

Press Release

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STUDY DESCRIBES GROWTH OF COMMUNITY FOUNDATIONS IN MEXICO

A new, comprehensive study of 21 community foundations in Mexico reports that these organizations are strengthening the civic fabric and playing a pivotal role in growing a new type of philanthropy in Mexican communities.

According to 2007 financial information, the community foundations raised more than \$30.8 million (U.S. dollars) in assets since their founding, principally from local, private sources. That figure places Mexico at the forefront of Latin America's grassroots philanthropy. This is especially noteworthy, the study says, because many of the 21 community foundations are still quite new and have small staffs.

The study was funded by the Charles Stewart Mott Foundation, the Ford Foundation, the Global Fund for Community Foundations and the Inter-American Foundation, and was conducted by a U.S.-Mexico research team – Teamworks, based in San Francisco, and *Alternativas y Capacidades*, based in Mexico City. The objective of the research was to establish a current overview of Mexican community foundations, describing their main characteristics and the support system for their development.

Community foundations are nonprofit organizations that work in defined geographic areas such as cities or states, seek to develop a culture of philanthropy and work to strengthen civil society. Mexico's community foundations have developed in regions ranging from the Mexico-U.S. border cities of Tijuana and Ciudad Juárez on the north to Oaxaca in south-central Mexico.

The study found that the community foundations are making a difference in their communities, giving grants, providing training and creating local networks to address priority social issues. Through them, Mexico has become the Latin American pioneer in the use of philanthropy to foster citizen action, address poverty, teach youth about the benefits of community involvement, and provide economically viable options in rural, indigenous areas to keep families together.

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“This study will raise awareness of community foundations and about how people of all classes, from the rich to the poor, can combine their resources—money, time, and talent—to search for long-term, enduring solutions to our needs,” said Karen Yarza, executive director of the *Fundación Comunitaria de la Frontera Norte*. (Community Foundation Frontera Norte).

“We are a relatively young foundation and for us, in Ciudad Juárez, the study tells people we are part of a larger group of community foundations that are working throughout Mexico, that they are growing in strength, and that we are making a difference and are here to stay.”

The study also documents how civic-minded people have been active in the creation of some of these organizations. It describes business people and other community leaders who are reaching into their pockets and volunteering their time to strengthen civil society.

“In Mexico, we have grave social and economic inequalities, and I have personally seen how these foundations can change people’s lives,” said Jorge Contreras, a Ciudad Juárez businessman who serves on the board of two community foundations. “It is gratifying that this study provides evidence that these community foundations offer an efficient, effective way to involve people in philanthropy, and I hope as a result that it motivates people to inquire about what they can do to help.”

Although Mexico has a charitable tradition, the professional practice of philanthropy is just emerging, the study points out, and challenges remain. In 2007, there were about 5,000 nonprofit organizations that have tax-exempt status. (That number has since risen to just over 7,000.) By contrast, the U.S. has nearly one million of these organizations.

Mexico’s civil society organizations have long competed for limited resources. One challenge highlighted in the report is the traditional view that it is the role of either the government or the church to meet the needs of the less fortunate.

At a time when global economics are affecting all countries, the work of the community foundations, especially in Mexico, will be even more demanding in the near future. The report says the community foundations face the challenge of raising money when resources have dwindled, the peso has declined and needs are escalating. But the study suggests that they offer a long-term investment for strengthening Mexico’s civil society and, in turn, its democracy.

The report offers five recommendations for strengthening the community foundation field in Mexico: 1) building a sense of community among the foundations; 2) fostering the ability to articulate impact and increase visibility; 3) foster professionalization and institution building; 4) increase resources; and 5) create a more favorable enabling environment.

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