



At-Risk Youth Service Nonprofits Strengthen Their Programs

Joe Costa grew up in an East Coast immigrant family who benefitted from a supportive community of family, friends and churchgoers. Drawing from his personal and professional experiences, Costa knows the value of creating these networks for youth. He has worked in the nonprofit social service field for 30 years. In his latest role as president and CEO of Hillside, providing youth and families services was the driving force for a merger that would strengthen Hillside's geographic reach and programming.

"It just impressed me as a kid how indispensable that kind of network is — that helps folks who, otherwise, would be pretty vulnerable. It's important to build these networks for our future," says Costa.

Hillside provides housing, counseling, parenting classes, mental health support and other resources to at-risk youth and their families. Bienvenidos is a similar nonprofit that offers the same types of services to the same target population. Costa was looking for a partnership for Hillside when the former CEO of Bienvenidos, Ritchie Geisel, announced his retirement. Costa saw an opportunity for a partnership and a merger.

"Hillside is a small presence in East L.A. and a lot of the community that [Bienvenidos] serves are oriented in the Latino community. We had a whole team and set of services that we felt could benefit the Latino community, so we were always looking for partnerships, especially in East L.A.. Ritchie and I had a chance to talk about that," says Costa.

They were both part of a gathering where they learned about the Nonprofit Sustainability Initiative (NSI). The NSI is a funding collaborative that provides grants to help organizations form strategic partnerships to be more sustainable. What started out as an informal conversation, turned into applying for an NSI grant to discuss a partnership exclusively with each other. The boards of each organization signed off on the idea and they began a detailed consultation process with NPO Solutions for several months.

Costa says, "At any given point as we moved through this due diligence process, the questions were: Should we continue? Is there still enough reason for us to pursue a merger? What might be the possible obstacle? Are these obstacles manageable?"

At the end, both parties determined that merging was the right decision and signed off on an agreement in which Bienvenidos would become a subsidiary of Hillsides. Upon leadership and back office integration (such as medical benefits for employees), the nonprofit staff began to operate as Hillsides; the Bienvenidos sites continue to operate under the same moniker.

Although Geisel planned to retire before the consulting process began, he decided to help with the transition and retire after the agreement was signed.

CAO Diana Buehler had been involved in the merger discussions from the start, and her transition from Bienvenidos to Hillsides was easier than that of other Bienvenidos staff.

“I transferred into my new role gradually by working from Bienvenidos headquarters three days a week and Hillsides two days for a few months. I moved to Hillsides admin building July 1, 2016. Part of the smooth transition for me was also the weekly meetings with Joe to discuss pending merger issues or concerns,” says Buehler.

The greatest challenge was making sure that the merger was going to benefit both organizations financially. Consolidation in senior leadership and in site leases created almost a million dollars in savings, without a significant reduction in the combined work force. In fact, a professional development program for their staff was created to maintain competitive job positions.

During the merger process Hillsides also inherited Bienvenidos’ direct access to foster families. Although Hillsides offered services to foster and at-risk youth, they didn’t have a structure for foster care and adoption. Bienvenidos’ foster care and adoption program was integral, as it provided a chance for some of the children with whom Hillsides was already working with, to be placed in a forever family. And, in doing so, they accomplished what they set out to do — strengthen the support of their programs so that children’s lives dramatically improve.