

## Strategic Plan Addendum: 2024 Objective Updates

The Foundation's goals—Community Impact, Community Leadership and Organizational Sustainability & Endowment Growth—aim to inspire and catalyze the growth of the endowment through meaningful impact in the communities we serve. To guide us, we have spent considerable time researching the evolution of and state of philanthropy today and learning about best practices for community foundations. We have included context that has informed and influenced our work on this strategic direction.

Plan areas will be updated on an annual basis to reflect the completion, progress and evolution of each goal area. This addendum to the strategic plan reflects the 2024 objective updates.

### Community Impact

**Goal: Further develop grantmaking strategies, outcomes and practices based in equity principles.**

In adopting this goal, we join other community foundations in acknowledging and seeking to solve the traditional and systemic inequities in philanthropy. For example, The Trust-Based Philanthropy Project, a peer-to-peer funder initiative whose purpose is to address inherent power balances between foundations and nonprofits, outlines a trust-based philosophy that takes a clear-eyed view of the relationship between funders and grantees. They write:

*It's time to address power and build equity in philanthropy.*

*As grantmakers, we have a responsibility to confront the ways our sector has contributed to systemic inequities, both in the ways wealth is accumulated and in the ways its dissemination is controlled. This history is entrenched in racism, patriarchy, and other forms of oppression, which are at the root of every social issue nonprofits seek to address. As funders, we must recognize how these norms have shaped, informed, and influenced our entire sector—including who is deemed trustworthy, and who is not.<sup>1</sup>*

The Foundation has adopted this goal based on a clear understanding of these same inherent inequities in our community. Building upon a base of equitable grantmaking strategies and practices, the Foundation will continue to evolve our community impact to deepen equity principles based in trust.

#### **2024 Objectives**

- Build upon Trust-Based Philanthropy practices across all grant programs (*see strategic team goal 1.1*)
- Expand strategy around Impact funds to include: Strengthening our Partners (capacity building, sharing expertise & best practices) Community Power Building and dEi Knowledge Building (*see strategic team goal 1.2*)
- Re-evaluate the existing strategic grantmaking framework through a community-informed process (*see strategic team goal 1.3*)

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<sup>1</sup> "How can philanthropy redistribute power?" Trust-based philanthropy project, <https://www.trustbasedphilanthropy.org/>

- Build upon Values-Aligned Philanthropy work (*see strategic team goal 1.4*)
- Expand cross-departmental collaboration to increase funding toward key impact areas (*see strategic team goal 1.5*)

## Community Leadership

**Goal: Continue to move beyond grantmaking and employ all resources available to the Foundation to serve as valuable partners to create positive change, centered in values of diversity, equity and inclusion.**

The Albuquerque Community Foundation already has the tools to strengthen its role in community leadership. We are deeply embedded in the community and have been for over 40 years. Partnerships such as Healthy Neighborhoods Albuquerque, the DEI United Collaborative with United Way, and the 2020 Census initiative are recent examples of the Foundation’s Community Leadership activities. Additionally, intersecting Community Impact and Community Leadership is the Foundation’s work in Impact Investing and regranteeing programs, particularly bringing national funding into New Mexico.

CF Leads, in its report, “Igniting the Future of Community Foundations,”<sup>2</sup> notes that 75% of foundations will be expanding or deepening their work in community leadership in the next few years. Community foundations are no longer focused solely on grantmaking, but are insisting on racial equity, amplifying community voices and influencing public policy and systems to address systemic community challenges. Additionally, donors when choosing to invest their funds with a local community foundation or a commercial option, often choose a community foundation for its leadership and commitment to addressing the issues that lead to improving their communities. CF Leads writes:

*Community foundations are going all in on community leadership.*

*Building on their unique attributes—including their local relationships, independence, permanence, broad community betterment missions and public charity status—community foundations are stepping up to serve as vital partners, problem-solvers and leaders in the local landscape. This momentum was becoming clear even before the COVID-19 pandemic, global protests against police brutality and calls for racial justice. It has only accelerated since then, with an increasing pace and growing commitment.*

Our goal is based on the realization that we can do even more to improve our community when we expand our leadership activities to create aligned impact by leveraging resources, relationships, and influence through a strategic lens.

We do this by:

- Seizing the moment to accelerate positive change
- Becoming a catalyst for justice and equity through addressing issues systemically
- Centering equity internally and externally, including addressing hierarchy, power, and an alternative work culture

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<sup>2</sup> “Igniting the Future of Community Foundations,” CF Leads, <https://cfeads.org/what-we-do/field-leadership/igniting-the-future-of-community-foundations/>

- Looking to make the most meaningful impact in the most critical issues
- Thinking strategically, creatively and in alignment
- Supporting multi-partner, local collaboration to amplify community voices
- Using our power and privilege to act as an intermediary to bring more national support to our community

## **2024 Objectives**

- Build and expand capacity to serve as a philanthropic intermediary (*see strategic team goal 2.1*)
- Build and expand on key relationships with government & national philanthropy to identify regranting/intermediary opportunities and to intersect with public policy and advocacy work (*see strategic team goal 2.2, 7.2*)
- Build infrastructure to expand advocacy & public policy work (*see strategic team goal 2.3*)
- Establish internal mechanism to fund community leadership work (*see strategic team goal 2.4*)
- Review & develop Impact Investment strategic direction (*see strategic team goal 2.5*)
- Create opportunities to engage donors and other funders in Impact Investment program (*see strategic team goal 2.6*)
- Center equity internally including but not limited to, wellness at work, power-sharing and decision-making, and training/learning opportunities (*see strategic team goal 2.7*)

## **Organizational Sustainability & Endowment Growth**

**Goal: Become a self-sustaining organization by the end of 2026, through intentional growth of the endowment and developing strategically aligned fee for service revenue streams, allowing the Foundation to fully fund its operations without relying on donations to support operations.**

***Internal: The endowment growth goal target is \$200 million by 2026.***

The endowment growth goal is a reasonable, attainable projection based on historical growth of the last five years. According to the National Philanthropic Trust’s Donor-Advised Fund Report (2021)<sup>3</sup>, which looked at 603 Community Foundations in addition to national charities and single-issue charities, the value of contribution to DAFs at Community Foundations increased 41.5%. At the same time, grantmaking increased by 33.6%. This trend is just one measure of the potential funds available to meet our ambitious endowment goal. As of September 30, 2023, DAFs comprise 36% of the endowment. The report states:

*The COVID-19 pandemic, the amplified fight for racial justice, a polarizing political environment and major climate events marked 2020. We are still experiencing the effects of these events in our country and around the world.*

*However, we observe from experience and 15 years of data that DAF donors respond—quickly and generously—in the face of pressing problems.*

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<sup>3</sup> “Donor-Advised Fund Report,” (2021), National Philanthropic Trust, <https://www.nptrust.org/reports/daf-report/>

Key to the goal of building a \$200 million endowment is a thorough understanding of our current assets. As of December 31, 2021, the Foundation and its component units had an endowment valued at \$135.6 million. Foundation staff have prepared a five-year endowment and operating expense growth model and believe that an endowment of \$200 million will cover operating expenses for the Foundation. This will free up the other revenue the Foundation has historically brought in to cover the remaining operating expenses to be used for grantmaking and community leadership. The full financial model is included in this update.

### **2024 Objectives**

- Collaborate with the DEI Committee, Advancement Committee, Community Impact team, Executive team and Marketing team to develop a communications plan for the roll out of the new gift acceptance policy with our donor base. *(see strategic team goal 3.1)*
- Work closely with the Advancement Committee members to connect staff with new donors, new fund opportunities, and provided resources to help members raise dollars for the Foundation *(see strategic team goal 3.2)*
- Work closely with CEO to ensure long-standing organizational relationships are supported after departure *(see strategic team goal 3.3. benchmark goal 2A)*
- Meet 2024 projected contributions amount, \$9.75m *(see strategic team goal 3.4, benchmark goals 4C, 5A, 6A, 6C, 7B, 7C, 8A, 8F, 12A)*
- Diversify donor base by creating a plan to engage with new donors so we began to reflects the community we service on all applicable axes of identity, i.e., race/ethnicity; gender and gender identity; sexual orientation; religious, spiritual, or ethical practices/values systems; age; ability; veteran status; socio-economic status *(see strategic team goal 3.5, benchmark goals 8B, 8C, 8E, 8F, 9A, 9D)*