The Center on Philanthropy & Public Policy

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Hispanics as Donors, Grantees, Grantmakers, and Volunteers

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Research Paper - 4
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UNIVERSITY OF SOUTHERN CALIFORNIA

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Building a Tradition of Latino Philanthropy: Hispanics as Donors, Grantees, Grantmakers, and Volunteers

Henry A.J. Ramos and Gabriel Kasper

This article examines the current state of Latino Americans in the independent sector, focusing on Latino engagement in the field as donors, as volunteers, as grantmakers, and as grantees. It explores current efforts to encourage Latino philanthropy and voluntarism, and compares work in this context with the experiences of other ethnic- and gender-focused philanthropic endeavors, concentrating especially on the Jewish and women's communities. Finally, the article looks at the challenges and opportunities that lie ahead for Latino philanthropy as the field develops.

INTRODUCTION

When he first arrived in Los Angeles in the 1950s, Octavio Paz searched in vain for tangible evidence of Mexican influence on the city's life and culture. Despite the sizeable Latino population in the city, the great Mexican writer was surprised to find only a "vague atmosphere" of Mexicanism in Los Angeles. Mexican culture seemed to have evaporated into the largely Anglo-American cityscape. He detected only a "ragged but beautiful" sense of Mexican identity "floating" over the city, "never mixing or uniting with the other world, the North American world."[1]

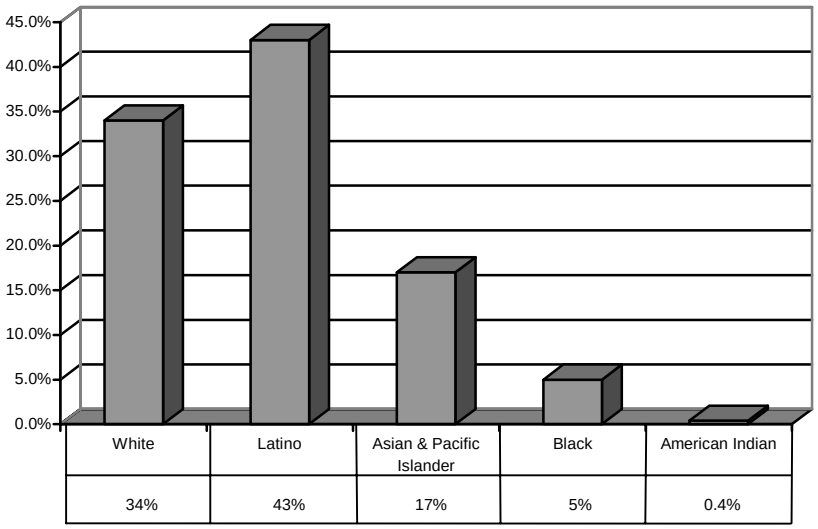
Today's Los Angeles is a very different place. In modern L.A., and increasingly throughout the United States, Latino culture is becoming inextricably integrated into the American mainstream -- at street corner restaurants, on radios, in cinemas everywhere, the growing "Latinization" of America is unavoidable.

In Los Angeles, the Latino population has grown more than 450 percent since 1970, and Latinos now constitute the largest single ethnic group in L.A. County, making up more than 45 percent of the area's 10 million people. In Los Angeles public schools, 70 percent of students are identified as Hispanic.[2]

While the overall population of the United States has grown just 9 percent since 1990, the nation's Latino population has increased 38 percent, to approximately 31 million. By 2005, Latinos will be the largest minority in the country -- and by 2050, nearly a quarter of the U.S. population is expected to be Latino.[3]

[1] Paz, O., *The Labyrinth of Solitude*, Grove Press, New York, 1985.
[2] Nolte, C., "Los Angeles: It's Our Destiny," *San Francisco Chronicle*, August 31, 1999.
[3] *Statistical Abstract of the United States: 1995* (115th edition), U.S. Bureau of the Census, Washington, DC, 1995.

Chart 1: Projected Population Composition of California, 2025 [4]



Together with this unprecedented demographic growth has come a concomitant expansion of Latino political influence. While overall national voter turnout dropped 13 percent between 1994 and the 1998 mid-term elections, Latinos increased their voting rate by nearly 30 percent.[5] Latino political representation in federal, state, and local offices has increased substantially in recent years, particularly in several politically influential states, such as California, New York, Texas, and Florida, where Latino populations are largest. In the last decade, Latino representation in the U.S. House has nearly doubled, to 20 members, and state legislatures across the country have seen an increase in Latino membership of more than fifty percent.[6] In California, the number of Latinos in the state legislature has more than tripled since 1988.

Latinos also constitute one of the nation's most dynamic and booming consumer groups, with over $410 billion in estimated annual after-tax buying power.[7] According to *Money* magazine, the buying power of Hispanic Americans grew more than 60 percent in the first half of the 1990s and is expected to balloon by another 90 percent over the next five years, nearly seven times faster than the growth rate for Americans overall.[8]

At the same time, Latinos are also building influence as entrepreneurs with one of the fastest growing small business start-up rates in the country. According to the U.S. Census Bureau, the number of Latino business startups was nearly three times the national average between 1987 and 1992, the Bureau's most recent measuring period. Over the same years, Latino-owned businesses experienced an almost 135 percent increase in receipts, more than twice the national average.[9] By 2000, it is estimated that there will be more than two million Hispanic-owned businesses nationally, generating approximately $400 billion in receipts.[10]

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[4] Lopez, E., Ramirez, E., and Rochin, R., *Latinos and Economic Development in California*, California State Library Research Bureau, June 1999.
[5] Larmer, B., "Latino America," *Newsweek*, July 12, 1999.
[6] National Association of Latino Elected Officials (NALEO) Educational Fund, *National Directory of Latino Elected Officials*, 1988 and 1998.
[7] *The U.S. Hispanic Market in Brief*, Univision, 1999.
[8] Espinoza, G., "Latino Heat," *Money*, December 1997.
[9] "Number of Hispanic Businesses Up 76 Percent in Five Years, Census Bureau Reports," *United States Department of Commerce News*, Economic and Statistics Administration, Washington, D.C, July 10, 1996.
[10] *Hispanic*, July/August 1999.

Against the backdrop of growing Latino numbers, wealth, and power in America, the socioeconomic circumstances of still too many U.S. Latinos present a much more troubling picture. More than 29 percent of Latino families in the United States lived in poverty in 1996, compared to just 8.6 percent of non-Hispanic white families.[11] Fewer than 55 percent of Latino adults have a high school education, and Latino youth have the highest high school dropout rate in the U.S.[12]

In California the situation is perhaps even more dire. In 1998, the median wage income for whites was $27,000 a year; for Asian Americans, $24,000; and for African Americans, $23,000. By comparison, Latinos had a median income of only $14,560.[13] Eighty-six percent of California's Latinos do not have more than a high school education. And only 8 percent of Latinos have attained a bachelor's degree, compared to 33 percent of the state's whites, 43 percent of Asian Americans, and 24 percent of African Americans.[14]

As the disparity between poor and wealthy Latinos grows, expanded Latino engagement in organized philanthropy represents an opportunity to bridge the gap, affording Latinos and others of means a powerful, yet heretofore untapped vehicle for helping those in need in their community. The timing of current efforts to mobilize Latino philanthropic resources appears to be excellent. Until recently, Latinos have been largely invisible in the culture, traditions, and operations of organized philanthropy and voluntarism. Recent developments, however, signal the genesis of a new movement in Hispanic philanthropy as Latinos are beginning to participate in unprecedented ways as charitable donors, community volunteers, foundation and corporate grantmakers, and nonprofit grantees.

LATINO ENGAGEMENT IN PHILANTHROPY

Latinos as Donors

According to Herman Gallegos, one of the pioneers of the Latino philanthropic movement, "Hispanics have been perceived, even by themselves, as takers, not givers."[15] Indeed, a 1998 Gallup poll on charitable giving and volunteering commissioned by Independent Sector found that just 62.9 percent of Latino households made contributions to charity, compared to almost 75 percent of white households.[16] Furthermore, Latinos who did contribute, on average, gave less than half of what white contributors did (both in dollars and as a percentage of household income). For many observers, these statistics reinforce the perception that Latinos are "uncharitable."[17]

The data, however, ignore substantial recent increases in Latino giving rates (the percentage of contributing Latino households is up 6 percent from 56.9 percent in 1995), as well as important differences in how Latinos are solicited for donations.[18] A 1993 survey by Direct Marketing News cited in *The Chronicle of Philanthropy* found that Latino households receive an average of just 15 to 20 solicitations per year, compared to 300 received by other ethnic groups.[19] Yet, notwithstanding this

[11] U.S. Bureau of the Census, Current Population Survey, 1996 (http://www.census.gov/ftp/pub/hhes/poverty/poverty96/)
[12] Cortés, M., "Philanthropy and Latino Nonprofits: A Research Agenda," *Hispanics and the Nonprofit Sector*, Foundation Center, New York, 1991, p. 143.
[13] Ibid.
[14] Lopez, E., Ramirez, E., and Rochin, R., *Latinos and Economic Development in California*.
[15] Estrada, L.F., "Hispanic Evolution," *Foundation News*, Washington, DC, May/June 1990, p. 63.
[16] Independent Sector, *1999 Giving and Volunteering in the United States: Executive Summary*, (http://www.independentsector/GandV/s-keyf.htm).
[17] According to the 1992 Gallup Poll for Independent Sector, *Giving and Volunteering in the United States*, "Hispanics are relatively uncharitable." Cited in Rodriguez, R. and Quern, S., *Latino Philanthropy in Chicago*, for the Donors Forum of Chicago and The Chicago Community Trust, June 1997.
[18] Independent Sector, *1999 Giving and Volunteering in the United States*.
[19] AAFRC Trust for Philanthropy, "Charitable Giving By People of Color: African Americans, Asian Americans, Latinos, and Native Americans," *Giving USA Update*, Issue 2, 1999.

remarkably low rate of being approached, the number of Latinos who give after being asked is astonishing. According to a 1997 survey conducted by the University of Connecticut for the National Commission on Philanthropy and Civic Renewal, for example, only 14 percent of Latinos said they had refused requests for donations, compared to 24 percent of whites.[20] This suggests that lower levels of giving among Latinos may at least partially result from simply not being asked for contributions.

Critics of Latino giving also fail to account for fundamental differences in the cultural history and giving practices of Hispanics which often diminish the public salience of their support for the independent sector. Latinos do give, but not necessarily in ways that conform to the mechanisms of formal U.S. philanthropy.[21] Latin cultures in fact have long-standing traditions of informal charity and social giving that date back more than 500 years.

In most Latin American countries, the church (especially the Roman Catholic church) has played a pivotal role in addressing social welfare issues. Giving, therefore, is largely directed to community efforts through religious institutions. And this tradition of Latin religious giving has continued in the United States. A 1999 New York survey found that more than three quarters of all Latinos who made charitable contributions in the last year had given money to the church, while just 32 percent gave to nonprofits and 25 percent gave to other charitable causes.[22]

Another longstanding characteristic of Latino philanthropy is giving to family and extended family. A significant portion of all Latino giving is directed to family and friends in the form of cash remittances and gifts that are typically not reported as charitable donations for tax purposes.[23]

In addition to family and church giving, Hispanics have also tended to give through *mutualistas*, mutual assistance societies, that have provided general charitable services to help Latino communities survive through difficult socio-economic environments since the nineteenth and early twentieth century.

These traditions of service, giving, responsibility, and community are deeply embedded in Latino culture. According to Lilya Wagner and Allan Figueroa Deck in their 1999 volume on Hispanic philanthropy, Latinos share many fundamental beliefs and values that provide a foundation for philanthropy and giving, including:[24]

- *Familialismo* (significance of family): "Interdependence is valued over independence. Centrality of family is paramount in Hispanic culture. The family network is used for support with child rearing, personal problems, and economic assistance. Family structure also includes the extended family and even close friends. *Familialismo* is especially important in times of crisis."[25]

- *Personalismo* (good character): "A person defines his or her self-worth in terms of those inner qualities that give that person self-respect and earn the respect of others. Mutual respect is highly important -- getting the respect one deserves and showing that respect to others. Hispanics value personal rapport in business dealings."[26]

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[20] Ibid.
[21] Rivas-Vázquez, A.G., "New Pools of Latino Wealth: A Case Study of Donors and Potential Donors in U.S. Hispanic/Latino Communities," *Nuevos Senderos: Reflections on Hispanics and Philanthropy* (hereafter *Nuevos Senderos*), Campoamor, D., et. Al., eds., Arte Público Press, University of Houston, Houston, TX, 1998.
[22] Cortés-Vázquez, L. and Miranda, L.A., *Hispanic New Yorkers on Nueva York: Seventh Annual Survey*, Hispanic Federation, New York, October 22, 1999.
[23] Rivas-Vázquez, A.G., "New Pools of Latino Wealth."
[24] Wagner, L., Deck, A.F., "Editors Notes," *Hispanic Philanthropy: Exploring the Factors that Influence Giving and Asking*, Indiana University Center on Philanthropy, Jossey-Bass Publishers, Number 24, Summer 1999.
[25] Ibid.
[26] Ibid.

- *Espiritualidad* (spirituality): "Spiritual values are emphasized. Material satisfaction may be sacrificed for spiritual goals."[27]

- *Colectivismo* (collectivism): "This trait is associated with high levels of personal interdependence, conformity, and sacrifice for the welfare of the group. Hispanics are less individualistic and competitive than [mainstream Americans]."[28]

The future growth and evolution of Latinos as philanthropists may depend on the identification of community and institutional strategies designed to tap these cultural values.

Still, organized philanthropy -- as practiced in the United States -- remains a difficult concept for Latinos because they tend to come from nations where governments and churches, rather than private and nonprofit organizations, have traditionally played the central roles in mitigating social inequalities. Numerous studies suggest that the longer a minority group has been in the United States, the more its giving patterns come to resemble those of white Americans.[29] In a recent study of Latino giving and voluntarism, Rudolfo de la Garza writes, "Immigrants … have lower rates of giving and volunteering than do the native-born. This suggests that such activities are more central to U.S. civil society than to Latin America's civil practices." [30] De la Garza concludes that because there is not a significant difference between the giving and volunteering rates of Anglo-Americans and U.S.-born Mexicans and Cubans, however, it is likely that these behaviors are generally learned and incorporated within one generation.[31]

Indeed, new attitudes about philanthropy and giving are beginning to take hold as Latinos of wealth are increasingly assimilated into American civic culture and institutions. Hispanic giving is starting to reflect an ever wider spectrum of practices and strategies that incorporates both informal charitable traditions and more conventional social investment options.

Giving to Family and Close Community

Much of the giving that occurs in Latino communities is still directed informally through networks of family and friends. According to Latino giving expert Ana Gloria Rivas-Vázquez, "Although it is sometimes described as informal, this giving often provides on a systematic basis for family, extended family, friends, and employees, and is relied upon by recipients much in the same way that others in this country rely on the social services safety net."[32] This type of giving is particularly evident in times of natural and economic crisis that directly affect donors' families, communities, or countries of origin. For example, in 1985, a nationwide telethon sponsored by the Spanish International Network (now Univision) raised more than $15 million -- largely from U.S. Latino contributors -- for victims of the Mexico City earthquake.[33] Similarly dramatic largesse has also been evident in the overwhelming Latino response to more recent crises in Latin America, such as Hurricanes Andrew, Georges, and Mitch.

Giving to Religious Institutions

Religious groups may be the most significant beneficiaries of Latino institutional giving. Because better than 70 percent of U.S. Latinos are Catholic, the Catholic church has been the traditional recipient of most of the community's church donations. In recent years, however, Protestant evangelical orders have seen impressive increases in Latino support. For example, World Vision, one of the nation's leading Christian

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[27] Ibid.
[28] Ibid.
[29] de la Garza, R., "Explorations in Latino Voluntarism," in *Nuevos Senderos*; Hall, H., "Members of Minority Groups Found to Be Suspicious of Mainstream Charities," *The Chronicle of Philanthropy*, July 26, 1994.
[30] de la Garza, R., "Explorations in Latino Voluntarism."
[31] Ibid.
[32] Rivas-Vázquez, A.G., "New Pools of Latino Wealth."
[33] Murguia, R., *Latino Funds in the United States of America: A Review of Models for Philanthropic Resources*, Hispanics in Philanthropy, October 1995.

charities dedicated to assisting ministries in developing countries around the globe, now receives approximately 30 percent of all its contributions from U.S. Latino donors.[34]

Giving to Nonprofits

Latino community nonprofits are increasingly looking to tap individual Hispanic donors for support. Many Latino groups, such as the Mexican American Legal Defense and Education Fund, have looked to major donors and planned giving to raise support for their programs. Other organizations, such as the National Council of La Raza and the New York-based *El Museo del Barrio*, have focused on increasing contributions from the Latino community through membership programs and special events. In 1997, the targeted outreach efforts and appeals of *El Museo* helped increase its membership by more than 15 percent and its individual donations by nearly 70 percent. Among *El Museo's* most successful efforts was a single fundraising event that grossed more than $300,000 in donations.[35]

Significant numbers of wealthy Latinos have also given generously to mainstream nonprofit organizations. Latino celebrities, in particular, have been important donors to and promoters of mainstream causes. For example, Cuban-born singer-songwriter Gloria Estefan and her husband Emilio have given more than $2 million to the Miami-Dade County United Way, and made additional donations to charitable institutions ranging from the American Red Cross to the University of Miami.[36] Similarly, Mexican-American actor Edward James Olmos has given support to mainstream charities including the Juvenile Diabetes Foundation, the Miami Children's Hospital, and the AIDS Awareness Foundation.[37]

Giving through Community Foundations

Throughout the country, particularly in localities with sizeable Latino populations, local community foundations have made a concerted effort to attract Hispanic donors. Using culturally appropriate solicitation strategies, community foundations have successfully begun to attract new Latino donors, both large and small. In El Paso, Texas, for instance, the El Paso Community Foundation (EPCF) has pioneered a new model for actively encouraging the formation of donor-advised grantmaking funds by minority contributors. In a community where the Latino "minority" constitutes more than 70 percent of the population, EPCF has attempted to establish a donor base that mirrors the demographics of the local population. EPCF's Minority Donor Development Program has used culturally targeted techniques and personal contacts to promote the establishment of named funds among Hispanics. To appeal to middle-income donors, EPCF allowed contributors to create a new fund for as little as $1,000 when accompanied by a pledge to grow the fund to at least $5,000. By 1997, EPCF had developed over 31 funds created by Spanish-surname donors, with assets totaling over $775,000.[38] Similarly, the Dade Community Foundation (DCF) in Miami, Florida has developed a highly advanced Spanish-language donor solicitation program. In 1997 the program encouraged donations from more than 100 Latino individuals and families to augment the Foundation's more than $50 million in assets.[39] And in Phoenix, the Arizona Community Foundation recently received a $6 million endowment bequest, its largest gift ever, from Florita Evans, a local Puerto Rican businesswoman.[40]

[34] Ramos, H.A.J., "Latino Philanthropy: Expanding U.S. Models of Giving and Civic Participation," in *Cultures of Caring: Philanthropy in Diverse American Communities*, Council on Foundations, Washington, DC, June 1999.
[35] Ibid.
[36] "Dona Gloria Estefan un cuarto de milión de dólares" ("Gloria Estefan Gives a Quarter of a Million Dollars"), *Diversión*, Mar. 10, 1997.
[37] California State University, San Marcos Web site, 1998 (http://www.csusm.edu/public_affairs/olmos.html).
[38] Ramos, H.A.J. and Kasper, G., unpublished confidential report on emerging Latino funds for the Hispanic Federation, 1998.
[39] *Dade Community Foundation 1997 Annual Report*, Dade Community Foundation, Miami, FL, 1998.
[40] Ramos, H.A.J., "Latino Philanthropy."

Latinos as volunteers

Giving, however, does not always take the form of monetary contributions. Many individuals of Latino descent give generously of their time and talent as volunteers. Historical precedent as far back as Jane Addams and her Chicago settlement houses suggests that engaging largely immigrant constituencies in philanthropic processes increases social incorporation and political empowerment.[41] Indeed, recent research by William A. Diaz of the University of Minnesota indicates that association with nonprofit groups has a strong positive impact on political participation, particularly among Puerto Ricans and Mexican Americans.[42] In this way, philanthropic engagement serves as an important stepping stone for greater civic participation. According to UCLA's Leo Estrada, "Many Latinos identify their voluntarism as a critical turning point in their philanthropic development, since it provides opportunities to meet and get to know [mainstream] corporate, political, and community leaders [and to] learn from [these individuals] about styles of leadership and giving."[43]

According to the 1999 Gallup-Independent Sector survey of giving and volunteering, Latino voluntarism is on the rise. Forty-six percent of Hispanics reported volunteering in 1999, up from 40 percent in 1996, and just 32 percent in 1994. By comparison, 59 percent of white Americans volunteered in 1999, 52 percent in 1996, and 51 percent in 1994. Hence, while Latino voluntarism rates still lag behind those of white Americans, the Latino voluntarism growth rate has been far more dynamic than that of whites in recent years. These data contradict much of the conventional wisdom that Latinos are not culturally predisposed to give.

Indeed, Rudolfo de la Garza suggests that most of the differences in voluntarism rates between Latinos and Anglo Americans can best be explained by factors other than ethnicity and culture. He concludes that "socioeconomic rather than ethnic characteristics explain Latino organizational participation. Latinos, in other words, have low rates of giving, volunteering, and joining, because they are relatively poor and less educated, rather than because of ethnic values that discourage civic involvement."[44]

Latinos as Grantmakers

Concerns about the lack of Hispanic representation amongst the ranks of foundation staffs and boards have increased in recent decades as Latino populations have exploded on the American social landscape. Beginning in the 1970s, mainstream foundations began to address research that illustrated the changing national demographics and the lack of minority representation in philanthropy. Since then, foundations have made significant strides in increasing the inclusiveness of their staffs. Today, the percentages of foundation staff representing African American and women's constituencies actually exceed their proportional representation in American society.[45] Latinos, however, have a longer way to go. According to a 1991 study by Emmett Carson, 78 percent of program staff professionals at 721 foundations reviewed were white, 66 percent were women, and 14 percent were African American; a mere 5 percent were Hispanic.[46] The absence of women and people of color has been even more dramatic when assessed relative to the composition of philanthropic leadership in CEO positions and on foundation boards. According to a 1994 Council on Foundations report, only 4 percent of foundation CEO positions were held by people of color.[47] And Carson's 1991 study found that just 14 percent of the members of

[41] Scott, A.F., "Jane Addams: Urban Crusader," in Garraty, J.A., ed., *Historical Viewpoints* (Volume 2), Harper & Row, New York, 1975.
[42] Diaz, W.A., "Latino Participation in America: Associational and Political Roles," Hispanic Journal of Behavioral Sciences, 18:2, Sage Publications, Newbury Park, CA, May 1996.
[43] Estrada, L.F., "Hispanic Evolution."
[44] de la Garza, R., "Explorations in Latino Voluntarism."
[45] Carson, E.D., "Diversity and Equity Among Foundation Grantmakers," *Nonprofit Management and Leadership*, 4:3, Spring 1994.
[46] Ibid.
[47] National Committee for Responsive Philanthropy (NCRP), "More Grantmakers Are Women, Minorities, Says Council Report," *Responsive Philanthropy*, Washington, DC, Spring 1996.

foundation governing boards were people of color.[48] Nearly a third of the 75 foundations reviewed in a 1990 Women and Foundations/Corporate Philanthropy report, moreover, had no women trustees at all. Almost half had no racial minorities on their boards.[49] A recent assessment for Hispanics in Philanthropy by Diane Sanchez and Rosie Zamora found that U.S. Latinos constitute less than one half of one percent of foundation and corporate boards of directors.[50]

The dearth of Latino engagement in the leadership of U.S. philanthropic institutions continues to be a significant issue within the field. According to Alfred Ramirez, Executive Director of the National Community for Latino Leadership, "The emergence of Latino leadership in the United States has for the most part been in response to the overwhelming neglect of Latinos, Latino issues, and emerging Latino communities. We have had to become our own teachers, child-care providers, mayors, district attorneys, doctors, and U.S. representatives. Without us leading, our communities are simply left out."[51]

Latinos as grantees

Absent significant Latino representation in mainstream philanthropic decision-making processes, there have been few champions to advocate on behalf of Latino interests in the field. This has raised concerns about the level of attention and funding directed to Latino groups and issues. The growth of Latino philanthropy has emerged in part as a response to continuing low levels of support from mainstream philanthropic and charitable organizations for Hispanic and other communities of color. Although U.S. foundations awarded almost $16 billion in 1997, grants to minority groups and causes represented just 7.9 percent of their total giving (down from 9.3 percent of all giving in 1996).[52] Latino nonprofit organizations received only 2 percent of grant dollars (despite the Latino population's more than 11 percent share of the total U.S. population).[53] Although recent years have seen some increase in the number of foundations giving to Hispanic causes, still today roughly 75 percent of all foundation dollars awarded to Latino groups come from just seven funders, with almost half of the total given by a single source, the Ford Foundation. While many general foundation grants to mainstream organizations do substantially benefit Latino constituents, current funding patterns suggest a significant continuing disconnect between philanthropic giving and Latino community needs.

This disconnect has been especially pronounced in the context of United Way workplace giving campaigns, which have long been a significant source of support for community charities. Historically, more than half of United Way funding has been directed to affiliates of twelve long-established agencies, including the Boy Scouts, the YMCA, and the Red Cross, whose proximity and responsiveness to minority populations are often seen in communities of color as wanting and insufficient. And while Latino nonprofit organizations are being formed to meet community needs at a rate of more than 300 new groups annually,[54] United Way typically admitted fewer than three new organizations to its workplace campaigns each year. [55]

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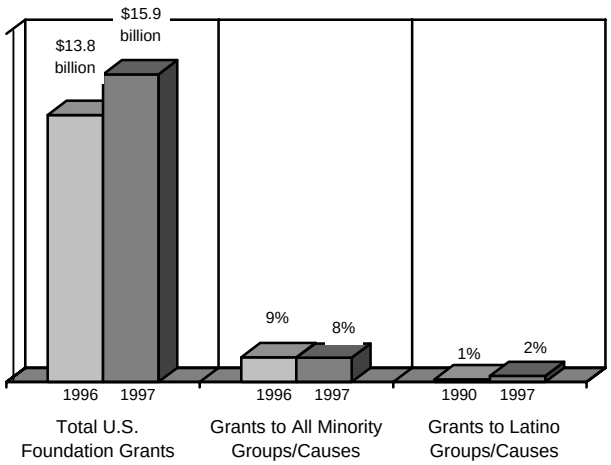
[48] Carson, E.D., "Diversity and Equity Among Foundation Grantmakers."
[49] "The Goal of Diversity," *Foundation News*, May/June 1990, citing a 1998 report by Women and Foundations/Corporate Philanthropy.
[50] Sanchez, D. and Zamora, R., "Current Issues Affecting U.S. Hispanic Foundation and Nonprofit Directors/Trustees: A Survey of the Field," in *Nuevos Senderos.*
[51] National Community for Latino Leadership, *Case for Support*, Washington, DC, 1999.
[52] Ramos, H.A.J., "Latino Philanthropy: Challenges and Opportunities for the 21st Century," speech given to the San Francisco Chapter of NSFRE, June 5, 1999.
[53] Cortes, M., "Philanthropy and Latino Nonprofits: A Research Agenda," *Hispanics and the Nonprofit Sector*, Foundation Center, New York, 1991.
[54] Diana Campoamor, et al., The Funder's Collaborative for Strong Latino Communities, a Hispanics in Philanthropy (HIP) project prospectus, Berkeley, CA, HIP, March 1998, p. 4.
[55] On the other hand, the United Way has undergone dramatic changes in the past few years, and today is working in partnership with local leaders to become more responsive to the needs and issues of the Latino community. The Los Angeles United Way, for instance, has been partnering with local grassroots leaders to profile the area's Latino community as part of an effort to develop a

Chart 2: U.S. Foundation Giving to Minorities and Latinos [56]



DEVELOPING LATINO PHILANTHROPY

In recent years, a number of innovative models for expanding Latino philanthropic engagement and self-help have emerged. Some of these efforts, such as the education and advocacy activities of the national organization Hispanics in Philanthropy, attempt to encourage Latino involvement in the philanthropic mainstream. Other strategies attempt to build alternative community-based vehicles for increasing Latino civic participation, such as Latino focused funds and grassroots *promotora* and *taller* efforts.

Bringing Latinos into the Mainstream: Hispanics in Philanthropy

Now in its seventeenth year of operation, Hispanics in Philanthropy (HIP) has become one of the largest and most influential associations of grantmakers in the country. Echoing the tremendous growth of the U.S. Latino community in general, HIP's membership has grown over sixty-six percent since 1995 to total more than 400 members today.[57] This membership, representing corporate, public, and private foundations, nonprofit organizations, and individual donors nationwide, is dedicated to (1) increasing Latino representation among staff and trustees of leading mainstream philanthropic organizations; (2) augmenting the allocation of financial support and other resources to Latino nonprofits; and (3) strengthening individual and organized philanthropy in Latino communities in the U.S. and in Latin America.[58] The organization sponsors regional, national, and international convenings and briefings on issues relevant to Latinos and philanthropy, conducts landmark research and scholarship on the field, and provides technical assistance, information, and referral services to foundations and nonprofits interested in Latino issues.[59]

In 1998, HIP began planning for the year 2000 launch of an unprecedented Funders Collaborative For Strong Latino Communities. The five-year initiative will aim to raise $15 million to strengthen the ability

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community-wide action agenda. And working closely with the L.A. Central American community, United Way recently coordinated an impressive community-wide relief drive in the aftermath of Hurricane Mitch.

[56] Ramos, H.A.J., "Latino Philanthropy: Challenges and Opportunities for the 21st Century" speech.

[57] *Hispanics in Philanthropy: 1998 Annual Report*, Hispanics in Philanthropy (HIP), 1998.

[58] Ibid.

[59] Ibid.

of Latino nonprofits to respond more effectively and creatively to the needs of the communities and individuals they serve. The Collaborative aims (1) to attract support from foundations, corporations, and individual donors to increase the flow of philanthropic dollars to Latino nonprofits engaged in health and human service, advocacy, and community building activities; (2) to improve philanthropic awareness of Latino issues and organizations; (3) to foster the development of new Latino community and philanthropic leadership; and (4) to build the organizational capacities of emerging Latino nonprofits across the U.S.[60]

Building Community-Based Philanthropy: Latino Focused Funding Institutions

Coinciding with HIP's efforts in the mainstream philanthropic context, the grassroots community formation of various Latino focused funds over the past few years represents an important trend towards building Hispanic community self-help institutions. These focused community funds, existing in a variety of forms and operating structures, have emerged in cities across the nation. At present, seven funds are operating in: Kansas City, Missouri; Lorain County, Ohio; Los Angeles, California; New York City, New York; San Francisco, California; St. Paul, Minnesota; and Ventura County, California. All of these funds have initiated activities only within the last fifteen years.

The funds aim to attract contributions from the nation's growing pool of Hispanic community members to direct back to especially poor and underserved Latino groups and individuals. By promoting community participation and control over grantmaking decisions, they strive to build Latino engagement in all aspects of philanthropy: as donors, as volunteers, as grantmakers, and as grantees.

Together, the funds now control more than $5 million in total assets and make annual grants exceeding $1 million. Working through various organizational strategies and at varying levels of scale, they primarily support programming for youth education, health and social service delivery, and community organizing targeted to Latino constituencies.

Latino community funds have developed primarily from two types of institutional bases. Four of the funds, the Greater Kansas City Hispanic Development Fund (HDF), the Destino 2000 Hispanic Legacy Fund (in Ventura County), El Fondo de Nuestra Communidad (in St. Paul), and the Hispanic Fund of Lorain County, were started as specific, targeted funds housed within a community foundation. These special interest funds attempt to build endowments and to make grants from interest earned on their endowment corpus. They generally operate with substantial assistance and oversight from community volunteers, with limited community foundation staff engagement. But because of their formal affiliation with the community foundation, administrative, investment, legal, and accounting functions of these funds are often managed by foundation staff. And although boards of local Latino leaders typically decide on grant recommendations, final grantmaking authority over the distribution of funds is often retained by the board of the sponsoring foundation.

The other three funds, the United Latino Fund (in Los Angeles), the Hispanic Community Foundation (in San Francisco), and the Hispanic Federation (in New York City), operate as workplace giving organizations. They generate money through annual workplace fundraising drives that channel monies raised back into community-based nonprofits. The workplace giving funds began largely as an effort to add more choice and reach to workplace giving campaigns run by the United Way of America. Some of the funds act as independent grantmakers to new and emerging groups in their communities, while others function as formal federations that raise money primarily for a core of established member nonprofit organizations.

[60] Ibid.

Beyond their monetary contributions, the Latino funds appear to be testing new models for adding value to organized philanthropy and Latino communities in several key areas:[61]

- *Increasing the quantity and responsiveness of charitable grants to Latino nonprofits.* While their contributions are small relative to the typical giving of larger mainstream foundations, Latino funds have still managed to direct important funding and support to organizations working with Latino constituencies. Assistance from Latino funds is often provided with greater flexibility and responsiveness to grassroots community groups than is typically offered by more conventional funders. This allows the funds to provide "risk capital" to support activities such as community organizing, voter registration, and immigrant advocacy, and to respond quickly and flexibly to the dynamic needs of grassroots organizations. Latino funds are often able to approve core operating, infrastructure development, and emergency grants to Latino agencies that other funders simply do not or cannot make.

- *Promoting an orientation to the culture of organized philanthropy among U.S. Latinos.* One of the critical roles of Latino funds is to educate community members about organized giving and the independent sector. As Latino numbers and wealth increase in the United States, it becomes more important than ever to develop an infrastructure that can engage and ground Hispanics in the culture of organized philanthropy. The funds represent one mechanism for giving Latinos a community-based and culturally-relevant opportunity to learn about and participate in the U.S. independent sector.

- *Expanding philanthropic understanding of Latino community needs.* Latino funds have helped to improve organized philanthropy's understanding of Latino issues, nonprofits, and constituencies through extensive community needs assessments and related research on community priorities. The Hispanic Development Fund in Kansas City and the Hispanic Federation in New York City, in particular, have conducted and disseminated regular studies of local Latino needs and donors. Informed by this type of work, Latino funds have been able to develop more responsive giving strategies that address the particular needs of their funding constituencies. They have also helped to dramatically expand the information available to mainstream funders seeking to improve their responsiveness to Latino community issues.

- *Increasing Latino representation in philanthropy.* In most cases, Latino community funds have lacked the active support of highly reputable Latino foundation trustees and professionals. Responding creatively to a consequent dearth of established community leadership resources, the funds have focused on efforts to identify and develop new and emerging Latino leaders and professionals, encouraging their development and support in areas ranging from fundraising and fund administration to research and nonprofit management. By increasing opportunities for emerging leaders and professionals to participate in organized philanthropy, Latino funds are helping to promote an expansion of the nation's still too thin pipeline of Latino philanthropic practitioners.

- *Facilitating coordination and planning among Latino nonprofits.* Periodically, Latino funds help to bring community nonprofits together to create stronger, more closely linked Latino service and advocacy responses to community problems. In particular, funds have built important community coalitions to support expanded immigrant advocacy, AIDS awareness, and youth education initiatives in Latino neighborhoods and communities. Such initiatives inspire coordinated and comprehensive action, and are critical to agencies and funders alike in the current environment of expanding community needs and diminishing support resources.

[61] See Ramos, H.A.J. and Kasper, G., "Latinos and Community Funds: A Comparative Overview and Assessment of Latino Philanthropic Self-Help Initiatives," in *Nuevos Senderos*.

Despite these many contributions to the field, Latino funds have also faced significant criticism from some within mainstream philanthropy. Many critics express concerns that Latino funds still experience too many gaps in community support, insufficient consideration to strategic program development and evaluation, deficiencies in the quality of their leadership, and excessive overhead costs, to justify mainstream philanthropic support. Some foundation executives and observers have also expressed the view that Latino and other ethnic-focused funds are essentially separatist entities, and therefore harmful to integrationist models of inclusion favored in the mainstream. Proponents, however, argue that Latino funds are still new organizations, deserving of institutional partnership and support that will help them grow, and that the funds should be seen as vehicles for adding and incorporating emerging constituencies into the mainstream philanthropic and social mix, not separating them out.

In order to collectively address many of these and other philosophical and pragmatic issues, the existing Latino funds, supported by the W.K. Kellogg Foundation as part of its Emerging Funds in Communities of Color Initiative, joined together in 1998 to form the Latino Funds Collaborative. The Collaborative has worked to share information and experiences, to build a research base on the work of Latino funds, and to develop a cooperative plan for strengthening future efforts. The coalition represents the beginning of efforts to explore new structures and strategies for Latino philanthropy and to increase the capacity of Latino funds, individually and together, as a vehicle for both involving Latinos in philanthropic efforts and increasing social investment in Hispanic communities.

Talleres and *Promotoras*: New Models for Service

As Latino funds attempt to increase Latino participation in philanthropy, other innovative models, such as *talleres* (citizen workshops) and *promotoras* (health outreach workers) have explored new ways to acculturate Latinos into mainstream American social and political culture in ever increasing numbers.

The *taller* model, introduced by the National Association of Latino Elected and Appointed Officials (NALEO), has helped to introduce large numbers of immigrants to the U.S. citizenship process. After experimenting with a wide range of strategies for promoting Latino citizenship including citizenship fairs, canvassing, direct mail, and one-on-one outreach, NALEO has found that *talleres* enable Latino immigrants to undertake a large portion of the naturalization process in a one-stop service requiring a minimum of time. The workshops help Latino (and other) immigrants to become familiar with the bureaucratic steps involved in the citizenship process, while at the same time providing opportunities for Latino high school and college youth to assist the participants in filling out the forms. And by typically serving 250 to 300 applications at a time, *talleres* have helped NALEO to overcome the logistical limitations and inefficiencies of traditional one-on-one client casework strategies.[62]

The *taller* model has allowed NALEO to dramatically bolster its efforts to assist with the unprecedented demand for naturalization assistance throughout the country, and particularly in Southern California, where the INS Los Angeles District Office reported as many as 2,500 naturalization applicants a day in March 1995. During the first quarter of that year, NALEO was able to process 2,435 applications using the *taller* model, a 112 percent increase over the number of applicants served only one year prior.[63]

Latino immigrants who have used this naturalization approach have become engaged in American citizenship practices at an impressive rate. A 1996 study by NALEO found that more than 83 percent of recently naturalized Latinos had registered to vote in the 1996 elections. According to NALEO Education

[62] "The NALEO Taller Model," NALEO, excerpt from materials received from NALEO Senior Director of Naturalization Programs Rosalind Gold.
[63] "NALEO's U.S. Citizenship Program Responds to New Challenges," NALEO, excerpt from materials received from NALEO Senior Director of Naturalization Programs Rosalind Gold.

Fund Executive Director Arturo Vargas, "Clearly, our newest Latino citizens are eager to participate in our democracy, and naturalization is just the first step."[64]

Another highly successful grassroots model for reaching the Hispanic community, *Promotoras,* has emerged out of the health care field. The approach, originated by Planned Parenthood based on a model in Mexico, aims to empower Latinas to advocate for their own health care. Outreach workers, called *promotoras* (typically monolingual Spanish speaking women), are recruited and trained to provide woman-to-woman outreach and education to families, friends, and neighbors about birth control, self-esteem, sexuality, and domestic violence. This culturally and linguistically sensitive approach has helped to bridge many of the communications and cultural gaps that often hinder work with largely immigrant and monolingual communities. Today, the Planned Parenthood model has been widely replicated and is operating in numerous locations, both inside and outside of the Hispanic community.[65]

A 1998 evaluation of the *promotora* model by the Pacific Institute for Women's Health found positive changes in the knowledge, attitudes, and behaviors of both *promotoras* and community members. Participants noted improved self-esteem and confidence, improved relationships and communications in the family, and greater reliance on preventive health practices such as contraception, especially condom use.[66]

The widespread success of *talleres* and *promotoras* has helped to illustrate the potential of Latinos to promote community self-help and independent sector innovation by efficiently leveraging resources that produce large scale social benefits. In addition to serving as important techniques for accessing and serving Latino constituents, these efforts and innovations offer critical lessons and value-added for non-Hispanic communities and institutions as well.

LATINO PHILANTHROPY IN CONTEXT

While recent developments in Latino philanthropy are helping to usher in an unprecedented growth in Latino participation in American civic life, it is important to recognize that group-specific efforts intended to expand philanthropic participation are by no means unprecedented. Since the turn of the century, ethnic and religious philanthropic efforts, particularly those supported by Jewish Americans, have thrived in the United States. And, more recently, women's philanthropy has emerged as an especially vibrant and growing sector of the field. Latino philanthropy appears to be following a path already paved in large measure by the successful inroads of these more established groups. The experiences of these groups, therefore, stand to prove helpful in guiding the future development of Latino-focused philanthropy. For this reason, we turn now to brief comparative overviews of these two leading exemplars in community-driven philanthropy, Jewish philanthropy and women's philanthropy, concluding with an assessment of the lessons of their respective contributions to the field for emerging Latino groups.

Jewish Philanthropy

In many ways, Jewish philanthropy serves as a logical model for philanthropic development in the Latino community. Both Jews and Latinos share similar American immigrant roots and have struggled to achieve mainstream acceptance and success while steadfastly maintaining their distinct cultural heritage and identity.

[64] "Newly-Naturalized Latinos Inspired by Opportunity to Vote and Are Ready to Participate," NALEO Educational Fund press release, October 28, 1996.
[65] Choi, G., Los Angeles Women's Foundation, email excerpt, December 7, 1999.
[66] Ibid.

Although Jewish philanthropy traces its roots all the way back to biblical traditions of gleaning (leaving a remnant of the harvest for the poor to gather and eat),[67] *tzedakah* (righteous giving), and *chesed* (loving or kindness), formalized Jewish philanthropy began in the United States in 1895 in Boston, where German Jews formed fundraising federations to help new Jewish immigrants to adjust to life in the United States. These early federations focused primarily on local issues and supported a host of Jewish service organizations. In 1932, the Council of Jewish Federations was established as a national umbrella organization to provide resources and support to the local federations.[68] The collective allowed member organizations to each maintain local connections and relationships while building nationwide reach and impact.

Another pioneering Jewish fundraising organization, the United Jewish Appeal, was formed in 1939, to assist Jews trying to escape from the Holocaust and to support the creation of the nation of Israel. UJA funds were sent to another organization, the United Israel Appeal, which monitored how the money was used in Israel.[69]

Today, there are 189 local CJF federations operating in the United States, which collectively raised more than $1.9 billion in 1998.[70] Funds raised are used to help support core operating and project grants to assist anchor Jewish community organizations that provide:

- Human service delivery for poor Jewish elderly and refugee populations;
- Youth education programs in Jewish cultural studies; and
- Policy, advocacy, and service activities designed to benefit the state of Israel and other Jews overseas.

Some of the larger federation affiliates control assets and grants that dwarf those of Latino, and even many mainstream, grantmaking institutions. The San Francisco Jewish Community Endowment, for example, has assets exceeding $375 million; and the assets of the Jewish Federation of Los Angeles have grown to more than $70 million.[71]

Overall, there are now some 4,000 Jewish community foundations and funds nationwide, with assets totaling $10 - $15 billion. By the end of 1999, the twenty largest of these funds will make grants totaling more than $300 million.[72] Contributors to these funds include some of the U.S. Jewish community's most wealthy and powerful members, including apparel industry leaders like Levi Strauss & Co. chairman Robert D. Haas and The Gap, Inc.'s chairman Robert Fischer, leading entertainment industry executives like former MCA chairman Lew Wasserman and renowned Hollywood film maker Steven Spielberg, and comparable Jewish national leaders in arenas ranging from law and politics, to medicine and science.

Despite these institutions' overwhelming growth, in recent years, divided opinion about giving to Israel and doubts about the effectiveness of fund distribution overseas have splintered Jewish donor pools. Declining levels of trust have prompted many donors to start their own foundations in order to take greater control over how their money is spent.

Responding to this imperative for control, many Jewish federations have begun to develop associated vehicles for allowing their donors to keep more authority over their contributions. These federations have introduced community foundation-style donor-advised funds, endowments, and "supporting foundations"

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[67] Charles Rodriguez, "Education and Hispanic Philanthropy: Family, Sacrifice, and Community" in *Hispanic Philanthropy: Exploring the Factors that Influence Giving and Asking*
[68] Sommerfeld, M., "A New Era for Jewish Philanthropy," *The Chronicle of Philanthropy*, November 18, 1999.
[69] Ibid.
[70] Ibid.
[71] Ramos, H.A.J., Nuevos Senderos and Its Implications for Latino Philanthropy in Chicago," speech given to Chicago Latinos in Philanthropy and The Donors Forum, Chicago, IL, September 23, 1999.
[72] Ibid.

(independent nonprofits that maintain ties to the federations). Gifts through these mechanisms now account for more than half of all funds raised by federations.[73]

In a further attempt to reduce overlap, streamline operations, and develop innovative approaches for appealing to the nation's increasingly fragmented pool of Jewish donors, the Council of Jewish Federations merged this year with the United Jewish Appeal and the United Israel Appeal to form a single, coordinated fundraising institution. The merged organization, United Jewish Communities, led by Seagram Co. co-chairman Charles Bronfman, hopes to build a unified campaign that will maximize community fundraising and grantmaking to more effectively address both overseas and domestic needs.[74]

Women's Philanthropy

Women have also developed a powerful organizational network and important, culturally appropriate strategies for advancing their philanthropic interests that can serve as models for Latino efforts. Women's funds, which trace their roots to the establishment of the Ms. Foundation in 1973 with the profits from *Ms.* Magazine, attempt to address the continuing neglect by many traditional funders of women and girls.[75]

While there were just five women's funds in 1979, today there are almost a hundred women's focused funding institutions within the Women's Funding Network, the influential national umbrella organization of women's funds. For the fiscal year 1997, the fifty leading women's funds had combined assets of nearly $100 million, including over $30 million in endowment assets. [76] By 2009, the Women's Funding Network is aiming to grow its collective assets to $450 million.

Like Jewish community funds, women's funds have attracted leading women across the nation as major supporters, including, for example, individuals like entertainer Susan Sarandon, writers Alice Walker and Isabel Allende, and business leaders like Esprit co-founder Susie Tompkins Buell and Los Angeles restaurant owner Linda Griego.

The funds are rooted in a long tradition of women working for social and political reform. According to scholar Marsha Shapiro Rose in a report for Nonprofit and Voluntary Sector Quarterly, "For many women, volunteer work was viewed as a necessary part of their social world. Whether motivated by noblesse oblige, family traditions of community service, or a sense of the importance of maintaining class boundaries, women of the upper class often worked in voluntary positions."[77] Although women -- especially upper class women -- have made significant contributions to the work of the voluntary philanthropic sector, control over organized philanthropic institutions and finances has until recently been left primarily to their fathers, husbands, and other male advisers.

The notion of charity as "women's work" has resulted in relatively high female representation on foundation staffs. According to one Council on Foundations report, women made up nearly 76 percent of all foundation staff positions in 1994, up from 60 percent in 1984.[78] And since the 1980s, the growth of women in the labor force and the rise of feminism have contributed to an increase in the number of women running philanthropic programs and organizations. The number of female foundation CEOs rose from just 27 percent in 1984 to 43 percent in 1994. But women as a whole remain largely underrepresented on the boards and key committees of mainstream foundations. A 1990 Women and

[73] Sommerfeld, M., "A New Era for Jewish Philanthropy."
[74] Ibid.
[75] Nielson, W.A., "The Role of Women in the Future of Philanthropy," *The Chronicle of Philanthropy*, February 22, 1994.
[76] Women's Funding Network, *Financial and Demographic Profile of Women's Funds*, 1998.
[77] Rose, M.S., "Philanthropy in a Different Voice: The Women's Funds," *Nonprofit and Voluntary Sector Quarterly*, 23:3, Fall 1999.
[78] NCRP, "More Grantmakers are Women, Minorities, Says Council Report."

Foundations/Corporate Philanthropy study found, for example, that just 20 percent of the trustees of seventy-five foundations reviewed were women.[79]

But since the early 1980s, women's funds have created a new environment for women's governance in philanthropy. In the management and operation of these funds, "women raise the dollars and decide how they're spent."[80] In essence, women's funds have created a new training ground for female philanthropic practitioners as chief executive officers, program managers, and board members. In addition, women's funds have increasingly focused on and met with success in broadly improving their inclusion of racially and ethnically diverse groups in their appointments and programming.

Still, serious challenges still confront these groups. A growing concern of women's funds is the apparent lack of a strong correlation between the representation of women in key positions at mainstream foundations and the amount of funds directed by these funders to organizations and programs specifically dedicated to women and girls. Although the dollars awarded to programs for women and girls nearly doubled in the 1980s -- as a percentage of total grants from foundations -- funding for women's groups was just 5.3 percent of all grant dollars awarded in 1992, up from just 2.9 percent in 1981. According to *Worlds Apart: Missed Opportunities to Help Women and Girls*, these figures illustrate how "funders believe a gender focus is not important, as they think females are adequately served by universal programs."[81]

To help fill this gap, the fifty largest women's foundations gave nearly $13 million in grants to women's groups and programs in 1997. These funds helped to support:

- Stabilization efforts designed to strengthen the core capacities of female-serving nonprofits;
- Social service delivery models targeted to the special needs of women and girls;
- Educational programs to increase awareness of women's issues;
- Women's economic development activities; and
- Public policy advocacy efforts on women's issues.

Women's funds are seen by many as a model, for maintaining their focus on the particular needs of women and girls while incorporating mainstream integrationist practices such as bridging racial and ethnic divides, attracting experienced philanthropic practitioners, and utilizing traditional foundation strategies.

Lessons and Implications for Latino Philanthropy

Clearly, Latino philanthropy is at a much earlier stage of development than the more advanced Jewish and women's funding communities. But the experiences of Jewish Americans and women in philanthropy do highlight a number of important lessons and implications for Latinos as they establish their place in the field. Following are some of the most important of these lessons, from our perspective:

- *Building first on community-based resources.* Jewish and women's philanthropic leaders have done an extraordinary job of anchoring their fundraising with the development of donor pools from within their own communities. This starting foundation of support within the community has helped to position the focused funds serving these groups as legitimate vehicles for community self-help and as effective mechanisms for addressing the needs of their particular constituencies. This has led, in turn, to expanded confidence from mainstream donors and giving institutions to support and partner with these organizations.

[79] Ramos, H.A.J. and Kasper, G., "Latinos and Community Funds."
[80] Rose, M.S., "Philanthropy in a Different Voice," citing a pamphlet by the National Network of Women's Funds (now the Women's Funding Network).
[81] *Worlds Apart: Missed Opportunities to Help Women and Girls*.

Many emerging Latino philanthropic institutions have flip-flopped this approach, focusing first on attracting support from large mainstream donors to help build standing within their own communities. As a result, Latino funds have often struggled to assert their legitimacy without the established backing of their core constituencies. To approach the foundation table as full-fledged peers, rather than as supplicants, Latino funds must redouble their efforts to develop a significant donor base within the Hispanic community.

- *Engaging the most wealthy and influential people within local donor pools.* Jewish and women's funds have done an excellent job of obtaining visible and active support from their community's most successful business and civic leaders. This promotes the image of these funds as a credible and essential mechanism for giving within the community. It also serves to avail these funds of extraordinary problem-solving leadership, credibility, and institutional capacities extending beyond their own immediate support base. The leadership and clout of Seagram Co. co-chairman Charles Bronfman, for instance, was pivotal to the successful United Jewish Communities merger.

  Observers of Latino philanthropy have noted a profound scarcity of champions for the field. With the exception of the organizations in New York and Kansas City, Latino funds have not been particularly successful at obtaining the support of high profile Latino community leaders. Latino fund leaders will need to correct this situation during coming years if their institution-building efforts are to meet with success over the long term. Advancing their core missions and securing standing among Latino business and community elites will be important factors in this equation. Research and experience suggest that Latino donors tend to be most responsive when approached to give by trusted and respected Latino leaders. For this reason, Latino fund principals seeking longevity in the relevance and impacts of their work will need to focus greater attention in the future on building stronger working relationships with the most influential and respected Latino leaders in their regions, or face likely extinction.

- *Providing donors with a greater connection to recipients.* Recognizing a growing imperative to offer expanded donor control over contributions, Jewish federations and women's foundations, like mainstream community foundations, have recently developed donor advised funds and supporting foundations that allow their contributors to more actively direct their giving. This has allowed these institutions to continue to attract donors who might otherwise have looked to other alternatives.

  In order to attract important Latino donors in the years ahead, Latino funds will almost certainly require a similar appreciation of the need to tailor their fund development efforts to varying donor interests, building logically on the Hispanic community's longstanding traditions of personal and relationship-based giving (*personalismo*). According to Ana Gloria Rivas-Vázquez, "In light of the preference among Latino donors for a connection with the gift, approaching Latinos for financial support should attempt to create a personal relationship between the donor and the organization or recipient."[82] Donor advised funds, named family funds, supporting foundations, and comparable giving options should be explored and appropriately adapted to Latino community and cultural realities, to advance the work and reach of Latino funds moving forward.

- *Building institutional capacity and endowment, rather than using "money in, money out" strategies.* A relatively significant number of emerging Latino community funds have relied to a greater or lesser extent on United Way-style workplace fundraising to support their growth and activities. In our judgment, this has largely hindered their institutional development and reach. While workplace campaign fundraising allows an organization to build a wide community base of support, the effort

[82] Rivas-Vázquez, A.G., "New Pools of Latino Wealth."

and expense involved in operating annual campaigns can be taxing, especially for a newer organization. Workplace fundraising also leaves a fund's grantmaking capacity extremely vulnerable to economic downturns and the vagaries of a particular year's campaign circumstances. By concentrating on core institutional capacity building and the establishment of significant endowments that provide returns for grantmaking year after year, Jewish and women's funds have been able to focus more of their efforts on adding long-term value in the community through stable grantmaking and technical assistance programs. While many Latino donors are not yet clear on or comfortable with the concepts of institutional capacity building and endowment, greater attention to these concerns would help significantly to establish and stabilize Latino philanthropic institutions.

- *Organizing and operating more strategically.* Following the examples set by Jewish and women's philanthropy, Latino funds looking ahead to the future would additionally benefit from concerted efforts to operate in a more sophisticated manner, planning strategically, professionalizing staff, and more effectively using resources such as technology and consultants to achieve their goals. Furthermore, the funds would benefit from expanded efforts to focus their grantmaking and operations, developing more targeted programs and initiatives to increase their community relevance and impacts, while streamlining their operations and bolstering their fundraising through tailored donor appeals building on culturally appropriate outreach programs and educational materials.

ISSUES AND OPPORTUNITIES MOVING FORWARD

The emergence of ethnic-focused philanthropy in recent years has helped growing numbers of Latinos to become engaged – often for the first time – with mainstream American and Hispanic community institutions as committed donors, volunteers, grantmakers, and grantees. This increased participation has proven to be an important means of introducing emerging Latino professionals and newer immigrants to independent sector community building and the culture of organized philanthropy. At the same time, the expanded participation of Latino groups in this work has helped mainstream philanthropic organizations to better understand Latinos, and to incorporate them more fully in their programming and operations in ways that meaningfully improve responsiveness to local community needs.

What is needed most now are efforts to accelerate these positive trends through facilitative structures and partnerships designed to fully consolidate Latino integration into the philanthropic mainstream as the Latino community's numbers and presence in the U.S. grow still further in coming years. Building an infrastructure to further integrate Latinos into the independent sector, however, will require a range of coordinated and strategic interventions moving forward, such as those referenced in the previous section.

Beyond these interventions, the emerging field of Latino philanthropy warrants continuing community attention and mainstream institutional encouragement in several key areas. In our judgment, the most important of these are the following:

- *Recruiting and developing high-level community and independent sector Latino champions.* To build community donor pools and gain mainstream credibility, Latino philanthropy must obtain the visible and active commitment of the nation's most influential Latino leaders. According to Ana Gloria Rivas-Vázquez, "The identities and personal relationships of those on the development team, the board and the [staff] will be significant [for any nonprofit seeking to expand financial support from Latino donors, as these] donors are typically more concerned about who is soliciting them than about some of the other benefits usually touted by development professionals."[83] For these reasons, obtaining the support of trusted and respected Latino leaders and advocates is essential to expand

[83] Ibid.

Latino community fundraising, for Latino and non-Latino organizations alike.

Through expanded leadership engagement in the field, Latinos must concentrate especially on efforts to deepen inroads, build influence, and develop more community-responsive strategies in mainstream philanthropic leadership circles. While building mainstream power and reach, however, Latino leaders will have to struggle to maintain their cultural identity and accountability to grassroots community concerns; for, in order to truly make an impact, Latino participation in philanthropy must be more than just the assimilation of Latinos into established U.S. civic practices and institutions. Participation must be a process of simultaneous integration and interaction, as Latino leaders champion Hispanic causes and introduce their non-Latino peers to the community's cultural values and traditions, while at the same time effectively meeting their leadership and fiduciary obligations to non-Latino community institutions and interests.

- *Continuing to explore and develop culturally relevant models for engagement and service.* Linguistically and culturally appropriate community self-help approaches such as *talleres* and *promotoras* have leveraged tremendous impact in previously difficult-to-serve immigrant communities. In addition to promoting Latino community advancement and well-being, these models offer effective and widely replicable strategies for service provision to needy and disenfranchised non-Hispanic populations. Increased philanthropic investment should be directed, accordingly, to efforts designed to partner Latino groups successfully employing these strategies with other needy groups, in order to maximize their social and community benefits.

- *Developing culturally specific approaches for appealing to Latino donors*. In order to be successful, nonprofit fundraisers must appeal to prospective Latino donors differently than they would mainstream white donors. Outreach must be done in culturally relevant and appropriate ways, cognizant of the values and traditions of the Latino community. Donor appeals must take into consideration and show respect for Latinos' strong desire to direct their giving in ways that achieve a (1) personal connection with their gifts, (2) close identification with their culture, and (3) focus on issues related to family and country of origin.[84] In many cases, donor materials that are presented in English and in Spanish, and that incorporate references to Latino art and culture are more likely to be successful precisely because they underscore appreciation for the strong bilingual and bicultural traditions of Latino community members.

  Expanding the use of culturally targeted communications channels is also likely to be an important part of increasing awareness and support for Latino philanthropy in the years to come. The dramatic growth of the ethnic media, particularly in southern California, provides an excellent opportunity for publicizing Latino philanthropy and its impacts. Univision, the nation's largest Spanish language television network, for instance, has more than doubled its prime-time viewership since 1993 and now ranks behind only the "Big 4" networks in total prime-time viewers.[85] Among Hispanic households, over 90 percent of which speak some Spanish at home, Univision holds a 35 percent share of viewership, more than four times that of the Big 4 and other networks.[86] Similarly, Radio Unica, the nation's first 24-hour Spanish-language talk and news radio network, broadcasts to 83 percent of the Hispanic market nationwide, and has become a popular alternative to television networks for advertisers seeking to reach Hispanics.[87] In addition to their extensive demographic reach, the Latino media have also found Hispanic audiences to be much more receptive to Spanish-language appeals. Numerous marketing studies have found that advertising in Hispanic media, in

[84] Ibid.
[85] *Just the Facts*, Univision, 1999.
[86] Univision, *The U.S. Hispanic Market in Brief*.
[87] "Talk Radio en Español is a Hit," *Hispanic*, June 1999, p. 17.

Spanish, is at least 200 percent more effective at reaching Latino consumers.[88]

CONCLUSION

Until recently, Latino communities in California and elsewhere have been relatively disengaged from organized philanthropy. For many poor, immigrant Latinos, unfamiliar with U.S. civic traditions and institutions, participation in the independent sector has been especially difficult to comprehend and achieve. But recent advancements in Latino community development and philanthropy have begun to change this. Current trends, in fact, suggest extraordinary potential for future, continuing gains relative to Latino participation in the philanthropic arena and in American civil society more generally.

The imperative to acquaint Latinos with American philanthropy and other U.S. civic traditions will continue to increase in importance as the numbers, wealth, and influence of California's Latino population grows. The vague atmosphere of Mexicanism that Octavio Paz sensed in Los Angeles decades ago has now solidified into tangible manifestations of a Latino culture that is rapidly becoming an integral element of the American identity. With Latinos soon to make up fully 25 percent of the U.S. populace, it will not just be Hispanic organizations that are looking toward Latino donors and volunteers for support in years to come. The entire independent sector will need to engage Hispanics in order to gain support from, and maintain relevance with, this increasingly significant segment of the American population. In Los Angeles and elsewhere, encouraging expanded Latino participation will be essential to the continued growth and stability of the sector.

[88] "Roundtable Discussion," *Brandweek Magazine*, July 26, 1999.