



## AGENCY EQUITY ACTION PLAN

### **I. Executive summary**

The Inter-American Foundation (IAF) is an independent foreign assistance agency that directly invests in community-led development across Latin America and the Caribbean. The agency serves U.S. national interests by engaging local leaders, innovators, and entrepreneurs in underserved areas to build more prosperous, peaceful, and democratic communities. Advancing equity is central to the agency's mission, with IAF grantees fostering the economic, social, and civic inclusion of the region's most disadvantaged citizens, including women, young people, Indigenous people, African descendants, LGBTQ+ people, and people with disabilities, as well as persons who live in rural areas or who are otherwise adversely affected by persistent poverty. IAF investments serve U.S. national interests by building more democratic and resilient allies and by creating alternatives to irregular migration, the drug trade, crime, and violence in vulnerable places.

As part of the IAF's review of Executive Order 13895: Advancing Racial Equity and Support for Underserved Communities Through the Federal Government (EO 13895), the agency is committed to advancing diversity, inclusion, equity, and accessibility (DEIA) by undertaking the following four actions:

1. **Increase Institutional Capacity:** With the assistance of the agency's newly-hired EEO Director and DEIA Advisor, the agency aims to increase staff capacity to develop and employ the knowledge and tools to better identify and address barriers underserved communities face in accessing IAF opportunities (namely, grantmaking).
2. **Advance Equitable Grantmaking:** The agency aims to equitably provide funding and technical support, using improved DEIA-related data to identify and deepen our understanding of equity-related barriers.
3. **Expand Access to the IAF Grant Application:** By improving our collection of DEIA-related data from grant proponent groups and engaging in focus groups, the IAF aims to improve access to all grant proponents and extend its network of grassroots organizations.
4. **Expand Access to IAF Procurement Opportunities:** The agency is seeking government-wide and tailored solutions to lower systematic U.S. government procurement and contracting barriers for domestic and non-English speaking contractors.

The IAF's overarching priority is to increase the institutional capacity and resources available for its DEIA efforts, as this will facilitate the execution of all future actions. Its second and third priorities advance the equity of its grantmaking to local, grassroots organizations working with underserved communities, the primary vehicle through which the IAF delivers on its mandate as an independent federal agency. And finally, the fourth priority will focus on expanding access to our limited procurement opportunities.

## II. Summary of early accomplishments

The IAF has taken several concrete actions pursuant to Executive Order 13985 on Advancing Racial Equity and Support for Underserved Communities, including the following:

- Continued convening of the IAF's **DEIA Team**, led by the CEO and comprising Directors of all IAF offices to (1) enable agency leadership to identify and discuss specific areas in which the agency needs to focus its DEIA efforts, (2) determine how best to engage with all levels of staff on DEIA efforts and measures (this includes staff feedback), and (3) set specific actionable goals with respect to external DEIA efforts that are measurable and impactful.
- Established a staff-led **DEIA Task Force**, supported by agency senior leadership and comprising a cross-section of staff from all agency offices, to advance DEIA initiatives across the agency including adopting an agency [DEIA statement](#) based on the values of the IAF, researching good practices across government agencies and the private sector, and brainstorming ideas for promoting dialogue and proactive action on equity-related issues.
- Analyzed initial **DEIA-related grant data** to better understand the extent to which grantees have worked with different underserved populations over time.
- Raised the limit on **small grant funding** that now allows for small grants to be amended in order to increase access to nascent organizations.
- Launched a streamlined **grant proposal format and concept note pilot** that reduces the time between application and potential approval of a grant.
- Launched development of **country-level strategies** to prioritize key funding areas and activities in a more objective manner, including strategies for more effectively engaging with and partnering with DEIA-related groups.
- Hired a **DEIA Advisor** to assist the agency with further assessing how DEIA principles are incorporated into agency processes and practices, building the institutional scaffolding needed, embedding DEIA acumen into the agency's workforce, and creating strategies for addressing any DEIA-related gaps in IAF programs, practices, and policies.
- Transitioned the IAF's EEO Office in-house and hired an **EEO Director** with in-depth experience in DEIA principles to add an additional layer of DEIA expertise to both internal and external operations and programs.
- In the final stages of hiring an **Indigenous Appointee** to guide the IAF's outreach to Tribal Nations in the United States, as part of a new effort to launch learning exchanges between Indigenous communities in Latin America and the Caribbean and Native American communities in the United States.
- Pursued **strategic partnerships** that will address barriers to financial and technical resources available to historically underserved and marginalized populations.
- Ensured external **communications** showcase the diverse range of IAF staff backgrounds and experience, as well as that of IAF grantees and the communities where they work.
- Wove DEIA principles throughout our agency **Performance Goals** in our FY 2023–FY 2027 Strategic Plan.

### III. Equity action plan

#### Action #1: Increase Institutional Resources

##### A. Barrier to Equitable Outcome(s)

In creating preliminary equity assessments per EO 13985, the IAF recognized that it did not possess the necessary technical expertise or the data to fully 1) assess whether and how underserved communities face systemic barriers in accessing IAF benefits and opportunities; and 2) support and advise agency staff in executing agency programs in an equitable manner.

##### B. Action and Intended Impact on Barrier

To help us address these issues, the IAF hired new staff who will bolster the IAF's capacity to assess and address gaps in agency programming in addition to workforce practices, including:

- **DEIA Advisor (hired):** Establish DEIA objectives and metrics of accountability to monitor progress on addressing programmatic barriers. This may include commissioning reports on various aspects of IAF programming.
- **EEO Director (hired):** Assist the DEIA Advisor on the design, development, and implementation of equity assessments of IAF programming for possible deficiencies.
- **Management Analyst/HR (in process of hiring):** Facilitate ongoing assessments of agency policies to identify DEIA-related gaps.

The work of these new staff will enrich IAF assessments and strategic planning and help the agency (at all levels) further advance its DEIA work. The agency's established, employee-led **DEIA Task Force** will continue promoting dialogue and proactive action on DEIA-related matters in conjunction with these new hires.

Finally, IAF works with the Center for Effective Philanthropy (CEP) to execute its *Grantee Perception Report*. This anonymous report gives grantees the opportunity to rate the IAF as a funder across a series of elements, including the quality of the funder-grantee relationships. The high response rate of 85% gives us confidence in the results. For the next report in FY 2023, the agency will add a question explicitly focused on the effectiveness of the IAF's approach to DEIA. These data will aid the IAF in identifying, developing, and employing knowledge and tools to better understand and address DEIA-related gaps and to engage respectfully and thoughtfully with each other, grantees, and their communities.

##### C. Tracking Progress

The IAF is working closely with the DEIA Advisor and EEO Director to further assess potential DEIA-related gaps in agency programming and developing our agency Equity Action Plan. We anticipate the Management Analyst/HR professional with DEIA-related expertise to begin in early 2022. The agency recognizes that hiring these three new staff members does not immediately eliminate all barriers and will support these staff in gauging and assessing the reduction of barriers to equitable access. Agency senior leadership will work with the new staff and the employee-led DEIA Task Force to identify what success for "increasing institutional resources" looks like for our agency but, ultimately, success in five to eight years entails staff using these additional institutional resources to ensure equitable access to IAF benefits and opportunities through IAF grantmaking and learning exchanges. The IAF also recognizes that

DEIA work is ongoing and builds upon itself so medium-term success will form the foundation for additional DEIA work further down the road as well.

Including DEIA-specific questions in the next Grantee Perception Report means the agency will have comparable data three years later, in the FY 2026 report. In the interim, the report does include several questions on fairness and ease of processes that the agency can employ as a proxy for DEIA.

#### **D. Accountability**

The EEO Director and DEIA Advisor will work with the DEIA Task Force and Senior Management Team to develop strategies for effectively addressing any identified barriers.

Moreover, the agency Strategic Plan for FY 2023 through FY 2027 includes goals for DEIA for which agency leadership are accountable. Progress on DEIA will be communicated on a regular basis to the Board and Advisory Council, who in turn will give feedback on the agency's progress.

### **Action #2: Advance Equitable Grantmaking**

#### **A. Barrier to Equitable Outcome(s)**

Investing in community-led development initiatives serving historically underserved populations in Latin America and the Caribbean is core to the IAF's mission and founding legislation. The agency invests in community-designed and -led development initiatives that are located in and representative of the populations they serve. Though the IAF has always worked with vulnerable and marginalized groups, the agency seeks to assess how equitably it invests in the efforts of different population groups in each of the countries where it provides grants. The IAF has undertaken several efforts in the past five years to understand how its grantees work with different population groups. These reports highlighted several shortcomings in agency grantmaking data that preclude portfolio-wide or comparative equity analysis. Improving DEIA-related data in our grantmaking program is the first step to assessing whether specific barriers to equitable grantmaking and outcomes exist, including which populations are most impacted and to what extent.

#### **B. Action and Intended Impact on Barrier**

The agency is undertaking several actions to improve DEIA-related data in its flagship grantmaking program. First, the IAF launched a **new monitoring tool** in January 2021 to collect DEIA-related participant-level data across IAF grants. Going forward, this tool will provide the agency with disaggregated participant-level data by women, LGBTQ+ people, youth, African descendants, Indigenous people, and persons with disabilities that will allow for population-level and intersectional analysis.

Additional actions the IAF is undertaking in FY 2022 to better understand the dimensions of DEIA across grantees:

- **Refining grant-level grant "tags" used to describe grantee demographics so that the agency can more readily identify trends and cohorts.** In addition to existing tags for

grants working with women and youth, our new metrics will help assess the participation of LGBTQ+ people, African descendants, Indigenous, and persons with disabilities. This effort includes developing clear, shared definitions for each population group and ensuring these are easily accessible in the IAF's grant management system; and providing guidance and training to staff on consistently tagging grant-level and participant-level data.

- **Analyzing grant tagging** over the past decade by reviewing data from 699 closed grants since 2001 and identifying any shortcomings and/or inconsistencies with current practices.
- **Convening focus groups** with DEIA-focused grantees and underserved populations to collect qualitative data related to their barriers they face to a) accessing IAF programming and b) achieving their development objectives.

Having these data will help the agency better understand any possible gaps or shortfalls in its grantmaking program with particular populations. Once data are collected, that will also enable the IAF to track intersectional effects, analyze the data for any potential trends or insights, and subsequently adjust grantmaking strategies to more equitably channel funding and technical support if and when needed.

### **C. Tracking Progress**

The IAF has committed to an ambitious timeline for implementing the above actions. By the end of FY 2022, the Office of Learning and Impact will compile initial population-disaggregated data from the new interim monitoring tool, analyze for trends and outliers, discuss them with IAF's in-country monitoring specialists, and identify any needed improvements.

Success in the **near to mid-term** (two to four years out) would entail the IAF:

- Having an effective database with reliable population-disaggregated data by grant and participants that provide the IAF with the information it needs to guide programming decisions; and
- Systematically analyzing the data to better understand how grantees are working with different populations, adjusting its outreach strategies as needed to ensure an equitable portfolio.

Success in the **long term** (five to eight years out), in turn, would entail the IAF conducting this data collection, analysis, and reflection as another low-lift, high-return approach to programming. For example, the agency could adjust country and regional strategies to address identified gaps via a variety of agency mechanisms, including funding, capacity building, network development, and partnerships.

### **D. Accountability**

The actions outlined in Part B will serve as milestones toward effective implementation. Once implemented, the agency will periodically **review the trends** emerging from the disaggregated data captured in the database to evaluate how equitably the agency is administering its grantmaking program and will identify actions and tools to address gaps if and when they arise.

### **Action #3: Expand Access to the IAF Grant Application**

#### **A. Barrier to Equitable Outcome(s)**

Congress created the IAF in 1969 with a unique development model to extend U.S. foreign assistance to underserved populations in Latin America and the Caribbean. IAF's core work is to partner with grassroots organizations through its grantmaking program. The agency prides itself in having a grantmaking model particularly accessible to grassroots organizations. Hallmarks include:

- Providing grant application forms and accepting applications in five languages (English, Spanish, Portuguese, French, and Creole).
- Accepting grant applications on a rolling basis (i.e., no deadline).
- Awarding small amounts of funding (\$25,000–\$400,000) that small and incipient organizations can absorb.
- Disseminating grant application opportunities to marginalized or disenfranchised groups that would otherwise not be aware of the IAF's grantmaking program.
- Working directly with civil society organizations without intermediaries.
- Accompanying organizations throughout the grant lifecycle to provide support through various challenges and issues that may occur.

However, access to the IAF grant application process could still remain a barrier to some organizations or networks of organizations from benefiting from the agency's flagship program. But, due to limitations in DEIA-related grant proposal data to date, the IAF has been unable to empirically determine whether there are barriers to equal access to the grant application process, including which populations are most impacted and to what extent.

#### **B. Action and Intended Impact on Barrier**

Improving DEIA-related grant proposal data is a critical step to assessing whether barriers to the grant application process exist for certain populations groups and to what extent. Similar to the improved DEIA-related grant data noted in Action #2, Part B, the IAF is planning focus groups and new data collection methodologies to gather information from grant proponents regarding what types of organizations and what populations they are working with, such as whether an organization is women-led, serves a primarily African descendent population, etc. In addition, the IAF began convening focus groups in July 2021 of IAF grantees *and other constituencies* who represent underserved populations to understand how the agency might 1) better reach additional cohorts of underserved communities; and 2) better support these communities as IAF grantees.

Together, these data will allow the IAF to empirically determine whether barriers to equal access exist and, if so, develop grounded solutions. For example, the agency could compare grant application rates to population-level data by country to determine if any groups are underrepresented. And by convening a focus group with Indigenous organizations, the agency could explore to what extent language might be a barrier to access.

As these efforts get underway, the IAF is committed to expanding accessibility through good practices based on IAF experience and that of similar organizations. For example, the agency has

already introduced the following changes intended to especially benefit and further increase access to nascent organizations, including those led by and/or working with underserved populations:

1. **Funding Criteria:** The IAF has revised its funding criteria to establish a simplified approval process for small grants of up to \$125,000 in funding compared to the normal ceiling of \$400,000. Having the opportunity to apply for smaller grants through a simplified process provides a pathway to growth, enabling civil society organizations and community enterprises to build experience as well as to strengthen their capacity and refine their grant activities over time.
2. **Fiscal Sponsorships:** The agency has formalized the use of fiscal sponsorships, an additional tool to reach underserved populations that otherwise would not qualify for IAF funding. This tool works by having a more established local NGO partner organization serve as the fiscal agent to work in collaboration with nascent grassroots organizations. This enables nascent groups to meet the IAF's fiscal and reporting requirements while furthering their proposed grant activities and building up their organizational capacity. As part of its high touch model, IAF staff regularly review fiscal sponsor arrangements as part of the standard grant review process every six months to ensure the integrity and intent of the relationship.
3. **Simplified Processes:** The agency is taking a number of steps to simplify its grant application process, thereby improving access to all potential applicants. For example, the IAF is piloting a streamlined grant proposal format and concept note that reduces the time between application and potential approval of a grant, which may reduce barriers to incipient organizations and organizations representing particularly underserved communities.

### **C. Tracking Progress**

The critical first step in tracking progress on expanding access to the IAF's grant application process, as articulated above, is having accurate baseline data against which to track agency actions and interventions. Improving DEIA-related metrics on current grantee populations (Action #2) and the actions outlined in this section on grant applicants will establish a clear baseline for the IAF to track improvements in accessibility. Over the mid-term, the IAF will analyze these data on an annual basis to determine if further action is needed to diversify our pipeline of grant proposals. In the long term, this information will aid the agency in adjusting its outreach strategies, aligning funding with country demographics, and appropriately serving its diverse range of grantees.

### **D. Accountability**

The establishment of target metrics will be the key action that the IAF will implement to hold itself accountable. Once developed, these will be incorporated into individual performance plans to ensure relevant staff are held accountable for incorporating DEIA-related goals into their work. As these efforts evolve and new expert staff come on board, the IAF will continue its focus on learning and refining its DEIA-related work to analyze and put in place efforts to improve its processes and measures to ensure accountability.

## **Action #4: Expand Access to IAF Procurement Opportunities**

### **A. Barrier to Equitable Outcome(s)**

The IAF has a small procurement portfolio (less than 100 contracts a year) predominantly comprised of contracts with local Latin American experts that provide a range of services, including: 1) auditing; 2) monitoring, evaluation, and learning; and 3) liaising with current and potential grantees in designing and implementing their development initiatives. These in-country experts are local, trusted by the communities, and well versed in the languages, culture, and practices of IAF grantees. Their services provide grantees with technical assistance and capacity building critical to the IAF development model.

Upon its initial 200 Day Equity Assessment, the agency identified two potential systematic barriers to equitable outcomes for further investigation:

1. **English Language-Only:** U.S. government contracting processes, including SAM registration and other English-only solicitation mechanisms, could potentially be a barrier for non-English speaking contractors.
2. **Lack of Demographic Data:** U.S. Federal Acquisition Regulations (FAR) do not require, nor have a small business classification, for contractors to self-identify by many of the underserved community categories listed in Executive Order 13985 (e.g., Indigenous). Thus, there is no systematic means for IAF, nor other government agencies, to assess whether some groups are underrepresented in IAF procurement practices.

Of the categories the FAR does track, the IAF historically more than exceeds its statutory procurement goals for Small Business (SB), Small Disadvantaged Business (SDB), and Women Owned (WO). Given the majority of services procured are overseas, the categories of Severely Disabled Veteran-Owned Business (SDVOSB) and Historically Underutilized Business Zone HUB zone are not applicable, which explains why average IAF numbers fall below statutory procurement goals. As such, the agency is focusing its efforts on addressing the two barriers noted above.

### **B. Action and Intended Impact on Barrier**

Given that the English-only solicitation mechanisms and lack of demographic data collection on contractors and service providers affects all U.S. government agencies, the IAF would be eager to contribute to an OMB-led systemic interagency review of USG procurement and contracting barriers for non-English speaking and foreign contractors. In particular, the IAF would be interested in collaborating with members of the Foreign and Domestic Assistance agencies to:

- Review SAM.gov for equity barriers for non-native English speakers and foreign contractors;
- Highlight the potential value of multilingual functionality to SAM.gov;
- Make a recommendation to the FAR Council to incorporate underserved communities into the small business classifications of FAR Part 19, and adopt U.S. Small Business Administration (SBA) small business classification regulations to include.

Recognizing systemic USG action is beyond the agency's mandate and will take time, the IAF is committed to the following actions to promote diversity within its supplier base of contractors in



the short to medium term:

- **Translation:** Given that the majority of IAF contractors and service providers are from non-English speaking countries, the IAF routinely translates contracting and procurement documents into French, Portuguese, and Spanish to provide non-English speaking parties the opportunity to apply. The agency will continue this best practice.
- **Supplier Assessment:** The IAF will develop a demographic assessment of IAF's in-country contracts and service providers that will provide the information needed to determine how well they reflect the diversity of the United States and the communities in which the agency works.<sup>1</sup> This data will provide a baseline that will allow the agency to better assess whether DEIA-related gaps in its overseas procurement and contracting practices exist and, if so, develop strategies to address barriers as needed.
- **Targeted Outreach:** The definition of a disadvantaged group varies across the countries within which the IAF works. IAF grantees work in underserved communities across Latin America and the Caribbean and could be further leveraged as resources in broadening the reach of IAF solicitations among communities that may not typically have access to such opportunities.

### C. Tracking Progress

In the **short to medium term**, the agency will leverage its supplier assessment to 1) establish baseline demographic data in its supplier base; and 2) review this data annually to inform and measure the success of outreach efforts to procure and contract with a diverse group of service providers. From a systemic perspective, medium-term success will include:

- The creation of an **interagency working group** of foreign and domestic assistance agencies to review SAM.gov for equity barriers for non-native English speakers, and foreign contractors. This would include considering adding multilingual functionality to SAM.gov for non-native English speakers.
- The incorporation of **new small business classifications** into **FAR Part 19** that align explicitly with USG's goals on equity for "individuals" and "underserved communities" as defined in Executive Order 13895, Section 2.

Success in the **long term** (five to eight years out), for the IAF, would be having in-country contractors and service providers that reflect the diversity of the United States and the populations with which the agency works, as clearly captured through USG-supported demographic data captured through the solicitation process.

### D. Accountability

The agency will hold itself accountable to working with OMB, and the foreign assistance interagency community at large, to serve as an advisor and advocate for better demographic data and intragovernmental change as it relates to equity and accessibility to non-native English speakers in the foreign assistance procurement space.

---

<sup>1</sup> Before doing so, the IAF will explore whether this action falls within the Paperwork Reduction Act and obtain a waiver, if needed.