



## ***Arizona – Sonora: Building Bridges for a Stronger Future in Community Philanthropy***



ARIZONA  
COMMUNITY  
FOUNDATION



**FESAC**  
Fundación del Empresariado  
Sonorense, A.C.



Community  
Foundation  
for Southern Arizona



US • MEXICO  
BORDER PHILANTHROPY PARTNERSHIP  
ALIANZA FRONTERIZA DE FILANTROPIA  
MÉXICO • EEUU  
*Cultivating leadership, philanthropy, and collaboration along the border.  
Cultivando el liderazgo, la filantropía y la colaboración en la frontera.*



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## Managing Partners Missions

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Lead, serve and collaborate to mobilize enduring philanthropy for a better Arizona.

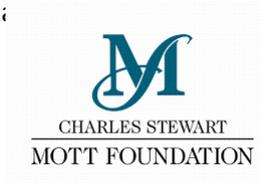
Generate social wellbeing by supporting and accompanying civil society organizations in the pursuit of sustainable community development.

Create a stronger community by connecting donors to causes they care about now and forever.

Support a network of organizations that build prosperity through leadership, collaboration, and philanthropy in the U.S.-Mexico Border region including the 10 Border States.

## Acknowledgements

This report was made possible by funding from the Building Broader Communities in the Americas (BBCA) initiative, a collaboration of community foundations and partner organizations working together to build stronger, smarter and more resilient communities throughout the Americas by enhancing the effectiveness of community foundations' responsiveness to them. This initiative is led by CFLeads in partnership with the Charles Stewart Mott Foundation.



We thank our partners for their valuable support in distributing the surveys:



## Introduction

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The Arizona Community Foundation (ACF), the Community Foundation for Southern Arizona (CFSAZ), and Fundación del Empresariado Sonorense, A.C. (FESAC) joined forces to support the Arizona – Sonora: Building Bridges for a Stronger Future in Community Philanthropy mapping project to strengthen philanthropic giving in both states. The U.S.-Mexico Border Philanthropy Partnership was selected to manage the study.

The study was funded by a grant from CF Leads as part of the *Building Broader Communities in the Americas* Initiative, which was designed to promote increased transnational charitable giving in the Americas via U.S. and Mexican community foundations and is funded by the Inter-American Foundation and the Charles Stewart Mott Foundation. Moreover, additional funding was provided by ACF, CFSA and FESAC, in form of financial and in-kind support in furtherance of this study.

We wish to express our appreciation to the members and leaders of our academic, nonprofit and philanthropic partners including Arizona State University Lodestar Center for Philanthropy and Nonprofit Innovation, Chicanos por la Causa, and Fundación Tichi Muñoz for their support to secure participation in the survey. Their efforts to distribute the surveys and to engage their members was invaluable to this process.

This report examines corporate charitable giving in the Arizona – Sonora region. The report highlights the culture of giving in our region, issues and causes important to donors, trends and giving patterns, nonprofit perceptions of corporate giving, barriers to corporate giving, and opportunities for community foundations to take a leadership role in galvanizing more charitable giving in the region. The partner organizations believe that a connected border region is stronger and more prosperous when we activate stakeholders from across the nonprofit, business, and government sectors to create a healthier, more prosperous border region by increasing local corporate social responsibility.

The original research plan sought to inform Community Foundations on the philanthropic interests of local community members giving locally and trans-nationally. We also sought to better understand compliance issues related to the U.S. Patriot Act requirements and Mexico's Ley de Anti-lavado. However, our research team determined we needed to first determine giving habits of corporations supporting the nonprofit sector in both Arizona and Sonora, as well as study the nonprofit relationship with the corporate sector. The partner organizations determined it was necessary to distribute a revised survey tool that would update a 2005 study of Corporate giving in the U.S.-Mexico Borderlands. FESAC collaborated with El Paso Community Foundation, International Community Foundation, Fundación Internacional de la Comunidad, U.S.-Mexico Border Philanthropy Partnership, and the Synergos Institute. The new survey tool was adapted and mirrored the tool disseminated in a similar mapping project being carried out in the San Diego-Tijuana region.

This report is important to facilitate a better understanding of the relationship between our corporate and nonprofit communities, and how these two sectors may work together to resolve issues and challenges facing our Arizona – Sonora region binational region. It begins to tell a narrative about what corporations and nonprofit organizations understand about each other, and how we may work better together for the Arizona – Sonora binational community.

The Arizona-Sonora relationship is unique in many aspects. The two states are inextricably linked. Arizona and Sonora share a long history of community engagement. The two states share a 300-mile land border and have six land ports of entry between them. The populations total over 10 million people – 7,286,00 in Arizona and 3,050,473 in Sonora. Politically, the top State Government elected officials interact with their counterparts daily. Despite political party affiliation, elected officials from both sides of the border coordinate and support actions for public policy advancement for the mutual benefit of Arizona and Sonora. This phenomenon has been going on for decades. Officials are expected to coordinate with their neighbor. While collaboration exists all along the border, only in Arizona and Sonora is this practice embedded in the daily life of elected officials from both States.

The Arizona-Sonora region is challenged on many fronts. During the last 15 years, our region has been home to extreme acts of violence due to trafficking of arms, drugs, and people. Migrant caravans continue to move northward from Central America and Southern Mexico in search of new economic beginnings for themselves and their families. Changes to the U.S. Government immigration laws and policies are making it more difficult for individuals to cross into the United States, and as a result are forcing more migrants to remain in Nogales. And most recently, the COVID-19 health pandemic has created a healthcare disaster for an overwhelmed healthcare system in a developing country causing significant contagion and death for thousands of people. These challenges highlight the need for the study on cross-border giving to help civil society leaders understand the need for a strong nonprofit sector in our binational region with sufficient human and financial resources to meet the needs of our community as a civil society deserves.

### *The Nonprofit and Philanthropic Sector in the Region*

There is clearly strong interest to support philanthropy in both Arizona and Sonora. The partner organizations' efforts since 2005 have fostered significant investment and growth in the sector. Nonprofit organizations today are seemingly more sophisticated in securing financial support for their causes, and the presence of community and family foundations in the region is helping to sustain the sector. This is seen with the strong financial support from Arizona Community Foundation, Community Foundation for Southern Arizona, Fundación del Empresariado Sonorense, and Fundación Tichi Muñoz, as well as through the capacity building efforts of the ASU Lodestar Center on Philanthropy and Nonprofit Innovation, U.S.-Mexico Border Philanthropy Partnership, and the Centro de Formación Social.

According to the Arizona Community Foundation report "Arizona Nonprofits: Economic Power, Positive Impact", shows that Arizona's nonprofit sector is comprised of 21,000 organizations and is "a thriving network of social-purpose corporations and a powerful economic driver in our state which employs thousands of people and contributes significantly to the Gross State Product". Mexico lacks a single data base of all nonprofit organizations registered before the different agencies of the federal government. Sources indicate that the total amount of nonprofit organizations in the state of Sonora is

The Federal Registry of Nonprofit Organizations<sup>1</sup> includes 812 nonprofits in Sonora, showing that nearly 50% (398 nonprofits) were active in 2020. The Mexican Center on Philanthropy (CEMEFI, for its name in

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<sup>1</sup> The Registry was created under the Federal Law for the Promotion of Civil Society Organizations in Mexico but registration is not required by law. Therefore, *donatarias autorizadas* may not be registered in this database. This means that a legally incorporated nonprofit organization can be listed in one database, both or none.

Spanish) reports the total number of nonprofits in Sonora at 862 for 2020<sup>2</sup>. The total number of *donataria autorizadas* in Mexico is 9,080<sup>3</sup> and 316 grantmaking foundations.

The size and scope of the sector showcases the opportunity to grow additional support for increased charitable giving between our communities. Our partner organizations collaborate on a regular basis to support giving between Arizona and Sonora. There is significant opportunity educate donors about the needs and opportunities to be excellent corporate socially responsible citizens.

The findings in this report demonstrate the incredible generosity of corporate philanthropy and the heroic work of the nonprofit sector in both Arizona and Sonora. By better understanding the needs and opportunities, we can make an even larger social impact for an improved quality of life for both Arizona and Sonora.

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<sup>2</sup> <https://www.cemefi.org/programas/informacion-3er-sector>

<sup>3</sup> Centro Mexicano para la Filantropía, May 2020

## General findings

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### Nonprofits

- Data results demonstrate that a little more than 90% of nonprofits surveyed in the Arizona – Sonora region are registered in just one country, either the United States or Mexico. Nearly twice as many nonprofits in Sonora are registered in both countries compared to those surveyed in Arizona.
- The data report's findings show that nonprofits in the Arizona – Sonora region work primarily in the country in which they are registered. However, nonprofits in Arizona tend to work more in both countries in comparison to those in Sonora. This finding has important implications for developing and strengthening binational collaboration among nonprofits in the Arizona – Sonora region.
- When comparing the number of years' nonprofits were established, significant differences were found between Arizona and Sonora. While 80% of nonprofits in Arizona were established more than 15 years ago, 64.62% of nonprofits in Sonora were established less than 15 years ago. This finding indicates a great contrast in the level of experience and sector maturity between nonprofits in the binational region.
- Nearly 40% of nonprofits in Arizona stated having an organizational budget of less than US\$100,000. However, 80% of nonprofits in Sonora have a budget of \$100,000 or less. This finding indicates that nonprofits in both states are doing extraordinary work despite limited budgets.
- The study found that at a regional average, more than 50% of nonprofits in the Arizona – Sonora region did raise enough money to cover their operations in the past fiscal year. The top three funding sources for nonprofits in the Arizona – Sonora region are individual donors, corporations business and foundations. It is interesting that nearly 30% of surveyed nonprofits in the Arizona – Sonora region do not receive government funding. However, the data also indicates that 50% of nonprofits in Sonora did not, in comparison to nearly 30% of those in Arizona. For those nonprofits that did not raise enough money, the average gap was of less than 25% for both nonprofits in Arizona and Sonora.
- Nearly 100% of funding is primarily from the country in which the nonprofit is registered. Merely 25% are receiving funding from the border region, the other 75% obtain funding elsewhere.
- The results obtained highlight that 22% of the nonprofits in Sonora and only 9% in Arizona solicit funds from a business/corporation located on the other side of the border.
- The top three corporate philanthropy strategies used to secure donations from businesses / corporations by nonprofits in the Arizona – Sonora region are grant requests, in – kind donations and sponsorships.

Other strategies used less often are:

<b>26.59%</b> Talent or service donations	<b>24.58%</b> Matching gifts	<b>23.54%</b> Corporate volunteers
<b>12.70%</b> Payroll deductions	<b>12.70%</b> Internal employee fundraising	
<b>24.34%</b> Other		

*Percentages do not add to 100 since nonprofits could select more than one option.*

- Also, it is interesting to note that talent or services donations in Arizona account for 14% while in Sonora this figure is almost 40%, likewise, sponsorships in Arizona account for 81% while in Sonora its 40%.
- Top 3 barriers to corporate giving, as perceived by nonprofits, differ between Arizona and Sonora.

Arizona		Sonora	
There are many choices that make it hard for corporations to choose from	62%	Corporations lack a budget for charity	57%
Concerns or questions about local nonprofits	48%	Lack of fiscal incentives to donate	48%
Corporations do not know whom to donate to	38%	Not enough staff size in corporation	41%

- Nonprofits of the Arizona – Sonora region perceive the following as the main three motivations for making a charitable contribution to nonprofits in the border region:



Other responses included charitable giving is smart business, 30.81% and that businesses / corporations are seeking out innovative philanthropic alternatives to grants 29.38%

## Corporations

- Nearly 21% of the surveyed companies of the Arizona – Sonora region are a U.S. owned business / corporation with operations in Mexico. 66% of companies in Sonora are Mexican owned with operations only in Mexico, and 20% are Mexican owned business/corporations with operations in both the USA and Mexico. Charitable giving is mostly committed to the country where the corporation is registered. That is to say that corporations in Arizona contribute the most to Arizona causes and the same applies to Sonora.
  - All surveyed corporations in Arizona and 86% in Sonora are making charitable donations. Respondents who reported not engaging in charitable giving stated that it is either because there is ‘No budget for charity purposes’ or ‘Lack of knowledge of charities / nonprofit sector.’
  - Corporate survey respondents are making charitable donations to improve the community where they work, to fulfill the charitable purposes of owners/corporate leadership and to provide support in times of crisis or natural disasters. A high percentage also feel that contributing to their community is an obligation of corporations and engage in charitable giving to improve their reputation/ public relations. Replicating corporate giving programs in their company worldwide and pressure from stakeholders/customers - good business practices are not drivers of corporate giving.
  - Businesses/corporations take into consideration the needs of:
    - ✓ Local nonprofit organizations (90%)
    - ✓ Local community (86%) and
    - ✓ Employees needs and/or interests (62%).
  - Customers and government or regulatory agencies came in 4<sup>th</sup> and 5<sup>th</sup> place. Investors/ shareholders and supply chain partners do not influence charitable giving.
  - On average, 78% of businesses and corporations in the Arizona and Sonora region have been active in charitable giving for more than 15 years.
  - Corporations in the Arizona – Sonora region contribute the most to:
    - ✓ Community development (77%)
    - ✓ Education / scholarships (74%)
    - ✓ Economic development (73%)
- Health and arts and culture came in 4<sup>th</sup> and 5<sup>th</sup> respectively.
- Corporations are less interested in supporting pressing issues such as migration and the environment or human rights. 100% of their charitable dollars are spent in their local communities.

- On average, 20% of corporations in the Arizona – Sonora region contribute \$1,000 or less to charity per year. There are a few exceptional corporate leaders that are providing over \$100,000/year to nonprofits on both sides of the border.
- Businesses contribute to their community by supporting:

Arizona	Sonora
<ul style="list-style-type: none"> <li>• Nonprofit organizations</li> </ul>	<ul style="list-style-type: none"> <li>• Nonprofit organizations</li> </ul>
<ul style="list-style-type: none"> <li>• Corporate volunteers</li> </ul>	<ul style="list-style-type: none"> <li>• Programs that the company decides to support</li> </ul>
<ul style="list-style-type: none"> <li>• Programs that the company decides to support</li> </ul>	<ul style="list-style-type: none"> <li>• Community campaigns (prevention, awareness)</li> </ul>

- More than 50% of corporations in the Arizona - Sonora region decide to support nonprofits based on strategic plans. Contrastingly, corporations in Sonora indicated a higher percentage of supporting charities based on a passion for a cause (20% and 45%, accordingly).
- In the Arizona – Sonora region, charitable giving decisions are mainly made by directors and C-level job titles at the regional/local level. Despite these contrasts, corporations in Arizona, and Sonora engage similarly by providing sponsorships (81%), financial support (80%), and in-kind donations (76%).
- Sonoran businesses lack corporate foundations or corporate giving programs which many corporations in Arizona report having; other differences between both countries include employee matching gifts and employee engagement/volunteering, which Arizona corporations seem to implement on a regular basis.
- Corporations on both sides of the border agreed on the main impediment to increasing charitable contributions was lack of funds for charitable purposes. In Sonora, 36% also stated impediments for increasing charitable contributions were associated to mistrust of the sector.
- Corporations in the Arizona – Sonora region provide financial support in higher percentages for:
  - ✓ Event sponsorships
  - ✓ Program costs and for
  - ✓ General operating support
- Most corporations surveyed rate the impact of nonprofits in the border region as high. Only 10% in the region considered their impact low or very low. Likewise, most corporations surveyed consider that their charitable contributions are making a moderate and a lot of impact in the border region.

## 2005 - 2020 Corporate Giving Trend Comparison

In 2005, the International Community Foundation, the Synergos Institute, Crossborder Business Associates, the Fundación del Empresariado Sonorense, A.C. (FESAC), and El Paso Community Foundation undertook the study of charitable corporate giving along the border to provide an initial assessment of general levels of giving by Mexico's maquiladora industry to better understand their philanthropic policies; to identify and describe specific cases of outstanding community participation by some maquiladoras; and to assess some of the outreach efforts of non-profit groups that are actively working with companies operating maquiladoras in the border region. Although the geographic focus, scope and size of that study is different from the 2020 study, some interesting comparisons include:

2005	2020
Of the companies surveyed, 65.5% contributed \$10,000 or less in cash donations to charitable causes annually, and 25.5% contributed nothing to charities along the border where they operated. A mere 9.1% gave over \$10,000 annually.	On average, 20% of corporations in the Arizona – Sonora region contribute \$1,000 or less to charity per year. There are a few exceptional corporate leaders that are providing over \$100,000/year to nonprofits on both sides of the border.
Limited funding authority at plant manager level. Only 10% of maquiladora managers have funding authority above \$10,000. 66% can fund up to \$1,000. Less than 25% can authorize funding up to \$10,000.	In the Arizona – Sonora region, charitable giving decisions are mainly made by directors and C-level job titles at the regional/local level.
In-kind assistance is preferred over cash donations. Among maquiladora operations, the preferred form of charitable assistance is on an in-kind basis. 68.2% of maquiladoras surveyed made in-kind gifts, with the majority valued at less than \$10,000 annually.	Corporations in Arizona and Sonora engage similarly by providing sponsorships (81%), financial support (80%), and in-kind donations (76%).
Companies cited their desire to be a good corporate citizen and to build employee morale as the two primary reasons that they give to nonprofits in the border region.	Corporations make charitable donations to improve the community where they work, to fulfill the charitable purposes of owners/corporate leadership and to provide support in times of crisis or natural disasters.

<p>A strong internal champion is a key determinant to giving: The single biggest determinant for charitable giving by companies operating in the border region is the presence of a strong champion(s) within a given company for a specific nonprofit or public charity. Often, key funding decisions are not taken by headquarters but rather based on the recommendations of plant managers.</p>	<p>Businesses/corporations take into consideration the needs of local nonprofit organizations, local community, and employees needs and/or interests.</p>
<p>The proximity of corporate headquarters to the border is a factor. Companies with headquarters or regional office locations within close proximity to their border operations are more inclined to have senior managers actively involved with border area charities on a voluntary basis, and subsequently, are more inclined to be strong advocates for specific charitable causes.</p>	<p>Arizona corporations seem to implement employee engagement/volunteering activities on a regular basis. In contrast, none of the Sonora corporations surveyed mentioned employee engagement/volunteering as a contribution to their local communities.</p>
<p>A nonprofit's track record, brand, size, and programmatic focus are key factors in funding. Companies have a preference toward funding larger, more established charities with a strong board and brand identity and/or those with an existing U.S. 501(c)(3) counterpart organization. Maquilas are also more inclined to fund education and health care related nonprofits as opposed to environmental and human rights/justice related groups.</p>	<p>More than 50% of corporations in the Arizona - Sonora region decide to support nonprofits based on strategic plans. Corporations in Sonora indicated a higher percentage of supporting charities based on a passion for a cause. Corporations contribute the most to community development, education / scholarships, and economic development as opposed to migration, environment, or human rights.</p>
<p>Impediments to corporate giving exist, such as: maquilas being cost centers not profit centers; fiscal disincentives in the Mexican tax code that discriminate against those maquiladora operations that want to give; regulatory controls in the U.S. resulting from the U.S. Patriot Act that have had a chilling effect on U.S. corporate giving to overseas nonprofits including those in Mexico; and weak communication channels between maquiladora plant managers and their corporate-giving programs or foundations.</p>	<p>Corporations on both sides of the border agreed on the main impediment to increasing charitable contributions was lack of funds for charitable purposes. In Sonora, 36% also stated impediments for increasing charitable contributions were associated to mistrust of the sector.</p>

Download a copy of the 2005 report [here](#).

## About the Surveys

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This report's data are based on four surveys that were distributed electronically to nonprofits and corporate entities in the states of Arizona, USA, and Sonora, Mexico. Study partners developed four different survey instruments: one survey was for nonprofits and another for corporate entities. Each of the surveys were translated into Spanish by staff of the U.S.- Mexico Border Philanthropy Partnership.

The surveys were distributed electronically via Survey Monkey (an online survey development cloud-based software) to nonprofits and corporate entities in Arizona, United States of America and Sonora, Mexico. Separate surveys were sent to the nonprofit organizations and corporations in English and Spanish. The corporate survey included 21 questions and the nonprofit survey included 16 questions.

A total of 112 surveys were collected. Of these, 90 were nonprofit surveys (24 from Arizona and 65 from Sonora) and 22 were corporate surveys (7 from Arizona and 15 from Sonora). Each partner organization distributed the surveys to their own networks. This report represents the aggregate results of all the surveys.

It is important to note that the survey response is not statistically valid to definitively report on corporate giving trends in the region. However, the total survey response for Arizona and Sonora exceeds the total number of responses for the 2005 Corporate Giving study that included the entire 2,000-mile border region by 12 surveys. We can share the findings as a point of time to better understand giving practices and concerns. This study is a first step in this process and the partners are committed to remain engaged in the study to improve understanding of corporate giving habits.

Please see Appendix A for the nonprofit and corporate survey instruments.

## Conclusions and Next Steps

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In completing the 2019 Arizona – Sonora: Building Bridges for a Stronger Future in Community Philanthropy mapping project, we intended to gather information to inform philanthropy and other organizations on corporate donor interests and needs locally and in communities of origin to facilitate additional philanthropic collaboration across sectors.

We also wanted to better understand the philanthropic interests of local community members giving locally, local community members giving trans-nationally, as well as the emerging third generation giving. Additionally, since in our region, many organizations on both sides understand the unique opportunity to seek financial support from the “other side” of the border, we also wanted to understand the opportunities to seek fiscal solutions to charitable giving from both sides of the border. We also wanted to investigate the needs, opportunities, and challenges related to corporate binational giving.

There are significant cultural differences between the U.S. and Mexico when considering charitable giving. In Mexico, there is significant mistrust towards organized philanthropy. This mistrust infiltrates decision-making when considering helping a nonprofit organization. Issues of transparency, use of resources, concern for excessive administrative costs, are just some of the issues that donors must overcome before deciding on supporting an organization or an initiative.

In the United States, there is greater trust in supporting nonprofit organizations that are seeking donations. Additionally, there are greater fiscal incentives for businesses to consider charitable giving in the U.S. than exist in Mexico. And as referenced in the survey findings, the size of donations is likely to be greater in the United States than in Mexico.

As binational border community, there is a significant opportunity to serve as a bridge to binational giving. Our Arizona – Sonora region understands the value and importance of engaging on both sides of the border and demonstrates a willingness to do so on a regular basis. Our community is unique. We are binational, bicultural, and many are bilingual. This creates a unique opportunity for the community foundation partners and other stakeholder organizations to collaborate on educating corporations interested in supporting causes on both sides of the border, and share best practices with other philanthropic partners on how to help identify potential donors, potential causes, as well as organizations to be supported.

Significant opportunities exist for corporate and nonprofit partners to collaborate on initiatives to respond to the evolving needs of this dynamic community. Arizona and Sonora are inextricably linked and must work together to strengthen the awareness of and trust between corporations and nonprofit organizations. Additionally, there are significant opportunities to engage donors and volunteers to support charitable giving on both sides of the Border. The partner organizations in this study have a long and demonstrated history of collaboration in support of binational giving. The legal and fiscal frameworks necessary to provide donor support exist in their partnership to facilitate greater sustained giving in support of the binational region.

- Local nonprofits and community foundations can implement joint strategies and projects to encourage corporate philanthropy. The surveyed corporations on both sides of the border are similar regarding stakeholders and philanthropic interests: Local nonprofit organizations, local community needs, and employee needs and/or interests; and prefer to support the same causes: community development, education / scholarships, and economic development (73%).

- Community foundations and philanthropic intermediaries could fill important gaps to increase general and strategic giving, such as lack of staff in corporations, not knowing which nonprofits to donate, and ease concerns or questions about local nonprofits. Also, community foundations and their grantee partners can help companies plan better corporate philanthropy strategies to increase community impact and align such strategies with business goals.
- Cross-sector, bi-national collaboration between corporations, nonprofits and community foundations can increase corporate giving. Community foundations can help create and provide opportunities for cross-sector collaboration and projects by helping build personal relations and incentivizing connections of nonprofit leaders and key staff in corporations to secure corporate support on both sides of the border.
- Community foundations and philanthropic intermediaries / fiscal sponsors on both sides of the border can help build and increase trust in partner Mexican nonprofit organizations and offer mechanisms to facilitate cross-border philanthropy, which should also be widely disseminated among corporations.
- Community foundations and philanthropic intermediaries can support the local nonprofit sector in Sonora with grant-seeking with U.S. corporations, and train nonprofit leaders to improve transparency and impact assessment, communications, and alignment of programs and services to the Sustainable Development Goals agenda.
- Nearly 40% of nonprofits in the Arizona - Sonora did not raise enough funds to cover their operations during the past fiscal year. Community foundations and partners can educate corporate sectors in both countries on the value of general operating support for the nonprofit community.
- The study found that at a regional average, more than 50% of nonprofits in the Arizona – Sonora region did raise enough money to cover their operations in the past fiscal year.
- Efforts to diminish barriers to increased corporate giving should be geographically focused on each side of the border since reasons for not enough giving are different on each country. Community foundations and philanthropic intermediaries can have a key role in educating local nonprofits on how to approach and follow through when requesting corporate support as well as align and understand real / perceived barriers to increased corporate giving; and work with corporate partners to educate them on the value and impact of the nonprofit sector.
- The nonprofit sector in Sonora is younger than in Arizona, and more nonprofits in Arizona work more in both countries in comparison to those in Sonora. Long-standing nonprofits in Arizona can create

new partnerships with other nonprofits in Sonora to increase corporate support, community impact and provide new opportunities for binational collaboration.

- There is limited funding available for nonprofits directly from the border region. Merely 25% of nonprofits are receiving funding from the border region, the other 75% obtain funding elsewhere. We see an excellent opportunity for nonprofits in Sonora, to fundraise for their causes in Arizona and elsewhere. Only 2 out of every 10 nonprofits in Sonora solicit funds from a business/corporation located on the other side of the border. Nonprofits on both sides of the border should continue to approach regional, national, and international funders to invest in our region.
- Corporations in Arizona, and Sonora engage similarly by providing sponsorships (81%), financial support (80%), and in-kind donations (76%). In-kind donations are shown to be an important component in philanthropy and should be quantified and provide Mexican nonprofits and US corporations support and information about the complex procedure to import in-kind gifts to Mexico.

## Appendix A - Regional Survey Instruments

### Nonprofit Survey

1. Name of the organization
2. Mission of the organization
3. Please select in which country your nonprofit is registered:
  - United States
  - Mexico
  - Both
4. Where does your nonprofit work?
  - United States
  - Mexico
  - Both
5. How long ago was your organization established?
  - Less than 5 years
  - Between 5 and 10 years
  - Between 10 and 15 years
  - Between 15 and 25 years
  - More than 25 years
6. What is the size of your organizational budget?
  - Arizona (Amounts in US Dollars)
    - \$0 to \$99,999
    - \$100,000 to \$ \$249,999
    - \$250,000 to \$499,999
    - \$500,000 to \$749,999
    - \$750,000 to \$1,000,000
    - More than \$1,000,000
  - Sonora (Amounts in Mexican pesos)
    - \$0 to \$99,999
    - \$500,000 a \$1,000,000
    - \$1,000,001 a \$2,000,000
    - \$2,000,001 a \$3,000,000
    - \$3,000,001 a \$5,000,000
    - Más de \$5,000,000
7. Did your organization raise enough money to cover its operations in the past fiscal year?
  - Yes
  - No
8. If it did not, what was the approximate percentage gap?
  - Less than 25%
  - Between 25-50%

- Between 51%-75%
  - More than 75%
9. Has that percentage increased or decreased in the last 5 years?
- Increased
  - Decreased
  - Remained the same

10. Where does your funding come from?

Source of funding	Percentage							
	0%	1% - 10%	11% - 20%	21% - 40%	41% - 60%	61% - 80%	More than 80%	Don't know
Government %								
Foundations %								
Individual donors %								
Corporations/ business %								
Fee for service %								
Other %								

11. What percentage of your total annual income comes from?

- Arizona
  - Mexico %
  - United States %

12. Is your organization receiving charitable donations from the border region?

- Yes
  - No
- Sonora
    - Yes
    - No

13. Has your nonprofit solicited funds from a business/corporation on the other side of the border?

Note: Percentage may not add to 100% because some not everyone responded to the question.

- Yes
- No

14. What were the results of these requests?

- Mostly successful
  - Mostly unsuccessful
  - N/A
15. Which of the following corporate philanthropy strategies have you used to secure donations from businesses/corporations? Check all that apply.
- Matching gifts
  - Corporate volunteers
  - Grant requests
  - Payroll deductions
  - In-kind donations
  - Talent or services donations
  - Internal employee fundraising
  - Sponsorships
  - Others (explain)
16. What do you perceive to be barriers to corporate giving? Check all that apply.
- Arizona
    - Corporations do not know whom to donate to.
    - Concerns or questions about local nonprofits.
    - There are many choices that make it hard for corporations to choose from.
    - Not enough staff size.
    - There is a mismatch between the corporation's philanthropic focus and local issues.
    - Other

## Corporate Survey

The survey consisted of 21 questions, of those 20 were multiple choice and one open ended. The survey was designed to be completed in 10 minutes or less. Totals may not equal 100% as respondents were invited to check all answers that applied and or some of the questions were not answered.

### *Survey instrument*

1. Please select the statement that best describes your business/corporation.
  - a. U.S. owned business/corporation with operations only in the USA.
  - b. U.S. owned business/corporation with operations only in Mexico.
  - c. U.S. owned business/corporation with operations in the USA and Mexico.
  - d. Mexican owned business/corporation with operations only in the USA.
  - e. Mexican owned business/corporation with operations only in Mexico.
  - f. Mexican owned business/corporation with operations in the USA and Mexico.
  - g. Other (please specify)
  
2. Does your business/corporation engage in charitable giving?
  - a. Yes
  - b. No

Why not?

  - a. No budget for charity purposes
  - b. Lack of fiscal incentives
  - c. No one has asked our company for donations
  - d. Had not considered it
  - e. Lack of knowledge of charities/nonprofit sector
  - f. Other (please specify):
  
3. What are the main reasons why your business/corporation engages in corporate giving? Check all that apply:

- a. To improve the community where we work.
  - b. To replicate corporate giving programs in our company worldwide.
  - c. To fulfill the charitable purposes of owners/corporate leadership.
  - d. To provide support in times of crisis or natural disasters.
  - e. It is an obligation of the business community.
  - f. To support our employees and their families.
  - g. Pressure from stakeholders/ customers - good business practices.
  - h. Improve our reputation/ public relations.
  - i. Other (please specify)
4. What is the approximate total number of employees your business has at all locations?
- a. 1 – 49
  - b. 50 – 999
  - c. 1,000 - 4,999
  - d. 5,000 or more
5. Does your business/corporation take into consideration the need of the following stakeholders when making charitable donations? Check all that apply:
- a. Local community needs.
  - b. Employees needs and/or interest.
  - c. Labor unions
  - d. Customers
  - e. Nonprofit organizations
  - f. Investors/ shareholders
  - g. Supply chain partners
  - h. Government or regulatory agencies
  - i. Company's board of directors
  - j. Other
6. How long has your business/corporation been active in charitable giving?
- a. Less than three years
  - b. 3-5 years
  - c. 5-9 years
  - d. 10-15 years
  - e. Over 15 years
7. What charitable causes does your business/corporation contribute to?  
Check all that apply:

- a. Health
  - b. Education/Scholarships
  - c. Environment
  - d. Human rights
  - e. Community development
  - f. Economic development
  - g. Arts and Culture
  - h. Migrants
  - i. Sports
  - j. Other
8. In what geographic regions does your business/corporation make charitable gifts?  
Check all that apply:
- a. U.S. domestic local/regional
  - b. U.S. domestic – National
  - c. Canada
  - d. Mexico
  - e. Central America
  - f. South America
  - g. Europe
  - h. Middle East
  - i. Africa
  - j. Asia
9. On an annual average, how much does your business/corporation give in charitable contributions to the Arizona/Sonora region?
- Arizona (Amounts in USD)
- a. \$1 to \$100
  - b. \$101 to \$499
  - c. \$500 to \$999
  - d. \$1,000 to \$2,499
  - e. \$2,500 to \$4,999
  - f. \$5,000 to \$9,999
  - g. \$10,000 to \$19,999

- h. \$20,000 to \$24,999
- i. \$25,000 to \$49,999
- j. \$50,000 to \$99,999
- k. \$100,000 to \$249,999
- l. Greater than \$250,000 a year
- m. I don't know

Sonora (Amounts in Pesos)

- a. \$1 a \$2,000
- b. \$2,001 a \$10,000
- c. \$10,001 a \$20,000
- d. \$20,001 a \$50,000
- e. \$50,001 a \$100,000
- f. \$100,001 a \$200,000
- g. \$200,001 a \$400,000
- h. \$400,001 a \$500,000
- i. \$500,001 a \$1,000,000
- j. \$1,000,001 a \$2,000,000
- k. \$2,000,000 a \$5,000,000
- l. Más de \$5,000,001
- m. No sé

10. Of your total charitable giving dollars, approximately what percentage is committed to:

- a. U.S. causes
- b. Mexico causes
- c. International causes  
(outside the US and Mexico)
- d. I don't know

11. Of your total charitable giving dollars, approximately what percentage is committed to:

- a. Arizona causes
- b. Sonora causes

c. I don't know

12. How do you decide what charities to support? Check the one description that fits best.

- a. Based on a strategic plan for our organization
- b. Geography based
- c. Passion for a cause
- d. Spontaneous
- e. I have visited the project site or country.
- f. Other

13. In which ways does your business / corporation contribute to your community?

Check all that apply:

- a. Through nonprofit organizations
- b. Corporate volunteers
- c. Programs that employees choose to support
- d. Programs that the company decides to support
- e. Government agencies or government programs
- f. Community campaigns (prevention, awareness)

14. Who makes decisions about charitable contributions?

- a. Board of Directors
- b. C-Level Job Titles (i.e. Chief Financial Officer, Chief Operating Officer, etc.)
- c. Directors
- d. Managers
- e. Other (please specify).

15. Please select where these decisions are made.

- a. International level
- b. National level
- c. Regional/Local level
- d. Other

16. How does your business/corporation engage in charitable giving?

Check all that apply.

- a. Financial support (grants)
- b. In-kind support
- c. Technical assistance/expertise

- d. Employee engagement/volunteering
- e. Corporate foundation/corporate giving program
- f. Workplace giving
- g. Employee matching gifts
- h. Sponsorships
- i. Other (please specify).

17. What are the impediments to increasing your corporate giving?

Check all that apply.

- a. Lack of funds for charitable purposes
- b. Unsure about the impact of our giving
- c. Economic uncertainty in the market
- d. Lack of nonprofit transparency
- e. No staff to organize and track charitable activities
- f. Lack of innovation in the nonprofit sector
- g. Not enough fiscal tax incentives
- h. Lack of knowledge about which nonprofits to support
- i. More nonprofits will ask our company for donations
- j. Don't know exactly how to plan/complete charitable activities
- k. Difficult to align charitable activities to
- l. business goals/strategies
- m. Other (please specify).

18. What type of financial support does your business/corporation provide?

Check all that apply.

- a. Only for program costs
- b. Administrative costs
- c. Establish new programs
- d. General operating support (unrestricted)
- e. Event Sponsors

19. Overall, how would you rate the impact of nonprofits in the border region?

- a. Very high impact
- b. High impact
- c. Neither high nor low impact
- d. Low impact
- e. Very low impact
- f. I don't know

20. How much of an impact do you feel your corporate charitable giving is making in the border region?

- a. A great deal
- b. A lot
- c. A moderate amount
- d. A little
- e. None at all

21. Do you have any corporate charitable stories to share/highlight?