



# Philanthropic Support for Direct Cash Assistance during the COVID-19 Crisis: What Have We Learned?

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# Direct Cash Transfer as a Vehicle for Speed, Inclusivity, and Equity

The Greater Washington Community Foundation's Response to COVID-19



Sonia Torres Rodríguez



RESEARCH REPORT

# Direct Cash Transfer as a Vehicle for Speed, Inclusivity, and Equity

The Greater Washington Community Foundation's Response to COVID-19

Mary Bogle

August 2021

Sonia Torres Rodríguez



# Grounding the Work: Compounding Crises

- **March 2020:** COVID-19 pandemic begins and associated economic shutdowns.
- **May 2020:** The murders of Breonna Taylor and George Floyd spark a national racial justice movement.
- **September 2020:** Six months into the pandemic, household food insecurity stays at 20%, with 30.2% reported by Latinx adults and 28.2% reported by Black adults.
- **October 2020:** Single-largest wildfire in California's recorded history, with wildfires across the Western US leading to mass evacuations. Hurricanes Laura and Delta ravage Lake Charles, Louisiana.
- **December 2020:** All the job losses recorded this month by the BLS were held by women, and exclusively by Black, Hispanic, and Asian women.
- **January 2021:** Looming eviction crisis, with 9.5 million renters reporting problems paying rent in the previous 30 days, with the moratorium ending this past month.
- **March 2021:** A year into the pandemic, 61% of Americans say they are running out of savings by the end of 2021 or that they have already run out of savings.

# Excluded Workers: How Pandemic Assistance Left Gaps

- **CARES Act stimulus checks** did not include US citizens and legal immigrants in mixed-status families until December 2020 or undocumented individuals at all.
- **Expanded pandemic unemployment benefits**, excluded undocumented workers, as well as cash-based workers like street vendors, domestic workers, and sex workers, and people who do not have a recent documented work history, such as returning citizens.
- Due to **occupational segregation**, these individuals are disproportionately Black or Latinx.
- Even for some who did qualify for pandemic assistance, unemployment benefits **have been received months after** an application was submitted, and as of last week, the **expanded pandemic eligibility seized**.

# GWCF Facilitated Cash Transfers in the Greater DC Area

## Greater Washington Community Foundation–Affiliated Initiatives That Facilitated Cash Transfers

*Key partners and recipients for cash transfer programs during the COVID-19 pandemic in the DMV*

<b>Program</b>	<b>Partners and funders</b>	<b>Target population</b>
DC Cares, Phases 1 and 2	Events DC and the District of Columbia Executive Office of the Mayor	Excluded workers in Washington, DC
Fairfax County Excluded Workers Program	Fairfax County and Open Society Foundations	Excluded workers in Fairfax County, Virginia
Montgomery County Emergency Assistance Relief Payment	Montgomery County	COVID-19 positive excluded workers with loss of income in Montgomery County, Maryland
Neighbors in DIRE Need	Greater Washington Community Foundation, past Montgomery County Philanthropist of the Year honorees and their families, and community matches	Low-income families with loss of income in Montgomery County
BMC Cares	Diane and Norman Bernstein Foundation, Bernstein Management Corporation, and its affiliated ownership entity BDC Properties	Bernstein Management Corporation tenants

Source: Interviews.

# Allocated Funds and People Engaged

## Direct Cash Distribution Facilitated by the Greater Washington Community Foundation during the COVID-19 Pandemic

*Approximate amount of cash transferred and people reached via each fund and program*

<b>Program</b>	<b>Allocated funds (\$)</b>	<b>People engaged</b>
DC Cares, Phase 1	5.15 million	5,250
DC Cares, Phase 2	8.1 million	8,100
Fairfax County Excluded Workers Program	1.1 million	~1,227 <sup>a</sup>
Montgomery County Emergency Assistance Relief Payment	10 million	n/a <sup>a</sup>
Neighbors in DIRE Need	680,000	1,776
BMC Cares	1.05 million	530
COVID-19 Emergency Response Fund	n/a <sup>a</sup>	43,864
<b>Total<sup>b</sup></b>	<b>~26 million</b>	<b>~60,000</b>

**Sources:** Interviews and program data.

<sup>a</sup> Values are missing or estimated because of data collection challenges associated with rapid response and flexible reporting requirements.

<sup>b</sup> Total excludes missing values.

# Speed as a Primary Motivation



*I think that was the most recent emergency event that took place where we were trying to figure out how we could get cash into the hands of individuals... So when the pandemic happened and we witnessed all the restaurant, gig, low-wage folk [losing income], we knew that had to be part of our strategy, getting money into the hands of those who needed it most.*

*- Tonia Wellons, President and CEO of the Community Foundation*

# Inclusivity as a Primary Motivation



*We had people saying the biggest problem is that undocumented folks can't get any money. They can't get stimulus checks; they can't get unemployment. There were other people who, even with the [Pandemic Unemployment Assistance expansion], fall between the cracks. That's people who can't really prove that they lost income, like restaurant workers and street vendors who are working with cash. Also, returning citizens, who didn't have a work history and thus couldn't get unemployment...and other cash economy workers, including sex workers.*

*- Local organizer with DC Cares*

# Equity Motivation Connects to Local Government Efforts



*Fairfax County embraces its growing diverse population and recognizes it as a tremendous asset but also knows that racial and social inequities still exist. This policy defines expectations for consideration of racial and social equity, and in particular, meaningful community involvement when planning, developing, and implementing policies, practices, and initiatives. It provides a framework to advance equity in alignment with our stated visions and priorities. This policy informs all other policies and applies to all publicly delivered services in Fairfax County Government and Fairfax County Public Schools.*

*- Fairfax County's One Fairfax Policy*

# Role of distribution partners

- Connecting with members
- Advocacy
- Targeted outreach and recruitment
- Application processing and assistance
- Disbursing funds

# Related Publications

- Report: [Balancing Speed, Equity, and Impact during a Crisis](#) by Benjamin Soskis, Laura Tomasko, Shena Ashley, and Fay Walker
- Blog: [Greater DC Region Nonprofits Created Cash Transfer Programs to Support Workers Excluded from Federal Pandemic Assistance](#) by Sonia Torres Rodríguez

# Direct Cash Transfer as a Vehicle for Speed, Inclusivity, and Choice

THRIVE East of the River Fundraising Takeaways



Fay Walker



# Funding Direct Cash Initiatives

How and Why DC's THRIVE East of the River Project Quickly Financed Cash Transfers for Ward 8 Residents in Response to the COVID-19 Pandemic

*Mary Bogle and Fay Walker*

*September 2021*



# Cash for rapid response



*“A lot of [funders] were thinking ... ‘Why don’t I just put that money in someone’s hands [so that they can get it] in their landlord’s hands, put the heat on, get gas in their car.’”*

*- THRIVE CBO Leader*

*“It felt like the city was burning, particularly east of the river.”*

*- THRIVE Donor*

# What did THRIVE provide?

THRIVE East of the River provides emergency cash assistance to **500+ households** in Ward 8. Each participant receives:

- **\$5,500** delivered in one payment or monthly payments
- Weekly groceries and dry-goods
- Assistance securing other resources and navigating receipt of other benefits (i.e. SNAP)

# Cash for equitable response



*“The way most of us solve child care, or rent, or a flat tire is we go to the bank and we pay for those things and continue our lives because we don’t have to go to the extra step [of going to a recertification office or going to a food bank]. If you have to make ends meet that way it’s not the most rational way to conduct your life.”*

*- THRIVE CBO Leader*

# Who are the THRIVE Participants?

- As of November 2020:
  - 42% of THRIVE participants make <\$10k/year (compared to 9% in DC as a whole)
  - 98% of THRIVE participants are Black (compared to 47% of DC as a whole)
  - 85% of THRIVE participants are women
  - Over 75% receive some sort of social safety net benefit (SNAP, TANF)
  - 50%+ families of more than four people (compared to 13% of DC as a whole)

# THRIVE's Core Values

- We value the power of our residents to **MAKE THEIR OWN DECISIONS.**
- We treat our community with **RESPECT.**
- We will always act with **INTEGRITY.**
- We believe in a **RACIALLY & ECONOMICALLY EQUITABLE** community.



# Cash as a response that promotes choice



*“One of the fundamental ideals is that people can spend these dollars on whatever they choose, there was a little temptation from some of the partners to start talking about what people could use them for... it was really important to spend these dollars and trusting our community and all of the mythology about people exploiting the system, the system is exploitative.”*

*- THRIVE CBO Leader*

# Related Publications

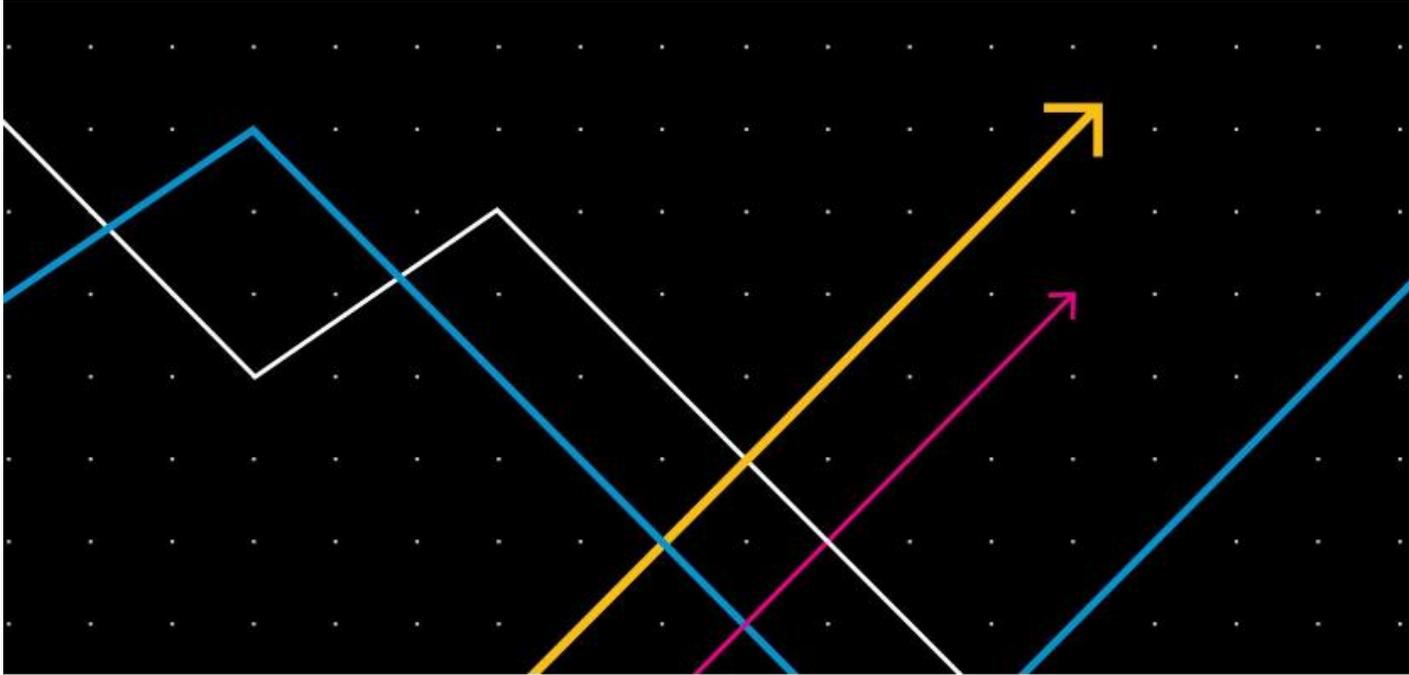
- [THRIVE Landing Page](#)
- Blog: [Cash Transfer Programs Can Build Choice, Speed, and Equity](#) by Fay Walker and Mary Bogle

# Cash Transfers as Philanthropic Response to the COVID-19 Crisis

Benjamin Soskis

 @BenSoskis

*September 2021*



RESEARCH REPORT

# Norms and Narratives That Shape US Charitable and Philanthropic Giving

*Benjamin Soskis*

*March 2021*



# 'People Need Immediate Relief,' and Online Donors Make It Happen

On social media, outpourings of generosity during the coronavirus pandemic are part of a shift toward direct giving.



## Surging Popularity of Cash Transfers

### The new new thing in philanthropy? Cash.

Big foundations are supporting nonprofits that give money, with no strings attached, to those in need.



Marc Gunther [Follow](#) [Message](#)  
Apr 14, 2020 · 6 min read ★



# The year that Congress just gave people money

Giving people money was once a policy long shot. It's now having a moment.

By Dylan Matthews | Updated on March 15, 2020 at 11:50 AM EST

## Stand Together and Family Independence Initiative Partner to Provide Direct Cash Assistance to People Struggling During the COVID-19 Crisis



Stand Together Foundation pledges \$5 million to help the first 10,000 families through #GiveTogetherNow, encourages others to join

NEWS PROVIDED BY  
[Stand Together](#) →  
Mar 26, 2020, 13:26 ET

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project 100+

Join the movement to get COVID-19 cash relief to Americans in need.

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# Three ways to understand how cash transfers can reshape philanthropic norms



## Philanthropy and timeliness

*Long time frames and deliberateness; rapid response and nimbleness*



## Bridging the Divide between Charity and Philanthropy

*Meeting immediate needs in relation to the pursuit of structural change*



## Shifting Power and Cultivating Trust

*Unconditional grants and direct cash transfers; respecting agency of beneficiaries as instrumental good*

# What's Next?

Are direct cash transfers understood as time-bound pandemic response? As crisis response?

How do we define and delineate what constitutes as a crisis?

Cash transfer as programmatic benchmark



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