

# **Developing Resources of the Community for the Community: The Coalition for New Philanthropy**

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The US Census Bureau projects that by 2050 Asian Americans, African Americans, Latino/as, Native Americans, and other people of non-European descent will represent over half of the U.S. population. In New York City, African Americans, Latinos, and Asian Americans currently comprise over 60 percent of the population. In San Francisco Bay County, Asian Americans alone are 30.8 percent of the population. Though generally still behind that of the non-Hispanic white population, incomes are also rising among these groups leading to more interest on the part of mainstream charities and foundations to tap this new wealth. However, ethnic groups have been stereotyped as receivers, not givers, and many mainstream foundations, community trusts, and nonprofits still need to develop culturally sensitive approaches to engaging these donors. They also need to examine how their focus on engaging and serving wealthy individual donors is impacting the larger purposes of the respective communities. Emmett Carson and others have said that the interest in tapping the new wealth may be a continuation of the major shift in community foundations' philosophy from being a collective voice for the shared interests of the community to serving those with the most resources. Instead of influencing community dialogue and fostering shared understanding, foundations' success is being measured in how much they are able to build a larger asset base.

In New York City, The Coalition for New Philanthropy was formed to promote the practice of sustained, strategic philanthropy among African American, Latino, and Asian American donors as well as the professional advisors who work with them. The five Coalition Partners were the Asian American Federation of New York (AAFNY), the Hispanic Federation (HF), the Twenty-First Century Foundation (21CF), the Center on Philanthropy and Civil Society of the City University of New York (CPCS), and the New York Regional Association of Grantmakers (NYRAG). The Center's role was researching the giving patterns of donors of color and the role of employee affinity groups play in philanthropy. The Association of Grantmakers served to frame the "message" to the public and to assist with access to philanthropic advisors. The goals of the Coalition were to:

- Empower African-American, Latino and Asian American donors to increase the effectiveness and impact of their individual and collective philanthropic resources.
- Create permanent resources in and for African-American, Latino and Asian American communities.
- Educate professional advisors and Coalition members to meet the needs of these donors.
- Strengthen the ability of Coalition members to promote philanthropy in these three ethnic communities.
- Increase understanding of donor intent and motivation in communities of color.

The Coalition ended in 2007 and provides a window into the opportunities and challenges the emerging racial, ethnic, and tribal funds, foundations, and grantmaking federations encounter in building their capacity and sustaining their work, especially with collaborative efforts.

### **Givers rather than Receivers; a Context for the Coalition for New Philanthropy**

Despite the stereotype of racial, ethnic and tribal groups being receivers not givers, all have long histories of philanthropy. While one must be cautious about generalizing across and even within the groups, the members of these communities have developed many philanthropic structures and practices including funds affiliated with community foundations, giving circles, independent funds, and foundations. All these efforts are attempts by individuals to pool resources in the community in order to strategically address community needs. What makes these funds distinct is their values based approach that includes: diversity, inclusiveness, empowerment of their group, and commitment to social change.

Among African Americans the Black church has been a focus of philanthropy because it provides a unifying structure in the community for both social services and leadership development. Middle class Blacks have raised and distributed money through mutual aid societies, fraternities, sororities, and social or civic associations. African Americans have also contributed to historic Black colleges, Black scholarship funds, and other higher education institutions and scholarship funds. The National Black United Fund raises funds for and offers technical assistance to Black organizations that provide a wide variety of services to Black Americans in the areas of children, health, education, equal opportunity, economic development, the environment, and social justice. Founded in 1971, The Twenty-First Century Foundation is a national foundation and public charity that exists to strengthen the African American community, make grants to Black community change organizations, and enhance black philanthropy overall by fostering cooperation and strategic connections between donors, grantees, and leaders.

Latino/as have given informally to religious organizations, mutual assistance and civic associations. Those who have gained in wealth and status give also in more organized ways to chambers of commerce, business and professional associations, civil rights and social justice nonprofits, community development corporations, and other community organizations. Hispanics in Philanthropy advocates for increased philanthropic support of Latino communities and greater representation of Latinos on the board and staff of foundations. With the assistance of the Hispanic Federation of New York, The Latino Fund Collaborative was established in 1996 as a joint effort among six national Latino Funds with the objective of working together to raise funds and strengthen Latino involvement in philanthropy. The collaborative is made up of: El Fondo de Nuestra Comunidad (St. Paul, MN), Greater Kansas City Hispanic Development Fund (Kansas City, MO), Latino Community Foundation in San Francisco, Hispanic Federation of New York, Hispanic Fund of the Community Foundation of Greater Lorain County in Ohio, and Nuestro Futuro in Chicago.

Many first generation Asian immigrants give generously to back-home concerns, not necessarily to family members but through charities and entities that they know personally, and without benefit or concern for U.S. tax benefits. Other Asian Americans have used their philanthropy to

provide social services and a means to socialize new immigrants through community centers. They have supported mutual aid associations defined by ethnicity, village, province, dialect, or surname; and faith-based institutions including churches, temples and mosques. Besides community centers and nursing homes, they have also supported alumni, professional, business, and civic associations, cultural institutions, Asian American and ethnic based social justice organizations, and federated, united, and community funds. Asian Americans/Pacific Islanders in Philanthropy works to inform the philanthropic community about critical and emerging issues in the Asian Pacific Islander community; to increase Asian Pacific Islander representation on board of trustees and staff of philanthropic organizations; and to increase the ability of Asian Pacific Islander nonprofits to access philanthropic funds.

There is a long tradition of giving and reciprocity in Native American communities. Recently those forms of giving have become formalized. Many Native Americans have their own foundations, work through tribally focused membership organizations, or through community foundations to support tribal nonprofits, enterprises and businesses, tribal governments and foundations, and Native American college funds. Tribes such as the Hopi, Coquille, and Tulalip all have major tribal giving programs. The Potlatch Fund is a tribally directed nonprofit grantmaking and leadership development organization intent upon changing the disproportionately high rates of poverty, unemployment, and disease in many Native communities throughout the Northwest Indian Country, and the disproportionately low rates of giving by private, corporate, and public foundations. The First Nations Development Institute was founded in 1980 with the mission to assist Indigenous peoples to control and develop their assets and, through that control, build the capacity to direct their economic futures in ways that fit their culture's strategy. Through its Eagle Staff Fund it provides grants and technical assistance to culturally appropriate economic development efforts.

The Center on Philanthropy and Civil Society's Donor Research Project, conducted in connections with the Coalition, affirmed the history of giving and found some variation among generations.

**Generational differences are important.** While there were some differences across ethnicities, the most substantial differences were found between older and younger generations – those born before and those born after the enactment of Civil Rights legislation and immigration reform in the mid-1960's. Older African Americans, Asian Americans, and Latinos tended to focus their giving on their respective ethnic community. Younger generations have a broader less racially and ethnically circumscribed view of community.

**Largest donations go to community organizations and to education.** Older generations of African American, Asian American and Latino donors gave more gifts to organizations serving their own ethnic communities. Younger generations gave more to educational programs that offer enrichment and opportunity for high school and college students.

**Donors in communities of color are generous.** Reported levels of giving were generally high, with an overall median of \$5,000. This surpasses the national averages for

households that give but do not volunteer (\$1,620) as well as for households that practice both (\$2,295).

**Giving to education is tied to social change.** Young professionals as well as older donors believe education is the best hope for ameliorating community conditions and making structural change.

**Social Justice is a primary motivation for giving.** Donors interviewed expressed a strong desire to effect social change. They consistently spoke about wanting to remedy injustices and lack of equal access. (Pathways for Change, 2004)

In the 1990's there was a major upsurge in the formation of funds, foundations, and federations to support the various racial, ethnic, and tribal communities. From 1992 to 2006 more than sixty per cent of these organizations were established. While there are many reasons that include the rising wealth among these groups in the 1990s, key among those was that they are serving a distinct need in their communities not being served by mainstream funders. Besides operating with a cultural competency that enables them to understand and support successful philanthropic engagement in their communities, they are dedicated to working with their communities to gain access and opportunity. They do this through

- Grantmaking based on community needs
- Gaining buy-in on the part of community members
- Funding projects mainstream funders will not fund
- Using democratic process where grantmakers make recommendations
- Helping organizations in their community be in a position to apply for larger grants from the mainstream foundations

These funds are also making a significant contribution to their respective communities through:

- Financial assets building for their community
- Leadership development
- Advocating for policy, access, and equity for their communities
- Grantmaking that provides help for individuals (scholarships) and supports projects that serve the community and help build the capacity of nonprofits in the respective communities or those who provide services to the communities. In 2006, the range of grants is from: \$100 - \$400,000. The typical grant was from \$1,500 to \$25,000.

### **The Coalition for New Philanthropy**

The group that was to become the Coalition for New Philanthropy started meeting in 1999. Within months, the group decided to apply for a planning grant from New Ventures in Giving, an initiative of the Forum of Regional Associations of Grantmakers that was created to increase philanthropy in local communities. They believed that many in their communities would be interested in linking community resources with community needs in more systematic and sustained forms of philanthropy.

In December 1999, the Coalition was awarded planning grants from New Ventures, the Charles Stewart Mott Foundation, and the Edwin Gould Foundation for Children. The Coalition hired three consultants who had experience with donors of color: Jessica Chao, Henry Ramos and Yvonne Presha. The consultants interviewed over 15 local donors of color – both high net worth individuals as well as young professionals working in the financial services industry, four financial institutions, and several others who work with donors of color to ascertain the viability of the basic design components of the initiative. The Coalition’s key consultant, Jessica Chao also talked with other New Ventures grantees, especially those who were working with donors of color, donor circles, and outreach strategies. Those included the Baltimore Giving Project, the African American Legacy, The Donors Forum of South Florida, the Northwest Giving Project and others. The Partners formed an Executive Committee composed of the Executive Directors of the three Ethnic Funds, the President of NYRAG, and the Associate Director of the Center on Philanthropy and Civil Society (the person directly responsible for the research project). The director of the Hispanic Federation attended few of the meetings and sent the Director of Development in her place. They also began what were called Learning Circle Workshops on topics of importance to developing individual donors and strategic philanthropy vehicles.

The first full year of project funding was impacted by the aftereffects of the September 11 terrorist attack. Two of the Partners, the Asian American Federation of New York and the Hispanic Federation, were immediately affected because their offices and many of their member agencies are located near the World Trade Center site. For months the offices were either inaccessible or unusable. All three of the ethnic communities were impacted by the severe reduction of New York City jobs and the subsequent economic downturn. The Partners considered disbanding the Coalition in order to concentrate on responding to the immediate needs of their constituents. They chose instead to recommit to the Coalition as a way to serve their communities more effectively, and incorporated their responses to September 11 into their donor outreach and education. The three ethnic funds launched major grantmaking efforts to respond to the needs of their communities. In the process, their role as key resources for their communities was reconfirmed.

In the second year, 2002, the Coalition Partners demonstrated the limitations of different types of organizations trying to achieve common goals. The Coalition project was based upon a long-range approach wherein a partner organization moves donors through outreach events and donor/advisor cultivation activities to ongoing involvement in philanthropy. This process is closely connected with the goals and practices of The Twenty-First Century Foundation. The Asian American Federation had been very successful at raising funds for specific projects and at reaching individual donors through their social networks and professional associations. The Hispanic Federation had been very successful at disaster relief campaigns, and had used Coalition resources to reach employee networks. However, long-range participation in donor cultivation required a structural shift for the federations. They had to develop ways to track and follow-up with individual donors. This included re-designing their communication vehicles to appeal to donors and not just the member organizations, having donor tracking software, and designating staff to be responsible for the donor development.

Even with these organizational differences, the continued need to deal with the aftereffects of the September 11 event, and the continuing slow economy, all the Partners carried out or exceeded their objectives for outreach events that year. They were successful at reaching more people than in the first year with their core messages about philanthropy. The participants in the events found them to be above average in quality and usefulness. As a result of the outreach events, the participants also indicated that they would make changes in their philanthropic behavior.

In the third year, 2003, the Partners continued to achieve their goals and to develop different outreach and donor education tactics. Besides the Speakers Bureau format used in the first and second years, the Asian American Federation of New York developed a donor and volunteer education format around a documentary film about the impact of September 11 on the New York City Asian American community. AAFNY also started offering networking events for young professionals. The Hispanic Federation began to offer breakfast briefings for members of employee networks. The briefings were usually on a topic of interest (education, immigration, and economy/employment) to Latino/as and included discussion of how they could help. The Twenty-First Century Foundation conducted a national conference on Black Philanthropy and engaged potential donors in many smaller cultivation meetings. 21CF also began work on its four city initiative of engaging donors around the theme of Black Men and Boys. The New York Regional Association of Grantmakers continued to work with the other Partners on workshops for professional advisors.

The years from 2004 to 2007 were years of transition, which included two changes in project directors and a major challenge to take what was working in New York City to other areas of the country.

2004 was meant to be a time to solidify the successes of the first three years and begin designing the approaches and projects that would deepen local donor development and involve the Coalition in more national work. However, the founding Project Director, Jessica Chao, left her position in May. By August the Coalition had hired a new Project Director, Barbara Taveras. Though all the Partners said the transition went well, it was a time of rethinking priorities and recommitting to the goals of the Coalition. Barbara Taveras engaged each Partner individually and worked through the Executive Committee to refocus the local efforts and finish the planning for national dissemination of the Coalition's work.

The President, Lorraine Cortes, of the Hispanic Federation left in September, to be replaced by Vice President Lillian Rodriguez Lopez. Also, both the development director and the development assistant who were coordinating the Hispanic Federation's donor outreach left earlier in the year. The Hispanic Federation moved staff around and continued to work on its objectives for this year.

The Founder and Board President of The Twenty-First Century Foundation, Robert Browne, died in August. Despite this great loss for the Foundation, the Twenty-First Century Foundation continued its growth in New York City and in three other cities, Chicago, Los Angeles and Oakland. All of which brought significant challenges to 21CF's organizational capacity and resources.

The Asian American Federation of New York launched three new efforts: a strategic process for engaging volunteers (a partnership with the Harvard Business School), a giving circle, and a feasibility study for setting up a community foundation.

The New York Regional Association of Grantmakers hired a new President and took a step back from offering professional advisors events to conduct a study on how best to develop a professional advisors strategy. After using a number of communications consultants, NYRAG hired three staff to strengthen its communications capacity and to help accomplish its part of the Coalition's work: Director of Communications and External Relations; Communications Associate; and an Administrative Assistant

The Center on Philanthropy and Civil Society finished the Donor Research Project, and worked with the other Partners to organize a large regional conference (over 250 people attended) to present the research findings. The Coalition's work and especially the results of the Donor Research Project were the topics of articles in the mainstream press: *Crain's New York*, *The New York Times*, *Business Week*, *The Christian Science Monitor*, *The Los Angeles Times*, *The Washington Post*, *the Associated Press*, *The Miami Herald*, *The Kansas City Star*, and *The Fort Worth Star Telegraph*. The Coalition and the research were also featured in *The Chronicle of Philanthropy* and *Foundation News and Commentary*.

Half way through its sixth year (2006), the Coalition Partners faced a choice between transforming and re-energizing itself as a collaborative group with the same or additional partners or ending the Coalition. They experienced the Coalition being stalled. As a group they struggled with the national expansion goals they had negotiated with the W.K. Kellogg Foundation in order to get additional funding for 2005 – 2006 and 2006 - 2007.

The Coalition Partners were to begin making contact with two potential sites in other cities. The two pilot cities were to be selected from among Los Angeles (CA), Oakland (CA), Chicago (IL), and St. Paul (MN). In preparation for the Kellogg grant, the Coalition helped plan and facilitate a New Ventures' learning lab on engaging donors of color in March 2005. The objectives of the Lab, *Engaging Donors from Racial, Ethnic, and Tribal Communities*, were to: (1) develop a core of knowledge about culturally appropriate ways to engage and involve donors from racial, ethnic, and tribal communities; (2) learn more about specific successful approaches, practices, and tools for engaging donors of color that can be shared with a wider audience; (3) deepen understanding about how to sustain donor engagement programs; and, (4) begin to develop a peer group of practitioners across cultural, ethnic, and racial lines. Some 28 practitioners and experts on engaging donors of color from different parts of the country and representing various cultural, ethnic, and racial constituencies attended. Two of the Coalition partners, the Hispanic Federation and the Twenty-First Century Foundation made presentations about what the Coalition Partners had learned about engaging donors of colors.

The Hispanic Federation and the Twenty-First Century Foundation were already engaged in national efforts and had been expanding and institutionalizing those efforts this year. However, that expansion was tied to increasing strategic philanthropy in their separate communities rather than tied to replicating coalitions similar to the one in New York. In fact, Kellogg's two funding streams for the project encouraged this separate development. Besides the funding to support the

Coalition expanding its model into other cities, Kellogg funded HF and 21CF to separately develop Latino and African American funding bases in other cities and funded the AAFNY to deepen its work with Asian American communities in NY.

Through its project to strengthen Latino Funds and develop Latino Fund leadership, the Hispanic Federation held two national meetings, Washington, D.C and Chicago, with Latino Funds in order to share what the Hispanic Federation had learned as a result of participating in the Coalition. The Twenty-First Century Foundation pursued its Black Men and Boys initiative in Chicago, Los Angeles, and Oakland and developed formal philanthropy cultivation committees in each of those cities.

The Asian American Federation was able to deepen its work with donors in New York; however, it did not have the capacity to initiate national expansion of its donor engagement. It also saw its primary focus to serve its New York City community.

The New York Regional Association of Grantmakers (NYRAG) produced a brochure for the Coalition, further developed information material for professional advisors, and continued to support a professional advisors peer network. It had also developed *Building on a Better Foundation: a toolkit for creating an inclusive grantmaking organization*. However, the new President left by the end of 2006 and NYRAG stepped back from performing its role of framing the Coalition message for the public and providing access to philanthropic advisors.

The Donor Research Project continued to disseminate its findings from the individual donor motivation research and has launched a new effort to document the role employee networks play in career advancement and philanthropy.

At the seven year marker, the Coalition Partners decided to end the coalition and to continue building individually upon what had been learned through their work together. The only part of the national expansion goals that were achieved was the production of a toolkit for distribution to others interested in learning from the work of the Coalition and one presentation in Chicago. The goal of providing technical assistance to funds in two other cities was only achieved through the additional grant work done by the Twenty-First Century Foundation and the Hispanic Federation.

### **What the Coalition Achieved**

Throughout the life of the Coalition, a recurring theme was whether the Partners have the capacity to respond to the many challenges and opportunities that were generated through their participation in this project. The Partners also demonstrated that collaborative consciousness, coming to a sense of “we,” is not a simple one-way progression. It often includes a dynamic of competing agendas and continuing differences among the Partners. Even with the competition and differences, they were able to collaborate on a number of events: six presentations to professional advisors and professional associations (AXA and SEO, 2002 –2003) and the regional conference (2004).

The Coalition's donor education and research contradicted common misperceptions of ethnic donors. They can be found and cultivated. They are interested in strategic giving, and the amount of funds raised had an impact on social issues. The Coalition reached about 15,535 donors, potential donors and professional advisors through its donor engagement events. Of those, about 2,600 became involved in strategic philanthropy through the three ethnic funds

For the first time the Hispanic Federation held a large donor event in addition to its Gala. Through Viva Baseball HF raised \$300,000 that was used for direct grants to its 90 Latino health and human service member agencies. The event was covered in the *New York Daily News*

The Twenty-First Century Foundation held its first Gala. In addition, the 21CF invited Hannibal Navies to appear in Oakland with two of 21CF's grantees. Hannibal Navies pledged to bring several Oakland Raiders with him to site visits with these organizations and to stay to listen to a Black Men and Boys practitioner roundtable. 21CF partnered with AXA in the areas of financial, estate, gift tax planning and legacy planning with IRAs, and strategies for charitable giving. 21CF worked with SWI and Shawn Wilson—who manages two dozen athlete and celebrity nonprofits/charities—to match his clients with 21CF grantee organizations. An example was the match between DeAngelo Hall, a football player, and Brotherhood/Sister Sol (a 21CF grantee) resulting in a grant from DeAngelo Hall to the organization, and his agreement to highlight their work in his appearances. AAFNY met with advisors, estate planners, and attorneys to develop strategies for charitable giving for its potential and current donors.

They provided assistance to other ethnic funds, expanded their existing strategic grantmaking vehicles for donors, and all three of the ethnic funds significantly increased their own grantmaking funds each year over the life of the Coalition. The Twenty-First Century Foundation provided assistance to giving circles and funds such as Sistuhs on the Move giving circle in Chicago, Black Women for Black Girls in New York, Wall Street to Hollywood Network and Opportunity Fund, Wall Street Wizards in Oakland, Progressive Investment Co. Charitable Fund, Madeleine Moore Legacy Builders Fund, Nema Amen Records/Carla Harris Foundation, and Hurricane Katrina Recovery Fund. The Twenty-First Century Foundation now supports 28 donor advised funds, including three for prominent entertainment figures. Twenty-First Century Foundation is the fiscal sponsor for Tavis Smiley's Covenant for America Campaign. The Twenty-First Century Foundation helped form the Gulf South Allied Funders, a donor initiative in response to Hurricanes Katrina and Rita, and their aftermath. It is an open alliance of progressive donors who sought out 21CF as an organizational partner to address the local and national implications that remain outstanding in the Gulf Coast.

In 2006, AAFNY had five people committed to a giving circle who promised to contribute \$5,000 a year. The giving circle made its first grant of \$20,000 that year. AAFNY is also supporting one community fund. AAFNY has developed more vehicles for donors, such as: donor advised funds, field of interest funds, estate planning tools, and will be adding trusts to the services it offers. In 2007, AAFNY's giving circle went from 5 members to 13. With more people showing interest in the giving circle, AAFNY is discussing creating another one. A group of high school students formed their own giving circle and will be donating money to AAFNY.

By 2007, The Hispanic Federation established the National Latino Funds Alliance (formerly the Latino Funds Collaborative) and designed a Memorandum of Agreement to formalize the relationship among the seven funds in the Alliance. Through the Alliance, the Hispanic Federation is helping to start new Latino funds in Denver and San Antonio.

The partners also developed successful donor outreach efforts. The Twenty-First Century Foundation offered a personal giving plan workshop that helped people to see themselves as philanthropists and to focus on giving for social change. The workshop also helped people to imagine themselves in a different way and to be more strategic in their giving. The Asian American Federation found that small, intimate events, receptions, and networking gatherings were most successful. The Hispanic Federation's most successful outreach efforts were its mix and mingle network events for young, well educated Latinos looking for ways to be involved. They included brief presentations on philanthropy. Their breakfast briefings on an issue of importance to Latino/as were also successful ways to reach donors.

Participants in the ethnic funds' donor engagement efforts spoke of changes in their understanding of philanthropy and concrete ways they acted on those changes. Some example comments include:

- Have learned about philanthropy, the importance of cultural sensitivity in how funds are used, and the importance of thinking about the sustainability of programs.
- Convinced that a small foundation led by people of color can be effective just like a larger foundation.
- I have deepened my commitment and this has helped me to make a more impactful contribution
- I would not be giving as much as I am if I had not been in contact with the Twenty-First Century Foundation
- I now feel that philanthropy can make a difference. We are not just writing checks; we are actually getting involved
- My philanthropy has changed. I now focus on small community based organizations. I find that more effective than giving to larger more established organizations. I feel I now have a targeted strategy with grassroots groups.
- As a result of my contact with the Twenty-First Century Foundation my wife and I are rethinking all that we have done for our philanthropy. Before, we did not do anything outside of the family. We are now looking at how we can be more strategic. We are exploring planned giving with a Merrill Lynch representative we met at a Twenty-First Century Foundation event. I am the chair of another nonprofit's board. I am going to encourage them to set up their capital campaign fund with the Twenty-First Century Foundation.
- The biggest impression I walked away with was the empowerment that we have to take control within our selves and how we should take a step forward and create our own future.

### **The Benefits for the Three Ethnic Funds**

Each of the ethnic funds increased their capacity to engage donors, provide philanthropic advising, and connect more resources to their communities.

The Twenty-First Century Foundation increased its capacity for philanthropic advising, hired a program officer to focus on women focused philanthropic models, and continued to grow their individual and corporate giving base. They completed an organizational financial management review, and enhanced their procedures to become better stewards of new gifts and donor funds. They completed a move to a new office space. In addition they launched a marketing and communication strategy which included completing an assessment of 21CF's literature, website, and donor communications; created a strategy to position 21CF as the nationally recognized and trusted voice of black community focused philanthropy; and launched e-newsletter.

The Coalition helped AAFNY to move on a track they wanted to be on but would have taken longer without the Coalition. The AAFNY Board now understands why it should focus on individual donors. They have increased their giving and instituted a give and get policy. Its strategic plan's first priority is individual donor development. There is more individual support for AAFNY and more young professional workers volunteering. AAFNY is thinking outside of the box to work with other ethnic groups.

The Hispanic Federation's Board has increased its individual giving; there is now 100% giving. Board members are more aggressive about contacting individuals and more focused on individuals of wealth. The Hispanic Federation has rebranded itself and developed a marketing plan to reach and cultivate more individual donors. In connection with that it has developed a more donor oriented website. The staff is bringing up the topic of philanthropy at other events that are not necessarily donor outreach. HF has strengthened its fund raising capacity and incorporated technology (Raisers' Edge) and systems for fund raising. Like the Twentieth Century Foundation, the Hispanic Federation has moved to a new office space. They realized they could raise money to have a new space and do the infrastructure development they needed. The President of the Hispanic Federation said that the Coalition gave HF greater creditability in the community.

### **Concerns about the Coalition**

One of the Partners' chief concerns was that the Coalition received only a portion of the funds it sought. The Partners were under-resourced to carry out the work as originally planned and to have a full time project director. This also contributed to some competition among the Partners for funding opportunities and misgivings about spending money on project management and evaluation. The Partners worried about negotiating fund raising for this project without interfering with or compromising each agency's own fund raising. A number of the Partners said that the Coalition spent too much time on administrative conversation—finances, fulfilling grant expectations—rather than learning from each other and developing individual and mutual strategies.

Another concern continued to be trying to find common goals while dealing with the different needs, goals and structures of each agency. The Asian American Federation and the Hispanic Federation are New York City based federations serving member organizations through

advocacy, technical assistance and grants. The Twenty-first Century Foundation is a national grantmaking public charity. New York Regional Association of Grantmakers is a professional membership association; and the Center for Philanthropy and Civil Society is an academic research and education center. Both AAFNY and HF focus regionally on responding to the needs and building the capacity of their member organizations. HF did become involved in national work through its Latino Fund project. 21CF funds community organizations and has worked to expand its philanthropic activities both regionally and nationally. NYRAG endeavors to be a resource for its diverse membership and philanthropy in the greater New York City region. It has national outreach through its resources and its membership in the Forum of Regional Association of Grantmakers. CPCS endeavors to provide quality philanthropic information, research and education for both a regional and national audience. Both the 21CF and HF supported having a broader public impact than just sharing resources with local groups. Yet, their national work focused more on their own communities. AAFNY was concerned with scaling up the Coalition's work nationally, when the staff saw more of a need to strengthen and deepen the work locally. The Partners rarely discussed these different goals among themselves and what this might mean for how the Coalition functions. As one partner said, the national work was a way to continue the original grant from Kellogg to develop individual donors of color

At the beginning of the Coalition, NYRAG was helping to promote the work of the Partners, tracking the various media coverage, and attempting to reach professional advisors. With two subsequent changes in the leadership of NYRAG, there was a gap in its role in reaching professional advisors. The three ethnic funds developed their own outreach to professional advisors. NYRAG's role in communicating the story of the Coalition became focused on producing a brochure and working with the Coalition Partners to document the work of the Coalition and produce *Building Bridges to Communities of Color: a toolkit for engaging donors of color*, a toolkit for those who would like to develop their donor engagement strategies and foster coalitions to mobilize philanthropic resources in communities of color.

The Partners expressed the need to have more structured opportunities other than the Executive Committee meetings and the workshops to share ideas about donor outreach programs and presentations. They said that there continued to be little communication among the partners between the Learning Circle workshops and the Executive Committee meetings. However, some felt they were sharing their materials with other partners but not receiving comparable resources in return. They struggled for consensus decision making that at times contributed to it being unclear who makes and implements a decision.

Although they wanted more consistent communication with each other, the Partners were frequently late in responding to requests for input or feedback about Coalition documents or funding requests. Often, the Project Director had to call the Partners to remind them to send their response in time for a funder's deadline.

### **What the Partners Learned**

The Partners say they have learned how to be more sensitive to individual donor perspectives. They have learned how they can go beyond a small community of donors to reach more donors.

They are devoting more resources to donor cultivation. They now know how to invest in relationship building as opposed to concentrating on short term fund raising.

While a good way to engage individual donors, donor advised funds and giving circles often put a heavy burden on the limited administrative resources available in a small organization. Also, many donors are reluctant to pay for the administrative costs.

They appreciated the collaborative process and are engaged in other partnerships to increase resources and decrease costs. They are very open to collaborating with each other, doing more projects together, and engaging the same consultant to work with their agencies.

In order to function as a Coalition, the Partners agree that there is the need for a coordinating group that meets regularly. An appropriate decision maker needs to consistently represent each agency at all meetings. Even though participatory decision making takes longer, it is necessary to maintain the group. The Partners also came to accept the need to be sensitive to the functioning of the group.

The group benefited from opportunities to learn together. The Learning Circle Workshops provided not only new skills but also a chance to learn more about the other Partners' work.

Mutually agreed upon collaborative goals and respect for individual agency goals are a must. In other words, each partner has to see that there is something that can be achieved as a group as well as individual organizations. This is helped through annual programmatic and budget planning with a feedback and accountability system and open communication.

All the Partners agreed that important to the success of the Coalition was a paid Project Director. The Director needs to bring years of experience in philanthropy research and practice and a passion for the donor education work. The Director needs to perform three significant roles: the *nudge*—reminding the Partners of deadlines, organizing the joint work, and preparing proposals and reports; the *resident expert*—providing technical assistance to each Partner about donor outreach and philanthropy, identifying sources of funding, and speaking for the Coalition at conferences; and the *weaver*—encouraging the Partners to collaborate, fostering the relationships among the Partners, facilitating Coalition events, and being the key communication link for the Coalition. The Coalition suffered from the absence of these three functions in the gaps between hiring the second and eventually the third director. Also, the change of directors meant a lag time for the new director to understand how to accomplish those roles with the Partners.

## **Conclusion**

Two recent national surveys identified as primary among the needs of diversity funds are developing appropriate capacity, adequate staffing, and networking with other similar groups to share successful practices. Through the Coalition the ethnic funds partners were able to obtain funding for additional staff and infrastructure development while furthering their own goals of reaching more individual donors and providing grants and technical assistance to organizations in their communities. They learned from each other in order to deepen their skills at donor engagement and cultivation. At the same time they had to struggle with funders' goals that were

not totally in line with their community's needs or their stage of capacity building. They gained from working cooperatively but had to deal with their different agendas and the increasing demands on the staff brought about by the very growth they sought.

## Resources

### Asian American Federation of NY

- Philanthropy: a New Heritage of Giving
- How to Develop a Giving Circle
- AsiaNext Giving Circle

### Hispanic Federation

- Leadership Development through Latino Philanthropy and Volunteerism
- Abriendo Caminos: Strengthening Latino Communities Through Giving and Volunteering
- Latinos and Giving

### Twenty-First Century Foundation

- Time, Talent & Treasure
- Strategic Giving vs. Charity: Community-Based Philanthropy for Social Change
- Building Community Capital: Creating a Personal Giving Plan

### Center on Philanthropy and Civic Society

- Pathways for Change: Philanthropy among African American, Asian American, and Latino Donors in the New York Metropolitan Region (September 2004)
- Donor Research Project Findings on Community of Color Professional Membership Organizations and Employee Affinity Groups
- Summary of Literature Review and Research on Wealth Creation and Philanthropy in Communities of Color

### New York Regional Association of Grantmakers

- Building Bridges to Communities of Color
- Building Client Relationships Through Philanthropy
- Building on a Better Foundation: a Toolkit for Creating an Inclusive Grantmaking Organization

### The Forum on Regional Associations of Grantmakers

- Kristin Lindsey, *Racial, Ethnic, and Tribal Philanthropy: a scan of the landscape*

### Support Center for Nonprofit Management

- Engaging Donors in Racial, Ethnic and Tribal Communities
- Diversity Funds Survey Report