



TURNING UP THE VOLUME:

Luis and Lin-Manuel Miranda on Amplifying Their Impact with the Hispanic Federation

The accolades are almost too many to count: a Pulitzer Prize, three Grammy Awards, three Tony Awards, an Emmy Award, a MacArthur “genius” grant and a star on the Hollywood Walk of Fame. Millions of people have seen Lin-Manuel Miranda perform on stage, TV, film and in video clips that seem to go viral instantaneously. But fewer people know that before all the awards and acclaim, Lin-Manuel had long been working to change the world alongside his deeply philanthropic parents.

As prominent Hispanic activists in New York City, Luis Miranda and Luz Towns-Miranda brought their two children along from an early age to demonstrate at rallies and canvas for signatures. Over the years, Luis and Luz, along with their son Lin-Manuel and their daughter Luz Miranda-Crespo, have supported an array of political and charitable causes that reflect their diverse and passionately held interests.

Now, the Miranda family has launched a new initiative in the form of a donor-advised fund program with the Hispanic Federation, an organization that Luis helped found in 1990 to provide services and advocate for the Latino community. In a series of conversations, Luis and Lin-Manuel, along with their director of philanthropy, Sara Elisa Miller, and current Hispanic Federation President José Calderón, discussed the donor-advised fund program, which they hope will inspire others to echo the Miranda family’s commitment to philanthropy itself.

SERVING THE UNDERSERVED

Some families organize their lives around children’s soccer games. Others focus on church activities or religious traditions. But for generations, the Mirandas have centered their lives around service, activism and philanthropy.

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A Miranda family trip to Puerto Rico. (From left to right: Luz Miranda-Crespo, Lin-Manuel Miranda, Luis Miranda Jr., Dr. Luz Towns-Miranda and Luis’ brother and his family)

“I grew up with a father who did a lot for our small town,” said Luis. “He was president of the Rotary Club, the Lions Club and the local chapter of the Red Cross. I saw him mobilize whenever there was a need, and I don’t recall a time in my life growing up when we were not doing something as a family to contribute and give back to our community.”

Steeped in this ethos of serving others, Luis moved from Puerto Rico to New York in the 1970s to study at New York University. There, he met Luz, a fellow student who shared his devotion to civic-minded activism and advocacy.

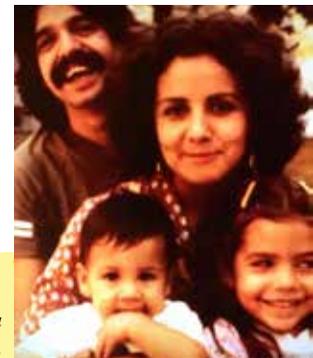
“Their first date was to attend a protest together,” explained Miller, who has known the Miranda family for more than 15 years and has been coordinating their philanthropic activities since 2017. “Even before they had money, they were philanthropic.”

United in their determination to help underserved communities, Luis and Luz gave their time and volunteered extensively, even as they started a family and pursued their professional careers. Luz obtained her Ph.D. and practiced as a clinical psychologist, primarily serving immigrant women in upper Manhattan and the Bronx, while Luis served in three mayoral administrations, including as the director of the Office for Hispanic Affairs and chairman of the NYC Health and Hospitals Corporation.

In 1990, the call came from the United Way in New York asking Luis to start a new initiative aimed at supporting the Latino community. Modeled after the highly impactful Jewish Federation in New York, the Hispanic Federation was designed to address the human services and health needs of the Latino community. It is now one of the country’s leading Latino nonprofits.

“My father started the Hispanic Federation when I was 10 years old,” said Lin-Manuel. “I got to watch it grow, from when it had shared office space to when it moved into its first real offices on 37th Street and 8th Avenue. I would go and do my homework there after school.” During this time, Luis and Luz would frequently bring along their children to school board meetings, campaign functions and nonprofit events and press them into helping in whatever way they could, whether by knocking on doors, collecting signatures or distributing pamphlets.

After leading the Hispanic Federation with his family’s full involvement for nearly a decade, Luis started an



An early Miranda family portrait.

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– Luis Miranda

independent consulting firm that has helped manage numerous successful political campaigns at the local and national levels. In the meantime, Lin-Manuel graduated from Wesleyan University and quickly found a warm welcome on Broadway. His first musical, “In the Heights,” received critical raves and won multiple Tony Awards, including Best Musical.

The Mirandas discovered that their growing professional successes were giving them a bigger platform and more resources to support the causes they cared about deeply. Lin-Manuel and his sister, Luz Miranda-Crespo, both married and started their own families. Separately and collectively, the family worked to support a core set of issues, including women’s reproductive rights and opportunities for artists of color. And although Luis was no longer acting as president of the Hispanic Federation, the family retained its close ties to the organization. According to Calderón, the current president, “Even after Luis left, he remained deeply connected to the work of the Federation and has helped it grow tremendously. When it comes to addressing needs and challenges, Luis has always been a source of guidance and insight, and the work that he and I are doing together has increased over the years.”

A BIGGER MEGAPHONE

In February 2015, Lin-Manuel debuted his second musical off-Broadway. Inspired by Ron Chernow’s biography

about a relatively obscure founding father of the American Revolution, “Hamilton” struck a cultural chord at a level that is only seen perhaps once a generation. Michelle Obama called it the “best piece of art in any form that I have ever seen in my life.” Tickets sold out repeatedly within minutes of release. *The New York Times* recommended obtaining a mortgage in order to see the show: “It really is that good.”

The musical moved to Broadway, added runs in four additional cities and launched a national tour. Fans quickly snapped up the original cast recording, a book about the making of the musical, an album of cover songs and deleted tracks and a licensed merchandise line. Over 800,000 people follow the official Facebook page; nearly 3 million people follow Lin-Manuel on Twitter. In other words, the Mirandas went from modest celebrity to a new level of international superstardom within the span of a couple years.

According to Miller, the Mirandas continued to support the causes and organizations that they cared about throughout this period. They also found themselves fielding a growing number of requests for both financial support and for their presence, whether in an advocacy setting or to raise funds. “Hamilton” tickets quickly became a valuable commodity, and for a while, the family would respond to requests by donating tickets to charity auctions. Those auctions would be effective at raising funds, but the Mirandas regretted that the opportunity to place a bid was only available to attendees. “The family preferred a more open and public process that could engage more people,” Miller explained.

At the same time, the Mirandas felt compelled to respond to current events that were unfolding in real time, including rapidly changing immigration policies and the onslaught of Hurricane Maria in Puerto Rico. They realized that they could make the greatest impact by highlighting the causes and organizations important to them. “My megaphone turned into a really big and loud megaphone in the wake of the success of ‘Hamilton,’” Lin-Manuel observed.

Given their desire to engage a broader swath of people, Luis suggested a public raffle platform called Prizeo. The platform allows anyone to make a small donation in exchange for an entry into a drawing for “Hamilton” tickets, sometimes with additional perks such as backstage access passes or an invitation to a cast party. The idea was a massive success. As of April 2019, more than 525,000 participants have entered into nine separate Prizeo campaigns, netting over \$9.4 million for 18 different nonprofit organizations. The average donation was \$35.



The Miranda family on Father's Day 2014. (Top: Miguel Towns, Dr. Luz Towns-Miranda, Vanessa Nadal; Middle: Luis Crespo, Luis Miranda Jr., Luz Miranda-Crespo; Bottom: Lin-Manuel Miranda, Luis Crespo Jr., Alejandro Crespo, Dylan Crespo)

The most recent Prizeo campaign was in connection with the show’s brief run in Puerto Rico, which featured Lin-Manuel reprising the role of “Hamilton” for three weeks. Over 53,000 entries were purchased from all over the world for a chance at winning one of 50 sets of tickets to the closing night performance. The proceeds were split between the Hispanic Federation and the Flamboyant Arts Fund.

The family tested other engagement methods as well. Lin-Manuel wrote and recorded two singles and donated the proceeds to charity. The singles both raised dollars and serve as advocacy tools to keep the issues in public conversation. Inspired by the “ice bucket challenge” that went viral on social media in 2014, Miller suggested a five-week challenge called #Ham4All. Participants would challenge their friends to donate to a coalition of organizations supporting immigration and then sing their favorite “Hamilton” song. Dozens of celebrities participated, such as Kelly Clarkson, Eva Longoria and Stephen Curry, proclaiming not only their love for “Hamilton,” but also their support for the charitable mission. The challenge raised over \$1 million via yet another Prizeo campaign.



The Hispanic Federation on the ground in Puerto Rico and Washington, D.C., after Hurricane Maria; Luis Miranda Jr., Dr. Luz Towns-Miranda, Jose Calderon, Vanessa Nadal and Lin-Manuel Miranda at a Hispanic Federation gala.



For decades, three generations of Mirandas have given their time, their strategic leadership and their financial resources. With their increased visibility and influence, though, it became clear that they now had a different sort of resource: the ability to shine a spotlight and direct millions of eyeballs to view a video, click on a link and, ultimately, move millions of dollars. But now the Mirandas wanted to tackle a different goal – one that has been in Luis’ sights from the very start, and which may be their most ambitious initiative yet.

THE HISPANIC FEDERATION’S EXPANDING MISSION

Initially designed as a coalition-building organization that would bring together nonprofits providing social services

to the Latino community in New York City, the Hispanic Federation’s reach and influence has expanded nationwide and internationally in the three decades of its existence. According to Calderón, “Scalability and sustainability are critically important to how we approach our work. We are a byproduct of New York City, and New York City will always be home, but we are now operating in 20 states and Puerto Rico, as well as Mexico and Central America.”

Since its founding, the Hispanic Federation has supported other nonprofit organizations delivering services and programs in the areas of education, healthcare, civic engagement, immigration and economic empowerment. “Our mission is really organizational development assistance,” said Calderón. “A team of consultants from the Hispanic Federation will go in and strengthen an organization’s internal infrastructure through strengthening boards, improving IT and financial management systems and increasing fundraising.” Since 1990, the Hispanic Federation has provided over \$50 million in grants and support to social service nonprofits like foster care agencies, domestic abuse agencies, daycare centers and small high schools. In 2018, the Federation and its network of organizations provided social services to more than 215,000 individuals and families.

In addition to its core social service programs, the Hispanic Federation has become the leader in responding to crises affecting the Latino community. “We marshal resources and attack crises with strong fiscal stewardship,” said Calderón. “We were the first on the ground after the Pulse nightclub tragedy in Orlando. The day before Hurricane Maria hit Puerto Rico, we were creating a plan to help because we have the experience and resources to do that.” Since Hurricane Maria ravaged Puerto Rico in September 2017, the Hispanic Federation has committed \$43 million to support emergency relief and recovery efforts on the island through its Unidos Disaster Assistance Program. In 2018, the Federation also provided \$100,000



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– José Calderón



in legal assistance to families through its Latino Immigrant Families Together Fund and \$75,000 in relief aid to families affected by the volcanic eruptions in Guatemala.

EXPANDING THE COALITION: LAUNCHING THE HISPANIC FEDERATION DONOR-ADVISED FUND

With the expansion of the Hispanic Federation's mission and impact has come an increased need for financial support and fundraising. Luis vividly remembers a fundraising experience in the early days of the Hispanic Federation that involved a meeting with the highest-ranking Latino employee at a large financial institution: "He gave me a check for \$5,000, and I thought, 'This is the coolest gift I will ever get!'" That gift was the first realization of a vision Luis had from the time of the Federation's founding. Initially supported through grants from the United Way and government organizations, the Hispanic Federation would eventually derive much of its support from individuals. "That was always the goal – getting the Latino community to invest in itself and in its future," explained Luis.

As the Mirandas' philanthropic megaphone grew, they gave a lot of thought to how they could use their celebrity to not only continue giving back, but inspire others to follow their lead. They briefly considered establishing a private foundation but decided against it because they wanted to create something more flexible and replicable that could ultimately support the Hispanic Federation and its mission. They ultimately decided to work with the Federation to help it establish a donor-advised fund program, of which they would be the founding donors.

A donor-advised fund enables individuals or families to establish a philanthropic endowment with an existing charitable organization. The donor can take a charitable tax deduction in the year he or she gifts assets to the fund but may hold off on making grants out of the fund until future years. Donor-advised funds have many of the benefits of private foundations without the administrative costs and requirements of private foundations. The donor-advised fund program at the Hispanic Federation allows donors to recommend gifts from their funds to the multitude of causes and organizations that the Federation supports, as well as charitable organizations outside its network. The ability of donors to draw on the Hispanic Federation's knowledge and expertise in giving back to the Latino community is one of the greatest benefits of the program.



The Hispanic Federation's early days. (From left to right: Frankie Miranda [current executive vice president of the Hispanic Foundation], Louis Vázquez, Luis Miranda Jr., Lorraine Cortés-Vázquez)

Highlights of the Hispanic Federation's Donor-Advised Fund Program

The Miranda family has established a donor-advised fund to support the Hispanic Federation's work in strengthening Latino communities. A donor-advised fund is similar to an endowment because the donor sets aside assets today that will be used to make charitable grants in the future. However, donor-advised funds can be much more flexible than an endowment or a private foundation. Benefits of the Hispanic Federation's donor-advised fund program include the following:

- The donor can take a charitable tax deduction when the assets are first contributed to the donor-advised fund.
- The donor can then recommend grants from the donor-advised fund, whether to organizations within the Hispanic Federation's network or to other unrelated charities. These grant recommendations can be made at any time in the future; there is no annual grant requirement.
- Donor-advised funds are simple to set up; no legal drafting is needed.
- The Hispanic Federation and its service providers handle the administration of the donor-advised fund, so the donor is not burdened by any legal compliance or tax filing requirements.
- Grants from the donor-advised fund can be attributed to the donor or can be made anonymously if so desired.
- The donor will have access to the Hispanic Federation's deep expertise in supporting Hispanic families and Latino institutions.

For more information about the Hispanic Federation's donor-advised fund program, visit www.hispanicfederation.org.



Luis and Lin-Manuel Miranda with the winners of the January Prizeo campaign.

Once the Miranda family understood the benefits of a donor-advised fund, establishing a program at the Hispanic Federation was an obvious choice. “We wanted to enhance the institution of the Hispanic Federation while giving donors flexibility to support causes dear to their belief system, even if they are outside the Hispanic Federation,” explained Luis. “We also wanted to make sure we weren’t reinventing the wheel or creating a structure that cost too much money and depleted the resources of the Federation. Finally, we hoped to begin a trend that others could use to enhance their own philanthropy.”

Lin-Manuel echoed his father’s sentiments about partnering with the Hispanic Federation, noting, “We trust them, and it feels very special to be working with an organization where we know that their beliefs line up with our mission.”

Calderón was thrilled when Luis and Lin-Manuel approached the Hispanic Federation about establishing the donor-advised fund program. “We were all really interested in finding an instrument that would be a model for other Latinos to invest in the Federation and work with us to identify unmet needs in the community. We are driving [impact in the Latino community], doing the research and the due diligence. We were created to do exactly this.”

Since the Hispanic Federation donor-advised fund program’s establishment in 2018, some donors, inspired by the

Miranda family’s philanthropic mission, have requested to make contributions directly to the Mirandas’ donor-advised fund. While the Mirandas do not solicit donations to their fund, they are happy to accept them as long as the donors understand the areas the family is dedicated to supporting. According to Luis, “Cuentas claras conservan la amistad – clear accounts preserve friendship.”

One fellow celebrity who has followed the Mirandas’ lead in setting up his own donor-advised fund with the Hispanic Federation is Aarón Sánchez. A TV personality, cookbook author and award-winning chef, Sánchez has been involved with the Hispanic Federation for years and received the organization’s prestigious Premio Orgullo Award in 2017. Speaking of his initial introduction to the Federation, Sanchez noted, “I was truly blown away by the Federation and all its amazing work and initiatives. I had just started my own foundation and wanted to be partnered with someone who could really push our organization forward. Our mission at the Aarón Sánchez Scholarship Fund is to empower Latino youth through mentorship and culinary training at the International Culinary Center. We’re so grateful to have such an amazing partnership with the Hispanic Federation and are thrilled to be working together toward a brighter future.”

The partnership between the Miranda family and the Hispanic Federation continues to pay dividends in the

form of increased visibility and support. Since 2017, the Hispanic Federation has received personal donations from over 200,000 individuals. Prior to that, the Federation typically received donations from a couple thousand individual donors annually.

In April 2019, Oprah Winfrey announced a \$2 million commitment to Puerto Rico comprising a \$1 million gift to the Hispanic Federation's Unidos Disaster Recovery Program and \$1 million to the Flamboyant Arts Fund to support Puerto Rico's arts and culture heritage. "I was so moved by Lin-Manuel Miranda's commitment to bring 'Hamilton' to Puerto Rico and support the community that served him growing up that I wanted to join in the revitalization efforts of an island so rich in culture, beauty and heritage," said Winfrey. "The needs of Puerto Rico and our fellow American citizens following the tragic hurricanes are still very real, and the work that has already been done by the Hispanic Federation, Flamboyant Arts Fund and other organizations on and off the island is long from over."

Calderón and the Miranda family hope that the Hispanic Federation's new donor-advised fund program will continue to draw support from donors big and small.



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— Lin-Manuel Miranda



THE MAGIC BULLET

For the Mirandas, creating a donor-advised fund is more than just a public declaration of support for the Hispanic Federation. To both father and son, it is an important part of how they plan to teach the next generation about the family legacy.

Luis's father taught his children to serve their community by rolling up their sleeves and getting directly involved in serving others. When it came time to raise his own children, Luis admitted, "I pushed my kids the same way, so now they have that same mindset."

Lin-Manuel agreed, reflecting on the conversations he and his wife, Vanessa, are beginning to have at the breakfast table with their young children. "The biggest job a parent has is to engender empathy in your children. That's the magic bullet that makes everything possible: They become better citizens, better people, better equipped to do whatever they need to do in their lives. I see that as my first task as a parent."

Of course, the teenage Lin-Manuel could tag along with his parents and soak up those lessons in relative privacy and security. Given his newfound celebrity and lack of anonymity, is he concerned about his ability to pass on those family values to his own children?

Perhaps, but with an appreciation for the benefits that make up for the loss of freedom. "Their father is a known person," Lin-Manuel acknowledged, "but the flip side is, we can do so much more now [with the family's philanthropy]. I'm so excited about that."

"And," Luis chimed in, "I will supervise to ensure my children pass those values to my grandchildren."

For generations, members of the Miranda family have dedicated every kind of asset at their disposal to the causes that they care about. First, they gave of their time and talent. To this they added gifts of financial and creative assets. Now, with their donor-advised fund, they are leveraging their influence and advocacy on behalf of the Hispanic Federation. It's not surprising, then, that Calderón describes the Mirandas as "the first family of Latino philanthropy."

But if the Mirandas get their wish, they won't be the last. ■



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