This was also a year in which we restructured our Senior Leadership team with Stephanie taking over the management of our Finance and Operations. We recognized that this shift required adjustments to our internal policies and procedures to accurately reflect personnel changes and ensure proper checks and balances in our accounting and Finance procedures. We updated both our Check Signing and the Reserve Policies to more accurately reflect established procedures and effective fiscal management of our resources.

Holding and shaping organizational change:

We started 2022 with a goal of building an organizational shared leadership model among both staff and board that articulates our roles and expectations around shared commitments to our equity work and equity practices. In 2022, we knew that we needed to focus on both "forming" and "norming" our new management team, since half of the team members were new to PNY. We built out a scope and timeline of work that would be required to fully articulate and codify new collective practices around shared leadership. This included the design and implementation of three management team retreats across the year (March, June, and November) to ensure we had the time and space to identify and return to key organizational priorities and engage in deeper team building. At our first leadership retreat in March, we identified three organization-wide bodies of work to tackle and established cross-functional working groups with representation across the organization to address these priorities:

1. Codifying changes to our organizational calendar that allow for deeper periods of planning, reflection and learning, responsiveness and rest
2. Building practices and policies to inform and shape organizational culture and support staff in racial equity work.
3. Crafting a set of shared expectations and responsibilities to shape the partnership between PNY staff and our working groups and networks.

Each working group has been developing policy recommendations and practices to support staff and build a new, more equity-centered way of working together.

Developing shared leadership practices

Throughout the first two quarters of the year, we worked to create a collective understanding of the differences between the Management Team and the Senior Leadership Team. We also partnered with Sheryl Petty, an equity-centered change management expert, to build a scope of work designed to help us identify shared leadership practices and dynamics that the team needed to build in service to a stronger organization. She shared observations from her data collection with the Management Team at

a facilitated discussion in October, and the team was able to prioritize several core practices that will be the focus of facilitated trainings in February and April of 2023.

Building opportunities for organization wide learning and reflection

COVID, our leadership transition and staff transitions led to inconsistent organization-wide learning and development practices in the past two years – something that PNY had been building prior to the leadership transition and COVID disruption. We set a goal in 2022 for engaging in two staff planning and development days designed to reflect on our collective learning and inform organizational priorities and align them with our values.

We crafted a full day of staff learning and development in June. The board may revisit some of the observations that the team offered in the Q2 board report. The team is making important connections about the ways that PNY can influence the field in service to our organizational vision and values. Following our internal day of learning and reflection, a majority of the team attended the United Philanthropy Forum conference in Seattle to gain a wider perspective and understanding of the field in which we sit, engage in sectoral learning and reflection, and build relationships with sector partners. Both events offered substantial opportunities for learning and development: one internal, and one external. Our second internal day of staff learning and reflection will be held in January rather than December to ensure that both Brandon and Stephanie are able to participate when they return from parental leave. We have developed a staff survey to gain input on the agenda and have asked management team leaders to identify core activities that would benefit their team's work.

Refining institutional knowledge sharing practices

Philanthropy New York routinely conducts post-program evaluations and our team regularly reflects on our work to determine ways we can improve in the future. This year we began a more rigorous and regular practice of conducting After Action Reviews (AAR) for our two cohort programs and our Annual Meeting. The AAR process offered us an opportunity to build and refine processes for organizational learning and knowledge sharing. The AAR allows teams to pause, review and capture the “how” and “why” of the successes and challenges of a project. An AAR asks 4 key questions:

- *What was the intended outcome?*
- *What was the actual outcome?*
- *What went well, and why?*
- *What needs to be improved and how?*

Lessons learned are recorded and then reviewed the next time a project or a similar one is on the horizon. Any overarching patterns, positive or negative, can be communicated to senior leadership, with an eye toward improving organizational culture.

Engaging a wide and diverse range of members

We will provide the board with a 2022 membership report in Q1 of 2023, once we have finalized the year and analyzed engagement trends. Overall, membership remains consistent from year to year (around 280 institutions).

This year, the Member Engagement team created opportunities to speak with potential and new members to ensure that they were aware of the benefits and commitment that are embedded in

Philanthropy New York membership. The membership team has been exploring what it means to shift from service to engagement, mirroring the work of the broader organization. When prospective members ask about the terms of membership, we take the opportunity to speak not only of the process and benefits of being a member, but also about the shift that is taking place in committing to being a part of an interdependent community. We highlight the opportunities for members to invest in the values of PNY, while also honoring their own. It is a testament to our values that not every potential member is invited to join. The team offers alternative pathways for members who might not be ready for or wouldn't be served by PNY membership.

The cornerstone of Philanthropy New York's member engagement is intentional and thoughtful relationship building that deepens our understanding of what it means to be an interdependent community. We gather, parse, and share knowledge across the broader community in such a way that PNY has grown into a trusted partner. Anecdotally, what we have noticed is that members look to PNY for guidance and support navigating a complex operating environment. In one-on-one meetings, we regularly served as trusted counsel for members in a variety of roles.

Finally, we have identified two key challenges for us in terms of member engagement. One is keeping up with the sheer number of leadership and staff transitions taking place in the sector, especially during a year when we had a staff transition on the Member Engagement team and we're re-building this area of staff capacity and knowledge. The second is providing high touch engagement at scale. We have consistently seen that when members build relationships with PNY staff, their engagement goes up and they become an ambassador within their own organizations. To address this, we've begun investing more deeply in our communications function and used the Strategic Framework roll-out process to re-establish the board and Committee on Members as key resources to extend the reach of staff.

Sustaining robust financial resources

Philanthropy New York's 2022 fiscal picture is strong with membership dues exceeding the budgeted income for 2022. In addition, the fiscal sponsorship program has grown significantly, resulting in increased income from fiscal management fees and deeper relationships with some of PNY's corporate bank members. The organization will end the year with a surplus as a result of delays in hiring and multiple personnel leaves throughout the year and a corresponding lower spend in consulting fees as this meant that PNY did not have capacity to take on some budgeted projects.

PNY's investment portfolio has performed in line with the market and has experienced a significant unrealized loss on investment. The fund saw the greatest decreases in value in the International and Domestic Equity investments. The only transaction undertaken in the account during 2022 was the sale of the Invesco International Diversified Fund shares on May 11, 2022, and a purchase of the shares of Vanguard Total International Stock Index Fund on May 12, 2022 at equivalent value, as approved by the Finance Committee.

Strengthening our capacity to communicate with members and the sector

Our investment in our communications capacity was multi-fold this year: hiring at the leadership level for communications, building a communications department infrastructure in the way we have for other areas of our work, and committing to longer term consulting partnerships in areas where we have found excellent partners. The impact of this has been sharper attention to audience-focused communications

and increased original PNY content that reflects our values and racial equity commitments. We put significant time and energy into crafting CEO messages that would model learning through action, leverage PNY's vantage point on equity-focused organizational change work and build trust and relationship with members. Finally, in 2022, we began the process of developing communications guidance around painful "rapid response" events. Codifying an approach is a goal for 2023, but we have named several key priorities. For example, prioritizing content that helps members hold a structural analysis about issues; content that connects the dots between the current event and philanthropic practices; and content by BIPOC-led news sources and analysis from communities most attuned to the needs of those impacted by events.

Closing Reflection: Thank you for helping craft a vision to guide our future

This year was the culmination of a 16-month long process designed to create a collective vision and affirmation of the ways that Philanthropy New York will reorganize our institution and take up the call to urge our community to adopt more equitable ways of working. Our Strategic Direction process has resulted in a new Strategic Framework that articulates the ways we will restructure our work, our relationships, and our agreements with members to align our values and our actions as an organization. With our values as the lens, we are committing to a different way of working—both internally as an organization and externally in partnership with our members.

In 2022, we all spent a great deal of time and energy ensuring that our Strategic Framework was fully informed by a wide swath of our membership and the field. This board and our members shared wisdom, concerns and aspirations for the ways that PNY can catalyze the philanthropic ecosystem toward a more equitable, sustainable and democratic society.

It's hard to believe that 11 short months ago we were crafting and implementing focus groups to engage members who were leading the call for racial equity within their organizations to inform our strategy and our frameworks for accountability. We conducted interviews with leaders across the PSO field to ensure that we were acting in a way that is aligned and allied with their focus. And we all worked together to fundamentally shape both our understanding of power and of accountability in order to approve our Strategic Framework at our May 2022 board meeting.

Since the beginning of this process, the board has astutely noted that this framework would require a significant investment in communications and preparation. We heeded your advice. Working with Brevity & Wit, PNY invested deeply in developing messaging around the strategic framework that would speak to audience values and address potential barriers. That process, though time-intensive, helped us build our capacity for organizational change communications and engaging with a diverse member community. We will regularly draw on the narrative that was crafted to ground in both the "what" of the framework and the "why".

The roll-out has required significant work from the board. You have been training and preparing to serve as ambassadors, and you have cultivated conversations that help members see the alignment between their own values and PNY's Strategic Framework. You did all of this while at the same time helping us to be strategic, ensuring compliance and fiscal strength, growing new relationships and deepening longstanding ones with our membership!

Thank you for taking the time to read this lengthy account of a remarkably eventful year, and I hope that this report serves as a useful tool in the days ahead as you engage your peers and work to help us build our capacity to become a catalytic organization for the sector. Most importantly, thank you for wearing multiple “hats” in your service to this organization, for putting purpose in the forefront of our conversations, and for serving as thought partners, peer leaders, and wonderful colleagues throughout the year. The work PNY has accomplished in the philanthropic community would not be possible without such a creative, thoughtful, and committed board.