

## Inter-American Foundation

### Meeting of the Board of Directors and Advisory Council

November 4, 2019

The Inter-American Foundation (IAF) Board of Directors and Advisory Council met at the offices of Nelson Mullins LLP at 101 Constitution Ave NW #900, Washington, DC 20001, on November 4, 2019. Board members present included: Eddy Arriola, chair; Juan Carlos Iturregui, vice-chair; and members Kelly Ryan, Jack Vaughn, and Luis A. Viada. IAF advisory council members present included: Amb. Alexander Watson, chair; and members Celina de Sola, Winsome Leslie, Juan Edgar Picado, James Polsfut, Amb. Alfonso Quinoñez, British Robinson, Christopher Sabatini, and Matt Swift. Members of the IAF management team in attendance included Paloma Adams-Allen, president and chief executive officer; Lesley Duncan, chief operating officer; Daniel Friedman, managing director for external and government affairs; Raquel Gomes, managing director for learning and impact; Marcy Kelley, managing director for programs; Marcia Cota, senior advisor for partnerships; Nicole Stinson, acting general counsel; Marko Dolan, deputy managing director for programs; Amber Forbes, senior advisor; Karen Vargas, executive assistant; and Ashida Morrison, management analyst.

#### **I. CALL TO ORDER**

Chairman Arriola provided welcome remarks and called the meeting to order at 1:06 p.m.

#### **II. APPROVAL OF THE MINUTES**

The minutes of the IAF Board of Directors meeting that took place on May 6, 2019 were approved and adopted by a unanimous voice vote.

#### **III. PRESIDENT'S REPORT**

##### **A. Welcome**

IAF President Paloma Adams-Allen thanked Board Vice-Chair, Juan Carlos Iturregui, and the Law Offices of Nelson Mullins for hosting the annual meeting and reception of the IAF Board of Directors and Advisory Council. Adams-Allen welcomed everyone to the meeting and noted new additions to the advisory council (Winsome Leslie and Celina de Sola) and IAF staff (Marcia Cota and Daniel Friedman). She also introduced Nicole Stinson, who has served as the IAF's associate general counsel since May 2018 and who will be Acting General Counsel until the vacancy is filled.

##### **B. FY19 Highlights and Agenda Overview**

Adams-Allen asserted that the last fiscal year had been particularly trying as the agency navigated multiple continuing resolutions, a five-week long government shutdown, and a

government-wide hold on Northern Triangle/Central America funding (about one-third of the IAF's planned programming budget). In spite of these challenges, the IAF remained steadfast in its conviction that our work is as important as ever, not only to our country but to the communities that we serve.

Adams-Allen recapped the agency's FY19 appropriation noting that Congress provided \$32.5 million for the IAF, which included a \$22.5 million base appropriation and a \$10 million transfer to support the U.S. Strategy for Central America. She continued by highlighting five areas of exceptional progress in FY19. First, Congress categorically rejected the Administration's proposal to eliminate the IAF for a third year in a row and the agency remains open, independent, and poised to grow. To this end, Congress proposed the first increase in the IAF's base appropriation in ten years for FY20.

Second, the IAF extended the reach and relevance of its programming in FY19. Specifically, the IAF added four new countries to its portfolio—Antigua and Barbuda, Dominica, Grenada, Saint Vincent and the Grenadines. Moreover, the IAF joined other U.S. government actors to effectively respond to the region's most current and pressing development issues in a coordinated fashion. This includes responding to the needs of displaced Venezuelans and receiving communities; ensuring community-level disaster resilience in the Eastern Caribbean; investing in women's economic empowerment; and maintaining support to vulnerable communities in Central America.

Third, the IAF's Office of Learning and Impact guided the agency through a process of updating its indicators and improving systems used in knowledge management and monitoring and evaluation. These important steps are crucial for the agency's efforts to effectively communicate its work and demonstrate the impact of the model. Fourth, the IAF welcomed Marcia Cota who is already providing high level expertise and delivering on partner engagement goals. Fifth and closely related to the latter, the IAF is embracing innovation and its ethos as a 'testing ground' by leaning into new partnership models like impact investment, donor-direct funds, and accepting stock as donations.

She concluded by noting the agency's 2020 priorities, which include continued focus on growing the IAF's budget; improved communications to get our message out; strengthening staff morale and internal systems; and of course, celebrating the 50<sup>th</sup> anniversary. Members of the board and advisory council joined in congratulating the IAF leadership team on their excellent work, particularly in the productive engagement with Congress, the U.S. interagency, as well as private donors and partners.

#### **IV. 50<sup>TH</sup> ANNIVERSARY**

Adams-Allen reminded participants of the four 50th campaign measures of success shared at the May 2019 Board meeting: 1) activated supporters; 2) well-grounded historic records; 3) compelling communications products; 4) strong relationships with new partners and donors. She also provided an update on the Congressional Resolution commemorating the IAF for its 50th anniversary. Senior Advisor Amber Forbes provided an update on IAF alumni engagement and

shared how the 50 emblematic grants shared at the May Board meeting are now featured on the IAF's new 50th anniversary webpage. She also shared the IAF's updated signature video and future plans for creating video thumbnails featuring key messages and grantee voices. Managing Director for External and Governmental Affairs Daniel Friedman previewed upcoming 50th anniversary related events, including the IAF's annual Coffee & Chocolate on the Hill and an anticipated 50th capstone event in 2020. Forbes then previewed the agency's planned fundraising campaign for Giving Tuesday and encouraged participants to get involved in the IAF's various 50th-related efforts. Board and Advisory Council members expressed their continued support for the agency's 50th anniversary campaign; emphasized the importance of obtaining short testimonial videos from grantees for outreach purposes; and encouraged agency leadership maximizing its fundraising efforts.

## **V. MANAGEMENT REPORT**

### **A. FY19 Budget and Strategic Plan Results**

Chief Operating Officer Lesley Duncan, reported on the agency's budget in FY19. She noted that the total operating budget for the year was \$31.6 million, and included a \$22.5 million congressional appropriation and \$10 million transfer for support of the U.S. Strategy in Central America. Duncan stated that the IAF was supported by 41 full-time staff and reminded participants that the agency is operating under a continuing resolution until November 21, 2019. Furthermore, Duncan reminded participants that with the last deposit of \$2.1 million completed in early September, the IAF has now fully collected all proceeds from the Social Progress Trust Fund (SPTF). A total of \$11.3 million in non-expiring program funds from the SPTF is available for the IAF's future use.

Raquel Gomes, the managing director for the Office of Learning and Impact, presented on the implementation of the IAF's 2018 – 2022 strategic plan. She stated that each year the agency compiles and shares results with the Office of Management and Budget through the Annual Performance Report, which is included in full in the meeting materials. Next, Gomes provided some of the FY19 highlights from the report.

### **B. Learning and Impact Report**

The IAF re-energized its learning and impact efforts in FY19 with the launch of a new office to help advance the agency's mission by generating strategic and sound evidence that strengthens programming and inspires supporters. Raquel Gomes, the managing director for the office, provided an update of what was accomplished in her first year and set out new goals for the office in FY20. She reiterated the three main goals of the office, 1) monitor and evaluate; 2) catalyze learning; and 3) communicate results and impact. The main accomplishments from year one included proposing new outcomes metrics and a new model for the Fellowship Program, and refining program areas. Gomes will aim to implement IAF's new metrics and data management system; finalize the Learning Agenda; re-launch the Fellowship Program; and begin work on the structure and content for an impact tab on the IAF website. Board and advisory council members

congratulated Gomes on the progress made during her first year. In addition to expressing their support for the FY20 learning and impact goals, several members offered ideas around best practices like coordinating with other organizations who may already be collecting relevant data and connecting with practitioners who are also interested in more evidence-based metrics.

Gomes concluded by sharing the short and long term staffing plan for the office, which included hiring two additional Monitoring, Evaluation, and Learning personnel.

### **C. Program Report**

Marcy Kelley and Marko Dolan, respectively the managing director and deputy director for the Office of Programs, reported on the IAF's FY19 development grants program. Kelley noted that the IAF funded 112 actions for a total investment of \$38.5 million in the region: \$18.5 million in IAF funding was matched by counterpart commitments from grantee partners at an average 1 to 1.3 ratio for an additional \$20 million investment. Kelley reiterated that FY19 was a peculiar year for IAF's funding and called attention to the size of the IAF's portfolios in the Northern Triangle of Central America as well as in the rest of Central America. In contrast to previous years, the IAF was only able to fund \$670,000 in El Salvador, Guatemala, and Guatemala, before the Trump Administration's halt on foreign assistance to the countries took effect in March. In September, the agency received a \$10 million CEN transfer, which it directed to 22 grants in Belize, Costa Rica, Nicaragua, Panama, including a \$1.5 million impact investment with Empresa para el Desarrollo, S.A. (EDESA) and the creation of a \$1.5 million donor directed fund with the International Community Foundation.

Next, Dolan highlighted key features of the IAF's funding this fiscal year, including two new initiatives. In FY19, the IAF resumed funding in the Eastern Caribbean, focusing on disaster resilience and mitigation efforts. To this end, the IAF awarded \$650,000 in grants to local organizations working in Antigua and Barbuda, Dominica, Grenada, and St. Vincent and the Grenadines. Additionally, the IAF provided more than \$1.6 million to communities affected by the Venezuela migrant crisis in Peru, Brazil, Ecuador, and Colombia. The grants support the integration of Venezuela migrants into these communities by providing job training, micro business development, psycho-social support, awareness-raising, and legal rights training. He added that the IAF is exploring opportunities to expand the initiative to Argentina, Chile, Panama, and Costa Rica in FY20. Furthermore, Colombia remained a high priority portfolio and accounted for 12 percent of IAF's total FY19 funding (about \$2.1 million). Mexico is also a high priority portfolio with the highest counterpart leveraged—partners contribute \$2.5 for every \$1 the IAF invests.

Kelley reminded meeting participants that in FY19 the IAF updated its program area descriptions to better reflect and capture the agency's programmatic work and then provided a brief overview of the distribution of funding by program area. As in years past, Sustainable Agriculture and Food Security, Enterprise Development and Job Skills and Leadership accounted for the lion's share of the IAF's total funding at 65 percent. Community Asset Mobilization and Natural

Resource Management collectively account for another 25 percent of funding, and the remaining 10 percent is divided among Civic Engagement and Human Rights, Culture and Development, and Other. Dolan concluded by putting the total active portfolio in FY19 in a three-year context, which reflected the same highlights from the presentation.

#### **D. FY20 Program Projection**

Kelley presented the IAF's new thematic and geographic funding targets for FY20. A full report was provided in the meeting materials. A brief discussion on the Eastern Caribbean portfolio ensued—board and advisory council members asked clarifying questions and congratulated the agency's continued efforts to address emerging crises in the region. Adams-Allen and Duncan briefly discussed FY20 funding scenarios, noting the vastly different possibilities depending on the IAF's final appropriations level and the transfer of additional funds.

### **VI. NEW BUSINESS**

#### **A. Partnerships Update**

Adams-Allen introduced Marcia Cota, Senior Adviser for Partnerships, who started in July 2019 to support the IAF in standing up a partnerships practice. Cota noted that the IAF has been building partnerships for 50 years, but that the time is ripe for the agency to take a systematic and strategic approach for building its' partnerships. As such, in the last four months, Cota has surveyed IAF's past donor engagement efforts; sought to understand the IAF's programmatic work to identify which partnership models could best support that work; and mapped the donor and partner landscape by potential benefit for the IAF. After briefly discussing partnerships models, Cota outlined the landscape of prospective IAF donors and/or partners. She noted that corporations and their foundations represent the greatest potential for co-funding, followed by non-corporate foundations. And that while NGOs and academic institutions represent a strong potential for joint programming, other USG agencies have the largest potential for unlocking funding for specific issues and/or regions.

Next, Cota presented four overlapping goals for FY20, all of which are in progress: 1) Develop policies, processes, and strategy; 2) Select and roll out a partner management platform; 3) Identify models and approaches; and 4) Assess, launch, and amplify new partnerships. She noted that important progress has been made in creating donor engagement guidelines, including due-diligence and vetting forms and standard operating procedures for donations. Furthermore, several new potential donors and partners have expressed interest in working with the IAF and she is following-up as appropriate. Cota concluded by stating that she believes the IAF should aim to announce five new partnerships each year taking the agency to 50 partners by 2023.

Board and advisory council members applauded Cota's enthusiasm. Several members expressed willingness to support the partnerships vision and provided ideas for an outreach strategy along with offering to facilitate contact with potential leads. Members also reiterated that building partnerships requires a significant investment in both time and effort, and that while the IAF's

goal of five new partners each year may be optimistic it nevertheless is an admirable goal for the agency.

## **B. Fellowships Program**

Gomes stated that in 2020 the IAF plans to launch the new Fellowship Program, which would continue to support field research while meeting the IAF's need to more explicitly position itself as a thought-leader. The program will differ from previous iterations by directly linking into the IAF's Learning Agenda; open eligibility beyond doctoral students to graduate students, researchers, and evaluators from the U.S. and the countries where the IAF works; and will reduce the number and award amount of fellowships each year to lower the total program cost. Gomes underscored that while this is the proposed idea—it is still very much a work in progress—and several preliminary steps are still required before moving forward. Notwithstanding, Gomes reiterated the plan to launch the program by the fall 2020 to coincide with the IAF's anniversary year.

Members of the board and advisory council expressed varied opinions on how to best proceed with the fellowships program. Some emphasized the need for greater IAF oversight and involvement in research methods and topics while others recommended basing the program on existing models that could limit the need for involvement and investment by the IAF. Gomes concluded by thanking participants for providing useful and thoughtful feedback and acknowledged the need to continue considering available options. She committed to sharing a more thoroughly outlined proposal in the first half of FY20.

**Without further business, the advisory council adjourned at 4:49 p.m.**

## **VII. EXECUTIVE SESSION**

The board of directors continued with an executive session, closed to the public as provided by 22 CFR 1004.4(b) & (f), to discuss a personnel matter.

## **VIII. ADJOURNMENT**

The meeting was adjourned at 5:03 pm by Board Chair Arriola.

## **DATES FOR MEETINGS IN 2020**

Monday, May 4: Meeting in Washington, DC / Miami, FL [TBC]

Tuesday, May 5 – 9: Oversight Trip to Peru

Monday, July 27: Board Call / Telephonic Meeting

Monday, November 9: Board and Advisory Council Meeting in Washington, DC