



Graterol Consulting  
Integrating Social Research & Technology

EVALUATION OF THE  
**SOUTHEASTERN PENNSYLVANIA SITE  
OF THE FUNDERS' COLLABORATIVE  
FOR STRONG LATINO COMMUNITIES,**  
A PROGRAM OF  
HISPANICS IN PHILANTHROPY  
June 19, 2014

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## Contributors

Hispanics in Philanthropy would like to thank the following partners for their contributions, which made this evaluation possible:

- The Local Funding Partners of the Southeastern Pennsylvania Collaborative:
  - Connelly Foundation
  - John S. and James L. Knight Foundation
  - PECO
  - Saba Chai Five Foundation
  - Samuel S. Fels Fund
  - The Calamus Foundation
  - The Claneil Foundation
  - The Philadelphia Foundation
  - United Way of Greater Philadelphia and Southern New Jersey
  - Weinstein, Schleifer & Kupersmith, PC
  - William Penn Foundation
  
- The Pew Charitable Trusts, which is the funding partner that provided Regional Matching Support for the Southeastern Pennsylvania Collaborative.
  
- The twelve local funding partners, for their insights during the key informant interviews:
  - Fernando Chang-Muy, Representative of the Saba Chai Five Foundation
  - Helen Cunningham, Executive Director, Samuel S. Fels Fund
  - Donna Frisby-Greenwood, Program Director for Philadelphia, John S. and James L. Knight Foundation
  - Matthew Hart, Chair of the Board of Directors, The Calamus Foundation
  - Anne Hileman, Program Officer, Connelly Foundation
  - Romana Lee-Akiyama, Director of Capacity Building, United Way of Greater Philadelphia and Southern New Jersey
  - Shawn McCaney, Senior Program Officer, William Penn Foundation
  - May Pritchard, Director, The Philadelphia Program, The PEW Charitable Trusts
  - Tiffany Tavarez, Corporate Relations Officer, PECO
  - Beatriz Vieira, Vice President of Philanthropic Services, The Philadelphia Foundation
  - Mailee Walker, Executive Director, The Claneil Foundation
  - Norman Weinstein, Individual Donor, Weinstein Schleifer & Kupersmith
  
- The Funders' Collaborative Grantees, for their efforts providing information about their progress throughout the grant rounds and their participation in the online survey.
  
- HIP Staff:
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## 1) Introduction

This report describes the values and overall objectives of Hispanics in Philanthropy, and a brief history of the Funders' Collaborative with a focus on the Southeastern Pennsylvania site. It presents evaluation findings and describes the methodology used to conduct the assessment. Summary of findings and recommendations from the Southeastern Pennsylvania site partners and grantees are discussed at the end of the report.

### Hispanics in Philanthropy: Organizational Background

For 30 years, Hispanics in Philanthropy (HIP) has been working to connect those committed to Latino communities and their most pressing needs. Spurred by the historic under-funding of Hispanic communities, HIP has designed multi-site, wide-impact models to leverage resources for the benefit of supporting emerging Latino leaders, families and communities.

HIP's mission is threefold:

- To increase philanthropic investments in Latino communities;
- To increase the participation of Latinos in philanthropy; and
- To foster policy change through philanthropy to enhance equity and inclusiveness.

Founded in 1983, HIP has grown from a small group of Latino foundation professionals to a 550-plus transnational network of funders, academics, community leaders, businesspeople, and government officials. To date, HIP and its partners have raised more than \$45 million to invest in strengthening Latino communities across 16 sites in the United States and in three countries in Latin America. HIP brings together its partners to support Latino communities through collaborative grantmaking for capacity building by way of the Funders' Collaborative for Strong Latino Communities and the Giving Partnerships for Strong Latino Communities, as well as through initiatives focused on particular populations or issue areas, such as aging, education, and the LGBT community. HIP also has developed transnational initiatives, exploring models that draw upon U.S. Latino communities to promote economic development in their countries of origin.

### The Funders' Collaborative for Strong Latino Communities

#### Background

The Funders' Collaborative exemplifies what can be accomplished when local communities and nonprofits work together to create synergies with national organizations. The Collaborative was created in 2000 to address key issues of sustainability, growth and long-term development faced by Latino nonprofit organizations, while also cultivating the next generation of Latino leaders. Through this program, HIP supports small to mid-sized Latino nonprofits and their leaders through grants, training and technical assistance. Rather than fund programs and services, the Collaborative funds capacity-building projects that strengthen organizational systems and build the knowledge and skills of nonprofit staff, board, and volunteers. These projects develop leadership in the Latino community, while enabling organizations to better

serve and mobilize their communities by becoming more efficient, strategic, and sustainable. The program is based on the theory of change that building stronger Latino leaders and nonprofits will build stronger Latino communities.

HIP connects Latino nonprofits to new funding sources, and helps funders leverage their dollars and support to multiple nonprofits through a single grant, thus maximizing the impact of their contributions. With HIP's past dollar-for-dollar match, the organization has doubled funders' grantmaking resources and increased their impact several-fold. Through the Funders' Collaborative for Strong Latino Communities, HIP has brought together more than 160 funding partners and supported approximately 600 grassroots Latino nonprofits. These nonprofits are in out-of-the-way places like Capulin, Colorado and Siler City, North Carolina, as well as larger metropolitan areas like Boston, Chicago, Philadelphia, and Los Angeles. The Collaborative provides participating organizations with the capacity to better represent their communities and more effectively address the unique needs of Latinos locally, nationally, and internationally.

### **Program Objectives and Approach**

The four principal objectives of the Collaborative are as follows:

1. To strengthen the organizational capacity of small to medium-sized Latino nonprofits.
2. To increase philanthropy's understanding of Latino nonprofits, the communities they serve and the role they play in civil society.
3. To foster leadership among Latino nonprofits that incorporates a vision of inclusiveness and collaboration.
4. To increase the net amount of philanthropic dollars flowing to Latino nonprofits.

HIP has a multi-layered approach to achieving these objectives, which includes leading collaborative grantmaking among local funding partners, as well as providing technical assistance, training, and networking opportunities to its grantees.

#### *Grantmaking*

In partnership with local funders, HIP provides financial support by way of capacity-building grants, which enable small to medium-sized Latino nonprofits to use funds to undertake projects to build or bolster capacities within their organizations. HIP handles the program management aspects of the Collaborative, while funders take part in grantmaking decisions.

HIP works with its local funding partners in each site to secure the funds necessary to hold a grantmaking round of the Collaborative. HIP manages the fundraising effort, but often receives input and assistance from local funders in approaching potential partners.

Once all funds have been raised for a round of grantmaking, HIP works with the local site committee, which consists of one representative from each of its funding partners in the site, to identify a pool of potential applicant organizations. HIP staff then manage the application phase of the Collaborative, creating and disseminating the request for proposals, holding information sessions for potential applicants, providing technical assistance to applicants

throughout the development and submission of proposals, and conducting due diligence on proposals and applicant organizations. After vetting all applicants, HIP disseminates several proposals to each of its local partners, which assist with proposal reviews and conduct site visits. At the completion of reviews and site visits, HIP prepares all materials and reviewers' feedback for the grants allocation meeting, where HIP and the local site committee of funders discuss all proposals and make final grant decisions. By way of the reviews, site visits, and grants allocation meeting, HIP aims to help its local partners become more familiar with local Latino nonprofits and leaders, and to gain a deeper understanding of the issues they are addressing in their communities. Local partners provide valuable input based on their knowledge as experienced grantmakers and, in some cases, their familiarity with the applicant organizations and geographic region. This knowledge sharing helps to expand the awareness of the partners of the Collaborative. HIP believes that this increased awareness and understanding ultimately impacts the way in which the individuals on the site committee approach their efforts as grant makers and community leaders, and that it has an influence on the efforts of their institutions as well.

After all grant decisions are made, HIP notifies all applicants of the decisions, then works closely with selected organizations to make any necessary refinements to project details and budgets. HIP staff then creates and processes grant contracts, and disseminates payments to grantees to begin their capacity-building projects. Once the projects are underway, HIP monitors the progress of its grantees by being on-hand to respond to any questions or challenges that may arise, by conducting informal check-ins about six months into the grant period and collecting progress reports annually. HIP and the local partners of the Collaborative gather either remotely or in-person throughout the year for site committee meetings, at which HIP shares the latest updates regarding grantees in the site and partners discuss other pertinent issues related to the Collaborative, a particular grantee organization, or the local community.

### *Technical Assistance and Training*

In addition to supporting Latino nonprofits and communities through grant funding, HIP strives to foster and strengthen Latino leadership by providing technical assistance and training and networking opportunities. From the start of the grantmaking cycle with the release of the RFP to the completion of the grantees' projects, HIP is available as a resource and to provide one-on-one technical assistance to the organizations. HIP also supports the development of these leaders by way of its annual grantee convenings, during which executive directors, board members and other staff of the grantees take part in trainings and workshops on particular capacity-building topics. Through these trainings, nonprofit leaders obtain knowledge and skills from the training itself as well as from each other that they are then able to bring back to their organizations as stronger, more effective leaders. HIP also incorporates time for grantees to network with one another, funders, and other community leaders before, during and after these trainings. HIP views the information sessions, grantee convenings, and one-on-one technical assistance that it provides to grantees as opportunities to assist and guide nonprofit leaders to more effectively perform their work, lead their organizations, complete their projects for HIP and other funders, and, ultimately, serve their communities.

## **Recent Program Developments**

Looking toward the next generation of innovative grantmaking, HIP has expanded its work into new focused initiatives to more deeply address particular areas of importance to the Latino community, such as an LGBT initiative, an aging initiative, and a Puerto Rico Donors' Education Collaborative. These new initiatives will build on the model of the Funders' Collaborative and use lessons and insights from HIP's 30+ years of experience to more effectively strengthen Latino communities.



## The Southeastern Pennsylvania site of the Funders' Collaborative

### Background

The Southeastern Pennsylvania site of the Funders' Collaborative was founded in 2001. As one of the first sites of the Collaborative, the Southeastern Pennsylvania grantmaking includes nonprofits located in five counties: Bucks, Chester, Delaware, Montgomery and Philadelphia. According to the 2000 U.S. Census, there were approximately 182,727 Latinos in these five counties, constituting 4.7% of the population. The majority of Latinos in this region are located in Philadelphia County, with 8.5% of the county's population and represented by the following ethnic subgroups: Puerto Ricans (6%), Mexicans (0.4%), Cubans (0.2%), and Latinos of other national origins (2%).<sup>1</sup> In the region, as with much of the country, the Latino community is younger, on average, than most other ethnic groups as well as the general population. Latinos are one of the fastest growing ethnic populations in the area and by the 2010 Census, the Latino population in the 5 counties had almost doubled to 297,660 or 7.6% of the population.<sup>2</sup> According to the 2012 American Community Survey of the U.S. Census Bureau, in Philadelphia County Latinos are estimated to make up 12.3% of the overall population – up from 8.5% in the 2000 Census: Puerto Ricans are now 8.4% of the overall population, Mexicans now make up almost 1%, Cubans 0.3%, and Latinos of other national origins are up to 2.8%.<sup>3</sup> The Latino population continues to grow in size and diversity, creating the need for a broader range of nonprofits. HIP has seen this growth reflected in its own pool of grant applicants, with new nonprofits applying in every grant round.

**Latinos are one of the fastest growing ethnic populations in the U.S. and in the Southeast Pennsylvania region has almost doubled over the past decade. However, foundation giving explicitly designated to benefit Latinos, comprising only about one cent for every dollar spent, has not increased.**

In the United States, Latinos make up more than 16% of the total population. Further, Latino children are the fastest growing segment of the U.S. population, currently representing 23% of all children under the age of 18. Latinos are also the fastest-growing segment of the American workforce, with 22.7 million Latinos at work in the U.S. representing 14.8% of the labor force. High school dropout rates for Latinos and English language learners (ELLs) remain very high. In fact, only 58% of Latinos graduate from high school, and those who do graduate have not necessarily had the education necessary to succeed in college. Hispanics make up one-third of the country's roughly 47 million uninsured. Representing the ethnic group with the highest uninsured rates in the country, Hispanics have a higher risk of chronic health care conditions, such as diabetes and obesity, and face additional barriers to access services such as language. Over a ten-year period from 2001 to 2011, Latinos in the civilian labor force increased 24%. By 2050, one in three working Americans will be Hispanic. Yet, today Hispanics face major barriers

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<sup>1</sup> U.S. Census Bureau (2000), Profile of General Demographic Characteristics, 2000. Retrieved April 14, 2014, from <http://factfinder2.census.gov/> for Bucks, Chester, Delaware, Montgomery and Philadelphia counties.

<sup>2</sup> U.S. Census Bureau (2012). Profile of General Population and Housing Characteristics: American Community Survey 2008-2012 5-year estimates. Retrieved April 8, 2014, from <http://factfinder2.census.gov/> for Bucks, Chester, Delaware, Montgomery and Philadelphia counties.

<sup>3</sup> U.S. Census Bureau (2012). Profile of General Population and Housing Characteristics: American Community Survey 2008-2012 5-year estimates. Retrieved April 8, 2014, from <http://factfinder2.census.gov/> for Bucks, Chester, Delaware, Montgomery and Philadelphia counties.

to employment in good jobs. Over the past decade, U.S. foundation giving explicitly designated to benefit Latinos, comprising only about one cent for every dollar spent, has not increased even as the Hispanic population in the U.S. has continued to grow. Small and mid-sized, local Latino-led organizations are particularly well suited to address the needs of this growing Latino community that is often beyond the reach of government agencies and larger, mainstream nonprofits.

## **Overview of the Southeastern Pennsylvania Collaborative**

Acknowledging and seeking to address the aforementioned challenges faced by the Latino community in the Southeastern Pennsylvania region, HIP established the Southeastern Pennsylvania Collaborative in 2001 under the leadership of site chair Helen Cunningham of the Samuel S. Fels Fund. Since the launch of the site in 2002, the Collaborative has included a diverse group of partners including private foundations, public foundations, an individual donor, and a corporation. The site has made eight rounds of grants to local Latino nonprofits and has provided numerous convenings during which grantees receive training on topics as diverse as financial management and staff development. Now in its ninth round of grantmaking, the site is focusing on sustainability of capacity building projects.

### *Grantmaking*

HIP's Southeastern Pennsylvania site is one of the original Collaborative sites and has now awarded almost \$3.5 million in capacity-building grants to grassroots Latino-led, Latino-serving nonprofits in the region. The continued success of the program has been made possible by the financial support and active engagement of a large and diverse group of local funding partners (Table 1). The Samuel S. Fels Fund has supported the Collaborative since the site was founded, and has been the anchor foundation for the site since its inception.

Together, local funders in Philadelphia contributed over \$2M since 2001, all of which leveraged a 1:1 match from HIP's pool of national and regional matching funds, meaning that HIP was able to match over \$2M for the Philadelphia site. Through nine fundraising rounds, the Southeastern Pennsylvania site leveraged and disbursed \$3,452,556 in grant awards to 47 Latino nonprofits. The difference of \$698,374 (10% of incoming contributions until 2003, 15% thereafter) was assigned to HIP to go toward the cost of managing and evaluating the program over the 13 years it has been active in Philadelphia.

Table 1 shows a list of the participating funders and their contributions. Funders participation depended on their funding priorities and schedule. Some contributed annually, while others contributed less often with funds designated for multi-year grants. Representatives of the funding organizations participated in the work of the Collaborative for all grant award cycles they funded. For example, while the Samuel Fels Fund contributed funds in four rounds, they were all multi-year awards and the Samuel Fels Fund representative, Helen Cunningham, contributed expertise and leadership to all 9 rounds of grant making. All funders worked together to review grant applications as well as make site visits, provide technical assistance and training to grantees.

**Table 1: Southeastern Pennsylvania Collaborative Funders and Contributions**

<b>Funder</b>	<b>Total \$ Amount</b>
<b>Local Funds</b>	
Connelly Foundation	\$105,000
John S. and James L. Knight Foundation	\$200,000
PECO	\$120,000
Saba Chai Five Foundation	\$23,930
Samuel S. Fels Fund	\$150,000
The Calamus Foundation	\$65,000
The Claneil Foundation	\$8,000
The Philadelphia Foundation	\$525,000
United Way of Greater Philadelphia and Southern New Jersey	\$138,000
Weinstein, Schleifer & Kupersmith, PC	\$15,000
William Penn Foundation*	\$750,000
<b>Total Local Funds</b>	<b>\$2,099,930</b>
<b>Matching Funds</b>	
The Pew Charitable Trusts (Regional Match)	\$430,000
HIP National Matching Funds	\$1,621,000
<b>Total Matching Funds</b>	<b>\$2,051,000</b>
<b>Grand Total</b>	<b>\$4,150,930</b>

\*William Penn Foundation also gave \$72,600 for administration and evaluation of the Philadelphia FC in 2001

Table 2 below summarizes the history of the grants awarded to 47 local Latino-led, Latino-serving nonprofits in each one of the nine grantmaking rounds that took place through the Southeastern Pennsylvania Collaborative.

**Table 2: Southeastern Pennsylvania Collaborative Grantmaking History**

<b>Round</b>	<b>Start Date</b>	<b>Years of Funding</b>	<b>Grants Awarded</b>	<b>Total \$ Amount</b>	<b>Grant Range</b>
1	9/1/02	1	12	\$331,030	\$4,840 - \$49,000
2	9/1/03	1	15	\$437,157	\$20,000 - \$42,600
3	12/1/04	2	21	\$532,885	\$2,050 - \$42,000
4	7/1/06	1	25	\$312,416	\$5,125 - \$61,216
5	12/1/07	1	24	\$313,088	\$5,000 - \$24,000
6	11/30/08	1	21	\$341,965	\$4,800 - \$25,000
7	12/1/09	1	15	\$279,565	\$5,810 - \$45,000
8	1/1/11	2	28	\$717,450	\$5,000 - \$50,000
9	4/1/14	2	11	\$187,000	All \$17,000
<b>Total</b>			<b>172</b>	<b>\$3,452,556</b>	

### *Grantee Convenings*

In addition to capacity-building grants, the Southeastern Pennsylvania Funders' Collaborative implemented convenings once or twice annually, offering grantees professional development workshops and facilitating connections with the local funders. Training topics included board development, best practices in nonprofit management, marketing, working with consultants, and fundraising, among others. These convenings also provided opportunities for peer-to-peer networking and information sharing, which are key factors in strengthening Latino nonprofits across the tri-state region. Helen Cunningham (Fels Fund) also hosted several annual dinner parties, purely for funders and grantees to get to know one another in an informal setting and further build relationships.

## 2) Summary of Findings

### Impact on the Funding Partners

The Funders' Collaborative brought together a diverse and committed group of local funders in Southeastern Pennsylvania. During the interviews the evaluation team conducted in February and March 2014, funders stated that the promise of matching national and regional funds from HIP attracted a group of funding organizations and individuals with wide interests and missions to focus resources and attention on Latino-led, Latino-serving organizations in the Tri-State Area. All of the funders appreciated the chance to do substantive grantmaking work with peers and many came to the table because a trusted colleague actively recruited them. Funders reported that their participation in the Collaborative increased their knowledge of issues affecting the Latino diaspora in general, the Latino community in Southeastern Pennsylvania in particular, and of the Latino-serving nonprofits in the area, especially smaller, grassroots organizations. Most funders reported that the Collaborative provided valuable professional development and support in a uniquely collegial and supportive environment.

The matching funds from HIP served as a powerful motivating force for foundations to participate and lent credibility to the initiative. The ability to make a bigger impact in the community, to be flexible with funding, to fund outside their geographic or issue area, and to fund smaller, developing nonprofits were all attractive aspects of working with the Collaborative. Also, funders appreciated the chance to support capacity building and to learn how this type of grantmaking impacted nonprofit development.

While many funders report that they have not substantially changed their grantmaking strategies (often constrained by defined program areas or geographic areas), they do indicate that their increased awareness, professional connections, and knowledge of Latino-led, Latino-serving nonprofits has impacted their funding. Many connections between funders and nonprofits continued after their participation in the Collaborative. Also, funders reported that capacity-building grants provided through the Collaborative allowed some small Latino-led nonprofits to grow enough to meet their own institution's funding criteria. One funder reported the learning experience of the power of pooling their funds through a well run collaborative to the point that now almost all of their grantmaking occurs through collaboratives. Another funder reported that participation in the HIP Collaborative supported the diversity, equity and inclusion work she was doing in her own organization and provided concrete tools to share with the leadership in her foundation.

Funding partners were grateful for the passionate, capable and dedicated administrative support provided by HIP through the life of the Collaborative. Local support facilitated both fundraising and grantmaking. Most reported that high staff turnover and moving the HIP office to a more distant site challenged continuity and close working relationships. They also expressed frustration about communication related to changes or transitions in the Collaborative, such as staffing, the matching policy change, and timely communication about outcomes and results.

For future rounds of the Collaborative, funders would like to see the matching funds continue. They also hope for ongoing staffing support in the area, improved communication and relationship building with HIP, and more timely evaluation of the program's impact. They encourage HIP to study current local priorities and adapt the Collaborative model to critical issues and needs in the area in order to engage new partners. With the changing funding environment in Philadelphia, they advise HIP to investigate new strategies for engaging smaller family foundations and individual donors, and tailor their model to address the unique needs of corporate partners. They also encourage HIP to expand their approach to leadership development and involve local leaders in national policy development.

## **Impact on the Grantees**

The Funders' Collaborative provided 172 grants to 47 grantees through nine rounds of funding. HIP gathered information from proposals and reports on agencies funded in each grantmaking round. The organizations funded varied in size and scope. Some were nascent and small, with few or no paid staff, and an annual budget of around \$10,000. Others had been providing services in the Philadelphia region for over 50 years and had operating budgets of more than \$2M. Most of the grantees (66%, N=31) received more than one round of funding, allowing them to complete multiple capacity-building projects, some strengthening their capacity in several areas and others completing multiple stages of the same initiative.

As seen in Figure 3 on page 28, the majority of grants in Rounds 1-8 (57%, N=99) focused on developing and/or implementing fundraising plans. Board development and training led by consultants was common as part of these efforts, most times to engage the board in either strategic planning or fundraising. In addition 47% (N=81) of grants focused on training staff and leadership in a variety of areas, including fundraising, nonprofit management or skills specific to their job. Many grantees (42%, N=20) invested their grants in technology upgrades, which included hardware and software as well as website and database development to support fundraising, financial management, and evaluation. A few organizations used the funds for feasibility studies around partnerships and capital improvements.

Of the final reports reviewed by the evaluation team, 76% (N=91) indicated that grantees met all of the projects' goals. An additional 18% (N=22) partially met their goals often due to very ambitious fundraising targets and with many of them completing their goals in successive rounds of funding. Only 5% (N=6) of the grantees did not meet their goals or did not provide enough information to determine if the goals were met.

Most grants (85%, N=101) funded a specialized consultant to lead or develop strategic plans, fundraising plans, technology updates, financial management systems, or board and leadership development and training. Also, 76% (N=91) paid for internal staff time to conduct similar work, especially in the areas of fundraising and accounting. As well, 22% (N=26) allowed agencies to hire new staff positions to work on capacity-building goals such as fundraising or evaluation. Many grantees were often engaged in related capacity-building projects at the same time as their HIP funding, or sought additional funding to implement strategic plans or fundraising plans. Of the reports that included information on additional capacity building

support, 64% (N=63 of 98) had some additional capacity building funding or in-kind support such as free training for staff or donated consulting services.

The grants resulted in concrete organizational change during the funding cycle for 62% (N=49) of the 79 grantees that included this information in their reports. Some of these organizational changes included: leadership changes including new board members (43%, N=34); moving into a new space or serving clients in a new space (16%, N=13); and restructuring management or starting a new program (27%, N=21). It was often the case that hiring even a part-time staff person to focus on financial tracking and reporting, or fundraising development and grant writing, freed up the time of other staff to more efficiently focus on service provision or to seek new resources for the organization. Since there is no long-term follow-up with grantees, it is challenging to assess whether these changes were sustained or what their impact has been on the organizations' success over time. Many grantees relied heavily on consultants to develop their strategic and fundraising plans. If most of the funding went to short-term consultants, it would be interesting to see the longer-term results.

Grantees reported new partnerships and funding sources as a result of participating in the HIP Collaborative. Of the 88% (N=41) grantees who reported on having partnerships, 56% (N=23) developed new partnerships as a result of participating in the Collaborative. 54% (N=22) also reported new funding sources as a result of the HIP grant. The acquisition of these sources reflected diversification of their funding bases to individual donors, foundation, government and corporate grants, corporate sponsorship and fundraising events.

Most grantees reported that they highly valued their participation in the Collaborative. The types of funding with the most significant, long-term impact were strategic planning, technology improvements, fund development and board or staff training. These areas of funding resulted in expanded or improved programs, more professional and involved boards, implementation of strategic plans, increased fundraising, and increased technological capacity.

Respondents were asked what HIP should fund in the future. Most reported needing additional support for technology, fund development, strategic planning and staff development. They also valued strategies and opportunities to connect with the communities they serve as well as current and potential funders. Many nonprofit leaders value support for marketing and communication with stakeholders, as well as opportunities to network with other nonprofits and funders.

## 3) Evaluation Purpose and Methodology

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### About Graterol Consulting

Graterol Consulting assists nonprofits and funders with organizational development services including evaluation, strategic planning, and program design. Based in the San Francisco Bay Area and working throughout California and nationally, the Graterol Consulting team conducts single- and multi-site program evaluations, and facilitates strategic planning and program design.

### Purpose of the Evaluation

The purpose of the evaluation was to conduct an assessment of the Southeastern Pennsylvania site of Hispanics in Philanthropy's Funders' Collaborative for Strong Latino Communities and produce a summary of findings from the site.

The evaluation was guided by the following research questions:

1. Did the HIP funding support grantees to better meet their goals and/or missions?
2. What improvements and positive changes took place in the grantees as a direct result of the program?
3. To what extent has the Collaborative contributed to the capacities of the grantees?

### Assessment Methodology

This section describes the methods used by the evaluation team to conduct the evaluation and the challenges and successes of implementing the methodology.

### Background Materials Review

The evaluation team conducted a comprehensive review of the Funders' Collaborative at the national level and at the Southeastern Pennsylvania site level. Materials reviewed included the following:

- Background documentation of the HIP Funders' Collaborative describing the guidelines and capacity-building goals.
- Past evaluation reports of the Funders' Collaborative and its other sites.
- All Philadelphia grantee proposals, grant contracts, and progress and final reports. Appendix 1 shows the summary of grantee data, which was synthesized under the following categories to study impact of the capacity-building grants: funding round; funding category; goals/objectives; how goals/objectives were met; whether a consultant was hired or not; impact summary; if the organization received other capacity-building grants, the associated funders, and the goals of those grants; whether organizational change took place or not; what type of change; whether there were partnerships with other organizations, how many, and whether they were developed thanks to the Collaborative grant; grantee convening



impact and recommendations; and whether new funding sources were acquired, how many, if they were impacted by the HIP grant, and what type of funding.

- All available Philadelphia local funders and grantees' websites.

### **Local Funders' Key Informant Interviews**

In collaboration with HIP staff, the evaluation team developed the questions and guidelines (see Appendix 2) for the local funders' interviews. Between January and March 2014, the evaluation team conducted a total of 12 interviews with one individual donor, one corporate donor and 10 representatives of the local participating foundations using web-conferencing software GoToMeeting. Interview notes and recordings from the 12 total participants were analyzed and summarized in Section 4.

### **HIP Staff Key Informants Interviews**

The evaluation team conducted key informant interviews in March 2013 about HIP's experience with the Chicago Funders' Collaborative with two staff leaders: Diana Campoamor, President and Gracia Goya, Vice President, U.S. and Transnational Programs. For this report, HIP staff reviewed the Chicago findings and added information unique to HIP's experience with the Philadelphia site. The findings from that process are summarized in Section 4.2.

### **Grantee Survey**

The evaluation team analyzed the information gathered by an online participation and satisfaction survey (Section 5). The survey was developed and implemented in SurveyMonkey during March 2014 in collaboration with HIP staff to complement the findings from reports (see Appendix 3).

### **Logic Model**

A one page logic model of the Collaborative was created to highlight critical aspects of the intervention including major program components and approaches as well as overall outputs and outcomes (see Appendix 4).

### **Assessment Challenges**

This project faced two challenges. First, it was conducted at the end of the initiative (12 years from the first grant cycle and during the ninth and final round). Second, not all of the information from all rounds was available to review (particularly grantee information from Rounds 2 and 6).

These factors made summarizing results and surveying funders and grantees difficult. The length of time since the funding was provided to grantees resulted in a relatively low response rate on the grantee survey with most responses coming from Grantees funded in Rounds 7 and 8. It is likely that many nonprofit staff members that participated in the Collaborative are no longer in the same position. Because of the difficulty in reaching grantees, the evaluation team relied heavily on the information available in the proposals and progress reports to create summaries and recommendations about the grantee experience. Additionally, at least 2 of the local funders we spoke with were not in their position at the time their foundation participated in the Collaborative and could not speak to the foundations' past experience in any depth. Instead they provided input for future funding initiatives in the area.

## 4) Findings and Recommendations from the Local Funders and Lessons Learned by HIP

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The information gathered during the local funders' interviews between January and March 2014 is summarized in section 4.1. It includes perceived individual funder and foundation impact, funders' perspective on the role of HIP, and recommendations for the future. This section summarizes the results of the content analysis from the funders' interviews performed by the evaluation team. Direct comments from interviews are in italics. HIP feedback is incorporated in section 4.2 and includes lessons learned from the Philadelphia Collaborative.

### 4.1 Perspectives of the Local Funders

#### Impact at the Individual Funder Level

This section describes the personal impact the Collaborative had on the local individual funding partners.

All funders provided frank, constructive feedback about their participation in the Collaborative. And almost all of them made a point of finishing with a comment about what a positive experience they had working together.

*HIP was a bright spot in my foundation career. I enjoyed working with my colleagues, doing site visits with them, sharing news and styles and all that kind of thing deepens relationships. It is a very healthy thing to do and we wouldn't have done it without HIP. It was a tremendous benefit to the community and to me personally.*

*I love the organization and loved the people, the environments, the conversations and the discovery of the complexity of grant making in these communities. A group of colleagues wanting to do that work in an ethical, high level and efficient way. It was very rewarding. I hope HIP finds a path that gives other program officers the same opportunity. It has a profound impact on how we understand grant making, which is a gift HIP can give to the field of Philanthropy.*

#### Benefits

- Increased knowledge about Latino issues and the breadth of Latino-led, Latino-serving nonprofits in and around Philadelphia. *Through reading proposals, doing site visits, and talking to Latino leaders I got a better sense of the challenges faced by the Latino communities: LGBT issues, immigration, and complexities of the Latino community.*
- Exposed funders to smaller, grassroots organizations and the potential impact of grantmaking at this level. *Many of the nonprofits supported through the Collaborative were too small to be directly funded by our foundation. It was an opportunity to be exposed to organizations that were outside our scope and funding, but who had the potential to grow and be eligible for our funding in the future.*
- Increased knowledge on how to implement capacity-building grantmaking.
- Opportunity for professional development in philanthropy.
- Strengthened professional relationships among funders. *Very practical way for funders to collaborate in real ways including putting dollars together, making site visits together, making decisions together.*
- Increased knowledge on how to work with individual donors. *It gave me a model for how we could include our donors in grant making in a direct way. It was a good way to learn how to bring people along to a combined/collective goal.*

## What brought funders into and helped to keep them in the Collaborative?

- Having a strong trusted local funder to recruit and work with other funders. *The Collaborative was very intimate and not because it was small. It was a reflection of our co-host. She worked at creating camaraderie. I looked forward to those engagements. The partnering of funders to work together on site visits was brilliant. We were not just a bunch of funders coming together, but rather a group of funders working together. Helen made it accessible and intimate. She set the right people at the table and the right context for people to interact. Having a strong local partner was essential to outreach to other local funders. A trusted, well-connected leader in the community made other funders more likely to agree to participate.*
- Having national matching dollars from HIP as an incentive to recruit funders. The match provided weight and credibility. *Matching dollars brought a lot of people to the table that might not have come otherwise. It was the lure of doubling the money that enabled people to sell the Collaborative to their boards. It was incredibly important. It signaled the importance of the work.*
- Bringing together major players in the area attracted other funders to get involved. *It was important to be a part of something that all of these other foundations were doing.*
- A core consistent group of local funders was critical to the ongoing participation in the Collaborative.
- High value in the power of collaboratives and their positive collective impact.
- Funding Latino grassroots organizations.
- Funding nonprofits whose work was in line with the funding priorities and mission of the participating funders (or the volunteer work and interests of individual funders). *It made sense because it supports many of the areas we fund. I was very excited to see that the grant to HIP was part of my portfolio. Having done 13 years of work to advance communities of color, this collaborative was a natural part of my professional and personal goals, looking at racial and economic justice. So I was excited to be connected to HIP and the work they were doing.*

## Did the Funders' Collaborative impact your approach to grantmaking?

Although most funders continue to do issue-based grantmaking rather than population-focused grantmaking and they don't fund Latino-led, Latino-serving nonprofits outside of the HIP Collaborative, these were some substantial changes that will persist:

- Some funders became more active in the Latino community or reinforced their commitment to the Latino community.
- The Collaborative gave funders a solid funding model to share with other initiatives.
- The Collaborative allowed funders increased awareness of the issues and needs of the Latino community and to create new relationships within the Latino community.

## Impact at the Foundation Level

This section describes the impact the Funders' Collaborative had on the local foundations.

### Benefits

- Increased funding. Leveraged dollars allowed for a larger impact on nonprofits, which produced a larger impact in the sector and, thus, a larger impact in the community overall. *It brings in dollars from the outside. We were able to make our dollars go further. It increased the amount going to the Latino community because we were doing both our foundation grants and the grants through the Collaborative.*
- Diversified funding. Funders were able to support nonprofits that otherwise would have been too small or outside their program area(s). *Casa de Venezuela and Acción Colombia would have been too small to receive funding from the participating foundations.*

- Increased capacity of small grassroots organizations to the point that they could apply for funding from larger funders through conventional channels. *The Collaborative was a way for groups to build capacity to become eligible for our funding. So, it allowed us to help build the capacity of really small grassroots organizations.*
- Increased knowledge about the importance of capacity-building grants for Latino nonprofits. *It helped raise awareness of Latino leaders making a difference in Philly and it became an opportunity for the foundation to learn.*
- Increased knowledge about the number and scope of Latino organizations in the area. *Our background is Catholic and Latinos are the fastest growing Catholic community so we did our share of contribution. However, our eyes were very much opened to how much more need there was.*
- Increased reach and capacity of small to mid-size funders who don't have the staff to do as much research and outreach. *It showed the family members that trusting a collaborative, giving up what they perceived as control, gave them more discretion, information and knowledge. This is especially true for smaller family foundations. For mid- to large foundations funders, collaboratives can be a burn on their time, because they have staff that can do a lot of this work. For small- to mid-size foundations there is a lot to be gained from participating in a collaborative.*

### **Did the Collaborative impact funders' approach to grantmaking?**

- Increased funding to Latino organizations working in the program areas of the local foundations. *The Collaborative was a significant portion of the work we were doing in the Latino community. It was a great opportunity to increase the work in the Latino community.*
- Continued funding and technical assistance to Latino nonprofits beyond the Collaborative. *We discovered additional organizations through the Collaborative and some are still coming back to us. The Collaborative expanded the scope of the types of requests the foundation would fund.*
- Increased funding to grassroots organizations. *Larger organizations with more capacity get more attention from funders. The Collaborative helped me to build deeper relationships with leaders from Latino organizations, and to see what was happening on the grassroots level. It helped me to build relationships and helped me to elevate the needs and circumstances of smaller organizations as high as I could within my infrastructure.*

### **Funders' Perspective on the Role of HIP in the Collaborative**

- Efficient grantmaking to Latino-led, Latino-serving nonprofits. A designated staff person worked closely with Helen as the local funder leader. *HIP staff is great at putting out proposals, notifying people, holding organizations' hands for applying, bringing funders together. HIP has great staff managing the program really well. To this day HIP has been excellent in the support they have given foundations. HIP has competent staff members who are comfortable with technical aspects of grantmaking. Having a dedicated staff member to manage the site was critical.*
- Effective matching national funds.
- Provision of trainings and technical assistance to grantees. *HIP always seemed to be providing excellent technical assistance to the grantees and had a really strong grasp of the issues.*
- Critical administrative support with dynamic, capable staff particularly when HIP had a local office. *Even though funders always had the materials needed to review nonprofits and make grant decisions, staffing support was less responsive and personal when there was not a local office. HIP needs to figure out the balance between its resources and maintaining relationships at the local level. HIP staff is passionate and goal oriented but they became stretched too thinly.*
- More active administrative support and interaction with higher-level HIP staff could have led to increased local fundraising, visibility, and duration of the project. *If you want to do more, you have to have more direct capacity in the region. Diana is a really dynamic and charismatic leader and being able to have access to her at critical points is important to local funders.*

## Would you participate again?

Most funders stated that their future participation would depend on the format of the Collaborative. Funders referred to the rapidly changing funding climate in Philadelphia with many large local players moving out of the area (Annenberg Foundation moving to California, The Pew Charitable Trusts moving to Washington, DC) and smaller, family foundations playing a larger role. Many funders stated they maintained high regard for the experience and hope that they could participate in the future. Table 3 shows the answers from the funders when they were asked during the interviews if they would participate in another round of the HIP Funders' Collaborative. Ten of the 12 funders said that they would consider participating in a future collaborative depending on the topic, evaluation plan, funding formula and communication strategies. The two foundations that said they would not participate had shifts in their priorities: one has new strategic plans that do not allow for participation in collaboratives and the second one has shifted to supporting national policy work.

**Table 3: Local Funders' Future Participation in a Funders' Collaborative**

Funder	Yes/Maybe	No
Connelly Foundation	In strategic planning, open to future collaboration	
John S. and James L. Knight Foundation	Depending on the issues	
PECO	Depending on evaluation and communication	
Saba Chai Five Foundation	Depending on funding formula and issues	
Samuel S. Fels Fund	Depending on the issues	
The Calamus Foundation		Shifted to national funding
The Claniel Foundation	If more transparency and outcomes data	
The Pew Charitable Trusts	Depending on the model and issues	
The Philadelphia Foundation	Yes	
United Way of Greater Philadelphia and Southern New Jersey	Depending on issues	
Weinstein, Schleifer & Kupersmith, PC	Yes	
William Penn Foundation		New strategic plan, no funding through intermediaries

## Local Partners' Recommendations for the Future

The following are recommendations on how another Funders' Collaborative could be most effectively implemented going forward:

- **Continue the matching funds**
- **Include the local partners in the national fundraising**
- **Continue capacity-building grants with a focus on leadership development and national policy work**
- **Increase communication and administrative support for the local funders**
- **Develop relationships with new funders**
- **Continue grantee convenings and technical assistance**
- **Assess the current local priorities and needs**
- **Continue to educate funders about the current needs of Latino nonprofits in Philadelphia**
- **Support the most pressing needs of the Latino communities in Philadelphia**
- **Conduct on-going evaluation for timely communication of results**

- **Continue the matching funds.**

- Continue the matching funding. *Local funders whose money was doubled would stay in the Collaborative as long as the national dollars come in. Once there is no national match, there is not a great interest to continue collaborating.*
- Maintain a consistent commitment on the match amounts. *Part of the communications issue was the reduction from 1:1 to 50c:1 match. It was a bit shocking and abrupt for many of the funders. HIP reduced the funding but there was no process, just an announcement without talking to people ahead of time. Some new funders who didn't have a history with the Collaborative didn't have a problem. But with some of the original participants, it didn't feel right. Lack of process and communication was a challenge.*

### **Communities for Public Education Reform (CPER)**

In 2007, Public Interest Projects launched a funders' collaborative whose mission is to guarantee educational excellence, equity and opportunity in six sites across the U.S. including Southeastern Pennsylvania. The CPER funders' collaboratives used HIP's successful model of pooling local dollars with national matched funds to support a network of grassroots, community-based organizations working in the field. CPER also combined their direct grants with capacity building, convening and networking based on the HIP FC model. As of today, many organizations and interest groups have adapted this model to further their mission and facilitate partnership between grassroots organizations and philanthropy.

- **Include the local partners in the national fundraising.**

- Use the local partners to support national fundraising. *HIP could take advantage of using the local funders on the national ask. When we look at participating in collaborations, the more members at the table, the stronger the ask. The local partners could be a bigger partner in national fundraising work.*

- **Continue capacity-building grants with a focus on leadership development and national policy work.**

- Continue capacity-building grants for nonprofits in Philadelphia. *Capacity building is a big issue. There are very few Latino organizations that have good infrastructure. There is a gap between the small and the larger organizations. The middle-sized organizations are missing.*
- Support the organizations forming to serve the growing Latino population, which usually have insufficient capacity. *The Latino community is a growing, emerging population and there are*

*not enough infrastructures yet for that community. This community is only getting bigger and it has needs that are not being met, especially with language barrier issues.*

- Support local leaders to network at the national level. *Leaders who are doing hard-core, powerful community organizing need to step out, network, unpack what is going on, figure out a language, gain tools to name the intersectional work that is happening, articulate the power of their work at a local level and contextualize in national policy conversations.*
- Provide professional training to local leaders to become national leaders. *Leadership from community comes from community people who become leaders. We need to help them in practical ways to get on positions in foundations, national organizations, run for office. It is important that we continue to develop Latino Leadership. In Philadelphia, I can count 25-30 key Latino leaders who are always tapped for involvement. There is an emergence of young, highly educated leaders, and we need to bring them into the charitable world.*
- **Increase communication and administrative support for the local funders.**
  - Increase staffing stability to insure continuity of the Collaborative and relationship building. *HIP kept changing personnel, which was distressing to us. We would get someone, come to love him, he would know Philadelphia well, and then suddenly there would be someone else. It happened too often for my taste.*
  - Establish a local office and provide a staff person in Philadelphia, or at least designate an off-site staff person who visits frequently to conduct targeted face-to-face meetings. *HIP is not anywhere in Philly. There is no office and no representation by a senior staff. HIP should consider being more a part of the Philly community, if they want to generate more resources locally. They should be a thought leader nationally with local participation. HIP needs to be at events to build relationships and increase their presence here.*
  - Increase strategic exposure of senior HIP staff in the region to build relationships. *Diana is a really dynamic and charismatic leader and being able to have access to her at critical points is important to local funders.*
  - Implement ongoing communication with funders, especially when relationships and transitions are involved.
- **Develop relationships with new funders.**
  - Capitalize on the experience of other local initiatives to identify future national partners. *For national funders, HIP should try taking advantage of relationships that exist already. For example, the Ford foundation was one of the key funders of the CPER effort, so there could there be crossover opportunities.*
  - Host individual donor convenings to support foundations channel donor-advised funds.
  - Implement new strategies to effectively engage corporate funders
    - Public recognition and exposure. *As a corporation, we needed to be recognized out there. We needed to develop the relationships and strategize how to get our name out.*
    - Better inclusion in site visits and events.
    - Tailored communications, meetings and convenings for corporations.
  - Foster philanthropic leadership – Latino giving circles - in the Latino community. *Through AAPIP we started an Asian giving circle, and it's in its 5<sup>th</sup> year now. Some people interested in starting one for Latinos and I've been trying to help them based on my experience in AAPIP. For the Asian giving circle, the Philadelphia Foundation and the United Way have given matching funds to encourage participation.*
  - Outreach to increase local family foundations supporting Latino nonprofits.
  - Implement issue-based funding which might bring in more individual donors. *If HIP wants to fund projects that deal with hot issues in the Latino community, it may get individuals who are attracted to those issues.*
- **Continue grantee convenings and technical assistance.**

- Implement national convenings with grantees and funders from all of the HIP Collaboratives to share experiences nationally.
  - Tailor topics to fit the wide range of nonprofit experience. *TA sessions are great service, but the facilitators have to be culturally competent and give information that is useful to everyone and focus/customize it to that audience.*
  - Continue to provide concrete technical assistance around diversifying revenues to rely less on foundation funding.
- **Assess the current local priorities and needs.**
    - Assess the current needs in the community and how funders can address those needs. *HIP should conduct a good, comprehensive needs assessment in the region to set priorities and determine the issues. They could also facilitate a conference of organizations, non-Latino and Latino, who are working with this population to understand what is happening.*
    - Analyze demographics and trends (Census data). *Take a deeper look at how demographics in the region have changed. Brookings Institute did it in 2006, and revealed that there was a big shift. But it is old data now. The foreign born-Hispanic population is really changing. What is the trajectory? For example, NE Philly was 90% white in 1990, now only 60% white and most of the change is Hispanic. Demographic data would help carry information to the board. Information on what are the positive contributions of the Latino community, what are some of the challenges. Simple numbers, simple research, such as Census data. Share with all of the funders, so they can share with their boards. Report a breakdown of what they're doing well, what they're not doing well. It could be part of a pitch to join future collaboratives.*
    - Table 4 lists other local collaboratives or potential partners for HIP to investigate for future work in the area.

**Table 4. Local Collaboratives and Potential Partners**

<b>Local Collaboratives</b>	
United Way of Greater Philadelphia and Southern New Jersey and The Philadelphia Foundation (building a funder's collaborative around strategic partnerships in the API community).	
Jobs Opportunity Investment Network (JOIN)	
Philanthropy Network (Delaware Valley Grant Makers)	
Arts Collaboratives	
Communities for Public Education Reform (CPER)	
Montgomery County Collaborative	
<b>Potential Local Partners</b>	
Jewish Federation in Philadelphia	
Philadelphia Bar Foundation	
Philadelphia Volunteers for the Indigent Program (VIP)	
PHILAPOSH (occupational safety and health, <a href="http://www.philaposh.org">www.philaposh.org</a> )	
American Jewish Committee-Latino Coalition (Individual donors)	
Pennsylvania Immigrants Citizen's Coalition (PICC)	
<b>Potential National Partners</b>	
<b>Diversity, Equity and Inclusion in Philanthropy</b>	D5 Coalition ( <a href="http://www.d5coalition.org">www.d5coalition.org</a> )
<b>LGBTQ and Women's Health</b>	Civil Marriage Collaborative Astraea ( <a href="http://www.astraeafoundation.org">www.astraeafoundation.org</a> ) Mama Cash ( <a href="http://www.mamacash.org">www.mamacash.org</a> )
<b>Educational achievement</b>	The Just and Fair Schools Fund, through the Public Interest Project ( <a href="http://www.publicinterestprojects.org/funds-projects/partner-and-collaborative-funds/">www.publicinterestprojects.org/funds-projects/partner-and-collaborative-funds/</a> )
<b>Housing</b>	National Council of La Raza National Urban League



- **Continue to educate funders about the current needs of Latino nonprofits in Philadelphia.**
  - Illuminate the work on Latino nonprofits. *HIP can help smaller nonprofits get the word out which in many cases are the best-kept secrets in Philadelphia. These organizations are good at identifying and addressing the needs of their communities, but they lack professional polish.*
  - Increase diversity, inclusion and equity in philanthropy.
- **Support the most pressing needs of the Latino communities in Philadelphia.**
  - Education; jobs, income and employment; older adults; LGBT; legal issues (domestic violence, political asylum, unaccompanied minors, wage recovery, immigrant integration); community art
  - Capacity building and general operating support for: leadership development – boards and staff; nonprofit management and HR; cultural competency/language access; technology; fundraising support and training; professional development
- **Conduct on-going evaluation for timely communication of results.**
  - Provide impact data throughout the life of the Collaborative. *Our directors make decisions based on solid information, data on impact, they are calculated risk-takers. So from our perspective it is important to have a 3<sup>rd</sup> party evaluation to pull all of the information together and find the threads. Try to show impact both at the high level of the Latino community and at the level of the individual nonprofits. We couldn't count our progress. Since we didn't have quantitative information we could only speak anecdotally about changes in organizational strengths.*
  - Maintain frequent communication on grantee progress. *HIP should communicate to local funders highlights such as "we just heard from nonprofit X that they hired a new ED, and their grant was for transition planning." Write to us every 6 weeks and tell us about progress.*
  - Establish measurable objectives and report on-going progress. *Get evaluation mapped out, nailed down before any other collaborative gets started. It got hard to sell the Funder's Collaborative to other funders because we couldn't count the progress, show the impact.*

## 4.2 Lessons Learned by HIP

The Southeastern Pennsylvania site was launched with a locally based manager but due to the demands in the region, HIP opened a Northeast Regional Office in New York City where staff managed grants administration, provided technical assistance and conducted all fundraising for the region, including the Philadelphia Collaborative site. HIP leveraged the experience and time of its staff and centralized its efforts in one location to fully cover its costs for the Collaborative in Southeastern Pennsylvania. While this adjustment was challenging for some of the local funders, it was essential to HIP to continue to provide a successful low-cost, high-impact collaborative model. Staff has diligently worked to maintain relationships at the local sites, coordinate activities of the Collaborative and remain responsive to the needs of the funders and grantees in Southeastern Pennsylvania.

### HIP's lessons learned are:

- **Secure the involvement of a strong local funder** who can act as a convener, who has enough clout to bring other local funders to the table, and who can be an effective leader to connect HIP, local and regional funders, and grantees.

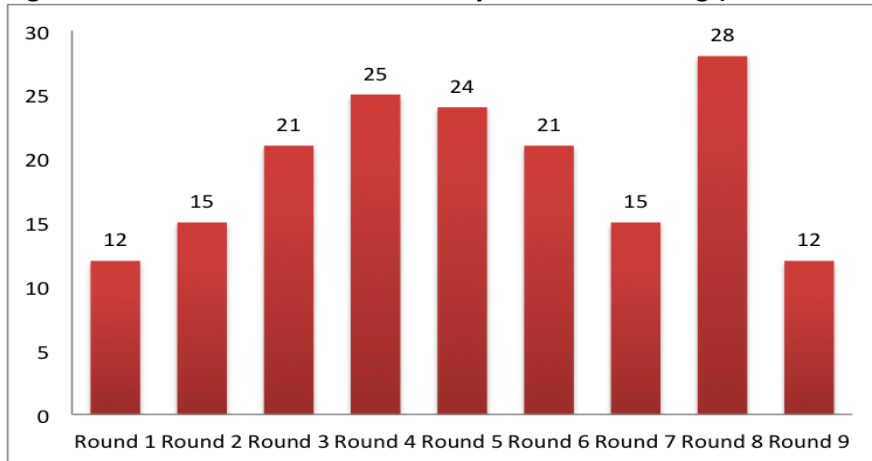
- **Review fundraising and grant making to focus on areas of need.** As a response to the decrease in capacity-building dollars over recent decades, HIP understands the importance of reviewing its fundraising and grant making model with local, national and transnational funders and with grantees to identify issue areas based on the needs of the Latino communities across the Americas, including health, aging, poverty, education, LGBTQ, and others.
- **Create grantee monitoring and evaluation** systems at the local, national and transnational levels to provide timely and accurate information on progress and impact.
- **Provide technical assistance** during the application phase, through grant distribution and monitoring, and during the reporting phase to ensure grantees are able to successfully build capacity and finish their projects.
- **Respond timely and uniquely to the different needs of the site.** After reviewing the financial model for its Funders' Collaborative, HIP increased its program management fee to allow the organization to focus on fundraising efforts and administrative support. Through this increase, HIP was able to cover its costs for the Collaborative in Southeastern Pennsylvania and improve its fundraising efforts.

## 5) Findings and Recommendations from Grantees

### Grantee Profile

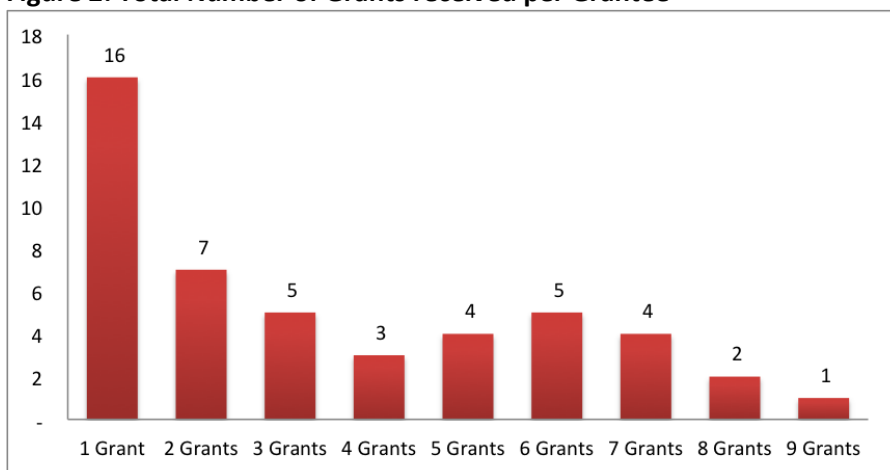
This section summarizes grantee documents and information from agency websites when available. Through nine rounds of funding, the Southeastern Pennsylvania Funders' Collaborative provided 172 grants to 47 Latino nonprofits for a total of nearly \$3.5M in funding (See Figure 1). This section reports on the 161 grants disbursed in Rounds 1 thru 8 as in Round 9 were awarded this spring.

**Figure 1: Number of Grants awarded by Round of Funding (Total N=172)**



Grants ranged from \$2,050 to \$30,000 over a period of one to two years. The documentation of most rounds was complete, however Rounds 2 and 6 were missing large numbers of reports, thus, the evaluation team was able to review progress reports of 73% of the grantees from all rounds. As shown in Figure 2, most of the grantees, 31 (66%), received funding in more than one round, while 16 (34%) received only one grant. 40% of grantees received more than 3 rounds of funding in Philadelphia, illustrating the long-term commitment that the Collaborative had to many of its grantees.

**Figure 2: Total Number of Grants received per Grantee**



## Grantee Demographics

### Years of Operation

The nonprofits funded by the Collaborative had been in operation for varied lengths of time and differ greatly in size and budget. One grantee was created in 1962, while another had only been in operation since 2004. 91% (N=39) were registered nonprofits, while 9% (N=4) had fiscal sponsors. Four organizations successfully achieved nonprofit status during one of their funding cycles. Two lost their nonprofit status, although one became sponsored by a larger nonprofit in the area and continues its programs to this day under the umbrella of that organization.

#### Esperanza Immigration Legal Services

EILS applied for a grant from HIP in 2010 when it was still a program of Esperanza. In less than three years, EILS managed to become a nonprofit, established a board of directors, and created a fundraising plan to take the organization to 2016. EILS has been able to increase support from foundations and individuals, and has ended each fiscal year with a surplus, relying increasingly less on support from its parent organization, Esperanza. EILS' greatest success with regard to sustainability has been creating and strengthening its board of directors.

### Revenues

Organizations' revenues varied from \$10,000 to \$2.3M<sup>4</sup>.

### Participants Served

Data gathered by HIP on grantees shows that they served many aspects of the Latino community in and around Philadelphia and the Tri-State Region. Tables 5 through 7 describe the demographics of people served by the Collaborative.

**Table 5: Age Groups of Population served by Grantees**

Target Age	Percent of Grantees	Number of Grantees
All Ages	19%	9
Infants / Toddlers (0-5)	11%	5
Youth (6-18)	64%	30
Adults (all)	32%	15
Young Adults (19-25)	11%	5
Seniors (65+)	6%	3

Agencies served participants of all ages, with a particular emphasis on adults and youth. Five agencies had a special focus on infants and toddlers and three agencies had a special focus on seniors.

Table 6 shows the ethnic and nationality-based groups served by the grantees. Many served all ethnic groups, while others focused their efforts on serving particular groups such as Puerto Ricans, Central or South Americans.

<sup>4</sup> It is a requirement that nonprofit applicants have annual budgets under \$2M to be considered for funding from the Collaborative. The grantees with budgets over \$2M must have increased their revenues after receiving a capacity-building grant from HIP.

**Table 6: Ethnicity or Nationality of Population served by Grantees**

<b>Ethnic / Nationality-based groups</b>	<b>Percent of Grantees</b>	<b>Number of Grantees</b>
All Ethnic Groups	26%	12
African American / Black	6%	3
Asian	2%	1
Central American	17%	8
Latino / Hispanic	91%	43
Mexican	19%	9
Puerto Rican	9%	4
White	2%	1
South American	11%	5

Additionally (Table 7), grantees worked with a wide range of target communities with many focusing on low-income residents and immigrants or migrant laborers.

**Table 7: Special Target Communities Served by Grantees**

<b>Special target communities</b>	<b>Percent of Grantees</b>	<b>Number of Grantees</b>
Crime / Abuse / Domestic Violence Survivors	6%	3
Day Laborers / Migrant Workers	13%	6
Disabled	4%	2
Faith Based	4%	2
Formerly incarcerated / incarcerated	6%	3
Immigrants	38%	18
LGBT	4%	2
Low Income	40%	19
Men and Boys	6%	3
People living with HIV	4%	2
Women and girls	21%	10

### **Geographic Areas**

Nine of the organizations served clients city-wide and an additional 10 agencies served the Philadelphia Tri-State Region (together 40%), while others were focused on specific neighborhoods with high Latino populations such as the Norris Square, West Kensington or Hunting Park areas of North Philadelphia (36%) or Bella Vista in South Philadelphia (2%). Eight agencies were based in and served participants in the counties surrounding Philadelphia: Montgomery County (9%), Chester County (4%), Bucks County (2%) and Delaware County (2%). Two organizations serve clients statewide.

## Program Services

As shown in Table 8, organizations provided a wide variety of services with the most common being education (51%), youth development (36%), employment (36%), arts / culture (34%) advocacy / civil rights / social action / social justice (32%), health (23%), economic development (23%), civic engagement (21%), and recreation and sports (17%).

**Table 8: Program Service Areas of Grantees**

<b>Service Area</b>	<b>Percent of Grantees</b>	<b>Number of Grantees</b>
Education	51%	24
Employment	36%	17
Youth Development / Volunteerism	36%	17
Arts / Culture	34%	16
Advocacy / Civil Rights / Social Action / Social Justice	32%	15
Economic Development	23%	11
Health	23%	11
Civic Engagement / Participation	21%	10
Recreation / Leisure / Sports	17%	8
Capacity Building	15%	7
Food / Nutrition / Agriculture / Environment	15%	7
Technology	11%	6
Housing / Shelter	11%	5
Financial Services	9%	4
Work and Health	9%	4
Community Development	6%	3
Human Services	6%	3
Mental Health	6%	3
Legal Services	4%	2
Violence Prevention	4%	2

The evaluation team, in collaboration with HIP staff, designed and conducted an online survey (using SurveyMonkey) in March 2014 to assess grantees' perceptions of their participation in the Funders' Collaborative.

Twenty-three grantees filled out the online survey. Most surveys were completed by development, executive or program staff of the agency including executive directors, CEOs, program directors, development directors, or former EDs of the nonprofit (78%, N=18). Only two respondents were not familiar with the HIP grants. Respondents came from agencies that were funded in all rounds, with higher representation coming from agencies funded in the most recent Rounds 7 and 8.

## Valued Participation

Participants were asked to rate the level that their organization valued participation in the Collaborative on a scale of 1-5, with 5 being "very high." The rating average of the 21 respondents familiar with the grants was 4.52. Of the 21 agencies, 81% (N=17) rated their participation a 4 or 5, with 71% (N=15) rating it a 5. Only four participants (19%) rated their experience as a 3.

## Assessment of Funding Impact

As Table 9 shows, the types of funding that had the most long-lasting impact on their agency were strategic planning (52%), technology upgrades (52%), fund development (48%) and training for their board and staff (38% for each). Agencies also reported that funding for financial planning and management, capital improvements or communications and marketing had long-term impact, even though they were funded much less often. For example, of all 161 grants from Rounds 1-8, only 5% included a capital improvement component but 3 respondents reported that it had a long-term impact on their organization (See Figure 2, page 28).

**Table 9: Type of HIP funding with the most significant, long-lasting impact on the organization**

Type of funding	Percentage of Responses	Number of Responses
Strategic Planning	52%	11
Technology (e.g., internet connectivity, social media, database management, tracking and reporting systems, website, software, hardware)	52%	11
Fund Development	48%	10
Board Development	38%	8
Staff Development	38%	8
Evaluation	29%	6
Communications & Marketing to potential funders	23%	5
Communications & Marketing to clients and community	14%	3
Capital Improvement	14%	3
Financial Planning / Financial Management	5%	1

## Areas of Impact

Participants were asked to report on the impact to their agencies and services. As shown in Table 10, of those respondents, 48% (N=10) reported expanded / improved programs, 43% reported improvements in board structure, the ability to complete a strategic planning process or increase technological capacity, 33% implemented steps of a strategic plan, diversified revenues, increased board participation or developed their evaluation capacity.

**Table 10: Areas of Impact from Funders' Collaborative Grants**

Area of Capacity Increased from Grants	Percentage of Responses	Number of Responses
Expanded or Improved Programs / Services	48%	10
Implemented defined board responsibilities	43%	9
Completed a Strategic Plan	43%	9
Increased Technological capacity	43%	9
Implemented steps of a strategic plan	33%	7
Increased diversity of organization's revenues	33%	7
Increased board participation	33%	7
Established / developed program evaluation capacity	33%	7
Formed strategic partnerships with other nonprofits	29%	6
Staff received education / certification required to do job	24%	5
Permanently funded a new staff position	10%	2
Established formal, separate nonprofit status	10%	2
Merged with another organization	5%	1

## Recommendations for Future Funding

Respondents were asked to assess what types of funding would be useful. As shown in Table 11, technology, fundraising and strategic planning continue to be the highest priorities for future funding for this sample of respondents. Many also mentioned staff training, communications and marketing to funders and their constituents, and financial management. Finally, networking and opportunities to connect with other nonprofits and funders and educating funders on the needs of the Latino communities in the area continue to be high priorities. One respondent wrote in that access to general operating funds continues to be a challenge for all nonprofits.

**Table 11: Future Funding Priorities of Grantees**

<b>Funding Priorities for Future Collaboratives in Philadelphia</b>		
Funding for Technology (e.g., internet connection, social media, databases, tracking systems, website, software, hardware)	57%	12
Funding for Fund Development	48%	10
Funding for Strategic planning	43%	9
Funding for Staff Development	38%	8
Funding for Financial Planning / Financial Management	38%	8
Funding for Communications / Marketing to potential funders	38%	8
Funding for Communications / Marketing to clients and community	38%	8
Networking opportunities to connect with other nonprofits and Funders	38%	8
Educating funders on the needs of Latino Communities	33%	7
Funding for Capital improvement	33%	7
Funding for Board development	29%	6
Funding for Expanded / Improved programs / services	29%	6
Leadership and Professional Development for staff	24%	5
Funding for Evaluation	14%	3
Training and technical assistance from HIP	10%	2
General Operating Funds	5%	1

Respondents were also asked their opinion on whether there are specific issue areas or populations that would be critical to fund in Southeastern Pennsylvania. Five respondents mentioned immigrants and migrant laborers as groups that require special attention in their communities; others mentioned youth, queer youth, and investing in women as leaders. The issues mentioned by this sample were arts and education, and technology access and training in the Latino community.

**Immigrants and migrant laborers are groups that require special attention as well as youth, queer youth, and developing women as leaders.**

Finally, a few agencies mentioned supporting strategic partnerships between agencies and the balance between diversifying funding sources and maintaining the agency's fidelity to their mission and connection to grassroots membership and voice. Some thought HIP should continue to prioritize funding small, volunteer-run, start-up organizations to help them formalize. Others thought that supporting connections between large and small organizations



would maximize both funding impact and connection to the communities. Many respondents highlighted the important role that HIP has played in the region, focusing funding on Latino-led, Latino-serving nonprofits, as well as smaller, grassroots organizations. Also the emphasis on capacity building was extremely welcome and continues to be a need in the community.

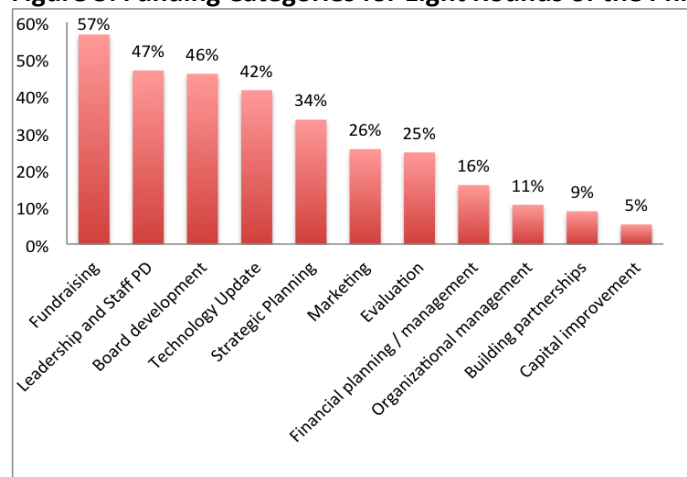
## Grantee Project Outcomes and Organizational Capacity: Analysis of Change

This section comprises information gathered through the review of proposals, budgets, and reports. Grantees submit progress and final reports describing how they met their goals and objectives, whether they received other capacity-building grants, formed partnerships, or were awarded other funding. As well, they are asked to evaluate the grantee convening workshops. These reports are submitted annually for multi-year projects and final reports at the close of each grant period. Through 8 rounds of funding cycles, the Collaborative awarded 161 grants to 47 grantee organizations. HIP provided the evaluation team with 119 full reports, summaries or update letters from the grants. The information below presents results gathered from these materials. The majority of grants awarded were one-year and, therefore, the majority of the reports submitted are one-year final reports. Round 8 funded two-year projects. Some projects were awarded their second year grant based on their first year performance as a Round 8b. Rounds 8 and 8b were analyzed together. The final reports provide the grantee’s perspective of their work, achievements and participation experience at the conclusion of their grant.

### Funding Categories

Many grants focused on multiple capacity building goals. As shown in Figure 3, the majority of the grants focused on fund development (57%), leadership and staff training and professional development (47%), and board development (46%). Technology updates (42%) such as websites, database development, or hardware / software, strategic planning (34%), fundraising (57%) marketing (26%) or evaluation (25%) were often initiatives that required intensive board and staff development and training efforts.

**Figure 3: Funding Categories for Eight Rounds of the Philadelphia Collaborative\***



\*Many grants funded more than one category, therefore percentages add to >100

### Meeting Set Goals and Objectives

From the 119 grants reviewed, 76% (N=91) of the grantees met all of their goals during the grant period or during a no-cost extension. 18% (N=22) of the grantees partially met their goals often due to very ambitious fundraising targets and with many of them completing their goals in successive rounds of funding. Only 5% (N=6) of the grantees did not meet their goals or did not provide enough information to determine if they met their goals. One grantee did not meet their goals because of leadership transition, plus working on a joint project with another agency and the others did not provide complete information to determine the reasons.

**Raíces Culturales Latinoamericanas** received funding since the first round and worked on a variety of capacity building projects. In Round 7, their goal was to build their fundraising system and staffing to increase revenue by 12% to compensate for lost state funding. With the HIP grant, Raices hired an internal marketing and development manager who increased their revenues by 31%.

**Hiring Consultants and Staff**

Most grants (85%, N=101) funded a specialized consultant to lead or develop strategic planning, fundraising plans, technology updates, financial management, or board development and training. Also 76% (N=91) of grants paid for internal staff time to participate in the work of strategic planning, fundraising, technology development and financial management. For 22% (N=26) of the grants, they allowed the agency to hire new internal staff, such as development directors, executive directors, financial managers, or accountants to complete the work.

**Community Leadership Institute (CLI).** Funded in Round 3, CLI worked with a consultant to build institutional capacity by forming and training a fundraising team, which spread the knowledge and responsibility, making the organization more resilient in times of crisis with increased success fundraising skills:  
*It's clear to us that we went about this project in the right way: We have a teacher, not a fundraiser. And the team is good, consisting of board members, staff and constituents, which gives us a broader perspective. Our team approach spreads fundraising skills, as well as responsibility and accountability, throughout the organization. As a result, there's an increased sense of ownership for the organization as a whole. This has been especially important in the face of an illness experienced by the executive director, when she was unable to carry out all her fundraising responsibilities.*

**Other Funders Providing Capacity-Building Support**

Many grantees were often engaged in related capacity-building projects at the same time as their HIP funding, or sought additional funding to implement strategic plans or fundraising plans. Of the reports that included information on additional capacity building support, 64% (N=63 of 98) had some additional capacity building funding or support such as free training for staff. The capacity building grantmakers are summarized in Table 12. The Philadelphia Foundation and the William Penn Foundation were mentioned most often by a wide variety of grantees. The PEW Charitable Trusts was mentioned for arts funding through programs such as Dance Advance through the Pew Center for Arts and Heritage. The Hispanic Capacity Project was a resource for faith-based or small community based projects to build capacity.

**Table 12: Other Capacity-Building Funders in Southeastern Pennsylvania**

# Grants	Funders
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<b>5+ Grants</b>	
<b>Foundation</b>	Esperanza’s Hispanic Capacity Project, The Philadelphia Foundation, United Way of Greater Philadelphia and Southern New Jersey, William Penn Foundation
<b>3-4 Grants</b>	
<b>Foundation</b>	Independence Foundation, John S. and James L. Knight Foundation, Pew Center for Arts and Heritage (Dance Advance), Pew Charitable Trusts
<b>Government</b>	DHHS, Family Services Project ECO (Early Childhood Outcomes)
<b>1-2 Grants</b>	
<b>Foundation</b>	The Claneil Foundation, Samuel S. Fels Fund, Ford Foundation, HIP, Nathan Cummings Foundation, Patricia Kind Foundation, Pennsylvania Children’s Trust Fund, The Pew Charitable Trusts OMG Center, Pew Philadelphia Cultural Leadership, Union Benevolent Association, Phoebe Haas Foundation, Nonprofit Finance Fund, Reinvestment Fund
<b>Government</b>	AmeriCorps/Vista, Board of Immigration Appeals Accreditation, Bucks County, City of Philadelphia, Delaware River Port Authority, Eat4Health Initiative, Family Center of Pottstown, Mayor’s Anti-drug initiative, Montgomery County office of Behavioral Health and Developmental Disabilities, Neighborhood Funding Stream for the American Street Empowerment Zone, Pennsylvania Children's Trust Fund, Pennsylvania Council on the Arts, Urban Voids Project
<b>Corporate</b>	Greater Philadelphia Tourism Marketing Company, IBM Software Grant, Langer Diver & Grogan Fellowship in Social Justice, Magellan, Prudential Foundation, Rohm and Haas Company, Wachovia, Arts and Business Council of Philadelphia
<b>Nonprofit</b>	Community Ambassadors for Science Exploration, Community Training Assistance Center, Eastern North Philadelphia Youth Service Coalition, Latino Commission on AIDS, Pennsylvania Association of Nonprofits, Pathways to Housing, Philadelphia Affordable Housing Coalition, Philadelphia Health Management Corporation's ACE Program, OIC of America's Strengthening Communities Fund, Philadelphia Youth Network,
<b>Academic</b>	National Institute for out-of-school time, Norristown School District, Pennsylvania Department of Education (PDE/ABLE), St. Joe's University literacy program, Temple University Metropolitan Philadelphia Indicators Project, Wharton Community Consultant's Project
<b>Individuals</b>	Delaware Valley Service Corps, Marketing Consultant donated services

**Table 13: Categories of Other Capacity-Building Support\***

<b>Other Capacity Building Categories</b>	<b>%</b>	<b>N</b>
<b>Technology Update</b>	30%	19
<b>Strategic Planning</b>	25%	16
<b>Leadership and Staff PD</b>	22%	14
<b>Fundraising</b>	19%	12
<b>Marketing</b>	16%	10
<b>Evaluation</b>	14%	9
<b>Capital Improvement</b>	13%	8
<b>Board Development</b>	11%	7
<b>Building Partnerships</b>	10%	6
<b>Financial Management / Financial Planning</b>	8%	5

\*Many reported more than one capacity building project, funded by more than one funder, so the totals add up to more than 63 agencies.

For the agencies that received additional capacity-building support, 60% (N=38) were using those funds to support goals similar to those funded by the HIP Collaborative while 35% (N=22) were working on other capacity building projects. Table 13 lists the most popular uses of other

capacity-building dollars, similar to the HIP projects: technology updates (30%), strategic planning (25%), leadership and staff training (22%), and fundraising (19%).

### Organizational Impact

The HIP Collaborative grants resulted in concrete organizational change for 62% (N=49) of the 79 grantees that included this information in their reports. Some of these organizational changes included: leadership changes including new board members 43% (N=34); moving into a new space or serving clients in a new space 16% (N=13); restructuring management or starting a new program 27% (N=21). It was often the case that hiring a part-time staff person to focus on financial tracking and reporting, or fundraising development and grant writing, freed up the time of other staff to more efficiently focus on service provision or to seek new resources for the organization. It is not clear from these reports what were the grants' long-term impacts on organizational change, and if the staff positions, in particular, were sustained beyond the grant period. In Round 8, additional information was gathered on whether agencies started new programs or served new populations. 19 of the 22 grantees reported changes in programs and populations served in their final reports, 63% (N=14) started new programs or services during the funding year while 40% (N=9) served new populations.

#### **Artistas y Músicos Latino Americanos (AMLA) & Nueva Esperanza, Inc. (Esperanza)**

Throughout several rounds, the Collaborative supported AMLA to explore and build a strategic partnership that provided a stable base to AMLA from which to continue to provide services to youth in the Hunting Park neighborhood of Philadelphia. The partnership built joint commitment to music and culture as a tool for successful community development. Esperanza strengthens Hispanic communities through an integrated strategy that includes housing and commercial development, workforce development, education, capacity building, and advocacy. AMLA offers its arts expertise to enrich Esperanza's academic offerings, while Esperanza's stable base as a nonprofit and experience as a capacity builder and community developer strengthened AMLA's operations and future. This partnership between two distinct nonprofits serves as a model for relationship building that benefits communities and the region as a whole.

### Partnerships

Grantees reported new partnerships and funding sources as a result of participating in the HIP Collaborative. Of the 88% (N=41) grantees that reported on having partnerships, 56% (N=23) developed new partnerships as a result of participating in the Collaborative. 54% (N=22) also reported new funding sources as a result of the HIP grant. The acquisition of these sources reflected a commitment to diversifying their funding bases and came from individual donors (N=22), foundation (N=41), government (N=18) or corporate grants (N=19), increased event participation (N=7), in-kind professional services (N=5), donations from community groups (N=7), and increases in earned revenue (N=8).

#### **Raíces Culturales Latinoamericanas & Casa de Venezuela.**

Supported by several rounds of the Collaborative, these two grantees worked for 3 years to build a strategic partnership. They first implemented a plan to find a shared space that reflected their unique goals and needs. They then embarked on a joint fundraising strategic plan and initiative that resulted in two jointly hosted fundraising events in 2013.

In Round 8, where 20 of 22 grantees concretely reported information by listing partnerships in a table in their final reports, 100% (N=20) of those responding had partnerships with other organizations and of those, 60% (N=12) were the result of funding or relationships inspired by the Collaborative grants. Agencies reported a

maximum of 11 partnerships and a minimum of three with an average of six. Agencies reported an average of two new partnerships for the funding period due to involvement in the HIP collaborative.

### **Diversifying Funding**

Since many of the grants focused their capacity-building effort on hiring development staff or working with a development and fundraising consultant, many of the efforts resulted in increased and more diversified funding sources for the grantees. Through all eight rounds, 54% (N=50) of available reports indicated new funding sources and of those, 56% (N=28) reported that the new funding sources were a result of the Collaborative grant.

**Esperanza Immigrant Legal Services (EILS)** The Collaborative allowed this grantee to achieve separate nonprofit status, establish and train a board of directors and create a comprehensive 3-year fundraising plan. This grantee increased support from foundations and individual donors and has ended each year with a surplus, decreasing reliance on its parent organization. EILS's sustainability relies on its strengthened board, which boasts 100% giving and participation in meetings and fundraising activities, and the direction of its comprehensive fundraising plan.

Again, grantees were asked to report on new funding sources in the most structured way in Round 8. Among the 20 grants awarded in that round for which we have information, 95% (N=19) received additional funding sources during their grant period, and of those, 65% (N=13) attribute their fundraising success to the Collaborative grants. In this later round, more thorough reporting helped us get a better picture of the growing sophistication of many of the grantees and their ability to harness capacity-building dollars to achieve real results. Of the seven grants that did not attribute additional funding sources to the Collaborative grant in Round 8, one was a grant awarded to two organizations to explore a strategic partnership and shared space, and three focused on technology updates in combination with either program evaluation, staff training and marketing efforts. The final three were awarded for more basic strategic planning and board development work. All six projects (excluding the joint grant) reported new funding sources from other activities.

Over all six rounds, the types of new funding sources tended to be quite diverse and reflected the nonprofits' goals of diversifying their funding bases and decreasing reliance on foundation grants. Grantees reported that new funding sources came from foundation (N=41), government (N=18) or corporate grants (N=19), donations from individuals (N=22), increased event participation (N=7), in-kind professional services (N=5), donations from community groups (N=7), and increases in earned revenue (N=8) through new programs or purchased equipment that allowed them to provide a service (such as computers that allowed the agency to offer a specialized music training class).

## Grantee Convenings

Finally, grantees were asked to assess their participation in the grantee convening workshops and to give feedback on the benefits of participating in the workshops and what they would like to see improved in the future. We had information on 92 of the grants and of those, 90% (N=83) attended and only 8 agencies (9%) either did not hear about the convening or were not able to attend due to scheduling difficulties.

Of those who attended, 75% reported that they appreciated the opportunity to interact and network with other nonprofits and 16% specifically highlighted the chance to interact with local funders. They also greatly appreciated the workshop topics that were presented, especially when they provided concrete tools for them to use in their organizations. Many reported that the workshops were relevant to their work and changed their thinking or approach to their own work or their agency's efforts. One organization even reported that it served as a board orientation for their board members that attended.

The grantees' feedback is grouped into several areas below, which appear in bold, with partial or full comments included as well.

### **Benefits of Participating in the Convenings**

- Strengthened relationships with other nonprofits and local funders.
- Increased knowledge about the sector, other grantees and funders.
- Strengthened professional development and leadership.

### **Recommendations for Workshop Implementation**

- Tailor the topics to better address agencies at different levels of capacity
  - Some organizations stated the presentations were too sophisticated, while others said they were too basic for their current needs.
  - Started to be repetitive for agencies that had been funded for more than 3 years.
  - Schedule multiple workshops during a half-day session and let participants choose which to attend to better meet their needs.
- Increase time to interact with local funders
  - Workshop with local funders to better understand the funding process, requirements and expectations of foundations or program officers.
  - One-on-one sessions with local funders to talk more specifically about their project, receive proposal coaching, and troubleshoot issues that arose during the funding period.
- Increase peer networking and support
  - Increase time to interact with other grantees.
  - Pair grantees as mentors.
  - Group grantees by issues.
- Increase regional and national networking
  - HIP should facilitate regional or national conferences.

- Involve grantees in setting national HIP agenda.
  - Compile and share an inventory of strengths / talents from the HIP grantees and organizations. Could lead to consulting opportunities within the network, based on need and relationships.
- Involve grantees in the planning and implementation of the convenings.

### **Feedback of Topics**

- Most helpful presentations included:
  - How to hire and work with a consultant
  - Fundraising and the funding climate
  - Nonprofit management, financial management
  - Board development and training
  - Evaluation
  - Marketing
- Most useful concrete materials included:
  - Organizational structure templates
  - Financial management tools
  - Board fundraising agreement templates
  - Tools for hiring and working with a consultant
  - Evaluation tools
  - Strategic plans templates
  - Personnel handbooks

### **Recommendations of Topics**

- Supervising / managing staff and volunteers
  - How to manage leadership succession both in staff and board
  - How to hire quickly in a fast growing organization
  - How to fire staff
  - Professional and leadership development
- Technology
  - Database training and technology access
  - Building and maintaining websites
  - List of pro-bono resources in the area for technology
- Broadening the funding base
  - Cultivating new relationships with donors
  - Changing environment of fundraising and emerging trends in philanthropy
  - Fundraising for general operating funds, capital campaigns and facility improvements
  - Working with banks / financial institutions and other corporate donors
- Grant writing and program evaluation

## Grantees' Recommendations for the Future

- **Continue with the Collaborative**
- **Strengthen and increase responsiveness of administrative support and communication**
- **Continue to provide technical assistance and professional development**
- **Implement on-going evaluation and communication of results**
- **Strengthen communication and dissemination of grantee successes to help leverage additional funds**
- **Increase HIP's role as a convener to connect grantees**
- **Continue to fund the Philadelphia area**

- **Continue with the Collaborative.** It is an effective strategy to attract investment of local and regional funders in Latino-led, Latino-serving nonprofits, and have an impact on the local, regional, national, and international sectors.
- **Strengthen and increase responsiveness of administrative support and communication.**
- **Continue to provide technical assistance and professional development.**
- **Implement on-going evaluation and communication of results.**
  - Administer a baseline survey prior to or at the time that the grant is given to measure current capacities and taxonomy of nonprofits, and then administer a final survey at the end of the grant period to assess change.
- **Strengthen communication and dissemination of grantee successes to help leverage additional funds.**
  - HIP should capitalize on their networks, build online communities to share stories and resources, and collaborate to strengthen Latino-led Latino-serving nonprofits.
- **Increase HIP's role as a convener to connect grantees.**
  - More frequent meetings/convenings and at different locations and times.
  - Increase networking.
  - Increase the on going sharing of resources and information.
- **Continue to fund the Philadelphia area.** Many local funders have shifted to funding narrowly defined impact areas. The loss of the HIP Collaborative would be a real hit to many small nonprofits.
  - Continue to fund capacity building.
  - Continue to fund small, grassroots organizations.
  - Continue to encourage collaborations and partnerships.
  - Continue to fund TA provided by specialized consultants.
  - Consider expanding criteria to include organizations with some Latino leadership (other than board or executive director) to further develop leadership in the community.



## 6) Conclusion

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Over a period of 13 years, the Funder's Collaborative of the Southeastern Pennsylvania site was able to achieve all four principal objectives of HIP's Funders' Collaborative for Strong Latino Communities: (1) strengthen the organizational capacity of small to medium-sized Latino nonprofits; (2) increase philanthropy's understanding of Latino nonprofits, the communities they serve and the role they play in civil society; (3) foster leadership among Latino nonprofits that incorporates a vision of inclusiveness and collaboration; and (4) increase the net amount of philanthropic dollars flowing to Latino nonprofits.

On the funders' side, the Collaborative was a vehicle to double the funds they were able to allocate to Latino nonprofits in and around Philadelphia by facilitating national matching dollars. It increased their understanding of how to implement capacity-building grants and their knowledge about Latino issues and the breadth of Latino-led, Latino-serving nonprofits in Philadelphia. The Collaborative increased ongoing funding to Latino organizations whose work falls under the guidelines of the funders' program areas. Additionally, learning details of the capacity-building work influenced several funders to continue funding those organizations beyond the Collaborative. It was encouraging, as well, that most funders stated that they would be interested in working with HIP in the future because of their positive experience with the Collaborative and expanded professional relationships.

On the grantees' side, most of them met their goals, which resulted in important improvements in their organizational capacity (e.g. increased staff, strengthened boards, improved office space and technological capacity, and diversified funding sources). Most grantees highly valued their participation in the Collaborative because it provided: networking opportunities with other nonprofits and funders; funding for strategic planning and management; training and technical assistance; and support for fundraising as well as board and staff development.

HIP has already taken steps to improve its Funders' Collaborative grantmaking model and to apply the learning to its new focused initiatives and other efforts across the organization.

### **Continued need for the Collaborative in Southeastern Pennsylvania.**

The Latino population in the five counties of Southeastern Pennsylvania has almost doubled since the Census in 2000 from 182,727 to 297,660 or from 4.7% to 7.6% of the total population. According to the 2012 American Community Survey of the U.S. Census Bureau, in Philadelphia county Latinos are estimated to make up 12.3% of the population – up from 8.5% in the 2000 Census, and they continue to grow in size and diversity, bringing with them the need for a broader range of nonprofit organizations. The national origins of the Latino population in the 5 counties have shifted since 2000. Mexicans now make up 18.4% of the Latino population up from 12.4% in 2000, while the percentage of Puerto Ricans have decreased from 61% in 2000 to 54.5% in 2012. Latinos of other national origins remain fairly stable at 24.3% of the population

in 2012 (up from 23.8% in 2000) and Cubans maintained the same percentage at 2.8% of the population.<sup>5</sup>

The nonprofits serving the Latino community in and around Philadelphia face persistent challenges, many of which have been worsened by the enduring effects of the recent recession. Funding from foundations and individual donors has fallen due to economic losses and decreased endowments, and state and local government cuts to social programs and community support have become the norm. This means that nonprofits are receiving fewer resources, yet are being asked to respond to increased needs in their communities, filling the void in services and support left by government budget cuts. The Nonprofit Finance Fund conducts an annual survey of nonprofit leaders. Of the 171 nonprofits surveyed in Pennsylvania in 2014, 69% said they saw an increase demand for their services in 2013 and 46% reported they were not able to meet the demand. When asked about their greatest challenges, 46% chose achieving long-term financial stability, 22% said diversifying funding sources, and 22% reported cuts or delays in government funding. In the last 5 years, 51% report declines in federal funding, 69% in state funding and 55% in local government funding.<sup>6</sup> In addition to challenges in government funding, researchers at Giving USA predicted that at the current rate of recovery it would take until 2018 for individual donations to get back to 2007 levels.<sup>7</sup> While many nonprofits reported an ongoing need for capacity building support to address issues such as diversifying funding, there is a decline in funders' interest and ability to support these efforts.

Supporting grassroots Latino nonprofits serving this vulnerable community is as important as a decade ago when HIP and its local funding partners first came together to strengthen the Latino community in Southeastern Pennsylvania. Both funders and grantees expressed strong interest in seeing the collaborative continue. Funders thought that assessing the current local priorities, developing relationships with new funders, and clearly defining the topic and scope of collaboration could refocus and reinvigorate the initiative in Southeastern Pennsylvania. A few key adaptations (improved communication, timely evaluation, more administrative support for local funders) could better support the solid foundation of the program (matching funds, core local leadership, grantee technical assistance, educating funders about needs of Latino nonprofits). Likewise, Grantees valued HIPs role as a funder, convener and trainer and hoped that the collaborative would continue to support their work.

Building upon the lessons learned and recommendations summarized in this report, there is no doubt that another iteration of the Funders' Collaborative in Southeastern Pennsylvania would be successful and an important part of providing the support needed by Latino-led, Latino-serving nonprofits and the communities they serve.

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<sup>5</sup> U.S. Census Bureau (2012). Profile of General Population and Housing Characteristics: American Community Survey 2008-2012 5-year estimates. Retrieved April 8, 2014, from <http://factfinder2.census.gov/> for Bucks, Chester, Delaware, Montgomery and Philadelphia counties.

<sup>6</sup> Nonprofit Finance Fund, 2014 State of the Nonprofit Sector Survey, NFF Survey Analyzer filtered by Pennsylvania. Accessed online April 2014. <http://survey.nonprofitfinancefund.org/?filter=state:PA>

<sup>7</sup> The Chronicle of Philanthropy, "Donations Barely Rose Last Year and Individuals Held Back," June 17, 2013. Accessed online April 2014. <http://philanthropy.com/article/Fundraisings-Recovery-Could/139801/>