

5 Ways Businesses Can Help Expand Access to Opportunities

Global competitiveness and economic and corporate growth depend on enabling all citizenry. Closing the racial wealth gap in the US would add \$1.5 trillion to GDP. Business leaders and philanthropists can participate in this growth in several ways.

1

Supporting Students Attending Historically Black Colleges and Universities

HBCUs produce 75% of Black PhDs, 80% of Black Federal Judges and 50% of all Black engineers.

Of the 4,400 universities in America, only ~100 are HBCUs, and their combined endowment is less than the endowment of a single Ivy League university. Worse, two-thirds of Black household wealth is spent servicing student loan debt annually. Student Freedom Initiative (SFI) provides students at HBCUs with affordable financing alternatives to traditional student loans, plus tutoring, mentorship services, and internships. \$10 million enables 100 students to affordably attend an HBCU each year, every year, forever. Partners already include Cisco, the Walmart Foundation, Prudential Financial, Stackwell, the Capital One Foundation, Jane Street, and the Fund II Foundation.

Contact Mark Brown (mbrown@studentfreedominitiative.org) to learn how you can get involved.

2

Closing the Digital Divide

82% of HBCUs are in broadband deserts, sharply limiting their participation in our future digital economy. The U.S. Bipartisan Infrastructure Investment and Jobs Act earmarked \$65 billion for Broadband Equity Access and Deployment (BEAD) funding. States must create Digital Access Infrastructure Plans to apply for this federal funding, but minority communities lack the technical expertise to participate. The cost to prepare a broadband plan for each community is just ~\$400,000. Just a ~10% increase in broadband penetration could yield over half a trillion dollars in GDP growth for the U.S.

Partners like Cisco already have helped deliver 5G and fiber optic broadband to the City of Orangeburg, South Carolina, as well as cyber security upgrades enabling 42 HBCUs to continue to receive Title IV funding, impacting 200,000+ students. New investments are vital to supporting additional community broadband plans.

Contact Keith Shoates (kshoates@studentfreedominitiative.org) to learn more.

3

Expanding Access to Capital

70% of minority communities do not have a branch bank. Of the 4,400 banks in the US, only 18 are owned and led by African Americans. Southern Communities Initiative (SCI) is building banking infrastructure in disadvantaged communities by supporting the digital transformation and technical capabilities of CDFIs and MDIs, and by enhancing their liquidity. Unlike large banks, these lenders are ingrained in underserved communities, and often operate with greater efficiency.

A \$15 million investment can modernize 30 CDFIs/MDIs in 6 communities home to half of all African Americans, with exponential impact:

1. Increase loan throughput for CDFIs by 2-3x
2. Unlock \$2 billion in capital for underserved businesses
3. Create 75,000-150,000 new jobs

Contact Mambu Sherman (mambu@scininitiative.com) to learn more.

4

Providing On-Ramps to Opportunity through Internships

internXL matches qualified students from underrepresented backgrounds with paid STEM internships to diversify the industry. **internXL has over 25,000 students** seeking their next job opportunity at over 300 corporate partners, including JPMorgan Chase, Cisco, AIG, Amazon, Prudential, and more.

Contact Ivana Jackson (ijackson@fund2foundation.org) to learn more.

5

Embedding Diversity and Conscious Inclusion Strategies in Your Business Model

The data is clear: diverse perspectives are good for business and drive better decisions, increased profitability, better customer engagement, and higher employee morale. In addition, the NAIC has shown that **diverse private equity funds outpace the industry Burgess median** across nearly every metric. Businesses can enhance inclusion and diversity in several ways:

Board Programs: Only 25% of corporate U.S.-based boards have a minority board member; encourage more diversity at the board level. These programs lead to higher-quality decision-making and promote change from the top down, but progress slowed from 2022-2023.

Talent Management Programs: Include more people from disadvantaged communities through internships, fellowships, and other programs that create cultures of belonging and inspire all employees to operate as their best selves.

Corporate Banking: Include more people from disadvantaged communities through internships, fellowships, and other programs that create cultures of belonging and inspire all employees to operate as their best selves.

Contact Khalida Ali (kali@vistaequitypartners.com) to learn more.

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