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Charitable Foundation

Strategic Plan
2014 - 2016
TABLE OF CONTENTS

SECTION I: Strategic Direction ................................................................. 3
Context ........................................................................................................... 3
Mission ......................................................................................................... 3
Values ......................................................................................................... 4
Strategies & Tools .................................................................................... 4
  Strategies ............................................................................................... 5
  Tools ...................................................................................................... 6
Foundation Priorities ............................................................................... 7
SECTION I: Strategic Direction

Context
The history, people and geography of New Mexico make it unique in its challenges and opportunities. With a diverse population that includes Hispanic families whose histories in the state date back a dozen or more generations and Native Americans with even deeper roots, the cultural landscape of New Mexico features a deep connection to the land and natural environment, a tradition of cooperation and sufficiency, and a strong value for family and community. These values and strengths sustained the population for hundreds of years and serve as a basis for effective work being done in the non-profit sector across the state.

The issues of race and culture greatly influence the state’s social conditions. New Mexico is a minority-majority state and has the second highest percentage of Native Americans in the U.S, with 17 pueblos and additional tribes that are self-governing entities. The State also has 20 Spanish land grant communities, 12 of which have independent governmental structures. Despite the strengths that these cultural influences can provide, social challenges are pervasive among these populations.

New Mexico is one of three states with the lowest per capita income, with 19.8% of the general population and 28.5% of children under the age of 18 experiencing high levels of poverty. Rural areas such as Mora, San Miguel and Luna County have poverty rates as high as 21, 25 and 30.7%, respectively. The state also ranks at or near the bottom on critical family issues such as educational outcomes and access to health care, and at the top in the categories of suicides, deaths from drug overdoses, adolescent pregnancies, domestic violence, food insecurity and poverty. Despite these challenges, the people of New Mexico are characterized by pride in their State and history and a shared belief that things can get better.

Key factors that contribute to the challenges New Mexico faces:

• The rural nature of the state
• Dissonance between cultures across various populations
• Limited home-grown industries or economic opportunities
• Limited revenue base to drive investments or growth
• Finite water resources in the state
• High levels of poverty and poor health

Mission
The donors’ intention, as stated in paragraph 1.5 of the Trust Agreement, states, “the Board of Directors...shall select such Charitable Organizations that foster the betterment and well-being of mankind.” The Foundation’s mission provides:
“The Foundation is dedicated to enriching the health, education, environment, cultural and spiritual life of New Mexicans.”

To implement the donors’ intent and the Foundation’s mission, the Foundation memorializes its benefactors by making grants statewide to non-profit organizations involved in arts, economic development, education, environment, health and social services.

**Values**
The Foundation has embraced a set of values resulting from interactions with board members, its grant making experience, conversations with a wide variety of New Mexico citizens and broader national communities. Inherent Foundation values include the following:

**Integrity, Respect and Fairness** – The bedrock principle of the Foundation is to conduct its work with a high degree of transparency, fairness, honesty, dignity and respect.

**Excellence** – The Foundation emphasizes quality among non-profit organizations, their boards and staff and encourages those organizations to develop a culture of excellence. We expect the same of ourselves.

**Diversity** – We consider diversity among cultures within New Mexico and diversity of opinion among our colleagues a strength and important to all our discussions.

**Risk-Taking and Innovation** – The Foundation values the taking of risks and allows grantees the freedom to make mistakes. The Foundation also encourages innovation in ways that may not presently be defined or for which outcomes are uncertain, and encourages non-threatening discussion and sharing information about mistakes made and lessons learned.

**Accountability** – The Foundation believes it should communicate clearly with its grantees about its requirements and expectations. Correspondingly, it strives to maintain openness to feedback and critique from the organizations, institutions and communities it serves.

**Community Relevance** – Programs supported by the Foundation should at their core be targeted and developed recognizing the diverse communities that comprise New Mexico.

**Strategies & Tools**
In order to fulfill the mission of the Foundation and affect change within its defined Foundation Priorities (see section on Priorities below), staff applies various Strategies
and Tools while operating within its values framework to influence work being done in New Mexico. The Strategies are high-level approaches that ensure each aspect of Foundation work is carefully considered to maximize impact. The Tools (among others) serve as actual tactical instruments staff uses to support and influence organizations and outcomes across the state.

**Strategies**

**Operational, Program, Capital and Endowment Support** – The Foundation makes general support grants, project specific grants, capital development grants and grants that support endowments for groups whose missions are aligned with the priorities of the Foundation. These grants support both advocacy and direct service activities:

- **Advocacy for Policy and System Change** – It is a Foundation strategy to provide appropriate and lawful support to those organizations that advocate for better policies and broader system change that responds to the needs of underserved populations.
- **Support for Direct Services** – While most of the grants made by the Foundation are driven by long-term strategic approaches to addressing its priorities, the Foundation also provides support to organizations that serve vulnerable and less fortunate New Mexicans, providing immediate relief in their times of greatest need.

**Support Platform Approaches** – Scarce resources in the New Mexico non-profit sector necessitate collaboration and coordination. The Foundation identifies and supports opportunities where tight coordination among groups can enable a “platform” for social innovation from which other groups and greater numbers of people can benefit.

**Measured Risk Taking** – Besides continuing its support of established, well-administered non-profits, the Foundation will take strategic risks with emergent organizations and start-ups.

**Evaluation & Outcomes** – When the Foundation makes a grant it presupposes the outcome will be impactful and accomplish the purpose for which the grant was made. However, Foundation staff does monitor the outcomes, learns from both successes and failures of the grants the Foundation makes and encourages sharing of this information broadly to promote learning across the sector.

**Open and Invitation-Only Application Processes** – Recognizing the important role the Foundation plays in the non-profit sector—both in its targeted support of key organizations and as a significant contributor to the development of new, effective organizations—the Foundation maintains both an open application process on a statewide basis and an invitation-only process serving core grantees.
Tools

Discretionary Grants – The Foundation maintains a Discretionary Grant fund that staff can use to make small, one-time grants of up to $2,500. These grants require less staff time and are often tactical, supporting interesting projects, events and special needs that generally align with Foundation Priorities.

Standard Grant Cycle – Through its annual grant cycles, the Foundation makes substantive grants to organizations whose work supports the priorities of the Foundation. These grants range in size and are granted through the Standard Grant Cycle Process (described in detail in Appendix A). A process designed to maximize impact across Foundation Priorities drives decisions for these grants.

Hosting Convenings and Building Partnerships – While there are many effective groups addressing Foundation Priorities in the state, their efforts are often disconnected and uncoordinated. Staff host convenings to bring together key groups and leaders to encourage collaboration and works actively to build partnerships where stronger coordination can lead to greater impact.

Consulting Contracts – At times, staff requires expertise, research or other capabilities to drive impact across Foundation Priorities. Consulting contracts enable staff to access this additional expertise and capacity as needed.

Promoting Philanthropic Resources – The Foundation plays a leadership role in the New Mexico philanthropic community and works to promote and grow philanthropic resources in the state that will benefit citizens in ways consistent with the Foundation’s mission and priorities. Efforts of the Foundation include supporting community foundations to develop human resources, financial opportunities, partnering and leveraging of funds from national and local funders.

Program Related Investments – In certain situations, the Foundation can marshal more significant levels of funding for a Program Related Investment (PRI) to push forward a major initiative. PRIs are investments made by foundations to support charitable activities that involve the potential return of capital within an established time frame. PRIs include methods commonly associated with banks or other private investors, such as loans, loan guarantees, linked deposits, and even equity investments in charitable organizations or in commercial ventures for charitable purposes.

Foundation Initiatives – Staff continually evaluates effectiveness and progress by grantees toward Foundation Priorities, in the process gathering intelligence on state and national policy actions and successes or failures of non-profit initiatives. Through this process, staff is uniquely positioned to identify key opportunities where additional attention could drive significant near-term impact. By focusing all its tools available for a focused period of time toward a specific outcome, Foundation Initiatives that are staff-initiated will help drive more tangible progress on Foundation Priorities.
Foundation Priorities
While the mandate described by the Mission of the Foundation is broad, the Board of Directors has adopted certain Priorities to focus resource allocation. Priorities are based on 1) a real ability to influence positive change in the near term and 2) the probability that change in these specific areas will lead to broader system change in the longer term. These priorities will guide decisions in grant making and other programmatic activities.

Capacity Building in the Non-Profit Sector – Scarce philanthropic and other resources in New Mexico contribute to a challenging environment for the state’s non-profit sector. The Foundation supports initiatives that build operational capacities for non-profits, developing competency in communications, finance, leadership, organizational development and other areas.

Economic Development & Family Asset Building – A Foundation priority is to create and expand the economic base in New Mexico and to view its grant making through an economic development lens whenever possible, in particular supporting programs and organizations that seek to foster entrepreneurship across sectors. The Foundation also supports programs and initiatives that support and help drive growth in family assets across the diverse communities of the state, enabling a broader base of economic stability for our families.

Education Transformation & Early Childhood Development – With among the poorest-performing schools in the nation, New Mexico needs innovation in its education sector. The Foundation has identified a) school leadership development, b) supporting and scaling locally designed approaches, c) multilingual educational opportunities, and d) a more robust reform infrastructure as key leverage points in transforming education in the long term. The Foundation also recognizes the wide body of research that confirms that interventions in the first 4-5 years of a child’s life present the most dramatic opportunity for influencing later success. The Foundation supports programs and organizations that advocate for policy reforms, provide direct interventions, and build statewide investments in early childhood education and development.

Leveraging Opportunities In Health Care – The recent passage and on-going implementation of the Affordable Care Act introduces meaningful changes to the health care environment nationwide. Because of New Mexico’s socioeconomic circumstances, the people of the state are positioned to benefit significantly from some of these changes. Two key barriers to these opportunities being realized are a) lack of education about the availability of these opportunities and b) lack of health care practitioners to meet the growing needs. To take advantage of this structural opportunity to improve the health of New Mexicans, the Foundation supports programs and groups seeking to mitigate these barriers.
Local Food Industry Development – The dynamics of the existing food system in New Mexico produce poor outcomes for the people of the state. In particular, the system yields poor nutritional outcomes, especially for low-income communities (producing among the highest rates of obesity and diabetes in the nation) and it contributes little to the state economy (as much as 80% of all money spent on food and nutrition leaves the state). The Foundation supports development of market-based alternatives that produce better health outcomes and contribute more directly to New Mexico’s economic well-being.

Building Links Between Arts and Community Engagement – The arts have traditionally played a significant role in the culture and history of New Mexico and continue to contribute substantially to the state’s economy and civic life. The Foundation supports efforts to build and diversify audiences for arts and culture, particularly programs and organizations that seek to leverage arts, creative expression and aesthetic experiences for the purpose of inspiring and driving higher levels of community and civic engagement.

Stewardship of Natural Resources – As a primarily arid state and one in which meaningful portions of revenue are derived from outdoor and adventure tourism, New Mexico relies heavily upon its natural resources to support its economy and quality of life. Key natural resources (including water, air, wildlife, pristine landscapes and well-managed rangeland, among others) should be protected, managed and utilized in ways that support their viability in perpetuity. The Foundation supports organizations and initiatives focused on these objectives.

Influencing Urban Planning & Built Environments – “Built environment” refers to the human-made surroundings that provide the setting for human activity, ranging in scale from buildings and parks or green space to neighborhoods and cities that can often include their supporting infrastructure, such as water supply, or energy networks. The Foundation has made meaningful investments in the development of downtown Albuquerque and continues to support the development of built environments across the state. The Foundation will continue to view such developments as critical, supporting strategies that encourage energy efficiency, build civic engagement and support economic development.

Strategies for Rural Development – New Mexico is the 5th largest state in the nation from an area perspective and has the 36th largest population, making it a largely rural state with 26 out of 33 counties designated “frontier counties” with six or fewer people per square mile. Strategies and approaches that work in the state’s urban areas often fail in other parts of the state. The Foundation supports strategies and approaches that drive effective economic development, educational advancements and other initiatives benefiting rural areas.