

PHILANTHROPY AND PUERTO RICO AFTER HURRICANE MARIA: **How a Natural Disaster put Puerto Rico on the Philanthropic Map and Implications for the Future**



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ABOUT THE PUERTO RICO FUNDERS NETWORK

www.redfundacionespr.org

The Puerto Rico Funders Network (“*Red de Fundaciones de Puerto Rico*” or “*La Red*”) is the membership association of Puerto Rico’s community of grant-makers. *La Red* stimulates the growth of strategic philanthropic investments in Puerto Rico to improve the lives of the most vulnerable populations on the island; and promotes greater understanding regarding strategies to move Puerto Rico forward. It furthers collaborative, local solutions and innovative actions to help Puerto Rico become a stronger and more equitable democracy that ensures the wellbeing of all residents. *La Red* advances knowledge on philanthropy and the nonprofit sector in Puerto Rico through research and communications, and learning visits, information sharing and presentations from experts. This study is part of *La Red*’s efforts to generate knowledge on philanthropy in and for Puerto Rico.

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INTRODUCTION



Hurricanes Irma and María devastated Puerto Rico in September 2017, exacerbating the already critical economic condition of the island. It caused over 4,600 deaths,¹ monetary damages estimated at \$138 billion,² and destroyed and damaged over 320,000 homes.³ Communications and electric infrastructure were obliterated, and water supply was severely impaired. Over 200,000 Puerto Ricans fled to the United States mainland⁴ in search of safe housing and jobs.

The philanthropic response to Puerto Rico's devastation was unprecedented. Never in our lifetimes had so many people from all over the world given so much to Puerto Rico. National foundations, largely absent from the island for the past two decades, arrived in force. Numerous new funds were created locally, by people of Puerto Rican descent living outside of the island⁵, and national nonprofits to support relief efforts. Local grantmakers developed expedited grants processes to support effective community-based groups.

La Red's own FORWARD Puerto Rico Fund provided a vehicle for national funders and individuals to partner with local foundations to support key nonprofit groups on the island. Other funds were created to tap into a variety of networks seeking to help Puerto Ricans. Tons of goods were shipped and flown in by an immense variety of groups; volunteers were too many and dispersed to count. And millions in philanthropic dollars were sent to Puerto Rico's people and organizations to help buy essential goods during the emergency, rebuild homes, provide energy alternatives, support direct services to the most vulnerable groups, and focus on recovery and rebuilding.

The hurricanes left our island and our lives in a maelstrom. We are still making sense of all that we endured and learned. The purpose of this study of private philanthropy following the 2017 hurricanes is to reflect on what we experienced and draw meaning and lessons that can serve us in the long rebuilding process, and others who may have the misfortune of experiencing such a destructive event.

We will never be able to calculate how much private aid came to Puerto Rico, but we observed particular giving trends. Among them were the activation of the Puerto Rican diaspora, the pervasiveness of crowdfunding mechanisms, the return of national foundations that had long been absent from the island, the surge in individual giving, and the arrival of philanthropic entities that were new to the island. This study helps us examine these and other trends by gathering information directly from key players in the philanthropic response for Puerto Rico. We trust that you will find their insights as interesting and valuable as we have.

Janice Petrovich, EdD
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¹ https://www.washingtonpost.com/national/harvard-study-estimates-thousands-died-in-puerto-rico-due-to-hurricane-maria/2018/05/29/1a82503a-6070-11e8-a4a4-c070ef53f315_story.html?noredirect=on&utm_term=.656dea90356a

² <https://www.usatoday.com/story/news/2018/12/04/hurricane-maria-economic-impact-puerto-rico/2209231002/>.
<https://www.npr.org/2018/08/09/637230089/puerto-rico-estimates-it-will-cost-139-billion-to-fully-recover-from-hurricane-m>

³ https://centrop.hunter.cuny.edu/sites/default/files/data_briefs/HousingPuertoRico.pdf

⁴ <https://www.elnuevodia.com/english/english/nota/nearly200000emigratedaftermaria-2448885/>

⁵ The term *diaspora* is used in this study to encompass people of Puerto Rican heritage living outside of Puerto Rico.

BACKGROUND

Hurricanes Irma and María unleashed an unprecedented influx of private philanthropic funds to Puerto Rico. Foundations and nonprofit organizations outside and within Puerto Rico were at the forefront of disaster response and resource mobilization. This study is based on publicly available data, in depth- interviews and a questionnaire with a select group of the 41 most visible sources of funds to assist in Puerto Rico's relief and recovery. It collects the insights, opinions and experiences of this group of philanthropists activated by the disasters, including the nature and extent of their philanthropic contributions, and lessons that may be applied going forward. Because of its focus on private philanthropy, the study does not cover giving by corporate or government sources. The data reported was collected approximately one year after the hurricanes – and is thus, a snapshot in time. Fortunately, philanthropy has continued to invest in Puerto Rico in 2019.

Since its inception, a major purpose of La Red has been to increase philanthropic resources for Puerto Rico. The universe of local foundations is very small and local philanthropic capacity limited, while social needs and systemic issues are great. Thus, La Red had been establishing connections and building relationships with national foundations and organizations for several years and working - with limited success - to encourage their investment in Puerto Rico. But the catastrophic outcomes of Hurricane María changed this. This study and *La Red's* work intend to strengthen and ensure ongoing philanthropic investment for Puerto Rico's recovery and rebuilding. Recognizing Puerto Rico's long-term, complex challenges worsened by the hurricanes, it's important to highlight, more than ever, the role of private philanthropy and nonprofit organizations in Puerto Rico's transformation.

METHODS

A judgmental sampling method was used to identify forty-three (43) sources of philanthropic contributions to Puerto Rico. Two could not be reached, so information is provided on forty-one (41) grantmaking entities of which thirty-three (33) participated in more extensive interviews. Data on the remainder were obtained through publicly available information. The sample included the majority of the most visible private organizations in Puerto Rico's disaster response. Most provided financial contributions of over \$500,000 for disaster relief, recovery and/or rebuilding. Many continue to invest in long-term recovery efforts. The information and analysis presented in this study were collected between September and November of 2018. Organizations included:

- 7 Puerto Rico-based grant-making foundations (one foundation had two separate funds)
- 11 grant-making foundations based outside of Puerto Rico
- 9 Puerto Rico-based nonprofit organizations
- 12 nonprofit organizations based outside of Puerto Rico
- 1 private fund

An interview protocol was developed to guide the conversations, covering the topics of emergency response, amount and purpose of donations made, investment timelines, future commitment plans, and lessons learned. General online research was also conducted to complement study's findings and topics in instances where information was not available and/or revealed during the interview process.

Clearly, this study does not include the entire universe of foundations, funds, organizations, crowdfunding campaigns, corporate and individual donors that contributed financially to Puerto Rico. A comprehensive account is impossible given the huge philanthropic outpouring that involved everything from formal grants to person-to-person contributions, donations from local businesses, groups of individuals, churches, nonprofit groups located outside of Puerto Rico, and gifts from individuals from all over the world. The focus of this study, as described, has been on the major and most visible entities that collected, provided and distributed philanthropic dollars to individuals and organizations in Puerto Rico.

FLOW OF PHILANTHROPIC FUNDS

The unprecedented destruction of Puerto Rico caused by Hurricane María⁶ triggered an influx of philanthropic funds never seen before, both from institutional and individual philanthropy. The data in this study includes funds committed and/or invested as reported up to September/November 2018. Not all of these funds have been invested fully yet; they include future commitments noted at the time of the study. In addition, contributions continue to be received in Puerto Rico.

The total philanthropic support triggered by the hurricanes and reported by the study participants is nearly \$400 million.⁷ Some of this amount is double counted since many foundations and charities located outside Puerto Rico donated to foundations and charities within the island. Both were part of this study. Even considering double counting, it appears likely that Puerto Rico received over \$375 million in cash contributions from just 41 grantmaking entities following Hurricane Maria. These funds were distributed primarily as grants to nonprofit organizations and were destined for immediate relief and long-term recovery and rebuilding efforts.

Major findings:

- **Donations greatly exceeded customary funding.** Funds committed by organizations studied was over 60 times the annual philanthropic support for Puerto Rico studied by the Foundation Center (\$6 M).
- **New funds were the preferred funding vehicle.** Table 1 lists the 26 new funds that were created and that committed a total of \$310 M.
 - Groups outside of Puerto Rico raised two-thirds of the total funding committed through new funds.
 - The majority of the resources collected by the funds were for subgranting to local nonprofit groups.
 - Many funds were created by organizations that had no prior history of grantmaking.
 - The vast majority of the resources collected through funds came from a variety of external sources, including all types of foundations, individual donors, corporate donors, crowdfunding campaigns, investment firms, and donor advised funds.

⁶ Hurricane Irma hit Puerto Rico on September 5, 2017. It caused most damage to the Northeast part of Puerto Rico, and its offshore islands of Vieques and Culebra. Hurricane Maria passed through the middle of Puerto Rico, causing enormous devastation. It is likely that the philanthropic response to the hurricanes was inspired primarily by Hurricane Maria.

⁷ Based on the information collected, we estimate that the double counting is less than \$25 million.

Table 1:
FUNDS ESTABLISHED
BY STUDY PARTICIPANTS
(September 2017 - September 2018)

	FWD787	\$100 M
	DISASTER RELIEF AND RECOVERY FUND	\$43 M
	UNIDOS POR PUERTO RICO	\$38.2 M
	PODEMOS PUERTO RICO FUND	\$25 M
	HURRICANE MARÍA COMMUNITY RELIEF AND RECOVERY FUND	\$18.5 M
	FLAMBOYAN ARTS FUND FOR PUERTO RICO	\$15 M
	PUERTO RICO COMMUNITY RECOVERY FUND	\$13 M
	PUERTO RICO AND CARIBBEAN HURRICANE RELIEF FUND	\$12.4 M
	HAND IN HAND HURRICANE RELIEF FUND	\$11.6 M
	HURRICANE MARÍA RELIEF FUND	\$7 M
	RICKY MARTIN HUMANITARIAN FUND	\$7 M
	FORWARD PUERTO RICO FUND	\$6.8 M

Table 1: FUNDS ESTABLISHED BY STUDY PARTICIPANTS

	THE MARÍA FUND	\$6.7 M
	EMBRACING PUERTO RICO	\$6.2 M
	MA UNITED FOR PUERTO RICO FUND	\$3.8 M
	FONDO COMUNITARIO PARA LA NATURALEZA	\$3.5 M
	2017 ATLANTIC HURRICANE SEASON RECOVERY FUND	\$3.4 M
	PUERTO RICO RECOVERY FUND	\$2.5 M
	HURRICANE MARÍA RECOVERY FUND	\$2.5 M
	REBUILD PR	\$2.4 M
	CON AMOR PUERTO RICO FUND	\$1.6 M
	PUERTO RICO REAL-TIME RECOVERY FUND	\$1.6 M
	THE RELIEF FUND	\$1.2 M
	PR RELIEF AND REBUILD FUND	\$1.1 M
	HURRICANE MARÍA COMMUNITY RELIEF & RECOVERY FUND	\$1 M
	PUERTO RICO HURRICANE RELIEF FUND	\$0.41 M

- **Puerto Rican diaspora was activated.** Individuals and organizations of the Puerto Rican diaspora represented the largest commitment of support: \$211.5 M.
 - The largest institutional contributor that participated in the study was the Hispanic Federation, an organization located in New York, that raised \$43 million.
 - The largest individual donor according to publicly accessible information, was the Puerto Rican entrepreneur Ric Elias, CEO of Red Ventures in North Carolina, who created the \$100 million Forward 787 Fund.
 - Two new foundations were created. The Bravo Family Foundation was created with a \$25 million endowment by Puerto Rican Orlando Bravo, the founder of a private equity firm in San Francisco, California. The *Fundación Colibrí* was created with a \$10 million endowment by a Puerto Rican family in New York.
 - Locations with large Puerto Rican populations created funds. DC and Massachusetts alone raised \$6.3 M
- **National foundations invested.** Grants made by the 8 private national foundations in the study 8 (\$37.6 M) far surpassed the total annual contributions in the history of philanthropy in Puerto Rico, but were significantly smaller than the contributions from organizations of the Puerto Rican diaspora (\$211.5 M).
- **Many grant-makers were new to Puerto Rico.** International grant-makers new to Puerto Rico included Global Giving, Comic Relief, Center for Disaster Philanthropy.
- **Individual donors** numbered in the hundreds of thousands:
 - Over 200,000 individual donors contributed to the Hispanic Federation; 28,000 donors to the Hurricane Maria Fund
 - Crowdfunding platforms and social media were activated and spurred individual donations
- **Celebrities contributed significantly.** Lin Manuel Miranda, Ricky Martin, Carlos Beltrán, and many others played major roles as donors and fundraisers.
- **Donors sought to give locally.** Local foundations and organizations were favored as grantees by study participants. National foundations and community foundations based in the United States used local foundations and organizations as funding intermediaries.
 - Intermediaries included entirely new organizations such as *Unidos por Puerto Rico*, new funds established within existing nonprofit groups such as *Taller Salud* and Foundation for Puerto, and those established by local philanthropy such as La Red's FORWARD Puerto Rico Fund, the Puerto Rico Community Foundation's Puerto Rico Community Recovery Fund, and Banco Popular Foundation's Embracing Puerto Rico Fund.
 - Study participants reported that the majority of their funds were allocated to local organizations doing work on the ground. Very few participants reported that they channeled funds through international humanitarian aid organizations. It is important to note that corporate donors not included in this study contributed significantly to international organizations. The pharmaceutical company ABBVIE alone, granted \$100 million to two such organizations: Habitat for Humanity and Direct Relief.⁹

⁸ Open Society, Robert Wood Johnson, Ford, Rockefeller, JPB, Walmart, Kellogg, and Knight Foundations

⁹ <https://caribbeanbusiness.com/abbvie-donates-100-million-toward-healthcare-housing-in-puerto-rico/>

BEYOND THE NUMBERS: INSIGHTS FROM PHILANTHROPISTS

In addition to data on contributions, interviews of study participants surfaced important experiences and insights. Their observations identified significant features of the philanthropic response to the hurricanes in Puerto Rico that we summarize below.

Philanthropy Mobilized Quickly

Even though federal and local government responses to the disaster were slow and messy, the philanthropic and nonprofit sectors quickly mobilized flexible resources to assist affected communities.

PRXPR's Carmen Baez expressed the frustration that many experienced in regard to the challenges posed by government's slow response and bureaucracy:

The organizations and the communities have recognized that they will have to be their own engine of progress, their own engine of survival, their own engine of getting themselves out of the hole that María has put everybody in. There is no municipal, federal, FEMA, or local government that is going to really come and do this work for them.
-Carmen Baéz, PRXPR

More than 81% of those interviewed indicated that they responded immediately to the disaster - within the first two to three weeks - with direct in-kind support and emergency grants. For example:

- Angel Ramos Foundation purchased 10,000 gallons of diesel to fuel generators as electric power was out. It divided its staff in teams to deliver diesel to organizations all over the island, particularly those serving the elderly and children. They also provided cash grants to over 9 organizations within the first weeks after the storms.
- The Center for the New Economy coordinated massive humanitarian aid with U.S. donors, using maritime cargo and helicopters, and strategically partnered with local community organizations to become distribution centers.
- Banco Popular Foundation opened its doors 4 days after the hurricane, providing nonprofit organizations with access to wi-fi and shared work space. They also carried out humanitarian missions, delivering trucks full of locally purchased supplies to specific communities.

- Baseball celebrity Carlos Beltran, founder of Carlos Beltran Baseball Academy Foundation, and his wife Jessica funded the first air flight that arrived in Aguadilla, Puerto Rico with supplies. The organization's staff coordinated community outreach efforts and delivered supplies for 15 weeks in a row after the hurricane.
- Foundation for Puerto Rico became a dynamic hub for the local nonprofit sector, leading and promoting information sharing and collaboration across organizations and sectors. They provided free wi-fi, back of office resources and workspace while the island was still largely without electricity.
- United Way of Puerto Rico immediately increased its social investment by 60% and gave all its 130+ grantee organizations a four-month cash advance to improve their cash flow and operations.
- National and international organizations arrived in Puerto Rico and mobilized at once to help with hurricane relief efforts. Save the Children USA's emergency team was on the ground by the third day, made visits to the most vulnerable areas in the eastern region of the island to assess needs. Within weeks, it developed alliances with local organizations to distribute supplies to and provide shelter for families, and provided emergency grants to schools and day care centers, so thousands of children had a safe space to go and learn.

As a result, philanthropy and nonprofit organizations became the driving forces for relief efforts in Puerto Rico, providing faster and more flexible funding, responsiveness, information flow and innovative problem-solving and outreach to communities and victims. Study participants cite this as the primary reason why all type of funders chose to channel support through entities with local roots.

New Funds Created to Channel Contributions

Local foundations and nonprofit organizations within and outside of Puerto Rico established dozens of funds to collect contributions for immediate relief and longer term recovery. Nonprofit organizations that created their own funds included *Taller Salud*, Center for Popular Democracy, Center for a New Economy, Foundation for Puerto Rico and *ConPRmetidos*. And entirely new nonprofit organizations were created to channel contributions. These included the largest local fund, *Unidos por Puerto Rico*, created under the auspices of private sector leadership.

They became overnight disaster grantmakers, taking on the fiscal responsibility and developing agile grantmaking processes to distribute significant monetary resources.

New Foundations Created

A noteworthy outcome of the emergency is the development of two new foundations with roots in the Puerto Rican diaspora that have granted and/or committed a combined \$35 million in funding for Puerto Rico's recovery. These two private family foundations are: New York-based Colibri Foundation and California-based Bravo Family Foundation. Leaders of these two foundations commented:

When the emergency happened, they (Bravo family) had just established the foundation. There was no programming focus. After Hurricane María they decided to really concentrate all efforts in Puerto Rico.

- Guiomar García, Bravo Family Foundation

Our guiding principles are inspired by the way of the hummingbird (Colibrí in Spanish), which has the ability to pollinate, perch on and nourish new initiatives that can contribute to systemic changes, and the nature to adapt, influence and fuel actions to improve Puerto Rico.

- Beatriz de La Torre, Colibrí Foundation

Extensive Crowdfunding and Individual Contributors

Perhaps the most compelling story of philanthropic support following the hurricanes is that of individual giving. Even as grantmaking entities responded robustly, the disaster activated hundreds of thousands of donations small and large, from individual donors. Many contributed through crowdfunding platforms; others contributed directly to organizations. Study participants reported on the consequential role of individual donors: the Center for Popular Democracy's The María Fund raised \$6.7 million of which half came from over 28,000 individual donors; 23,000 individuals donated to Puerto Rico Community Foundation's \$13 million Recovery Fund, and an outstanding 200,000 individuals gave to the Hispanic Federation's *UNIDOS* Disaster Relief and Recovery Fund.

Local Foundations and Nonprofits Became Key Intermediaries and Advisors

Amid the state of emergency, funders located outside of Puerto Rico and *diaspora* donors sought out trusted local organizations to inform their disaster giving. Study participants such as Banco Popular Foundation, *La Red de Fundaciones de Puerto Rico*, Puerto Rico Community Foundation, and Center for the New Economy became key local intermediaries and advisors during the emergency, facilitating connections between donors and local organizations, and as vehicles to reliably channel funds to support local community-based organizations and projects. For example, Angel Ramos Foundation served as conduit for AARP Foundation to give grants to elderly centers. Hispanic Federation's Senior Director of Operations in Puerto Rico noted the huge value of tapping into and listening to local philanthropic leaders, such as *Banco Popular* and Puerto Rico Community Foundations, that enabled her to make quick, strategic grantmaking decisions to support and work in alliance with local groups.

Growing Importance of Fiscal Sponsorship

Most local nonprofit organizations operate with a local tax exemption and lack the federal exempt status typically required by U.S.-based donors. Many donors outside of Puerto Rico required that their funds be channeled through organizations with 501c3 tax designations. *Foundation for Puerto Rico* served as fiscal agent for numerous organizations. And *Global Giving* became an important conduit for rapid and direct contributions.

One study participant commented on the crucial role played by local 501c3 public charity HASER, which sponsored several of the small, grassroots organizations and projects The María Fund supported:

In many instances, we felt the weight and complexity of managing the large amounts of monies coming in; there was a big gap between grassroots organizations and all the funders that wanted to help. This made me think that we (the sector) need to develop infrastructure to assist smaller, grassroots organizations doing exceptional and important work.

-Xiomara Caro, Maria Fund



Solidarity of Community Foundations

Over 30 community foundations across the United States channeled their contributions through the Puerto Rico Community Foundation (PRCF). 43% of the \$13 million raised by PRCF's Puerto Rico Community Recovery Fund came from community foundations. The San Francisco Foundation awarded \$4 million, the largest single donation for Puerto Rico made by a community foundation. *Unidos por Puerto Rico* and *La Red*, among others, also received contributions from many community and small family foundations.

Relying on the support of our peers during those first months was crucial... they helped disseminate information, in fact, many of them posted links and stories on their websites directing traffic to ours... a lot of the donations received were the result of the links published by (community) foundations on their websites.

- Mary Ann Gabino, PRCF



Champions in the Puerto Rican Diaspora

The Puerto Rican diaspora played a prominent role in the philanthropic response to benefit Puerto Rico. Diaspora organizations, individuals, celebrities and staff of foundations and nonprofit organizations mobilized quickly on behalf of Puerto Rico. Many raised and distributed funds and advocated to Congress and the general public on behalf of the island.

- A significant number of those who promoted speedy response and grantmaking for Puerto Rico from within their foundations or organizations were either from Puerto Rico or had strong ties to the island. Presidents, Executive Directors, Program Directors and/or Officers at Open Society, Ford Foundation, Bravo Family Foundation, the Boston Foundation, Friends of Puerto Rico, Colibrí Foundation, and Center for Popular Democracy and Hispanic Federation, immediately moved to support Puerto Rico.
- The response went beyond grantmaking and in-kind donations. Many of the participants collaborated with other organizations, promoted connections among other funders to increase giving, provided resources and reached out to their networks to raise awareness, came together to influence public opinion and advocated at the federal level. Power to PR Coalition, of which Hispanic Federation and Center for Popular Democracy are part, is an important outcome of this type of response.

We need to expand the advocacy capacity on the island, the philanthropic sector has not invested in the advocacy field... we need to teach philanthropy to invest in advocacy, if not we're going to lose the island to private interests and groups that are not representative of the people... Using the power of diaspora organizations to put pressure on Congress, is deeply needed.
-Karina Claudio Betancourt, Open Society Foundations

- Funds were activated in states and cities with large Puerto Rican populations. Diaspora organizations and communities such as Friends for Puerto Rico in Washington D.C., PRxPR, MA United for PR Fund at the Boston Foundation, and the Hispanic Federation, among others, played a critical role in fundraising, collecting humanitarian aid, putting Puerto Rico on the radar of foundations and federal policymakers, and advocating for the island to Congress.

Thanks to a strong diaspora committee we were really able to impact the recovery efforts.
-Aixa Beauchamp, founder of the MA United for Puerto Rico Fund

The disaster highlighted the value and growing importance of building collaboration and strategic partnerships between Puerto Rico-based organizations and those in the diaspora to drive development and prosperity for the island. To maximize their support and advocacy in the mainland, philanthropic and nonprofit leaders in Puerto Rico are now cultivating and strengthening these relationships.

Puerto Rican Celebrities Rallied

The experiences shared by study participants revealed the proactive response of celebrities from or with strong ties to Puerto Rico and their significant commitments to the island's recovery. Celebrities performed and made appearances at fundraising campaigns, charitable events, and/or telethons, raising and contributing tens of millions of dollars. Some established their own funds; others contributed to established funds. Among the most prominent were actors and singers including Rosalyn Sánchez, Ricky Martin, Daddy Yankee, Rosie Pérez, Marc Anthony, and Jennifer López, and sports celebrities like Alex Rodríguez, De Posada, Carlos Beltrán, Monica Puig and Jose Juan Barea.

- Lin-Manuel Miranda stands out as a major spokesperson and celebrity organizer in favor of Puerto Rico. He gathered prominent singers to perform and authored two songs for Puerto Rico, with proceeds to help island residents. In early 2019, the show *Hamilton* scheduled a two-week fundraiser in Puerto Rico with Lin-Manuel in the lead role, to benefit the Flamboyant Arts Fund with a goal of raising \$15 million.
- *Unidos por Puerto Rico's* Telethon raised \$4.3 million with the support of local artists to aid hurricane relief victims through local nonprofit organizations. A philanthropic alliance of artists *Somos Una Voz* also mobilized major relief and recovery funds for Puerto Rico.
- The Hand in Hand Benefit for Hurricane Relief, managed by Comic Relief USA, featuring big stars and entertainers, raised \$62 million in response to Hurricanes Harvey, Maria and Irma. \$10 million were allocated for relief and recovery efforts in Puerto Rico.

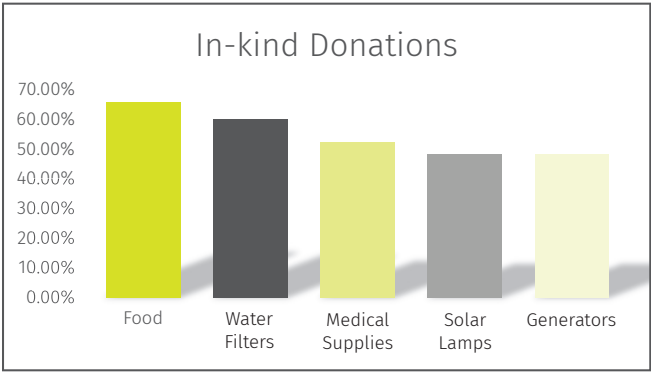
Massive In-kind Emergency Donations

Immense amounts of donated emergency supplies arrived in Puerto Rico by air and sea as part of the response. Logistical problems caused by governmental inefficiency generated a backlog in the distribution of shipping containers, many of which went missing and led to ruined food. Some organizations responded by setting up alliances to ensure effective distribution.

For example, the Center for a New Economy and *Taller Salud* were able to successfully distribute supplies during the height of the emergency.

The top five disaster relief items distributed by those interviewed were food, water filters, medical supplies, solar lamps and generators.

Only 40% of interviewees reported the monetary value of purchased or collected supplies, which amounts to \$32.3 million. Certainly, tens of millions of unrecorded dollars were donated in the form of air transportation, maritime cargo, equipment and all types of humanitarian supplies.



Funding With a Long-term Vision

Many of those interviewed committed significant funding to long-term recovery and rebuilding initiatives from the very start of the emergency. Some examples of this are:

- Center for Popular Democracy's The María Fund used lessons learned from the response to Hurricane Katrina to intentionally allocate significant funding to long-term recovery and rebuilding efforts, including policy and grassroots organizing to tackle systemic issues.
- Open Society Foundations made long-term investments in federal advocacy, diaspora empowerment and engagement, and community organizing.
- Segarra Boerman Foundation changed its focus areas to meet the immediate needs of communities as a result of the disaster and allocated 78.6% of its grantmaking dollars to initiatives and projects working on Puerto Rico's rebuilding and transformation.
- *La Red de Fundaciones de Puerto Rico* has identified fair distribution of government resources, nonprofit capacity building, and collecting and analyzing data for decision making as its three grantmaking priorities for recovery and rebuilding supported through its FORWARD Puerto Rico Fund.
- Others, including Hispanic Federation, Oxfam and Save the Children, had no previous grantmaking presence in Puerto Rico before the hurricane. They have recruited new people and established physical presence in Puerto Rico.



Hurricane Maria Placed Puerto Rico on the Philanthropic Map

Prior to the disaster, very few national foundations were investing intentionally and consistently in Puerto Rico. For decades, the island was not included in national funding portfolios, nor was it part of international portfolios either. National foundations provided sporadic grants directed at specific projects in the areas of health, economic development, education, and philanthropy, among others. The total grants awarded to Puerto Rico probably did not exceed some \$5-6 million a year, that is, less than \$2 per inhabitant.

- Prior to Hurricane María, *Open Society Foundations* had the largest annual grants commitment in Puerto Rico. Following the hurricane, they committed new additional funds for advocacy around long-term rebuilding efforts. Program officer Karina Claudio explained:

Our advocacy and empowerment-driven strategies arose from necessity, from what the hurricane triggered and unveiled, from the colonial status, from the deep-rooted problems of inequity in Puerto Rico within the U.S. political system.

-Karina Claudio Betancourt, Open Society Foundations

- Shortly after the hurricanes, three foundations announced their multi-year commitment to Puerto Rico. Open Society, Ford and Rockefeller Foundations developed a long-term investment strategy, identifying Red de Fundaciones de Puerto Rico as its philanthropic partner on the island. Ford Foundation's Director of Cities and States, explained:

Puerto Rico was never excluded from our grantmaking. It's just that we have never had a density of grantmaking there. Post Hurricane María, what we are seeing that change. What this has done is cemented our relationship with really important work that is happening on the island that we believe has important national implications around equitable recovery and redevelopment. We are hoping to continue developing those relationships over the next several years.

-Jerry Maldonado, Ford Foundation

Ford Foundation's commitment to the island's recovery includes multiyear grants to *La Red*, the Neighborhood Funders Group's Amplify Fund and the María Fund, and additional grants to groups that advance social justice.

- Robert Wood Johnson Foundation (RWJF) invested over \$3.5 million over the last 18 years in Puerto Rico. After Hurricane María, they recognized the need to be more intentional and strategic about their giving. Their support after the disaster amounted to \$7 million in just one year. A Senior Program Officer at RWJF shared:

This (the engagement after Hurricane María) is going to help incorporate Puerto Rico into our more general strategic areas. We are trying to think of what else we can do to support the Island. For instance, with our Medicaid work, what else can we do in that area."

-Martha Davis, Robert Wood Johnson Foundation

- Prior to Hurricane Maria, there was limited presence in Puerto Rico of national humanitarian organizations that raise funds and make grants to tackle poverty. Puerto Rico, as a territory of the United States, was not viewed in the same way as other regions of the world experiencing similar poverty rates. It took Hurricane María to uncover its astounding poverty rate of 45%. Save the Children, OXFAM America and Comic Relief USA, responded immediately, and for the first time arrived in Puerto Rico. In some cases, organizations have established physical offices, recruited new staff, and planned continued grantmaking. All of this reflects their recognition of the importance of making long-term commitments to the island.

The insufficient response from federal and local governments and the prevailing needs of vulnerable geographies and populations (in Puerto Rico) were the game changer for us.

– Brenda Guzmán, Senior Program Advisor, OXFAM America

Grant Coordinator at Comic Relief USA Indicated:

What we really focused on is child poverty and sustainable development, but Hurricane María stripped away and revealed the poverty issues that were there before... funders are actually starting to pay attention to Puerto Rico not only from a hurricane perspective but also from a long-term development perspective. Puerto Rico is definitely on our radar and we're taking this experience through our fund "Hand in Hand" (fund used to provide support to Puerto Rico) to really learn and absorb what it means to be a donor in Puerto Rico right now.

–Madison McCormick, Comic Relief

- Other national organizations interviewed said that their support and funding to Puerto Rico changed for good. Understanding that "it will take so long to rebuild after Hurricane María," Global Giving is dedicating millions of dollars to support local nonprofit organizations during the long-term recovery and rebuilding process. It is also providing capacity building opportunities and resources to help them build other networks and avenue streams.

We try to keep our funding as unrestricted as possible... we are really trying to invest in building, in keeping the civil society strong post-disaster."

– Britt Blake, Global Giving

- Other participants expressed that Hurricane María redefined their relationship with the island. Recognizing philanthropy's long-term role as influencer and advocate, VP of Partnerships and Communications at Hispanics in Philanthropy (HIP), asserted:

Hurricane María has recommitted us to working for the Island. We are not just doing it as HIP; we are doing it as an advocate for the island. It is no longer just about our dollars and how we are investing, but also about how we could use our position and momentum, right now, for others to give more and think strategically about their giving.

–Nancy Santiago, Hispanics in Philanthropy

- The presence of different foundations allowed many different approaches to the recovery process. As the Vice President, Center for Disaster Philanthropy stated:

In times of disaster the role of each national foundation is unique ... We all have different missions and serve different spaces. That's why I am thankful that there are a lot of us out there to fill different spaces."

–Regine Webster, Disaster in Philanthropy

**A major finding of this study:
Hurricane María has spurred the
long-term commitment of
institutional philanthropy
to Puerto Rico.**

Local Philanthropy is Moving in New Directions

All local foundations and organizations in this study have strongly committed to rebuilding Puerto Rico in different ways. As Noelia Lugo, Partnerships and Donations Manager for the Carlos Beltran Baseball Academy Foundation observed,

“It’s not reasonable anymore to go back to what we were before María, but we need to evolve and see how we can better help the people of Puerto Rico.”

-Noelia Lugo, Carlos Beltran Baseball Academy Foundation

Sports celebrity Carlos Beltrán and his wife had been involved in Puerto Rico through their Foundation, which became the base for providing additional support for the emergency relief efforts. As a result of this vision, Safe at Home, a program focused on rebuilding homes, was launched as a long-term commitment to Puerto Rico’s reconstruction.

- Miranda Foundation, a small family foundation, leveraged its investments in long-term recovery efforts by awarding grants to La Red’s Forward Puerto Rico-Fund and the Center for Popular Democracy’s The María Fund.
- Segarra-Boerman Foundation refocused its investments on Puerto Rico’s transformation and reconstruction, specifically in the areas of energy, food sovereignty, affordable housing, psycho-emotional support, environment, education, civic engagement and organizing. Its Executive Director explained

“Because reality changed for everyone, our focus areas also changed. They’re directly related to what the communities have told us we should focus on and the things they need.”

-Alexandra Hertell, Segarra-Boerman Foundation

- For Beatriz Polhamus, Banco Popular Foundation’s Executive Director, investing in resilience became a priority:

“We were obliged to make more long-term strategic investments to ensure nonprofit organizations are prepared for future disasters, because at the end of the day, nonprofits were really the ones with the capacity to respond immediately to the emergency.”

-Beatriz Polhamus, Banco Popular Foundation

- The Puerto Rico Community Foundation, after listening to the communities, decided to prioritize its long-term recovery and rebuilding funding to support and develop independent, sustainable communities through solar energy, water and housing projects.
- Other nonprofit organizations that created funds are similarly pursuing new directions. “Foundation for Puerto Rico is focusing on Puerto Rico’s recovery through economic development strategies” stated its Vice President María Jaunarena. And *Para la Naturaleza*, invested \$5 million from its endowment over seven years to implement its ecosystem restoration program for future sustainability, which also supports job creation and tourism activity. This is in addition to dollars raised through its *s Fondo Comunitario*.

The Power of Partnerships

Partnerships and collaborations flourished after the hurricanes at all levels. Solidarity among individuals saved many lives, and institutions also collaborated and generated new partnerships.

- Celebrity collaborations, such as the songs produced by Lin Manuel Miranda with the collaboration of dozens of artists raised funds for Puerto Rico.
- Collaborations between the Center for the New Economy and grassroots groups helped distribute large quantities of donated supplies.
- Banco Popular Foundation and Hispanic Federation collaborated on an initiative, the Big Ideas Challenge, designed to support innovative approaches to addressing Puerto Rico's challenges.
- Foundation representatives and NGOs from New Orleans, Detroit and Flint visited and provided advice to local foundations and organizations.
- Local foundations and funds partnered with foundations and funds outside of Puerto Rico to create funding vehicles such as the FORWARD Puerto Rico Fund of Red de Fundaciones de Puerto Rico, which managed donations from two dozen major entities and hundreds of individuals. Janice Petrovich, Executive Director of *La Red*, spoke of the need for philanthropy's long-term investment and commitment to Puerto Rico, to help tackle the dual challenges of a longstanding economic crisis and the most recent devastation caused by the hurricanes:

We need to act together to advance social justice, promote equity, strengthen nonprofits, create employment and reduce migration. La Red will continue to build and strengthen our partnerships within Puerto Rico and with U.S.-based philanthropy for the benefit of our non-profit sector and all Puerto Ricans. We engage in collaboration so that efforts to advance these goals are done in a coordinated and aligned manner. La Red will continue to expand its capacity as the common space to connect philanthropic players with interest in supporting Puerto Rico."
-Janice Petrovich, Red de Fundaciones de Puerto Rico

Fundraising Continues. And it Should.

The data collected for this study is a snapshot in time. It includes reported contributions up to September/ October 2018. But it is evident that philanthropic investments will go beyond disaster giving. Over half (54%) of participants reported that they continue to raise funds for recovery and rebuilding phases. La Red and other local philanthropic actors are working to convert the extraordinary philanthropic response to Puerto Rico into sustained philanthropic investments in the island. Institutional philanthropy is making long-term commitments to Puerto Rico. Even individual contributors continue to provide donations, particularly when organizations keep them in the loop about their work and take advantage of end of the tax year donations.

CONCLUSIONS

To conclude, we offer three observations inspired by this study. The first is on what a disaster uncovers and makes visible. The disaster helped us to recognize an often unacknowledged fact: Puerto Ricans possess a great degree of solidarity. It was expressed in the goodwill demonstrated between neighbors, in the generosity of the Puerto Rican diaspora, in the commitment of local organizations to their communities. The hurricanes also brought the world's attention to our untenable high levels of poverty and to the complex relationship between Puerto Rico and the United States. And while Hurricane María left Puerto Rico with unimaginable devastation, new expertise and knowledge has been built within the philanthropic and nonprofit communities that we must continue to tap. This knowledge should remain fresh in our minds to guide our future work.

The second observation is on evolving from disaster to social justice philanthropists. All study participants responded to the hurricane as disaster philanthropists. We all evidenced how the disaster exacerbated existing social inequalities. Thus, we sought to protect the most vulnerable populations by supporting community based groups. As the recovery work on the ground develops, billions of dollars in federal disaster relief funds will arrive. Effective recovery and rebuilding strategies require a focus on social justice: supporting efforts that ensure the fair distribution of disaster recovery funds, promoting local job creation and housing security to stem migration, and generating the evidence to inform public policy and promote recovery and rebuilding strategies that benefit all residents.

A third observation concerns the changing flow of philanthropic contributions. Those who study disaster-inspired philanthropy often note that funding wanes as time passes, since there are other disasters that divert the attention of donors. This study identified dozens of funds that amassed millions of dollars in donations. Many of these funds are managed by nonprofit entities whose work had not been primarily grantmaking. As time passes and these organizations refocus on their original missions, the priority for Puerto Rico is to continue to engage and retain the commitment of organizations whose primary purpose is grantmaking: institutional philanthropy. Institutional philanthropy includes private foundations that can and should have the staying power to invest over the long term. Philanthropic institutions possess financial resources and deploy them strategically, and have missions that direct those resources to advance the public good. Retaining the interest and commitment of institutional philanthropy in Puerto Rico should remain a priority.

This study does not end here, just as our work does not end here. We will continue to build knowledge in partnership with philanthropic institutions, organizations that receive support, and others who share our belief in helping Puerto Rico become a stronger and more equitable democracy that ensures the wellbeing of all its residents. The spirit of collaboration will help us continue to act and build on what we are learning to move Puerto Rico forward effectively and expeditiously.

APPENDIX

LIST OF ORGANIZATIONS INTERVIEWED

Foundations and Nonprofit Organizations OUTSIDE PUERTO RICO	AMOUNT RAISED, COMMITTED AND/OR GRANTED
1. Hispanic Federation	\$43,000,000.00
2. Bravo Family Foundation	\$25,000,000.00
3. Save the Children	\$18,500,000.00
4. Global Giving	\$12,400,000.00
5. Comic Relief	\$11,600,000.00
6. Open Society	\$10,600,000.00
7. Colibri Foundation	\$10,000,000.00
8. Robert Wood Johnson Foundation	\$7,000,000.00
9. Center for Popular Democracy	\$6,659,000.00
10. Rockefeller Foundation	\$3,900,000.00
11. The Boston Foundation	\$3,800,000.00
12. OXFAM	\$3,700,000.00
13. Center for Disaster Philanthropy	\$3,400,000.00
14. Ford Foundation	\$2,677,296.00
15. Friends for Puerto Rico	\$2,500,000.00
16. PR x PR*	\$1,100,000.00
17. Hispanics in Philanthropy	\$720,000.00
Foundations and Nonprofit Organizations LOCAL	AMOUNT RAISED, COMMITTED AND/OR GRANTED
18. Unidos por Puerto Rico	\$38,137,567.67
19. Puerto Rico Community Foundation	\$13,000,000.00
20. United Way of Puerto Rico	\$8,000,000.00
21. Foundation for Puerto Rico	\$7,000,000.00
22. Ricky Martin Foundation	\$7,000,000.00
23. Puerto Rico Funders Network	\$6,800,000.00
24. Banco Popular Foundation	\$6,200,000.00
25. Para La Naturaleza	\$3,500,000.00
26. Angel Ramos Foundation	\$ 2,782,786.00
27. Center for a New Economy	\$2,500,000.00
28. ConPRmetidos	\$1,600,000.00
29. Carlos Beltran Baseball Academy Foundation	\$1,570,444.00
30. Flamboyant Foundation**	\$16,200,000.00
31. Taller Salud	\$1,000,000.00
32. Segarra Boerman Foundation	\$702,363.00
33. Miranda Foundation	\$73,500.00

* PRxPR is a crowdfunding community created by Puerto Rican business leaders in the US diaspora.

** This total includes the \$15 million fundraising goal of the Flamboyant Arts Fund, created by Actor Lin-Manuel Miranda, his family, and Hamilton in collaboration with Flamboyant Foundation, administrator of the fund.

WE ARE GRATEFUL...

La Red would like to thank its members and collaborators whose time and support made this report possible.

In particular, we thank all of those who participated in the interviews for generously sharing their views, knowledge and heartfelt testimonies. Their sustained support and commitment to Puerto Rico's recovery and rebuilding are crucial to strengthening innovative approaches to our island's transformation.

Special thanks also to Yolanda Cabassa and Yarice Hidalgo for their valuable work in conducting the interviews, gathering and analyzing the data, and drafting the findings contained in this report.

We also wish to thank all those who in one way or another, publicly or anonymously, are helping Puerto Rico move forward.