



Racial Equity Initiative:

Strengthening our communities

2021 Progress report

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Overview

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“Seeing injustice in the world
calls us **all to take action,**
as individuals and as a company.”

Satya Nadella, Microsoft CEO

Preface

Microsoft's Racial Equity Initiative

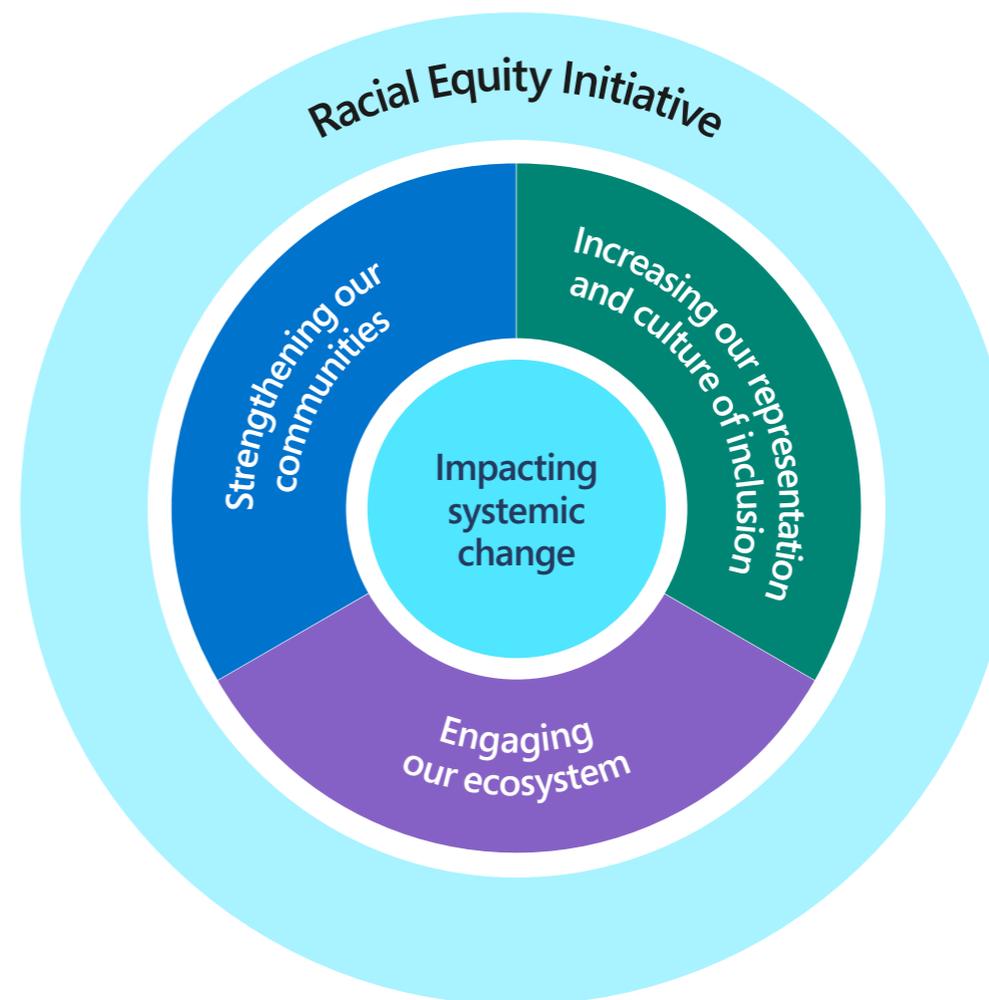
In June 2020, we outlined a series of commitments designed to address the racial injustice and inequity experienced by racial and ethnic minorities in the US, including Black and African American communities.

With input and feedback from employees and community leaders, we developed a set of actions that we believe are meaningful to improve the lived experience at Microsoft, as well as change in the communities in which we live and work. This work is centered on three multiyear pillars, including:

- 1 Increasing representation and strengthening a culture of inclusion**
 Building on the momentum of the last five years by adding \$150 million of diversity and inclusion investment and doubling the number of Black and African American people managers, senior individual contributors, and senior leaders in the US by 2025.
- 2 Engaging our ecosystem**
 Using our balance sheet and working with suppliers and partners to extend the vision for societal change, contributing to the creation of new opportunities for them and the communities they serve.
- 3 Strengthening our communities**
 Applying the power of data, technology, and partnership to help improve the lives of Black and African American citizens across the US, including addressing the safety and well-being of our own employees in the communities in which they live.

This report focuses on our commitment around “Strengthening our communities” and is the first in a series of updates from across the pillars under our Racial Equity Initiative. It shares Microsoft’s progress in the areas of justice reform, affordable broadband delivery, skills and education, and nonprofit empowerment; and importantly, how we are pushing for systemic change through the reach of our programs and investments and our advocacy for policy and law reform.

And while our Racial Equity Initiative is a commitment to racial and ethnic minorities across the US, this report specifically focuses on efforts to support Black and African American communities.



Outlook

Something bigger than ourselves

A year ago, Microsoft joined many other companies across the country in committing new steps to address racial injustice and inequity for Black and African Americans. As we approach our first anniversary, it's more than reasonable for people to ask what we've accomplished and what comes next. This report provides an important part of the answer.

Last year we launched a five-year initiative with three pillars. Kathleen Hogan, our Chief People Officer, is responsible for the first, which focuses on increasing representation and advancing inclusion within Microsoft. Amy Hood, our Chief Financial Officer, is responsible for the second, which engages our ecosystem of suppliers and partners. And I'm responsible for the third, which aims to strengthen Black and African communities through technology, data, and partnerships.

Over the past year, Kathleen, Amy, and I have talked often with each other and with Satya Nadella about what we hope to accomplish. Perhaps more than anything, we want Microsoft's Racial Equity Initiative to amount to more than words and contribute to real and important change both inside and outside the company. That's why we've committed to invest hundreds of millions of dollars, created new teams to guide this work, and called on the inspiration and help of so many Microsoft employees. One of the gratifying aspects of this work has been that so many people want to help.

We recognize that there's often a big difference between energetic activity and work that has real impact. One key to impact is transparency and accountability. That's why we're publishing this public report today about our first year's work to help strengthen communities. Amy and Kathleen will publish similar reports about their pillars in the months ahead. We want to be transparent with both our employees and external stakeholders. This transparency will help hold ourselves and our teams accountable for the progress we need to make.

A second imperative is focus. Especially when it comes to work in communities across the country, it would be easy to "boil the ocean" with many small, good deeds that might fail to move the needle in reducing racial injustice and inequity. That's why we've focused this pillar on four prongs where we believe Microsoft has the potential to make a difference at a national level. These include:

- **Justice reform**, with a five-year, \$50 million commitment that has already created 28 partnerships in 17 locations to use open data to partner with nonprofits and local communities and drive change in policing, prosecutorial reforms, and alternatives to incarceration.
- **Urban broadband**, with work up and running with local companies and nonprofits in 8 cities to expand access to affordable connectivity and devices for racial and ethnic minority communities.

- **Skills and education**, with expanded work to help Black and African American individuals develop the skills needed for a digital economy, including new partnerships this past year with 307 high schools and seven Historically Black Colleges and Universities (HBCUs).
- **Support for nonprofits**, we are one year into our work and we're already using technology to help more than 1,000 community-based nonprofits provide critical human and social services to Black and African American communities.

I'm pleased with what our team, led by Fred Humphries as Executive Sponsor, has accomplished in its first year. But I know we have much more progress ahead of us than behind us. And this will require a continuing third imperative—bold ambition. As we look ahead to our second year, we will need to learn from both our progress and shortcomings. Especially when it comes to creating real impact on a national basis, the next 12 months will require hard work to develop new ways to scale our work and translate it into systemic change. Virtually across the board, this will require even broader and deeper partnerships with nonprofits, community organizations, and other groups. And for change to last, we will need to work with government leaders to translate what works into public policy reforms.

This points to a fourth and final imperative: lasting progress to address racial injustice and inequity requires a crucial combination of impatience and persistence. The next 12 months will mark the second year of the fifth century of systemic racism in America. A new generation of Americans is right to stand in peaceful protest and say forcefully that "Black Lives Matter", calling for real and rapid change to create a more inclusive country. But if the critical moment sparked a year ago by the murder of George Floyd is to become a lasting movement, we must act with determination and persistence.



"This is not only a moment to respond, but to scale our actions, make a lasting impact, and ensure that our ambitions continue to grow."

I'm painfully aware that there is always a sharp limit on what a single company can accomplish. Even a company as large as Microsoft. But I also believe that if we work on a sustained basis with many others, we can each contribute to something that is bigger than ourselves. That's why this is our first *annual* report on our work to support communities. More will follow. You can count on it.

Brad Smith, President

Foreword

A commitment to lasting change

Black and African Americans face deep and persistent racial inequity in American society. It reverberates across every community, business, and family. Until Black and African Americans are treated equally, free of systemic barriers, we cannot thrive as a nation, let alone as a business.

Too often the calls to address racial inequity flare up only after tragic events force us to question current structures and demand change. But then those calls recede again into the background of American life. For too long we have accepted racial inequality as an inescapable reality; but, in some ways, that changed over the last year. A series of high-profile murders, coupled with a pandemic that highlighted and exacerbated the existing inequalities Black and African Americans have faced for centuries, sparked not only a new level of awareness but also a new level of commitment to lasting change.

As an African American man, I found the last year particularly difficult. When I watched the murder of George Floyd, and so many others, I was reminded of centuries of violence my community faced, and which they continue to face. I also cannot help but think how easily one of those deaths could have been my own—or that of my son or daughter. On top of this threat, the COVID-19 pandemic has further laid bare how much inequality still exists in America. When you look at who has access to savings, who has access to broadband, who has access to healthcare, it all becomes crystal clear—America has so much more work to do to ensure racial equity.

When I think of what comes next in the drive to advance racial equity, I find myself at the intersection of two vibrant communities: I am African American, and I am an executive at Microsoft. I get to bring both worlds together to marshal the exceptional talent, passion, and innovation of my colleagues to make an impact.

I am proud and humbled to be one of the leaders of Microsoft's racial equity work. Rooted in our culture at Microsoft is the idea that everyone belongs. We come to work every day with the conviction that every person matters and that every person's voice deserves to be heard. After all, Microsoft's mission is to empower every

person and every organization on the planet to achieve more. Every person. That's why this work is critical.

In June 2020, we outlined a series of commitments under a new Racial Equity Initiative to address racial injustice and inequity affecting the Black and African American community in the US. In this report—the first standalone report under our broader Racial Equity Initiative—we have chosen to focus on our commitments to strengthen the communities in which we live and work. We identified four areas that can meaningfully improve the lived experience of Black and African American people in this country: justice reform, broadband, skills and education, and expanded technology support for nonprofits.

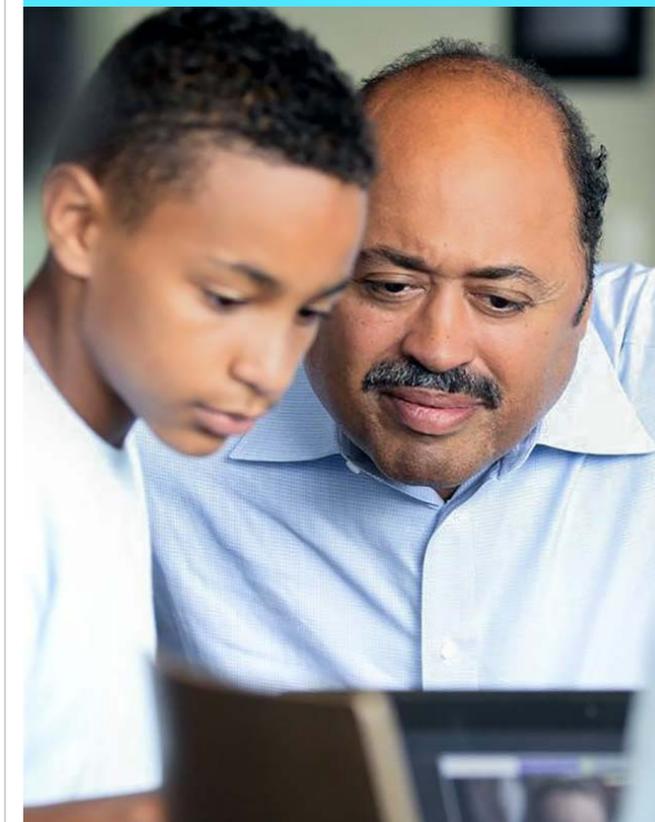
In this report, we look at our initial progress, insights, and learnings. We also showcase innovative and inclusive approaches with our partners and share a broad outline of what lies ahead. In each section, we shine a spotlight on the change-makers: our partners and our employees who are advancing solutions and transforming our work and our society.

This work is the beginning of a long journey to make lasting change, and we are committed. We have a lot more work to do, and as we progress, our ambitions continue to grow. Through learning, hard work, and partnership, we can make a difference. We're just getting started.



Fred Humphries
Corporate Vice President, US Government Affairs
Executive sponsor: Strengthening our communities

“Through learning, hard work, and partnership, we can make a difference. We're just getting started.”



How we work

Empowering others

We understand that we are one of many organizations aiming to address the systemic inequities experienced by Black and African American communities. We also acknowledge that whatever we do must be grounded in how we empower others to drive forward scalable solutions.

As we looked across the company, and broadly across the communities in which we live and work, we assessed where we were able to make the most impact in the most sustained way, aligning areas of need with programs and partnerships that can scale quickly. The following are the goals that anchor our efforts and how we will measure our shared impact:

1 Justice reform: Strengthening and expanding our existing Justice Reform Initiative with a five-year, \$50 million sustained effort.

We are working alongside communities to advance a more equitable justice system, with a specific focus on policing, alternatives to incarceration, and prosecutorial reforms. We are applying our technology and partnering with nonprofits, local and state governments, communities, and research organizations to advance and accelerate their impact. Through these efforts, we aim to decrease the number of persons entering the justice system unnecessarily or unfairly, reduce disparities within the system, and help create safe, thriving communities.



2 Broadband: Expanding access to affordable broadband and devices for racial and ethnic minority communities and the key institutions that support them in major urban centers.

To support participation in the digital economy, we are expanding our Microsoft Airband Initiative to eight US cities where Black and African American communities face some of the largest broadband gaps. In addition to working with internet service providers and other partners to deliver affordable broadband, we are collaborating on programs that provide access to affordable devices and champion digital skills initiatives, so everyone has the chance to participate more equitably.



3 Skills and education: Increasing our skills and education work to help Black and African American students and adults develop the skills needed to succeed in the digital economy.

We are expanding access to computer science education to high schools primarily serving Black and African American students through our Technology Education and Literacy in Schools (TEALS) program. We are strengthening our support for Historically Black Colleges and Universities (HBCUs) with campus partnerships, curriculum development assistance, and capacity building for computer science, data science, electrical engineering, and computer engineering programs. We are also providing grants to community-based nonprofit organizations led by and serving Black and African American communities aiming to equip more people with the digital skills needed for the jobs of the 21st century.



4 Nonprofits: Expanding technology support for community-based nonprofits providing critical human and social services to the Black and African American community.

We are rapidly scaling our Nonprofit Tech Acceleration (NTA) initiative, launched in the fall of 2020, to focus on equipping nonprofits with the digital tools and resources to advance their missions in serving Black and African American communities. NTA provides nonprofit grantees with cloud technology, training, and concierge support to ensure they can be successful with modern solutions.



Progress

Data, technology, and partnership

We have collaborated with partners and worked within neighborhoods and communities over the last year to launch and scale a number of projects and programs. The following is a snapshot of our work over the last year:

Justice reform:

Expand our existing justice reform work with a five-year, \$50 million sustained effort.

- Established 28 strategic partnerships to advance and accelerate racial equity in the justice system with a focus on enhancing transparency and accountability through data and improving policy and practice.
- Supported nation-wide efforts to reimagine public safety by helping to launch a network of Offices of Violence Prevention in over 20 US cities.
- With input from community voices, supported the collection, analysis, and dissemination of neighborhood-level policing data in Los Angeles.
- Enabled the public release of 40 years of arrest data through the development of a visualization tool to enhance transparency and spur academic research.
- Invested in data capacity building for seven district attorneys' offices to advance racial equity in prosecutorial practice and improve transparency and accountability with respect to prosecutorial discretion.
- Provided support to accelerate the adoption of Law Enforcement Assisted Diversion in 11 US cities and supported data and technology capacity building efforts designed to promote equitable outcomes.
- Developed educational programming to help hundreds of employees develop a comprehensive understanding of racial equity and justice system reform.
- Provided pro bono legal representation and career mentoring services to justice-impacted individuals in the Seattle area.

Broadband:

Expand access to affordable broadband and devices for Black and African American communities and key institutions that support them in major urban centers.

- Launched partnerships and pilot projects driving access to affordable broadband, devices, and digital skills for racial and ethnic minority communities and the key institutions that support them in eight US cities including Atlanta, Cleveland, Detroit, El Paso, Los Angeles, Memphis, Milwaukee, and New York City.
- Adoption of affordable broadband offering in Los Angeles pilot project exceeds 30 percent.
- Through nonprofit partnership, launched Internet Enrollment Hotline providing one-to-one support in signing up for affordable broadband to income-sensitive customers in eight target cities.
- Launched a pilot device financing program offering a new Surface Go 2 and Office for Home and Student for \$22 per month over two years, with a zero-interest rate to customers who may be challenged by low credit scores or no credit history.

Skills and education:

Expand access to skills and education to support Black and African American students and adults to succeed in the digital economy.

- The TEALS computer science program received over 300 applications from high schools in 18 cities with large Black and African American communities.
- Increased the percentage of TEALS volunteer applicants who identify as Black or African American by 95 percent.
- Established long-term partnerships with seven HBCUs.
- Established \$1.6 million in matching funds for HBCUs.
- Provided \$5 million in unrestricted gifts to 16 HBCUs.
- Provided \$15 million of grant support over three years and technical assistance to 50 Black- and African American-led and supporting nonprofits, including digital skilling and workforce development in 23 US states and Washington, D.C.

Nonprofits:

Increase technology support for Black- and African American-led and supporting nonprofits.

- Enrolled over 1,000 community-based organizations, across 750 US communities, in our Nonprofit Tech Acceleration (NTA) program to receive digital transformations from our Concierge team.
- Granted \$1.8 million as a part of multiyear depth transformations to 18 nonprofits such as National Society of Black Engineers and Equal Opportunity Schools.
- Provided tech assessments and digital transformation services to all 50 community skills grantees.
- Established a framework for identifying Black- and African American-led and supporting nonprofits, including developing a database of 36,000 potential partner organizations.

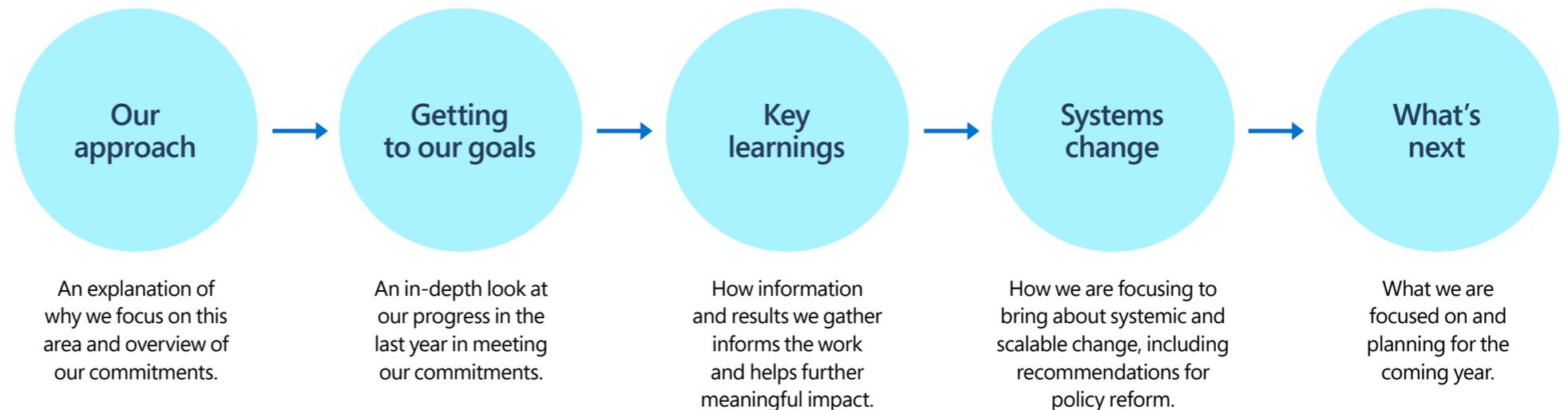
How we report

About this report

Transparency and accountability are essential principles that underpin our Racial Equity Initiative. By sharing our progress and learnings in this report, we aim to live up to these principles. This is the first of three updates that will be published to communicate progress against the commitments we have made to 1) Strengthen our communities; 2) Increase representation and strengthen a culture of inclusion; and Engage our ecosystem.

How to read this report

This report on Strengthening our communities covers four areas of focus: 1) justice reform; 2) closing the broadband gap; 3) increasing access to skills and education; and 4) empowering nonprofits. Each has its own chapter where you will find sub-sections outlining the work we have done over the past year, and where we are headed in the years ahead:



Justice reform

According to data from the Vera Institute of Justice, Black people and white people use drugs at similar rates but **Black people** are more than **twice as likely** to be **arrested** for 'drug abuse violations.'

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The issue

Advancing a more fair and equitable justice system

In the US, an arrest is made every three seconds. However, data from the Vera Institute of Justice indicates only 5 percent of those arrests are for violent offenses and the majority are for low-level offenses such as drug misuse and/or possession. What's more, over-policing, excessive use of force, and disproportionately harsh penalties affecting the Black and African American community are well documented.

Over the last year, stories and images of injustice against the Black and African American community have been at the forefront of the national consciousness, shifting the conversation about justice reform in new ways. Communities continue to come together with additional allies, increasing the magnitude and scale of their efforts to demand change and drive accountability.

In response, Microsoft has expanded our work to advance a more fair and equitable justice system by focusing our efforts on policing, alternatives to arrest and incarceration, and prosecution. Our aim is to reduce racial disparities at the front end of the system by sharing our technology and expertise with justice reform organizations and applying the insights we gather from these partnerships and collaborations.

In addition, we are encouraging our employees to get involved through our pro bono services, serving organizations like the Seattle Clemency Project, Washington Innocence Project, and the Urban League of Metropolitan Seattle by providing legal aid and mentoring support to incarcerated individuals and people navigating the reentry process.

▾ Driving progress towards a more equitable justice system



Our approach

Technology and expertise

To advance a more fair and equitable justice system, we are offering our technology and expertise to partners who are working in the following areas: improving law enforcement policies, programs, and practices; accelerating adoption of evidence-based diversion programs; and empowering prosecutors through data-driven transparency and accountability.

To guide this work, we have adopted the following principles:



Rooted in the community

While national change is critical, justice systems and law enforcement agencies are inherently local, and our work must be rooted in the community.

Intersectionality

The impact of the justice system on racial and ethnic minority communities is connected to other social justice issues, including economic opportunity, access to affordable housing, and educational equity. We must recognize and respect the intersectionality of these issues and the realities of structural racism as we work to drive change.

Scaled through partners

Change cannot be achieved by one entity alone. To make meaningful progress we partner with organizations who are working to drive change.



Transparency

We will ensure that data insights are available to organizations and communities working on reform to monitor progress and drive accountability.



Enlisting our employees

Our employees will help us accelerate our impact, and we will create opportunities to enable them to contribute to our efforts.



Using our voice

We will continue to speak out publicly against racism and inequity and will elevate the voices of those working to advance a more equitable justice system.



Working together for equity and reform

Inspired by the dozens of employees who are already working for equity and justice system reform, we hope to create even more opportunities for broad engagement and action.

For decades, racial disparities in the justice system have torn apart Black and African American communities across the country. Many communities, including our employees, have experienced and are still experiencing deep grief, sadness, anger, and frustration. They are demanding justice, change, and accountability around the country.

In late 2019, Melanie Scott-Bennett, Quala Etuk, Curtis Clay, Jonathan Lindsay, Nykeesha Griffin, and dozens of other chapters of the Blacks at Microsoft (BAM) Employee Resource Group, set out to host a series of justice reform town halls in select cities across the country. These town halls were intended to bring together local representatives for solution-oriented discussions about critical justice reform issues. The Las Colinas chapter hosted their event in late 2019, but by spring 2020, it was clear that the remaining events in Charlotte, Atlanta, Washington D.C., and Seattle would not be able to move ahead as originally planned due to the COVID-19 pandemic. The planning committee quickly pivoted to a virtual format and brought these events online beginning in April 2020—an adjustment that proved to be timely given the tragedies that followed. These events provided a sense of connection during a remarkably challenging year and helped Microsoft shape the expansion of our Justice Reform Initiative.

We are committed to this work for years to come, and our employees are an important part of shaping that future. That is why we are continuing these important conversations this year, in partnership with BAM chapters in Southern California, Chicago, New York, and Costa Rica. Discussion themes will focus on reimagining policing and public safety, evaluating the role of the prosecutor and local government, and activating allyship and activism in our communities. The next iteration of this series is designed to provide a comprehensive understanding of front-end justice reform and create pathways for deeper community engagement. Inspired by the dozens of employees who are already working in the fight for equity and justice system reform, our hope is to create even more opportunities for broad engagement and action.

Blacks at Microsoft (BAM) is a Microsoft Employee Resource Group with a mission to achieve strong representation of Black employees at all levels of the company. BAM was founded in 1989 as the first Microsoft-sponsored employee resource group. Today, in partnership with Africans at Microsoft, the BAM community has more than 4,000 members around the world. BAM is dedicated to strengthening a strong network of Black leaders at Microsoft, supporting the continued growth and development of black employees, and encouraging students to pursue a career in technology.



Our employee resource groups

Progress

Partnerships accelerate impact

In the last year, we have established more than 20 strategic partnerships with nonprofits, local and state governments, communities, and research organizations to advance and accelerate their impact. Here is a snapshot of our progress.



National Network of Offices of Violence Prevention

With support from Microsoft, the National Institute for Criminal Justice Reform, Advance Peace, and the Center for American Progress has worked closely with a group of national experts, advocates, and practitioners to redefine and expand the definition of public safety beyond policing, to help reduce the emphasis on law enforcement, and maintain credibility with those at highest risk of violence. By creating the National Network of Offices of Violence Prevention (OVP), this partnership brings together 20 plus local government agencies working to reduce violence and improve lives, to support peer-to-peer learning, education, data collection and analysis, and amplification in the media. OVPs can meaningfully reduce the volume of individuals entering the justice system and address public safety concerns before they rise to the level of police action. It is a powerful tool for addressing disparities and shrinking the outsized footprint of the justice system in Black and African American communities.

[National Offices of Violence Prevention Network](#)



Neighborhood Data for Social Change—USC Sol Price Center for Social Innovation

The Neighborhood Data for Social Change (NDSC) project is in its second year with ongoing support from Microsoft. It serves communities in the Los Angeles region with high-quality and policy-relevant data, enabling local nonprofits and civic institutions to make data-driven decisions to improve the quality of life for low-income residents and families. The project aims to collect, aggregate, and disseminate neighborhood-level criminal justice data from multiple law enforcement jurisdictions across Los Angeles County. In addition to the work with data, this project focuses on community engagement through a series of listening sessions where community voices have a chance to influence future research. NDSC incorporates the local criminal justice data into the existing NDSC platform, providing users with a detailed and nuanced understanding of key indicators to track criminal justice trends within specific Los Angeles neighborhoods. It also allows users to better understand how criminal justice data interacts with trends from other critical policy areas, including homelessness, education, housing, jobs, and economic development. The *NDSC Year 1 Wrap Report* highlights findings and progress to date.

[Neighborhood Data for Social Change Project](#)

[Read the *Year 1 Wrap Report*](#)



Vera Institute of Justice

Microsoft is working with the Vera Institute of Justice to support its Arrest Trends tool and the Institute's Reshaping Prosecution initiative. The Arrest Trends interactive visualization tool is designed to inform the narrative about policing in the US, drive policy change, and support new policing practices. The tool collates and analyzes publicly available, but isolated, data on various law enforcement-related indicators (e.g., arrest rates and arrest trends across demographic groups). Microsoft provided support to develop an infrastructure, based on our Azure cloud platform, to enable the creation of the tool and the visualization capability. The Reshaping Prosecution Initiative partners with reform-minded prosecutors to use the power of their offices to address the harms of systemic racism by implementing data-driven policies and practices that reduce incarceration and increase transparency and accountability to the communities they service. Microsoft provided support for a variety of local prosecutor office engagements that are currently underway and continues to explore ways to provide data and engineering expertise.

[Find out more about the Vera Institute of Justice](#)

[Vera Institute of Justice Arrest Trends](#)

[Vera Institute of Justice Reshaping Prosecution Program](#)

Progress (continued)



LEAD National Support Bureau

In 2011, in partnership with a wide array of stakeholders in Seattle, WA, Public Defender Association helped to innovate and launch Law Enforcement Assisted Diversion (LEAD®), the nation's first pre-arrest, pre-booking strategy to address disruptive or unlawful conduct stemming from problematic mental illness, substance use and/or extreme poverty. Centered at the intersection of public health, public safety, and racial equity, LEAD is expressly designed to build a new system of response to reduce the real harm (both individual and collective) that can stem from unmanaged behavioral illness. By pairing high-level systems change with intensive, long term, non-coercive street-based case management, LEAD reduces racial disparities in the justice system, increases equitable access to community care and services for low-income people and people of color, and displaces police enforcement as a primary mechanism of response to problems associated with unmanaged behavioral illness. Researchers now are speaking of LEAD, when implemented as designed, as reducing the "police-ability" of those who traditionally have been met, inappropriately, with a criminal legal system response.

A rigorous set of external evaluations in 2015 found that Seattle LEAD reduced rates of re-arrest by 58 percent, new felony charges by 39 percent, and prison admission by 87 percent while reducing systems costs and increasing rates of permanent housing by 89 percent and legitimate income by 33 percent.

In the decade since LEAD's launch, dozens of jurisdictions across the country and internationally began to replicate the model. In response to this growing interest, in 2016 PDA established the Lead National Support Bureau, which responds to the national demand for strategic guidance and technical support to jurisdictions developing or implementing LEAD initiatives.

In FY19, Microsoft began working with PDA to improve efficiencies and capacities for LEAD in Seattle-King County by creating an inter-agency data system to improve both operational efficiencies and evaluation capacities. Expanding this partnership in FY20 and FY21, today we're supporting the LEAD Proof of Concept Project, a three-year initiative to advance systemic reforms and reduce racial disparities across the nation by increasing LEAD's visibility, sustainability, and impact in a diverse set of jurisdictions implementing the LEAD model around the country.*

*The LEAD Proof of Concept Project is providing technical assistance and strategic support to a cohort of LEAD sites across the United States, including Allegheny County, PA; Atlanta, GA; Baltimore, MD; Ithaca, NY; Los Angeles County, CA; Seattle/King County, WA; and Washtenaw County, MI. Several other sites also receive heightened technical support from the Bureau to the extent resources permit.

- [Public Defender Association](#)
- [LEAD National Support Bureau](#)
- [LEAD Program Evaluation: Recidivism Report](#)
- [LEAD Program Evaluation: Criminal Justice and Legal System Utilization and Associated Costs](#)
- [Seattle's LEAD Program: Within-Subjects Changes on Housing, Employment, and Income/Benefits Outcomes and Associations with Recidivism](#)



Center for Court Innovation

The Center for Court Innovation works to create a fair, effective, and humane justice system by performing original research and helping launch reforms around the world. During the COVID-19 pandemic, Los Angeles County achieved an unprecedented 25 percent reduction in its jail population; however, the percentage of racial and ethnic minorities remaining in jail increased. In partnership with the Alternatives to Incarceration Initiative in Los Angeles (LA ATI), the Center for Court Innovation works to directly address this trend by helping LA ATI scale up jail diversion through an anti-racist lens. In support of this partnership, Microsoft provides diversion-focused technical assistance, which will help generate learnings for creating equitable diversion programs across the US.

- [Center for Court Innovation](#)
- [Alternatives to Incarceration Initiative](#)

In addition to these highlighted partners, we also work with other key organizations including Campaign Zero, the Policing Project at the NYU School of Law, the National Police Foundation, the National Network for Safe Communities, and National Neighborhood Indicators Partnership. Beyond partnerships, we support community-based organizations through our new grant program—a pilot project in partnership with the Urban Institute, a Washington, D.C.-based nonprofit research organization and think tank. To date, we have received 51 applications from nonprofits and intend to award 10 grantees to receive a financial grant and technology resources to fund data projects related to reducing racial disparity in the front end of the justice system.

- [The Urban Institute](#)

Key learnings

What we must do

Partnerships and employee involvement have been a key component of our work, but to drive systemic change, we must also engage in the policy debate and be an amplifying voice.

1 We must partner to drive deeper impact

Since 2019, we have had the opportunity to engage with so many great partners who have enabled us to build a strong foundation and accelerate our work to improve law enforcement policies, programs, and practices. Our work in these areas, and our commitment to our partners, took on even greater meaning following the events of last summer, events that only amplified the existing calls for systemic justice reform. When we announced our Racial Equity Initiative, our commitments included building upon our foundation in policing reform, expanding the scope to include diversion and other alternatives to incarceration, as well as prosecutorial reforms. This shift to focus on all the front-end pieces of the justice system affords us the incredible opportunity to engage more deeply with existing partners while also focusing on a broader subset of issues going forward.

2 We must provide education to inspire action

We have learned a great deal from our employees through our internal justice reform town halls, hosted in partnership with the BAM. They have taught us how to turn education and understanding into action. Employees around the company have found ways to support their communities, and as such, we are continuing this town hall series with conversations focusing on reimagining policing and public safety, the role of the prosecutor and local government, and activating allyship and activism. It is our hope that these conversations will provide a space for solution-oriented dialogue, while also continuing to inspire action from our employees.

3 We must engage in the policy debate

If we want systemic change, it is important for us to engage in the policy debate. In 2018, Microsoft was involved in efforts to pass the First Step Act through Congress. The First Step Act was a bipartisan bill that provided meaningful sentencing reforms aimed at reducing the prison population. The murders of Ahmaud Arbery, George Floyd, and Breonna Taylor in 2020 reignited calls for police reform and racial justice. Those amplified voices have led to new legislation at the federal, state, and city level. Since the murder of George Floyd, more than 30 states have passed over 130 laws focused on policing. Our efforts will focus on policy and advocacy work to help realize meaningful changes to and within our justice system.

↘ [The First Step Act legislation](#)

4 We must be in this for the long run

This past year was a point of acceleration, but it was not the beginning, nor is it the end. And despite the progress we might have made, there is still much work to be done and we will continue to press forward with determination.



“The inequitable treatment of persons in the US based on color and socioeconomic status is a fundamental failure that needs to be addressed.”

Merisa Heu-Weller, Senior Director of Microsoft's Justice Reform Initiative





Filling a unique space through mentorship and support

“The clients have passions, interests and skill sets that they want to translate into the real world as they embark on this new chapter in their life.”

Annie Romas, Microsoft Talent Acquisition Director

When faced with a massive issue like justice reform, it’s easy to feel overwhelmed by how much work there is to be done. For Annie Romas, the answer came in the form of using her professional skills to make an impact.

A talent acquisition director at Microsoft’s Redmond headquarters, Romas attended a Seattle Clemency Project (SCP) presentation by the Microsoft Pro Bono team and quickly became eager to put her passion for justice reform into action. SCP matches clemency-eligible incarcerated people in Washington with free, high-quality legal representation.

Using her background in human resources, Romas developed a mentoring program that pairs a Microsoft volunteer with a recently released SCP client to provide personal and professional coaching, guidance, and assistance.

“The clients have passions, interests, and skill sets that they want to translate into the real world when embarking on this new chapter in their life,” Romas says. “That’s where the mentors come in, helping them learn how to use and articulate the skills they’ve developed while incarcerated and how to identify opportunities that make sense. It’s also a lot of personal mentoring; we’re helping them during a very overwhelming and stressful transition as they learn how to successfully re-enter society. We’re essentially supporting them in their discovery of ‘how they can become the best versions of themselves.’”

The program, which started in October 2020, has 15 client-mentor pairs, with more on the way as additional clients receive clemency. The mentors act as sounding boards, helping these recently released individuals navigate through a dramatically different world.

“The clients are beyond grateful to have someone investing in them,” Romas says. “For many, it’s the one cheerleader in their life.”

Romas notes that when one of the clients first interacted with the program, he was not sure it would be a fit or really help. However, the client has since expressed that the program has been the “best thing” in his life and provided an opportunity to express himself and not be judged or criticized. The client shared, “I don’t think I’ve let her see me cry yet, but there have been times when I was on the verge, and I knew that if I did, she would still accept me for who and what I am. Thank you tremendously for placing us together, I wouldn’t want anyone else as my mentor/friend.”

While the Microsoft Justice Reform Initiative focuses primarily on reducing the number of people coming into the system, Romas was pleased to be able to fill a “unique space” for those being granted clemency, focusing on their futures with her mentorship program.

“I thought, ‘How can I make a difference?’ And this is the place where I can do it,” Romas says. “I went into it wanting to give my time and experience to something I was passionate about. We’re finding that we are receiving equally as much in return. They are inspiring individuals.”

Romas is forward thinking and already considering how she can bring some ideas to fruition for the program. This includes the creation of a talent pipeline, enabling SCP clients to access Microsoft employment opportunities. “It’s about realizing the value of a whole person and contributing to their pathways to success now and for the future.”

Systems change

Four focus areas

As we learn from our work with partners and decades of justice reform research, along with the ongoing patterns of inequality we see in society, we are further persuaded that real change will come not just from programs, but also policy.

Legislators around the nation agree: many states and localities are advancing policy changes to improve outcomes in the justice system. But much more work must be done. This is something Microsoft understands—especially after last year—and we acknowledge that we will grow stronger as a country when the private sector works with the social sector and the public sector to reduce racial and ethnic disparities. We encourage all those seeking change to pursue justice reform efforts to commit to the following:

- 1 Be guided by data and research**
- 2 Advance transparency and accountability**
- 3 Support equitable investment of resources**
- 4 Advance responsible deployment of emerging technologies**

In the coming year we hope to work in select jurisdictions to help advance policies that are also anchored in these commitments.





A commitment to helping others through pro bono service



Learn more about Microsoft's pro bono work

Michael Lidel turned his life around in prison, but because Washington is a no-parole state, he had little hope of being released. In partnership with the Seattle Clemency Project, a team of Microsoft volunteers prepared a clemency petition for Lidel and represented him before the Washington State Clemency and Parole Board, which unanimously recommended that the governor grant him clemency. Several months later, the governor granted Lidel clemency and on January 18, 2021, Martin Luther King Day, Lidel was released from prison. At 63 years old, Lidel is excited to live with his wife Shirley once again and to hold his grandchildren, whom he treasures dearly.

The Microsoft Pro Bono program empowers Microsoft employees to provide legal services to organizations and people who cannot afford an attorney. In the justice reform space, the program works closely with several legal service partners—including the Seattle Clemency Project, King County Bar Association, the Washington Innocence Project, Civil Survival, and the Urban League of Metropolitan Seattle—to provide individuals in need with legal services that might be otherwise inaccessible.

Our employees have successfully helped create opportunities for clients to rejoin civil society with successful clemency petitions and petitions to release incarcerated individuals sentenced as juveniles. In these matters, legal representation and counseling go a long way towards helping clients navigate the legal process and tell their stories.

Our teams have also helped clients with successful requests to vacate convictions or clear records in cases where the law provides for that relief, including in Washington state and Georgia. This makes a huge difference in clients' lives because criminal convictions can impact their ability to obtain a job, secure housing, and pursue education. As Microsoft volunteer Erin Flaucher shared, "Criminal records can be a significant barrier in someone's ability to obtain stable housing and employment, without which moving out of poverty seems nearly impossible. I wanted to help have a direct and immediate impact."

While most Microsoft employees providing direct client services are legal professionals, any employee can participate, either in partnership with an attorney on a case or by volunteering their skills in other ways that support our partners. For example, Microsoft business professionals have helped the Seattle Clemency Project with its marketing strategy and with expanding reentry support for formerly incarcerated individuals.

Across this work, Microsoft volunteers are contributing their time to achieve equal justice and the protection of civil rights for their clients.

"After volunteering for SCP, I now understand the huge value that legal pro bono work has on literally life or death situations in terms of 'impact per hour.'"

Michelle Stamnes, Microsoft volunteer



Pro bono

30

Microsoft employees have provided pro bono legal representation to over 30 Seattle Clemency Project clients.

207

The number of hours that Microsoft employees volunteered for shifts with Election Protection, helping voters exercise their fundamental right to vote.

What's next

Looking ahead

Our Justice Reform Initiative will continue to focus on catalyzing change in policing, prosecution, and diversion, and prosecution by investing in community groups and nonprofits. But we will also look to advance systems change through public policy and advocacy, alongside amplifying the voices of those most impacted by the inequities in the justice system.

This will require us to:

- 1 Advance and accelerate the impact of organizations**, especially those using data and technology, that are committed to eliminating racial disparities in policing, prosecution, and diversion. We will continue to establish and deepen strategic partnerships. And in the coming year, we will go deeper in communities by providing cash awards and technology resources to 40 community-based nonprofits through our new grant program.
- 2 Engage in public policy and advocacy** that is focused on making structural changes to our justice system that improve policing, prosecution and better define public safety for communities. This includes supporting the passage of federal and state legislation.
- 3 Leverage the Microsoft voice to advance the public conversation** surrounding equity and fairness in the justice system, while seeking to amplify the voices of those most impacted.
- 4 Foster a vibrant justice reform-minded employee community** by creating space for employees to listen and learn from each other, hosting events with thought leaders, communicating our progress, and providing community engagement opportunities, to ensure every employee understands the critical need for justice system reform and the role they must play.



Working to implement strategies to advance social justice

Two critical elements set Redmond-based Microsoft employee Merisa Heu-Weller on the path to working toward a more equitable justice system. One was a series of experiences during undergrad working alongside traditionally disenfranchised communities in Los Angeles. The other was the experience of her father, who grew up in the segregated South, where the “wrong” encounter could be fatal—whether with extremist groups like the KKK or with civil servants like the police.

“Those two things are key personal connections for why I’m passionate about my job,” says Heu-Weller, the Senior Director of Microsoft’s Justice Reform Initiative. “I feel privileged to build upon these experiences and pursue justice reform and racial equity at Microsoft.”

The initiative initially focused on driving reform in policing, with the goal of minimizing the footprint of the justice system so that fewer persons—the large majority of whom are Black—get enmeshed in the system unfairly. Heu-Weller’s team uses Microsoft’s technology expertise and resources to improve access to, and usage of, data highlighting racial disparities while also promoting transparency between those working within the system and the community members they serve.

“A lot of this has to do with the recognition that the inequitable treatment of persons in the US based on color and socioeconomic status is a fundamental failure that needs to be addressed,” she says. “This is a critical issue that is particularly acute in the Black and African American community, but the extent to which we can change this norm benefits everyone in the country.”

Moving forward, Heu-Weller will build upon the initiative’s partnership approach while also focusing on policy and working to implement strategies to change the underlying societal structures that have made the justice system inequitable. As a Black and Japanese American woman, it’s a task she does not take lightly.

“On day one of this job, I told my kids, ‘This is a hard job but it’s an important job because if we can make an iota of difference, it can have ripple effects for our family and for our community.’ That would be amazing and an honor.”

“Justice reform is an ‘all hands on deck’ movement. We need everyone to bring their talents, resources, and determination if we are to see meaningful change.”

Merisa Heu-Weller,
Senior Director of Microsoft’s
Justice Reform Initiative



Protecting the right for legal, safe, and secure voting for all

A healthy business requires a healthy community, and a healthy community requires that everyone, in every district, has the right to vote conveniently, safely, and securely.



This year we have seen several states introduce voter protection and election legislation. As legislatures continue to consider voting legislation, we encourage them to keep these three principles in mind:

- 1 **Voting for all eligible American citizens should be easy**
- 2 **The security and integrity of elections should be protected**
- 3 **Voters should have access to information so they can make informed decisions**

These principles have guided Microsoft's engagement in several states this year. For example, Microsoft expressed their support for Hawaii's legislation enacting automatic voter registration. We supported New Hampshire's efforts to make it easier to register to vote and request an absentee ballot. We also supported a Washington state bill that restored voting rights to over 20,000 Washingtonians with past convictions—further expanding access to the voting booth to more eligible voters.

Supporting efforts of expansion are not enough—we also recognize the importance of working with policy makers to improve legislation that we felt did not meet our three main principles. For example, Microsoft President Brad Smith published a blog voicing concern about specific provisions of Georgia's law that unfairly restricts the rights for legal, safe, and secure voting. Furthermore, he expressed concerns around the impact on "communities of color, on every voter, and on our employees and their families." In addition to using our own voice, we also worked in coalition with other businesses and stakeholders.

It is also critical that our election infrastructure, including security safeguards relating to elections, are modernized. Microsoft supports efforts to modernize security and provide safeguards for our elections. Microsoft has partnered with voting machine vendor Hart InterCivic to incorporate Microsoft's ElectionGuard software into Hart voting systems. The partnership will make Hart the first major voting machine manufacturer in the United States to provide "end-to-end verifiability" to voters, providing officials the ability to confirm ballots were counted in an election without outside interference or tampering.

Lastly, but critical to ensuring a well-informed electorate, is access to accurate and reliable information. We work to ensure all voters have access to clear, accessible, and understandable information. Information about when, how, and where to vote should be easily accessible. Voter pamphlets laying out the issues on the ballot should also be available for voters. We also work to address issues of disinformation and support efforts to strengthen local journalism.

Taken together, we believe these principles and our efforts represent a balanced approach, and we will continue working alongside lawmakers, businesses, and other leaders to support reforms that align with these principles.

- [Microsoft's response to protect the right to vote](#)
- [We stand for democracy advertisement](#)
- [Joint press release on the partnership with Hart InterCivic](#)



The right to vote is the most cherished aspect of democracy and this right must be protected. This is important to Microsoft as a business and an employer.

Broadband

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Pew Research Center data indicates that **17 percent of Black and African American adults rely solely on smartphones to access the internet, compared with 12 percent of their white peers.**

The issue

Barriers to broadband connectivity

As more of life's necessities move online, broadband connectivity has become the electricity of the 21st century. Broadband links people to life-changing tools that help them access quality healthcare, find and maintain meaningful employment, manage social connections, and more.



Yet millions of Americans — particularly racial and ethnic minority communities—lack a broadband connection at home and are left on the wrong side of the digital divide, effectively cut off from access to the opportunities of their connected peers, and at risk of falling behind.

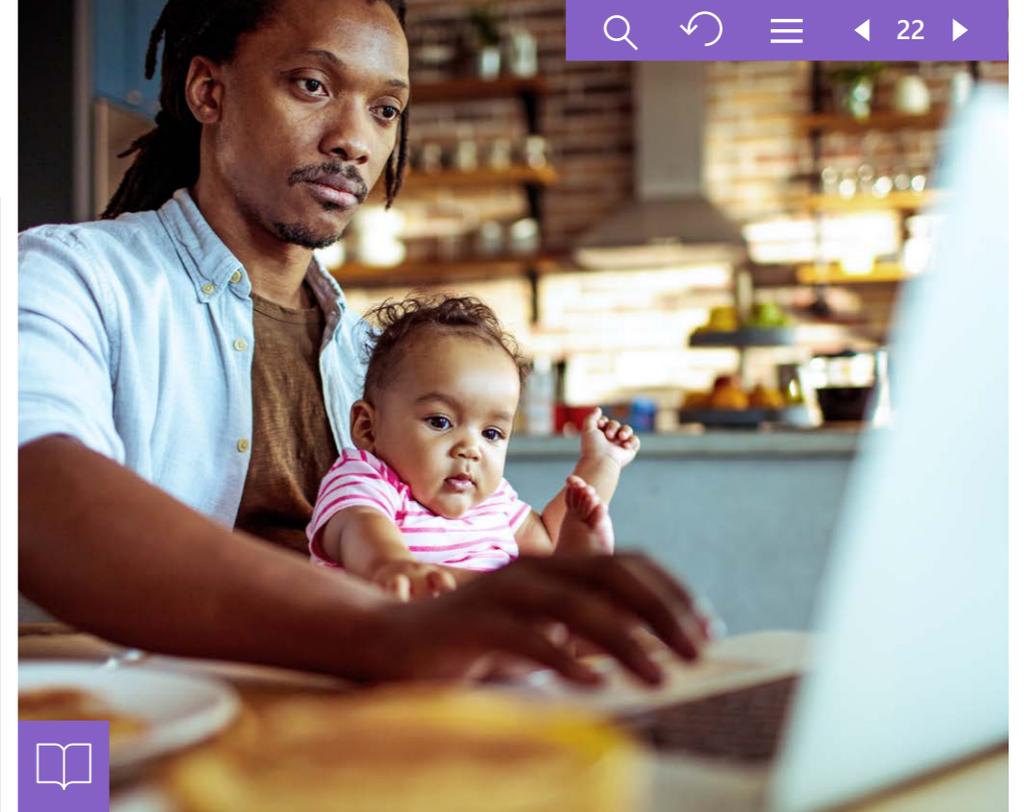
The challenge is complex, and there is no one-size-fits-all answer. In rural parts of the country, what is often lacking is infrastructure—the technological means to bring reliable broadband services to remote communities. According to the National Digital Inclusion Alliance's February 2020 paper, *Measuring the Gap: What's the right approach to exploring why some Americans do not subscribe to broadband*, for persons living in US cities, where availability is nearly ubiquitous, a bigger barrier to broadband adoption is often affordability. Add the challenge of accessing the internet without a robust device like a laptop or desktop computer, and it becomes materially harder to run a business, virtually meet with your doctor, or go to school online. Affordable broadband and internet-optimized devices, along with training in the digital skills to use them, go a long way toward the goal of digital equity.

↘ National Digital Inclusion Alliance's *Measuring the Gap* report



17%

of Black and African American adults rely solely on smartphones to access the internet, compared with 12% of their white peers.



The Connection Disparity

A broadband connection is critical to tap into today's digital reality, but it can be extremely difficult to do so without a robust device like a laptop or desktop computer. From screen size and processing power to connectivity plans and data caps, a smartphone just cannot provide the best environment to run a business, virtually meet with your doctor, or go to school online. The digital divide disproportionately impacts racial and ethnic minority communities. Compared with their white peers, communities of color face a significant device gap. In fact, a recent report from the Pew Research Center indicates that 17 percent of Black adults rely solely on smartphones to access the internet, compared with 12 percent of their white peers.

↘ The Pew Research Center broadband report

Our approach

Microsoft Airband Initiative: expanding access

While broadband infrastructure largely exists in Black and African American communities, we often see low levels of adoption due to affordability, lack of access to computing devices, low digital skills, and other barriers.

To address the barriers, we are expanding the Microsoft Airband Initiative; originally established in 2017 in partnership with internet service providers (ISPs) to speed rural deployment and connections, the initiative will now include service delivery to Black and African American communities in urban areas.

Under the expanded Microsoft Airband Initiative, we are targeting eight cities across the US to address broadband affordability and other obstacles to adoption that go beyond infrastructure, including enabling the digital transformation of the institutions that support these

communities. We analyzed American Community Survey data to identify those critical US metropolitan areas where Black/African American and Hispanic/Latinx communities have low levels of broadband adoption compared to their white neighbors. The cities of highest need were then mapped against existing Microsoft investments, programs, resources, and assets that we could best leverage to amplify efforts at the local level, ultimately identifying Atlanta, Cleveland, Detroit, El Paso, Los Angeles, Memphis, Milwaukee, and New York City as the sites for our expanded work.

Community leaders and stakeholders are already working to drive digital inclusion in each of these markets and we recognize they know best where the most acute problems lie, as well as the most promising solutions. To ensure that our efforts are complemented and accelerated, we work collaboratively with our internal teams to build relationships with local leaders and agencies to drive digital inclusion in each market and support stakeholders from philanthropic foundations to housing authorities to nonprofit agencies to local businesses. As our pilot projects take shape, we will also engage employee resource groups at Microsoft like the BAM—particularly local chapters such as BAM Los Angeles and BAM Atlanta—to support the work through employee volunteerism and community connections, engaging a whole community and company approach.

-  Microsoft's Airband Initiative
-  Microsoft expands low-cost broadband push to eight cities to address racial, digital inequality
-  Microsoft's global skills initiative

Actions helping to close the gap and advance digital equity

We partner with private and public sector organizations, nonprofits, and other stakeholders to provide a suite of solutions enabled by broadband networks. Our work is grounded in four key principles:



Providing affordable devices

Our innovative financing models and partnerships with device refurbishers are providing free and low-cost devices to racial and ethnic minority communities.

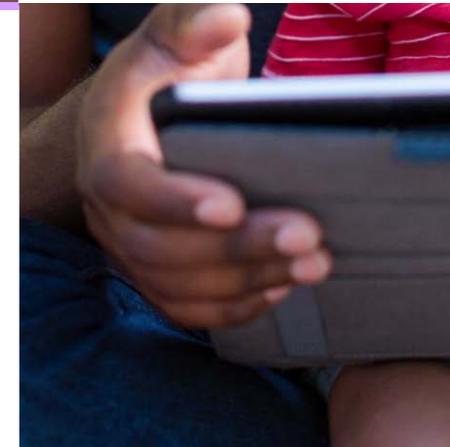
Growing digital and workforce skills

Our digital skilling activities leverage our partners and our Microsoft global skills initiative to grow digital literacy and help communities to fully reap the benefits of technology.



Expanding connectivity

Our partnerships with ISPs, nonprofits, and other stakeholders are accelerating access to affordable, always-on, in-home broadband among unserved and underserved communities, especially the Black and African American community.



Advancing policy

Our efforts, and those of others, will be furthered through systemic changes driven through policy advancements that address immediate and longer-term digital divide challenges.



Personal experience drives mission to expand affordable broadband

“My brother would love to start his own business, but he’s also limited by technology.”

Vickie Robinson, General Manager for Microsoft’s Airband Initiative

Washington, D.C.-based Vickie Robinson is the general manager of the Microsoft Airband Initiative. From personal experience, Robinson understands the critical need to expand affordable high-speed internet in urban centers. Her brother and his family, who live in Milwaukee, Wisconsin, largely rely on mobile phones rather than paying for broadband and the devices to use it. Her brother would love to start his own business, and though he recently got a broadband connection, he doesn’t have a laptop or desktop and still relies on his smartphone to access the internet, making it difficult to create a business plan or apply for a small business loan. “What if he could get broadband, and people taught him how to use the technology in a way that’s relevant and would empower him and his entrepreneurial aspirations?” she muses. “He’s my not-so-secret case-study and passion.”



Microsoft recently launched partnerships in eight cities, including Milwaukee, to offer affordable broadband service along with low-cost devices and digital skills training.

Progress

Taking a learning approach

In the first 12 months of the expansion of our work in urban areas, we have taken a learning approach, investing in a wide range of partnerships and projects to test various models for driving broadband adoption in racial and ethnic minority communities.



Affordable broadband in Los Angeles

In Los Angeles, we are partnering with Starry, Inc., an ISP that makes low-cost broadband service available in public and affordable housing communities through their digital equity program Starry Connect. Together, we are setting up new connections to provide affordable broadband in four Housing Authority of the City of Los Angeles communities in Watts and Central-Alameda. Since the pilot launched last fall, more than 1,000 households have been connected, enabling children to access online classes and others to get help with healthcare, finances, and more. Further, we piloted a device financing program for Starry's low-cost broadband customers, designed for persons who may be challenged by low credit scores or no credit history and therefore would otherwise be ineligible for financing. This has enabled customers to purchase PCs and software such as Microsoft's Surface Go 2 and Office for Home and Student for \$22 per month over two years, with a zero-interest rate. We have launched this program in Los Angeles and New York City and will be expanding the program with additional partners in the remaining six cities over the coming months.

Find out more about Starry, Inc.

The Starry Connect program

Find out more about the broadband pilot in Los Angeles



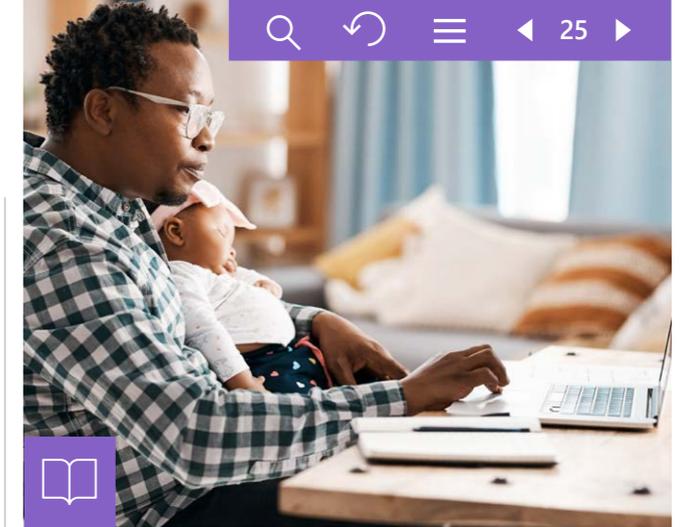
Connectivity and devices in Cleveland

In the Cleveland area, we are participating in a public-private partnership bringing together state and local governments with local companies like the Eaton Corporation, and GE Lighting, a Savant Company, as well as University Hospital, Metro Hospital, and the East Cleveland City Schools. Our partner PCs for People is a nonprofit best known as a device refurbisher—they repair donated laptops and desktops and sell them at deeply discounted prices. We have recently invested in their new ISP, and working with the partners listed above, launched a pilot in East Cleveland that will provide underserved households with affordable, high-speed internet and affordable devices. Nearby, in the city of Cleveland, we are supporting another innovative nonprofit wireless ISP, DigitalC, in their efforts to deploy Citizens Broadband Radio Service technologies in a hybrid network that will connect thousands of residents of underserved neighborhoods. In this project, we will also expand access to affordable devices and digital skilling to drive adoption and utilization of these services.

Find out more about PCs for People

PCs for People's East Cleveland pilot project

Find out more about DigitalC



Building digital skills

Once Black and African American communities have access to an affordable broadband connection and the devices to use it, we work with our partners to grow digital skills that increase pathways to better-paying jobs in the digital economy. In collaboration with partners, we are working to increase our awareness of, and access to, our global skills initiative, including aligning with the Airband expansion to eight new cities in the US. After someone signs up for affordable broadband and purchases or receives a device, our partners connect them to our skills training platform, where they can discover new career paths, learn relevant skills, find jobs that are in demand, and stand out to recruiters. Our partners also include our skills initiative curriculum in workshops for focus communities, providing baseline digital skills training, including on topics such as creating files and digital collaboration, creating an email account, navigating the internet, building a resume, and job searching.

Microsoft's global skills initiative update

Access global skills initiative training



An all-inclusive approach to bridge the digital divide

“There is a clear correlation between digital inclusion and economic inclusion. We are providing people an opportunity to see what the internet has to offer and help them with their health, stay connected, and do things we take for granted.”

Norma Fernandez, CEO, EveryoneOn

Bridging the digital divide takes more than one step. An all-inclusive approach is needed to address the primary factors that compose the digital divide: internet access, device availability, and skills training. Through the development of strategic local partnerships, Microsoft is helping provide a holistic solution in Los Angeles, California, giving underserved communities there the chance to connect and thrive.

Internet service provider Starry worked with the Housing Authority of the City of Los Angeles (HACLA) to identify four affordable housing communities, in neighborhoods like Watts, in most need of broadband access. The Starry Connect program eliminates barriers around cost and eligibility to provide \$15/month, 30 Mbps symmetrical broadband for all residents of the housing communities.

“We hope it’s a boon for the people living there,” says Virginia Lam Abrams, Starry Senior Vice President of Government Affairs and Strategic Advancement. “We designed our Starry Connect program to remove the barriers that dissuade residents from signing up for internet service—namely credit checks and onerous application processes—with the goal of getting families online, faster.”

The approach is furthered through another collaborative nonprofit partnership in Los Angeles that delivers refurbished Surface Go devices to individuals who otherwise can’t afford a computer. This access to service, paired with device delivery is then supported through another partnership with EveryoneOn, a nonprofit that works directly with the residents to teach them digital skills, from the basic steps of turning on the computer to applying for in-demand jobs through Microsoft’s skilling initiative. Many of the persons who take part in the classes are thrilled to be able to navigate the digital world with confidence.

“It’s really amazing to hear what this has meant to people as first-time internet users,” said EveryoneOn CEO Norma Fernandez. “There is a clear correlation between digital inclusion and economic inclusion. We are providing people an opportunity to see what the internet has to offer and help them with their health, stay connected, and do things we take for granted.”

[Find out more about Starry, Inc.](#)

[Find out more about EveryoneOn](#)



Free Surface devices were gifted to select Starry Connect customers in Los Angeles, California as part of a company effort to encourage broadband adoption in the local community.

Key learnings

Affordable, simple, and collaborative

We continue to believe—and early results from our pilot projects demonstrate—that offering attractive, affordable broadband plans alongside access to affordable devices and digital skills addresses multiple barriers to broadband adoption. This will result in increased adoption and usage among underserved racial and ethnic minority communities, particularly Black and African American communities. Our takeaways from our work over the last year include:



1 Broadband plans must be affordable and straightforward

In some urban communities, affordable broadband options may already exist, but too often residents in those communities are not aware of them. Signing up can also be a complicated process, requiring applicants to provide onerous documentation to demonstrate need. We need to remove barriers and help enable access, faster, which is why we are working with EveryoneOn, a nonprofit that connects community residents to low-cost home internet service. Their Offer Locator Tool helps people find affordable broadband offerings based on their zip code and identify the offerings for which they qualify. They have also set up a bilingual internet enrollment hotline, in which residents can receive one-to-one support in finding and signing up for affordable broadband offerings where they live. They are also offering digital skills education opportunities for adults and train-the-trainer workshops in our eight cities, empowering local nonprofits and agencies to further drive change in the communities where they live.



2 Public-private partnerships will drive greater impact

Our East Cleveland partnership with PCs for People provides key learnings that we will integrate into our approach going forward. In this project, an extensive group of stakeholders—from state and local offices to additional corporate supporters, to community-based agencies—have come together in coalition to make a greater, faster, more relevant, and more lasting impact. Such broad-range stakeholder groups can pool assets such as funding, access to infrastructure, engineering expertise, community perspective, and more, in service of projects that no single entity could execute alone. We will seek to join and form similar coalitions as we develop and expand our work going forward.



Research and insights informing our work

As we embarked on expanding broadband access and adoption in urban areas, we drew heavily on the research and publications of several respected institutions and researchers. The National Digital Inclusion Alliance's *Worst Connected Cities* reports supported our approach on our place-based pilot programs. We also regularly reference the Pew Research Center's data on broadband availability and adoption, as well as the analyses of the Brookings Institution—especially the work of Dr. Nicol Turner-Lee. The Benton Institute for Broadband & Society's many publications and analyses are also a key resource. John B. Horrigan's research into barriers to home broadband has further been influential to our approach, as is our partner EveryoneOn, given their position as both digital inclusion practitioners and researchers.

- National Digital Inclusion Alliance's *Worst Connected Cities* report
- Pew Research Center broadband data
- Work of Dr. Nicol Turner-Lee, Director, Brookings Institution Center for Technology Innovation
- The Benton Institute for Broadband & Society
- John B. Horrigan's research

Systems change

Time to fix the broadband gap

We have long known that communities without access to broadband are being left behind, unable to benefit from the multitude of services offered through the internet.

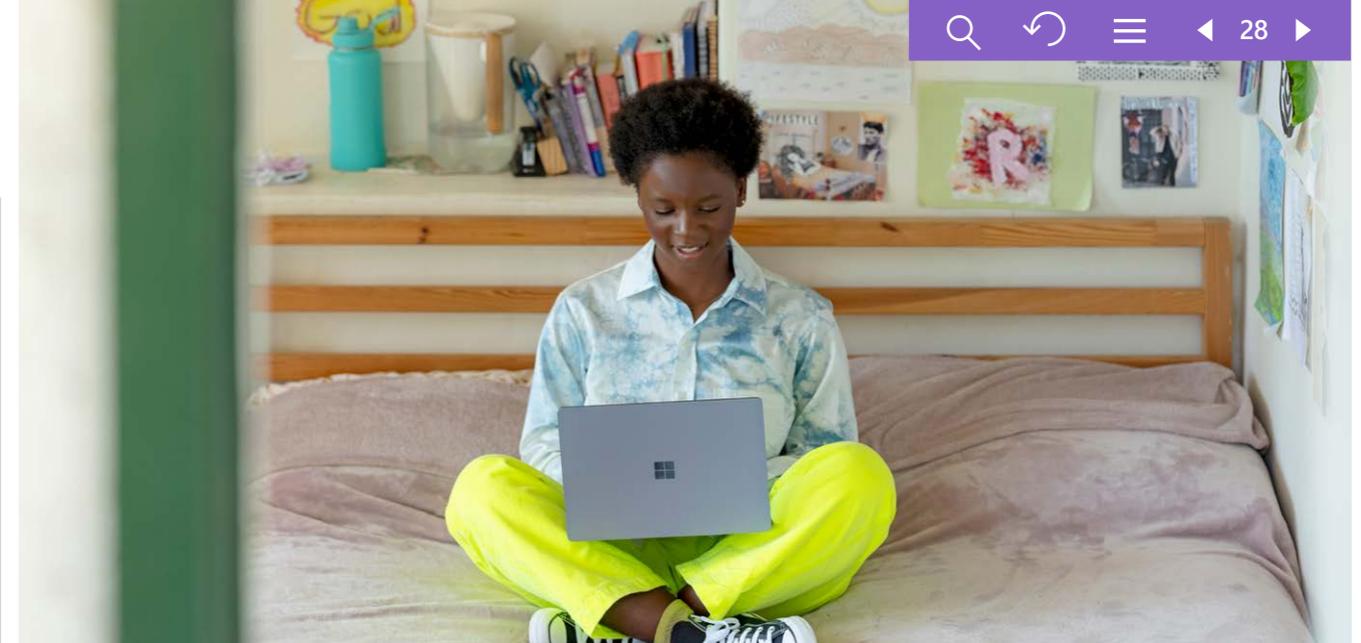
Early results from our pilot projects demonstrate that offering affordable broadband, and access to affordable devices and the digital skills to use them, can drive real change by bridging the digital divide in racial and ethnic minority communities. We must continue scaling these efforts by:

Targeting market need

As permanent broadband funding mechanisms are designed, we must ensure they are targeted to address a known market need; for example, the need to eliminate broadband deserts or connect students without broadband access for remote learning. Funding should be prioritized to reach unserved or underserved communities. This will require comprehensive and accurate broadband availability data and mapping, as we cannot solve a problem we do not understand.

Encouraging cost-effective and technology-neutral approaches

Funding amounts should be cost-effectively allocated to technologies and deployments that provide the maximum value through efficient use of funds. Through our learnings, we know that there is no-one-size-fits-all solution to network deployments and therefore encourage a technology-neutral approach where a mix of technologies—for example, fiber, satellite, and a variety of fixed wireless solutions—can be leveraged to deliver broadband speeds.



At this moment, there is a unique opportunity to permanently fix the broadband gap, maximizing what is possible for all Americans through leadership and smart investments.

Designing for long-term benefit

Broadband funding should provide a long-term meaningful benefit to make in-home broadband service affordable for income insecure households. Networks should be required to meet, at a minimum, an updated FCC-defined broadband standard, and have a roadmap to meet evolving standards.

Deploying rapidly

Given the urgency of the issue, preference should be given to solutions that will provide rapid deployment of broadband networks and services. History has taught us that technologies are deployed at different speeds, with wireless technologies (e.g., mobile phones) being deployed much faster than wireline technologies (e.g., electricity). We cannot leave another generation behind. Speed of deployment must be a part of the policy calculation.

Microsoft Airband initiative principles for digital equity:

Digital equity is necessary for civic and cultural participation, employment, lifelong learning, and access to essential services. Digital equity requires access to:

- 1 Affordable, robust broadband
- 2 Broadband-enabled devices that meet the needs of the user
- 3 Digital skilling



Connecting underserved communities in East Cleveland

“With everything going remote due to the pandemic, it really shone a spotlight on how difficult it was to do things without proper Internet access.”

Bryan Mauk,
Chief Innovation Officer for PCs for People

A collaborative partnership with PCs for People is advancing connections with underserved communities in East Cleveland, Ohio. The area, which is 94 percent Black, has been dramatically underserved in many areas including broadband. Large sections of the community are unable to access the internet because of a lack of infrastructure, and many simply can't afford devices.

PCs for People provides refurbished desktop computers for those in need. As a Microsoft Authorized Refurbisher, the organization can install low-cost Windows and Office licenses on the computers that are distributed to vulnerable populations. But the group quickly realized that wasn't enough in certain communities.

“With everything going remote due to the pandemic, it really shone a spotlight on how difficult it was to do things without proper Internet access,” says Bryan Mauk, Chief Innovation Officer for PCs for People.

In a public-private project with the state of Ohio, community organizations, and the Microsoft Airband Initiative, PCs for People is offering low-cost, fixed wireless internet to more than 1,000 residents in East Cleveland with the scale to serve another thousand in the future.

“This is both an issue of racial and economic justice,” Mauk says. “Microsoft helped give this project legitimacy. They took the first step because it was a priority for them. Now, we're looking at a broader approach for Cleveland. Just because you hit the city line doesn't mean the need isn't there.”



Ohio governor Mike DeWine joins PCs for People in East Cleveland, in April 2021, to announce the launch of their fixed wireless network that will provide affordable broadband to the community.

What's next

Tackle barriers and speak out

The pandemic has only further underscored that the broadband gap has a devastating impact on the unconnected, especially on Black and African American communities. We need systemic change to solve a systemic problem, and that requires the federal and state governments to act, to permanently address the digital divide.

We finally see a willingness to address this issue, and leaders across the country and across the political spectrum are coming together. Moving forward, we will use our resources, our voice, and our perspectives to create systemic change to tackle the underlying structural barriers to digital equity and speak out for opportunities that advance affordable broadband to all communities. Microsoft is not alone in seeing this moment as an opportunity to finally connect the unconnected and make digital equity a reality for racial and ethnic minority communities, particularly the Black and African American community.

Working with, and through our partners, we will continue to:

1 Drive policy priorities that expand access and adoption, grounded in our principles for lasting digital equity. Specifically, we support policies that: defray the cost of broadband for low-income households; encourage the private sector to offer affordable options; defray the cost of computing devices; improve access to digital skills; and enhance competition to provide more options for consumers. We're already seeing what happens when the federal government takes decisive action: the FCC's Emergency Broadband Benefit Program enrolled more than one million households within one week of the program's debut—confirming the tremendous demand for federally-supported programs that drive down the cost of broadband subscriptions and computing devices. Across the Airband portfolio, our ISP partners have leaned into this program, using the funding to bring new connections and devices to the communities they serve.

2 Lead efforts to marshal funding, policy, and advocacy resources across private, public, and NGO partners to achieve digital equity at scale. Recently, we joined the Broadband Equity for All coalition as part of a coordinated push for Congress to provide long-term broadband subsidies to ensure that income-insecure families are not left behind. We will also support and engage in more advocacy efforts, including through our leadership role in trade associations, to affect change at the federal and local levels.

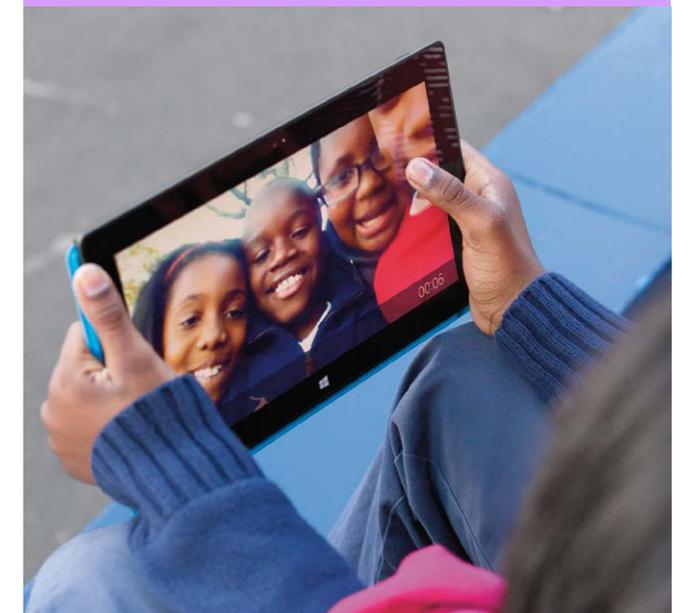
3 Continue, evaluate, and learn from pilots and partnerships to generate proof points for policy and advocacy positions. These projects—such as our work with Starry Internet in Detroit, Los Angeles and New York City, and PCs for People in Atlanta, Cleveland, and Milwaukee—will address the urgent connectivity needs of focus communities in the short term. The projects will also serve to prove out different technologies as well as innovative funding models to deliver rapid, affordable, and sustainable broadband to these communities and beyond. Our policy positions will be grounded in the perspectives gained from analysis of and learnings from these projects.

▼ The FCC's Emergency Broadband Benefit Program

▼ Broadband Equity for All



The pandemic has only further underscored that the broadband gap has a devastating impact on the unconnected, especially on Black and African American communities.



Skills and education

Black and African Americans make up almost 15 percent of US population, but only 6 percent of AP computer science students and hold just 8 percent of jobs in computing and math occupations.

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The issue

Building skills for jobs in the digital economy

Digital and computer science skills prepare students and job seekers for in-demand roles and open pathways to economic opportunity. However, the students who need these skills the most are also the least likely to have access to rigorous computer science courses.

Recent data from the *2020 State of Computer Science Education: Illuminating Disparities* report indicates that in high schools teaching Advance Placement (AP) computer science, just 6 percent of students are Black or African American. And even when attending a school that teaches that AP course, students from marginalized racial and ethnic minority communities are underrepresented in taking AP computer science exams and less likely to take an exam than their white and Asian peers.

At the college level, while Historically Black Colleges and Universities (HBCUs) are committed to educating science, technology, engineering, and math (STEM) students, they are dramatically underfunded compared to institutions that predominately serve white students. Yet they continue to be centers of excellence. According to data from the United Negro College Fund (UNCF), although HBCUs make up just 3 percent of universities in the US, they graduate nearly one-third of the Black and African American students with bachelor's degrees in STEM fields.

At the community level, nonprofits serve as trusted partners in providing skills and education resources, support, and services to meet the unique needs of the Black and African American community. But data shows the marked disparities in the funding available to Black- and African American-led nonprofit organizations. To address the acute and longstanding inequities in the US, and provide pathways to improved economic opportunity for Black and African American communities, we must invest in policies and programs to increase access to the digital skills and education needed for a changing economy.

 [2020 State of Computer Science Education report](#)

 [Access UNCF's data](#)



~15%

Black and African Americans make up almost 15 percent of the US population, but only 6 percent of AP Computer Science students and hold about 8 percent of jobs in computing and math occupations.

<24%

The revenues of Black-led nonprofits are 24 percent smaller than the revenues of their white-led counterparts.

<76%

Unrestricted net assets of Black-led organizations are 76 percent smaller than their white-led counterparts.

Our approach

Addressing the skills gap

We have a responsibility to help address the systemic funding and skills gaps for Black and African American communities and the organizations that serve them.

That is why we are delivering digital skills and workforce commitments aimed at accelerating skilling opportunities in the digital economy for the Black and African American community.

At the high school level, we are expanding our industry volunteer Technology Education and Literacy in Schools (TEALS) program, which helps build sustainable computer science programs and is reaching students typically excluded from the subject because of race, gender, and geography. Through TEALS, we are bringing computer science to more high schools across the US with high populations of Black and African American students.

At the university level, we are partnering with leaders of HBCUs to help advance their mission to empower their students. We are supporting their efforts to build out their departments and curriculum, particularly in the fields of computer science, computer engineering, electrical engineering, and data science. As we continue to expand our relationships with HBCUs, providing unrestricted financial gifts will ensure these universities have the necessary funding for programs and support that best serve their students. And we are continuing to work to pair our financial gifts with direct collaborations that advance dialogue and learning on both sides and help students succeed.

Microsoft is also investing in a community skills program. This cash grant and capacity-building program will provide \$15 million over three years to Black- and African American-led and supported nonprofits who offer skills development and economic opportunities to the Black and African American community. The program is community-led and designed by a steering committee, including external partners from the workforce, education, foundation, and nonprofit sectors, as well as representation from many Microsoft stakeholders and internal teams.

We recognize that our efforts are only a small part of the long overdue investment needed to address the historical inequities in our society. That is why we continue to look at new program areas to address skilling needs and use our voice and resources to advocate for and accelerate change.

 [The Microsoft TEALS program](#)

 [Find out more about our capacity building program](#)



Turning digital skills into opportunity

It's never too late to follow your passions, a lesson that Jacinth Thomas is glad she learned with the help of Microsoft and its nonprofit skilling partner, TechBridge. As a child, Jacinth dreamed of a career in game development, but life led her in different directions. While working in retail and preparing for the birth of her daughter, Jacinth knew she wanted to take that first—and sometimes daunting—step into a new career.

Jacinth's father referred her to a digital skills and professional development program through TechBridge, a nonprofit partner of Accelerate Atlanta and a community skills program grantee. The nonprofit's Technology Career Program helps prepare adults for careers in the rapidly growing tech job market.

Through programs and partnerships like this, Microsoft and our partners are helping people gain access to the digital skills and support they need to pursue in-demand roles. After program completion, we help participants connect with employers looking to build a more inclusive workforce. This connection is important, because, too often, candidates like Jacinth, who have taken alternative pathways to learn digital skills, are overlooked in a traditional talent pool, where what college they attended, or their prior work experience, is valued more than their skills.

For Jacinth, the program was proof that her passions were attainable. She learned game design, Microsoft Azure, and more. With hard work, perseverance, and support, she built a portfolio, expanded her network, and landed a paid, year-long apprenticeship with Accenture. Jacinth now plans to become a security engineer and wants to inspire others to follow their own path into careers in STEM.

 [Find out more about Accelerate Atlanta](#)

Progress

Expanding resources to schools and nonprofits

Over the last year we have made substantial progress in our skills and education initiatives within communities and at schools and nonprofits across the US.



Technology Education and Literacy in Schools (TEALS) program expansion

We are expanding our Microsoft TEALS industry volunteer program to bring computer science education to high schools in 18 US cities with high populations of Black and African American students. Our goal is to increase from 195 TEALS schools in these cities in 2020/21 to 620 schools by 2024/25. For the 2021/22 school year, approximately 300 schools in the 18 expansion regions—including 100 percent of high schools in Jackson, Mississippi—will deliver computer science education to their students. We are also working to increase the percentage of TEALS volunteers who identify as Black and African American, which rose approximately 95 percent from the 2019/20 school year to the 2021/22 school year through social media outreach and by engaging with community employees and partners.



Historically Black Colleges and Universities (HBCUs)

In the last year, Microsoft University Relations expanded our team beyond Howard University to serve six additional HBCUs that have strong computer science and engineering departments, cultivate strong technology workforce talent, and have direct connections to our employee community. The institutions include Spelman College, Morehouse College, Clark Atlanta University, Florida A&M University, North Carolina A&T University, and Tuskegee University. By June 2021, we will have provided five million-plus in unrestricted gifts to 16 HBCUs to help support curriculum development, faculty training, and students during a time of great need for higher education. As part of this funding, we gifted one million to Howard Law School to support underrepresented legal and policy scholars' work on the intersections between technology policy and racial equity.



Community skills program

Through the implementation of our community skills program, we are now serving 50 Black- and African American-led and supporting nonprofits representing 23 states and Washington, D.C. We provided the first of three \$100,000 grants to each organization. In addition, these nonprofits are receiving tech enablement services, are engaging in a community of practice to learn from one another, sharing best practices and identifying solutions together. They are also connected to the Microsoft ecosystem for mentorship and jobs for their learners. Across the board, our nonprofit grantees are utilizing and adopting over 80 percent of the technology services and solutions offered.





Passion for computer science nurtured through the TEALS program

“Ms. Dent inspired me and pushed me to keep going,” Arnold says. “When I teach, I feel that same satisfaction of helping people.”

Jovell Arnold, Microsoft TEALS student

Three years ago, Jovell Arnold took his first computer science class through the Microsoft TEALS program. Now the 18-year-old from Detroit, Michigan is teaching artificial intelligence and coding to everyone from elementary-aged kids to professional basketball players.

His high school teacher, Judi Dent, was new to teaching computer science and was being supported by TEALS industry volunteers. Judi and TEALS volunteers encouraged Arnold to accelerate his learning. He spent hours in the computer lab, mornings and after school, fine-tuning his code since he didn't have a computer at home.

Dent later raved about Arnold's skill and persistence to a Microsoft employee, which led to an internship and a fellowship with Microsoft. “If it wasn't for her vouching for me, I would never be where I am today,” he says.

Arnold is now paying the opportunity forward. With the nonprofit CODE313, he helps students discover a passion for computer science too.

“Ms. Dent inspired me and pushed me to keep going,” Arnold says. “When I teach, I feel that same satisfaction of helping people.”



With the nonprofit CODE313, Jovell teaches programming and leads coding workshops so everyone in Detroit has the opportunity to discover if they love computer science too.

Key learnings

Listen, focus, and collaborate

Across our community skills and education work, we have achieved valuable insights that are being integrated into our activity going forward.

Our work has led to three important learnings:

1 Listen first. To gain community trust, the first thing we need to do is listen. Beyond listening, we also need to be intentional about incorporating the voice of the community, and dedicating the time needed to achieve the desired results. For example, engaging community members who value computer science education and educating them about the opportunity the TEALS program affords, has led to 100 percent of high schools in Jackson, Mississippi signing up for the program.

HBCUs operate on tighter budgets and with much smaller endowments than other American universities, but they are also centers of excellence. Rather than just being viewed as a source of potential employees, they expect employers to show a deeper level of sustained commitment to support their ongoing work. Acting on this feedback, we decided not to create a new program, but focus on providing unrestricted funding to support the schools' existing plans to build up their technical departments.

2 Be willing to focus efforts. Focusing on the Black and African American community allows us to be targeted in both approach and outcome. Engaging national and local community leaders and creating equitable outreach strategies led to over 1,300 community skills program applications by Black- and African American-led and supporting nonprofits. Moreover, we learned that 49 of the 50 nonprofits that are part of our community skills program had never before received funding or support.

3 Collaborate on engagement and build relationships. The number one request from HCBUs is for research collaboration for their professors and students. We are working with our Microsoft product and research teams to find opportunities for this collaboration and are excited to learn from these institutions. In addition, there is a strong community of HBCU alumni within Microsoft that are engaged with these schools and non-HBCU alumni who want to volunteer. Their engagement is key to supporting HBCU growth and success. We need to take the time to build these relationships.



Opening technology doors to empower teachers and students

Growing up in St. Louis, Missouri, Trina Clark James was bussed out of her predominantly African American neighborhood to a more affluent suburb for high school. She often wondered why educational opportunities and amenities were not available to kids where she lived.

The experience stuck with her for years, as did a program she participated in during high school that gave her the opportunity to take professional development classes and complete summer internships. It led her to Georgia Tech and a career in the tech industry.

But she couldn't escape that sense of inequity from her school days. She moved back to St. Louis and opened and operated a charter school for several years near her old neighborhood. There was still a sense that more could be done to positively impact her community, however. And then she found out about Microsoft's TEALS (Technology Education and Literacy in Schools) program.

"When I read the job description, it was in perfect alignment with my purpose—technology being available to youth that allows them to participate fully in the digital economy, with an explicit focus on racial equity," she recalls.

Clark James is now the regional lead for TEALS in the Southeast, covering Georgia, Alabama, Louisiana, Mississippi, and Tennessee. The program provides high school students with equitable access to computer science education and helps create a pathway to economic opportunity. Clark James has worked to ensure the program's expansion into schools that predominantly serve Black and African American students.

"When I think about my journey as a young Black student who needed someone to nurture my curiosity and expose me to things so I could see what was even possible—that's what TEALS is about," she says. "Opening the doors and making sure teachers feel empowered and equipped so they can give that to the students. I feel really good about what we are doing."

Systems change

Increasing our learnings

Our work and partnerships have increased valuable learning that will support our programs and future collaborations including:

Digital skills

Microsoft has opened its grant outreach and selection directly to the communities it serves, ensuring that the principles of trust-based philanthropy are fully embedded. For example, in the development of the community skills program, we purposefully involved leaders from the Black and African American communities to help us determine the grant making criteria, program design, and ultimately select the grant recipients. This has provided valuable learnings on the ways that we make our grants and is helping us examine how we can embed trust-based philanthropy principles across all our grant-making.

Additionally, this was the first time that we designed a program to bring together a community of like-minded leaders and nonprofits, not only to receive cash funding and technology assistance, but to share opportunities, challenges, and solutions through a community of practice. Through this process, Microsoft heard directly from communities about the value of data and digital skills.

And communities have heard from employers who need candidates with the digital skills to meet their business needs and have a strong desire to build a more diverse and inclusive workforce. It is why we created Microsoft's Career Connector, with the aim to support skills-based hiring and link job seekers trained through our skills partners to tech and tech-enabled jobs in the Microsoft ecosystem.

We know that we cannot reach scale unless we partner with governments and influence policy. That is why in the year ahead we will work with states across the US to develop digital equity plans. We will initially focus our efforts on states with high populations of Black and African American communities.

Microsoft's Career Connector

Learning digital skills for in-demand jobs

Historically Black Colleges & Universities (HBCUs)

Microsoft is working to grow our relationships with HBCUs, including actively expanding recruitment efforts and providing a "matching funds" program that groups at Microsoft can apply for to match their investments in the HBCUs in our portfolio. Through our matching funds program, we encourage different groups at Microsoft to invest in, and partner with, HBCUs. This involvement is helping to build connections, support their curriculum enhancement and technology needs, and continue to grow long-term partnerships with leading schools.



Partnership with Howard University supports student advancement

Howard University's partnership with Microsoft includes the strong participation of our alumni employees, who have helped to increase student engagement.

Collaborative relationships and involvement have contributed to a series of Women in Tech workshops and Howard's Law Tech Summit, which started as an idea from Howard alumni at Microsoft and is now in its third year. These activities have guided our ongoing approach to working with alumni and comprehensive engagement across the campus. We also recently gifted Howard Law School \$1 million to support underrepresented legal and policy scholars work on the intersections between technology policy and racial equity. Helping to advance curriculum, our Microsoft Azure Hardware Team has partnered with professors on their instruction in Hardware Fundamentals of Digital Design, along with providing teaching assistant support, content, and student mentoring. In addition, professors at Howard are partnering with the Microsoft AI for Mental Health team to support their work to provide more effective support to mental health practitioners.

Find out more about Howard University

What's next?

Build and expand

Looking ahead to next year, we aim to build on our community skills and education initiative, including adding new TEALS schools and further expand our work with HBCUs. Additionally, we will help drive adoption of digital equity plans in US states, working with policy, associations, and community leaders to incorporate their learnings and understandings into plans that equitably meet the needs of all communities.

TEALS program

In the 2021/22 school year, we will onboard 85+ new schools in 18 US cities to increase the number of Black and African students who have access to computer science education and who take AP computer science courses. We will increase the number of TEALS schools to 365 for the 2022/23 school year, moving closer to our overall goal of 620 participating schools in these 18 cities by 2025. We will also continue our work to increase the diversity of our TEALS volunteers.

Historically Black Colleges & Universities (HBCUs)

Expansion of our University Relations team will enable us to grow our company's partnership with AMIE, a nonprofit which develops industry, government, and university partnerships to achieve diversity in the engineering workforce. We will also begin work with two additional HBCUs and three Hispanic Serving Institutions to expand their capacity in technical subjects, help them use technology, and support their students' path to technology jobs. With the addition of these new schools, we will cover 27 schools, and almost half will be Minority Serving Institutions.

To maximize our help for HBCUs, we are focusing our work on financial support for curriculum development, student and faculty training, and research support, and on growing the number of partnerships between Microsoft and HBCU faculty and students. We are also applying our learnings to develop policy recommendations that will increase funding for HBCUs.

We will also launch a new partnership with the 1890 Foundation, which supports land-grant HBCUs in the US. Along with Verizon, we aim to focus on building the general operating capacity of this nonprofit. Specific goals include enhancing the tech capacity of the 1890 Foundation to support their member institutions and increasing the number of 1890 Foundation funding partnerships that focus on capacity building, workforce development/student success, and broadband connectivity.

➤ [Find out more about AMIE](#)

➤ [Find out more about the 1890s Foundation](#)

Community skills program

We will continue to partner with the 50 Black- and African American-led and supporting nonprofits to help accelerate their efforts to provide digital skills and connections to jobs for Black and African American adults and young people. Next year, our goal is to skill 10,000 people and connect 4,000 of those skilled to employment opportunities.

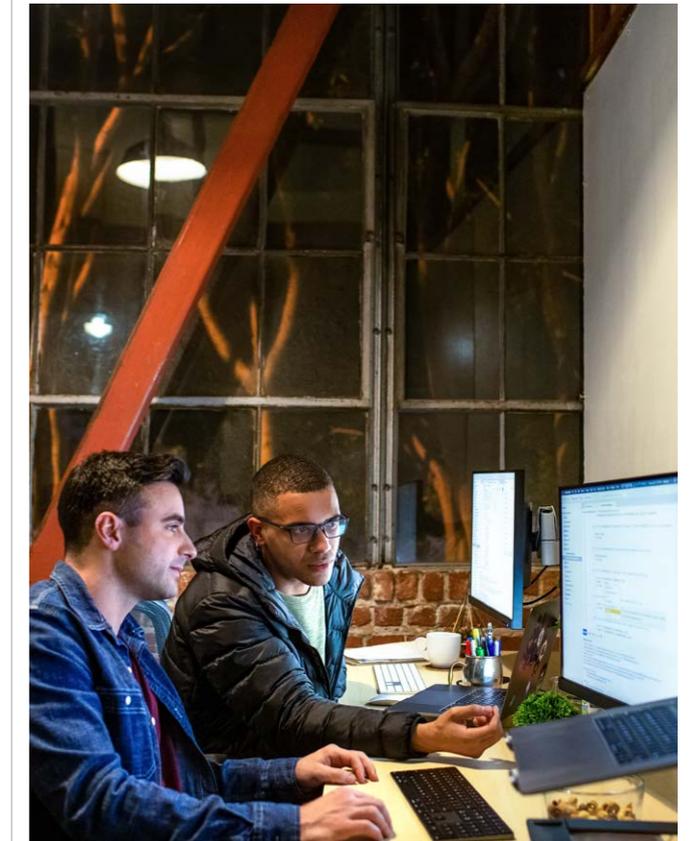
Career Connector

We heard from community leaders, elected officials, and job seekers that having access to economic data, skills, and industry-recognized credentials is valuable, but it needs to lead to employment. At the same time, we have heard from employers who need skilled candidates with diverse backgrounds, skills, and experiences to fuel their inclusive growth. We will increase the number of Black and African American job seekers leveraging Microsoft's Career Connector service as part of our goal to help place 50,000 job seekers in the next three years.

Community and economic impact

We will increase our efforts to foster greater community impact by expanding our philanthropic efforts and investments in Atlanta, and by expanding our TechSpark program which is focused on economic development and job creation in rural and mid-sized communities in the US. We will also partner with Microsoft's Accelerate program to reach more diverse and underserved communities with digital skills and connections to jobs.

➤ [Microsoft's Accelerate program](#)



Nonprofits

According to the National Committee for Responsible Philanthropy, between 2016 and 2018, \$2.2 billion was given by 25 community foundations to nonprofits across 25 US cities, but only 1 percent of those funds were designated for organizations serving the Black and African American community.

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The issue

Resource and funding challenges

From providing direct services, serving as catalysts for change, stepping in to address critical areas of need, and giving purpose to social issues, nonprofits play numerous important roles in our society. Yet, despite the extraordinary value they deliver, many nonprofit organizations struggle due to lack of resources and funding.

Black- and African American-led and supporting nonprofits are often the hardest hit. According to the National Committee for Responsible Philanthropy, between 2016 and 2018, "\$2.2 billion was given by 25 community foundations to nonprofits across 25 US cities, but only 1 percent of those funds were designated for organizations serving the Black and African American community." A 2020 study by Echoing Green and The Bridgespan Group on *Disparities in Funding for Leaders of Color Leave Impact on the Table* highlighted this ongoing disparity, noting that revenues at Black- and African American-led and supporting organizations were 24 percent lower, and unrestricted net assets 76 percent smaller, than at their white-led counterparts. This lack of funding can create significant challenges. It can leave these nonprofits without the technology they need to grow, or even survive, and the quality of the services they deliver can suffer.

Bringing technological efficiency to nonprofits in the Black and African American community can make a difference, particularly at the community level where most of the activities are happening. Nonprofits who have their "tech house" in order are better positioned to engage with their community, monitor and track outcomes and impacts, and give funders increased confidence to provide grants and donations.

➤ National Committee for Responsible Philanthropy research

➤ The 2020 study by Echoing Green and The Bridgespan Group



Nonprofit BronxConnect is building a new case management platform with Dynamics 365. With the support from Microsoft's Nonprofit Tech Acceleration (NTA) for Black and African American Communities program and Microsoft partner HSO, BronxConnect is ready to better understand participants' journey in programs, streamline administrative tasks, and enable staff to work more efficiently in the community.

Breaking down technology barriers for Black- and African American-led and supporting nonprofits is key to their success now and into the future. By raising awareness that technology is not a hindrance, but a necessity and available to implement, we can help drive results and contribute towards the biggest impact possible for these organizations.

Our approach

Delivering technology solutions

To address the technology gap that Black- and African American-led and supporting nonprofits are experiencing, we introduced our Nonprofit Tech Acceleration for Black and African American Communities (NTA) program, which uses data, technology, and partnerships to help local organizations across the country modernize and streamline operations with technical solutions including licenses, discounts, and implementation of consulting and concierge services.

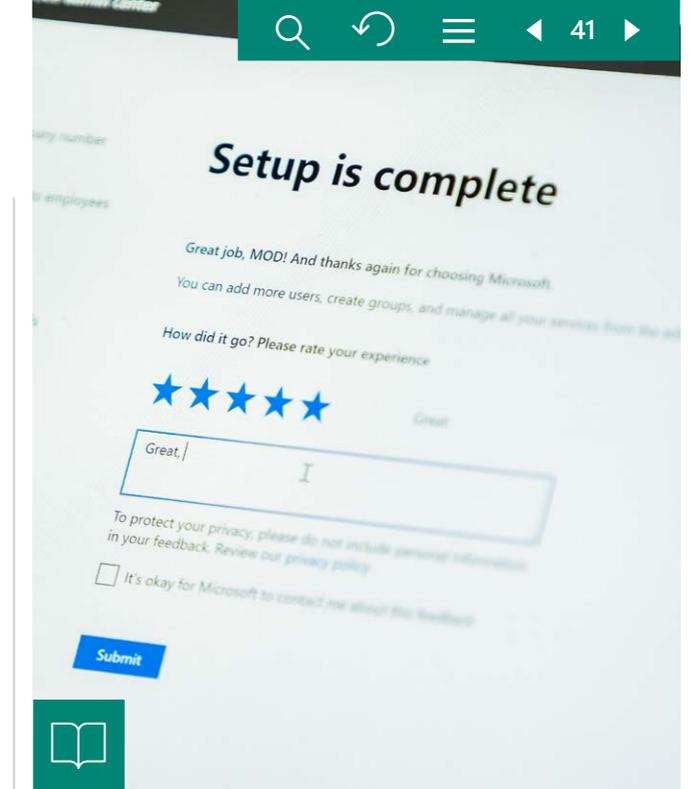
The program works with organizations large and small at all stages, including startup nonprofits. The short-term goal is to help 1,000 community-based organizations, in one year, accelerate their missions and drive greater impact through digital transformation.

The program's initial launch last fall provided cash and software grants through our Tech for Social Impact within Microsoft Philanthropies to nonprofits for multiyear digital transformations. These nonprofits also received three years of credits for our Microsoft Azure platform, which helps them run and manage IT solutions in the cloud, eliminating barriers to longer-term implementation cycles. NTA is also serving 1,000+ of community-based nonprofits through its Concierge team of tech specialists, which has assisted these nonprofits with activating donated licenses—including 10 M365 licenses, five Dynamics 365 Sales and Enterprise licenses, 10 PowerApps licenses, and an annual \$3,500 Azure grant. The Concierge team also provides free tech consulting, helping the organizations to adopt and accelerate their usage of the technologies to achieve the greatest impact for their mission.

NTA is partnering with numerous charitable foundations to bring awareness of the program to their grantees while also educating these foundations on the importance of funding technology to achieve sustainable equity. Additional community entities have proven to be key partners in this effort as well, including chambers of commerce, small business coalitions, economic development agencies, and local and state governments.

The NTA program also intersects with Microsoft's other societal impact programs. For example, it is implementing technology solutions for all 50 of the community skills program grantees. Similarly, NTA is providing solution upgrades for the nonprofit partners involved in skilling, device, and broadband services as part of the Microsoft Airband Initiative's commitment to racial equity across various cities. NTA is also facilitating technology transformations for our Justice Reform partners that provide services in the policing, diversion, and prosecutor reform spaces. It is reaching further across Microsoft by working alongside groups such as our teams in marketing and the gaming division, as they also work with nonprofit organizations that support Black and African American communities.

 [Learn more about Microsoft's NTA Program](#)



A philanthropic approach

The NTA program is a part of Tech for Social Impact (TSI) within Microsoft Philanthropies. TSI provides affordable and accessible technology and tools to help nonprofits achieve their missions. In 2020, Microsoft provided \$1.9 billion in grants and discounted software and services and equipped over 200,000 nonprofit organizations with modern, secure, and scalable Microsoft cloud solutions. NTA leverages many of the nonprofit technology offerings and training within TSI, modifying them for nonprofits serving the Black and African American community.

 [Microsoft's Tech for Social Impact](#)



From concept to implementation: the genesis of the NTA program

“I’m just one guy that works at this company, but the response to this program underscores the need for attention to this community.”

Darrell Booker, Corporate Affairs Specialist

Atlanta-based Darrell Booker leads Microsoft’s Nonprofit Tech Acceleration Program.

The program delivers technology and support specifically to organizations serving Black and African Americans, helping fill critical needs often faced by Black-led nonprofits due to lack of available funding.

“The purpose of the program is pretty simple,” says Booker. “I like to call it ‘leveling the playing field in technology’ by ensuring the smallest nonprofits in every neighborhood across the country have, at a minimum, the basic tools to ensure they can operate more effectively and efficiently. Oftentimes, we in the Black community have a misconception that enterprise-level technologies are out of our reach, so we rely on a hodgepodge of software and processes that on the surface seem like they are the best just because they are free.”

Booker’s passion for the NTA program is rooted in his pre-Microsoft days working in the nonprofit sector and leveraging technology to improve the lives of those transitioning out of foster care. “It was an eye-opening experience to see that little to no technology existed within the child welfare system,” says Booker. “It was a hard smack of reality to face the huge disparity in technology availability and usage amidst the amazing available tech solutions that could be making impacts for these organizations.”

Microsoft’s NTA program is helping to shift those inequities by providing technology and consulting services to help narrow the gap so organizations can strengthen their operations along with their relationships with funders. The program has received fantastic support and a tremendous response in just eight months of operation and is working with more than 1,000 program partners. “I’m just one guy that works at this company, but the response to this program underscores the need for attention to this community,” Booker says.



Progress

A rapid scale of our program

In the first four weeks following our fall 2020 NTA program launch, we had already developed connections and relationships with 200 organizations.

This is the first time that many of these nonprofits have received individual attention and acknowledgment from a major technology company. The impact from this support has been significant and has led to increased productivity and collaboration, and most importantly, to advancement of their missions.

We have scaled rapidly. In just the last year, we have exceeded our goal of enrolling 1,000 community-based organizations, across 750 communities, in our NTA program. Using sources, including Charity Navigator and the US Census Data, we gathered insights on zip code data and segmenting of households, comprising 60 to 100 percent of Black and African Americans households, to identify more than 36,000 Black- and African American-led and supporting nonprofits across the US. We are further applying these data insights to help us set target goals to meet a holistic impact within the Black- and African American-led and supporting nonprofit sector.

Additionally, our NTA program is also working collaboratively with business teams inside Microsoft to ensure the program is included in their offerings, helping expand the breadth of nonprofit referrals to NTA and raise awareness of the program with community and city leaders.



1,000

We have exceeded our goal of enrolling 1,000 community-based organizations, across 750 communities, in our NTA program.





The power of data fosters insights, sharing, and collaboration to advance community services

“We’re always connected so can access other coworkers, resources, and departments to get the job done.”

Sekou Shakur, BronxConnect Case Manager

The work that nonprofit group BronxConnect achieves in New York City is nothing short of life-changing—ranging from mentorship to employment services to gun violence prevention.

Boots-on-the-ground connection to the at-risk youth of the borough is critical. But an outdated system often meant paperwork took priority over serving the community.

The organization’s technology and processes were lagging, so Microsoft’s Nonprofit Tech Acceleration (NTA) for Black and African American Communities program and Microsoft partner HSO stepped in to provide Microsoft Dynamics 365. This technology gave BronxConnect the opportunity to revamp its case management system. Now, the organization has a more comprehensive view of its participants and can seamlessly share data with other city agencies and organizations.

Instead of being tied to an obsolete system, BronxConnect staff can be visible in the community and provide on-the-go solutions. “Whether we’re in the office, on a mobile device, or working from home, we now have all the documentation needed to provide quality service,” BronxConnect case manager Sekou Shakur says. “We’re always connected so we can access other coworkers, resources, and departments to get the job done.”

Data is a critical component to BronxConnect’s mission. The array of services it provides, touching on juvenile justice reform, gun violence, and workplace reentry, all need real-time numbers to help with resource allocation and funding. Dynamics 365 has allowed the organization to make key decisions internally and clearly present the impact it has made within the community to external stakeholders.

“Data provides a baseline of where we are today and where we can go tomorrow,” says Felicia Lemons, Director of Training and Strategic Initiatives for BronxConnect.



Find out more about BronxConnect



Key learnings

Needs on many fronts

After a year of program implementation, we have gained valuable learnings on the needs of Black- and African American-led and supporting nonprofits that will inform our future program operations.

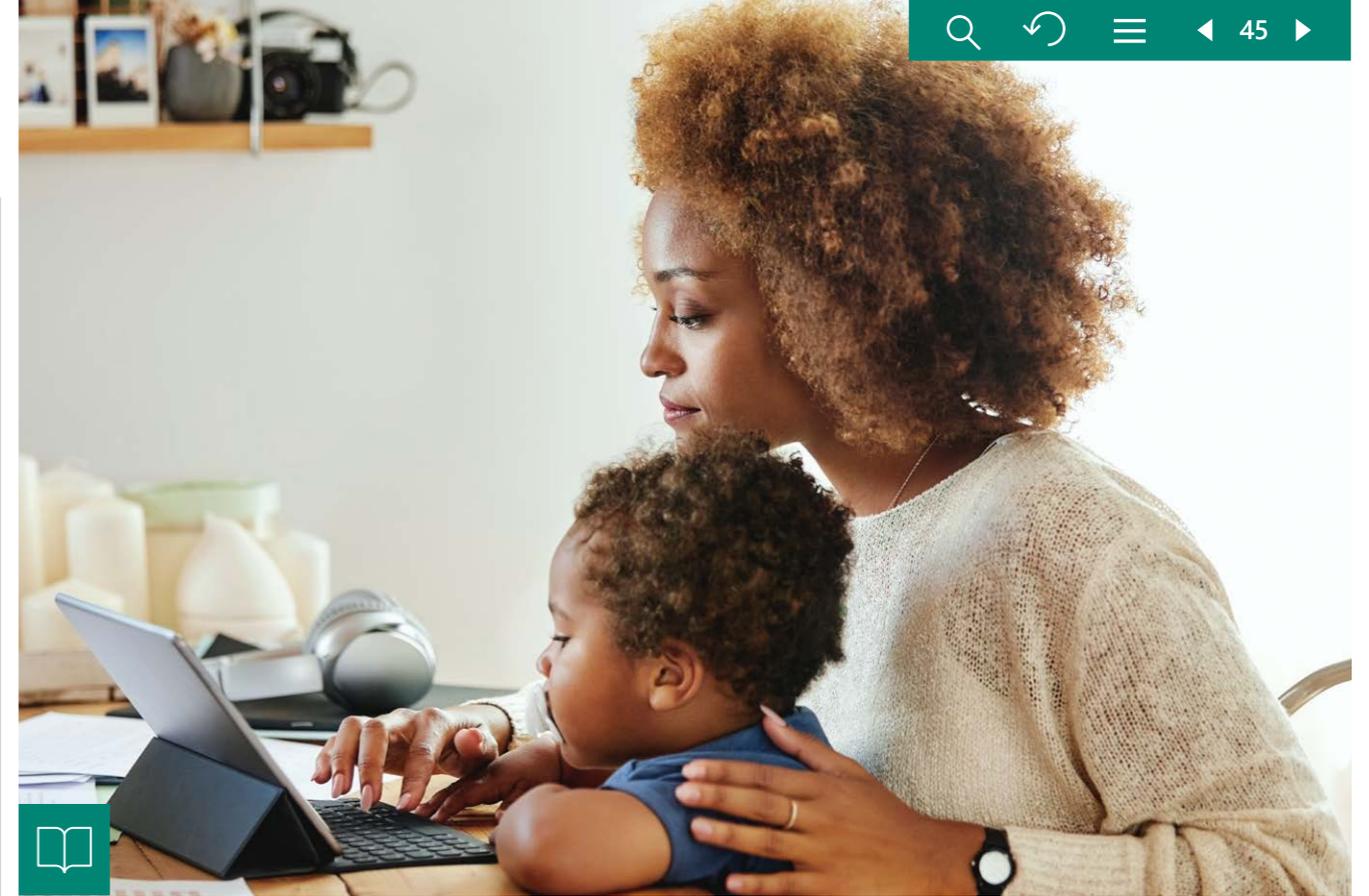
Key insights include:

1 The need for transformation from beginning to end. When we began the program, we understood the technology challenges facing smaller community-based organizations. The surprise was seeing larger nonprofits—many that have several chapters and thousands of members—experiencing similar issues as their smaller counterparts. Moving forward to support full technology enablement, it will be important to develop strategies that ensure most organizations, if not all, remain engaged through the process to realize the benefits of technological adoption and fully complete their transformations.

2 The need and appetite for technology solutions that don't just catch up the organization but take it forward. Realizing there is a better way to effectively work through technology, NTA nonprofits are eager to utilize technology to engage with their constituents and stakeholders to become even smarter and more innovative. While they may be unfamiliar with the full capabilities of technology offerings, they also realize a sense of confidence in working with a trusted technology brand for implementation and support.

3 Needs in other areas. Besides technology, nonprofits are lacking in many areas of operations, including branding, storytelling, fundraising, grant writing and reporting, and marketing. Work through our program has enabled us to pull back the layers and identify the gaps that exist in many of these organizations.

4 The need for collective internal and external outreach, and proof points. Traditional marketing engines and databases used to reach technical and business decision-makers do not include leaders of the Black- and African American-led and supporting nonprofits. It will be important for us to work collectively with other Racial Equity Initiative programs across Microsoft to market availability of the NTA program and demonstrate the breadth of our technology support. We also need to continue to focus on our external community-led relationships, events, and foundations to reach these organizations, as well as deliver case study examples demonstrating impact and success to serve as proof points to other organizations.



Titus Single Parent Mentoring

Titus Single Parent Mentoring is a Los Angeles County community based charitable educational program working to bridge gaps of difference between parents, eliminate financial disparities in communities of color, and provide early hands-on STEAM experience to inner city families.

They provide mentoring, support, and educational workshops to ensure that there is a focus on the wholeness, safety, and well-being of children. Microsoft 365 software is helping Titus deliver an increased number of STEAM (Science, Technology, Engineering, Arts, and Math) programs to its K-12 students and digital literacy to adults 18 years and older. In the last year, the organization has been able to use Azure to launch new online courses for parents and students. Their courses include Microsoft Office 365, Microsoft Project, Microsoft Visio, Microsoft Power Apps, college readiness, financial literacy, digital literacy, self-defense for women and girls, and program orientation.



Titus Single Parent Mentoring

Systems change

What makes a difference

From our experience, many nonprofits are looking for supporters who understand that programs are multifaceted in nature and multiyear in duration, often challenging the standard funding models and impact measures.

It is why our decision to develop strategic partnerships with nonprofit funders and charitable foundations is an unconventional path: it has enabled us to add a growing number of new nonprofits to the foundations' trusted network and underscore the critical need for technology and the resulting benefits of implementation. This in turn, has sparked reforms in the way organizations are funded, resulting in sustained impact.



Program expansion boosted by technology

The Jerome Burke Foundation, based in Westchester, Illinois, was established to encourage and support higher education among African American high school males and support other nonprofit organizations that aim to support African American males in similar ways. Through a technology partnership with Microsoft, the Foundation streamlined its data collection and online collaboration and expanded its IT Training Program. This past year, they were able to set up 10 labs for Program trainees, helping support more African American males on their career path. Foundation president Salena Burke notes, "The Microsoft software that allows us to perform our day-to-day operations are an asset, but the ability to provide labs to our trainees is priceless."



Find out more about the Jerome Burke Foundation

"The Microsoft software that allows us to perform our day-to-day operations are an asset, but the ability to provide labs to our trainees is priceless."

Salena Burke, Foundation President

What's next?

Grow our reach and reduce inequities

The coming year will be a year to build and scale, reaching as many Black-and African American-led and supporting nonprofit organizations as possible. Ahead, we will refine our operations to identify and target the communities most in need and deepen our relationships with each organization serving those areas.

Refinement

- With a framework established for identifying Black-and African American-led and supporting nonprofits, including 36,000 potential partner organizations across the US, we will seek to refine our fund allocation to branch wider and reach more organizations instead of deep to support only a few.
- We will enhance and optimize the operations of our Concierge team, enabling a rapid scale to meet the need of thousands of new annual nonprofit organizations entering in the NTA program.

Targeting

- To drill down to the community level and understand where transformations are most needed, we will continue leveraging the charity and census data to inform our targeting of qualified Black- and African American-led and supporting nonprofits that would benefit from the NTA program. Communities of immediate focus include, but are not limited to, those in the cities of Los Angeles, Chicago, Baltimore, Miami, Houston, Atlanta, Philadelphia, New York, Birmingham, Jackson, and New Orleans.

Community Building

- We will increase our reach to enrolled NTA participants through webinars, newsletters, and a designated Yammer community, leveraging capacity-building opportunities from internal Microsoft groups and external partners.



As we build awareness of the NTA program and level the technology playing field for Black and African American communities, we also aim to address systemic inequities which prompted the creation of the NTA program in the first place.



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Our commitments

Five-year Racial Equity Initiative

In June 2020, Microsoft CEO Satya Nadella set forth Microsoft's five-year Racial Equity Initiative, highlighting the company's commitment to take action to help address racial injustice and inequity.

 [An email from CEO Satya Nadella to Microsoft employees](#)

With significant input from employees and leaders who are members of the Black and African American community, Microsoft developed a set of actions they believe are both meaningful to improving the lived experience at Microsoft as well as driving change in the communities in which we live and work. The company charter guides the focus on three multiyear, sustained efforts:

1 Increasing our representation and culture of inclusion

We will build on our diversity and inclusion (D&I) momentum from the past five years by adding an additional \$150 million of D&I investment and will double the number of Black and African American people managers, senior individual contributors, and senior leaders in the United States by 2025.

2 Engaging our ecosystem

We will use our balance sheet and engagement with suppliers and partners to extend the vision for societal change throughout our ecosystem, creating new opportunities for them and the communities they serve.

3 Strengthening our communities

We will use the power of data, technology, and partnership to help improve the lives of Black and African American citizens across our country, including to address the safety and well-being of our own employees in the communities in which they live.

The following are key details on how we will accomplish this.

Our culture

We need to ensure that our culture of inclusion is a top priority for everyone. It starts with our values of respect, integrity, and accountability. Each of us must be able to thrive in diverse teams. Every manager must be able to attract, retain, and grow employees of all backgrounds. This is certainly true at Microsoft and more broadly. It is the new baseline for manager excellence across industries across the globe.

We will meet this new goal in three ways:

We will accelerate our cultural transformation through further investment in inclusion. Managers who have a deep understanding and commitment to building inclusive culture are key to our company's success. Starting in FY21, our training on allyship, covering, and privilege in the workplace will be required for all employees, with additional new content on understanding the experience of the Black and African American community. Because leadership sets the tone, we will have required live sessions for CVPs and EVPs to ensure they better understand the lived experience of these specific communities.

We will strengthen our intentional career planning and talent development efforts. This will apply across our workforce, beginning with Black and African American employees. These programs will expand to include other employee groups as we learn and grow. We will expand on our leadership development programs for select Black and African American midlevel employees and their managers to help prepare for promotion to Director/Principal. For Director/Principal level, we will create a new development opportunity to expose them to the leadership expectations of the Partner/GM level and match them with senior-level sponsors and mentors. For Partner/GMs, we are continuing to invest in the dedicated leadership development programs.

We will further strengthen company accountability for progress on representation. We will deepen our practice of evaluating each CVP/GM's progress on diversity and inclusion when determining their impact and rewards, as well as promotion considerations. We will provide CVPs with dedicated D&I coaches to confront and resolve systemic obstacles within their organizations. We will expand our global, quarterly promotion process to ensure we build diverse leadership teams at all levels. This will include direct engagement with business leaders on review of all candidates for people management, Director/Principal level, and Partner/GM level.

As we take on these three new areas with a sense of urgency, we also know we need to further and fully execute many of the steps we have already started as part of our ongoing cultural transformation—from building the pipeline, to diverse and inclusive hiring, to developing and retaining talent, to holding ourselves accountable, to investing in new locations such as Atlanta, GA and Reston, VA. You can learn more about what we have been doing so far in our publicly shared Microsoft Diversity & Inclusion Report and data disclosure, which we will update annually.

 [Microsoft Diversity & Inclusion report](#)

Our ecosystem

A vast business ecosystem surrounds Microsoft, from our supply chain to our partner community. We recognize that a stronger and more productive ecosystem requires better representation of the diversity in our communities. We will evolve our engagement with our supply chain, banking partners, and the broad Microsoft partner ecosystem in this effort.

We will double the number of Black- and African American-owned approved suppliers over the next three years and spend an incremental \$500 million with those existing and new suppliers. We'll do this by ensuring our existing guidance to include diverse minority-owned suppliers in all RFPs is well understood, evaluate supplier portfolio composition, and enhance the weighting of diversity characteristics (both in ownership and in broad workforce) during the supplier evaluation and selection process. We will also encourage Black and African American representation progress in our top 100 suppliers, which account for over 50 percent of our indirect spend, by requesting annual disclosure of their diversity profile information (e.g., workforce diversity, goals) that we will incorporate into our RFP evaluations.

We will use our own banking needs to grow our portfolio investment activity with Black- and African American-owned financial institutions. Over the next three years, we will double the percentage of our transaction volumes through these Black- and African American-owned banks and external managers where we have existing strong banking relationships and look to grow that base, which provides an increased opportunity for these firms to attract more capital. We will create a \$100 million program that will make its initial investment in collaboration with the FDIC to target Minority Owned Depository Institutions (MDIs), which directly enables an increase of funds into local communities (businesses, restaurants, housing, etc.). And we will establish a \$50 million investment fund focused on supporting Black- and African American-owned small businesses. The fund will initially focus on investing to improve access to capital, increase skill development, and reduce the technology gaps that exist today.

We know how important partners are to the growth of our business. We look forward to investing to increase the number of Black- and African American-owned partners in our US partner community by 20 percent over the next three years. A new \$50 million partner fund will help with access to capital providing loans to support these partners through their startup phase with the loans recovered over time as their business grows. We will provide \$20 million of financing to existing and new partners to support their cash flow needs. And we will invest an additional \$3 million in training programs covering financial management, tech solutions, and go-to-market readiness.

Our communities

No company can change the world by itself. But we believe that Microsoft can put the power of data, technology, and partnership to work to help improve the lives of Black and African American citizens across our country. That's what we're committed to doing, through a four-part effort to strengthen communities.

We will strengthen and expand our existing justice reform initiative with a five-year, \$50 million sustained effort. Since starting this work in 2017, we've come to appreciate the importance of this issue not only to the nation but to the personal lives of our employees and their families. No one should have to live with the fear of being stopped by the police, harassed while shopping, or bullied in school because of the color of their skin. This conviction has led us to do increasing work advocating both in the Puget Sound and nationally, including in the communities where our employees live.

We will build on this foundation by using data and digital technology toward increased transparency and accountability in our justice system. All this work will be backed by public policy advocacy that will increase access to data to identify racial disparities and improve policing. We'll also use our technology and expertise to support evidenced-based and unbiased diversion programs that direct people into treatment alternatives instead of incarceration. We'll also use data to promote racial equity in the decisions made by prosecutors, including decisions about who to charge with a crime, the nature of the charge, plea offers, and sentencing recommendations.

We will expand our skills work to help Black and African American students and adults develop the skills needed to succeed in the digital economy.

Over the next five years, we will expand in 13 states and the District of Columbia the Microsoft TEALS industry volunteer program to bring computer science education to an additional 620 high schools primarily serving Black and African American students. We will also strengthen Microsoft's support for Historically Black Colleges and Universities, including in computer and data science programs, campus initiatives and partnerships, and curriculum development. Finally, we'll offer digital skills training to Black and African American adults seeking new jobs. As part of a global skilling initiative, we will provide \$5 million in cash grants to community-based nonprofit organizations led by and serving communities of color, enabling them to better support digital skills programs.

We will help expand access to broadband and devices for communities of color and the key institutions that support them in major urban centers by working with carriers, OEMs, our own hardware team, refurbishers, and nonprofits to enrich low-cost broadband access by providing affordable PCs and Microsoft software. We'll work to ensure these services can be put to effective use to improve people's lives, with a focus on telehealth services and educational offerings. Backed by public advocacy, we'll start by focusing on eight cities that currently confront the largest urban broadband gaps.

Finally, we will increase technology support for nonprofits that support and are led by people of color. We will help support the digital transformation that we know from experience can make nonprofits more effective. We'll provide access to Azure and Dynamics credits and financial grants that will enable these organizations to add the IT staff needed to better deploy and maximize technology. We look forward to tapping into the knowledge and expertise of our own employees as we identify effective groups we can support more strongly.

Change begins by looking inward. We expect this change in ourselves. Employees expect this change from their leaders. Our customers and partners expect this change from Microsoft. And the world demands this change.

This is not a one-time event. It will require real work and focus. We will listen and learn. We will take feedback and we will adjust. But it starts with each of us making a commitment to do the work, to help drive change, and to act with intention.



We're ready to work with you

Learn more about our commitment to strengthen communities and address racial injustice and inequities for the Black and African American communities in the US.

aka.ms/racial-equity-initiative