

Message from the President



A stylized, handwritten signature of Raul Yzaguirre in black ink.

Raul Yzaguirre

Hispanic Americans have worked to secure the American Dream for themselves, and for all Americans, since the very founding of this nation. The values of hard work, patriotism, and enterprise characteristic of Latinos have shaped America's history. Latinos have contributed their labor to the nation's economic might in field and factory, have fought gallantly in our Armed Forces since the Revolutionary War, and have enriched America's culture with a dedication to faith, family, and community.

As Latinos contribute to the nation's economic and social growth, the National Council of La Raza (NCLR) works to ensure that Hispanic Americans are provided with the opportunities they need to secure the American Dream for themselves, their families, and their communities. While the challenges that Latinos face are complex, the solutions we seek are simple - a decent education for our children, access to health care, rewards for hard work, safe and secure neighborhoods, and respect for our values - American values. NCLR not only advocates for these solutions, but also implements them through a network of nearly 300 Hispanic-serving organizations in communities throughout the United States.

The year 2001 began as a watershed year in the history of Hispanic Americans. The Census 2000 figures confirmed that the nation's 35 million Latinos are now the nation's largest ethnic minority, while highlighting the phenomenal growth of Hispanic populations in cities and towns across the country, particularly in the Southeast and Midwest. The fact that one in eight Americans is Hispanic drew the attention of corporate America, government officials, and the media. However, this growing excitement and interest in the Hispanic community was dampened by a series of terrorist attacks that forever changed our nation.



A stylized, handwritten signature of José H. Villarreal in black ink.

José Villarreal

The tragic events of September 11, 2001 had a dramatic impact on the nation. Despite the shock that all Americans experienced in reaction to these barbaric acts, Hispanic Americans wasted no time in responding to calls for help. A dozen Hispanic firefighters sacrificed their lives to rescue civilians at the World Trade Center, and hundreds more have provided assistance to the thousands of victims of this tragedy. In Arlington, Virginia, Hispanic construction workers rebuilt the Pentagon, while NCLR created a Special Assistance Fund, which raised \$100,000 for Hispanic organizations helping victims' families in New York City and Northern Virginia. As they have in national crises in the past, Hispanic Americans have shown their heroism, generosity, and loyalty to America.

We invite you to learn more about the many ways that Latinos are helping strengthen our nation every day and how NCLR works diligently to ensure that Hispanic Americans have a chance to be full participants in the American Dream. NCLR's 2001 Annual Report - *Securing the American Dream* - shares the successes we have achieved and the challenges that lie ahead. NCLR is committed to harnessing the potential of the Hispanic American community to contribute to the continued social and economic advancement of the United States of America.

The National Council of La Raza (NCLR) is a private, nonprofit, nonpartisan, tax-exempt organization established in 1968 to reduce poverty and discrimination and improve life opportunities for Hispanic Americans. NCLR provides capacity-building assistance to support and strengthen a network of more than 280 affiliated Hispanic community-based organizations. NCLR's affiliates collectively serve 37 states, Puerto Rico, and the District of Columbia - reaching nearly four million Latinos annually. Through its Policy Analysis Center, NCLR provides an Hispanic perspective on issues of importance to all Hispanic nationality groups in all regions of the country.

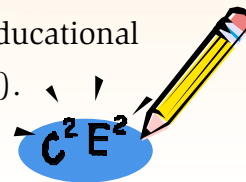
Table of Contents

Education.	2
Workforce Development.	4
Health	6
Housing.	8
Affiliate Relations.	10
Emerging Latino Communities.	12
Education Policy	14
Economic Mobility	16
Immigration/Civil Rights	18
Field Advocacy	20
Leadership.	22
Special Events	24
Affiliate Network	26
NCLR Board of Directors 2002-2003.	29
NCLR Corporate Board of Advisors 2002	30
NCLR Staff.	31
Programmatic Funding Sources	33
Financial Statements	34

Education



Education is key to securing the American Dream. NCLR works to increase educational opportunities, improve achievement, and promote equity in outcomes for Latinos by building the capacity and strengthening the quality of the community-based education sector. NCLR's education program efforts are carried out through its Center for Community Educational Excellence (C²E²).



Major Accomplishments

- The largest Latino Charter School Development Initiative (CSDI) in the country was launched.
- Professional Development Institutes for community-based educators were conducted in Washington, DC; Kansas City, MO; and Pasadena, CA.
- C²E² entered into a two-year agreement with the Calvary Bilingual Multicultural Learning Center, a D.C. affiliate, to create an early childhood development program evaluation model.



The Charter School Development Initiative work has been hailed by state charter school resource centers, charter school associations, and funders for its quality and thoroughness, and will be cited as a model for a grant program in a forthcoming publication by the Charter Friends National Network. NCLR is already being cited as a major force in the charter school and school reform movement.

"This conference was a truly eye-opening experience! I learned many facts, strategies, as well as opinions on many subjects that are not frequently touched upon."

Workforce Development

NCLR will work to revamp the Latino community's workforce development system by designing and executing innovative and effective programs to increase the capacity and improve the quality of performance of Latino CBOs providing job readiness, referral, placement, training, basic education, and other services for Latinos in the workforce.



Major Accomplishments

- With NCLR's targeted technical assistance, over 30 NCLR affiliates sit on Workforce Investment Boards and Youth Councils in cities throughout the U.S.
- In Phoenix, AZ, NCLR assisted affiliate Friendly House in securing a \$300,000 contract under the Workforce Investment Act of 1998.
- In partnership with the Latino Youth Initiative at Job Corps, U.S. Department of Labor, NCLR prepared *Building Sound Community Linkages: A Key to Serving Latino Youth*.
- "NCLR Escalera Project: Taking Steps to Success," created in partnership with PepsiCo, brings together affiliate MAHEC, Frito-Lay, and Garfield High School in East Los Angeles to assist Latino youth in college preparedness and career planning.



- NCLR completed English and Spanish versions of its *Job Readiness Tool Kit*, which serves as a resource for affiliates' adult education, youth development, and employment readiness programs.
- NCLR's AmeriCorps program has assisted more than 200 AmeriCorps members who spent over 300,000 hours in community service mobilizing about 1,500 non-AmeriCorps volunteers to provide services to almost 5000 Latino youth.

NCLR's Signature Approach to Workforce Development focuses on preparing disadvantaged Latino youth and adult Latino workers for jobs in dynamic sectors of the economy.

One such project is Graphic Futures, a partnership involving NCLR; Chicago affiliates Association House of Chicago (AHC) and Humboldt Park Economic Development Corporation (HPEDC); the Printing Industry Association of Illinois and Indiana; and Triton College. The project focuses on increasing the economic mobility of women in the Humboldt Park area of Chicago. AHC and HPEDC recruit and prepare participants, offering work skills training and support services such as child care and transportation. Triton then trains participants to work in the printing industry. This project secured more than \$340,000 in funding in 2001.

Thanks for the highly informative (Microsoft) PowerPoint presentation. Your career-based material will be for those students 16 and over. Believe me, it will be the cornerstone of our career programs.

— Janet Schaefer
Nuestros Valores Charter School

Health

In August 2001, NCLR began a transformation of its approach for addressing the health needs of Latinos by launching the NCLR Institute for Hispanic Health (IHH). As its mission, IHH is dedicated to reducing the incidence, burden, and impact of health problems in Hispanics. IHH works in close partnership with NCLR affiliates, government agencies, private funders, and other Hispanic-serving organizations to deliver quality health interventions. The new approach under IHH emphasizes a more integrated and holistic view of health care issues and needs facing Latinos.



Major Accomplishments

- The IHH/NLDI website was awarded the national Aesculapius Award of Excellence.
- The bilingual website received more than 11,000 hits and was featured on Univision, latino.com news service, *Hispanic Journal* in Dallas, *Vista* magazine, and *Hispanic Business* magazine.
- *Learning to Live Each Day with Tía Betes* diabetes storybook was distributed to more than 52,000 Latinos.
- The Charlas Entre Nosotros project reached over 1,200 Latino youth with information and education on HIV/AIDS prevention.
- Salud para Su Corazón has reached hundreds of families and trained more than 200 community health workers.



- With support from NCLR's Project ACCESS more than 20,000 Latinos have been informed about Medicare and Medicaid services in the last year.
- In addition to project-related activities IHH staff have participated in over 30 national, regional, and/or local conferences as technical experts on Latino health issues.

Using peer-led small group discussions, NCLR seeks to go beyond the initial information stage of HIV/STD education and prevention. The approach taken is intended to guide youth in exploring, understanding, and recognizing the societal pressures that they experience. The Latino Youth Peer-to-Peer HIV/STD Prevention Program, entitled Charlas Entre Nosotros (CEN), seeks to provide youth with the tools necessary to develop and recognize strategies that are effective in their networks to resist these pressures and strengthen their self-concept, cultural values, and beliefs.

I think that Charlas Entre Nosotros (CEN) is a great program, and I am proud to be part of the CEN team. I like this program because it helps give you the opportunity to learn about many of the diseases that are out there and it helps give a point of view on how to prevent yourself from HIV/AIDS.

— Luis Garcia, 15 years old

Housing

Owning a home is the quintessential symbol of the American Dream.

NCLR's work in the area of assets/investment primarily focused on origination of Raza Development Fund (RDF) loan requests, providing technical assistance on real estate projects to affiliates, and growth and expansion of the NCLR Homeownership Network (NHN) which supports housing counseling efforts nationwide.



Major Accomplishments

- The Raza Development Fund, currently capitalized at nearly \$20 million, approved 18 loans totaling \$12,858,000 during Fiscal Year 2001.
- The Freddie Mac Foundation enabled NCLR to develop new database software, improving the business practices of NHN organizations.
- The Department of Commerce, TOP (Technology Opportunity Program), approved a grant for \$850,000 to increase the efforts of NCLR and its housing counseling affiliates to utilize the Internet for data management and internal/external communications.
- Sixteen thousand families were counseled on how to purchase a home, and 2,500 of these families have succeeded in purchasing their home.

Courtesy of Fannie Mae Corporation



The NCLR Homeownership Network (NHN) is made up of 28 organizations that offer homebuyer education, individual counseling, default counseling, and emergency assistance.

“Participating in the Latino Homeownership Network through NCLR has given our agency invaluable tools and resources to create new opportunities for homeownership with our community.

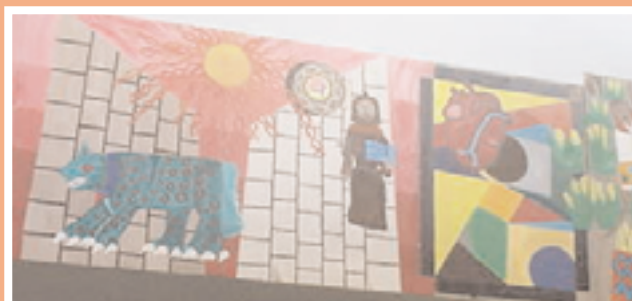
— Teresa Brice-Heames
Senior Vice President
Housing for MESA

Affiliate Relations

NCLR's Affiliate Relations department is dedicated to maintaining

open communication with, and coordinating technical assistance and training efforts for, affiliates.

The staff work closely with the Affiliate Advisory Council, made up of executive directors of affiliate organizations, striving continuously to enhance the Affiliate/NCLR partnership.



Courtesy of the Latin American Youth Center, Washington, DC

Major Accomplishments

- The Special Assistance Fund raised close to \$100,000 and brought aid to local groups.
- In February 2001, the Affiliate Council held its winter meeting in Washington, D.C. The Council decided to address its work in a more focused and structured manner through committees. Three committees – Affiliate Relations, Membership/Affiliate Distribution, and Advocacy – were established to guide the Council in prioritizing issues they discuss and working with staff.

The NCLR Special Assistance Fund was established on September 13 to help New York City and Northern Virginia area NCLR affiliates in assisting the families of victims and others affected by the September 11 attacks on the World Trade Center and the Pentagon. Thanks to an outpouring of support from NCLR affiliates, associates, and other friends of the organization, NCLR has been able to provide grants to the organizations working directly with some of the most vulnerable and hardest-to-reach communities, including the non-English-speaking and immigrant populations.

Photograph by Bradley Meinz



- Affiliate Relations has been communicating with affiliates through a monthly E-Message. The E-Message currently reaches over 180 affiliate email addresses, and more are being added each month. This E-message includes NCLR news for affiliates, tools and resources, and funding opportunities.
- The 2001 NCLR National Directory of 277 affiliated organizations was prepared and distributed in early August. The Directory was distributed to all NCLR affiliates and staff as well as the Board of Directors and the Corporate Board of Advisors.

"We are still honored and humbled by the fact that UMOS was chosen as the 2001 Affiliate of the Year, knowing that there are many other great organizations and agencies that are working diligently every day to improve the lives of those they serve. We will strive to continue to live up to this honor."

— Lupe Martinez
Executive Director, UMOS

Emerging Latino Communities

NCLR's Emerging Latino Communities (ELC) Initiative, now in its second phase, seeks to address the needs of the Hispanic community in both (a) regions in which Latinos as a community are comparatively new, and (b) areas where new Hispanic subgroups are settling alongside historically dominant Hispanic subgroups. The project is designed to identify a programmatic and policy response appropriate to meet the needs of these populations effectively.



Major Accomplishments

- Eleven community-based organizations are involved with the ELC Initiative. These organizations are in Alabama, Tennessee, Arkansas, Georgia, Kentucky, North Carolina, and South Carolina.
- The Initiative will expand into Virginia, Mississippi, Louisiana, and Florida in 2002.
- At the NCLR 2001 Annual Conference, over 100 attendees filled the room to hear four community leaders from the Southeast who spoke on the challenges their new Latino communities currently face.



For groups not yet affiliated with NCLR, there is an Intermediary Support for Organizing Communities (ISO) Program.

A total of 13 young Hispanic-serving community-based organizations in Alabama, Alaska, Arkansas, California, Georgia, Maryland, Nevada, New Mexico, and Washington, D.C. received subgrants and core technical assistance from NCLR through this program in Fiscal Year 2001.

"As a new organization trying to assist immigrant Latinos in an area that is unfamiliar with the cultures of Latin America, we have often felt very overwhelmed. NCLR has provided on-site technical assistance and is always available via email or phone to guide us as we navigate through murky waters to support and uplift immigrant Latinos."

— Isabel Rubio, President
Hispanic Interest Coalition of Central Alabama

Education Policy

In the area of education policy, NCLR works to ensure that Latino children have access to quality education that meets their needs. Specifically, NCLR worked closely with Congress and the Bush Administration to ensure that changes to the Elementary and Secondary Education Act (ESEA) would result in improved academic outcomes for Latinos. Renewed as the No Child Left Behind Act, the ESEA contains several provisions supported by NCLR which could improve schooling for Latinos.



Courtesy of the Latin American Youth Center, Washington, DC

Major Accomplishments

- Policy efforts resulted in changes to the Bilingual Education Act which allow schools to provide English language learner (ELL) students with instruction in academic content and English-language development.
- Community-based organizations (CBO) gained access to federal after-school and parent involvement programs.
- NCLR fought for and won significant increases in funding for Hispanic-serving education programs. For example, the Bilingual Education program increased from \$446 million to \$665 million, and the Migrant Education program increased from \$380 million to \$396 million.



In addition, NCLR's education policy staff supported charter school efforts that focus on Latino students who have dropped out of their public school systems, a population that includes 30% of Latino students. Moreover, NCLR's efforts in documenting the need for increased English language instruction for adults led to an increase from \$5 million to \$120 million for the Department of Education's Adult Education budget for English language and literacy training.

“For more than 30 years, NCLR has been a mighty force for justice and opportunity. Now more than ever, you are truly an indispensable organization. Raul Yzaguirre has a tireless commitment to Hispanic Americans and all Americans.”

**— Tom Daschle
Senate Majority Leader**

Economic Mobility

In support of NCLR's mission to reduce poverty and improve economic mobility for the nation's Hispanics, NCLR's Economic Mobility Initiative (EMI) has set a course specifically designed to tackle the challenging and complex asset accumulation and wealth-building challenges facing Hispanic families. The overarching goal of EMI's Asset Development Initiative (ADI), in particular, is to increase the opportunities for Latinos to purchase and accumulate assets with the intention of improving broad measurements of net worth and financial wealth for Latino families.



Major Accomplishments

- EMI's report, *Moving Up the Economic Ladder: Latino Workers and the Nation's Future Prosperity*, established NCLR as an important source of research on Latino workers. Hundreds of news articles cited this work, and it was well-received by members of the philanthropic, research, and labor communities.
- NCLR positioned itself as a primary source of policy analysis and research on the experience of Hispanic women in the federal welfare system on the mainland and in Puerto Rico.



- NCLR strengthened the role and importance of Latino perspectives in the tax cut debate, increased NCLR's credibility and visibility on tax issues, and improved the likelihood of enacting refundable credits for low-income families.
- EMI's work was instrumental in shaping a provision of tax reform legislation to make the child tax credit refundable, a change that benefits millions of working poor families.

The Initiative aims to increase public visibility of employment, financial security, and related economic mobility issues as they pertain to Hispanic workers and families.

“Hispanic Americans are honest, hardworking patriots who want and deserve the equal opportunity that is our nation’s promise. Hispanics have distinguished themselves in every walk of life, and many have vested their hopes in the American Dream and the free enterprise system. You are the backbone of our country.”

— Senator John McCain, (R-AZ)

Immigration/ Civil Rights

NCLR is on the forefront of promoting fair and effective immigration laws and civil rights policies that vigorously address the needs of Latinos. In 2001, NCLR was a leading partner in a collaborative effort with African American and other civil rights groups to draft comprehensive racial profiling legislation that fully addresses this dramatic problem.



Major Accomplishments

- Momentum was created toward the enactment of a legalization program for immigrants who work, pay taxes, and contribute enormously to the United States; the presence of Mexico's President Vicente Fox at NCLR's 2001 Annual Conference coincided with a White House announcement that President Bush was interested in supporting legalization.
- Extensive advocacy was conducted on driver's license and national ID issues, a growing concern across the country in the wake of the September 11 attacks.
- NCLR worked with local organizations around the country engaged in local advocacy to prevent local law enforcement officers from adding immigration enforcement to their duties, thereby increasing racial profiling and undermining community/police relations.



- Coalition efforts were made to restore key safety-net services for legal immigrants and to gain access to higher education for immigrant students.
- NCLR was successful in blocking expansion of an agricultural guestworker program that would have had a highly negative impact on wages and working conditions for domestic farmworkers.
- Analysis and advocacy efforts were initiated toward reforms of the criminal justice system and curbing abuses against Latinos.

In 2001, NCLR was a leading partner in a collaborative effort with African American and other civil rights groups to draft comprehensive racial profiling legislation that fully addresses this dramatic problem.

“Our country was founded by people who wanted freedom and opportunity, opportunity to earn a living, to better themselves, to educate their children, and to worship as they choose. Through NCLR, all of us are working together to ensure that these freedoms and opportunities we value in our country are extended to everyone in the Hispanic community.”

— Steve Reinemund, CEO, PepsiCo

Field Advocacy

NCLR expanded its well-respected advocacy efforts to field offices in Sacramento, CA and Austin, TX, and began to have an impact on important policy debates. In addition, NCLR supported cutting-edge advocacy efforts by local Latino groups.



Major Accomplishments

- CARECEN, a tenants' organization in Washington, D.C., with NCLR's help, obtained title to three of four buildings which were originally scheduled for redevelopment and widespread evictions.
- NCLR assisted a Utah coalition in a lawsuit challenging a just-passed English-only law.
- CASA of Maryland, with NCLR support, advanced efforts to change Maryland law on services to communities still learning English.
- A program was implemented in California designed to reduce lead poisoning, particularly among children.
- Reforms were implemented in New York which prevent the elimination of bilingual education.
- Efforts to ensure the inclusion of immigrant children in the Texas State Child Health Insurance Program (SCHIP) were successful.



Substantial advocacy efforts were carried out on driver's license restrictions, access to safety-net services, and access to higher education for immigrants in California and Texas.

"Our country was founded by people who wanted freedom and opportunity, opportunity to earn a living, to better themselves, to educate their children, and to worship as they choose. Through NCLR, all of us are working together to ensure that these freedoms and opportunities we value in our country are extended to everyone in the Hispanic community."

— Steve Reinemund, CEO, PepsiCo

Leadership

Leadership Development concentrates on organizing young people. There are over one million Latinos enrolled in U.S. colleges now who have the opportunities to develop leadership skills that are essential to securing a positive future.



Major Accomplishments

- Leadership staff held the first-ever *Líderes* – Youth Leadership Summit during the NCLR Annual Conference in Milwaukee, Wisconsin July 13-18.
- Leadership staff attended several youth-focused regional conferences, made presentations, and participated on committees and coalitions.
- NCLR was elected to the Executive Committee of the Youth Vote Coalition, a national, nonpartisan coalition of more than 70 organizations dedicated to increasing youth civic participation.



- Leadership staff assessed activities of local Youth Vote coalitions in 21 sites, recruited and hired an executive director, and developed a strategic plan for the national coalition.
- Leadership staff managed the *Líderes* youth and student email list server, begun in 2000. The list server provides information about activities, resources, and opportunities for young Latino leaders. *Líderes* list server membership surpassed 500 subscribers in 2001.

In 2001, Leadership Development focused on implementing initial components of a new initiative: The Center for Emerging Latino Leadership. Leadership staff worked closely with the NCLR Midwest Affiliate Youth Working Group to hold a Youth Day during the 2001 Midwest Affiliate Caucus.

“Since I have been home I have bragged and shared with everyone and anyone how this was the best time and how I learned more about our culture and how it has also influenced me to be more involved in the community, to become a better Hispanic with a degree. I was writing to thank you for letting me know it can be done, even if I did not come from the best environment. After explaining the experience to friends and family they pictured a Latino Utopia, and that is what it was.”

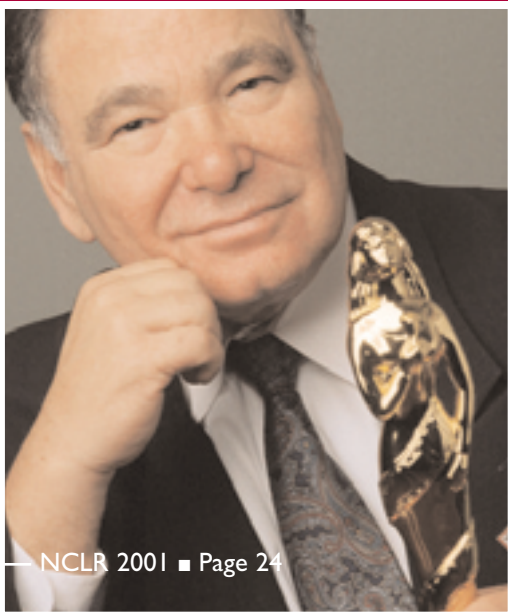
Special Events

NCLR special events play a significant role in supporting NCLR's overall mission by holding three major events each year: the Capital Awards in late February; the ALMA Awards in June; and the Annual Conference and Latino Expo USA in July.

Each event by itself is a magnificent showcase of Hispanic achievements in either media; public service; or the entertainment industry. Altogether, these showcases celebrate the continued contributions of Latinos to our nation while spotlighting NCLR's enormous

dedication to making these achievements known.

NCLR special events are managed by a dedicated staff housed in the Office of Special and International Projects (OSIP), with the support of all of the NCLR Staff members.



Major Accomplishments

- NCLR fights negative stereotyping of Latinos and promotes positive portrayals of Latinos and the Hispanic community.
- The 2001 NCLR ALMA Awards show was broadcast on ABC on June 1st. The 2001 show featured 17 performances and some of the most recognized Latinos in Hollywood and in music.
- In February the NCLR Capital Awards gala was held at the National Building Museum in Washington, D.C.
- The NCLR 2001 Annual Conference was held in Milwaukee, Wisconsin with participation from Fortune 500 companies, Hispanic-owned businesses, nonprofit organizations, colleges and universities, and government agencies. Senate Majority Leader Tom Daschle, Senator Russell Feingold, Senator Joseph Lieberman, Secretary of Energy Spencer Abraham, and actress/comedian Liz Torres addressed Conference audiences.
- Mexican President Vicente Fox, a key speaker at the Conference, addressed a national audience. The Conference was widely covered by local and national press.



**“The National Council of La Raza has
brought together the Hollywood
community and the world.”**

— Edward James Olmos

To become an Associate of NCLR or to make an individual donation, contact
Darcy Eischens, Director of Membership Marketing, at (202) 776-1752.

To inquire about opportunities to help fund NCLR's projects, contact
Kyle K. F. Shinseki, Development Director, at (202) 776-1793.

To order publications, contact the NCLR Distribution Center at (301) 604-7938.

ANNUAL REPORT DEVELOPMENT

Jeanette Luna, Coordinator

Kyle K. F. Shinseki, Management and Concept

Rosemary Aguilar Francis, Graphic Design

Carolina Espinal, Research Assistant

Jennifer Kadis, Editor



1111 19th Street, N.W., Suite 1000

Washington, DC 20036

Phone: (202) 785-1670

Fax: (202) 776-1792

Website: <http://www.nclr.org>

NCLR Special Events Hotline: (800) 311-NCLR