

Telling the Story of The Atlantic Philanthropies in Bermuda

The **ATLANTIC** *Philanthropies*





**A. The Atlantic Philanthropies in Bermuda
(1992-2013)**

Prepared by Susan Parker
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The Atlantic Philanthropies in Bermuda

An Overview in Numbers*

Total Investment (1992-2013)

\$28,239,658

Grant Count

73

Average Grant Amount

\$386,845

Top 3 Grantees

1. The Centre on Philanthropy	\$8,420,428	21 grants
2. Bermuda Community Foundation	\$6,499,000	2 grants
3. Age Concern (Bermuda)	\$2,044,000	5 grants

First Grant

\$185,000 to The Centre on Philanthropy (1992)

Historic and Current Programme Areas	Grantmaking Phase			Grants	Total
	1992-2005	2006-2008	2009-2013		
Cross Programme/Strategic Initiatives			\$6,650,000	14	\$6,650,000
Country-Wide			\$9,723,576	10	\$9,723,576
Children & Youth	\$850,000	\$4,165,000		14	\$5,015,000
Ageing	\$864,240	\$2,692,688		18	\$3,556,928
Nonprofit Sector/Voluntarism/Philanthropy	\$1,399,500			8	\$1,399,500
Outside Programme Areas		\$1,015,000		2	\$1,015,000
Early Childhood Development	\$372,000			3	\$372,000
Youth Development (Non-School-Based)	\$250,000			1	\$250,000
Higher Education	\$140,000			1	\$140,000
Pre-Collegiate Education and Teacher Development	\$67,654			1	\$67,654
Miscellaneous	\$50,000			1	\$50,000
Total				73	\$28,239,658

*All figures are in U.S. dollars and include approved grants (1992-2013).

The Atlantic Philanthropies in Bermuda 1982-2013

Key Grantee Achievements

- Secured legislation that outlaws discrimination on the grounds of sexual orientation
- Advocated successfully for re-formation of a ministry for health and seniors
- Secured strengthened legislation protecting public access to information
- Documented the barriers to black male educational and career attainment, leading directly to the creation of new government programmes and improved teacher certification and licensing laws
- Secured reviews by police and government of unconstitutional stop and search practices by the police
- Conducted scoping exercises that led to the creation of a community foundation

Context and Environment

In the early 1980s, when Chuck Feeney decided to establish The Atlantic Foundation in Bermuda, most people living on the island could say they had a good quality of life. The tourist industry was thriving, driven by the island's famous pink beaches and easy access from the U.S. East Coast. Bermuda's attractive tax codes were beginning to lure international businesses from around the world. The island had nearly full employment and a large middle class composed of approximately 70 per cent of Bermudians.

An active philanthropic sector was, comprised of small, single issue charities, such as Big Brothers Big Sisters of Bermuda. Nonprofit organisations focused on providing direct services to those in need. Little coordination took place among the charities to see if they could do their work better, or more systematically.

In the 1980s, relations between blacks (60 per cent of the population) and whites (40 per cent), on the surface, seemed harmonious. Underlying issues stemming from inequality that had begun during the island's period of slavery (through 1834) and segregation (through 1959) were rarely, if ever, discussed.

Life in Bermuda began to change as more and more international companies located there and the economy shifted from tourism to commerce, which required specific, specialised skills. Today, the island's population of just under 65,000 includes 8,500 work permit holders and their families. The cost of living in Bermuda is one of the highest in the world – almost four times more than the United States.

Well-paid foreign specialists coming to live in Bermuda brought a different approach to displays of wealth. Whereas wealthy Bermudians had been typically reticent about making obvious demonstrations of their means, the new wealthy often did not share those reservations. In the 1990s, the discernible gaps between the rich and the poor became much greater and, on a small island, inequality was more obvious.

These disparities were exacerbated during the global recessions at the turn of the millennium. Coupled with a perception that government was unfriendly to business, many international companies began to downsize and relocate. These departures eroded the foundations of the local economy. Faced with a rising debt, the government began to cut back on its social spending. For the first time, unemployment became a reality, with a 94 per cent rise in unemployment claims from 2005 to 2012. These factors exacerbated social, economic and racial divisions on the island, with the most vulnerable of its citizens severely impacted. Today, 19 per cent of the population lives below the poverty line.

While nonprofit organisations in Bermuda continued to address individually the immediate needs of citizens, they did not tackle systemic disparities and inequality strategically or comprehensively. However, there were indicators of Bermudians' focus on related issues of democracy and sustainability. For example, local activists had fuelled a growing Freedom of Information movement, the establishment of the Voters' Rights Association, and the creation of a Bermuda Environment and Sustainability Taskforce.

Although these initial steps toward social activism suggested the possibility of a broader approach to system reform, these groups struggled to maintain momentum and cohesion. They needed greater financial and informational resources to provide the organisational clout to spark change.

What Atlantic Set Out to Achieve

Atlantic came to Bermuda after the Founding Chairman chose to relocate his family to the island. General Atlantic Group Limited, the parent company of his business interests, was incorporated in Bermuda in late 1979. In 1982, The Atlantic Foundation, the first and the largest of The Atlantic Philanthropies' charitable entities, was established in Bermuda as well. At the time, the creation of foreign foundations was such a new concept on the island that it required a special Act of the Bermuda Parliament.



Centre on Philanthropy, Bermuda 2013

Atlantic's work in Bermuda has taken shape over three phases. **In the first phase, from 1982 to 2006**, Atlantic's grantmaking was quite limited. Grants went to organisations that Board members had interest in or ties to, such as the Centre on Philanthropy, the Coalition for the

Protection of Children and the Bermuda Biological Station. These grants tended to be sporadic and opportunistic—responding to requests or perceived needs—rather than strategic. During this period, Atlantic made \$4 million in grants to 13 organisations.

Some Atlantic Board members pressed the foundation to make a greater and more focused philanthropic investment, suggesting that, because Atlantic was based in Bermuda, the island and its people should benefit more from Atlantic's presence.

In the second phase, from 2006 to 2008, Atlantic assigned a New York-based staff member to do more focused work in Bermuda. Atlantic began making more grants, mostly in two areas aligned with its strategic programme structure: ageing and children and youth. These grants typically provided capacity-building support to strengthen nonprofit and philanthropic organisations devoted to serving young and older people. Atlantic provided funding to bring Bermuda's nonprofit organisations together to build a more collaborative funding and service environment and promote their sustainability. In this phase, Atlantic made \$7.9 million in grants to 15 organisations.

During the third and final phase, from 2009 to 2013, Atlantic's Board and senior management launched a strategic grantmaking programme headed by a Bermudian, Programme Executive Myra Virgil, who had previously headed the government's human affairs department. The programme emphasised strengthening new and existing civil society organisations to take a larger role in shaping Bermuda's future, with a focus on public policy changes that would reduce inequities for the most disadvantaged.

Staff believed that resources spent on changing public policy would, if successful, provide more leverage and impact than resources devoted solely to direct services. In these final years, in preparation for its departure, Atlantic also sought to build the still nascent culture of philanthropy in Bermuda, encourage more donors to embrace and take a strategic approach to giving. In this phase, Atlantic invested \$10.4 million in 17 organisations.

The grantmaking strategy in this phase was threefold:

- **Build leadership and organisational capacity.** Atlantic wanted to increase the number of leaders and organisations with the skills to carry out advocacy for social change. Many small, but promising organisations struggled with basic organisational capacity such as having paid staff, strategic planning skills and measuring outcomes. In addition to direct support to these organisations, Atlantic funded or provided leadership training to groups of grantees in areas such as advancing advocacy, creating theories of change, and developing social change missions.
- **Build and support advocacy and social movement capacity-building.** In contrast to the first objective, Atlantic sought established, anchor organisations and intermediaries that were seen as leaders in the nonprofit field and could bring other organisations together to advocate for policy change. While these organisations had the ability to do this kind of broader policy work, many had not yet engaged in such work and needed assistance in learning how to do so. The foundation provided funding to expand from direct services into policy work. It also supported new organisations to fill gaps in the field and intermediary organisations that could provide technical support.
- **Advance strategic philanthropy.** Finally, Atlantic sought to strengthen the philanthropic landscape in Bermuda. Strategic (as opposed to responsive) philanthropy in Bermuda was relatively immature. No broadly focused organisation existed to raise funds to provide effective, comprehensive, long-term support for the nonprofit sector. To this end, staff engaged funders and policymakers in discussions of how to make Bermudian philanthropy more strategic and robust, and conducted scoping exercises for the potential development of a community foundation.

In the three phases of its work in Bermuda, from 1982 to 2013, Atlantic invested a total of \$22.3 million in 35 organisations.

What Has Been Achieved

The outcomes of the first phase of Atlantic's grantmaking, through 2006, were not subject to formal review. However, groups such as the Centre on Philanthropy (a provider of services and convening support to the Bermuda nonprofit sector, to which Atlantic awarded \$1.6 million during that period) grew substantially and remain cornerstone organisations.

In the second phase of work, from 2006 to 2008, one of the key outputs was a study by Professor Ronald Mincy of Columbia University that examined a troubling trend: young black men on the island were not completing high school and often going on to take low-skilled, dead-end jobs in construction and similar industries that offered few options for professional growth. Their lack of educational attainment meant that they were cut off from more lucrative employment. The report was the first of its kind to document the problem and made several recommendations on how to keep black males in school and to address the needs of those who had already left. That report, and a follow-up commissioned by Atlantic, led to a 2011 announcement by Bermuda's government to propose two comprehensive youth development programmes, Job Corps and Career Academies, to help young black males further their education and careers. In 2012, these initiatives were amalgamated to become a new entity called Career Pathways, which signed on 43 industry partners and 10 government ministries to deliver new work placement opportunities to students. Teacher certification and licensing laws were also tightened under amendments to the Bermuda Educators Council Act of 2002, with a view to improving educational outcomes for disconnected students.

Atlantic's investments during the second phase of work also strengthened a number of organisations that serve philanthropy, children, and older people in Bermuda including:

- The Centre on Philanthropy, which helps strengthen and sustain the nonprofit sector
- Family Centre, which provides support and counselling services for families in crisis
- Bermuda Sloop Foundation, which provides experiential educational programmes to public school teens
- Age Concern, which provides information and links to services for older people.



Spirit of Bermuda, Bermuda Sloop Foundation, Bermuda, 2013

The work in Atlantic's third phase of grantmaking is currently being formally evaluated with final data collection coinciding with the programme's closure. Based on the work and learning of the grantees to date, staff have compiled the achievements that have resulted from Atlantic's investments. All of the examples are stories of growth and of making strategic philanthropy come alive. Atlantic is leaving organisations in more stable positions to sustain advocacy and influence policy. Atlantic's investments in strategic philanthropy laid the groundwork for a new generation of committed and engaged donors.

Building Leadership and Organisational Capacity

Atlantic provided grants to small, voluntary activist groups, many of which had never received funding before. These organisations were chosen because they demonstrated a keen and deep knowledge of the people that they were serving and demonstrated a desire to work toward systemic change. After two years of investment in capacity building, Atlantic's funding led to accelerated growth for 12 early-stage nonprofits, several of which are described below. Most of these organisations were volunteer-led and had little infrastructure. With Atlantic's support, they began to professionalise by securing administrative support or creating an executive position. These organisations adopted strategic plans, increased their use of data to implement evidence-based programmes, and created stronger connections to organisations with similar missions.

Making an Impact Against Racism



Bermuda National Gallery, CURB, Bermuda 2013

Citizens Uprooting Racism in Bermuda (CURB) began as an informal volunteer group that came together to talk about race and racism. The group lacked infrastructure, but its work of putting a spotlight on racism was critical, especially when the government decided to close its own office dedicated to tackling

race issues. With Atlantic's funding, CURB was able to formalise its structure, including hiring a staff member, establishing an office and becoming a registered charity. It began running institutional racism training programmes, which have been certified by the Bermuda Human Resource Association and Bermuda Educators Council. This makes CURB's work more enduring and credible to a wider audience, including government. CURB hosted the first anti-racism conference held in Bermuda in 2012.

CURB also partnered with the environmental group, Bermuda Environmental Sustainability Taskforce, to fight a special development order that overturned planning restrictions on property that black Bermudians had been forced to leave in order to accommodate the then-emerging tourism sector and which included a slave graveyard. Through its work with an unexpected ally, CURB was able to limit development and spark a rare public dialogue about race and racism.

Winning Protections Against Discrimination

Similarly, Two Words and a Comma, which works for protections on the basis of sexual orientation, and the Centre for Justice used Atlantic's support to bring about policy change to prohibit discrimination on the basis of sexual orientation.

Two Words and a Comma carried out a successful grassroots campaign to influence key leaders and public opinion. They engaged with the island's church leaders, who have traditionally been opposed to protections for same-sex individuals, and persuaded some of them to not actively oppose the proposed legislation. Two Words and a Comma also mounted an island-wide advertising campaign featuring a number of heterosexual people speaking against discrimination. The Centre for Justice helped draft the final anti-discrimination bill. In July 2013, Bermuda passed legislation that outlaws discrimination on the grounds of sexual orientation.

Strengthening the Advocacy and Social Movement Field

Atlantic staff worked with established organisations to take leading roles in coalition-building and collaboration across the nonprofit sector. These organisations were selected on the basis of their leadership potential and their capacity to serve as conveners and policy advocates. Overall, the foundation's investments yielded increasingly savvy advocacy strategies, a more nuanced understanding of how government works, and a sharper lens on the requirements for good policy implementation in a small, maturing democracy.

Shifting Focus from Services to Policy Work

Age Concern, which Atlantic has funded since 2002, has historically focused on delivering services to older people. Its services include disseminating information, operating a call centre for older adults and working with local businesses to link older adults with products and services that fit their needs. Age Concern was at a crossroads in deciding whether to continue along the path of service provider or focus more energy on being a leading voice on broader ageing issues, which had been neglected by the Bermuda government.



Hilda Marie Smith, 106 years old, Age Concern, Bermuda 2013

With Atlantic's support, Age Concern brought together government and nonprofit leaders to visit and exchange ideas with grantees in Northern Ireland and the Republic of Ireland that have effectively influenced ageing policy. Working with Boston-based intermediary Root Cause, Age Concern developed a positive ageing strategy for Bermuda and mobilised its constituents around upcoming

elections in 2012. It held three forums for office-seekers to increase awareness about issues affecting older people, documented the findings, and informed constituents and members of Parliament of the results.

After the elections in 2012, the new government created a ministry for health and seniors, one of the key recommendations from the Age Concern forums. In early 2013, the government asked Age Concern to lead a task force to recommend a national ageing policy.

Making Rights Clear and Accessible

Bermuda has lacked a central organisation to help citizens understand and interpret their rights under the law and advocate for those rights. For example, when the government wanted public input on how to re-structure its human rights laws, getting informed participation was a challenge. Atlantic provided a founding grant to the Centre for Justice to fill these gaps. The purpose of the group is to improve access to justice by educating the community about civil and human rights, providing specialist legal advice where rights or civil liberties may have been violated, and intervening as a third party in court proceedings.

Working with Atlantic's grantees CURB and Youth on the Move, the Centre for Justice mounted a campaign to curb unrestricted stop and search by the police. Statistics from the police had revealed that stop and search increased from 3,500 in 2009 to 17,500 in 2011. A snapshot survey produced by the police demonstrated that 85 per cent of people stopped were black. The Centre for Justice has argued that the law underpinning stop and search by police is unconstitutional.

To make its case to the police and to the public, the Centre for Justice organised a public forum. Speakers included a former Bermudian attorney general, a police commissioner, a lawyer and a community activist group that provided a comprehensive, factual picture of the impact of stop and search on the young men. The forum attracted about 200 people, including legislators, the police and members of the public. The Centre's factual approach to the issue – framing it as an inadequate safeguard to protect individuals, resulting in disproportionate contact with police – gave it the legitimacy needed to continue conversations with the police, who are now reviewing the practice. The Minister of Justice has also requested a briefing on the issue, which is an indicator that the government is taking the concerns seriously.

Bringing Together Government Officials and Community Leaders

The Coalition for Community Activism, established by Atlantic, filled a gap in the new field of advocacy in Bermuda, by encouraging greater transparency from government and freedom of information, a fundamental right in a democratic society.

The coalition organised public consultation forums and solicited 500 community submissions to the government requesting that a proposed freedom of information law be strengthened. In July 2010, Bermuda granted citizens the statutory right to request and obtain information, and to appeal when information is withheld, by passing the Public Access to Information Act.

Advancing Sustainable Philanthropy

The growth of the island's philanthropic sector lagged in comparison to the increase in personal wealth. That slow growth was compounded during the 2008-2010 recession, which resulted in a 16 per cent reduction in funders' budgets. Time and staff capacity limited the ability of small- and medium-sized funders (budgets of \$500,000 or less) to get the information to assess their effectiveness. Sixty per cent of funders employ less than one full-time person to work on charitable issues, and giving decisions are largely based on personal relationships. Atlantic, as one of the largest independent funders investing on the island, has sought to help the philanthropic sector grow.

Identifying Resources for Nonprofits and Funders

Bermuda has nearly 500 charities, many of which overlap in scope and purpose. It has been difficult for funders or the government to find detailed information about them or their effectiveness in one central place. To address this gap, Atlantic convened the Bermuda Civil Society Project to assess the landscape of charities and enhance comprehensive understanding of Bermuda's charitable organisations, their goals, objectives and programmes. The project led to several findings:

- Just 23 per cent of the nonprofit organisations offer programmes that can be measured, evaluated for effectiveness or replicated
- Only five of the 481 nonprofit organisations focus on the social conditions that lead to the two top-rated concerns for Bermudians: economy/unemployment and crime
- Few policy, research and advocacy organisations are active, leading to a dearth of reliable information.

Philanthropy and government can use such information to identify gaps in social services and policy work and take steps to fill them. Such enhanced information also provides funders with more detailed data on individual nonprofits so that they can make more informed funding decisions.

The Bermuda Civil Society Project made several presentations to the government about private philanthropy. Historically, several government departments had been responsible for different aspects of charitable work, making it difficult for nonprofits to get the information and resources they needed and for government to have a comprehensive overview of the charitable sector. The work of the Bermuda Civil Society Project inspired the establishment of a Ministry for Community Development in 2013, which now has full responsibility for charitable legislation and relations with the nonprofit sector.

Finally, Atlantic supported and worked with the Donors Forum, a group of donors based in Bermuda, to elevate the discussion about how foundations can more effectively support groups that serve the most disadvantaged. For example, potential funding partners and government policymakers participated with some of Atlantic's grantees in the Aspen Racial Equity and Society Seminars. These seminars enable participants to examine the beliefs and values that shape race and equity discourse, and to work with colleagues on challenges in their own communities.

Establishing the Bermuda Community Foundation

As Atlantic prepared to end grantmaking in Bermuda, it was concerned with a post-recession decline in government support of nonprofit organisations and the relatively weak capacity of

philanthropy on the island to address the needs of the most vulnerable. In 2010-11, the government cut funding to nonprofits by over 50 per cent. To examine how to best meet their needs, Atlantic funded research in 2011 to assess the feasibility of establishing a community foundation to provide larger scale and more reliable funding for nonprofit organisations.

The research found that Bermuda would benefit from such a collaborative funding enterprise and that several corporate and private foundations and high net-worth individuals would likely support it. With a \$498,000 grant from Atlantic and investments from Renaissance Re (\$100,000) and XL Foundation (\$50,000), in January 2013 the Bermuda Community Foundation (BCF) was legally established. A number of individuals and families also have established their own donor-advised funds through the foundation.

Atlantic's Legacy

As a result of its grantmaking, Atlantic leaves behind a signature organisation that it seed-funded—the Centre for Justice—that pursues access to justice through policy analysis and advocacy and by providing people with information about their rights. Atlantic's support for existing organisations, including Age Concern and CURB, has enabled them to take on new and vital roles as community leaders and advocates as well.

But most importantly, at the end of 2013, Atlantic will mark the conclusion of more than three decades of grantmaking in Bermuda with a proposed investment of \$6 million in the Bermuda Community Foundation. The goal is to establish a strong, well-run community foundation with active participation from corporations, other foundations, government, nonprofits and individuals. BCF has a detailed plan to manage assets of \$20 million and an annual grantmaking budget of \$2.8 million by 2019. In this way, the Bermuda Community Foundation will provide a lasting infrastructure of philanthropy and support for nonprofits that serve the most disadvantaged, long after Atlantic has departed. This—engaging other funders and policymakers to achieve more systemic and sustainable outcomes—may prove to be Atlantic's most enduring influence in Bermuda.



International Day Against Homophobia, Biphobia & Transphobia, Centre for Justice, Bermuda 2013