

Top Hispanic Nonprofits Understand The Business of Giving

// by HILDY MEDINA

YOU THINK YOU'RE HAVING A TOUGH TIME IN THE CURRENT ECONOMIC

downturn? Try running a nonprofit.

Without question, the past 12 months have been challenging. Yet, even as the **Hispanic Business** Top 25 Nonprofits are hit hard by the economy, social entrepreneurs heading these organizations are finding new ways to cope. While some nonprofits, especially those still in search of a viable business model, are struggling and may ultimately fail during this economic slide, the more successful organizations, such as AltaMed Health Services, which once again ranks at the top of the list, are likely to grow stronger.

The Los Angeles-based health care provider, saw its revenues climb to \$88.9 million in 2007, up from \$77.3 million the prior year. Still, not all of this year's nonprofits had prosperous years. For example, Chicanos Por La Causa, fell to fourth place, from second, following a 12 percent dip in revenues. This year also saw four drop off the Top 25, and four newcomers join the list. They include, AVANCE of San Antonio, Texas, ranked eighth; SER-Jobs for Progress of Irving, Texas, ranked 12th; Latin American Youth Center of Washington, DC ranked 19th; and Asociacion Puertorriquenos en Marcha of Philadelphia, Pennsylvania ranked 20th.

Top-Notch Management

AltaMed has remained ahead of the competition and survived the economic downturn by building a top management team and board of directors. "We run a nonprofit with a mission, but we run an organization with the same sort of discipline and focus as any business," says Castulo de la Rocha, AltaMed's president and CEO.

The nonprofit provided services to the

underserved population of Los Angeles since 1969. Today, it assists an estimated 50,000 people annually. Public funds made up roughly 20 percent of its \$88.9 million in revenues last year, while 74 percent came from direct fees for services.

AltaMed recently felt the sting of the subprime mortgage crisis when it lost one of its generous underwriters – Bear Stearns, the beleaguered investment bank.

"You go through these things, and you learn to sidestep the big hits and figure out how to land on your feet," says Mr. de la Rocha. "I do expect to survive this."

The Battle for Foundation Dollars

Innovation, diversification, and especially the adoption of strong business models are the keys to success, according to most nonprofit leaders.

A case in point is the San Francisco-based Hispanic Scholarship Fund (HSF), which ranks seventh on our directory (see the profile on HSF on page 44). The fund has prospered by attracting hard-to-get foundation dollars. According to the Foundation Center, 1.2 percent of grants targeting special population groups went to Hispanic-focused nonprofits in 2006. Frank Alvarez, HSF's president and CEO, says that Hispanic nonprofits must learn to "speak the language of business" in order to succeed. His organization has embraced technology, strong accounting procedures, regular audits and other stringent business practices. As a result, about 66 percent of HSF's revenues came from foundation sources last year, compared to an average of about 8 percent for other top nonprofits.

A second nonprofit we review in this issue is the highly successful, Hispanics in Philanthropy, another San Francisco-based organization. HIP's president says that nonprofits must learn to show foundations

how they are delivering "value" to the community in a clear and demonstrable way. She also encourages smaller nonprofits to "think big" and collaborate in strategic partnerships with other nonprofits to show foundations a larger payback to the community.

Some Hispanic nonprofit leaders told us they have tried hard to raise money through foundations, but remain frustrated with very little success. Among the biggest obstacles is matching a donor's core interest areas.

"You play almost a literacy game with foundations," says Carmela Lacayo, president and CEO of the nonprofit Asociacion Nacional Pro Personas Mayores (The National Association of Hispanic Elderly), which ranks 15th on this year's directory. "You look at what they're funding and adapt to those guidelines to get a grant. You can't just go in there and say, 'here's a real, dire need.'"

AVANCE, based in San Antonio, Texas took a unique approach to getting foundations to pay attention. In 2007, it debuted the "Grantmakers Roundtable," a two-day event that invited the nation's leading donors to hear about its groundbreaking work in early childhood development. Foundation directors from the W. Kellogg Foundation and Annie E. Casey Foundation, among others, heard remarkable stories from AVANCE'S clients and some longtime donors.

"Our goal was to educate as many foundations that were willing to come and do it in a way where they didn't hear it from me," says Sylvia G. Garcia, president and CEO. "We told them, 'We don't want a penny from you, we just want to tell you why this work is important.'" The strategy paid off. The Kresge Foundation, a roundtable participant, recently donated \$2.5 million. As a result of the event's success, AVANCE is organizing a roundtable for corporate sponsors.

2008 TOP 25 HISPANIC NONPROFITS

1 AltaMed Health Services Corporation

500 Citadel Drive, Ste. 490
Los Angeles, CA 90040
Phone: (323) 725-8751
www.altamed.org

Year Established: 1969

2007 Expenditures: \$81,403,913

2007 Revenues: \$88,969,984

Expenditure change from 2006: +23.26%

Mission: To provide coordinated, culturally appropriate health and human services in Los Angeles and Orange Counties, with particular attention to Latino and multi-ethnic communities.

Service Area: Large portions of Los Angeles County and central Orange County

President & CEO: Castulo de la Rocha

TOP 25 NONPROFITS TOTAL REVENUES

2007	\$745.68 million
2006	\$630.61 million
Change	Plus 18.2%

2 The Aspira Association

1444 Eye Street NW, Ste. 800
Washington, DC 20005
Phone: (202) 835-3600
www.aspira.org

Year Established: 1961

2007 Expenditures: \$61,685,368

2007 Revenues: \$62,271,076

Expenditure change from 2006: +6.69%

Mission: To empower the Puerto Rican and Latino community through advocacy and the education and leadership development of its youth.

Service Area: Nationwide and Puerto Rico

Executive Director: Ronald Blackburn-Moreno

3 Mexican American Opportunity Foundation (MAOF)

401 N. Garfield Ave.
Montebello, CA 90640
Phone: (323) 890-9600
www.maof.org

Year Established: 1963

2007 Expenditures: \$60,480,460

2007 Revenues: \$62,127,440

Expenditure change from 2006: +9.90%

Mission: To provide for the socioeconomic betterment of the greater Latino community of California, while preserving the pride, values, and heritage of the Mexican-American culture.

Service Area: California (seven counties)

President/CEO: Martin Castro

4 Chicanos Por La Causa, Inc. (CPLC)

1112 E. Buckeye Rd.
Phoenix, AZ 85034
Phone: (602) 257-0700
www.cplc.org

Year Established: 1969

2007 Expenditures: \$54,678,370

2007 Revenues: \$65,622,696

Expenditure change from 2006: -7.45%

Mission: CPLC is a community development corporation committed to building strong, healthier communities as a lead advocate, coalition builder, and direct service provider. CPLC promotes positive change and self-sufficiency to enhance the quality of life for the benefit of those we serve.

Service Area: Arizona (statewide)

President/CEO: Edmundo Hidalgo

5 La Clinica de La Raza

1515 Fruitvale Avenue
Oakland, CA 94601
Phone: (510) 535-4000
www.laclinica.org

Year Established: 1971

2007 Expenditures: \$46,925,364

2007 Revenues: \$47,702,317

Expenditure change from 2006: +12.92%

Mission: To improve the quality of life of the diverse communities we serve by providing culturally appropriate, high quality, and accessible health care for all.

Service Area: California (three counties)

Executive Director: Jane Garcia

6 Hispanic Housing Development Corp.

325 N. Wells, Eighth Floor
Chicago, IL 60610
Phone: (312) 602-6500
www.hispanichousingdevelopment.com

Year Established: 1975

2007 Expenditures: \$42,754,000

2007 Revenues: \$47,213,433

Expenditure change from 2006: +12.77%

Mission: To stabilize Latino communities by developing, managing, and investing in ventures that increase the availability of affordable housing, promote economic opportunity, and enhance the quality of life.

Service Area: Chicago and outlying suburban areas

President/CEO: Hipolito "Paul" Roldan

7 Hispanic Scholarship Fund

55 Second Street, Ste. 1500
San Francisco, CA 94105
Phone: (877) HSF-INFO
www.hsf.net

Year Established: 1975

2007 Expenditures: \$37,883,359

2007 Revenues: \$36,653,397

Expenditure change from 2006: +12.97%

Mission: To strengthen the country by advancing college education among Hispanic Americans and to double the rate of Hispanics earning a college degree to 18 percent by 2010.

Service Area: Nationwide

President/CEO: Frank D. Alvarez

8 AVANCE, Inc.

118 N. Medina
San Antonio, TX 78207
Phone: (210) 270-4630
www.AVANCE.org

Year Established: 1973

2007 Expenditures: \$36,326,011

2007 Revenues: \$36,078,548

Expenditure change from 2006: N/A

Mission: To unlock America's potential by strengthening Hispanic families in at-risk communities through effective parent education and family support programs. Our vision is for families and children to succeed in life through educational achievement and attainment.

Service Area: Texas, New Mexico, and California

President/CEO: Sylvia G. Garcia

9 National Council of La Raza

Raul Yzaguirre Bldg.
1126 16th Street NW
Washington, DC 20036
Phone: (202) 785-1670
www.nclr.org

Year Established: 1968

2007 Expenditures: \$32,200,523

2007 Revenues: \$43,058,412

Expenditure change from 2006: +15.29%

Mission: To improve life opportunities for the nation's Hispanics and help reduce poverty and discrimination in the community.

Service Area: Nationwide

President/CEO: Janet Murguia

10 Puerto Rican Family Institute, Inc.

145 W. 15th St.
New York, NY 10011
Phone: (212) 414-7836
www.prfi.org

Year Established: 1960

2007 Expenditures: \$30,402,333

2007 Revenues: \$30,392,532

Expenditure change from 2006: +14.24%

Mission: To strengthen families and children through the provision of culturally competent services in areas of mental health, child abuse and neglect prevention, homelessness prevention, institutional care for developmentally disabled adults, Head Start services and others

Service Area: New York City, New Jersey, Puerto Rico

President/CEO: Maria Elena Girone

AVANCE
Unlocking America's Potential

