READI Racial Equity Advancement and Defense Initiative

Risk Assessment Worksheet

AAPIP ABFE HISPANICS IN PHILANTHROPY NATIVE AMERICANS IN PHILANTHROPY

STRENGTHENING YOUR RISK APPETITE

There is inherent risk in pursuing race-explicit grantmaking in a litigious climate that is changing every day. We believe it can be thoughtfully managed by leaders who want to unequivocally determine a clear path forward. Instead of trying to avoid all risk at the expense of neglecting to execute on grantmaking initiatives, READI encourages funders to engage in **a radical assessment of their institutional, reputational, fiscal, and legal risk appetite**. Our hope and vision are that every organization finds and strengthens its risk appetite.

As a necessary starting point for sector-wide action, this section outlines steps that organizations may consider as they develop frameworks for understanding their risk appetite in accordance with their own standards, resources, and needs. This is one of many tools that should be used in coordination with other resources.

The goal of answering these questions is to guide an informed determination of your risk appetite and how you might strengthen it. While each foundation is structurally different, this is a tool for philanthropic leaders to bring to a collaborative conversation with your leadership team, legal counsel, and communications leads.

STEP 1

Risk Identification

What programs or actions do we believe are most vulnerable to a legal challenge? Why?

PROGRAM/ACTION	VULNERABILITY

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STEP 2

Resources and Liabilities Discussion

With your team, facilitate a discussion around the following questions. This is not an exhaustive list, and you should feel encouraged to add your own questions to best fit your organization.

LEGAL

What counsel do we have relationships with or would we consider asking for legal advice on this matter?

COUNSEL	RELATIONSHIP	WHY

What interests and stakeholders may be impacted by a lawsuit against our organization?

INTEREST/STAKEHOLDER	POTENTIAL IMPACT (WHY/HOW)

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Are there any court rulings that might be relevant to guide our understanding of the potential for a challenge to advance?

COURT RULING		NOTES
DATE		
CASE NAME		
COURT TYPE		
TOPIC		
DATE		
CASE NAME		
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CASE NAME		
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CASE NAME		
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TOPIC		

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What resources might we consider leveraging or obtaining to defend against a lawsuit?

RESOURCE	HAVE/NEED?	HOW DOES IT HELP?

EXPERTISE

To what extent does our leadership team and Board have experience with threats or litigation of this sort?

NAME	TITLE	EXPERIENCE

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What experience and expertise might we need to seek to defend against a challenge? How feasible is it to obtain?

PARTNERSHIPS

What sponsors or supporters within our network might be better positioned and willing to take on or assist our organization with a costly and time-intensive challenge for sector-wide benefit?

SPONSOR/SUPPORTER	NOTES

Who are the partners we know are eager to use their voices, influence, and resources to support us in a manner aligned with our approach?

PARTNER	CONTACT	NOTES

Are there any peer organizations who are navigating the same challenges?

ORGANIZATION	CHALLENGE

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REPUTATION

What is the risk of walking back our commitments **with our staff**?

What is the risk of walking back our commitments **with grantees**?

What is the risk of walking back our commitments **with peers**?

How does moving away from a race-explicit stance align with our organization's mission and values?

	HOW MOVING AWAY FROM RACE-EXPLICIT STANCE ALIGNS
MISSION:	
VALUE:	
VALUE:	
VALUE:	

How do we ensure our credibility with our board is nurtured and leveraged?

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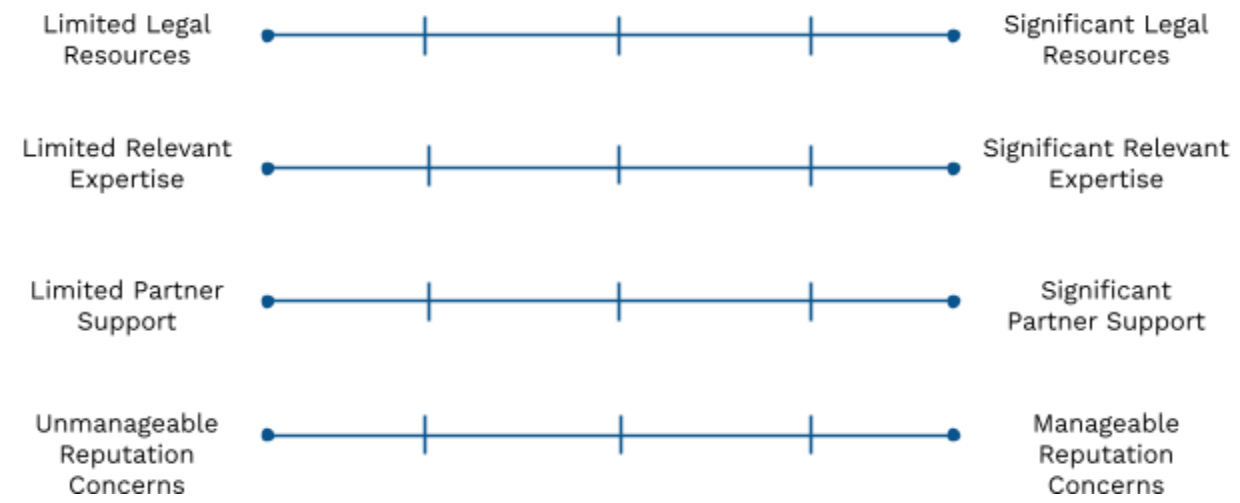
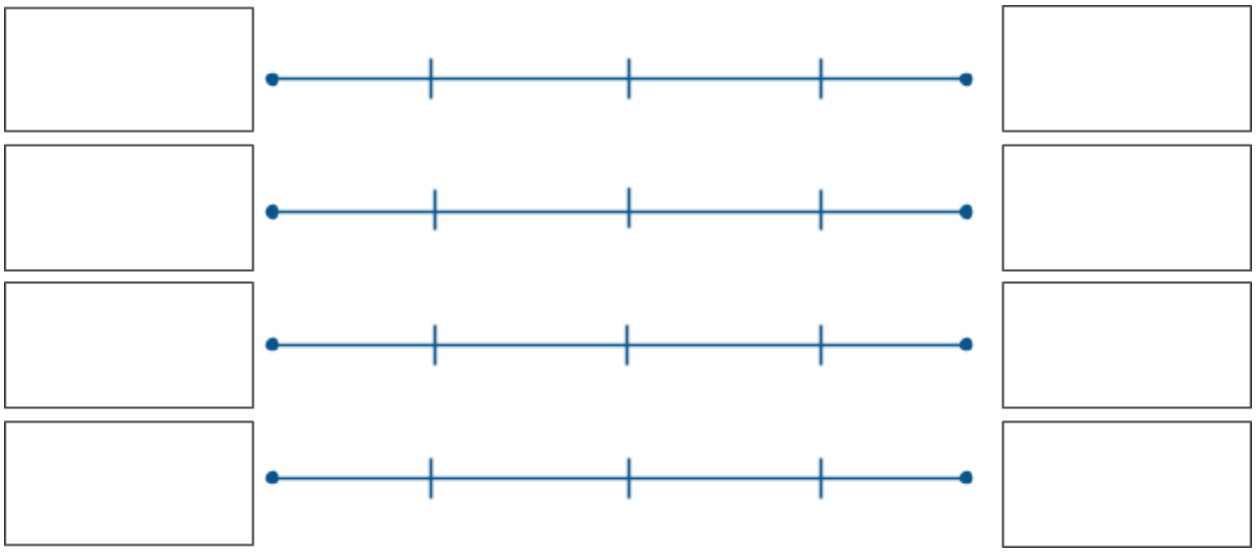
STEP 3

Self-Assessment

Based on the discussion above, place your organization on the spectrums below. You may choose to add additional spectrums based on your conversation.





STEP 4

Opportunities to Strengthen

Based on your self-assessment, answer the following questions to determine your next steps in strengthening your risk appetite:

What are three actions we might take to strengthen our risk appetite?

1	
2	
3	

In what areas do we want to mitigate or lessen our risk exposure (rather than building up our risk appetite)? Why?

AREA	WHY

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