

BORDER PHILANTHROPY PARTNERSHIP

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U.S. - Mexico

Evaluation Phase II

TEAMWORKS

BORDER  
PHILANTHROPY  
PARTNERSHIP  
U.S. - Mexico

Evaluation Phase II

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[www.sfteamworks.com](http://www.sfteamworks.com) or [www.borderpartnership.org](http://www.borderpartnership.org)

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## Preface

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This summary of the evaluation report of the U.S.-Mexico Border Philanthropy Partnership (BPP) tells the story of the efforts of 19 community foundations located along the U.S. and Mexican border that are striving to foster philanthropy, develop community leaders, promote citizenship, strengthen grassroots organizations, give opportunities to the young, encourage economic sustainability, and stimulate cross-border collaboration. The border stretches 2,000 miles and is home to roughly 14 million people, many of whom live in extreme poverty. We are pleased to show through the hard work of those involved with these community foundations—board members, staff, and grantees—that there is now a set of philanthropic organizations dedicated to ensuring the improvement of the quality of life of border residents.

The BPP began in 2002 as an initiative supported by U.S. and Mexican national and regional foundations. The funders recognized that in many border areas, urban and rural alike, there were few institutions seeking to strategically cultivate and channel local resources to address pressing needs. Working together they made investments to grow and strengthen organized philanthropy in the region. Over the course of the BPP, 13 funders have generously provided support. All of the funders and participants have also shared a commitment to asking how the effort is progressing. This evaluation report focuses on progress made in the second phase of BPP, from August 2005 through July 2008.

This initiative had significant obstacles to overcome, including working in two languages and understanding the differences in legal, fiscal, and organizational frameworks. Recently, security concerns have added the challenge of long lines at the border that make cross-border collaboration more difficult. Nevertheless, the findings show that there is a larger and stronger infrastructure of border community foundations than at the start of BPP, though some are still fragile; that there are increased philanthropic resources; that the number of donors is increasing; that there is noteworthy board participation from members of Mexico's business community; and that cross-border collaboration among the community foundations is emerging despite the barriers they face. We recommend this evaluation to all stakeholders interested in the development of community foundations, philanthropy, and civil society. The views and/or opinions expressed in this report represent those of the authors, and statements made herein do not necessarily reflect the views or policies of the organizations that provided funding for this study.

Finally, we are pleased to report that the BPP has entered its third phase—transitioning from a foundation initiative to an independent bi-national membership organization with the objectives of providing leadership on cross-border issues of common concern, mobilizing philanthropic resources, and strengthening philanthropic capacity to further the sustainability of border communities. The BPP is an example of philanthropic investment and risk at work to ensure that residents of a growing region in North America have opportunities to thrive while contributing to the betterment of their communities.

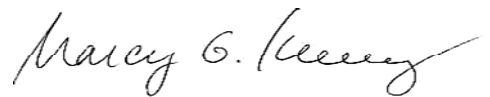
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## Acknowledgment

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We benefit greatly from the input provided by the key participants in this initiative, including the staff and board of the Border Philanthropy Partnership community foundations, staff of Synergos Institute and their technical assistance providers, and the funders of the partnership. We thank all interviewees, who are working hard to pursue the objectives of growing a philanthropic infrastructure along the 2,000 mile U.S.-Mexico border. All were notably candid and reflective. We were given extraordinary access to people and to materials, and hope that this report reflects their sincere efforts.

This evaluation has been commissioned by the Ford Foundation. Additional support has been provided by the Inter-American Foundation.

### ***BPP Funders***

Annie E. Casey Foundation	JPMorgan Chase Foundation
The California Endowment	Kellogg Foundation
The Ford Foundation (U.S. and Mexico)	McCune Charitable Foundation
Fundación Gonzalo Río Arronte	The Meadows Foundation
William and Flora Hewlett Foundation	Charles Stewart Mott Foundation
Houston Endowment	Pfizer Corporation
Inter-American Foundation	

### ***BPP Phase II Community Foundations: Operating in the United States***

Arizona Community Foundation (ACF)	Frontera Women's Foundation (FWF)
Brownsville Community Foundation (BCF)	Laredo Area Community Foundation (LACF)
Cochise Community Foundation/ACF affiliate	New Mexico Community Foundation (NMCF)
Community Foundation for Southern Arizona (CFSA)	San Diego Foundation (SDF)
Community Foundation of Southern New Mexico (CFSNM)	Santa Cruz Community Foundation/CFSA affiliate
	Texas Valley Communities Foundation (TVCF)
	Yuma Community Foundation/ACF affiliate

### ***BPP Phase II Community Foundations: Operating in Mexico***

Fundación Comunitaria de la Frontera Norte (FCFN)	
Fundación Comunitaria de Matamoros (FCM)	Fundación del Empresariado Chihuahuense (FECHAC)- Ojinaga
Fundación Internacional de la Comunidad (FIC)	Fundación del Empresariado Sonorense (FESAC)- Nogales
Fundación del Empresariado Chihuahuense (FECHAC)-Juárez	

### ***BPP Phase II Community Foundations: Operating in the U.S. and focusing on Mexico:***

International Community Foundation (ICF)

***Managing Partner:*** Synergos Institute

Note: The Mascareñas Foundation, a support organization of the El Paso Community Foundation, and Fundación Comunitaria de Tecate did not participate in Phase II.

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## Executive Summary

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This evaluation of the Border Philanthropy Partnership (BPP) focuses on its second phase, a period in which the initiative made the successful transition from being managed by an intermediary to becoming an independent organization. The BPP is a bi-national collaboration of national and regional funders and local community foundations dedicated to improving the quality of life along the U.S. and Mexican border region, an area that is home to roughly 14 million people, many of whom live in dire poverty. To achieve this end, BPP's first and second phases focused on increasing community philanthropic activity, specifically through building the capacities of border community foundations.<sup>1</sup>

The thinking about this initiative dates back to the 1990s, prompted in part by the discussions that emerged during the development of the North American Free Trade Agreement. From these debates arose new awareness of the importance of making more salient the notion of thinking about the border in regional terms in regard to shared issues, such as water needs and environmental concerns. These conversations also helped to identify that along the border there was a lack of organizations and settings to facilitate dialogue. The Ford Foundation saw an opportunity to foster a civic infrastructure through community foundations, which it believed could be the institutional vehicle for filling this gap. The concept of the BPP emerged from this basis and attracted a group of other funders who formed a collaboration to support the initiative in 2002.

### **Background**

From the outset, this bold initiative had significant obstacles to overcome. To begin, the concept of philanthropy is well rooted in the U.S. and benefits from conditions that nurture its development. Yet resources have not traditionally been directed to the border, leaving a sparse nonprofit landscape and, specifically, a lack of strong Latino-led organizations. Mexico has a history of charitable activity, but its philanthropic infrastructure is in a nascent stage. Critical, too, is that Mexico has a small and fragile nonprofit sector, legal and fiscal constraints that limit its development, and the lack of a history of individual wealth being used for philanthropic ends.

Tragically while the needs along the border continue, today the barriers have grown even higher with cross-border contact and the potential for collaboration made far more challenging largely as a result of security concerns. For example, post 9/11 regulations have led to interminable lines at the border and make it more complicated to have the personal contact so critical to developing the kinds of civic conversations originally envisioned for the BPP. This report

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<sup>1</sup> The BPP was initiated in 2002, and at its inception included nine U.S. and Mexican national and regional funders and 21 community foundations on both sides of the border. The second phase began in August 2005 and ended in July 2008, at which point BPP transitioned into an independent organization. For referencing BPP community foundations, this document generally will use the foundation's formal name or a shorthand reference using its state or city name occasionally with the acronym CF (community foundation). A list of foundations is provided in the acknowledgment of this report.

explains that while the barriers were already high and are getting higher, BPP participants made good progress toward achieving the initiative's goals.

## Findings

This report provides a comprehensive analysis of the progress of the BPP community foundations in regard to BPP's two founding objectives, which were (1) to build and strengthen the organizational leadership, programs, and institutional resources of border community foundations with the goal of rooting development efforts in local participation and in building local social capital; and (2) to encourage cross-border collaboration when such collaboration is likely to result in improved quality of life.

The information presented here was gathered from interviews, document review, an electronic survey, observations at critical meetings (learning communities, BPP executive committee), and secondary sources such as the IRS-990. The Mexican participants were forthcoming in providing documents; however, the data was incomplete and inconsistent. Some of the gaps were remedied by leveraging information from the comprehensive profile of Mexico's community foundations that Teamworks recently completed.<sup>2</sup> Nevertheless, the unevenness in how data is reported indicates a continuing problem within Mexico's accounting sector associated with a lack of experience with nonprofit organizations and specifically foundations.<sup>3</sup>

- ▶ ***Larger and stronger infrastructure of border community foundations, though many foundations are modestly staffed and while poised for stability are still fragile:*** The BPP initiative has increased the number of community foundations along the border. Of the 19 foundations participating in Phase II, six were incorporated since 2000 (see appendix "A" for map). BPP played a key role in transitioning several Mexico-based groups from ideas into reality, most particularly Frontera Norte, CF Matamoros, and FESAC/Nogales. These and other BPP participants readily voiced that BPP made important contributions to their organizational development. Excluding the larger foundations such as the Arizona Community Foundation, whose roles in BPP were to strengthen affiliates or develop offices along the border, most of the U.S. foundations have fewer than a handful of staff, with six having two or fewer full-time staff. Of the five Mexican foundations, four have six or fewer full-time staff, with one having just a part-time director and another just one full-time person.
- ▶ ***Increase of philanthropic dollars:*** There has been a dramatic rise in the assets since the start of BPP, though we caution that this data does not take into consideration the precipitous decline in the stock market in fall 2008 or its recent uptick. The total sum for the U.S. and Mexico exceeds \$1.2 billion, though just two foundations are responsible for over \$1 billion of that total. Nearly all of the U.S. participants saw their assets double, with New Mexico Community Foundation and the International Community Foundation more than quadrupling

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<sup>2</sup> "Mexico Community Foundations: A Comprehensive Profile" authored by Renee Berger, Diana Bermúdez, Patricia Carrillo and Mónica Tapia Álvarez ((Teamworks and Alternativas y Capacidades, May 2009), available in English and Spanish at [www.sfteamworks.com](http://www.sfteamworks.com) and [www.alternativasociales.org](http://www.alternativasociales.org).

<sup>3</sup> This finding affirms information presented in "Definición de una agenda fiscal para el desarrollo de las Organizaciones de la Sociedad Civil en México," escrito por Sergio García, Michael Layton, Laura García, e Ireri Ablanado (con la cooperación de Cristina Galíndez), Iniciativa Ciudadana y Desarrollo Social, Incide Social, A.C., enero, 2007.

theirs. Overall sums of those most proximate to the border generally remain modest, often under \$5 million. Limited data was available for the Mexican foundations, with just two reporting changes in assets between 2005 to 2008, and showing rises though each having below \$1 million.

- ▶ ***Increases in donors:*** Apart from measuring philanthropy in terms of total assets, it also is vital to assess whether more individual funds are being established. There is a clear pattern of increases in the numbers of donor funds managed. For example, the Laredo Community Foundation, one of the newest BPP participants (established in 2005), grew from five funds to 24. Frontera Norte, one of the new foundations in Mexico, more than doubled in three years from seven donor funds to 17, and another Mexican foundation, FIC, grew from 20 to 28.
  
- ▶ ***Growing infrastructure for grantmaking along the border, though funding levels are modest. Noteworthy gains have been made by Mexico's community foundations:*** Obtaining a clear picture of grantmaking to the border area and specifically for its vulnerable populations is a work in progress. The data is skewed by the large portfolios of a few foundations and the lack of a common practice for disaggregating grants to border areas. Given these constraints, in 2007/2008 the U.S. total was \$24.7 million and Mexico was \$6.4 million. These figures are skewed significantly in the U.S. (and overall) by the San Diego Foundation (\$21.3 million, which includes one grant of \$10 million) and in Mexico by FECHAC/ Juárez (\$4.8 million). A more accurate picture is that in the U.S. most of the small foundations seated along the border, with the exception of Yuma have grantmaking budgets below \$250,000, with Mexico's closer to around \$500,000. Among the Mexican groups it is noteworthy that funding for scholarships has quintupled, going from about \$38,000 in 2005 to over \$207,000 in 2008, and that giving to grassroots organizations has more than tripled, going from roughly \$85,000 in 2005 to over \$267,000 in 2008.<sup>4</sup> Support for these nascent groups has become a core component of the work of several Mexican border foundations in strengthening the civil sector, generously supported by the Inter-American Foundation and the Ford Foundation's Mexico office. While many of the foundations are busy developing their own capacities and have comparatively small budgets, we found that they are dedicated to growing the capacities of the nonprofit sector, e.g., by directly providing or facilitating training in grantwriting, facilitating the development of networks of nonprofits, and by offering assistance to professionalize boards and staff.
  
- ▶ ***Emerging new leadership:*** The BPP assisted organizations with strengthening their governance, as a result, new leadership at the board and staff level is emerging. On the Mexican side, the foundations are playing a vital role introducing the model of a community foundation as a vehicle for strategic philanthropy. The Mexican community foundations' board members tend to largely come from the business sector (62%), which has the potential for helping with attracting donor monies, but also places the foundations in the position of being perceived as elitist institutions. In the U.S. one of the ways of assessing whether new leadership is being cultivated in foundations is determining if there are increases in the

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<sup>4</sup> In Mexico, the term grassroots organization is generally used to describe an informal group that does not yet have its legal nonprofit designation. There are 5,280 nonprofit organizations in Mexico that have tax-exempt status. Estimates of the number of grassroots organizations exceed 20,000, but the true scale is unknown.



numbers of people of color. In 2005 five of the 12 U.S. foundations that responded had 50% or greater people of color; in 2008 that figure dropped to three. Of concern is that fundraising pressures may be influencing board recruitment with the foundations looking to traditional networks, primarily composed of white people. Also, the older organizations have tended to maintain their boards' composition, staying predominantly white and male. Finally, on a very positive note, staff and board of the BPP foundations on both sides of the border took ownership and demonstrated leadership in developing and implementing the plan that led to the creation of the new BPP entity.

- ▶ ***Fostering community leadership:*** In addition to the traditional measure of changes in assets, another key indicator of the success of these institutions is their ability to play roles as conveners and catalysts for change, seen as crucial to achieving the goals of a civil society. The New Mexico Community Foundation, Laredo Area Community Foundation, and Yuma Community Foundation have already stepped into this role in notable ways. In Mexico, the barriers for this kind of work are high because of its lack of a tradition of offering conversational spaces where groups might convene with each other over civic matters. Despite the barriers, Frontera Norte's two core programs include elements of convening with the objective of fostering civic consciousness, plus the foundation played an instrumental role in creating a network of local funders to share information (which resulted in Frontera Norte acquiring a new donor fund) and make more efficient their grantmaking. And FIC is seeking to build the capacity of grassroots organizations to become more effective advocates.
  
- ▶ ***Growth in cross-border collaboration:*** The barriers for cross-border cooperation are high and include the legal and travel constraints that are a consequence of 9/11 and the insecurity resulting from the problems associated with drug trafficking. Given these obstacles, one must also add that most of the foundations are consumed with growing their own capacities, so deploying resources to build cross-border relationships, while admirable, may not be an immediate priority. Nonetheless, there is a growing body of evidence that BPP foundations on the U.S. and Mexican sides of the border indeed are collaborating with each other. In this second phase we found a fruitful relationship has developed between the Santa Cruz Community Foundation (an affiliate of the Community Foundation for Southern Arizona) and FESAC/Nogales that includes jointly raising funds, cooperative programming to build the capacities of the nonprofit sector on both sides of the border, and even selling philanthropic tours for people to see programs in action. Yuma, despite not having a community foundation partner on the Mexican side of the border, has pushed ahead forging cross-border relationships with academic institutions and nonprofits to address the grave education and health needs of the children of impoverished, particularly immigrant families.

Lastly, the report assesses the work of the managing partner for the initiative, Synergos. Overall, Teamworks found that Synergos, after a rocky start to the second phase, finished its work well. While Synergos staff and its consultants continued to struggle with finding the right approach and mix in its capacity building services, it received high marks from interviewees for the learning communities and thematic workshops, which strengthened networking among the foundations and in some cases sparked new activities in their communities. While ample credit for developing the new entity goes to the BPP participants, especially the staff and board representatives who constituted the executive committee, interviewees readily acknowledged that Synergos played a vital role facilitating the transition. When Synergos closed its San Diego

office, BPP's participants had already hired a director, received commitments of \$1.5 million in funding, and the new entity was housed by a BPP member foundation that was providing deeply discounted rent and other office services to help its launch.

### **Key Lessons**

The report concludes with a few key lessons directed to BPP's funders and the broader philanthropic community.

- 1. Country Context Counts:** When considering an international initiative it is essential to carry out a discovery stage to increase technical knowledge as well as obtain an understanding of the professional landscape, the who's who, of the field in which funding may be targeted. This stage is a time for learning about culture, the nation's laws in reference to nonprofit organizations, the fiscal framework, the state of the civil sector, the role of government in relation to the civil sector, and the topic of interest. When faced with lack of information, for example about the legal and fiscal framework for nonprofits, funders should give strong consideration to investing in research. Such background knowledge should be used toward informing goals and framing strategy. Funders need to make clear that the exportation of ideas grown on U.S. soil, such as community foundations, may well take a different form that better fits the conditions indigenous to the country. At risk of stating the obvious, it is critical to involve local talent in this discovery stage.
- 2. The Role of the Managing Partner is Critical:** Large initiatives such as the BPP call for working with an intermediary organization, because it is more efficient for funders who would otherwise have to manage a group of providers responsible for tasks such as training, organizing conferences, and raising funds. The selection of the managing partner is perhaps the most critical decision made by funders when launching large scale initiatives. Selection should be informed by recognizing the roles the partner is to play and the competencies they need to effectively carry them out.

In the case of the BPP, we describe four roles—administrator, capacity builder, fundraiser, facilitator—that were played by the managing partner. Some of the competencies needed were cultural awareness, language skills, general knowledge of philanthropy, specific knowledge of community foundations, delivering capacity building to community foundations in varying stages of development, fundraising, facilitation, design of tracking systems for evaluation, program design, communications and management. Another dimension of selection is assessing the commitment of the intermediary's leadership (board and staff) to the program and determining where it fits within the organization's priorities. Finally, with the selection of an organization, attention must be given to who in that organization will be charged with leading the project. Looked at through these filters, it is easy to see the challenge of finding one organization that would have all of these assets. We add that once an intermediary is selected, the funder and the intermediary need to pay keen, ongoing attention to building a relationship based on trust and shared vision.

- 3. Clarify Evaluation Expectations Early:** The experience of the BPP and its challenges with data gathering and analysis suggest that such initiatives would be better informed

by: (1) establishing agreements between funders and participants, early in the project, of the key research questions to be addressed along with agreeing upon a small number of essential indicators to track; (2) make clear who is responsible for gathering data and for its analysis (this could be separate parties, e.g. the managing partner collects data and an outside evaluator performs the analysis); and (3) conduct initial research to determine what data is feasible to collect. Also important is ensuring the existence of competencies and resources to carry out the requisite data gathering tasks.

**4. Effective Transition Requires Starting Early, Clear Roles, and Able Leadership:**

The complexity of starting up a project is equaled by the challenge of determining how to successfully transition it to stand on its own. While BPP's transition process had some fits and starts, it culminated successfully. Key learnings from the experience include (1) start early; (2) clarify expectations regarding the role(s) the managing partner will play, (3) ensure there is capable, neutral, facilitation; (4) empower participants to play a leadership role; (5) encourage the leaders to develop a process that fosters ownership in the plan; (6) promote open and ongoing communications among all parties, (7) invest in assembling a systematized transfer of knowledge; (8) recognize that additional resources may be needed for such tasks as facilitation, research, and communications; and (9) provide a carrot so that participants know their efforts stand an excellent chance of being rewarded.

**5. Funder Collaboration—Making the Whole Greater than the Sum of the Parts:**

BPP was a set of sub-initiatives that were successfully woven into a whole largely because of funders who (1) shared a commitment to the development of community foundations to address border needs, (2) respected each other's differences in resource capacities and priorities, (3) recognized that key ingredients would include funds for convening the participants (learning communities, thematic workshops) program support, operating support, and funds for technical assistance, (4) agreed to work through an intermediary that would have the responsibility of managing and bringing coherence to the effort, and (5) despite the challenge of busy schedules, managed to maintain ongoing communications.

In closing, BPP's second phase met its goals to strengthen the ability of community foundations to address quality of life issues along the U.S.-Mexico border. Today, as this report evidences, community foundations are now part of the landscape on the border and the trust fostered among them through the BPP gives promise to lifting the voices of those who live in this region.

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## Section One: Introduction

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### **Background**

The Border Philanthropy Partnership (BPP) was initiated in 2002, beginning as a bi-national collaboration of national and regional funders and local community foundations dedicated to improving the quality of life along the U.S.-Mexico border region (defined by the BPP as within 150 kilometers north and south of the international boundary line).<sup>5</sup> At its inception it included nine U.S. and Mexican national and regional funders and 21 community foundations on both sides of the border. The funders retained the Synergos Institute to be the managing partner, responsible for the project's implementation. The BPP is divided into roughly three year phases, with the first ending in August 2005 and the second in July 2008. A third phase is currently underway, marked by the transition of management from Synergos to the BPP's community foundations, which successfully undertook the challenge of forming an independent bi-national organization.

From its outset, the funders placed an emphasis on evaluation. A phase one report was completed in April 2006, which was followed by a midcourse report of phase two in the fall of 2007. Both the funders and Synergos took to heart the recommendations from each, using them to refine how to target support and provide for strengthening their capacity. Building on these prior evaluations, the purpose of this document is to examine the conclusion of phase two. With the managing partner's work completed and a new organization already formed, this report will reflect on the BPP and conclude by offering a few key lessons.

As in the first phase, during the second three years BPP continued its emphasis on increasing community philanthropic activity, specifically through building the capacities of border community foundations. In total, 13 private and corporate foundations made contributions to BPP during phases one and two, totaling \$16.4 million.<sup>6</sup> Contributions to the second phase alone totaled \$9.3 million. The BPP's two principal objectives were the following:

1. To build and strengthen the organizational leadership, programs, and institutional resources of border community foundations with the goal of rooting development efforts in local participation and in building local social capital.
2. To encourage cross-border collaboration when such collaboration is likely to result in improved quality of life.<sup>7</sup>

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<sup>5</sup> The border extends 2000 miles along the U.S.-Mexico boundary. The Southwest Center for Environmental Policy & Research (SCEPR), a bi-national coalition of academic institutions estimates that for 2010 the population will be approximately 14 million. SCEPR defines the border more narrowly than the BPP as 100 kilometers north or south of the international boundary.

<sup>6</sup> All financial figures in the report are in U.S. dollars unless stated otherwise.

<sup>7</sup> The "U.S.-Mexico Border Philanthropy Partnership Framing Document" outlines the mission and goals of the BPP. The long-term goal of the BPP is social change, but recognized that building the infrastructure of community foundations is an essential first step toward this goal.

The goals of the phase two proposal that was submitted by the Synergos Institute, the initiative's managing partner, were to (1) improve the organizational capacity of border community foundations; (2) strengthen peer learning, advocacy and the communications network; (3) engage additional corporate, government and foundation partners in the Border Philanthropy Partnership; and (4) create a capacity building support infrastructure for community philanthropy.

While not stated as a *theory of change* per se, implicit in the funders' approach is that providing training and technical assistance for a threshold level (critical mass) of community foundations along the border region over a multi-year period will lead to the development of a sustainable philanthropic infrastructure to address the region's needs. Funders, particularly the Ford Foundation, made explicit a desire that cross-border collaboration be encouraged, in the hope that dialogue among leaders from different sectors in the community would foster civil society, and lead to joint efforts to address border needs. In turn, Synergos outlined an approach of building organizational capacity, fostering peer learning, advocacy and a communications network, engaging other donors, and establishing a capacity building support infrastructure. According to this model, these four strategies will result in a greater likelihood that the organizations would endure beyond phase two to ultimately stand on their own.

Here we highlight the conditions that led to the BPP and touch briefly on how recent circumstances affect its progress. The thinking about this initiative dates back to the 1990s, prompted in part by the discussions that emerged during the development of the North American Free Trade Agreement. From these debates arose new awareness of the importance of making more salient the notion of thinking about the border in regional terms in regard to shared issues, such as water needs and environmental concerns. These conversations also helped to identify that along the border there was a lack of organizations and settings to facilitate dialogue. The Ford Foundation saw an opportunity to foster a civic infrastructure through community foundations, which it believed could be the institutional vehicle for filling this gap.

From its beginnings, this bold initiative had significant obstacles to overcome. The advent of 9/11 and its ongoing consequences is one of several factors making it even more difficult to achieve the goal of cross-border collaboration. Security along the border continues to tighten. Crossing has become interminably long. The personal contact, so essential to developing the kinds of civic conversations originally envisioned for the BPP, is less frequent and more strained. Provisions in the Patriot Act have made it more difficult for grantmaking to be done by U.S. foundations to groups in foreign countries. Mexico is suffering from being awash in illicit drugs, rocketing levels of violence, and charges of corruption that undermine its nascent efforts to promote a civil society. There is a fear of a hollowing out of philanthropy as Mexicans with the resources, fearful of kidnappings, are leaving. The problems are not unique to Mexico. American money fuels the demand for drugs, in the U.S. there is easy access to guns, and its residents routinely cross the border to drink and otherwise create mayhem. The primary impacts are felt in Mexico, yet they are experienced on the U.S. side of the border also.

Tragically while needs are escalating, today the challenges are even greater. Soon after the end of the second phase in summer 2008, the world economy took a nosedive. The assets of foundations in the United States plummeted roughly 30%. For the BPP foundations, the



consequences have included their reordering priorities to meet urgent needs, reducing grant budgets, and cutting back staff and expenses. Analogous figures are unavailable for the impact of downturn on Mexico's largely nascent philanthropic sector, but anecdotal information suggests that the situation is the same.

### **Scope and Approach**

This report documents the closing stages of the second phase of BPP, provides a detailed picture of progress toward establishing a viable infrastructure for community philanthropy along the U.S.-Mexico border. While focused on the second phase, where feasible and for the purpose of highlighting change, it draws on information dating from the inception of the BPP.<sup>8</sup> The research questions that guide the evaluation are

1. What progress has been made to build a sustainable infrastructure of community foundations along the U.S.-Mexico border region? Specifically, (a) have border community foundations been strengthened with respect to organizational leadership, programs, and institutional resources as a result of their participation in the Border Philanthropy Partnership?; and (b) have the BPP foundations established a viable framework to continue to jointly pursue capacity building goals and to address the common needs of the border region?
2. What has been the role of the managing partner in facilitating the effort to build this sustainable infrastructure?

For this final report, Teamworks reviewed the status of all of the phase two BPP community foundations. The information gathering included extensive document review (proposals, IRS-990s, financial audits, organization development plans, trip reports), conducting 80 interviews (45 people, several of whom were interviewed on multiple occasions), observing critical meetings (e.g., learning community, executive committee meetings on sustainability), and conducting an email survey. Interviewees included executive directors, board members, technical assistance providers, Synergos staff, and funders. Teamworks also had the benefit of leveraging research undertaken in the course of producing its recent comprehensive profile of Mexico's community foundations, also supported by BPP's funders. This study included an extensive electronic survey that provided a rich vein of data on organizational structure and operations and financial characteristics that were additionally supplemented by a review of financial audits.

At the beginning of this phase there were 19 foundations. Two foundations did not complete the tasks that they had agreed upon for Phase II. They are Texas Valley Communities Foundation and the Community Foundation of Southern New Mexico.<sup>9</sup> A third foundation, FECHAC/Ojinaga attended learning communities and received some technical assistance

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<sup>8</sup> Teamworks began the evaluation of BPP's Phase II in late 2006, commencing its formal data gathering in early 2007.

<sup>9</sup> Texas Valley failed to fulfill requirements for matching funds and also to pursue technical assistance requirements established for participation in BPP's South Texas Challenge Program (see pages 44 and 49 for information about this program). The Community Foundation of Southern New Mexico joined the BPP in Phase II, participated in a learning community, but did not follow through on technical assistance.

funding (it did not qualify for a final allotment because it had not spent down previous support). But its executive director, the only employee, departed at the end of phase two, leaving at the time when essential data for this report was being collected. For these latter cases, we include the information that we were able to gather, leaving gaps where information was not available.

### **Key Factors Affecting the Evaluation**

The BPP presents distinctive challenges in regard to measuring progress. From the very beginning, Teamworks identified several key limitations to the Phase II evaluation. They were (1) the lack of shared agreements between and among funders, Synergos, and the community foundations regarding outcomes/indicators; (2) Synergos submitted progress reports to funders, but there was no baseline data or tracking system to systematically document the work of the community foundations; and (3) similar to other real world and complex initiatives, establishing “causality” will be complicated by a wide range of variables such as the political and economic environments in which these foundations function.

In early 2007, prompted in part by questions that Teamworks raised about the measurement of progress, Synergos drafted a framework for indicators/outcomes with the intention of using it to assess progress. While providing some additional clarity, it came far too late in the process to be particularly useful. As the last six months of BPP’s Phase II approached the funders formally asked Teamworks to undertake the data gathering as part of its scope.

Other important factors that should be taken into consideration when judging BPP progress are

- ▶ *Different philanthropic environments:* In the U.S. the concept of philanthropy is well developed and it benefits from a wide range of conditions that foster its growth, among which are a long history of the sharing of individual wealth for the common good, a large and vital nonprofit sector that includes foundations and service providing organizations, and a tax code that is conducive to motivating giving. Nevertheless, in the U.S. philanthropic resources have not traditionally been directed to the border and local philanthropy had largely gone elsewhere or was latent. Moreover, the U.S. border landscape is dotted with fragile nonprofits and a lack of strong Latino led organizations.

Mexico has a history of charitable activity, but its philanthropic infrastructure is in a nascent stage and must contend with major impediments. One significant obstacle is that the word philanthropy is viewed by some critics as the domain of the elite, and not useful for making change. Critical is that Mexico has a small and fragile nonprofit sector and the lack of a history of individual wealth being used for philanthropic ends. The civil sector has just 5,280 nonprofit organizations incorporated that have tax-exempt status as of 2007.<sup>10</sup> The donor sector is especially small for a populous nation of over 100 million people where there is considerable wealth, albeit in the hands of relatively few. In 2002 it was estimated that there are only 125 donor institutions.<sup>11</sup> Deductibility has limited value as an incentive because eligibility is narrowly defined (e.g., to certain missions such as education, environment, and human rights) and just 5% of income can be applied

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<sup>10</sup> Information based on the *Directorio de Donatarias Autorizadas* published by the *Servicio de Administración Tributaria* (SAT) in 2007.

<sup>11</sup> See *Directorio de fundaciones y entidades donantes en México* (Cemefi, 2006), p. 127.

toward operating costs—conditions that contribute to building feeble organizations or risk encouraging financial manipulation.

- ▶ *Diverse cultural contexts:* Though not always visible, culture is a constant presence in the BPP. Our purpose here is to bring the subject of culture to the surface, so that its barriers and opportunities can be better appreciated. Mexico has little experience with citizen participation, fund raising, or giving to intermediary-types of institutions. Giving in Mexico tends to be focused on the family and the provision of charity for the needy. The culture in the U.S. promotes individual responsibility and a “can do” attitude, while in Mexico it is said that years of government paternalism contribute to an attitude of dependency. Another significant difference is that Mexico is a highly class conscious society. Whereas class distinctions exist in the U.S., its democratic institutions and history of citizen involvement provide for a wholly different sense of empowerment.<sup>12</sup> Teamworks observed BPP conversations noting that the term “advocacy,” an umbrella for citizen participation, community organizing, and lobbying in the U.S. routinely led to complex discussions with Mexican counterparts about significant legal restrictions they faced in regard to carrying out similar activities.<sup>13</sup>
- ▶ *Diverse histories and stages of development:* Apart from the philanthropic context of the foundations, their origins, structures, and financial status vary greatly. At the beginning of the BPP program, there were mature organizations that were self-supporting with assets exceeding \$200 million, and others that were glimmers of possibility with promise but no assets. Some were affiliates of statewide funding organizations and could look to them for back office assistance. Several were created with the clear intent of becoming community foundations, while others already had prior missions and with the incentive of the BPP made the decision to become a community foundation. In a few cases, the foundations had other foundations within their reach across the border, theoretically placing them in a better position to plant the seeds of cross-border collaboration.
- ▶ *Varying resource inputs from funders:* The BPP is best understood as a set of sub-initiatives woven together into a whole as a result of shared interests on the part of funders in developing the border’s philanthropic infrastructure. Specific donor priorities varied and played out in substantial differences in funding levels. For example, the principal funder, the Ford Foundation, was the main source of the core costs for the managing partner, the learning communities, and technical assistance grants. The foundation also gave generous grants to four individual foundations, placing a priority on their fostering border-based philanthropy and grassroots leadership to address poverty.<sup>14</sup>

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<sup>12</sup> Refer to “Strengthening Mexican Border Community Foundations: Lessons Learned,” Vivian Blair & Associates/Synergos, February 2007, pp. 36-38. Also, refer to “Mexico Community Foundations: A Comprehensive Profile,” Berger, et al. (May 2009: pp 4-10).

<sup>13</sup> After extensive research, to ensure compliance with the laws, BPP’s new organization (which has nonprofit status in the U.S.) will have a bi-national board, while its Mexico counterpart will have a solely Mexican board. U.S. law does allow for various types of policy advocacy that could conceivably evolve from the organization’s work.

<sup>14</sup> These foundations include the Arizona Community Foundation (funding was to strengthen its border affiliates, Cochise and Yuma), the Community Foundation of Southern Arizona (to build the capacity of the Santa Cruz Community Foundation), and for the New Mexico Community Foundation and San Diego Foundation to expand their involvement on the border.



Another critical stream of support came from the Inter-American Foundation, which seeks to foster grassroots community development and exclusively invested its BPP support in Mexico (a total of over \$512,000) in Phase II. And, the Houston Endowment and Meadows Foundation with the help of Synergos staff, created the South Texas Challenge Program, jointly earmarking over \$2.4 million for the four Texas BPP foundations for operating support, grantmaking, software, and matching funds for endowment building. The new Texas program also earmarked funds to increase the level of assistance for the Texas groups from the BPP coaches and consultants.

This funding tapestry translates into differing funder requirements, timetables, and notably differing levels of funding. For example, FIC benefited from an initial \$1 million grant from the Hewlett Foundation, giving it a considerable lift off distinct from the other foundations in the BPP. In total FIC was the beneficiary of over \$2.1 million when other foundations such as FESAC/Nogales received less than \$262,000.

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## Section Two: Key Findings

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This section provides four overarching findings about the development of the BPP infrastructure, the emergence of community leadership, the state of cross-border collaboration, and the role of Synergos, the managing partner. The measures used to make judgments draw upon the BPP's documented expectations, community foundation experience, and the literature of how their progress is assessed. Examples of the measures we use are composition of board and staff, level of assets, numbers of donor funds managed, scale of grantmaking, steps being undertaken toward becoming community leaders, and whether cross-border collaboration is emerging.<sup>15</sup>

It is essential to note that these measures have been derived largely from U.S. experience, but have a compelling basis and logic to also be used for Mexico. We caution, however, that the Mexican community foundations are breaking new ground and evolving their own culturally appropriate models for community philanthropy.

In the course of assembling the midcourse report, Teamworks found it necessary to develop data sets for fundamentals such as changes in assets, donor funds, and grantmaking. Synergos and occasionally one of its technical assistance providers had gathered data, but there has not been an ongoing concerted effort to create a tracking system. For this final evaluation we built upon the data sets developed for the midcourse report, updating them, while expanding their scope with information that was gathered for the previously referenced comprehensive profile of Mexico's community foundations. Nevertheless, there remain gaps and inconsistencies, understandable in a project of the BPP's scope. A challenge for Mexico's organizations is that accounting practices for nonprofit organizations are in a comparatively early stage, and even more so for community foundations. The consequence is that fundamental terms such as assets, donor funds, and grantmaking are subject to differing interpretations. The Centro Mexicano para la Filantropía (Cemefi), a Mexican association of nonprofit organizations and philanthropic organizations, made an effort to classify terms such as types of donor funds, but the responses to our inquiries indicate that they are yet to be fully assimilated.<sup>16</sup>

Despite these obstacles, thanks to the generosity and forthrightness of the many interviewees and the documents they provided, we are able to provide a report that is rich in data. Important for the reader's context, we underscore that the financial data provides a storyline through the end of Phase II and that it does not reflect the toll of the economic slide on the foundations' finances.<sup>17</sup>

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<sup>15</sup> For excellent context about community foundations see: "Funding Foundations: Report on Ford Foundation Support of Grantmaking Institutions, 1975-2001," by Laurie Regelbrugge, published by the Ford Foundation and "On the Brink of a New Promise: The Future of U.S. Community Foundations," by Lucy Bernholz, Katherine Fulton, and Gabriel Kasper, with support from the Charles Stewart Mott Foundation and the Ford Foundation.

<sup>16</sup> Cemefi is a national nonprofit organization with a diverse membership of foundations, associations, individuals, and businesses and has a mission of promoting the culture of philanthropy, social responsibility, and the participation of the civil sector.

<sup>17</sup> The IRS-990s and equivalent Mexican audits for the current fiscal year will not be available for at least another six months to a year.

**Key Finding #1  
Philanthropic Infrastructure**

**The overall trajectory of the BPP is positive in regard to the community foundations increasing philanthropic resources, nurturing diverse leadership at the board and staff levels, and in developing their grantmaking capacities. While there have been significant gains, many of the smaller and newer foundations, notably the ones that have the closest proximity to the border, are thinly staffed, struggle to raise sufficient operating monies, and have very modest grantmaking budgets. Their path is consistent with developing organizations and they have made important strides toward achieving longer-term sustainability.**

***ORGANIZATIONAL INFRASTRUCTURE***

***A larger and stronger infrastructure of border community foundations:*** The BPP initiative has increased the number of community foundations along the border. Of the 19 foundations participating in Phase II, six were incorporated since 2000. BPP played a key role in transitioning FESAC/Nogales, FIC, Frontera Norte, CF Matamoros, Laredo, and Texas Valley from ideas into reality. Participation in BPP contributed to the development and growing stability of the border foundations.

Table 1, presented on the following page, summarizes the stability achieved by the community foundations. We find that eight are fragile/poised for stability, two are somewhat stable, and six are stable. The measures that we used were whether there is sufficient flow of operating funds to be self-supporting and the extent to which there is depth in the management structure of the organization beyond the executive director. Our thresholds for the distinctions depicted in the table are as follows: fragile—very limited sources for operating support and no clear plan for developing an income stream; poised for stability—firm steps taken toward generating operating monies and clear planning and action on the part of the board/staff to generate income; somewhat stable—sufficient operating support covering at least the executive director, a clear plan for raising operating revenues, but still lacking in funds for other staff, and a lack of depth in management structure (i.e., beyond the executive is there senior-level management capacity); and, stable—self-supporting and has sufficient management depth to maintain stability during inevitable leadership changes.

*Fragile/poised for stability:* With the exception of Brownsville, all of the organizations in the category of fragile/poised for stability were new at the start of BPP or were created during Phase I. Many interviewees readily voiced that BPP played a vital role in their development. In the course of BPP, Brownsville has shown little appetite for fully taking on the role of a community foundation, most keenly manifested in its lack of donor development and in its limited grantmaking/outreach to the community. Since the Laredo Area Community Foundation’s talented director left, the foundation made the decision not to fill this position due to a lack of funds. Its board president is serving as volunteer staff. Laredo has continued its commitment to board development, fund

development, and grantmaking.<sup>18</sup> Santa Cruz Community Foundation suffered from considerable turnover of executive directors, but now has a capable staff that has had several successful fundraising events, moved from a marginal area into an office provided by a branch of the Bank of Tucson, and re-energized its board.<sup>19</sup>

Frontera Norte has had strong leadership both on its board and with its director. It has been growing its funding base, has shown creativity in its programming, and while it has thin operating margins it has been attentive to the need to plan well. FESAC/Nogales, though very small, appears to be steadily growing, in part a result of a fruitful collaboration with the Santa Cruz Community Foundation, its sister community foundation on the U.S. side of the border. FESAC/Nogales has made good strides to develop sources for operating revenues, but largely remains dependent on the goodwill of board members who literally pay to keep the lights on, and the energies of one full-time staff person. Similarly small and operating with just one full-time staff person is CF Matamoros. FIC had the unusual advantage of being launched with an initial grant of \$1 million from the Hewlett Foundation, but its staffing up for this grant left the organization with major operating requirements. On a positive note, FIC has recently brought new leadership to its board, is growing its donor funds, reorganized its staffing to reduce operating costs, increased scholarship activity, and has played an important role in fostering grassroots leadership development.

**Table 1:  
Assessment of Stability<sup>1</sup>**

<b>Fragile/Poised for Stability</b>	<b>Somewhat Stable</b>	<b>Stable</b>
<ul style="list-style-type: none"> <li>▶ Brownsville Community Foundation</li> <li>▶ CF Matamoros</li> <li>▶ FIC</li> <li>▶ Frontera Norte</li> <li>▶ FESAC/Nogales</li> <li>▶ Frontera Women's Foundation</li> <li>▶ Laredo Area Community Foundation</li> <li>▶ Santa Cruz Community Foundation</li> </ul>	<ul style="list-style-type: none"> <li>▶ ACF/Yuma Community Foundation</li> <li>▶ ACF/Cochise Community Foundation</li> </ul>	<ul style="list-style-type: none"> <li>▶ Arizona Community Foundation</li> <li>▶ Community Foundation for Southern Arizona</li> <li>▶ FECHAC/ Juárez</li> <li>▶ International Community Foundation</li> <li>▶ New Mexico Community Foundation</li> <li>▶ San Diego Foundation</li> </ul>

<sup>1</sup>FESAC/Nogales, FECHAC/Juárez, Santa Cruz, Yuma, and Cochise are part of larger organizations that provide administrative and occasionally financial support key to their development.

Note: The Community Foundation of Southern New Mexico, FECHAC/ Ojinaga, and Texas Valley Communities Foundation are not included in this table, due either to their not completing BPP requirements or because we were unable to obtain information.

*Somewhat stable:* The community foundations in the somewhat stable category, Cochise and Yuma, are both affiliates of the Arizona Community Foundation (ACF) and had several

<sup>18</sup> While not hiring a director, Laredo's board members are generously funding \$25,000 in grants in 2009.

<sup>19</sup> Santa Cruz is an affiliate organization of the Community Foundation for Southern Arizona. Its board is technically advisory.

advantages from the outset of BPP, including each having over \$2 million in assets, able leadership, and that they could draw upon the benefits of ACF's affiliate services.<sup>20</sup> At the close of phase two Cochise CF and Yuma CF had seen their assets climb to over \$4 million each, plus had made significant strides in the development of their boards and programs, which are highlighted in the community leadership and cross-border collaboration sections of this report.

*Stable foundations:* The Arizona Community Foundation, Community Foundation for Southern Arizona, San Diego Foundation, and the New Mexico Community Foundation received direct funding from the Ford Foundation to strengthen their work along the border. This included building the capacities of affiliates, creating affiliates, or opening a border office. FECHAC/Juárez enjoys stability as a chapter of FECHAC, which receives its funding from a tax surcharge on businesses in the state of Chihuahua.<sup>21</sup>

In the group of stable organizations, the standout is the International Community Foundation (ICF), whose assets have grown by over 600% since its start with BPP. ICF has sharpened its mission to focus its giving in Mexico, reorganized and re-energized its board, and reorganized staff to ensure that the organization has depth beyond its executive director to manage its needs. The foundation also received a gift of a substantial property for its office. The organization has been business-wise about its operating revenues seeking to maximize its earned income through special events and programmatic work aligned with its mission, while paying attention to taking advantage of the smallest of differences in interest rates.

Those who began with the least in many cases have traveled the furthest. Starting from a base of minimal resources they had to build their boards, establishing proper policies for governance and understanding of roles, recruit staff, and perform the rest of the basics to get launched. The hurdles are very high in that they challenged to build a corpus while building credibility. In Mexico the hurdles are even higher, as the concept of a community foundation is new and that giving to such intermediary types of organizations is unfamiliar. Thus, many of the organizations in the category of fragile/poised for stability should be recognized for what they have overcome and the progress made.

***Emerging leadership, a mixed picture on diversity:*** One of the ways of assessing whether new leadership has been cultivated is examining board and staff composition over time. In the U.S. a principal measure is whether there have been changes in the number of people of color. The findings show that while there are some gains being made regarding increasing diversity there are also situations where little change is evidenced. Looking through a gender lens, for board members overall there is equal gender representation; however, this figure is somewhat skewed by Frontera Women's Foundation which has 17 female members and no males. This report disaggregates data from the comprehensive profile of Mexico's community foundations to

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<sup>20</sup> ACF has a well developed affiliate system with detailed benchmarks for moving through stages that start with a community fund and move to an affiliate, within which there are multiple sub-categories from emerging to mature. ACF's services include back office functions (payroll, grants management), as well as marketing and training.

<sup>21</sup> The state of Chihuahua has a tax surcharge on the state payroll tax to promote business contributions. Initially voluntary, it is now mandatory but requires renewal every six years. The funds are collected through the state tax system and channeled to FECHAC, the foundation responsible for granting the funds within the state of Chihuahua. FECHAC/Juárez is the largest chapter.

provide the first look at the professional origins and gender of board members of the border foundations. The findings shed light on the professional affiliations of board members, showing that the majority are from business and are male.

In regard to staff, unfortunately data was not collected during the early years of BPP that could show a trend line. We can provide a current picture that shows that males generally lead the larger foundations and that overall there are few Latino executive directors in the U.S. border foundations. Looking at the gender of the executive director, in the U.S. there is roughly the same number of male and female executive directors while all of the Mexican border foundations have female directors. The more subtle sub-story is that all of the larger foundations in the U.S. group have male directors, and two of the Mexican organizations are chapters that belong to state organizations headed by men. Among the larger U.S. BPP foundations, just the International Community Foundation has a Latino executive director. (The New Mexico Community Foundation currently has an interim director who is Latino.) For Mexico, a very favorable development is that nearly 86% of full-time staff are hired by “nómina,” a type of employment that is roughly comparable in the U.S. to being hired with benefits versus as a consultant.

Below, detailed findings are presented on the composition of the boards and staff of the BPP community foundations. Each section includes analyses of distinct datasets from the U.S. and from Mexico.

### **The Boards: U.S. BPP Community Foundations**

The data regarding the extent of diversity on boards shows a mixed picture. In 2005, five of the 12 foundations that provided data had 50% or greater people of color. In 2008 that figure dropped to three community foundations. In general, the newer organizations generally appear to have made a commitment to diversity, while the older organizations such as the Arizona Community Foundation and San Diego Foundation show little change and remain predominantly white. Three organizations, Frontera Women’s Foundation, Santa Cruz Community Foundation, and Yuma Community Foundation demonstrate a continuing commitment to recruiting people of color. Yuma CF is to be recognized for having once been a board dominated by white people, but is now majority non-white, a result of a board decision to reflect the diversity of its community. Additionally, Yuma CF’s vice-chair is Latino, underscoring that this community’s representation is taken seriously at the executive committee level.

The data shows a steep drop in the International Community Foundation’s board diversity. This foundation’s data was in flux because it was in the midst of board reorganization when this information was collected.<sup>22</sup> While other declines are more modest because they are reflective of changes of perhaps one or two people, they are nevertheless concerning. Additionally worrisome were comments made during the interviews by several of the BPP foundations that intense pressures regarding fund development were resulting in board members looking to recruit from known networks, shorthand for wealthy white people, rather than by cultivating new ones or choosing to expand their boards to carry out both strategies (see Table 2). Data was also gathered to explore the gender composition of the boards. Five of the foundations have roughly equal representation, two have significant majorities of women, and four other have sizable

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<sup>22</sup> As of July 2009, ICF’s website shows eight board members, half of whom are people of color. ICF is currently recruiting to fill upwards of five positions.



majorities of men.<sup>23</sup> The Arizona Community Foundation and San Diego Foundation are the most significantly dominated by white and male leadership.

**Table 2:  
U.S. BPP Board Composition  
Percent People of Color 2005 and 2008**

<b>Foundation/Year</b>	<b>2005</b>	<b>2008</b>
Arizona Community Foundation	19%	17%
Brownsville Community Foundation	33%	38%
Cochise Community Foundation	14%	18%
Community Foundation of Southern New Mexico	31%	NA
Community Foundation for Southern Arizona	17%	22%
Frontera Women's Foundation	88%	76%
International Community Foundation	64%	33%
Laredo Area Community Foundation	53%	41%
New Mexico Community Foundation	38%	40%
San Diego Foundation	15%	21%
Santa Cruz Community Foundation	53%	72%
Yuma Community Foundation	53%	67%

### **The Boards: Mexico BPP Community Foundations**

Considerable strides have been taken by Mexico's border foundations during the BPP toward the strengthening of their infrastructure. We have previously noted that Mexico has a small nonprofit sector and that the concept of a working board is comparatively new. Credit for the gains made by the foundations can be attributed to several factors including (1) a certification process established by Cemefi that required meeting certain criteria, including being incorporated and establishing written policies;<sup>24</sup> and (2) participation in a range of BPP-sponsored capacity building opportunities to further governance development. All of the BPP foundations report that they have key written policies and current strategic plans. Similarly, all also report that increasingly board members are making monetary contributions to the foundations. In addition

<sup>23</sup> Data is based on a survey in 2007.

<sup>24</sup> Cemefi carried out a certification process for Mexican community foundations participating in an endowment building program that was funded by the Inter-American Foundation in 2004.

to cash contributions, three organizations (CF Matamoros, FESAC/Nogales, and Frontera Norte) stated that they receive office space for free or have their rent subsidized by board members. In addition to providing for office space, members of the FESAC/Nogales board pay for utilities and also make a direct contribution to the salary of staff.

There is no yardstick against which to measure the characteristics of board composition in Mexico. We can say, however, that the composition of the border foundation boards is consistent with data generated for the comprehensive profile of Mexico's community foundations. The majority of border foundation board members (62%) come from the business sector, followed by the civil society organizations (12%), with the remaining members roughly equally spread across academia, education, and voluntary sector. Overall, 62% are male. The comprehensive profile figures were 66% from the business sector, 14% from civil society organizations, and the remaining from academia, education, and other groups (see Table 3).

**Table 3:  
Mexico BPP Community Foundations  
Board Composition by Professional Affiliation/Gender (2008)**

Professional Affiliation	Business		Govt.		Academia*		Education		Civil Society Orgs.		Volunteer		Other	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F
CF Matamoros	2	6	1	-	-	1	-	-	-	2	-	-	1	-
FECHAC/Juárez	13	2								3				
FESAC/Nogales	12	1	-	-	-	-	-	-	-	-	-	-	-	-
FIC	4	3	-	1	2	1	1	1	1	1	-	3	-	-
Frontera Norte	12	4	-	-	-	-	-	-	1	2	-	-	-	-
<b>Totals</b>	<b>43</b>	<b>16</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>8</b>		<b>3</b>	<b>1</b>	<b>-</b>

\*Academia denotes researchers and university professors; education denotes teachers (elementary and secondary) and education specialists

### **The Staffing: U.S. BPP Community Foundations**

With the exception the Arizona Community Foundation and San Diego (together they constitute 61% of all staffing), the foundations have small staffs, with the foundations on the border being the most thinly staffed. On the border, Yuma, Cochise, Santa Cruz, and the Texas organizations have one to two staff. Both Yuma and Santa Cruz have actively sought to supplement their staff, most successfully by seeking to engage VISTA volunteers. In some cases, staff is supported by money from a grant, e.g., from the Ford Foundation, as is the case with one of Yuma's two staff.

Staffing is decidedly female, though the leadership positions at the four largest foundations are held by men. As of summer 2008 four of the 12 foundations had Latino executive directors. Five of the 12 had female directors. Women hold a sizable majority of the total number of positions, both in professional (78%) and in support capacities (95%). (See Table 4.)



**Table 4:  
U.S. BPP Community Foundations  
Staff Composition by Gender (2007)<sup>1</sup>**

Community Foundation	Full-time Professional Staff		Full-time Support Staff		Part-time Support Staff	
	Female	Male	Female	Male	Female	Male
Arizona Community Foundation	30	10	5	0	3	0
Brownsville Community Foundation	1	0	0	0	0	0
Cochise Community Foundation	1	1	0	0	2	0
Community Foundation for Southern Arizona	10	3	5	0	1	0
Frontera Women's Foundation	1	0	0	0	2	0
International Community Foundation	3	1	1	1	1	0
Laredo Area Community Foundation	1	0	0	0	0	0
New Mexico Community Foundation	13	4	4	0	1	0
San Diego Foundation	29	6	11	1	2	0
Santa Cruz Community Foundation	1* (3/4 time)	1	0	0	0	0
Yuma Community Foundation	2	0	0	0	0	0
<b>TOTALS</b>	<b>92</b>	<b>26</b>	<b>26</b>	<b>2</b>	<b>12</b>	<b>0</b>

<sup>1</sup> Since this survey was undertaken Laredo's executive director (Latina) departed and the organization remains without paid staff. Arizona Community Foundation currently has an acting director.

**The Staffing: Mexico BPP Community Foundations**

Like their U.S. counterparts, many of the Mexican border foundations struggle with having few staff in light of the work load. All foundations, except for FECHAC/Juárez, face significant challenges generating sufficient operating revenues to cover their costs. CF Matamoros has just one staff member. FESAC/Nogales has one full-time staff person supplemented by two part-time staff whose salaries are such that they are quasi-volunteers. As of 2007, the total full-time staff of the five border foundations was 29 with nearly half being employees of FECHAC/Juárez (see Table 5).

Importantly, there has clearly been an effort to hire people by “nómina,” which is a type of employment that includes salary and comparatively broader benefits than other forms of hiring in Mexico, where employees are often hired as independent professionals (honorarios), with the main implication that they are personally responsible for paying into their own social security. Some of the emphasis on hiring by “nómina” may be a result of strong encouragement by the Inter-American Foundation.<sup>25</sup>

All of the executive directors of the foundations are female, as is a majority of the staff. According to the directors, a challenge for them within the Mexican culture is that such positions in nonprofits are associated with voluntary/charitable work, i.e. women’s work. Data about Mexico’s nonprofit salaries for the purpose of comparison within the sector or compared to government or business is not available, but the perception of the nature of this work being charitable may well be reflected in salaries. Two organizations report that the director’s salary is below \$15,000 a year (one of which is “honorario” which means there are no benefits), while the other directors are in the rough range of \$30,000 to \$40,000.

**Table 5:  
Mexico BPP Community Foundations  
Full-time/Part-time Staff by Type of Employment (2007)**

Staff Type of Employment	Full-time		Part-time	
	<i>Nómina</i>	<i>Honorario</i>	<i>nómina</i>	<i>Honorario</i>
CF Matamoros	-	1	-	-
FECHAC/Juárez	13	2	-	-
FESAC/Nogales	1	-	2	-
FIC	6	2	-	1
Frontera Norte	4	-	-	1
<b>Totals</b>	<b>24</b>	<b>5</b>	<b>3</b>	<b>2</b>

### ***FINANCIAL STATUS***

In the following section we provide data on changes in the philanthropic assets, donor funds, and grantmaking of BPP’s community foundations.<sup>26</sup>

***Increase of philanthropic dollars:*** Since the inception of the BPP assets have nearly doubled (96%), rising from \$605.9 million to \$1.2 billion (see Table 6 and Table 7). Important to recognize is that these numbers might include a one-time gifts of property, reflect strong or lackluster investment returns, and or suggest whether efforts have or have not been made to increase donors. Also, as noted earlier in this report, the data does not reflect the impact of the steep market drop that occurred in the fall 2008.

<sup>25</sup> IAF grant terms state that the grantee must follow local laws, including labor laws, which require benefits for any full-time employee after a short trial period.

<sup>26</sup> See detailed financial data for the U.S. BPP community foundations and for data regarding the distribution of grantmaking by Mexico’s BPP community foundations in the appendix to this report. For additional information about Mexico’s groups, go to [www.alternativasociales.org](http://www.alternativasociales.org) and click the link for the comprehensive profile of Mexico’s community foundations.

**Table 6:  
U.S. BPP Community Foundations  
Percent Change in Assets**

<b>Foundation/Year</b>	<b>From Start of BPP Participation (2002 unless otherwise noted)</b>	<b>Most Recent Tax Year (2007 or 2008)<sup>1</sup></b>	<b>Percent Change from Start of Participation in BPP</b>
Arizona Community Foundation	\$199,914,225	\$556,090,000	178%
Brownsville Community Foundation	\$3,163,539	\$3,360,329	6%
Cochise Community Foundation	\$2,208,730	\$4,327,694	96%
Community Foundation for Southern Arizona	\$25,718,687	\$51,892,360	102%
Community Foundation of Southern New Mexico	Joined BPP in Phase II; Assets in 2004 were \$705,590	\$1,054,152	49%
Frontera Women's Foundation	Incorporated 2002. First yr IRS-990 filed is 2004. Assets were \$160,600	\$507,494	216%
International Community Foundation	\$1,727,459	\$12,467,110	622%
Laredo Area Community Foundation	Was established in 2005. First year assets were \$762,575	\$1,875,971	146%
New Mexico Community Foundation	\$6,601,224	\$34,741,983	426%
San Diego Foundation	\$361,600,224	\$511,423,000	41%
Santa Cruz Community Foundation	\$856,203	\$2,501,116	192%
Texas Valley Communities Foundation	Was established in 2005. First year assets were \$94,098	\$297,012	216%
Yuma Community Foundation	\$2,441,338	\$4,327,694	77%
<b>TOTALS</b>	<b>\$605,954,304</b>	<b>\$1,184,865,915</b>	<b>96%</b>

<sup>1</sup>Data is from most recent IRS-990 available. Note that ACF's most recent IRS-990 covers a 15 month period due to a change in its fiscal year.

The Arizona Community Foundation and San Diego Foundation have the lion's share of the assets, constituting 90% of the total for all BPP participants. The smaller and newer foundations, however, have a harder hill to climb because they are focused on establishing their organizational operations while also building credibility in their community. At the beginning of BPP the New Mexico Community Foundation and the International Community Foundation were relatively small, with \$6.6 million and \$1.7 million assets, respectively. Statistically, they have taken the most dramatic leaps of 426% and 622% respectively, with both having received sizable restricted gifts (e.g., ICF received a gift of property that now houses its offices). The three new Texas foundations also had stellar growth, as a group jumping 163%. The oldest Texas BPP foundation, Brownsville Community Foundation, had the least expansion of assets, a function of its seeking federal support for a national park and not actively seeking to expand its philanthropic base. All of the Arizona foundations did well, with Yuma Community Foundation and Cochise Community Foundation now considered on solid footing within the Arizona Community Foundation's affiliate system.

Information about the assets of Mexico's BPP participants is drawn from an analysis of audits provided for the years 2005-2007, which had been requested as part of the comprehensive profile of Mexico's community foundations. The research for the profile identified major inconsistencies in the way assets were counted, a function of the early stage of development of nonprofit accounting and lack of shared understandings among accountants. Obtaining a complete picture of the philanthropic gains of Mexico's BPP foundations is further complicated by two of the border foundations, FECHAC/Juárez and FESAC/Nogales, which are chapters of statewide organizations, are not independently incorporated and therefore do not file their own financial returns. It is important to underscore that both of these foundations raise local funds, but Synergos had not developed a tracking system to gather analogous data comparable to the other independently incorporated border foundations. During BPP Phase II, the combined total assets of the three independently incorporated foundations rose 22.7% from \$1.1 million to \$1.3 million (see Table 7).

**Table 7:**  
**Mexico BPP Community Foundations**  
**Assets 2005-2007<sup>1</sup>**  
**(U.S. dollars)**

<b>Foundation Assets</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
CF Matamoros <sup>2</sup>	NA	NA	\$16,119
FIC <sup>3</sup>	\$611,047	\$670,758	\$758,551
Frontera Norte	\$498,696	\$637,918	\$587,839
<b>Totals</b>	<b>\$1,109,743</b>	<b>\$1,308,676</b>	<b>\$1,362,509</b>

<sup>1</sup>Pesos converted using Bank of Mexico annualized rates for conversion of the peso to the U.S. dollar: 2005 (10.89); 2006 (10.91); 2007 (10.93).

<sup>2</sup> Matamoros provided data only for 2007.

<sup>3</sup> FIC has received a donation of land that it plans to develop and will use to locate its office. Its value is not reflected in the assets.

***Increases in donor funds:*** In addition to rises in philanthropic assets, another measure of activity is whether more individual funds are being formed. There is a clear pattern during BPP

Phase II, of rising numbers of donor funds. Given that the model of a community foundation is relatively new to Mexico and the concept of donor funds is also new, the progress made is especially noteworthy (see Table 8 for U.S. data and Table 9 for Mexico data).

**Table 8:  
U.S. BPP Community Foundations  
Donor Funds 2005-2008**

Foundation/Year	2005	2006	2007	2008
Arizona Community Foundation <sup>1</sup>	736	776	875	939
Brownsville Community Foundation	0	0	1	2
Cochise Community Foundation	6	6	6	7 <sup>2</sup>
Community Foundation for Southern Arizona	448	464	466	505
Community Foundation Southern New Mexico	61	64	70	NA <sup>3</sup>
Frontera Women's Foundation	0	0	2	8
International Community Foundation	67 donor adv; 29 friends of funds	65 donor adv; 22 friends of funds	75 donor adv; 39 friends of funds	95 non-endowment funds; 13 endowment funds; 10 field of interest; 21 special project funds
Laredo Community Foundation	5	17	18	24
New Mexico Community Foundation	23 donor adv; 20 agency/org funds; 7 community	25 donor adv; 23 agency/org funds; 7 community	28 donor adv; 27 agency/org funds; 7 community	28 donor adv.; 27 agency/org. funds; 7 community
San Diego Foundation	1057	1207	1355	1550
Santa Cruz Community Foundation	22	23	25	27
Texas Valley Communities Foundation	0	0	4 in process, 2 designated, 2 donor adv.	NA
Yuma Community Foundation	30	36	40	48

<sup>1</sup> This data is through August 2008.

<sup>2</sup> Figure does not include two field of interest funds pending agreement signatures totaling \$200,000 within 5 years.

<sup>3</sup> Community Foundation of Southern New Mexico and Texas Valley Communities Foundation did not fully participate in the final year of Phase II.

**Table 9:  
Mexico BPP Community Foundations  
Donor Funds 2005-2008<sup>1</sup>**

<b>Foundation/Year</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Community Foundation of Matamoros <sup>2</sup>	NA	NA	NA	NA
FECHAC/Juárez	3 donor; 2 field of interest	3 donor; 2 field of interest	3 donor; 2 field of interest	3 donor; 2 field of interest
FESAC/Nogales <sup>3</sup>	6 donor; 4 field of interest; 50 pass-through	6 donor; 4 field of interest; 52 pass-through	6 donor; 4 field of interest; 55 pass-through	6 donor; 4 field of interest; 62 pass-through
FIC	20 donor; 3 field of interest; 6 pass-through	24 donor; 4 field of interest; 4 pass-through	32 donor; 4 field of interest; 4 pass-through	28 donor; 4 field of interest; 5 pass-through
Frontera Norte	7 donor; 2 pass-through	10 donor; 6 pass-through	18 donor; 6 pass-through	17 donor; 6 pass-through

<sup>1</sup> The survey question asked to state the total number of funds managed by the foundation. Cemefi has promulgated definitions of donor funds. We did not assess whether the funds align with these definitions. The pass-through funds are where the foundation “channels” (in Spanish, canaliza) to organizations/projects identified by the donor.

<sup>2</sup> CF Matamoros did not respond.

<sup>3</sup> FESAC/Nogales reports that several of its funds are managed as a collaboration with the Santa Cruz Community Foundation.

***Grantmaking along the border increased, but overall sums are modest.*** We have gathered some rough numbers that provide a picture of giving, but offer the information with the caution that there was no common definition developed by the BPP for what would constitute a grant to a border community, i.e. specifically to vulnerable areas/people. Noteworthy gains have been made by Mexico’s foundations, suggesting a rising profile and gains in credibility. The figures suggest that while giving is trending up, the overall sum appears modest in light of the border experiencing significant population pressure from increased growth, high transience, and significant poverty. Below we provide details of the financial scale of grantmaking of the U.S. and Mexico’s BPP participants (see Table 10 for U.S. data and Tables 11 and 12 for Mexico data).

### **BPP: U.S. Community Foundations**

The following provides a sense of the scale of giving to the border area, but caution must be taken into consideration because of major methodological limitations. To get a more complete and accurate picture of giving along the border, it is evident: (1) there should be a more refined definition than a purely geographic one like that used initially by the BPP, (2) data must be tracked over time to prevent skewing that could occur by a one-time large gift, (3) data should also take into consideration both the areas served by BPP foundations and those localities that are on the border but not served by a BPP foundation.

The U.S. data is subject to significant skewing which we sought to limit by either asking that the foundation segregate their funding to the border, or by our doing our own analysis of IRS-990 data. For example, several foundations make substantial grants, but their service area is far larger than the border. The Arizona Community Foundation and New Mexico Community Foundation are statewide, but disaggregated their figures to provide data only for what was directed to the border. Important to underscore is that in the case of the Arizona Community Foundation,

another \$8.1 million was awarded between 2004-2008 to border counties other than Yuma and Cochise.

The San Diego Foundation presents unique challenges because geographically it is a border foundation; however, it would be misleading to count all of its grantmaking as going to areas/people in need. (This is also the case for the other foundations, but the totals of most are so modest that unlike San Diego, they do not skew the data.) For San Diego, we used the Annie E. Casey’s “Children Now” study methodology to obtain a more informative figure about its border giving. This methodology uses zip codes to distinguish areas with high concentrations of lower income Latino immigrants. Unfortunately, only the most recent IRS-990 had zip code numbers accompanying the list of grantees. For the Community Foundation for Southern Arizona, we show their total grantmaking, but do not have a figure for what might constitute giving to more vulnerable populations. For the purpose of this evaluation, we use Santa Cruz Community Foundation (its affiliate) as the proxy for border giving, but underscore that this does not provide a complete picture. Data from the Texas foundations was taken directly from the IRS-990s where the figures were quite modest, so concerns about skewing were not as great.

Given these significant methodological limitations, the total grantmaking by BPP participants in 2007/2008 to the border was \$24.7 million of which San Diego Foundation constitutes 86% of the total. Within this figure is nearly \$10 million for one project in City Heights (a low income community in San Diego). Excluding San Diego, the total would be \$3.4 million. Important to underscore is that this figure does not include grantmaking by the Community Foundation for Southern Arizona nor does it include grantmaking to non-BPP counties along the border in Arizona.

**Table 10:  
U.S. BPP Community Foundations  
Grantmaking to the Border Region<sup>1</sup>**

<b>Foundation/Year</b>	<b>2004 (End of Phase I)</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Arizona Community Foundation <sup>2</sup>	\$550,694 to Cochise/Yuma Counties of a total of \$23,744,145	\$525,912 to Cochise/Yuma Counties of a total of \$25,259,498	\$1,207,411 to Cochise/Yuma of a total of \$34,027,558	\$1,365,503 to Cochise/Yuma of a total of \$38,016,625
Brownsville Community Foundation	\$50,000	\$25,000	\$50,000	\$45,000
Cochise Community Foundation	\$215,529	\$182,115	\$260,250	\$228,979 (covers 01/07 – 03/08)
Community Foundation for Southern Arizona	\$4,948,524 (FY05)	\$8,022,795 (FY06)	\$8,894,062 (FY07)	\$11,425,944 (FY08)
Community Foundation Southern New Mexico	\$50,000	\$25,000	\$50,000	Terminated from BPP
Frontera Women's Foundation	\$1,250	\$28,000	\$23,750	\$647
International	\$796,750 to	\$1,038,779 to Mexico	\$661,711 to	\$893,576 to



Foundation/Year	2004 (End of Phase I)	2005	2006	2007
Community Foundation	Mexico border of a total of \$3,731,792 FY(05)	border of a total of \$3,537,136 (FY06)	Mexico border of a total of \$3,459,691 (FY07)	Mexico border of a total of \$4,603,301 (FY08)
Laredo Area Community Foundation	Not Applicable	Not Applicable	\$185,447	\$241,005
New Mexico Community Foundation <sup>3</sup>	\$495,523 to SW region of border of a total \$2,962,063	\$435,207 to SW region of border of a total \$3,076,309	\$628,940 to SW region of border of a total of \$4,011,343	\$684,284 to SW border regions of a total of \$5,834,346
San Diego Foundation <sup>4</sup>	\$41,081,901 (FY05)	\$41,106,060 (FY06)	\$43,519,160 (FY07)	\$21,273,305 (of a total \$52,905,876 in FY08) grants were made to benefit border communities
Santa Cruz Community Foundation	\$56,042	\$294,659	\$276,661	\$192,492
Texas Valley Communities Foundation	Not Applicable	Not Applicable	\$25,000	Terminated from BPP
Yuma Community Foundation	\$169,247	\$207,692	\$362,937	\$573,914 (covers 01/07 – 03/08)

<sup>1</sup> The information obtained from IRS-990s and from email communications with participating BPP foundations.

<sup>2</sup> ACF totals include ACF and all of its supporting organizations. Other grants to the border excluding Cochise and Yuma Counties totaled \$8,109,676 between 2004-2008 (ACF changed its fiscal year. This data covers a 15 month period from January 2007 to March 2008.). These figures do not include the Ford Foundation funds. Thus, \$27,500 from the Ford Foundation was invested in the Hispanics in Philanthropy border initiative, which leveraged \$106,786 in grants for Cochise and Yuma Counties.

<sup>3</sup> These figures include the Ford Foundation monies. Also the figures above only reflect the funding that exclusively went to the southern region of the state. Each year a sizable amount of grants go to statewide organizations that use these resources in and/or to benefit the southern region (as well as other regions of the state). The figures for statewide grantmaking are \$1,036,744 (2004), \$880,310 (2005), and \$1,168,001 (2006). About 1/4 to 1/5 is applied to the southwestern region).

<sup>4</sup> Data based on Annie E. Casey's "Children Now" methodology to determine funding to areas with higher concentrations of lower income Latino immigrants. Notes: (1) for 2008, the total of \$21,273,305 includes sizable support for Price Charities' project in City Heights (47% of total); (2) the zip code methodology does not include grants that went to San Diego universities that may well include projects aiding lower income areas.

### **BPP: Mexico Community Foundations**

The following provides the first data set highlighting the level and types of grantmaking of four of Mexico's BPP border foundations. The foundations were asked to disaggregate data by recipient groups, i.e. by civil society organizations (groups that have their nonprofit papers), grassroots organizations (regarded as "informal organizations," i.e. do not have their legal nonprofit designation), and scholarships. The numbers offer a baseline. Without reliable numbers on giving in Mexico, or other trend information is it difficult to make comparative judgments. Also, there is a critical caveat regarding how to interpret this data because the overall sums are skewed heavily by FECHAC/Juárez. This foundation receives its funds from a state



surcharge levied on businesses, whereas the other organizations principally raise their funds directly from private foundations, corporations, and individuals.

The data shows that there has been an increase in grantmaking, with the total more than tripling between 2004 and 2008. FECHAC/Juárez constitutes a significant part of this jump, but impressive gains have been made by FESAC/Nogales, FIC, and Frontera Norte. They are attributable to a combination of factors, including funds from international foundations, increases in Mexico-based giving, and strongly suggest that the profiles and credibility of the community foundations are rising. The overall levels of grantmaking by foundation are summarized in Table 11.

**Table 11:  
Mexico BPP Community Foundations  
Grantmaking to the Border Region 2004-2008  
(U.S. Dollars)**

Foundation/Year	2004 (End of Phase I)	2005	2006	2007	2008
FECHAC/Juárez <sup>1</sup>	\$1,281,302	\$2,152,338	\$2,880,233	\$3,102,684	\$4,854,330
FESAC/Nogales <sup>2</sup>	\$98,201	\$240,928	\$274,699	\$220,784	\$436,656
FIC	\$329,563	\$309,083	\$210,913	\$289,001	\$501,144
Frontera Norte	\$313,895	\$464,256	\$271,002	\$392,062	\$680,850

<sup>1</sup>For FECHAC/Juárez, the source of funds is the state tax surcharge on businesses.

<sup>2</sup>Figures include funds channeled through Santa Cruz Community Foundation to FESAC/Nogales.

The data also provides the first look at recipients of the grants (see Table 12). We have previously referenced that Mexico's civil sector is small and can reasonably be considered to still be emerging. The cost and complexity of getting legal papers to form a nonprofit are onerous and dampen motivation to formalize. Moreover, once incorporated, more legal work and waiting is necessary to become eligible for tax deductibility. The formal groups are called civil society organizations (organizaciones de la sociedad civil). In addition to these organizations are informal groups, estimated in the thousands, but are doing work analogous to civil society organizations. These are known as grassroots groups (grupos de la base).

Here, too, the data is skewed by FECHAC/Juárez, which reported that all of its giving goes to civil society organizations. Interesting trends embedded in these figures are the steady increases in giving in all categories. In the past four years giving to grassroots organizations more than tripled, and giving for scholarships is five times greater. (See appendix "B" for additional detail about each foundation's grantmaking by recipient.) The forward movement in grassroots giving is likely in part attributable to the Inter-American Foundation, whose funds are devoted to supporting these organizations, and the support of the Ford Foundation's Mexico office that also placed an emphasis on giving to grassroots groups. FIC, FESAC/Nogales, and Frontera Norte all directly offer or facilitate access to training in capacity building (e.g., through local university programs) for grassroots groups. Such training includes assistance with proposal writing, board development, strategic and business planning, and budgeting.

**Table 12:  
Mexico BPP Community Foundations  
Grantmaking to the Border Region by Recipient Group 2004-2008  
(U.S. Dollars)**

Recipient Group	2004 (End of Phase I)	2005	2006	2007	2008
Civil Society Orgs. <sup>1</sup>	\$2,022,960	\$3,053,420	\$3,505,826	\$3,805,112	\$5,998,143
Grassroots Grps.	-	\$86,318	\$82,824	\$148,481	\$267,081
Scholarships	-	\$38,220	\$48,199	\$50,940	\$207,665
Totals	\$2,022,960	\$3,177,958	\$3,636,849	\$4,004,533	\$6,472,889

<sup>1</sup>FECHAC/Juárez initially reported that all of its giving went to civil society organizations, but later communications suggested that a portion of the funding was for community-based development. Unfortunately we were unable gain needed clarification in time for this report.

In summary, overall progress toward developing and strengthened infrastructure has been favorable. Within the mix of groups, each has its own unique context and history that affects its development. Some groups have made significant leaps while others have held steady. Organizations rarely grow steadily, and those who took leaps may well slow down while others may bound forward. We want to acknowledge that in Mexico, where community foundations are a relatively new concept and face high bars, the border foundations have shown impressive tenacity in their progress in becoming viable organizations.

## **Key Finding #2 Community Leadership**

**BPP community foundations, notably many of the newer ones, are stepping into the role of community leaders. Key roles they are playing are developing the capacities of nonprofit and grassroots organizations, building bridges/growing networks of organizations and fostering civic consciousness. Community leadership has led to increased awareness of issues, as well as creating new collaborations and programs. Despite foundations in Mexico facing higher obstacles in playing this role, they are pushing forward, promoting broader civic conversations and building bridges across sectors to tackle local problems.**

The potential for community foundations to play a leadership role in strengthening civil society was broadly articulated in the overarching goals of the BPP. This message was reinforced in conversations between the funders and BPP participants in the learning communities and stated in the meetings of the BPP committees. This finding shows that the BPP foundations have taken up the mantle of community leadership, in spite of the costs of deploying human resources to this task as they concurrently struggle to meet operating costs, build their own capacity, and develop credibility and recognition.

In Mexico, the obstacles for playing a community leadership role are high and with historical roots. Both the nonprofit and philanthropic sectors are small and not well understood by society, and there is not a tradition of offering spaces for people and institutions to discuss social problems and contribute to formulating solutions. Government and the elites of the country historically have viewed changes driven by the civil sector as left wing movements and social upheaval, reflected today in legal restrictions on nonprofits to engage in lobbying and influence political decisions. Yet, within this challenging context, a number of the BPP foundations in Mexico have stimulated dialogue about social issues and built bridges across sectors to design programmatic responses.

Community leadership is manifested by the BPP foundations in three key ways: developing the capacity of nonprofit and grassroots organizations, building bridges/growing networks of nonprofit organizations and fostering civic consciousness. In this section we highlight several of the most salient examples of community leadership by U.S. and Mexican BPP foundations. We principally focus on the efforts of some of the newer foundations to show how they have embraced this role, despite the obstacles they face.

*Capacity building of nonprofits and grassroots organizations:* A limitation experienced by the BPP foundations on both sides of the border is a weak or underdeveloped local nonprofit community. Without such a community, it is difficult to invest philanthropic dollars with confidence. In response, some foundations have created and directly provided capacity building services to nonprofits; others have assembled outside providers or facilitated opportunities for organizational training; still others provide funding to nonprofits so they can acquire capacity building services.

- ▶ FIC invested in building the capacity of grassroots organizations and established nonprofit organizations in the border region of Baja California by providing training and grants. With the support of the Ford Foundation, the Inter-American Foundation and the State of Baja California, FIC has assisted grassroots organizations with applying for its grants. Additionally, through a partnership with Emprender (a training group of the local business community), it has provided basic board and fundraising training to those awarded grants. In 2008, \$218,601 was awarded to grassroots organizations, up from \$21,896 in 2005. FIC also helped nonprofit organizations to obtain Cemefi accreditation, verifying that they met specific thresholds for institutionalization and transparency in how they work and use funds.
- ▶ Yuma worked with the Alliance of Arizona Nonprofits and United Way, among other groups to form the Yuma Area Nonprofit Institute, launching it in 2004 with support from the Arizona Community Foundation. Recent local bond funding that will lead to the creation of new libraries prompted Yuma CF to propose that the new main library become host to a nonprofit resource center that will have computers to access grants databases (e.g. from the Foundation Center and Just Grants! Arizona, the state's one-stop shop for grants information) and training rooms. The plan calls for the Yuma Area Nonprofit Institute to be housed at the library. Also, one of the new libraries will be on the border and training is to be offered there.

*Building bridges/growing networks:* Foundations have convened leaders from the nonprofit, public, academic and business sectors to design creative solutions and leverage resources toward addressing local needs. The foundations often play the role of facilitators, and then subsequently may provide funding for research, act to disseminate findings, or otherwise catalyze conversations to continue dialogue.

The New Mexico Community Foundation sees partnership building as a core operating principle in its work. The following page provides a profile of its work on behalf of addressing teen pregnancy. Recently, the foundation has been giving increased attention to tackling the thorny issue of immigration. Families along the border have been living in fear of deportation, many of whom have been afraid to send their children to school. Stories abound in this border region about children coming home to empty houses, discovering that their parents had been deported. The foundation has approached this issue with a series of stakeholder meetings, building new partnerships with New Mexico State University and immigrant serving organizations to better help immigrants navigate the citizenship process.

### **Building Bridges/Growing Networks**

The New Mexico Community Foundation is committed to building partnerships with the public and private sectors in order to meet its program objectives. The state is one of the poorest in the U.S., ranking 47<sup>th</sup> in per capita income. Partnerships help to leverage resources—time, talent and treasure—for philanthropic programs. BPP funds paid for locating a staff member in Las Cruces, approximately 45 miles from the border, and for whom partnership building was the *modus operandi*.

The Las Cruces staffer began by assessing community needs through a series of stakeholders meetings, called Knowing and Improving Your Community, which brought into focus the problem of teenage pregnancy. These meetings, often facilitated by the BPP-funded staff person, became settings for people with widely divergent perspectives to jointly raise awareness and share understandings of the scope and impact of the problem. The New Mexico Teen Pregnancy Coalition was contracted by the county to review statistical data and map by zip code areas with the highest pregnancy rates and to identify best practices, drawing from experiences in both the U.S. and Mexico. These efforts led to a new partnership between the foundation and Doña Ana County Health and Human Services Department, focusing on youth development, mentorship and education. In time, the school district joined the coalition, with its board approving a policy change to allow sex education for teens in public schools.

In 2007 the coalition sponsored a summit attracting over 80 teachers, parents, youth, and community based organizations, providing the first opportunity for local conversations between adults and youth on this important topic, many of whom had never sat down to talk inter-generationally. The efforts have led to over \$500,000 in funding to reduce teenage pregnancy in priority areas along the border and support the positive development of youth.

Other examples of BPP foundations building bridges/growing networks are the following:

- ▶ Cochise CF funded research to better understand the needs and priorities of the residents living in the Winchester Heights colonia.<sup>27</sup> The findings detailed a daunting set of problems, with the conclusion focusing on the need to empower the residents through creating a community-based organization. Cochise followed up by funding a grassroots organizer and paying for the legal work to form the new organization, La Union del Pueblo. One of the residents' priorities is improving road access to the colonia to make it easier for emergency fire and police to reach the area and to otherwise reduce its isolation. Cochise has now approached the county to partner on next steps because this area of Arizona suffers from a phenomenon of "wildcat" roads where ownership is not always clear.
- ▶ Laredo was instrumental in joining a number of players to expand a dental technician training program to new sites involving the city, the local community college dental program, the county health department and securing funding from the Methodist Health Ministries, the Tony Sanchez Family Foundation, the Meadows Foundation and the San Antonio Area Foundation. Laredo brokered an agreement with the city and county to

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<sup>27</sup> The term *colonia* is used to describe settlements along the border, often in unincorporated areas, that are populated by Mexican immigrants, and generally suffer from severe poverty, dilapidated housing conditions, poor health, and lack of security and political representation.

build training facilities, supplied dental chairs for the program and facilitated opportunities for the students to provide dental services to low-income Laredo residents.

- ▶ Matamoros created a network of nonprofits to foster professionalization, advocate on issues of concern, and to stimulate dialogue across the sectors. Plans were for the network to meet monthly. The foundation also provided basic capacity training and occasional workshops to grassroots organizations in the process of formation.
- ▶ Frontera Norte created a roundtable of funders in Ciudad Juárez to share information about nonprofits and their grantmaking programs and to encourage coordination among them. Initially, meetings were held monthly with formal face-to-face time but became less frequent and more informal, though monthly meetings with FECHAC/Juárez continue. In learning about the different funds managed by Frontera Norte, one of the participants referred a maquiladora, who subsequently established a fund at Frontera Norte.<sup>28</sup>

*Fostering Civic Conscious Leadership:* BPP foundations are building knowledge about the social needs of their community, the potential of philanthropy, the role of volunteerism, and the work of the nonprofit sector. One of the key places where this occurs is within the boards of the foundations. Earlier in this report we provided data showing that the foundations' boards bring together people from across the sectors. In addition to this dimension of the work of the foundations, they are promoting civic awareness in grants committees, facilitating meetings to discuss sensitive issues (such as teen pregnancy noted above), identifying community priorities, raising understandings about border needs, and fostering philanthropy.

- ▶ Some foundations, such as FIC, Yuma, and new affiliate funds in South County of the San Diego Foundation, engage representatives from the community in reviewing grant applications and making recommendations for projects. The committees involved in this process serve as a means for raising shared awareness of community needs and the organizations proposing to address them. They also serve as vehicles for modeling transparency and fairness in decision making.
- ▶ Yuma convened local leaders to discuss, for the first time in a public forum, the polarizing issue of immigration, highlighting the foundation's increased credibility as a convener and facilitator of local dialogue.
- ▶ Cochise joined hands with Cochise College and the county in a two-year public process attracting local hospitals, the United Way, representatives from local nonprofits and other organizations that led to the creation of a comprehensive set of quality of life indicators. These indicators are used to identify those areas that matter most to residents, expand partnerships across sectors to address shared problems, link funding to priorities, and measure progress on an annual basis. This process is now being adapted to develop indicators in Maricopa County.

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<sup>28</sup> A *maquiladora* or *maquila* is a factory that imports materials and equipment on a duty-free and tariff-free basis for assembly or manufacturing in Mexico and then usually re-exports the assembled product back to the originating country.



## Promoting Civic Involvement

Frontera Norte has created two programs, Youth Leaders in Philanthropy and Sustainable Community Development, to provide a means for citizens to work directly on solving local problems. Through these programs, participants can take part in a processes intended to develop analytical thinking and leadership skills, better understand the area's needs, learn about how the civil sector operates, and see how they can make a difference in their own community. The primary funding sources for these two projects are the Inter-American Foundation and the Ford Foundation's Mexico office.

Frontera Norte is located in Ciudad Juárez, a city reverberating from one of the highest murder rates in the world. The foundation sought to work with youth, basing its work on the best practices and research of U.S. and Canadian programs that showed community involvement in one's early years has positive and enduring impacts. It launched its youth program in 2004, organizing youth councils at nonprofit organizations located in low-income communities to identify issues of importance to them and programs to fund. The youth councils receive basic training in planning, reviewing projects and awarding grants, the latter for which they are given a small grant by Frontera Norte with a requirement to match it with neighborhood funds. The grass roots groups also are coached by the host nonprofit throughout project implementation. For example, one youth council chose to tackle the problem of hunger at two primary schools by building a school kitchen. In six months, after training and planning, the 20 youths involved raised \$95,000 pesos (roughly USD \$9,500) as well as in-kind material and equipment, enlisted the help of 100 volunteers in the construction and linked the schools with the local university's school of nutrition and the federal human services department, to ensure the preparation of nutritious meals for the 224 children. In 2008, the youth program had engaged 259 young people in 25 projects throughout the city in which a total of 536 volunteers participated.

The Sustainable Community Development program seeks to engage people at the neighborhood level in forming grassroots groups that identify and develop projects to address crucial community needs. As with the youth program, activities are hosted by established organizations that help to form the grassroots groups, providing training in project planning, fundraising and grantmaking, as well as coaching throughout project implementation. In 2008, for example, 18 grassroots groups were formed by three organizations, supporting 18 different projects such as the development of neighborhood sports programs, the creation of a computer training center for school parents, and the clean-up of a polluted creek as well as the development of a community campaign to maintain it clean. Total program participants for the year included 194 formally trained participants who have mobilized 2,557 volunteers.

To its credit, Frontera Norte commissioned an independent evaluation. Initial findings show that both the young participants and adults are making gains in their understandings of civic responsibility. The evaluation is continuing to track the programs' impacts and promises to provide detailed data, within a year or so, about its impacts. The programs are attempting to solve a complex and significant set of problems in disadvantaged communities. Though relatively small, they are bold in the thinking behind them.

In stepping into the role as community leaders, the foundations are shining light on the promise of community philanthropy to improve the quality of life in border communities. Notably, the newer BPP foundations have welcomed the opportunity to be community leaders. The tasks of building bridges across sectors and developing the capacity of community groups, however, are challenging undertakings for any foundation, let alone for foundations still building their own capacity to operate their institutions and build public confidence in their work.

### **Key Finding #3 Cross-Border Collaboration**

**Cross-border collaboration was an expressed interest of the BPP funders, though the forms it might take were not clearly articulated. There is evidence that the BPP seeded collaboration where none existed before, stimulating the flow of resources and shared efforts to build the local civic sector. Four nascent forms of cross-border collaboration were identified in the midcourse report, including collaborative programming, resource development and grantmaking, information/exchange, and operational peer assistance. Progress on these forms of cross-border collaboration continued, with significant maturing in the case of Santa Cruz Community Foundation and FESAC/Nogales. The most impressive example of collaboration, however, was the planning process that culminated in the creation of BPP III.**

Early in the initiative, the BPP funders had expressed a desire for the participants to collaborate across the border on issues common to both sides. The Ford Foundation viewed cross-border collaboration as a means of strengthening the civil sector in Mexico and in the U.S. Beyond expressing this interest and its being affirmed by other funders, how cross-border collaboration might be manifested or progress measured was left to be defined. For foundations immersed in building the nuts and bolts of their institutions, engaging in cross-border work would add another task to a loaded agenda, made even more difficult as a result of heightened border security. Even in the best of circumstances, collaboration takes time, requiring patience, trusting relationships and commitment from leaders to invest in this strategy. Only after moving beyond early stages of institutional development were some of the foundations able to explore cross-border collaboration as a strategy for advancing program goals.

Despite the unclear expectations and other institutional and environmental complexities, BPP successfully planted the seeds for cross-border collaboration where none had existed before. Instrumental were the BPP learning communities and thematic meetings, which nurtured professional relationships among the foundations, making it feasible to reach out to one another. Also key was support from the Ford Foundation that covered the salaries of community-outreach staff (occasionally referred to as Ford fellows) that provided for dedicating time to do community organizing and reaching out to grassroots organizations, introducing them to the foundation.

The midcourse report described four nascent forms of cross-border collaboration involving programming, fundraising and grantmaking, information/exchange and operational peer assistance. Over the latter part of the phase two, these forms continued to develop, becoming quite mature in a few cases. While still in the discovery phase of identifying the factors that contribute to the development of cross-border collaboration, it is evident that there must be a shared vision, trust between the leaders of critical institutions on both sides of the border, and also important is the presence of viable nonprofit sector, i.e., grassroots and other community-based organizations.



The case of the International Community Foundation is unusual. Prior to the formation of BPP, in 2000 it secured initial funding to launch FIC, including the resources to establish an office and hire an executive director.<sup>29</sup> Santa Cruz and FESAC/Nogales are located in cities that are inseparable except for the presence of a border. A shared commitment and trust between FESAC's director and the new head of Santa Cruz has placed collaboration on a fast track. Yuma CF does not have a partner entity in San Luis, Mexico; however, this situation has not stopped the foundation from forging ahead to find ways to work jointly with Mexico-based organizations. Here, too, vision and commitment play an essential role with efforts being given a lift by the area's lively nonprofit sector.

Below we describe some of the forms of cross-border collaboration, building on the information provided in the midcourse report. The examples will focus on a small set of foundations that well illustrate the features of cross-border collaboration. To these we include the creation of BPP III as the culminating example of cross-border collaboration.

*Collaboration around information exchange:* Yuma CF, Frontera Norte, and Matamoros continue to build on ideas they heard from information exchanges made possible through the BPP, often following up across the border to further inform programming.

- ▶ Yuma created two seats designated for youth on its board of directors after attending a BPP thematic workshop coordinated by Frontera Norte.
- ▶ Frontera Norte's youth program was inspired by information first gathered at a learning community in BPP's first phase and then followed up upon by contact with the head of Community Foundations of Canada. Frontera Norte's director then conducted in-depth research of youth philanthropy programs, such as the one operating in the state of Michigan by its council of community foundations.
- ▶ Representatives from Matamoros CF returned from the abovementioned peer event coordinated by Frontera Norte to initiate the formation of a youth leadership council. By the end of phase two, Matamoros had established one youth council and had plans for more.

*Collaborative Programming:* Despite not having a community foundation partner nearby in Mexico, Yuma CF has actively forged relationships between U.S. and Mexico-based organizations. Yuma is aided by the presence of able organizations on both sides of the border that have stepped up to play a role addressing the critical needs of children and families. On the following page highlights are provided of Yuma CF's work facilitating the Niños Sin Fronteras program. In addition to Yuma's example of collaborative programming, FESAC/Nogales and the Santa Cruz CF have joined to recently convene 30 nonprofits from their respective communities to discuss the economic crisis and its impact on their organizations. This meeting resulted in their subsequently convening a series of smaller gatherings exclusively for executive directors to share experiences and discuss common issues. The foundations also created a new coalition involving three major migrant-serving organizations to help ease tensions among them and encourage collaboration.

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<sup>29</sup> During the summer of 2001, the president of ICF helped draft the proposal to the Hewlett Foundation for \$1 million over three years to create FIC.

## **Yuma Community Foundation Builds a Bi-national Partnership Niños Sin Fronteras**

The Yuma area has a history of a vibrant nonprofit sector, which its community foundation has effectively leveraged to facilitate partnerships to benefit vulnerable populations on both sides of the border. The Yuma CF's work shows how a shared vision, commitment, and a small grant can make a difference. The Arizona Community Foundation conducted research concerning the needs of children in several border locations, including the Yuma area that was used for a proposal to the Bernard van Leer Foundation. While the proposal was not successful, Yuma used the research findings to form a bi-national working partnership and fund a training program for promotoras (health care advocates). Following on these accomplishments, Yuma CF is now working with the partners that include the Universidad Pedagógica Nacional in San Luis, Mexico, Yuma Child and Family Resources, Gadsden School District, and Campesinos Sin Fronteras, to develop a project to address child obesity and diabetes. Together, these efforts have become known as the Niños Sin Fronteras program.

The initial research findings served as a catalyst for the Yuma CF to give a \$15,000 grant to Campesinos Sin Fronteras, a U.S. community-based organization that enjoys wide contacts and credibility on both sides of the border, to work with the other members of the partnership to make site visits to foster educational exchange, provide educational resources/materials to family child care providers, and conduct training of promotoras on both sides of the border. Four cross-border site visits took place, including partners from Yuma County visiting colonias in Mexico. There were seven training events for providers on topics such as literacy, identification of health problems, and nutrition. The promotoras held more than 20 sessions to work with families, reading and art materials were distributed, and a bi-national promotora directory was created. Given the strong connection with academic institutions, the program was subject to evaluation, with data showing effective delivery of services, increased participation of parents in child development activities, and improvements in child-parent interactions. This was a very small grant and required considerable in-kind support, estimated to be more than three times the grant.

The relationships that had first been forged during the study grew stronger through this project and form the framework for another project that is just now emerging that seeks to address childhood obesity and diabetes. The plans are to deliver healthy life-style education to 100 families living in nearby colonias. Yuma CF will be at the table, as a facilitator, funder, and member of the partnership.

*Collaborative resource development and grantmaking:* Santa Cruz Community Foundation, FESAC/Nogales, the International Community Foundation and FIC have been active in reaching out to a wide variety of donors to encourage their giving in Mexico or raise their awareness of Mexican community foundations. Most notable successes have come from engaging donors of Mexican descent who are now American citizens, Mexican expatriates who primarily live in the U.S., and Mexicans who own businesses in the U.S. In some cases, the donor is interested in channeling funds to Mexican organizations but receiving a U.S. tax deduction; in other cases the donor is interested in channeling funds to U.S. organizations, but benefits from receiving a tax deduction from Mexico. These foundations have found creative ways to provide support for community programs satisfying donor interests, fulfill legal obligations, and make a contribution to operating support through administrative fees. Below we highlight the ICF and FIC relationship. On the next page we feature the bi-national partnership between FESAC/Nogales and Santa Cruz, which is attributable in significant part to the BPP. Their partnership shines light not only on their resource development and grantmaking, but also on the multiple other forms of collaboration that have evolved.

**Sister Foundations:  
The International Community Foundation and FIC**

The International Community Foundation and FIC jointly held two major fundraising events in San Diego and Tijuana, raising operating support totaling \$194,679 in 2006 and \$87,040 in 2007. During the second phase of BPP, ICF has channeled \$65,125 to FIC from its own operational monies or from donor funds.<sup>30</sup> This total does not include charitable expenses paid to FIC for joint projects for publications such as the Baja California Needs Assessment and a nonprofit guide. Additionally, ICF has transferred endowment funds to FIC from a donor who had moved his tax domicile to Mexico. Examples of the uses of support include a project to bring needed computers to public schools in Tijuana. ICF has also directly provided FIC with funds to upgrade its computers. ICF has also been working with Mexican nationals who live in the U.S. and want to make donations to U.S. charities, to channel their deductions through FIC so that it can receive an administrative fee while offering the donor tax deductibility. Most recently, the foundations collaborated on the development of a bilingual in-kind giving guide for donors wishing to provide gifts to charities in Mexico, clarifying the limitations and restrictions for this type of giving.

*Operational peer assistance:* Several foundations have provided peer assistance in the areas of board development, governance and fundraising. This was integrated from the outset into the formal sister relationship between ICF and FIC. For several years ICF's director was a board member of FIC. Peer assistance has taken a multiplicity of forms including the hands on coaching in financial management/cash flow, ICF's donating funds to FIC for critically needed equipment (video conference equipment and software to reduce travel expenses and facilitate communications between the two foundations, computers, and a Blackberry to expedite executive communications), and the aforementioned joint programming and fund development activities. Staff of both organizations are also reportedly in regular contact. Peer assistance is also part of the formula in the relationship between FESAC/Nogales and Santa Cruz foundations.

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<sup>30</sup> Since the inception of BPP, ICF has channeled \$191,425 to FIC.

### **BPP Fosters a Bi-national Partnership between Community Foundations**

FESAC/Nogales and Santa Cruz CF have demonstrated that enduring collaboration begins with and flourishes from a trusting relationship. Reportedly this collaboration is a direct result of the BPP, which encouraged contact between the foundations, funded a bi-lingual community outreach staff person, and instilled in both foundations a vision for community philanthropy and a shared understanding that occurrences in one side of Nogales directly affect the other. The partnership includes board exchanges, ongoing staff contact, shared resource development and grantmaking, and collaborative programming.

The partnering foundations employ deliberate and patient practices that have become standard in their approach to community philanthropy and that form the basis for their successful collaboration. The executive directors communicate daily by email and telephone and often weekly in-person, keeping one another informed of developments in their communities and constantly identifying ways to collaborate. The foundations emphasize the importance of highlighting the bi-national nature of their work in their communications to the public and of giving one another credit for their respective work. They also constantly engage in cultural translation, presenting information to audiences in ways that are culturally relevant. For example, FESAC/Nogales translates Santa Cruz CF's grant applications and provides applicants substantial technical assistance in completing the forms and understanding the grant process, largely unfamiliar to Mexican organizations. The directors also have fostered contact between their boards. FESAC/Nogales' director gives presentations at Santa Cruz's board meetings, and Santa Cruz's director maintains contact with FESAC's board chair. Efforts to arrange meetings between board members are complicated to achieve because of busy schedules, so directors have needed to rely on alternative forms of communication.

Examples of resource collaboration abound, and seem to be exponentially growing. FESAC/Nogales and Santa Cruz collaborated on raising funds from U.S. donors, often accompanying one another at donor presentations. U.S. donors who formerly would give directly to a person or institution in Mexico, now look to the Santa Cruz-FESAC/Nogales partnership. During BPP's phase two Santa Cruz passed through to FESAC/Nogales a total of \$79,360 for granting to Mexican organizations. Each foundation takes an administrative fee to help with their operations. Funds have supported migrant needs, an autism center, and child care. Also in Phase II, the foundations collaborated on about nine philanthropic tours of the border that have raised nearly \$30,000. Santa Cruz also invites organizations based in Sonora, Mexico to compete for grants, which in phase two resulted in \$19,850 being provided to Mexico-based organizations. FESAC/Nogales helps with the legwork to make sure that the Mexican organizations can be competitive. In addition FESAC/Nogales helped recruit participants from Nogales, Sonora for a youth leadership program in the U.S. supported by Santa Cruz CF.

Their continued collaboration in grantmaking has served to broaden their shared knowledge of nonprofit providers on both sides of Nogales. The foundations hosted a meeting of over 30 organizations from both sides of the border to discuss pressing issues, using this time to announce Santa Cruz's grant cycle. The meeting has led to an executive roundtable to bring together directors, provide capacity building training, and develop culturally appropriate materials for training. The cooperation between the foundations has led to the funding of new areas and grantees such as: a migrant center that houses on a monthly basis over 3,000 homeless people deported from the U.S., a community center that provides meals to approximately 80 people daily and an employment training program for soon-to-be released imprisoned women, many of whom have children. Thus, collaboration across the border creates a win/win situation for both foundations that are mutually affected by local issues.

### *Forming BPP III: Exemplifying Cross-Border Collaboration*

The process and realization of an independent entity to continue the mission of the BPP exemplified the spirit and intent of cross-border collaboration. In an explicit challenge by the funders at the Brownsville learning community to lead the formation of future plans, the community foundations from both countries were emboldened to collaborate on a large-scale. For over 18 months, they came together at a series of meetings held by the executive committee in San Diego and at BPP-wide meetings hosted at the learning communities in Las Cruces and Mesa. Here, they discussed and debated plans for the future. The executive committee was comprised of board members and directors from both sides of the border that had been elected by the membership.

By the end of Phase II, the foundations had reached consensus on an organizational structure and program priorities, developed a scope of work, raised sufficient start-up funds and successfully conducted an international search for a BPP executive director. The planning process was shaped by seven major goals formulated by the BPP executive committee beginning in the winter of 2007 and led to their culmination in the spring of 2009.

- ▶ Vetting the implications of leading a planning effort of this magnitude at a meeting of the executive committee, agreeing to move forward in spite of the challenges these leaders faced with sustaining their own foundations.
- ▶ Developing a vision for the future, requiring a new BPP entity that would be membership based and open to a broader range of institutions beyond foundations.
- ▶ Obtaining input from the larger group of BPP foundations on preliminary plans created by the executive committee. These critical discussions were held over a series of meetings at the learning communities in Las Cruces and Mesa, engaging the foundations in establishing priorities and policies for the new entity.
- ▶ Researching the legal restrictions in Mexico on creating a bi-national board and engaging in advocacy, supported by a grant from the Inter-American Foundation.<sup>31</sup>
- ▶ Developing a scope of work and funding proposals to the Ford and Mott Foundations to launch the new BPP.
- ▶ Incorporating the organization in the U.S. and obtaining approval for tax exemption.
- ▶ Conducting an intensive international search for a BPP executive director, eventually hiring a director and securing office space.

The process was not without its roadblocks. The amount of time that the process demanded of the members of the executive committee and Synergos was unanticipated, as well the resources required, e.g. to pay for the executive committee meetings. There were constant pressures on executive directors to focus their energies on their foundations, which contributed to uneven participation in the executive committee. As a result, the leadership burden fell to a core group. Synergos had to continue to fulfill its other roles (see this report's section on the managing partner) while assuming growing responsibilities to facilitate the transition. There was a steep learning curve for how to effectively recruit an executive director for a bi-national organization,

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<sup>31</sup> Additional research revealed the difficulty of creating one organization that would fulfill the different legal and fiscal requirements of both countries. The U.S. board will have both U.S. and Mexican representatives. A separate Mexican charitable organization has been established with its board consisting of all Mexican nationals, which will facilitate fundraising, membership services and grantmaking in Mexico.

and the different legal and fiscal frameworks of the U.S. and Mexico governing the work of nonprofits and bi-national organizations, particularly in regard to policy work and advocacy.

The role of the executive directors of the International Community Foundation and Frontera Norte as co-chairs in this process is especially noteworthy, with the former taking on the responsibility to initially serve as the fiscal agent for the new entity. Frontera Norte was the fiscal agent for a nearly \$34,000 planning grant provided by the Inter-American Foundation that provided vital information about Mexico's legal framework and implications for participation in a bi-national organization. Major start-up grants totaling \$1,212,000 over three years were awarded by the Ford Foundation (\$900,000) and Mott Foundation (\$312,000). The San Diego Foundation stepped in with a generous offer of office space, equipped with telephone, and access to internet service at a highly reduced cost. The BPP III was well on its way to reality, a testament to the executive committee's desire to fully involve the entire BPP community, their commitment to find a common path to a goal through appreciation of the cultural, legal, and fiscal differences between the U.S. and Mexico, and the countless hours they gave to brainstorming and negotiating to articulate a mission, establish core principles, define program priorities and ultimately gain consensus of the BPP participants.

In 2006, the funders had challenged the BPP membership to demonstrate its leadership. The formation of BPP III is a clear demonstration of their rising successfully to this challenge.



#### **Key Finding #4 The Managing Partner**

**The Synergos Institute was crucial to advancing the second phase of the BPP, carrying out the roles of administrator, capacity builder, fundraiser and eventually facilitator. As administrator, it well met the obligations of a large and diverse group of initiative funders and participating foundations, keeping them informed of developments. With the exception of weaknesses documented in the midcourse report regarding the lack of a system for tracking evaluation type of data, general record keeping greatly improved, especially in its final 18 months. As capacity builder, it helped the foundations build their organizational infrastructures. As fundraiser, Synergos played a role in brokering about \$3 million in the second phase and succeeded in attracting corporate support. And, finally as facilitator, Synergos is widely credited as being the glue that held together the BPP executive committee during the complex process that resulted in a new bi-national nonprofit entity to continue the BPP's work along the U.S. and Mexico's border.**

The Synergos Institute began its work as the managing partner of the BPP in 2002. Though it had previous experience developing philanthropic institutions overseas and in Latin America, it had no direct experience managing an effort of this scale and complexity. Capacity building initiatives are well known to be challenging endeavors for philanthropy. This initiative was charting new territory, serving as the first bi-national capacity building initiative along the U.S.-Mexico border. The design and implementation of a program would need to account for cultural differences, varying levels of resources and funder priorities, plus widely divergent stages of development among the participating foundations.

Synergos's declared approach to capacity building was to tailor it (traje a la medida or cut to fit) to each community foundation's particular needs. This was based on a view that it would be empowering and would be best for addressing the needs of such a large and diverse group of community foundations. To carry this out Synergos created a package of services that included the following:

- ▶ Assistance with creating organizational development plans;
- ▶ Coaching services provided by Synergos staff and from independent consultants in such areas as governance, administration, program and fund development;
- ▶ Learning communities and thematic workshops to increase knowledge and cultivate networking;
- ▶ Annual grants of up to \$10,000 for technical assistance available to each foundation;
- ▶ Assistance with developing resources, facilitating proposals and advocating for the participating foundations with funders;
- ▶ Provision of sample documents, policies and procedures; and
- ▶ Assistance with researching topics of interest.

While the customized approach is an appealing one, Synergos struggled through BPP's first phase and part of the second with delivering its services, in part because its staffing model did not well fit the scale or complexity of the initiative. Synergos staff assigned to the initiative included one senior and two junior people. A portion of the time of a senior member of the Synergos staff was also allocated to oversee the initiative. The evaluation for the first phase pointed out serious unevenness in the delivery of its capacity building. This is understandable when considering that most of the responsibility rested with one staff person responsible for covering all of the foundations, with limited time available for assistance from a consultant in Mexico. The creation of the of the South Texas Challenge Grant Program which got underway in 2005 provided resources for capacity and endowment building for four Texas foundations, easing some of the pressure on Synergos staff.

### *Launching Phase II*

Synergos entered the second phase armed with the aid of the findings of the first evaluation. To summarize, the report noted a lack of clarity about the technical assistance that was available from the managing partner. A sore point for many was the funding and reimbursement mechanism for the technical assistance grants, which reportedly was too cumbersome and lengthy. In addition, progress on the organizational plans reportedly was difficult to measure given the lack of concrete targets, and it was not clear how progress would be tracked or by whom. The Mexican groups had some trepidation about Synergos's dual role as both coach and informant to the initiative funders, and some felt that BPP communications seemed to favor U.S. organizations. Synergos took these and other findings to heart, designing changes to the delivery of the capacity building services for Phase II.

Unfortunately, about six months into the second phase, the BPP program director departed. The broad range of competencies needed for the job and limited time remaining in the initiative made it difficult to fill the demanding position. The senior member of Synergos's staff continued providing oversight, but there would be a gap of a few months until the new BPP director was hired, first starting half-time and then ultimately becoming full-time. It would be about half-way into second phase when the new BPP team, consisting of the new director, a program officer and program coordinator, would get fully settled in San Diego. It was a rocky start to Phase II.<sup>32</sup>

For Phase II, Synergos proposed a set of four goals along with detailed objectives, which are summarized below.

1. Improving the organizational capacity of border community foundations by intensifying direct organizational development support to foundations and targeting assistance according to their stage of development and level of sustainability.
2. Strengthening the peer learning, advocacy and communications network by offering thematic workshops, designing programs to advance the interests of the BPP foundations, generating a consolidated communications plan to raise the profile of the BPP and the border.

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<sup>32</sup> In Phase I the BPP director was based in San Diego and support was provided from Synergos's New York office. BPP's operations fully transitioned to San Diego in Phase II. The change allowed for greater staff coordination and focus. Also for many participants the border location raised Synergos's credibility.

3. Engage additional corporate, government and foundation partners in the BPP By reaching out to companies and creating a larger pool of donors.
4. Create a community philanthropy capacity building support infrastructure by designing and implementing, in collaboration with the three governing BPP committees, a sustainability plan for the future of the BPP which would involve the creation of a new sustainable border entity, and provide the necessary assistance during this transition period.

The discussion below addresses the performance of the managing partner in pursuing Phase II goals and objectives, and in carrying out four principal managing partner roles: administrator, capacity builder, fundraiser and facilitator.

### **Role: Program Administrator**

In this second phase Synergos proved to be a capable administrator for the BPP. As administrator, it was responsible for keeping the funders and participants focused on the BPP vision and informed about initiative activities, administering funds, reporting directly to funders, and tracking progress. Synergos improved its communications by posting more web information in Spanish, increasing coverage of the Mexican foundations, and updating its communication materials more regularly. It also posted more technical assistance documents on the web, as well as notes and documents from the learning communities and thematic events. In addition, Synergos increased and made more systematic its contact with foundations through more and better organized site visits, phone and email communications. Once the new director was hired, she moved quickly to improved record keeping. Documents for site visits and coaching assistance show that there were clear agendas, often based on the status of organization development plans, and follow-up. Trip reports, which had previously been inconsistent and spotty, became consistent and formed useful narratives about the status of the participant foundation. The reporting also shows evidence of higher levels of planning and coordination of the work of the technical assistance consultants.

The Teamworks midcourse evaluation report pointed out that Synergos lacked a system for tracking progress for evaluation purposes, such as how the capacity building efforts might be reflected in changes in organizational and financial status of participant foundations. The lack of a system for this kind of data is not uncommon in philanthropic initiatives, as much of the focus of the implementers is on getting the program off the ground and not on measurement. Clarity about who was responsible and how this task would be undertaken was lacking from the outset of the initiative. It appears that funders made the assumption, largely implicit, that Synergos would undertake this role. However, the design of such a system requires a distinctive skill set and dedicated resources. History shows that Synergos focused on other more pressing matters.<sup>33</sup> Concern over the lack of such data and who was responsible for gathering it was brought to a head by the midcourse evaluation report. Late in Phase II the BPP funders asked Teamworks to assume tracking responsibility, and revised

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<sup>33</sup> Early in the first phase Synergos generated organizational profiles with organizational and financial information, but they were not updated. The organizational plans were used as a framework to track progress but they were inconsistent. In a sense, they were customized, and consequently suffered from a lack of concrete targets that could be applied across the initiative.

the evaluation scope for the final report ensuring that data already collected for the midcourse evaluation would serve as the foundation for this final report.

In the end, the new program director, supported by a small staff (who started as interns or coordinators and eventually assumed increasingly senior positions), evolved into an able team. Together they provided for a major course correction in Synergos's administration. This evaluation report was well-informed by documents that Synergos staff provided. Also, very ably done were the financial close-out reports for the funders that detailed funding sources and technical assistance expenditures.

### **Role: Capacity Builder**

Synergos learned from problems it encountered in the first phase, clearly raising its understandings of providing capacity building in this second one. Synergos staff and its consultants are readily acknowledged by many of the foundations on both sides of the border as contributing to building their organizational capacity. This is particularly true of the groups at the earlier stages of development, many of which were eager to participate in training. For the larger foundations, expectations seemed to evolve, with most viewing that Synergos's capacity building energy would best be directed to affiliates or assisting with border-related objectives associated with funding that was provided by the Ford Foundation. For example, with the Arizona Community Foundation, this meant working closely with their affiliates, Cochise and Yuma.

As capacity builder, Synergos was responsible for strengthening the governance and operations of the participating foundations and for helping them collaborate with foundations across the border. Both the first evaluation and the phase two midcourse report noted mixed reactions to the capacity building. The dynamics of such services are often quite complicated, and whether they are received well and have positive effects is a function of many variables that go beyond the competency of the delivery agents. Beneficiary organizations themselves can be in varying states of readiness for capacity building services depending on their own situations.

Below we describe key components of the Phase II capacity building program, their delivery, and impacts. The information is drawn from interviews, document review, and observation. The components include learning communities/thematic workshops and technical assistance. The latter category includes technical assistance grants, coaching/consultation, and sustainability planning.

#### *Learning Communities and Thematic Workshops*

Learning communities provided a means for all BPP participants (staff and board members), funders, and experts to convene for the purpose of increasing and sharing knowledge, building relationships, and planning for the next stage of BPP. They were also vehicles for the host community foundation to celebrate its work and raise its profile, locally and otherwise. Thematic workshops had the purpose of addressing single issues and going into them in-depth. Importantly, consistent with the philosophy of empowerment, both the learning communities and thematic programs were designed with considerable input from the BPP community foundations, with committees formed and regular conference calls

facilitated by Synergos to shape the agenda. The measures used to assess these programs include attendance, feedback, and anecdotal information about the extent to which ideas were indeed shared, relationships flourished, and planning for the BPP future occurred. The evidence shows that on all measures, this component of the bundle of capacity building services was successful.

In Phase II, learning communities were held in Brownsville, Texas, Las Cruces, New Mexico, and Mesa, Arizona, with upwards of about 100 people on average attending the meetings which took place over 2.5 days each. There were four thematic workshops, on family asset development, community development, youth, and health with an average of about 50 people attending each. Synergos solicited written feedback at the sessions, a process that had mixed results in regard to people taking the time to fill out the forms. When they did, the feedback was highly favorable.

In this second phase, the learning communities added peer consulting sessions where participants offered real situations and sought advice from their colleagues. These sessions received very high marks, both for their problem-solving and for deepening relationships. Given the distinctive sets of sub-groups/programs within the BPP, time was set aside for meetings tailored to their needs. For example, in Las Cruces there was a special pre-meeting session for the Mexican foundations, including board and staff, to discuss findings and policy implications of a study on the legal and fiscal constraints faced in the nonprofit sector, and specifically by community foundations. Some of the outcomes from the meetings have been previously cited. They include the director of Frontera Norte taking advantage of information and contacts she made to launch a youth-focused citizenship building and philanthropy program that has become a centerpiece of its work and Yuma's adopted ideas from this workshop to create two positions for youth on their board.

Also noteworthy is the development and expansion of family asset building activity, connected to an initiative of the Annie E. Casey Foundation, a subject the first thematic meeting event. This meeting, held in 2005, played a role in expanding the coalition of organizations that now form the Family Asset Building Network. BPP foundations in every U.S. state along the border are active participants in this coalition. Notably, in the period from 2006-2009 network members have assisted without charge in the preparation of 137,000 federal tax returns resulting in returning \$122,928,933 in refunds to the region.<sup>34</sup>

#### *Technical Assistance*

Synergos's technical assistance included (1) making grants available, according to guidelines that had been outlined, for groups to address needs, (2) coaching/consulting, and (3) sustainability planning.<sup>35</sup>

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<sup>34</sup> Data provided by the Annie E. Casey Foundation from "Frontera Impact Survey Results 2006-2009."

<sup>35</sup> For ease we are grouping the terms coaching and consulting instead of entering into the semantics of the differences between the two. Some people associate coaching as an empowering process, while consulting is not necessarily designed to empower. These terms were loosely used, largely interchangeably, in the BPP.



### Technical Assistance Grants

Based on the feedback from Phase I, Synergos relaxed the requirements that would allow for each foundation to access up to \$25,000 that could be used for diverse purposes, such as hiring consultants to assist with a technical need, attend professional meetings, or purchase equipment. The new guidelines regarding uses were posted on the web, and more flexibility was permitted regarding accessing the funds.<sup>36</sup> A total of \$455,000 was allocated for technical assistance grants of which \$437,000 was ultimately expended, with the balance largely used to support executive committee meetings to develop the plan for the third phase of BPP.

There are brief individual reports that the foundations filed regarding how they would use their technical assistance grants. A scan of the reports indicates that the community foundations used the grants for attending training, endowment planning, attending Council on Foundation conferences, purchasing membership in professional associations, and occasionally for equipment (up to \$2,000).

The Cochise Community Foundation provides a good example of using the funds toward a productive outcome with long term benefits. Cochise made a concerted decision to closely align its use of funds to its organization development plan, spending the money on a consultant who assisted it with planning an endowment campaign. A plan was produced and the campaign got underway soon after the new director started in early 2008. As of August 2008, Cochise had received pledges of \$175,595 toward its goal of \$3 million.<sup>37</sup> Other foundations used funds for staff and board to attend conferences as part of their development, reporting positive results, but definitely more fleeting than that of Cochise's example.

Mexico's experience in the early part of Phase II was somewhat different, a consequence of the consultant wanting to tie the use of the grants to baseline information and organization development plans. This new rigor was consistent with feedback from the earlier phase that called for a tighter and more proactive approach to the technical assistance for the Mexican organizations. When the pendulum swung toward being more rigorous, however, many foundations argued that the new requirements were too bureaucratic. Synergos stepped in to reinforce its message of flexibility in regard to accessing the technical assistance monies, which the community foundations were ultimately able to access in a manner similar to their U.S. counterparts. Examples of uses of funds in this last part of the second phase are Frontera Norte and FECHAC/Juárez investing in sending staff to a training program on the design and implementation of evaluation techniques, and Matamoros attending training in network building related to its interest in developing a local network of nonprofits.

Without a system for assessment, it is extremely difficult to determine whether there was value for the expenditure of nearly half a million dollars, beyond the anecdotal information provided. Perhaps it might have been wiser, from the outset, to better integrate the funding

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<sup>36</sup> The Arizona Community Foundation, FECHAC-statewide and FESAC-statewide were declared by the BPP funders ineligible for the technical assistance funds, though they were strongly encouraged to participate in the learning communities and networking events.

<sup>37</sup> As of August 2009 this sum had increased to \$502,517, an impressive rise given the poor economic environment.



to the organization development plans. Cochise, which did align its needs with the use of the funds, is a good example of gaining enduring benefit from the technical assistance grant.

### Coaching/Consulting

Another component of the technical assistance was coaching/consulting services. These services were provided by hiring very seasoned professionals with deep experience working for community foundations, and also directly by Synergos staff. For the hired professionals, much of their work was focused in Texas, supported by the South Texas Challenge Program monies. The Texas program had several distinguishing features, key among which was having benchmarks that had to be met as a condition of future funding, making the measurement of progress comparatively straightforward.

Though three of four Texas foundations ultimately fulfilled the benchmarks to receive funding only Laredo truly took advantage of the BPP program, while Brownsville, Frontera Women's Foundation, and Texas Valley Communities Foundation less so. For example, Texas Valley started with a university affiliation and though initially indicating a willingness to consider becoming fully independent, it did not. On a positive note, the three emerging organizations have become viable providers of service for their communities. (Brownsville predated the inception of the BPP.)

Occasionally the same consultants involved with the Texas program were hired by other BPP foundations using technical assistance grant monies. Overall the experiences were mixed, with some foundations praising their value, and others giving the same consultants poor marks. Much of the difference in views appears attributable to the readiness of the organization to accept input. One factor that must be considered is that several of the organizations joined BPP perhaps thinking that they wanted to become a community foundation, but in the end chose another route.

The Mexican groups' experience with the technical assistance grants is different. The organization chosen to provide assistance was one of the very few in Mexico with experience, and brought knowledge both of Mexico and of the U.S. as well. This organization was retained for the first phase and for the initial part of the second phase. Based on feedback that there was a need for more intensive governance training, the firm's time was increased and the design shifted from on-demand and customized to a highly structured program. The program included thorough baseline assessments and a plan for training that would require board member participation. Despite the attempt to be responsive, this latter approach was poorly received. The foundations complained about the demands of the baseline document and of the time required of board members. Mexico does not have a tradition of active board involvement in governance, which could explain some of the resistance. Compounding problems was the aforementioned impediments to getting technical assistance grants. Consultants that had once been well received were now being rejected. The reasons include the dramatic change in style, the perception of intrusiveness, and the lack of clarity of expectations. Coaching services for Mexico came to a halt as Synergos reassessed its strategy, ultimately shifting to focus on sustainability planning.

Before leaving this discussion of coaching, it is essential to recognize that extensive one-to-one assistance was provided by Synergos's BPP staff, principally its director. On arrival, in addition to addressing technical assistance grant issues, assessing the fit of the consultants with various community foundations, and facilitating the transition of the BPP, the director faced a set of organization development plans that were of wildly divergent quality. These plans were mainly developed in the first phase and were to be a central component of the design of the capacity building program. Minimal guidelines had been provided to assist the groups with creating their plans. Consequently, those with skill and interest typically produced the sounder plans. Some of the groups took the plans seriously, making sure that board members participated in their development and in monitoring progress; other groups treated the plans more so as an obligation in their relationship with Synergos and little more.

In the short time of the new director's tenure, she sought to impress upon the groups the importance of the plans, working individually with many of the community foundations to identify key organizational needs, action steps, and then following up with coaching. This was accomplished through on-site visits and telephone follow-up. There is a comprehensive paper trail of trip reports and coaching, showing preparation for visits, their being anchored in the organization development plans, and recording what transpired during meetings. An example of a task might include recruiting new board members and coaching, which could include suggestions regarding how that might be accomplished. Coaching might involve items not specified in organization development plans, such as assisting executive directors with how to communicate more effectively with boards. The director received consistently favorable reviews of her interactions, with interviewees expressing gratitude for practical suggestions and systematic follow-up. Other Synergos staff were also recognized in the interviews for their helpfulness and responsiveness.

At the end of the second phase Synergos did a set of close-out reports that included asking the foundations to self-assess whether or not they had completed tasks set forth in their plans. The tool is an example of how Synergos itself had become more sophisticated about the potential value of having an organization development plan truly owned by the respective foundation, and the need for tracking progress, as well. Groups were asked to rate themselves on a 1-5 scale (excellent to failed) for progress with governability, administration, resource development, and programs. Synergos summarized the ratings, which show that groups mostly gave themselves good or excellent ratings, with an occasional more critical rating reflected mostly in resource development. From a weak start, Synergos finished strongly in demonstrating the importance of such planning, gaining ownership among the foundations, and doing effective monitoring.

### Sustainability Planning

With about nine months left to the initiative, Synergos made adjustments to the coaching for both the U.S. and Mexico. Drawing upon findings from the midcourse evaluation report which raised concerns about sustainability, Synergos convened a meeting of its principal consultants in late October 2007 to devise a plan to address this problem. The training plan that was conceived would focus exclusively on the foundations' financials alone, given that organization development coaching had already long been central to the capacity building. Essentially, the term "sustainability planning" was roughly synonymous with business

planning. Synergos recruited its two most seasoned U.S. consultants to carry out the program. In turn, one worked closely with the newly retained Mexico-based consultant, a former board member and volunteer director of a community foundation, to ensure that understandings of financial templates were shared.

In the interest of time and limited resources, Synergos limited this opportunity to the foundations most likely to benefit, i.e. they did not include already stable organizations or those that had not been receptive to other training. Those who did not fill the criteria were given access to the templates developed for the training and encouraged to continue attending the learning communities and thematic events. Also, Synergos staff would still be available for coaching, done largely over the telephone.

Foundations that participated in the training included FIC, Frontera Norte, FESAC/Nogales, Matamoros, Santa Cruz, Laredo, and Brownsville. The training called for the foundations to form a sustainability committee, provide financial data (income/expense statements and projections), and participate in consulting sessions focused on financial planning. The design required that at least three board members participate, including the ones with financial expertise, and that they attend two meetings. Few of the foundations actually fulfilled all of the conditions. For those who did not, the reasons included the lack of attendance of board members with accounting expertise, several of the groups were slow or had difficulty producing financials (income statements), leading to poor use of limited consulting time and lack of ownership of results.

While the rapid development and launching of this program was impressive, the feedback from foundations was mixed. For a few of the groups it helped focus board and staff on their financial situation, giving new perspective or providing specific target numbers for fund development needs that were then acted upon. In other cases it reinforced what they knew, and in others there was no perceptible impact. In general, participants liked the shorter, hands-on problem-solving approach, a contrast to the more conceptual work required for such organizational development work as strategic planning or governance. Had this financial planning been integrated into the capacity building strategy earlier on, and conceived with follow up, the gains may have been greater.

### **Role: Fundraiser**

Synergos achieved some success as a fund raiser for the BPP. The funders looked to Synergos to use its own network and substantial connections to attract additional funding to the BPP, particularly to draw in new funders. The total funding in the second phase was \$8,531,443. Funders new to the BPP in Phase II were responsible for 8% of the total and included Pfizer, JPMorgan Chase, Kellogg Foundation, and The California Endowment. Several of the Phase I funders also significantly increased their support, key among these were the funders contributing to the South Texas Challenge Program. A concern for Synergos and the funders in Phase II was the lack of participation of Mexico-based funders.<sup>38</sup>

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<sup>38</sup> Mexico's Gonzalo Río Arronte Foundation was an important funder in Phase I. In both Phases I and II, the Ford Foundation's Mexico office was a generous supporter of the initiative, providing funding to FIC, Frontera Norte, FESAC/Nogales, and the International Community Foundation.

This appears to be a product of Mexico having a small philanthropic community, and the lack of familiarity with community foundations.

**Table 13:  
Phase II: Total Funding for BPP by Source**

<b><u>FUNDER</u></b>	<b><u>Phase II Pooled Funds<sup>1</sup></u></b>	<b><u>Phase II Unpooled Funds</u></b>
Annie E. Casey Foundation	\$132,000	\$29,000
Ford Foundation	\$1,250,000	\$2,800,000
Houston Endowment	\$200,000	\$2,300,000
Inter-American Foundation <sup>2</sup>	\$0	\$512,443
McCune Charitable Foundation	\$150,000	\$0
Meadows Foundation	\$173,000	\$200,000
Charles S. Mott Foundation	\$100,000	\$0
Pfizer	\$200,000	\$0
JPMorgan Chase	\$295,000	\$110,000
Kellogg Foundation	\$75,000	\$0
California Endowment	\$5,000	\$0
<b>TOTALS</b>	<b>\$2,580,000</b>	<b>\$5,951,443</b>

<sup>1</sup>The pooled funds supported Synergos's staff and the capacity building program. Unpooled funds were direct investments in particular foundations made by funders, e.g., the Ford Foundation's (U.S. office) support of the San Diego Foundation, Arizona Community Foundation, New Mexico Community Foundation, International Community Foundation, and Community Foundation for Southern Arizona.

<sup>2</sup>In addition to the funds cited in this table, IAF provided travel grants (e.g., for participants to attend conferences and training) and also assumed the costs of document translation. Also some of the IAF funds supported projects of the state offices of FESAC and FECHAC.

In Phase II, Synergos had proposed to attract additional corporate, government and foundation partners to the BPP and to improve the level of giving to the border region by reaching out to corporations along the U.S.-Mexico border and by conducting a corporate donor campaign. By fall 2007, Synergos had contacted 25 foundations and corporations and submitted proposals or letters of inquiry to 13. Synergos's role attracting support varies from planting ideas, making the contacts, and writing the proposal to a somewhat less direct role of being a booster. Falling into the first category are the funding of the South Texas Challenge Program (over \$2.4 million), and the support from JPMorgan Chase, Pfizer, Kellogg Foundation, and The California Endowment. Synergos's role was less direct in regard to the Inter-American Foundation, where there was a confluence of interests in Mexico and professional contacts in common, some of whom previously worked for or knew of Synergos. For all funders, key was the credibility of the Ford Foundation and its sizable investment totaling \$3.1 million for the first phase and just over \$4 million for the second phase.

Given Synergos's access to people of wealth, funders may have expected more, but where BPP fit in the organization's priorities appeared to shift over time, sparked in part by changes in the staff leadership at the highest levels of the organization. To the credit of Synergos, its founder and chair attended the last learning community, both giving a presentation and taking the time to fly to Yuma with a Ford Foundation senior program officer for a private fundraising event designed to engage wealthy landowners.

In Phase II, Synergos had proposed to attract additional corporate, government and foundation partners to the BPP and to improve the level of giving to the border region by reaching out to corporations along the U.S.-Mexico border and by conducting a corporate donor campaign. One of the fundraising objectives for Phase II was to complete a study begun by the International Community Foundation on corporate giving, with an emphasis on the maquiladora industry. The findings of the study were presented to the BPP at the Las Cruces Learning Community by the executive director of the International Community Foundation. Synergos had proposed to use the study findings for organizing visits to corporate funders, cultivating relationships with Mexican businesses at a reception, developing a tool box for reaching out to corporate funders and providing the BPP foundations workshops on corporate giving.

FESAC/Nogales followed up by meeting with the maquiladora industry, with the goal of introducing the role of a community foundation and the potential for better managing giving. This meeting took place in 2007 and the FESAC/Nogales executive director was joined by a BPP consultant, and also a Synergos Senior Fellow, who helped to make the case for community foundations. The only other Mexican community foundation that has been endeavoring to attract maquiladoras is Frontera Norte. Strategic outreach by the executive director has already resulted in establishing one maquiladora donor fund that has already given grants, and conversations are underway with another two. In Frontera Norte's case, the Ciudad Juárez area maquiladoras often have relationships with United Way and it is a delicate process that requires considerable diplomacy to attract them to the benefits of giving through a community foundation. Such barriers are not uncommon, yet maquiladoras remain a vital source of potential support.

As the clock ticked in the second phase, in addition to Synergos reprioritizing how it would spend its capacity building time, it also refocused its energies from at-large fundraising for the initiative and building awareness along the border to facilitating the transition planning. Activities that had been planned such as the development of a tool box, and workshops on corporate donor outreach, took a back seat to the facilitator role described below.

### **Role: Facilitator**

The BPP foundations, especially those represented in the executive committee, widely acknowledge and applaud the facilitation done by Synergos to transition from a managed initiative to an independent bi-national nonprofit entity. The scope of work that was to be accomplished was significant, i.e. how to manage a process that would involve the BPP in deciding its goals, determining how it would operate, and ensuring a smooth transition to the new structure. Complicating matters would be the question of what were Synergos's interests and that of the BPP foundations in regard to its having a role in Phase III. The



summary that follows focuses on the role of Synergos. It does not cover the role of the BPP's executive committee members who must all be acknowledged for working beyond the demands of their own jobs, giving themselves tirelessly to make BPP III a reality.

Synergos's Phase II proposal underestimated the demands of this process, reflecting their lack of understanding plus that of the both funders of what was necessary to responsibly fulfill this obligation. The step of "exiting" from a multi-year initiative has long been one fraught with challenges for funders and for their grantees. In the case of the BPP the anxieties ran high with still fragile entities and many organizations with little experience with philanthropic initiatives and how they evolve (most particularly, the Mexican groups). Moreover, when the funders challenged the BPP foundations at the Brownsville Learning Community (2006) to take charge of determining the future of the BPP, little was known about the Synergos staff person who would eventually have significant responsibility for keeping the process on track. A handful of months would go by before the BPP executive committee along with Synergos began a process, starting in earnest in early 2007, that would culminate about 18 months later with the funding and formation of the independent entity.

Once the new director was housed full-time in San Diego, she and her team began a process of organizing meetings and managing communications among the executive committee to keep the planning process moving forward. The process called for sensitivity to cultural dynamics, inter-organizational relationships, and differing individual priorities and the varying abilities of people to argue for or against proposed ideas in English or in Spanish, despite the presence of translators. Synergos mediated conflict within the executive committee while endeavoring to maintain neutrality. They also researched options for the new structure, helped to develop selection procedures for the new executive director position, and managed an intensive participatory interviewing as well as hiring process. Synergos also processed the application for incorporation status of the U.S. entity. And it negotiated and acquired office space to smooth the transition.

Synergos performed these tasks as it also closed out the second phase, submitting reports to funders, and assembling electronic records to ease access to the information accumulated over the prior six years. In regard to this last step, Synergos undertook a comprehensive "close-out" process developing procedures for each foundation to conduct the self-assessment of progress measured against their organization development plans. Synergos also completed a detailed "Transition Manual" designed for the incoming BPP III staff with hyperlinks to documents to readily access information about BPP's history. The document also includes recommendations and lessons learned. While there were some cross-currents in the end regarding differences in expectations between the funders and Synergos staff regarding availability to facilitate the transition for the new director, by all accounts the process ultimately went smoothly.

### ***The Managing Partner: Conclusion***

In conclusion, Synergos admirably finished this last lap of BPP's second phase, overcoming many of the problems of its rocky start. In its role as the managing partner, once Synergos was well-staffed, its administration and facilitation proved very strong. In regard to fundraising, Synergos's records show that they were busy producing proposals with some



hits and some misses. We will not enter here whether they could have done more, as these expectations were never made explicit for the purposes of measurement.

The role of capacity building, however, presented Synergos with its greatest challenges and steepest learning curve. Looking back to the first phase and initial design, it is evident that both the funders and Synergos did not fully appreciate the demands of delivering capacity building, the competencies and resources required, for an initiative of this scale. Playing a dual role of managing the funding for the BPP while also providing the technical assistance occasionally presented conflicts, though this was mitigated to some degree by recruiting others to provide coaching services. The Phase I evaluation documented this situation and its findings sparked a series of changes. Resources increased (e.g. for Texas groups) and Synergos augmented its staffing. In Phase II, we documented here that though capacity building suffered from fits and starts as it seemed to be largely reacting rather than following any cogent strategy, gains were made in capacity building, in overall design and delivery, which is a credit to capable staff and consultants.

To succeed as managing partner, Synergos had to build trust among the foundations, a process that often took a circuitous rather than linear path with foundations. In the end, however, the emerging and new foundations attributed much of their progress to Synergos and all were complimentary about its role as managing partner and commitment to the initiative.

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## Section Three: Lessons

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The following section offers five lessons, focusing on the most salient learnings from the BPP's implementation. These learnings concern the country context, managing partner, evaluation expectations, transition into phase three and collaboration among initiative funders. The principal audiences for these lessons are the funders of the BPP and interested parties in the broader philanthropic community.

- 1. Country Context Counts:** When considering an international initiative it is essential to carry out a discovery stage to increase technical knowledge as well as obtain an understanding of the professional landscape, the who's who, of the field in which funding may be targeted. This stage is a time for learning about culture, the nation's laws in reference to nonprofit organizations, the fiscal framework, the state of the civil sector, the role of government in relation to the civil sector, and the topic of interest. When faced with lack of information, for example about the legal and fiscal framework for nonprofits, funders should give strong consideration to investing in research. Such background knowledge should be used toward informing goals and framing strategy. Funders need to make clear that the exportation of ideas grown on U.S. soil, such as community foundations, may well take a different form that better fits the conditions indigenous to the country. At risk of stating the obvious, it is critical to involve local talent in this discovery stage.

To be sure, during its launching BPP drew upon people admired for their expertise in community foundations and knowledge on both sides of the border. Some funders, such as the Inter-American Foundation, had extensive on-the-ground experience in Mexico and in other Latin American countries as well. And, the Ford Foundation had the benefit of an office in Mexico. There was an initial study that was conducted by a combination of U.S. and Mexican analysts that was focused on identifying potential initiative participants, but did not examine the context in which these entities were functioning.

As the initiative was implemented there was frequent conversation between and among community foundation participants and the funders about cultural differences, and that Mexico did not have a tradition of strategic, institutionalized philanthropy, its civil sector was weak and small, there was little experience with intermediary organizations, the concept of raising funds for endowments was largely unknown, and that nonprofits were staff led with boards having a very limited role. BPP's Mexican participants routinely expressed concern about U.S. model of community foundations being superimposed upon them, worried that they would be measured by U.S. standards. On the U.S. side, too, conditions varied greatly on the ground from areas with significant philanthropic potential to areas with far less.

Discovery stages provide a start at getting information from which to develop strategy, potentially prevent problems, and can provide for well grounded expectations. A good example of smart investment in discovery was made in the early stages of the formation of BPP III by the Inter-American Foundation which funded a grant to research legal and governance models for the creation of an independent, bi-national entity.

- 2. The Role of the Managing Partner is Critical:** Large initiatives such as the BPP call for working with an intermediary organization because it is more efficient for funders who would otherwise have to manage a group of providers responsible for tasks such as training, organizing conferences, and raising funds. The selection of the managing partner is perhaps the most critical decision made by funders when launching large scale initiatives. Selection should be informed by recognizing the roles the partner is to play and the competencies they need to effectively carry them out.

In the case of the BPP, we describe four roles—administrator, capacity builder, fundraiser, facilitator—that were played by the managing partner. Some of the competencies needed were cultural awareness, language skills, general knowledge of philanthropy, specific knowledge of community foundations, delivering capacity building to community foundations in varying stages of development, fundraising, facilitation, design of tracking systems for evaluation, program design, communications and management. Another dimension of selection is assessing the commitment of the intermediary’s leadership (board and staff) to the program and determining where it fits within the organization’s priorities. Finally, with the selection of an organization, attention must be given to who in that organization will be charged with leading the project. Looked at through these filters, it is easy to see the challenge of finding one organization that would have all of these assets. We add that once an intermediary is selected, the funder and the intermediary need to pay keen, ongoing attention to building a relationship based on trust and shared vision.

When the funders began to define the role of Synergos as the managing partner, they were engaging an organization that had world wide experience with philanthropy, had already built many of the relationships in Mexico that were foreseen as critical to the project, and promised fundraising clout. These were impressive assets, but Synergos had never managed an initiative of this scale and complexity. Synergos made some miscalculations in failing to recognize their staffing and resources for training did not well fit the demands of the initiative, especially given their customized approach to delivering services. The funders initially did not catch this miscalculation, the impact of which contributed to the shortcomings of BPP’s first phase. Later, the funders were to add support for the managing partner for their BPP staff to participate in training. This report explains that midway through the second phase Synergos acquired the competencies that it lacked previously including direct knowledge and experience working with community foundations, and skills in capacity building. An area that remained a deficit was the ability to establish systems for tracking data that could be used for evaluation purposes. We reflect in the next lesson that funders

should make clear the expectations regarding data collection and accordingly determine the competencies and resources required.

- 3. Clarify Evaluation Expectations Early:** The experience of the BPP and its challenges with data gathering and analysis suggest that such initiatives would be better informed by: (1) establishing agreements between funders and participants, early in the project, of the key research questions to be addressed along with agreeing upon a small number of essential indicators to track; (2) make clear who is responsible for gathering data and for its analysis (this could be separate parties, e.g., the managing partner collects data and an outside evaluator performs the analysis); and (3) conduct initial research to determine what data is feasible to collect.

Over the last decade foundations have made greater investments in data gathering/evaluation, with advances in understandings about both its limitations and potentials. These advances are occasionally confounded by funders and the managing partner failing to make clear the responsible party for the data collection and for the evaluation, and for ensuring there are the competencies and resources to carry out the requisite tasks. BPP's evaluators, both in the first and second phases, began their work midway through implementation and had to contend with the lack of baseline information and systems for tracking progress. While there were some efforts made by the managing partner at the beginning of the BPP to develop basic organizational profiles, this was one of multiple items on the "to do" list, and it got pushed lower as more urgent programmatic demands took over.

During the second phase, when Teamworks attempted to gather data, new obstacles surfaced differences in each nation's rules regarding how financial data is assembled, the definitions of such basic terms as "employee," and the lack of a common language for fundamental terms like "grant" and "grantmaking." Consequently, answering a seemingly simple question, "What is the level of grantmaking to the border region?" became fraught with problems. To its credit, the initiative itself has helped to play a vital role raising awareness of different accounting procedures in the U.S. and Mexico that impact analysis. Furthermore, Mexico's nonprofit sector is relatively new and so are its accounting practices. This is a significant barrier and will continue to frustrate data gathering. Though some efforts have been underway to address this problem it remains a work in progress. On the U.S. side, nonprofit accounting practices are understandably considerably more developed; nevertheless, there are areas where more refinement (e.g. for the BPP, how to disaggregate grantmaking to border areas) is a worthy goal.

Working with data is a dynamic process and all must understand that there will inevitably be course corrections as more is learned from the experience of gathering and analysis. And, at risk of stating the obvious, attention needs to be given to investing in the competencies to carry out these tasks.

- 4. Effective Transition Requires Starting Early, Clear Roles, and Able Leadership:** The complexity of starting up a project is equaled by the challenge of determining

how to successfully transition it to stand on its own. While BPP's transition process had some fits and starts, it culminated successfully. Key learnings from the experience include (1) start early; (2) clarify expectations regarding the role(s) the managing partner will play; (3) ensure there is capable, neutral, facilitation; (4) empower participants to play a leadership role; (5) encourage the leaders to develop a process that fosters ownership in the plan; (6) promote open and ongoing communications among all parties; (7) invest in assembling a systematized transfer of knowledge; (8) recognize that additional resources may be needed for such tasks as facilitation, research, and communications; and (9) provide a carrot so that participants know their efforts stand an excellent chance of being rewarded.

Plans for transition should ideally be built into initiatives from the start. The managing partner's proposals for the first and second phases mainly focused on their role building the capacity of the community foundations, and did not offer a vision of the next stage of the initiative. Intermediaries funded for initiatives such as the BPP often find themselves in the awkward position of facing whether or not there will be a continuing interest and need for their services. The funders jump started the process by asking the community foundations to take the lead in shaping the transition, offering them the carrot of potential funding. The effort was kicked off in summer 2006, but had a slow start, eventually picking up speed once the managing partner's San Diego office was fully staffed and operational in early 2007.

One of the immediate challenges faced by the managing partner was determining its role beyond serving as administrator, as well as coordinating and maintaining records of meetings. We explain in this report that Synergos undertook considerable responsibility for facilitation and also for research. While there were capable facilitators on staff, there was also a need for neutrality necessitating the hiring of professional facilitators. Numerous unforeseen tasks fell upon the managing partner, for example, researching models of bi-national organizations, facilitating the hiring process for the BPP's new director, and doing the groundwork for the organization's legal papers. The trust that the managing partner had built with the BPP participants, their flexibility, and competence were central to the success of the transition. Much credit, as we describe in the report, goes to the BPP's executive committee members in their developing a winning process. They accomplished this by building trust amongst themselves and with the broader BPP community by conducting an open and comprehensive process that offered every foundation equal voice.

#### **5. Funder Collaboration—Making the Whole Greater than the Sum of the Parts:**

BPP was a set of sub-initiatives that were successfully woven into a whole because of funders who (1) shared a commitment to the development of community foundations to address border needs; (2) respected each other's differences in resource capacities and priorities; (3) recognized that key ingredients would include funds for convening the participants (learning communities, thematic workshops) program support, operating support, and funds for technical assistance; (4) agreed to work through an intermediary that would have the responsibility of managing and bringing coherence

to the effort; and (5) despite the challenge of busy schedules, managed to maintain ongoing communications.

BPP's funder collaboration was not formal in the sense of having structured meetings dedicated to deliberating the status of the initiative and to engage in shared strategizing. Rather, it took a more informal path of sharing information through conference calls, emails, and attendance at learning communities. The funders came to the table with differing resource capacities, priorities, and requirements. On the ground this would be manifested in differing timelines, program requirements, and funding levels. Some funders could only directly fund a Mexican organization while others could only fund in the U.S. The Ford Foundation gave monies directly to support the managing partner and also to several community foundations; other foundations only provided direct funding to the organizations. At the ground level, the Texas groups enjoyed generally higher levels of funding than many of the other organizations, plus had their own meeting schedule. The larger foundations such as the Arizona Community Foundation and New Mexico Community Foundation had distinctly different programs, with the former focused on strengthening its affiliates and the latter on creating an office near the border.

Mexican organizations ranged from FIC being launched with \$1 million, while other groups had far fewer resources to draw upon. Yet, though the timelines, sums and conditions for support differed, crucial was that all groups ultimately received a combination of program and operating support, and had access to technical assistance funds, the learning communities and thematic workshops. Also important was that the funders and managing partner shared a commitment to empowering the participants, well reflected in the executive, program, and communications committees in which both funders and participants sat side by side developing shared understandings of the work underway and making decisions together. This strategy not only paid off in terms of fostering buy-in and leadership, it also resulted in weaving the distinct parts of BPP together and creating the fabric of community.

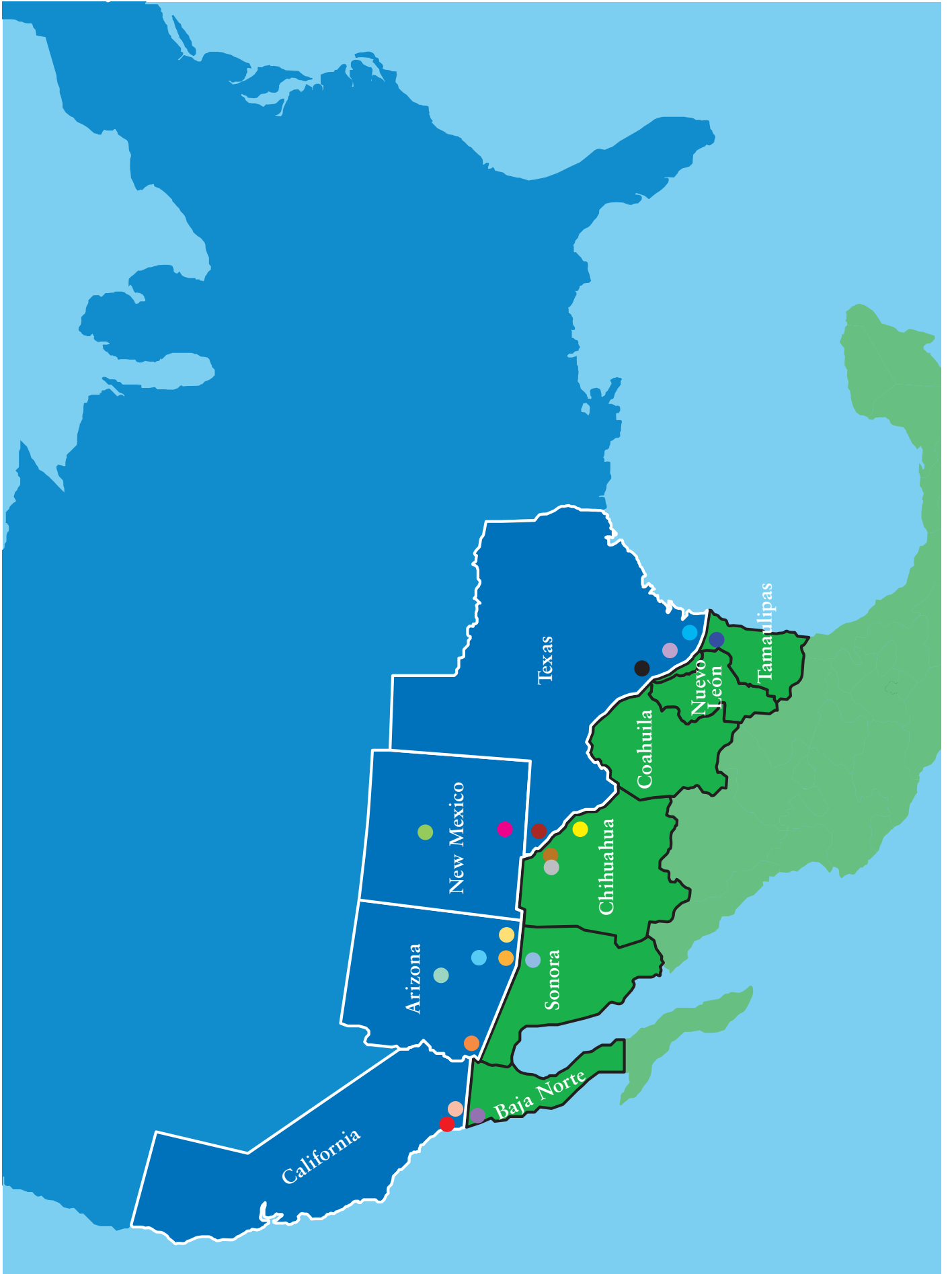
In closing, while having a rocky start this second phase of the BPP finished with a smooth hand off. The BPP community foundations, their boards and staff, demonstrated remarkable commitment and creativity in reaching out to their communities to grow philanthropy, address local needs, and otherwise make contributions to improving lives of those living in the U.S.-Mexico border region. Synergos staff, though still searching in the end to find the right mix in its capacity building, ran its last lap well, ably supporting BPP's participants in determining and realizing their vision for an independent entity. Synergos and the new entity were both ready to move in their own distinct directions when the moment arrived for the transition. And, reflecting back to BPP's beginnings, the funders envisioned that through the development of community foundations that voice could be given to residents in a region where they have little. Today, as this report evidences, community foundations are now part of the landscape along the border and the trust fostered among them through the BPP gives promise to lifting those voices.

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## **APPENDIX "A"**




















### **Map of BPP Phase II Community Foundations**



**U.S.-Mexico**  
**BORDER PHILANTHROPY PARTNERSHIP**  
**ALIANZA FRONTERIZA DE FILANTROPIA**  
**México -EE.UU.**

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**COMMUNITY FOUNDATIONS - FUNDACIONES COMUNITARIAS**

-  Arizona Community Foundation (ACF) – Phoenix, AZ  Fundación Comunitaria de la Frontera Norte (FCFN)—Ciudad Juárez, Chihuahua
-  Brownsville Community Foundation (BCF)—Brownsville, TX  Fundación Comunitaria de Matamoros (FCM)—Matamoros, Tamaulipas
-  Cochise Community Foundation/ACF affiliate—Sierra Vista, AZ  Fundación Internacional de la Comunidad (FIC)—Tijuana, Baja California Norte
-  Community Foundation for Southern Arizona (CFSa)—Tucson, AZ  Fundación del Empresariado Chihuahuense (FECHAC)—Juárez - Ciudad Juárez, Chihuahua
-  Community Foundation of Southern New Mexico (CFSNM)—Las Cruces, NM  Fundación del Empresariado Chihuahuense (FECHAC)—Ojinaga - Ojinaga, Chihuahua
-  Frontera Women’s Fund (FWF)—El Paso, TX  Fundación del Empresariado Sonorense (FESAC)—Nogales - Nogales, Sonora
-  International Community Foundation—National City, CA
-  Laredo Area Community Foundation (LACF)—Laredo, TX
-  New Mexico Community Foundation (NMcF)—Albuquerque, NM
-  San Diego Foundation (SDF)—San Diego, CA
-  Santa Cruz Community Foundation/CFSa affiliate—Nogales, AZ
-  Texas Valley Communities Foundation (TVCF)—McAllen, TX
-  Yuma Community Foundation/ACF affiliate—Yuma, AZ

## **APPENDIX "B"**

### **BPP Community Foundation Financial Data**

**BORDER PHILANTHROPY PARTNERSHIP**  
**Figures for the U.S. are from the IRS-990**

**ARIZONA**

Arizona Community Foundation

Year of Incorp: 1978

Year	Assets	Restricted	Unrestricted	Total Grantmaking	Total # Grants	Total Mgt Costs	Total Prog. Costs	Temp Restricted
2002	\$199,914,225	\$14,884,875	\$137,704,151	\$12,638,380	1571	\$2,268,130	\$13,536,265	
2003	\$229,272,018	\$20,923,786	\$162,866,224	\$15,479,151	1174	\$3,036,768	\$16,490,356	
2004	\$253,833,003	\$20,927,576	\$182,394,576	\$19,651,099	1302	\$3,555,347	\$20,657,548	
2005	\$284,865,822	\$16,166,189	\$218,023,927	\$17,509,644	1531	\$2,581,918	\$19,977,282	
2006	\$320,766,107	\$261,219,394	\$24,905,289	\$24,905,289	2005	\$3,351,989	\$24,905,289	\$16,736,510
2008	\$556,090,000	\$254,667,128	\$38,016,625	\$38,016,625	5317	\$866,401	\$6,084,505	\$19,326,707

Notes: ACF changed its fiscal year. The 2008 data covers 15 month period ending March 31, 2008. ACF disaggregated the data from their corpus to provide the information for Cochise Community Foundation and for Yuma Community Foundation. The management cost figure is principally program and fundraising. Both affiliates are treated here as "border" foundations though activity is spread across the respective counties. Figures provided below do not include support provided by the Ford Foundation for operations (\$470,901.50), endowment (\$94,598.50) and regranting (\$134,500) between 4/1/03 and 5/31/07.

Cochise Community Foundation (ACF Affiliate)

Year of Incorp: 1998

Year	Assets	Restricted	Unrestricted	Total Grantmaking	Total # of Grants	Total Mgt Costs	Total Prog. Costs
2002	\$2,208,730	\$1,909,853	\$298,878	\$341,679	30	\$58,162	
2003	\$2,439,235	\$2,068,471	\$370,763	\$160,954	25	\$56,579	
2004	\$2,548,203	\$2,114,470	\$433,733	\$215,529	23	\$53,945	
2005	\$2,783,386	\$2,310,838	\$472,547	\$182,115	42	\$46,998	
2006	\$4,107,312	\$3,597,602	\$509,709	\$260,258	50	\$86,627	
2008	\$4,327,694	\$3,961,631	\$366,062	\$228,979	59	\$76,649	

Yuma Community Foundation (ACF Affiliate)

Year of Incorp: 1994

Year	Assets	Restricted	Unrestricted	Total Grantmaking	Total # of Grants	Total Mgt Costs	Total Prog. Costs
2002	\$2,441,338	\$1,629,066	\$812,272	\$157,807	39	\$38,275	
2003	\$2,976,809	\$1,921,968	\$1,054,840	\$160,966	38	\$46,655	
2004	\$3,655,404	\$2,406,616	\$1,248,789	\$169,247	36	\$41,265	
2005	\$4,532,417	\$3,213,811	\$1,318,606	\$207,692	47	\$47,803	
2006	\$5,851,071	\$4,335,087	\$1,515,984	\$362,937	65	\$66,312	
2008	\$6,849,775	\$5,401,740	\$1,448,035	\$573,914	107	\$73,225	

Community Foundation For Southern Arizona (totals do not include supporting organizations)

Year of Incorp: 1980

Year	Assets	Restricted	Unrestricted	Total Grantmaking	Total # of Grants	Total Mgt Costs	Total Program Costs
2002	\$25,718,687	\$11,814,269	\$10,360,102	\$4,187,846	1,072	\$583,470	\$4,866,533
2003	\$30,439,981	\$13,449,441	\$13,560,050	\$4,566,126	843	\$808,244	\$5,401,812
2004	\$34,524,027	\$13,670,504	\$17,066,293	\$3,615,757	326	\$771,250	\$4,437,305
2005	\$45,115,111	\$9,929,450	\$30,919,499	\$4,594,388	888	\$897,048	\$5,550,239
2006	\$51,892,360	\$11,654,295	\$35,374,790	\$6,054,224	322	\$1,020,067	\$7,149,051

Notes: (1) CFSA uses a July to June fiscal year. For example, the 2006 IRS-990 covers a period from July 1, 2006-June 30, 2007.

(2) Totals for # of grants may not be precise. The 990 forms provide a detailed list of grants, many of which are for less than \$500.

Community Foundation For Southern Arizona Consolidated with Supporting Organizations

Year	Assets	Restricted	Unrestricted	Total Grantmaking	Total # of Grants	Total Mgt Costs	Total Program Costs
2002	\$59,744,277	\$12,997,714	\$46,746,563	\$6,257,144		\$852,741	\$7,500,650
2003	\$62,046,764	\$15,181,688	\$46,865,076	\$10,489,464		\$690,940	\$11,657,523
2004	\$68,965,669	\$8,382,075	\$60,583,594	\$4,948,524		\$805,990	\$5,793,051
2005	\$91,738,857	\$12,918,459	\$78,820,398	\$8,022,795		\$961,287	\$9,044,530
2006	\$106,570,574	\$18,957,441	\$87,613,133	\$8,894,062		\$1,035,133	\$12,338,305

Santa Cruz Community Foundation (Affiliate of CFSAz)

Year of Incorp:	Assets	Restricted	Unrestricted	Total Grantmaking	Total # of Grants	Total Mgt Costs	Total Prog. Costs
2002	\$856,203	\$563,430	\$292,773	\$26,562	20	\$36,344	\$60,276
2003	\$1,033,960	\$641,873	\$392,087	\$32,023	24	\$35,752	\$70,157
2004	\$1,161,882	\$1,008,794	\$153,088	\$56,042	42	\$38,232	\$96,768
2005	\$1,556,883	\$1,074,815	\$482,068	\$294,659	163	\$62,646	\$313,436
2006	\$2,501,116	\$1,206,145	\$1,294,971	\$276,661	106	\$76,455	\$358,102

Notes: SCCF's assets increased primarily due to a gift of \$500,000, a life insurance policy with proceeds of approximately \$50,000, the receipt of funds from the Ford Foundation and an overall increase in gifts and the annual fundraising event.

CALIFORNIA

San Diego Foundation

Year of Incorp:	Assets	Restricted	Unrestricted	Total Grantmaking	Total # of Grants	Total Mgt Costs	Total Prog. Costs	Temp Res	Perm
2002	\$361,600,036	\$147,845,634	\$199,871,075	\$37,246,083	1050	\$2,162,174	\$41,578,185		
2003	\$406,620,898	\$156,802,283	\$221,658,456	\$41,081,901	1000+	2,006,111	\$44,616,937		
2004	\$451,470,225	\$165,375,234	\$251,490,589	\$41,106,060	1000+	\$876,351	\$47,549,686		
2005	\$484,163,474	\$173,295,616	\$263,161,775	\$43,519,160	1,383	\$1,037,626	\$48,330,078	\$14,133,380	\$159,162,236
2006	\$539,428,462	\$172,660,752	\$286,234,023	\$46,848,110	1000+	\$1,919,542	\$54,916,121	\$11,662,418	\$172,660,752
2007	\$511,423,000	\$191,816,000	\$244,451,000	\$52,905,876	1000+	\$1,402,000	\$56,509,000	\$13,535,000	\$178,281,000

Notes: SDF uses a July to June fiscal year. For example, the 2007 IRS-990 covers a period from July 1, 2007-June 30, 2008 (which is FY08). Totals for # of grants may not be precise.

International Community Foundation

Year of Incorp:	Assets	Restricted	Unrestricted	Total Grantmaking	Total # of Grants	Total Mgt Costs	Total Prog. Costs	Temp Rest	Perm Rest
2002	\$1,727,459	\$570,310	\$1,119,126	\$2,558,388	90	\$138,078	\$2,972,610		
2003	\$2,339,005	\$642,381	\$1,217,503	\$2,218,584	110	\$365,840	\$2,749,631		
2004	\$3,734,227	\$775,734	\$2,364,504	\$3,731,792	113	\$379,104	\$4,215,786		
2005	\$6,234,273	\$1,640,191	\$3,803,131	\$3,537,136	111	\$442,368	\$3,958,647	\$1,098,327	\$541,864
2006	\$9,587,202	\$3,869,618	\$4,559,376	\$3,459,691	117	\$694,858	\$3,891,176	\$3,299,854	\$569,764
2007	\$12,467,110	\$7,914,226	\$4,552,884	\$4,603,301	88	\$602,543	\$4,603,301	\$3,341,262	\$4,572,964

Notes: ICF uses a July to June fiscal year. For example, the 2007 IRS-990 covers a period from July 1, 2007-June 30, 2008 (which is FY08). FY 2008 data is from an audit that had just been completed but that had not been reviewed/approved by ICF's Board of Governors at the time of submission. Changes were not anticipated.



New Mexico Community Foundation

Year of Incorp:	Assets	Restricted	Unrestricted	Total Grantmaking	Total # of Grants	Total Mgt Costs	Total Program Costs	Temp	Perm
2002	\$6,601,224	\$5,850,336	\$166,019	\$1,684,904	117	\$307,334	\$2,140,262		
2003	\$11,839,562	\$10,115,912	\$242,616	\$2,483,101	135	\$354,217	\$3,115,429		
2004	\$18,549,931	\$14,619,588	\$191,175	\$2,962,063	166	\$584,310	\$4,113,805		
2005	\$21,646,566	\$16,189,895	\$259,237	\$3,076,309	187	\$567,837	\$4,471,989	\$10,764,107	\$5,725,788
2006	\$23,523,155	\$16,479,016	\$510,959	\$4,011,342	531	\$592,447	\$5,490,892	\$10,509,679	\$5,969,337
2007	\$34,741,983	\$26,055,253	\$666,221	\$5,834,346	711	\$937,956	\$8,746,109	\$18,708,325	\$7,346,928

Community Foundation of Southern New Mexico

Year of Incorp:	Assets	Restricted	Unrestricted	Total Grantmaking	Total # of Grants	Total Mgt Costs	Total Prog. Costs	Temp	Perm
2002	\$466,623	\$279,688	\$6,786	\$73,926	NA	\$14,592	\$73,926		
2003	\$580,383	\$374,172	\$2,911	\$64,087	NA	\$12,038	\$64,087		
2004	\$705,590	\$336,212	\$136,733	\$130,906	NA	\$25,913	\$130,906		
2005	\$810,695	\$425,932	\$162,834	\$203,965	NA	\$19,452	\$203,965	\$30,866	\$395,066
2006	\$1,054,152	\$641,197	\$139,726	see note	see note	\$41,448	\$367,797	\$80,835	\$560,362

Notes: CFSNM became a participant in BPP in Phase II (September 2005). It is a recipient of technical assistance only. In 2006 CFSNM made its first grants totalling \$195,874 (six grants). Information for 2006 provided by CFSNM's accountant. CFSM was initially incorporated on June 18, 1996 as Southern New Mexico Community Foundation. The name was changed to The Community Foundation Of Southern New Mexico and new articles of incorp were issued on April 24, 2000.

TEXAS

(Challenge Program began in 2005)

Brownsville Community Foundation

Year of Incorp:	Assets	Restricted	Unrestricted	Total Grantmaking	Total # of Grants	Total Mgt Costs	Total Prog. Costs	temporary	permanent
2002	\$3,163,539	\$3,047,662	\$107,877	\$400	1	\$39,899	\$96,534		
2003	\$2,951,119	\$2,816,127	\$111,138	\$20,000	1	\$35,258	\$208,322		
2004	\$2,849,433	\$2,756,328	\$72,919	\$50,000	1	\$52,310	\$136,768		
2005	2,898,848	\$2,743,635	\$131,584	\$25,000	1	\$128,611	\$25,000	\$2,743,635	
2006	\$3,108,177	\$2,743,750	\$353,861	\$50,000	see note	\$96,956	\$53,491	\$2,743,750	
2007	\$3,360,329	\$2,740,236	\$595,604	\$45,000	no information	\$105,340	\$17,760		

NOTE: 2006 IRS-990 Statement 2 explains that two grants were awarded and the "donees" were The Houston Endowment and the United Way of Cameron County.

Frontier Women's Fund

Year of Incorp:	Assets	Restricted	Unrestricted	Total Grantmaking	Total # of Grants	Total Mgt Costs	Total Prog. Costs	temp	perm
2002	NA	NA	NA	NA	NA	NA	NA		
2003	NA	NA	NA	NA	NA	NA	NA		
2004	\$160,600	\$0	\$0	\$1,250	2	\$31,858	\$19,250		
2005	\$258,930	\$204,404	\$15,725	\$28,000	5	\$35,525	\$227,807		
2006	\$191,101	\$125,340	\$34,578	\$23,750	5	\$36,760	\$192,488	\$56,682	\$68,658
2007	\$507,494	\$429,145	\$73,079	\$647	no information	\$19,999	\$133,188		\$429,145

Laredo Area Community Foundation

Year of Incorp:	2004		Unrestricted	Total Grantmaking	Total # of Grants	Total Mgt Costs	Total Prog. Costs
	Restricted	Assets					
2002	NA	NA	NA	NA	NA	NA	NA
2003	NA	NA	NA	NA	NA	NA	NA
2004	NA	NA	NA	NA	NA	NA	NA
2005	\$634,819	\$762,575	\$0	NA	NA	\$23,719	\$19,299
2006	\$1,613,085	\$1,720,340	\$0	\$185,447	11	\$45,427	\$284,509
2007	\$946,737	\$1,875,971	\$878,234	\$241,005	7	\$49,245	\$314,313
							\$797,225
							\$0
							\$815,860
							\$946,737

Texas Valley Communities Foundation

Year of Incorp:	2005		Unrestricted	Total Grantmaking	Total # of Grants	Total Mgt Costs	Total Prog. Costs
	Restricted	Assets					
2002	NA	NA	NA	NA	NA	NA	NA
2003	NA	NA	NA	NA	NA	NA	NA
2004	NA	NA	NA	NA	NA	NA	NA
2005	\$45,000	\$94,098	\$43,158	NA	NA	\$33,687	\$77,449
2006	\$210,053	\$276,751	\$52,849	\$25,000	5	\$64,362	\$80,379
2007	\$264,000	\$297,012	\$52,849	\$30,524	no information	\$29,210	\$30,866

Notes:(1) The participation of Texas Valley Communities Foundation in BPP II was terminated in early 2008.

(2) Notes for 2005 IRS 990 states that \$77,449 was used for technical assistance and training to assist the foundation in operating more effectively.

## MEXICO COMMUNITY FOUNDATIONS

Note: Information about grantmaking obtained through email communications. For additional financial information gathered from analyzing audited reports provided by the foundations, go to [www.alternativasociales.org](http://www.alternativasociales.org) and click the link for the comprehensive study of Mexico's community

### Grantmaking by Types of Recipients (pesos)

OSC	2004	2005	2006	2007	2008
FIC	\$3,720,768	\$3,184,947	\$1,367,492	\$2,031,057	\$1,391,016
FN	\$3,543,875	\$4,004,136	\$2,773,591	\$3,418,778	\$6,956,834
FESAC	\$1,108,685	\$2,623,705	\$2,684,134	\$2,227,706	\$4,405,664
FECHAC	\$14,465,895	\$23,438,966	\$31,423,342	\$33,912,335	\$54,125,783
Total	\$22,839,223	\$33,251,754	\$38,248,559	\$41,589,876	\$66,879,297
<b>Grassroots Grps</b>					
FIC		\$940,000	\$903,611	\$864,184	\$2,437,397
FN				\$720,000	\$495,000
FESAC				\$38,714	\$45,556
FECHAC					
Total		\$940,000	\$903,611	\$1,622,898	\$2,977,953
<b>Scholarships</b>					
FIC		\$304,606	\$29,958	\$263,550	\$1,759,360
FN		\$111,619	\$183,055	\$146,472	\$139,644
FESAC			\$312,841	\$146,753	\$416,460
FECHAC					
Total		\$416,225	\$525,854	\$556,775	\$2,315,464