



*Building Community,  
Strengthening Immigrant  
Organizations*

Five Year Results  
Capacity-Building Initiative  
The Fund for New Citizens

**THE FUND  
FOR NEW  
CITIZENS**

Prepared by Neil F. Carlson  
Research Consultant


# Fund for New Citizens' Members

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Booth Ferris Foundation  
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in The New York Community Trust  
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UJA-Federation of New York  
United Way of New York City  
Valentine Perry Snyder Fund

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Most funders just give you a grant. They'll ask you for a report, but that's the end of it. By contrast, the Capacity-Building Initiative supported long-term sustainability. The knowledge you get from attending a workshop, for example, on fiscal management, on grant writing, proposal writing, or on soliciting a grant, or researching, is really critical to the sustainability of the organization as a whole, because you bring that information back and you share it with staff, you share it with the board, so everybody learns something."

# Foreword

New York is the most diverse city in the nation, due in large part to a new wave of immigrants from around the globe who have settled here over the past two decades. Immigrants have been a major force in the rejuvenation of New York City, replenishing the City's population, revitalizing dying neighborhoods, and enriching the City's culture. As evidence of this diversity, 170 languages are spoken in the homes of New York City public school kids. Today, the majority of immigrants hail from the Dominican Republic, China, Jamaica, Guyana, Mexico, Ecuador, Haiti, Trinidad, Colombia, and Russia.

The Fund for New Citizens was started at The New York Community Trust in 1987 as a donor collaborative to stimulate and coordinate foundation giving on behalf of immigrants in the City. Currently, 19 foundations and donors contribute to the Fund. Since its inception, the Fund has raised more than \$13 million to support groups that assist immigrants. Among its accomplishments, the Fund helped start the New York Immigration Coalition, the leading voice for immigrants in New York; established joint legal programs that have helped thousands of immigrants and their families; supported projects that have enabled large numbers of immigrants to become citizens; and helped formulate responses to crises such as the impact of the September 11<sup>th</sup> attacks on immigrants. The Fund also informs the broader funding community in New York on immigration issues and encourages other foundations to include immigrant concerns in their grantmaking.

In its work over twenty years, the Fund has recognized the important role of immigrant-led organizations. Because they speak their language and are comfortable, safe places to go, these groups are a key avenue for integrating newcomers into New York's civic society. In most neighborhoods, grassroots groups are where newcomers find critical services, such as English and civics classes, legal and social services, and help with housing and jobs. Understanding the trust local organizations enjoy, government agencies rely on these groups to reach immigrants on a myriad of issues, from crime prevention and public health to child safety and public education. By joining together, these organizations, which represent a variety of immigrant constituencies, have the potential to influence public policy. But most operate under severe constraints: overextended staff, limited organizational structures, and unreliable funding. Many depend on volunteers rather than professional staff. And because the needs of their constituents are so great, the groups tend to concen-

trate on providing services rather than improving their own operations. Without help, they can easily flounder or close their doors altogether.

In 2003, recognizing the danger of burnout, the Fund for New Citizens started a Capacity-Building Initiative to help immigrant-led groups deal with management challenges and build their organizations. The larger goal was to enable the groups to become stronger advocates for their own constituents, and to encourage them to work with each other on issues of common concern. The Initiative provided grants and management assistance to improve fiscal management, upgrade technology, bolster fundraising, and strengthen leadership. Over its first five years, the Initiative awarded \$1,045,000 to 27 groups throughout New York City—a cohort that embodies the full diversity of New York's immigrant communities. These grantees offer a range of services, including help to victims of domestic violence, leadership training for youth, services for day laborers, and assistance with citizenship applications.

After five years, the Fund decided it was time to assess the results of the Capacity-Building Initiative. The Altman Foundation, a Fund member, generously provided a grant to hire Neil Carlson, a consultant specializing in policy research and evaluation. Using a combination of on-line surveys and in-depth interviews, he has identified what has worked and where we could improve. We are pleased that his findings demonstrate that the Initiative has enabled grantees to sustain and build their organizations, even in a difficult economic climate and at a time when immigrants are subject to increasing pressures. He also has identified areas where the Initiative could be more effective. We hope that this report offers grantees, Fund supporters, and other funders in New York City and around the country, a fuller understanding of the challenges facing immigrant-led groups. We believe these results underscore just how central immigrant-led organizations are to the economic and civic life of New York City—and how vital it is to strengthen them.

Sincerely,

Jane Stern  
Program Director  
The New York Community Trust  
Fund for New Citizens

Elizabeth R. OuYang  
Coordinator  
Fund for New Citizens

Immigrants have been a major force in the rejuvenation of New York City, replenishing the City's population, revitalizing dying neighborhoods, and enriching the City's culture.



# Introduction

## OVERVIEW OF THE CAPACITY-BUILDING INITIATIVE

In 2003, the Fund for New Citizens began a Capacity-Building Initiative to strengthen immigrant-led groups in New York City by enabling them to address critical management issues. By providing grantees with both grants and technical assistance, the Fund aimed to help individual grantees strengthen their programs and expand their budgets, while also increasing the groups' individual and collective capacity to advocate on behalf of their constituents. From 2003 to 2007, the Initiative's 27 grantees took on a range of projects related to fiscal management, technology, fundraising, leadership development, and governance.

**Eligibility and Grants.** Eligible organizations were required to serve an immigrant community, have an annual budget ranging from \$75,000 to \$650,000, and possess a track record of success. They also needed to demonstrate both a commitment to advocacy and organizing as well as an interest in working jointly with other immigrant-led organizations. Candidates that met these guidelines were eligible for grants of \$10,000 to \$40,000 per year to address a specific capacity-building need. [In 2008, the maximum grant amount was raised to \$50,000 and the ceiling on the organization's budget was raised to \$1 million.]

**Application and Renewal Process.** A review committee comprising Fund members and other foundations that support immigrant groups guides the selection of grantees. Each year, the committee solicits 40 to 50 recommendations from Fund members, other foundations, the New York Immigration Coalition, and other nonprofits that work with immigrant groups. After a preliminary review, 10 to 12 organizations are invited to apply for a specific project. The committee fully vets proposals—a process that includes a site visit—and recommends six to eight projects to the Fund's other members, who approve the grants. Fund members consider several criteria, including: the need for the grant; the timing of the project; the track record of the organization; and the group's interest in immigrant advocacy. In addition, the Fund tries to represent the diversity and geographic distribution of the City's immigrants.

Because groups often need more than one year to complete their projects, some are invited to apply for renewal grants of up to two years, but at lower amounts. Grant renewals are subject to a review process similar to the initial applications.

**Technical Assistance.** In addition to financial support, grantees are eligible to receive management assistance from two of the City's leading nonprofit consulting firms. The first is Community Resource Exchange (CRE), whose multilingual staff helps more than 300 agencies yearly on a range of organizational issues; the second is Fiscal Management Associates (FMA), which specializes in assisting nonprofit groups to improve their financial systems. CRE and FMA have received grants from either the Fund for New Citizens or The New York Community Trust to provide assistance at no cost to the Initiative's grantees. Grantees may use other consultants for their capacity-building projects, but they must pay for those services out of their grants or use their own funds.

Since the Initiative started, CRE has been the lead consultant for most grantees. Once grants are made, CRE assesses each grantee's needs and prioritizes which ones it should focus on. CRE then develops a work plan and assigns a senior consultant to oversee work with each group. At the end of the year, CRE submits a report to the Fund on its work.

More recently, the Fund recognized that many grantees were struggling with fiscal management. In 2007, The New York Community Trust made a grant to FMA to provide workshops for 15 present and past grantees of the Initiative. FMA's five-part series covers the basics of nonprofit fiscal management: an overview of core fiscal structures; financial documentation; budgeting, cash flow management, and internal controls; audit preparation and the audit process; and board fiduciary responsibilities. In addition to group workshops, five grantees received individual coaching to help them with specific issues.

## PURPOSE OF THIS REPORT

The aim of this report is to gauge how the Initiative has affected grantees, individually and collectively, over the past five years. In short: What kind of results has the Capacity-Building Initiative produced? The report seeks not only to highlight the key factors that bring an organization to the next level of growth and sustainability, but also to illustrate the effect the Initiative has had on grantees' ability to advocate on behalf of their constituents. To what extent has the Fund been able to help grantees improve management and

operations? And what effects have these improvements, if any, had on organizations' growth and effectiveness? Have the Initiative's efforts to build grantees' fundraising capacity helped them grow their budgets or become more sustainable? Have efforts to strengthen board leadership improved governance? Have organizational improvements enabled grantees to increase their advocacy work?

This report seeks to answer some of these questions, capturing both the **breadth** of the Initiative's impact—the number of organizations with increased budgets; the percentage growth of organizations with strong financial systems; the number of organizations using technology to improve operations—but also its **depth**—how these improvements have shaped individual organizations and the constituents they work with.

## METHODOLOGY

This report is based on two sources of data: 1) a qualitative and quantitative online survey of grantees, and 2) in-depth interviews with grantees. Together, these sources capture data from 24 of the 27 organizations that received grants from the Capacity-Building Initiative from 2003 to 2007. (Two of the three organizations that did not respond to requests to participate in the survey have gone out of existence.) Of the 24 respondents, representatives of 13 organizations completed a comprehensive online survey. Representatives of 11 grantee organizations were interviewed in person using the survey instrument, and their responses tabulated online. (For the full survey, please contact The New York Community Trust). To solicit candid responses, both the survey and the interviews were anonymous.

All grantees were asked a series of questions intended to assess the following issues: the overall success of their capacity-building projects; satisfaction with the funding process; and quality and impact of consulting services provided by CRE and FMA. Depending on the nature of their projects, grantees were then asked to answer specific questions related to the progress of their particular project: fundraising, fiscal management, leadership development, technology, and/or program development. Most projects



South Asian Youth Action (SAYA!)

encompassed more than one area (e.g., fundraising and fiscal management); if so, grantees addressed sections relevant to all areas of their work.

## STRUCTURE OF THIS REPORT

These results present a snapshot of how the Fund for New Citizens' Capacity-Building Initiative has strengthened immigrant-led organizations throughout New York City. Findings and recommendations are broken into the following sections:

**Key Findings.** This section outlines how the Capacity-Building Initiative has strengthened grantees; the role technical-assistance providers played; and how grantees perceived their relationship with the Fund for New Citizens.

**Capacity-Building Projects.** This section contains a detailed discussion of capacity-building projects, broken out by focus area: fiscal management, fundraising, technology, leadership development, and program development.

**Recommendations for Improving the Initiative.** The final section outlines recommendations for improving the Capacity-Building Initiative.

## CONCLUSION

Finally, a note on style. While quantitative data is the foundation of this report, quotes from grantees are used to amplify key points. In most cases, shorter quotes are woven into the main body of the text, but longer quotes are presented in italicized blocks.

# Key Findings

## I. THE CAPACITY-BUILDING INITIATIVE HAS STRENGTHENED GRANTEES

### **Capacity-building projects were overwhelmingly successful.**

The clearest indicator of the Initiative's success is the simple fact that 25 of the 27 grantees continue to operate today. Only two have closed their doors in the past five years—a remarkable track record, especially considering how fragile small community-based nonprofits tend to be.

When asked how grantees would rate the overall success of their projects on a 10-point scale, 61 percent gave a rating of nine or 10. Thirty-five percent gave a rating of six to eight.

### **Capacity-building grants have enabled grantees to leverage support from other sources, to maintain fiscal stability, and to grow.**

Nearly three-quarters of the grantees reported that the Fund's support had helped them secure grants from other sources. *"It was really amazing. We got the money from the Fund for New Citizens, which put us in touch with CRE. The publications we put together allowed us to expand our reach outside of the community, to our congressman for example. Our congressman then nominated us for the Union Square award, which then led to New York Foundation funding. This all happened back to back, literally in one year. And it all began with the Fund for New Citizens."*

Of the 14 grantees who responded to questions about fundraising, every single one reported that their organizations' budgets grew after receiving a capacity-building grant. The smallest reported increase was 67 percent, while the largest reported increase was 316 percent. *"The training and fundraising support really paid off. . . We were in a much stronger fiscal position at the end of our grant period than we were when we started."*

Average staff size of grantees before receiving the grant was 3.83 and grew to 6.91 after receiving the grant.

### **Funding from the Capacity-Building Initiative moved grantees into a new level of professionalism, sustainability and efficiency.**

Strategic planning enabled grantees to plan programs and allocate resources more effectively. *"Through this strategic plan, we know where most of our income is coming from, so we're able to plan programs and allocate resources more effectively."*

Training and implementation of fiscal management policies helped build stronger leaders. *"It's really allowed me to grow as the executive director—to put in place the fiscal management and accounting systems we needed to be successful."*

Funding for new technology—computers, printers, copying machines—enabled grantees to build their base and use their resources more efficiently. *"We send blast emails and mass mailings now. Everything we do is fast and with volume."*

### **23 out of 24 grantees reported that they are now better able to advocate on behalf of their constituents.**

**Several grantees felt that the funding window should be extended.** *"It really takes five years to build something, to truly address changes in any area."*

## II. IMPORTANCE OF TECHNICAL ASSISTANCE PROVIDERS

**The combination of money plus technical assistance was widely viewed as value-added.** Just over half of all respondents reported receiving technical assistance along with grant money. Among the grantees that did receive consulting services, the majority received assistance from CRE, with 57 percent working exclusively with CRE. *"Most*

*fundes just give you a grant. They'll ask you for a report, but that's the end of it. By contrast, the Capacity-Building Initiative supported long-term sustainability. The knowledge you get from attending a workshop, for example, on fiscal management, on grant writing, proposal writing, or on soliciting a grant, or researching, is really critical to the sustainability of the organization as a whole, because you bring that information back and you share it with staff, you share it with the board, so everybody learns something."*

**CRE was widely praised for their consultant's knowledge and skill. CRE's ability to serve as a "utility infielder"—servicing management needs in several areas at once—was key to grantees' success.**

Grantees gave the quality of CRE's consulting services an average rating of 8.64 on a 10-point scale, and 78 percent of respondents said that CRE consultants had a "sound understanding" of the history and culture of the communities the grantees served.

In almost every organization interviewed, management issues were inextricably linked to one another. Organizations that lacked strong fiscal controls, for instance, often found it difficult to raise money. Organizations in which board responsibilities were fuzzy often had overworked executives and muddled strategic directions. By and large, based on interview responses, CRE did a masterful job of meeting most of these needs, even if a consulting engagement was primarily focused on one particular area.

**Training conducted by Fiscal Management Associates won widespread praise among both survey respondents and interviewees and should be continued.**

**Grantees were also satisfied with consultants other than CRE.** While relatively few grantees used their own consultants, there was a high level of satisfaction with the consultants' performance.

## CASE STUDY

### FUNDRAISING:

#### Scaling Up Fundraising by Shoring Up Internal Systems

ARAB AMERICAN ASSOCIATION OF  
NEW YORK, INC.  
BAY RIDGE, BROOKLYN

### The Challenge

When the Arab American Association of New York (AAANY) received its first capacity-building grant in late 2006, it was an organization with a lot of potential but not enough resources. "When we got our first grant from the Fund, we weren't this little start up," recalls Acting Director Linda Sarsour. "We had clients and we had a community in need. We just needed to find the resources to meet those needs. But we also needed the systems and staffing to support increased fundraising and programs."

### The Solution

With a \$30,000 grant, AAANY was able to hire a full-time development director, a former AmeriCorps volunteer who had been with the organization for a year. Just as important, CRE worked with Sarsour, the new development director, and the board, to develop a fundraising plan, create accurate program budgets, and bolster board participation in fundraising. "Our consultant was the perfect match for our organization," Sarsour says. "She had a lot of experience with small, ethnic-based organizations. We were kind of embarrassed at some points when we wouldn't know something, and she just said, "Trust me, I've seen it all."

### The Result

With a clear plan and systems in place, AAANY's fundraising took off. Within the first grant year, AAANY obtained a \$15,000 grant from the Independence Community Foundation for a new family literacy program. Other grants soon followed—\$42,500 per year for three years from the New York Foundation, \$50,000 from the Union Square Awards. With new systems and more board involvement, proceeds from AAANY's annual gala jumped from \$17,000 in 2006 to \$38,000 in 2007. "When you have a clear allocation of roles, it has a ripple effect," Sarsour says. "If you have someone raising money, you can hire more staff members, or recruit more AmeriCorps volunteers. And when you are serving more people, you get more recognition, which makes it easier to raise money."

**While grantees overwhelmingly were pleased with the help provided by CRE and FMA, some indicated that they would like to have the choice of selecting their own consultants.**

### **III. RELATIONSHIP BETWEEN THE GRANTEES AND THE FUND FOR NEW CITIZENS**

**The Fund's Capacity-Building Initiative was recognized by grantees as a unique source of money. The Initiative provided support—money and technical assistance—that was difficult to find elsewhere.**

For relatively new organizations, or those facing executive transitions, the Fund provided the resources needed to stabilize operations, build a reputation, and take the organization to the next level. Several grantees noted that the Fund's Capacity-Building Initiative was willing to take chances where other foundations weren't. *"As a start-up organization, it's so difficult to find this type of development funding," said one new executive director. "If it hadn't been for the Fund and its substantial support, there's no way we could have been where we are right now. It wasn't until we received funding for professional staff that this concept has grown and overblown everyone's expectations for what this organization would do."*

*The most helpful thing of the grant was that they stood by us, not just monetarily, but with the support and consultation hours that we got through CRE. For people like us who don't have this kind of money, that consulting advice is really important."*

*"... the timing of this opportunity made a lot of difference, in particular because of the transitional period that our organization is undergoing."*

For more established organizations, the capacity-building was a crucial source of funding that was explicitly NOT tied to specific programmatic outcomes, which meant that grantees could focus on doing what the grant was designed for: building organizational capacity. *"Most of the funding we get is for general operations. But this funding from Fund for New Citizens led us to focus on the importance to review the way we plan and run our programs."*

**Grantees were overwhelmingly pleased with their experience with the Initiative and working with the Fund.**

One-third of all respondents rated their experience as a 10 on a 10-point scale; 37 percent ranked their experience as a nine. Just one respondent ranked their experience below five. Further, grantees felt that the administration of the Fund's grantmaking—application, funding, and grant reporting—was strong. The average rating on a 10-point scale was 8.63, with 79 percent ranking the process as nine or higher.

They also felt that the Fund's staff is knowledgeable of both the funding world and the challenges faced by immigrant-led organizations. *"I think they've done a phenomenal job in finding program officers who really get the work. They really get the issues. The people who make the decisions really get it. They were accessible, fair, and affirming."*

**Some grantees suggested that there should be more opportunities to informally network and build relationships with other grantee organizations.** *"I'd like the opportunity to talk and share with other executive directors in my position. It might have been good to say 'Okay, there are five organizations with the same kind of things and they have done the same kind of capacity building the last five years.' Just give each other a phone number. We'll do the rest."*

**START UP:**

**Making the Transition  
From Volunteers  
to Professional Staff**

MIXTECA ORGANIZATION, INC.  
SUNSET PARK, BROOKLYN

**The Challenge**

Founded in 2000, Mixteca does HIV rapid-testing and counseling, preventative health services, educational programs for youth and adults, and linkages to health, legal, social, and educational service providers for South Brooklyn's burgeoning Mexican and Latin American immigrant community. By 2006, Mixteca's all-volunteer board and staff could no longer keep up with the growing demand for services. In October, Mixteca's board hired Rodrigo Camarena, a promising young executive director, and tasked him with building the infrastructure Mixteca needed to grow and thrive as a professionally run organization.

**The Solution**

Through the Capacity-Building Initiative, Camarena focused on two key areas: fundraising and fiscal management. Working with FMA, Camarena revamped

Mixteca's accounting procedures and internal controls. "We really upgraded everything that we do in terms of accountability and board oversight," Camarena said.

With this foundation in place, Camarena was able to expand Mixteca's services and attract funding from the city and private foundations.

**The Result**

Two years later, Mixteca's budget has The number of staff members has tripled, and the organization has added programs in health and literacy. In 2007, Mixteca provided 7,500 services; by July 2008, the organization had provided 9,000 services, with five months to go in the year. "This has been a really good run, and we would not have been able to do it without the capacity-building work," Camarena said. "The community, the board, and our clients have seen significant changes since we received funding."



# Capacity-Building Projects

In addition to answering a set of general questions about the Initiative, grantees were asked sets of detailed questions to assess the success of their individual projects. The projects fell into five principal areas: *fiscal management*, *fundraising*, *technology*, *leadership development*, and *program development*. (The Initiative did not make program grants, but some grantees did program development alongside work in other areas.) In a number of instances, projects involved more than one area, in which case they were asked to address each area individually.

## Capacity-Building Projects, By Focus Area

By Focus Area	# of Projects	% of Projects*
Fiscal Management	10	41.7%
Fundraising	16	66.7%
Technology	9	37.5%
Leadership Development	14	58.3%
Program Development	6	25.0%

\*Most projects had more than one focus area.

## FISCAL MANAGEMENT

Ten of the 24 grantees had projects that focused explicitly on fiscal management (and several others addressed the issue indirectly), and all of these grantees reported being in much stronger shape after the grant. Among grantees who focused on this area, most sought to implement basic systems, procedures, and controls—bookkeeping systems, budgeting tools, reporting and oversight procedures—and to train staff to use them. Five grantees worked with CRE, one with another consultant. Five grantees implemented their consultant's recommendations.

*"The main thing about our experience is that we took our capacity questions seriously. In the past, there were times where we couldn't meet payroll. Afterwards, we understood that good service was tied to infrastructure and capacity. We shouldn't do things with no resources attached. Through that experience, we came out thinking the strategy that needed to be sustained was advocacy and organizing. It wasn't something happening at the edges; it was at the core of our work."*

### Key points:

All ten grantees prepared IRS Form 990's and used accounting software, typically QuickBooks, the industry-standard. All grantees used their financial tools for budgeting.

Six of the grantees reported having annual audits—and those that did not conduct audits were too small to require them.

Half of all respondents in this area reported using an external bookkeeping service.

Two of the ten grantees have written finance and accounting procedures and four are in the process of developing them.

All respondents maintained the fiscal systems after the grant period ended, mainly because they implemented software, created clear procedures, and trained staff and board on fiscal management and oversight.

## FUNDRAISING

Sixteen of the 24 grantees focused on fundraising. In most cases, fundraising projects fell into two categories: hiring staff and/or consultants to assist with fundraising and/or creating a development plan. When fundraising projects worked, they had a significant multiplier effect. *"Since we had a part-time development consultant focusing on grant research and writing proposals and reports, it freed up the executive director's time to focus on individual donors and expanding our reach into the community. As individual donors increased, we had more funds available to help clients directly, organize more events, raise more awareness, and become more visible within our community as well as outside."*

### Key points:

Of six grantees that worked with CRE, three reported increases in their annual budgets that averaged 177 percent—nearly double their initial budgets.

Ten of 16 grantees reported using simple tools—calendar software and spreadsheets—to effectively monitor their

## LEADERSHIP DEVELOPMENT:

### Helping a New Leader Take the Reins

LATIN AMERICAN  
INTEGRATION CENTER  
BUSHWICK, BROOKLYN



Chhaya CDC

### The Challenge

Founded in 1992 in the Little Colombia section of Woodside, Queens, the Latin American Integration Center focused on building political power for the neighborhood's burgeoning Latino population through organizing and advocacy. When the founding executive director passed away in 2003, her successor, Ana Maria Archila, inherited an organization that was in precarious financial shape. The Integration Center was a vital community institution, but as an inexperienced manager, Archila needed help guiding the organization through a period of difficult transition.

### The Solution

Through the Capacity-Building Initiative, the Integration Center received a \$40,000 grant to help Archila step into her new role as executive director. In addition, CRE provided over 80 hours of consulting services, including executive coaching, fundraising, fiscal management, and board development. "We got very good technical assistance, and that was my training ground," Archila recalls. "It was essential that we had someone who understood where we were in the organizational development process, but also had the flexibility to meet me where I was as a young executive director."

### The Result

By the end of the year, Archila and her team had placed the organization back on firm footing. Financial controls were in place, as was a new fundraising plan. Two years later, the organization had doubled its budget, strengthened its programs, and ultimately emerged stronger than ever before. "Through this experience, we realized that everything we did—from providing services to organizing and advocacy—all had to be tied to infrastructure and capacity," Archila says.

fundraising plan. Two grantees used fundraising software, but most interviewees felt that such tools were unnecessary and too expensive.

Several grantees had difficulty finding and retaining fundraising staff that were qualified and affordable.

## LEADERSHIP DEVELOPMENT

Of the various areas of capacity-building, leadership development was the most difficult to quantify since board-staff relations, skill-building, organizational culture, and executive coaching don't lend themselves to quantitative measurements. Therefore, its impact was best measured by the in-person interviews rather than the online survey. Anecdotal evidence suggests that, with a clearly defined agenda, board development and executive coaching can have a significant impact. In particular, there were several instances in which young, talented—but unproven—executive directors made dramatic improvements with the benefit of coaching from consultants.

*"When I first started as executive director, I had had a lot of energy and passion but few management skills and not much knowledge of how to begin. For several months, I met with our TA provider once a week, or every other week, for an hour. It was pretty structured learning—fiscal management, fundraising, strategic planning. How do you think long term? It was very intense, but it really paid off. By the*

*end of the first year, we were in a much stronger financial position than we had been at the beginning. The transition into new leadership has been pretty smooth considering the circumstances.”*

Of the 14 respondents working on leadership development, 8 said that they focused on board development—board member training, clarifying member roles, and developing policies and procedures. Sixty-four percent of respondents reported working with a consultant. Seven worked with CRE and two worked with another consultant.

**Key points:**

Board standards were impressive. All the organizations keep minutes of board meetings. And 76.9 percent of respondents said they have written policies against conflicts of interest. Likewise, 76.9 percent of respondents require staff members to submit financial and programmatic reports to the board. Conversely, just 46.2 percent of respondents said they have a formal board development policy.

Among the needs most often cited as goals for board development, “relationships with community” were “very important” to 78.6 percent of grantees. The “ability to raise money” was cited “very important” by 71.4 percent of grantees, as were “diversity,” “communications” and “program knowledge” (all cited by 42.9 percent of grantees). “Program knowledge,” “legal skills,” and “financial expertise” were cited as “somewhat important” by roughly half of all grantees.

Fifty-seven percent of respondents said that they had met their organization’s needs through board development. Thirty-six percent say they have “somewhat” met their needs.

Grantees split evenly when asked if they had expanded or diversified their board membership. Five answered “yes,” five answered “no,” three responded “somewhat.”

While it was not one of the survey questions, three of the grantees interviewed volunteered that they were exceedingly happy with the executive coaching they received through CRE.

**TECHNOLOGY:**

**Building a Bridge to  
Citizenship**

LIBERTY CENTER FOR  
IMMIGRANTS—RICHMOND  
HILL, QUEENS

**The Challenge**

For years, the Liberty Center for Immigrants, a walk-in legal office in Richmond Hill, Queens, processed immigration documents by hand for its largely Guyanese clientele. Green card applications were filled out on typewriters, and client paperwork was kept in file cabinets. “We desperately needed something that would help us manage client cases and speed up the application process,” recalls Dolly Hassan, Liberty Center’s supervising attorney.

**The Solution**

Liberty Center used a \$20,000 grant from the Fund for New Citizens to build a new computer network and install case management software. Working with Media Jumpstart, CRE’s technology affiliate, Liberty Center bought four new computers, a printer, a high-speed copier, and a backup system. Jumpstart provided training for staff members on hardware and software applications.

**The Result**

With an annual license fee of just \$400, the new software has managed to increase efficiency while keeping costs low. Hassan estimates that Liberty Center has managed to cut the processing time for immigration paperwork by 70 percent. “We were like Fred Flintstone before we got this grant,” Hassan says. “We would have clients waiting for hours. Now we can create a green card application in 15 minutes.”

**TECHNOLOGY**

Although just nine grantees reported having technology projects, technology grants yielded some of the highest returns. (Note: grantees may have under-reported the technology aspects of their work if they classified financial software as “fiscal management” instead of “technology” in the survey.) Technology projects also have the advantage of being relatively easy to measure. The Liberty Center for Immigrants, for instance, was able to cut its paperwork by

“...we understood that good service was tied to infrastructure and capacity. We shouldn’t do things with no resources attached. Through that experience, we came out thinking the strategy that needed to be sustained was advocacy and organizing. It wasn’t something happening at the edges; it was at the core of our work.”

70 percent (see case study). Other organizations realized similar improvements in communication, fiscal management, and overall operations. Seven out of nine respondents worked with a consultant, and six of those worked with CRE.

**Key points:**

In most cases, grantees reported that modest investments in new computers, software, and networking technologies yielded big leaps in efficiency and significant savings.

Computer and software purchases accounted for the vast majority of technology projects at 71.4 percent and 57.1 per-



Mizue Azeki, Families for Freedom

cent, respectively. Equipment purchases and website development were both cited by 42.9 percent of respondents.

In general, grantees reported that, as a result of the grants, technology was widely deployed and adopted throughout the organizations. (When asked to evaluate, on a 10-point scale, the rate of technology use and adaption throughout their organizations, grantees gave an average rating of 8.25.)

When asked to rate on a 10-point scale the level of improvement technology had made in various areas of the organization, grantees gave the following average ratings: Finance (9.0), Web Site (8.83), Program (8.63), Communications (8.57), Operations (8.43), and Fundraising (7.43).

**PROGRAM DEVELOPMENT**

Because the Initiative does not fund program development by itself, program development had the fewest number of projects and also the lowest rate of consulting support, at 50 percent. Just two of the six grantees worked with CRE. Of the six groups that focused in part on program development, 83.3 percent focused on strengthening existing programs, and 50 percent sought to create new programs.

When asked to assess the helpfulness of the Fund’s support, grantees gave an average rating of 9.2 on a 10-point scale.

# Recommendations for Improving the Initiative

The responses from the grantees demonstrate that the grants made through the Initiative have produced concrete results and more than proved their worth. But there are some areas where, based on grantee responses, the Fund members may want to consider some changes.

**Examine ways to help grantees hire and keep key personnel.** The number one determinant of an organization's success is the quality of its leadership. Yet \$50,000, the current maximum grant, is not nearly enough by itself to cover the costs for a well-qualified executive director or senior development staff member. Many grantees supplemented the Fund's grant with other sources of funding, but others could not. The Fund may want to consider working with Fund members or other foundations to make complementary grants to cover the salary for key personnel. Another option would be to pay for executive training for junior staffers or AmeriCorps volunteers to groom them for management positions.

**Seek out projects that support young, talented executive directors.** Some of the strongest organizations were run by young-but-unproven executive directors. The key to the organizations' success was to give executives the mentoring and coaching they needed to realize their natural talents. The Fund should seek out and fund organizations in similar positions—start-ups and organizations looking to break out.

**Consider using fiscal management as a “bedrock project” for prospective grantees.** In order for an organization to raise money, build strong programs, or organize at any significant scale, fiscal systems need to be in place. Not surprisingly, the most successful grantees were those who possessed or had created strong fiscal controls. Thus, the Fund should, in its application, ascertain the status of prospective grantees' fiscal controls *before* funding anything else. The Trust already requires financial information before a grant can be made—but if basic systems are not in place, instituting them should become a requirement as part of the grant.

**Expand Fiscal Management Associates' role.** As noted, as a pilot project, FMA won universally high praise for the quality of its training and consulting services. FMA's work with grantees should be continued and, if possible expanded.

**Consider giving grantees greater choice in TA providers.** The contracts with CRE and FMA ensure the quality of the consulting services and are cost effective. While most grantees are happy working with CRE, grantees should ideally have final say over who they work with. The Fund should investigate ways to do this, perhaps by sharing the expense of another consultant—if the group justifies why they need another choice.

**Weigh the pros and cons of extending the funding window.** Extending the funding window would give grantees more time to stabilize their organizations. However, unless more money can be raised, extending the funding window will limit the number of groups who would receive grants, thus undercutting the goal of assisting groups that represent the full diversity of the City's immigrant communities.

**Create more opportunities for grantees to network and build relationships with other organizations.** More than half of the respondents asked for more opportunities to learn from other organizations. The Fund could convene informal meetings with a simple curriculum to give grantees the opportunity to share experiences and bring theory and concrete skill-building into their daily work. This would have the added advantage of strengthening relationships within and among groups representing different immigrant constituencies.



CASE STUDY

**FISCAL  
MANAGEMENT:**

**Laying a Groundwork for Growth  
by Creating Internal Controls**  
DAMAYAN MIGRANT WORKERS  
ASSOCIATION, INC.  
HELL'S KITCHEN, MANHATTAN

**The Challenge**

The DAMAYAN Migrant Workers Association's main focus is organizing Filipino domestic workers, but the Hell's Kitchen-based organization also engages in advocacy, training, and legal support. With just two paid staff members, DAMAYAN needed to strengthen its fiscal controls so it could be more efficient, but also to assure potential donors that grant money would be accounted for. "We needed to build a network of supporters," says Linda Abad, DAMAYAN's lead organizer. "But because we are only a staff of two, we need to multitask. I oversee fiscal management, but I'm not trained for that. I'm a community organizer. So we needed a system and training."

**The Solution**

DAMAYAN used its initial \$40,000 grant from the Fund to buy new computers and set up a network. With that system in place, CRE helped Abad design accounting systems that were rigorous, but simple to use. CRE helped DAMAYAN install QuickBooks and Abad learned how to do day-to-day bookkeeping and basic financial planning. "I liked that CRE was so hands-on," Abad says. "Our consultant, Louisa, was very patient—and they were always here, at our office."

**The Result**

With new technology and fiscal controls in place, DAMAYAN is poised to grow. DAMAYAN was just elected to the coordinating committee of the National Domestic Workers Alliance, and it is launching a new program to reach out to Filipino health professionals. With a second grant from the Fund, for \$20,000, DAMAYAN will focus on board training, strategic planning, and communications.

# Conclusion

Over the past five years, the Fund for New Citizens' Capacity-Building Initiative has established itself as a unique—and uniquely effective—instrument for strengthening small, immigrant-led nonprofits. The fact that nearly every grantee of the Initiative is better able to advocate on behalf of their constituents illustrates the impact the Initiative has had. Twenty-five of the 27 grantees continue to operate, an amazing record especially for small immigrant organizations surviving during difficult economic times and in an increasingly anti-immigrant climate. The results of these projects underscore the essential link between strong management, fiscal stability, and success. Funding training of board and management on fundraising and leadership skills and implementing fiscal controls are the key to survival for small, grassroots organizations. Funding technology ensures organizations have efficient, quick, and effective ways to work with their constituents on a larger scale.

The result of these capacity-building projects is that immigrants receive the support they need from community organizations to integrate into our society. Successful integration enables immigrants to play a positive and influential role in the City's social, economic, educational, and civic sectors. This report confirms that the Capacity-Building Initiative should be continued. The Fund for New Citizens can learn from the results of the past five years and further improve upon what has already proven to be a vital source of funding for grassroots organizations that are helping immigrants, in turn, contribute to New York City's vitality and rich diversity.

## CASE STUDY

### STRATEGIC PLANNING:

#### Charting a Stable Course of Growth

SAUTI YETU CENTER  
FOR AFRICAN WOMEN  
BRONX

### The Challenge

In 2004, the Bronx-based Sauti Yetu Center for African Women was spun out of RAINBO, a global nonprofit dedicated to ending female genital mutilation. Over the next two years, Sauti Yetu focused building programs to end gender-based violence, promote reproductive health and rights, and build leadership among women and girls in African immigrant communities. By 2006, when it received its capacity-building grant, Sauti Yetu had established a reputation as a small, feisty nonprofit that did good work. Now was the time to step back, take stock, and plan for the future.

### The Solution

The organization used its capacity-building grant in two areas: technology and strategic planning. First, the organization purchased two desktop computers, a laptop, and a server, and hired a consultant to link everything on a high-speed network. "Our productivity level went up immediately," said Executive Director Zeinab Eyega. Next, the organization hired a strategic planning consultant and developed a five-year plan.

### The Result

Sauti Yetu is now more efficient and more strategic. The strategic plan helped the organization expand its educational and leadership programs, improve infrastructure, and strengthen the board. "Before we got the grant we were serving around 45-50 people per year," Eyega said. "Now we are actually reaching 100 per year. That comes from having the computers and being able to do the work, but we've also been able to attract more interns and funding because we are clear about where the organization is headed. Now people look at us and say, 'Oh, they really know what they're doing.'"

# Fund for New Citizens' Capacity-Building Initiative Grantees 2003-2007

1. American Sufi Muslim Association, an organization that fosters American Muslim identity and builds bridges between Muslims and other Americans.

2. Arab-American Association of NY, Inc., a social service organization formed after 9-11, to assist the Arab-American community living in Bay Ridge, Brooklyn.

3. Arab American Family Support Center, based in Brooklyn, is the City's first Arabic-speaking social service agency to strengthen Arab-American immigrant families.

4. CHHAYA Community Development Corporation, a housing, community and economic development organization for diverse South Asian communities in the New York metropolitan area.

5. Council of Jewish Émigré Community Organizations, an umbrella organization for grassroots, primarily volunteer-led, Russian émigré organizations.

6. Council of People's Organization, an organization formed in the aftermath of 9-11, to address the needs of the South Asian, primarily Pakistani community of Brooklyn.

7. DAMAYAN Migrant Workers Association, Inc., an organization that advocates for Filipino migrant domestic workers in the New York metropolitan area.

8. El Centro de Hospitalidad, Inc., a worker center for immigrants in the Port Richmond section of Staten Island.

9. Esperanza del Barrio, an organization in East Harlem that empowers Mexican and other Latina women and their families through organizing and leadership development.

10. Families for Freedom, a membership organization formed after 9-11, to assist

immigrants, primarily from the Caribbean, Latin America and South Asia facing deportation and their families.

11. Latin American Integration Center, now called Make the Road New York, an organization that conducts community education and mobilization on a variety of issues facing the Latino community in Queens and Staten Island.

12. Latin American Workers Project, an organization that advocates on behalf of Latino day laborers in New York City.

13. Liberty Center for Immigrants, a provider of immigration legal services, outreach and information to Guyanese and other immigrants in Queens.

14. Mexican Educational Foundation of New York, a volunteer organization that fosters community leadership among Mexican immigrants and mentors and supports Mexican high school students.

15. Mirabal Sisters Cultural and Community Center, Inc., an organization that advocates for tenant rights and affordable housing for primarily Latino immigrants living in West Harlem.

16. Mixteca Organization, Inc., a social service organization that addresses the health, social, and educational needs of the Mexican and Central American communities in Sunset Park, Brooklyn.

17. National Coalition for Haitian Rights, a national organization that coordinated advocacy and organizing activities for grassroots Haitian groups.

18. National Korean-American Service and Education Consortium, a national consortium with local affiliates throughout the country that represents and advocates for the Korean community; its local New York affiliate

is Young Korean American Service and Education Consortium.

19. Nah We Yone, an organization based in Hamilton Heights, Manhattan that provides support to Sierra Leonean refugees, asylees, and asylum seekers in New York.

20. Northern Manhattan Coalition for Immigrant Rights, a provider of immigration legal services to Dominican immigrants living in Washington Heights and Inwood.

21. Raccoon-Reconciliation Culture Cooperative Network, an organization, founded in the wake of the breakup of Yugoslavia and war in Bosnia, to foster reconciliation among immigrants from the western Balkans.

22. Roza Promotions, Inc., an organization that worked on behalf of Liberian and Sierra Leonean youth on Staten Island.

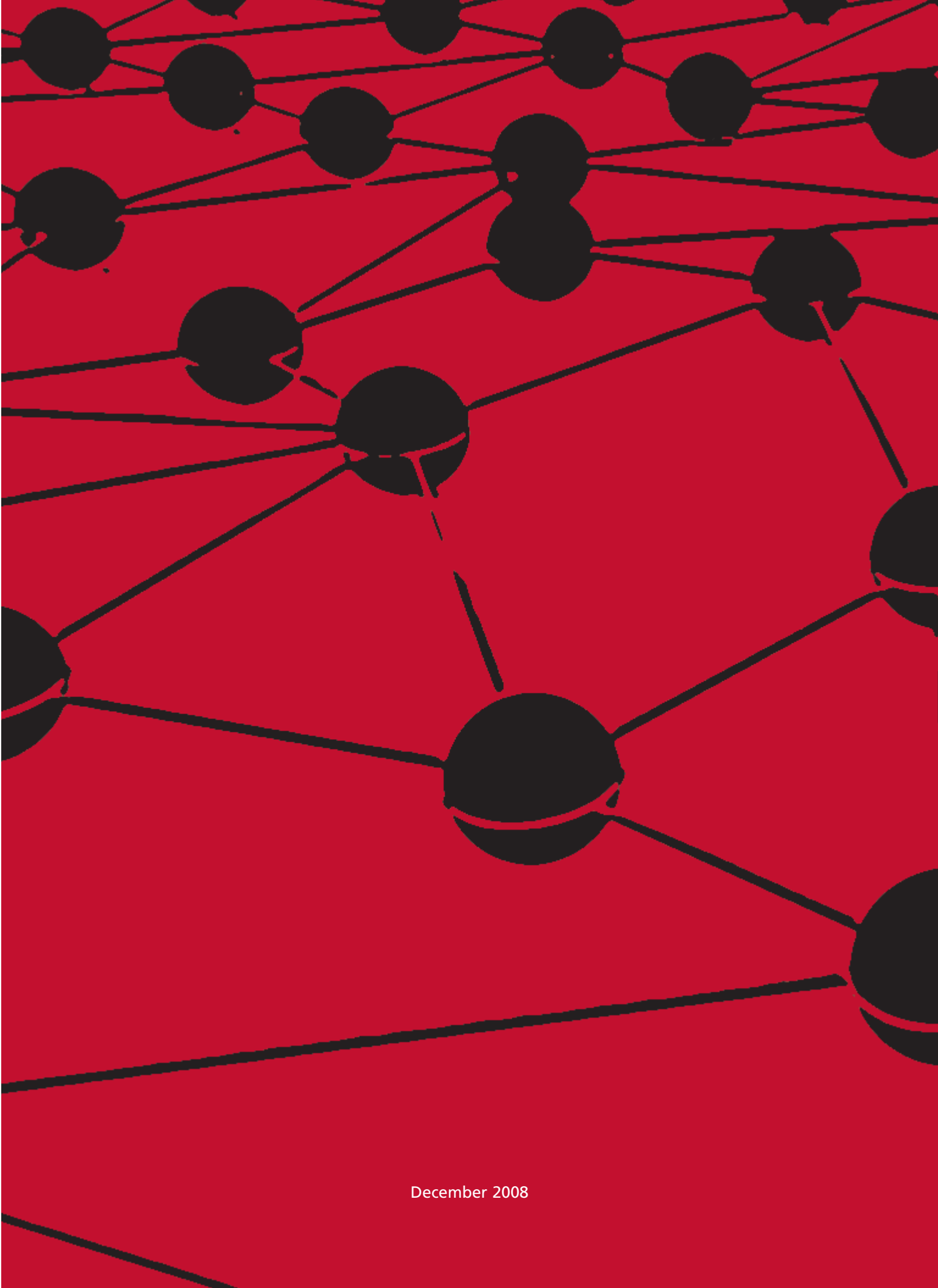
23. Sauti Yetu Center for African Women, an organization based in the Bronx that seeks to empower African women and girls in New York City.

24. South Asian Youth Action!, an organization, based in Queens, that provides South Asian youth with academic support and leadership opportunities.

25. The Sikh Coalition, an organization formed after 9-11 to respond to the bigotry, violence, and discrimination against the Sikh population living in New York City.

26. Turning Point for Women, an organization that helps Muslim women who are survivors of domestic violence.

27. Voces Latinas, Inc., an organization that empowers Latina immigrant women living with HIV/AIDS.



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