

BORDER PHILANTHROPY PARTNERSHIP

U.S. - Mexico

Executive Summary

Evaluation Phase II

TEAMWORKS

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PHILANTHROPY
PARTNERSHIP
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TEAMWORKS

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PREFACE

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. Downloadable copies of the full report (as well as this summary), in English and in Spanish, can be found at www.sfteamworks.com or at www.borderpartnership.org. 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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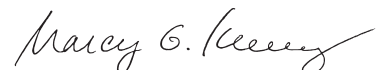
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ACKNOWLEDGMENT

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)
Brownsville Community Foundation (BCF)
Cochise Community Foundation/ACF affiliate
Community Foundation for Southern Arizona (CFSA)
Community Foundation of Southern New Mexico (CFSNM)
Frontera Women's Foundation (FWF)
Laredo Area Community Foundation (LACF)
New Mexico Community Foundation (NMCf)
San Diego Foundation (SDF)
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 Internacional de la Comunidad (FIC)
Fundación del Empresariado Chihuahuense (FECHAC) - Juárez
Fundación del Empresariado Chihuahuense (FECHAC) - Ojinaga
Fundación del Empresariado Sonorense (FESAC) - Nogales

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

International Community Foundation (ICF)

Managing Partner: Synergos Institute

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

EXECUTIVE SUMMARY

U.S. - Mexico Border Statistics

- Border is 2,000 miles (3,219 kilometers)
- 4 states in the U.S. and 6 states in Mexico
- 15 pairs of sister cities
- 14 million people (2010 projection)

*Definition of the border is 62.5 miles (100 kilometers) north and south of the boundary line.

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.¹

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

U.S. - Mexico: An Economic Partnership

U.S. exports
\$151 billion to
Mexico (2009)
and
Mexico exports
\$216 billion to
the U.S. (2009).

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

¹ 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.

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.² 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.³

- ***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. 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 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.

Challenging Conditions

- There is grave poverty and high levels of transience along the border.
- Intensified security and long lines make personal contact between and among CFs more difficult.
- Most of the foundations located along the border have fewer than a handful of staff.
- Grantmaking budgets are typically very modest.

² "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 and www.alternativasociales.org.

³ 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 Ileri Ablanedo (con la cooperación de Cristina Galíndez), Iniciativa Ciudadana y Desarrollo Social, Incide Social, A.C., enero, 2007.

CFs Build a Stronger Civil Society

- Yuma CF facilitated the creation of a nonprofit institute.
- Cochise CF funded research that identified problems in a local impoverished area. They then funded an organizer that helped residents create a nonprofit, La Unión del Pueblo, to address their needs.
- FIC builds the capacity of grassroots groups and establishes nonprofit organizations in the border region of Baja California by providing training and grants.

- *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 2008.⁴ 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 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.

⁴ 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.

- *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.

Fostering Community Leadership

Working with Frontera Norte, a group of youths raised the funds to build a kitchen that provides nutritious meals at a primary school. In the process the youths learned leadership skills.

Cross-Border Collaboration

The executive directors of FESAC/Nogales and Santa Cruz CF communicate daily by email and telephone and often in-person, informing each other of developments and identifying ways to collaborate. They make sure that board members are also familiar with each other's operations.

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:

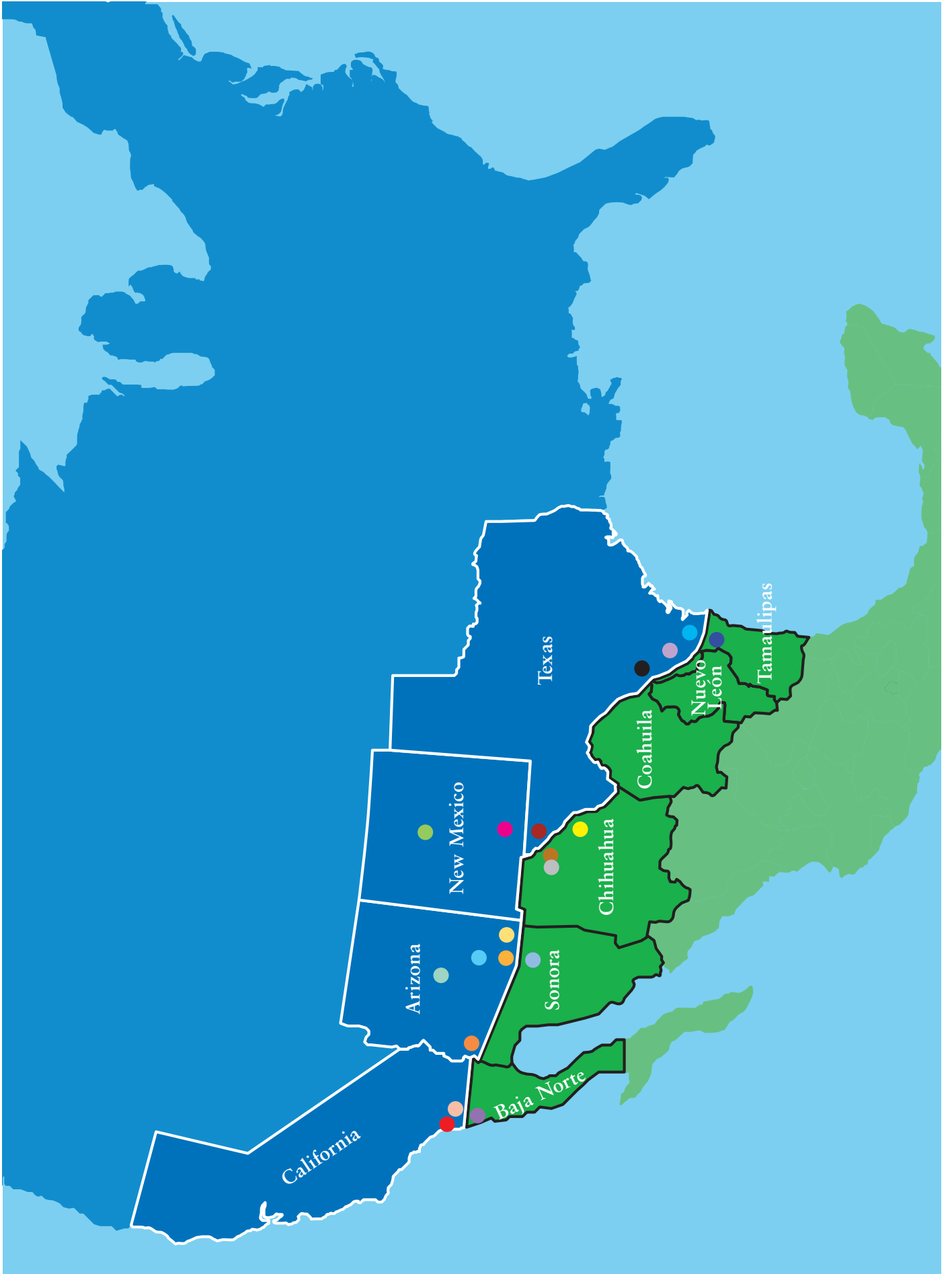
BPP was a set of sub-initiatives that were successfully woven into a whole largely because of funders who (1) shared a commitment to the development of community foundations to address border needs; (2) respected each other's differences in resource capacities and priorities; (3) recognized that key 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.

A Successful Transition

A new bi-national organization, the U.S.-Mexico Border Philanthropy Partnership was created in 2009. It aims to improve quality of life in the border region by:

- collaborating and providing leadership on cross-border issues of common concern,
- mobilizing more effective philanthropic resources to address border issues, and
- strengthening philanthropic capacity to further the sustainability of border communities.



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

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