PEOPLE POWERED Philanthropy

Reflections by Giving Circle Members

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Photography by Bryan Patrick

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The writing of this report coincides with a significant milestone achieved by the Giving Circle Network of the Latino Community Foundation: On November 15, 2018, the Network reached its first million-dollar grant-giving goal. That is, the Giving Circle Network has now deployed one-million dollars in grants to Latino-led/Latino-serving non-profit organizations in various regions of California, including the San Francisco Bay Area, the Central Valley, and Southern California. This significant achievement is the result of the efforts and generosity of 475 Latinos engaged in 19 Giving Circles since (year), with essential administrative support provided by the Latino Community Foundation.

The Latino Community Foundation has built this philanthropy movement by engaging individuals in a structured framework of Giving Circles, the first of which started in San Francisco approximately four years ago. Each Giving Circle member must give or get a minimum of $1,000 per year. The total amount collected by each Giving Circle is deployed in full in the form of yearly grants to Latino-led/Latino-serving non-profit organizations.

These Giving Circles function as “mini-foundations,” receiving administrative support from the Latino Community Foundation, and doing their due diligence to adequately vet prospective grantees. This grant giving process centers on an invitation-only framework whereby non-profit organizations are invited to submit grant proposals to the Giving Circles. Each Giving Circle determines its areas of focus (reflecting and reinforcing the Latino Community Foundation’s giving priorities), and the amount for each award grant, based on the monies collected by each Giving Circle throughout the year.

INTRODUCTION

This report was prepared by Mara Perez, Ph.D. from the San Francisco Latina Giving Circle, in 2018. A very special thank you to all the Giving Circle members who participated in the making of this report.
Latinos are generous, and are known to support their families, church, and community. Traditionally, Latino generosity has been within the realm of individuals and families supporting each other. Until recently, this abundant generosity had not taken on a structured form to support non-profit organizations. However, trends are shifting with the new Giving Circles people-powered philanthropic movement. This movement stems from the Foundation’s guiding principles to embrace transparency, foster community engagement, and democratize philanthropy. Perhaps with just a few exceptions, Giving Circle members had not been involved in formal philanthropy in the past, nor had they thought of themselves as philanthropists before joining the Giving Circle Network. Now, however, many have shifted their views, considering themselves philanthropists, and understanding the grant-making process through direct participation and decision-making roles.

The Latino Community Foundation is building a replicable model of people-centered, grassroots Latino philanthropy dedicated to the advancement of social change and equity. The Foundation brings people together from all walks of life, providing Latinos an opportunity to make a difference from wherever they sit, and through direct participation as grantors.

Latino non-profit leaders have the wisdom, entrepreneurial vision, and talent to create culturally-rooted solutions and positive change, but they need advocates and funding to carry out their visions. As a justice-focused grantmaker, convener and advocate, the Latino Community Foundations raises the collective voice of partners to help build successful non-profits and communities.
People-Powered Philanthropy & the Giving Circle Network Movement

The Latino Community Foundation partnered with Mara Perez, Ph.D. to produce this report, based on individual interviews and group conversations with Giving Circle Network members. The pool of participants represented a segment of the Network, and it included Giving Circle members from San Francisco, to the East Bay and the Central Valley. In total, twenty-six Giving Circle members contributed to this project by sharing their views and ideas about the Giving Circle. The interviews and group conversations took place throughout 2018, and findings are summarized and presented in this report.

To conduct the individual interviews and group discussions, Mara Perez produced a questionnaire in consultation with Sara Velten, Vice President of Philanthropy, and Masha Chernyak, Vice President of Programs, both from the Latino Community Foundation. The questionnaire consists of five categories. Namely:

- Latinos and Philanthropy
- Engagement in Giving Circles
- Latinos and the Grantmaking Process
- Latino Nonprofits and Civic Engagement
- Influence of the Latino Community Foundation

Perez conducted all interviews and group discussions, meeting with Giving Circle members at their homes, cafes, and in sites where Giving Circle members were gathering for their regular meetings. The goal of this project was to engage Giving Circle members and to hear directly from them, as they reflected on their participation in their respective Giving Circles.

Below are the findings from discussions and conversations. These findings provide a unique window into the thinking of Giving Circle members to both understand their perspectives about Giving Circles and Latino philanthropy, as well as to learn from their observations and contributions to this project in general, and the Giving Circle Network in particular. These interviews also created opportunities for people to share their reflections about Latino non-profits, leaderships, and equity. Findings are arranged according to the five categories listed above, and followed by a concluding summary and analysis.
According to D5\(^1\), a five-year initiative designed and carried to augment diversity in philanthropy, American institutional philanthropy deploys 1.1 percent of all of its annual giving to Latino-led/Latino-serving non-profit organizations. As a result, out of nearly 25 billion dollars in annual grants, Latino-led/Latino-serving non-profits across the United States only receive $260 million. It is important to consider that this form of investment neglect on the part of American institutional philanthropy occurs at the same time that the United States population is rapidly changing. Projections tell us that by 2050-2060, thirty percent of the total U.S. population will be Latino, coinciding with the White population’s downward trend, which is reinforced as White deaths won’t be replaced in equal numbers by White births. Furthermore, by 2045 or sooner the U.S. will no longer have a majority group and it will become a majority-minority nation. It is precisely at this historic demographic and philanthropic juncture that we encounter and enter the Giving Network Circle movement.

The Giving Circle Network fosters diverse civic leadership, advances movement building statewide, and invests in solutions that overcome political and structural failures that have negatively impacted the Latino community. By design, the Giving Circle Network is a new structure of change-oriented philanthropy and a replicable model for other communities. The Latino Giving Circle Network is the largest of its kind in the United States.

The Giving Circle Network is pioneering a movement among Latinos. This philanthropic thrust coincides with others’ efforts to redefine philanthropy in a manner that levels the playing field, dismantles the traditionally hierarchical philanthropic model, and builds a new giving framework that replaces the old order.

“At a time when conventional philanthropy is being criticized for being distant, overly hierarchical, and out of touch with grassroots realities, giving circles might provide some of the building blocks of a healthier and more effective system of funding for social change.”

*Could Giving Circles Rebuild Philanthropy from the Bottom Up?*

*Angela Eikenberry*

\(^1\) It should be noted that the D5 project did not review every foundation, but rather centered on the main foundations across the nation. Therefore, it is reasonable to speculate that the amount of funding given to Latino-led/Latino-serving non-profits may exceed 1.1 percent of all grant giving. However, it is also reasonable to speculate that this 1.1 percent of grant giving is likely not largely surpassed if one takes all foundation giving into account. The widespread lack of adequate and sustainable funding observed among Latino non-profits on the ground attests to this inference.
As the U.S. continues to grow more diverse, the donor landscape has tended to remain stagnant; Whites have mostly dominated as donors. Essentially, organizations soliciting donors have effectively created a donor gap that has dramatically excluded people of color. In fact, nearly three quarters of all donors in a 2015 study were reported to be White. This study found that people of color were solicited for donations much less frequently than Whites.

“The under-representation of … Hispanics suggests that organized philanthropy is not doing an adequate job of engaging non-white communities. For instance, Hispanic donors say they are solicited less frequently. Furthermore, they suggest they would give more if they were asked more often.”

Diversity in Giving – The Changing Landscape of American Philanthropy
Blackboud Institute for Philanthropic Impact

At the writing of this report, it has been clearly ascertained that Latinos are starting businesses at two to three times the rate of any other racial or ethnic group, including Whites. It has also been clearly established that the Latino population in the U.S. is young relative to other racial and ethnic groups. In fact, one third of the Latino population is younger than 18 years of age. These two dynamics should be taken into account when assessing the future development and growth of Latino philanthropy, and trending opportunities. These trends provide fertile ground for the cultivation of a new cadre of Latino philanthropists. Specifically:

1. Successful Latino entrepreneurs can become donors, and as their businesses grow, they can turn into philanthropists in the formal sense of the word, perhaps creating new Latino funds. This will require cultivation and education.

2. As young Latinos carve their paths and lives, they can learn, from a young age, about the ins-and-outs of philanthropy. This latter idea, could be applied by schools or non-profits serving young Latinos and Latino families.

The future of Latino philanthropy is vast and promising. Most poignantly, the continued growth of the Giving Circle Network is paving the way for what may become a booming expansion within the Latino philanthropy sphere, overall. What do Giving Circle Network members think about Latino philanthropy? How do their thoughts help inform the future of the Giving Circle Network in particular, and giving circles in general? Have their thoughts about Latinos as philanthropists change since joining the Network? The following pages offer a window into their thinking about people-powered philanthropy, their growth as philanthropists, and civic-engagement.
Several common themes and concepts emerged from the discussion about Latinos and philanthropy. First, and importantly, most interviewees expressed an awakening in relation to the term philanthropist. Specifically, interviewees indicated that prior to their participation in the Giving Circle Network, they did not consider themselves to be philanthropists, even if they were giving donations to organizations. Most of them thought of philanthropists are very wealthy people giving millions of dollars in donations. In effect, interviewees did not think that an annual $1,000 donation and participation in a group of “donors” could also be considered philanthropic.

Additionally, all referred to the generous nature of the Latino community, whereby they are inclined to, and often provide financial support to family members, donate to their churches, and/or help their local communities. Thus, interviewees asserted that virtually and inherently most, if not all, Latinos are givers.

For interviewees, while philanthropy has been historically centered within the realm of the elites, and virtually closed to those outside of the field, the Giving Circle Network serves as a vehicle that’s opening doors, educating those in the Network about philanthropy, while enabling them to make their mark in the philanthropic process as they vet prospective grantees and decide on award grants.

“Once you are in the Giving Circle, you learn about philanthropy.”

- Project Interviewee

Interviewees find that it is through their engagement in the Giving Circle Network that they started viewing themselves and others Latinos as philanthropists. For them, this represents a paradigm shift, which is possible because the Latino Community Foundation is functioning as a catalyst for change. Thus, the Latino Community Foundation is not only bringing people into the philanthropic sphere, it is also redefining philanthropy.
Based on answers from interviewees
The Giving Circle Network represents a force that is:

**TRENDSETTING**

**INFLUENTIAL**

**CATALYTIC**

In addition, the Giving Circle Network is considered to be a community that elevates trust, awakens pride, and stimulates the cross-pollinating of ideas. By being part of this group, an interviewee said, “We are connected to our broader Latino community.”

Others see the Giving Circles and the engagement in them as being part of a start-up that cultivates leadership. They see the Giving Circles are being of great importance because the Giving Circles fund operations, which most funders do not do. Thus, engagement in the Giving Circles enables them to be part of a group that gives non-profits essential and valuable support for their general costs.
Empathy also surfaced in discussions, one interviewee saying, “The Giving Circle Network allows me to give out of a place of love and trust.” Interviewees indicated that their engagement in the Giving Circle Network provides them with a personal connection to the Latino community and enables them to intimately experience empathy with their community.

For someone, joining the Giving Circle network represents a call to action because, “We need to take on the reins of our community and invest in it. To help solve a problem, you have to be part of the problem.”

Interviewees repeatedly remarked on the fact that, historically, Latinos have been viewed as recipient of charity and “takers.” Now, however, by participating in the Giving Circle Network, and in conjunction with everyone in it, Latinos can redefine the narrative—in the words of one interviewee, “Write the end of our own story through our own actions.” by taking charge and responsibility for what other funders have neglected to do: Fund Latino organizations.

The discussion about engagement in Giving Circles generated comments that ranged from love to trust, as well as to being in charge of the Latino community’s future,—and to being in charge out of love and responsibility—. Furthermore, for some, their engagement represents a personal awakening that young ones will eventually adopt.

Thus, some argued, this awakening through participation in Giving Circles, along with the positive impact it generates, is a legacy.
Two major concepts emerged from conversations with interviewees: They believe in the Giving Circles and the grantmaking process as a “collective led by a common set of values and principles,” and as a “forge of common bonds.” Clearly, both perspectives speak to unity and community as vehicles of action.

The grantmaking process exposes Network members to a range of Latino non-profit organizations, their missions, visions, and programs. Additionally, they learn about the leaders of these organizations not only by reading their proposals, but also by meeting them in person when they visit the Giving Circle for their funding request oral presentations. This level of depth and understanding provides opportunities to learn about community matters directly from leaders who are working to find solutions to problems such as poverty, low academic achievement, and housing, among other issues. Moreover, interviewees argued that this direct engagement with grant-seeking leaders enables the latter to have a sense of validation of their work from other Latino leaders. In essence, this is a win-win formula. This validation for grant-seekers comes directly from the Giving Circle members that are in dialogue with them, as well as from the Network as a whole. Thus, this represents a form of value-added action providing a sense of community to everyone involved.

The grantmaking process is also seen as a vehicle to eventually move away from covering basic needs as these are met over time, to subsequently support the Latino community fulfill dreams and aspirations. Others argue that there is a need to build greater Latino wealth, and have that be part of the support system to disadvantaged communities.

One interviewee remarked on the voting process, finding that his Giving Circle colleagues are fair, charitable and equitable in their deliberations. His observations also highlighted the responsiveness and timeliness with which Foundation staff supports the work of his Giving Circle. Others touched on similar observations during the interviews.

The grantmaking process is a concrete vehicle for Latinos to be at the table, deliberating and making impact-decisions. This is important in-and-of-itself, while also serving as training grounds for Latinos to prepare and then seek and secure seats at other tables, including on boards of foundations, corporations, and non-profit organizations. As a result, the Giving Circle Network and its grantmaking process serve as a kind of leadership development “incubator” where learning, decision-making, and action are shared activities based on shared goals.
A couple of interviewees spoke about the need to support Latino non-profits, as many are, or have tended to be, small and not sufficiently resourced. As a result, these organizations may not have the capacity to provide retirement benefits for their employees, or the ability to enhance efficiencies and expand service delivery. Thus, for some, learning about Latino non-profits enables them to think about other ways in which they can support these organizations.

For example, one interviewee is now thinking about speaking with some non-profits about financial wellness in response to a suggestion by a Latino Community Foundation staff member. While discussing how to expand economic capital, interviewees also argued that Latino non-profits have an abundance of social capital and economic-growth potential as more Latinos with expertise in a range of fields keep joining the Network, learning about non-profits, and expanding their civic engagement with Latino non-profits. Another interviewee remarked on the importance of continuing to be high-touch with target organizations, both as Giving Circles, as well as non-profit volunteers. These comments generated a strong sense of commitment, growth, and momentum within the civic engagement sphere stemming from Giving Circle engagement.

A couple of important points came out of this discussion regarding new actions that can be taken to reach greater heights of effectiveness and civic engagement capacity. Specifically:

1. Someone asked “is there a list of the top 100 Latino non-profits? If so, it would be beneficial to share it with all network members and with Giving Circle grant-seekers and recipients to determine what can be learned from those organizations about all matters related to non-profits: Fundraising, budgeting, staffing, board leadership, and other important topics. This new knowledge would be a vehicle for Network members to put their talents and expertise to work with a strong foundation and understanding of the characteristics on highly efficient and effective Latino-led serving organizations. Further, it would be quite helpful to identify and read articles about these aspects of Latino non-profits, (if they exist), as well as to write them. If none of this exists, then there is an opportunity to spearhead this valuable endeavor.

2. Speaking about what can be done, another interviewee identified an opportunity to expand knowledge and reach by creating a resource list for the Giving Circle Network. This list would identify the skills and areas of expertise of each member. This product will enable any and all individuals to know whom to reach when they have a question, and/or when an organization they know has a specific question. This product will, in essence, amplify opportunities for resourcefulness and targeted action.

As a whole, interviewees spoke about civic engagement to enhance financial wellbeing among non-profits, and to further gain from these organization’s wealth of social capital. In a high-touch manner, all forms of civic engagement can enrich Latino non-profits. Moreover, additional knowledge about the top 100 Latino non-profits and the talents and skills of all members of the Network can produce exponential growth opportunities for smaller, less resourced organizations.
Lastly, the round of individual interviews and group conversations consisted of directing the lens towards the Latino Community Foundation. This exercise centered on probing interviewees as to their thoughts about the Foundation, and whether it is playing an influencer role within the philanthropic sphere. Here are their thoughts:

Most recently, an interviewee noted, the Latino Community Foundation secured a one million-dollar grant from Google to establish the non-profit accelerator. In this capacity, the Foundation has influenced one of the nation’s largest high-tech businesses to notice the Latino community, to engage in dialogue with the Foundation and learn about needs and opportunities within the community, and ultimate to make a substantial financial commitment. This kind of influence within the Silicon Valley can have profound reverberations, perhaps leading to future investments by other titans of the high-tech sector, which, by the way, is renowned for its lack of diversity. Thus, the Foundation’s influence has not only resulted in an investment in funds, but also in an investment of time on the part of Google to learn more about Latinos in the U.S.

The Foundation is also an influencer because many Giving Circle Network members seek and secure matching funds from their employers. In doing so, Network members bring awareness about Latinos into a wide range of small, medium, and large businesses. This kind of far-reaching awareness-building may prove to be quite fruitful over time. The Foundation regularly encourages Network members to pursue matching grants from their employers.“Indeed, the Foundation is an influencer,” another interviewee affirmed.

“Imagine this, just a few years ago there was no Latino Giving Circle Network, and there weren’t nearly 500 well-resourced Latinos organized under a common banner, vision, and purpose. Now, this exists. That’s influence.”

- Project Interviewee
Another interviewee asserted that the Foundation’s influencer role is resulting in a network expansion, and increased credibility for itself, as well as for the Latino Community. These thoughts were echoed by others, who said they have seen, first-hand, the evolution of the Foundation, expanding its voice and reach, and bringing awareness about the needs and gifts of the Latino community. This expansion has brought the Foundation closer to funders, policy-makers, and even international audiences. The international exposure is exemplified by a trip to France by Sara Velten to give a lecture at the Sorbonne about the Latino Giving Circle in particular, and giving circles in general. International notoriety doesn’t come out of thin air; it is earned.

Whether with funders, Giving Circle members, corporations, policy-makers, and renowned universities, the Latino Community Foundation has become a standard-bearer for the Latino community, and advocate for change, a magnet attracting talent and money for good causes, and an expert sought out by national and international agencies.
Resolute, visionary, and impactful are terms that derive from, and define the Latino Community Foundation and the Giving Circle Network, based on conversations with Network members. From building awareness about giving opportunities to building a growing network of Latino philanthropists, the Foundation has had a direct impact on what Latinos think about philanthropy and how they can exercise agency in their new roles as philanthropists.

Pulling the philanthropy curtain away, the Foundation has created a Network of givers that learn about and directly participate in the grantmaking process. Network members, functioning as mini-foundations, move through the grantmaking process throughout the year, culminating in in-person dialogue with grant-seekers. This process has not only enabled a wide range of Latinos to engage in formal giving, but it has also created venues for Latino non-profit leaders to make their “pitch” in person —this shouldn’t be taken lightly because most foundations in the U.S. do not foster this type of close connection between grant-seekers and grantors.

With intention and commitment, the Foundation has amplified the scope of philanthropy, redefining it along the way. By bringing all the stakeholders of the grantmaking process together, the Foundation has been breaking down barriers to dialogue, lifting the veil that has made the grantmaking process opaque, and building transparency instead, by educating a cadre of talented Latinos who now see themselves as philanthropists.

Interviewees defined the Giving Circle Network as groundbreaking, catalytic, and trendsetter. They experience the Network as a whole, as a group of people that coalesce around a common goal, as a growing body of committed philanthropists inspired to make a difference. Interviewees also assert that the Foundation provides responsive and insightful support to the Giving Circles, and believe the Network is poised to continue to grow.

By participating in the Network, people have found new ways to be engaged civically, identifying organizations and areas of need to which they can contribute as volunteers. By hearing from Latino non-profit leaders on “pitch” days, Network members experience a broadening of their awareness about organizations and community needs that enable them to hone in their purpose and goals.

The Foundation, interviewees argue, is taking the Latino community to new heights with its multi-faceted ongoing campaign to reach and cultivate funders, policy-makers, corporations, and other key decision-makers. Furthermore, the Foundation’s penchant for building networks generates financial results and extends leveraging opportunities that are put to use in effective ways, resulting in seven-figure grants from high-tech titans to invitations to lecture in renowned universities. To conclude, it is evident from the many conversations held for this project that members strongly believe the Foundation and the Giving Circle Network are effectively re-writing the Latino narrative. This new narrative is intended to reflect a robust, dynamic, and multi-faceted community comprised of Latinos of all ages and regions of the Americas, income levels, religious persuasions, and fields of expertise and interest. Along the way, the Foundation and the Network are bringing the Latino community closer, making it stronger, and pushing it further.