

THE ANGLICAN INSTITUTE: CHALLENGES TO DEVELOPING AND EXPANDING CIVIL SOCIETY ORGANIZATIONS¹

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Abstract

The Instituto Anglicano always sought support from the network of people and companies linked to the Anglican Church and from municipal government. To expand its care capacity, the challenge is to look for sustainable funding alternatives and partnerships.

The case is directed at students on business administration, public administration, social management and social services courses in disciplines that seek to carry out an in-depth analysis of questions dealing with expanding the social impact of civil society organizations and social businesses.

Keywords: Business Management; Social Responsibility; Social Impact; Civil Society; Organizational Expansion.

“The systems that fail are those that rely on the permanency of human nature, and not on its growth and development.”

Oscar Wilde

The Reverend Aldo Quintão, 51, Dean of the Anglican Cathedral of São Paulo, is the founder and a current board member of the Anglican Institute – the social responsibility arm of the Cathedral, dedicated to daycare centers. In 2010, concerned with human rights issues, he founded the Renata Eugênia Rodrigues Child Education Center (CEI), which today is the largest daycare center in terms of physical space in the city of São Paulo, and is located in Paraisópolis, one of the largest communities in the capital of the state of São Paulo. Currently CEI meets the needs of 412 children. However, due to the fact that there are still many children on the margins of the educational system, there are plans to

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increase its operational capacity to one thousand students. To accomplish this, it will be necessary to deal with various internal and external problems, and above all the complex issues of fundraising, improving its administration, and solidifying the Institute's relationship with the community.

Due to the difficulties that governments face in responding efficiently to all of society's demands, especially in communities with such specific realities, as is the case of the neighborhood of Paraisópolis, residents and private entities have organized themselves to fill in the gaps left by the State. This is why there is room for partnerships with the government to develop projects of this kind, such as the Anglican Institute's daycare center. However, to manage and expand these initiatives, a great deal of effort must be put into their organization, given that the increase in capacity will depend entirely on the efforts of professionals and volunteers as well as their ability to raise funds.

Furthermore, normal fundraising initiatives won't be able to resolve this issue. In addition to the fact that civil society is not used to making donations and there exists a lack of deep understanding in regard to the functioning of non-profit organizations, the Anglican Institute is only focused on finding support from people with ties to the Anglican Church and the city government. Its challenge in expanding will be to seek sustainable alternative sources to fund its growth and accomplish its social goals.

The Anglican Institute

“Far and away, the best prize that life has to offer is the chance to work hard at work worth doing.”
 Theodore Roosevelt

The Anglican Institute, currently presided over by Ms. Renata Eugênia Rodrigues, was founded on November 23, 1997 under the coordination of the Reverend Aldo Quintão. According to the classification of private organizations, it is a non-profit association serving the city, the state and the country and is certified by the Beneficent Entities for Social Assistance in the area of Education (CEBAS). One of the distinguishing characteristics of the Institute is the fact that it, together with the Anglican Cathedral, is the only institution of its kind to have an independent annual audit conducted by PricewaterhouseCoopers, one of the four largest consulting and auditing firms in the world.

The Institute, many times, personifies its founder, known for his charisma in the way he conducts his celebrations and his liberal vision of religious dogmas and disciplines. The Anglican Catholic Church promotes Christian values that are free from certain paradigms that are not in keeping with the evolution of science, as well as the values practiced and the ways of life of modern western society. Thus it advocates permitting marriage for those who have divorced, and favors gender equality as well as freedom of sexual orientation.

Ever since his humble childhood in Taguatinga in the Capital Territory, where he worked shining shoes, Aldo has followed his religious journey. In 1981, he became a friar and after three years was assigned to the Our Mother of Carmo Parish in the city of São Paulo. Since he didn't agree with the practices being preached by the Catholic faith, he abandoned his ecclesiastic position and became a newspaper seller and theology professor in our nation's capital. During this period he involved himself in a series of social projects in humble communities, teaching children how to read. In 1995 he identified himself with the most flexible precepts of the Anglican Church, was ordained as a reverend, and soon founded the Anglican Institute to concentrate on the social services that he had never stopped practicing.

Among the various activities related to social responsibility developed by the Institute, there are three Child Education Centers (Anglican Daycare Centers), initiatives that also came into existence due to the Reverend's entrepreneurial spirit. Currently the Institute has 110 registered employees, and

Aldo Quintão has become a well-known figure throughout Brazil. He participates in television programs and his sermons are transmitted live via the internet. The Reverend, in addition to conducting mass, is deeply involved in the operations of the Anglican Institute, acting as its treasurer. In fact, this separation of positions is somewhat symbolic, because Aldo is involved in all the main activities of the Institute. His wife Ana Paula Quintão, a psychologist by training, is the principal administrator of this philanthropic entity, acting as general manager of the daycare centers' accounts and the financial resources of the Cathedral.

The organizational chart of the Anglican Institute is concise, consisting of a president, a vice-president, a secretary, a treasurer, an administrator and the executive teams of the daycare centers. The daycare centers report directly to the administration, and are in charge of distributing resources and the care given at the various centers. Responsible for administration, Ana Paula coordinates the work of the Institute's daycare centers (Paraisópolis, Jaguaré and Parque-Belém), the religious activities in these locations, the human resources area, accounting and procurement. Another characteristic of the Institute's management is the organic nature of its administration within the central decision making area. Even though everything including reports is well defined, the administrative area is not very bureaucratic.

The Daycare Center

“Educate the children and it won't be necessary to
 punish the men.”
 Pythagoras

The Anglican daycare centers are the greatest example of Aldo Quintão's social entrepreneurship. The first project which was constructed in June 2000 was the Lina Rodrigues Child Education Center. This project served families in the community of Paraisópolis, and more precisely the residents of the sub-region of Grotão and its surroundings. With the construction of the Renata Eugênia Rodrigues Child Education Center in 2010 in the community, the activities of the first center were transferred to the new one which possesses better infrastructure. The Paraisópolis community is one of the most vulnerable areas in São Paulo, in terms of its size and the number of inhabitants, and is at the top of the poverty list because of the precarious condition of its housing, sanitation, education and leisure. According to the registration information of the children who attend these daycare centers, the families of these children have low incomes and usually have many children supported by mothers who have little education and a high rate of unemployment.

In January 2001 the second Child Education Center was built, and it received the name of Lina Rodrigues, Unit II. It's located in the community of Parque Belém in Vila Brasilândia. The region is known for the poverty of its population and high levels of violence. In 2009, the Julian Thomas Education Center in Jaguaré was added to the Anglican Institute's flock. In July 2010, the Renata Eugênia Rodrigues Education Center in Morumbi was built, which is 40,000 sq. ft. in area. In October 2011, a new wing was opened with 3,000 more sq. ft giving the center a total of 43,000 sq. ft. area, and making it the largest daycare center in the city of São Paulo.

At full capacity this daycare center serves 412 children from six months to four years of age, with a waiting list of 555 mothers hoping for spots to open up for their children, according to the Mayor's Office. It is estimated, however, that the waiting list is really even greater given that many families have given up registering, knowing that their chances of getting a spot are very low given the size of the list. The younger the child is, the easier it is to get a spot, and the older the child is, the more difficult it is for he or she to get in. The number of teachers per child varies according to the age of the children, decreasing as they grow older.

As soon as the child is registered, he or she receives a uniform and a bookbag. The daycare center operates fulltime from 7 am to 5 pm and offers a total of six meals: breakfast, a morning snack,

lunch, two afternoon snacks and dinner. In addition, the child's progress is followed daily and individually analyzed as soon as they arrive at the daycare center. Some of them have serious family problems and may have behavioral difficulties or are the victims of violence. In these situations, they are referred to medical units and even the board. There are also cases of malnutrition, but it is estimated that children manage to put on 9 to 11 lbs. per year after they begin attending the daycare center.

The children's menu is defined by a nutritionist. Basic supplies are supplied by the City of São Paulo: rice, beans, powdered milk, chocolate milk, meat, green vegetable and other vegetables. However, this supply is not always constant. For example, when a contract is broken or a bidding period ends, food supplies are affected and it is the responsibility of the Institute to compensate for these interruptions. Extra food supplies like cookies, cakes and pasta are supplied by the Institute.

A summary of all of the daycare center's expenses should be presented to the Mayor's Office. Not all of the expenses, however, are presented because the Mayor's Office doesn't consider extra expenses beyond what they've furnished to be valid, even though, in practice what's provided is insufficient. The money supplied by the City Hall to the daycare centers varies according to the number of children that each institution serves, but the amount per child is reduced the larger the total number of children. For example, the Anglican Institute daycare center in Jaguaré, which serves 120 children, receives R\$ 65,000 monthly from City Hall, while the daycare center in Paraisópolis receives just R\$ 169,531 monthly for more than three times the number of children registered, which results in R\$ 130 less per capita per month. As a result of this, some institutions that maintain daycare centers that do not share the same principles as the Anglican Institute register two daycare centers for the same establishment, because two smaller daycare centers receive more than a large one. Such irregularities make these daycare centers targets for government tax inspectors.

The Community

“What future will Paraisópolis have when its children, who represent its future, don't go to daycare centers?”

Rejane Santos, President of the Women's Association of Paraisópolis

Paraisópolis, the second largest community in the city of São Paulo, is a neighborhood that belongs to the district of Vila Andrade, in the southern part of the city. It has approximately 100 thousand residents living in an area the size of 97 soccer fields. This population lives in almost 20 thousand brick houses, most without siding. Most of the data regarding this region is inconsistent due to discrepancies between the information that comes from internal community sources and official sources.

History

To better understand the current reality in Paraisópolis, we need to go back in time to 1921, when the vast Morumbi Farm was divided into 20 thousand lots. Some of these lots were reserved for the construction of a luxury condominium, whose name was Paraisópolis. However, this real estate venture was never totally implemented, enabling squatters to occupy the area. In 1950, this region began receiving recently arriving Japanese families and families from the Northeast of Brazil who were looking for better standards of living and were employed in civil engineering projects and service activities.

Between 1950 and 2005, the population swelled, exceeding the initial limits planned for the condominium. Historically, the families that were established there were on the margins of society because the municipal government didn't make an effort to develop the area, which led to the contrast

we see today between Paraisópolis and the nearby neighborhood of Morumbi, which is predominantly populated by the upper and upper middle classes.

It was only in 2005, during the first year of the term of Mayor José Serra, that City Hall began an initiative to urbanize Paraisópolis. The owners of the old lots received financial compensation and their properties were redistributed and transferred to the population that had occupied them informally for more than 50 years. At the same time as these government efforts were going on, private capital was being invested in the community, representing the beginning of social investment.

Ever since the beginning of Brazilian democracy in the nineteenth century, politicians have sought to remove the habitations which were deemed risks to cities instead of urbanizing them. This is why we have seen such passivity on the part of municipal governments in São Paulo as well as the disillusionment that the residents of Paraisópolis feel in relation to government power. Faced with government inaction, the community found it necessary to organize itself to handle its urgent needs. An example of this is the greater role of civil society organizations as compared to government assistance in the region.

For all that Serra and his successor Gilberto Kassab, who was Mayor from 2006 to 2012, invested in urbanizing Paraisópolis, this was an exception in the long history of low government investment in the region. One accomplishment of their administrations was the completion of the Perimeter Complex, a transportation venture based around the construction of Hebe Camargo Avenue, which was designed as an outlet to reduce the amount of public transport traveling the steep, narrow streets of the community. With Mayor Fernando Haddad's swearing in, the municipal government has gone back to its tradition of not investing in the city's slums. The social demands of these residents have in fact never been prioritized by any administration.

Community Issues

Paraisópolis finds itself isolated geographically as well as in terms of governmental assistance. There is no easy access to this region by public or private transport due to its narrow streets. In addition, the region has no politician focused on the community's interests. In terms of the government's presence, what's being done in health services, safety and education is currently insufficient.

Within the community there are three Basic Health Units (UBS), three Psycho-Social Support Centers (CAPS), one Ambulatory Medical Treatment Unit (AMA) and the Einstein Program in the Community of Paraisópolis (PECP). However, there aren't any doctors present who can deal with issues of greater complexity, which means residents have to venture far afield to seek more sophisticated medical treatment. Considering that the region has roughly 100 thousand inhabitants, it is incredible that there is no hospital within this community. There have been agreements entered into with City Hall, which has agreed to construct a building in which a hospital would be located, but the challenge has always been its maintenance. It's rare to find public initiatives willing to cover these costs.

Another critical point relating to public health is adolescent pregnancy. Women's education and health, given that women are often the heads of their families, should be key points of emphasis, but they are not prioritized. Every 19 minutes a girl between 10 and 14 years of age gives birth in Brazil. Célia Brandão, a psychologist who has actively participated in treating pregnant adolescents in the program developed by the Albert Einstein Hospital in Paraisópolis, explains that there are various reasons why adolescents in this community are more likely to get pregnant, but the main issue is the lack of a life plan, not a lack of knowledge about contraception. Adolescents with a clear vision for their future focus during this period of life on their education, and in this way avoid becoming pregnant, because it would mean interrupting or even abandoning their longterm life plans. The psychologist believes that:

“many times the adolescent dreams of romantic love and forming a new family that will transform the image of

the family in which she's grown up. But there's little clarity among pregnant women about the role that a couple plays in the raising of a child, which is worsened by the fact that 60% are abandoned by their partners during pregnancy. Fear of becoming dependent, submissive, losing their freedom, and the different types of abuse attributed to the intimacy of a stable relationship all appear in reports made by pregnant adolescents. Another aspect that's highlighted [...] is the lack of support to help an adolescent develop into a mother. The family reaction to precocious pregnancies oscillates from aggression to permissive apathy and even to over-protection – behaviors that are not conducive to the adolescent learning how to deal with the new situation in a balanced and responsible manner.”²

One cannot ignore the social impact that this situation poses for the entire community, given that women are forsaken in their educational or career development and in the taking care of their children. This is why daycare centers assume a fundamental role for mothers who wish to establish a balanced life between these two fundamental activities.

In terms of safety, the community of Paraisópolis is currently in the middle of a dispute between gang factions: the PCC and the Comando Vermelho (Red Command). As in the entire community, sons of the São Paulo faction are present in the Anglican daycare center, through special deals to guarantee the safety of the CEI. However, with the pacification of Rio de Janeiro, members of the Red Command have come to São Paulo and, more specifically, this community. Even though the PCC is larger and stable using agreements and exchanges, the faction from Rio de Janeiro is creating tensions within the community.

The fruit of the presence of these groups is the involvement of youths with drugs. In the same way that the lack of a prosperous life plan leads to pregnancy, it also leads to the consumption and dealing of illicit substances. While the use of drugs alienates the user from his or her degrading reality, being a drug dealer is a path that leads to quick social climbing, which is what these youths desire so much. Nevertheless, the consequences of these acts for their families and their community aren't always spelled out. Once they've entered this world, there are few cases of people who have been able to abandon drugs and return to normal lives.

Ilza Senna, director of the People's School Institute, which offers night classes for adults, emphasizes that Paraisópolis “is dangerous, but what part of São Paulo isn't? Do you walk at night through the alleys of your neighborhood?” This illustrates the extent to which Paraisópolis has degenerated, and especially the danger of its alleys, but it doesn't make it that different from the rest of the city. Petty crime and organized crime occur as much inside as outside Paraisópolis, given that this is a microcosm of the reality faced by all the residents of São Paulo. Realizing important social work in Paraisópolis, she may feel safer believing that the community will not harm her while she walks the streets at night, a conviction that she probably wouldn't have in another neighborhood of Greater São Paulo, because there is not as strong a sense of community.

In terms of education, we have a similar situation. Elementary and middle education in public schools leaves something to be desired in all of the State of São Paulo, and Paraisópolis is not an exception. The fundamental restriction is the low self-esteem observed when it comes time to look for education. There are a large number of illiterate people, functionally and totally, who are frequently responsible for providing for their families. During their lives, various opportunities have been denied them due to their lack of education and many have accepted this situation. Thus, they don't see the point of education, because they don't consider it necessary to sustain their families. Initiatives that seek to educate adults as well as children who are influenced by these attitudes should above all create study materials that are compatible with the reality that these people face and should focus on building their self-esteem.

The growth of the lower middle class in Brazil can be seen even in Paraisópolis: the region has shown marked economic growth. It is estimated that 75% of residents are earning more than before.

² Brandão, C. (2014). *Medicina social de grupo. Discussão sobre gravidez na adolescência (Group social medicine. A discussion of pregnancy during adolescence)*. Printed on July 4, 2014 from the website <http://www.abramge.com.br/imagens/banco/file/Rev213.pdf>

This growth, however, has not been accompanied by public development policies related to the above cited issues. Thus, even with their improved income, this population chooses to remain in the community, due to the recognition that these social classes accord to others who have also come from humble beginnings and have improved their circumstances. This not only increases the self-esteem of this new class of residents but also offers hope to those with lower levels of income. On the other hand, the members of the community, by the simple fact that they live in the region, are victims of prejudice on the part of those who live outside. Most of the residents of Paraisópolis are wealthy enough to move, but they're proud to live in the region. Thus there are now leaders who are mobilizing people in regard to social issues that need to be addressed to develop their community.

Community Initiatives

Among the private organizations devoted to public service in the region, the Paraisópolis Union of Residents and Commerce (UMCP) stands out. This entity not only unites local political leaders, it also sponsors cultural and recreational activities and community development. The main spokesmen today who assumed the leadership of the Union almost 10 years ago are young people who were once student council leaders. The Union doesn't have a political affiliation, but it isn't indifferent to politics. The president Gilson Rodrigues, 29, had difficulty in getting in contact with the new city administration when it assumed power. In order to get the attention it desired from City Hall, it organized a popular demonstration which paralyzed Giovanni Gronchi Avenue, one of the main streets in Morumbi. Since the residents of Paraisópolis see themselves as being well represented by the Union, they have made themselves available to make further protests for their rights, something that has been rare up until now. This event caused so much grief in terms of traffic that Mayor Fernando Haddad soon made himself available to talk with the president of the Union of Residents, and since then they have met periodically.

However, this entity does not restrict itself to political movements. Its scope includes social development in its most diverse aspects, such as culture, sports and professional degrees. The UMCP believes that involving youths in these courses distances them from everyday urban problems, like violence, drugs and diminished interest in education. There are other entities besides the Union which seek to improve the development of the community, to meet needs that have been forgotten. Approximately 60 principal organizations meet monthly at the Paraisópolis MultiEntity Forum to debate agendas relating to the community and its dynamics, in order to better organize the community to deal with the city government and represent its own internal interests. This debate is fruitful for the entities involved because a better understanding of this multifaceted community implies improved performance for the organization due to a deeper familiarity with the issues that afflict it.

Civil Society Organizations

"It is not enough to do good; one must do it the right way."
 John Morley

The Third Sector is known by various names: the collective sector, the sector of solidarity, and even the independent sector. Most of these names are derived from the fact that it's an area composed of civil society organizations in which civilians participate voluntarily for the common good. Since its origin is private and its services are public, it differs from the other sectors in its structure, but operates in the same areas. In Brazil, the limits of the State and the market in pursuing the common good are well recognized. The Third Sector, on the other hand, is independent, non-profit and focused on social issues. Involving associations and foundations, the sector seeks to modernize established entities and further their growth by offering alternatives to the traditional forms of citizen participation in all kinds of areas.

During the 1990s a worldwide wave began promoting sustainability and well-distributed

development. Examples of this are the eight Millennium Development Goals and ECO-92. Domestically, with the country still in the fervor of redemocratization, President Fernando Henrique Cardoso created the laws for the establishment of Public Interest Civil Society Organizations (Oscip), Social Organizations (OS) and Volunteer Work to increase the recognition of and certification of the Third Sector. Most Brazilian social organizations were created during this period, because before these three laws the sector was restricted to the areas of health, education and social assistance. Thus, according to a study of non-profit foundations and associations (Fasfil) conducted by IBGE (2010), these institutions grew by 8.8% between 2006 and 2010, growing from 267.3 thousand to 290.7 thousand in number.

Professor Mario Aquino Alves of the Getulio Vargas Foundation, a specialist in Third Sector organizations, characterizes the current period as one of accommodation for these entities. There is no longer a boom in the creation of NGOs in Brazil. Currently these organizations are adjusting themselves to the realities of the market. However, few of them are closing. Once engaged in a cause – even though they normally have to adjust, the NGO usually manages to maintain itself.

In parallel, there are trends that are increasingly common such as the practices of corporate social responsibility. Environmental problems and the universalization of human rights have affected companies which are viewed as creators of such worldwide dysfunction. The revenues of some companies are larger than the GDP of some countries, reinforcing the impressive impact that the Second Sector has on current society. Sustainable changes in the internal structure of consolidated companies, whether implemented in the collective interest or under social pressure, have proven to be merely palliative. Thus the solution selected by large companies has been to provide capital for NGO social projects, which have yielded not only social benefits from private funds but also efficiency and commitment with results under the stewardship of philanthropic and assistance organizations.

Philanthropic Culture

The Brazilian people are known for being welcoming and altruistic. However, this is not reflected in the realization of volunteer services and donations. The Brazilian culture of giving is still fragile compared to its potential due to several factors. Compared to other countries such as the United States, the amount of money collected through donations in Brazil is relatively low. Total donations in Brazil amount to R\$ 5 billion per year, which corresponded to 0.10% of Brazil's GDP in 2013. In contrast, donations in the United States to non-profit organizations total US\$ 300 billion, which represented 1.79% of its GDP in 2013.

However, culturally, these countries are different. The fact that defines a giving culture in a country is its people's strategic conscience. Or in other words, what influences a culture of philanthropy are inner customs and precepts, which makes it impossible to replicate foreign models exactly, because the populace does not share the same values and habits.

Brazilians list a lack of sufficient income as the greatest barrier to giving to charity. This, however, does not explain the extreme disparity observed. Most of Brazilian donations are not given to foundations and associations as in the United States. The main recipients are beggars and in second place come religious organizations that donors have an affiliation with. Most of this is due to the fact that civil society organizations have not established a culture of giving. Churches and beggars are the only ones who ask for money frequently. One survey conducted by Ipsos Public Affairs and the Institute for the Development of Social Investment (IDIS) discovered that 85% of those interviewed had not been asked to donate money during the past 12 months. There's room for Third Sector entities to raise funds in a structured and persistent fashion. In terms of causes that inspire Brazilians to donate money, children come in first (33%) illustrating the success that a fundraising campaign run by the Anglican Institute for its daycare centers could have. The barriers to donations by individuals, however, are many.

To make large monetary donations, it's better to choose suitable organizations which publish financial reports periodically. This generates a greater sense of security and trust in respect to the real destination of this capital. This makes it necessary to allocate a larger portion of resources to creating a solid internal structure, because this is critical to receiving larger donations. The Anglican Institute at the moment has not been efficient in its communications, limiting itself just to its faithful Anglicans and the municipal government, which has limited its fundraising capabilities.

Growth and Financing Strategy

"It is no use saying 'we're doing our best.' You have got to succeed in doing what is necessary."
 Winston Churchill

To achieve the goal of serving one thousand children, the Institute needs to plan its actions based on the following questions, without ignoring the importance of its relationship with the Paraisópolis community.

Expansion Format

First, the Institute needs to define what is the best model for expansion. One initiative already practiced by other daycare centers is having more flexible hours more appropriate to the needs of different families. For example, the current hours of operation from 7 am to 5 pm, probably aren't the most appropriate given that mothers normally enter and leave their places of work at exactly these times. Frequently it is their siblings, who are also quite young, who pick up these children from the daycare centers, given that their mothers cannot do so. Because of this, it would make sense to consider adjusting the daycare center's hours of operation, making them more flexible so that mothers can leave their children a little earlier and perhaps pick them up a little after 5 pm. This expansion of hours would entail an increase in costs, but it would be much more convenient for the mothers. It would expose the daycare center to a greater flux of entering and leaving, due to more varied times of dropoff and pickup, and this would in turn require greater control of entrances and exits. In addition, since the daycare center would be open longer, the Institute would need to keep track of the children carefully to make sure they don't stay longer than their daily stipulated timeframe.

Further along these lines, it may be deemed advisable to expand activities into two fixed shifts, in the same way that a school functions, for example. The first would be during the morning and afternoon, while the second would be at night. The fixed cost of this expansion would also be reduced, given that being open for the night group would not involve the physical costs of expansion and would make it possible to more than double capacity. The logic is that more children can be served at night than during the day, because they'll perform less energetic activities. Since they'll be sleeping a good part of the time, they'll consume less food and require less care.

Thus, there needs to be an evaluation of whether there is a demand for an extra shift on the part of the daycare center's target public. It's true that most women work during this period, but this doesn't necessarily mean that operating during these hours will attract enough children for this extra group. Since the daycare center serves the needs mainly of families in Paraisópolis, it should be remembered that they live for the most part with their extended family, or in other words, not just the nuclear family, but grandparents, aunts and uncles and other relatives. Thus at night there probably will be greater chances of having someone around who can take care of the children at home. In addition, given that the daycare center is located on the periphery of the community, it's probable that mothers may feel less safe in leaving the safer central region with their children at night.

It's also probable that many mothers won't pick up their children at the end of the first shift or at the designated hour, because they'll know that the daycare center won't be closed and there'll be someone to take care of their child during the extra hours. As a result there will be more tardy pickups and a probable accumulation of children during the transitional hours. However, the daycare center's

possibilities aren't limited to the expansion of operating hours. With the land beside it available, the Anglican Institute is also considering a physical expansion. More progress has clearly been made pursuing this alternative. It should be remembered that this will involve the construction of another building and more hiring, which will come at a high cost, and the current enormous structure will remain vacant after the daycare center no longer operates there, which will thus make it vulnerable to vandalism. This allocation of resources will be intense, and will probably make it impossible in the short term to simultaneously expand the center's hours of operation. Besides this, we should remember that the more children that are served, the smaller will be the amount of money received per capita from the municipal government.

Another possibility which would adapt to the city's bureaucratic technicality of reducing the amount of money supplied per capita with increasing size would be to open several small centers within the community. The costs of this alternative would be like the previous proposal with the additional costs of the parcels of land. However, the community is characterized by its urbanization and lack of physical space which makes it difficult to buy plots of land. This would also entail the creation of a new logistics plan to distribute resources and hire employees for all of the centers. On the other hand, decentralizing operations by serving children through other daycare centers would clearly be safer and more convenient for mothers than their traveling to the Anglican Institute's daycare center on the edge of Paraisópolis.

Finally, it should be remembered that not all the mothers in the community use the daycare centers because there aren't enough openings. Thus they hire a caregiver. These normally are neighbors who have several children in their homes who can't be taken care of by their respective mothers because of their studies or work. This may or may not be quality care depending purely on the infrastructure and prudence exercised by the caregiver. Another possibility, following the ideal of improving the situation of mothers and children in Paraisópolis, would be to focus on training caregivers in the community. This activity could be conducted in the daycare center's current space after the end of its daily activities. This would probably diminish the cost of a caregiver, because there would be more and more available, and would improve the quality of their care as well. This measure, less expensive for the Anglican Institute and easily scalable, could be used to meet the demands of the three thousand children in Paraisópolis who are outside of the daycare system even though it wouldn't be free. In any event, support for it may vary. Under the daycare center model, the Institute concentrates all of its activities involving the children in its own building, and it may or may not be possible to reproduce this in the form of caregivers, even if they do receive training.

The Institute will not receive more financial support from the government to cover these costs and it would be a radical change in its business. Training caregivers would also stimulate a paid alternative to the daycare center for mothers in Paraisópolis. It should be emphasized however, that there are not many families who can afford these costs, and even if they can, it will be a burden in terms of their family spending.

Fundraising

After taking this first decision, the managers will have to consider fundraising to meet the needs of the mothers and the support of the daycare center's activities to ensure that operating with a thousand children will be economically healthy for the Anglican Institute, whichever way it chooses to expand. In this respect, new forms of fundraising or ways to optimize already existing resources should be explored to increase the funds available to sustain the daycare center, given that there will be an increase of 142% in terms of the number of children, and a proportionately diminished compensation from the municipal government.

Examining the entity's current fundraising, as detailed in Appendix 4, three types of alternatives suggest themselves. The first is a new communications strategy for the Institute, its members and the entire Brazilian community. Even though Brazilian citizens don't have a culture of giving in practice, establishing an appropriate way to approach a larger number of individuals would

lead to a significant increase in its fundraising. Nonetheless, the possible costs of this endeavor need to be evaluated.

The second focus is the rent paid for the daycare center's physical space when it's not being used for other activities. There's a large open warehouse space where the children play that could easily be adapted.

Finally, the third alternative would be using the negotiation techniques of Aldo Quintão to establish a partnership with private entities to reduce some of the costs, even if they're only one-time savings. The reverend is popular with a number of celebrities and has already met business leaders to discuss this issue. An example of this was the large donation from a softdrink manufacturer for the Institute's Junina Party, which strengthened the Institute's links to the business world which is currently a strong financier of social activities.

Administration

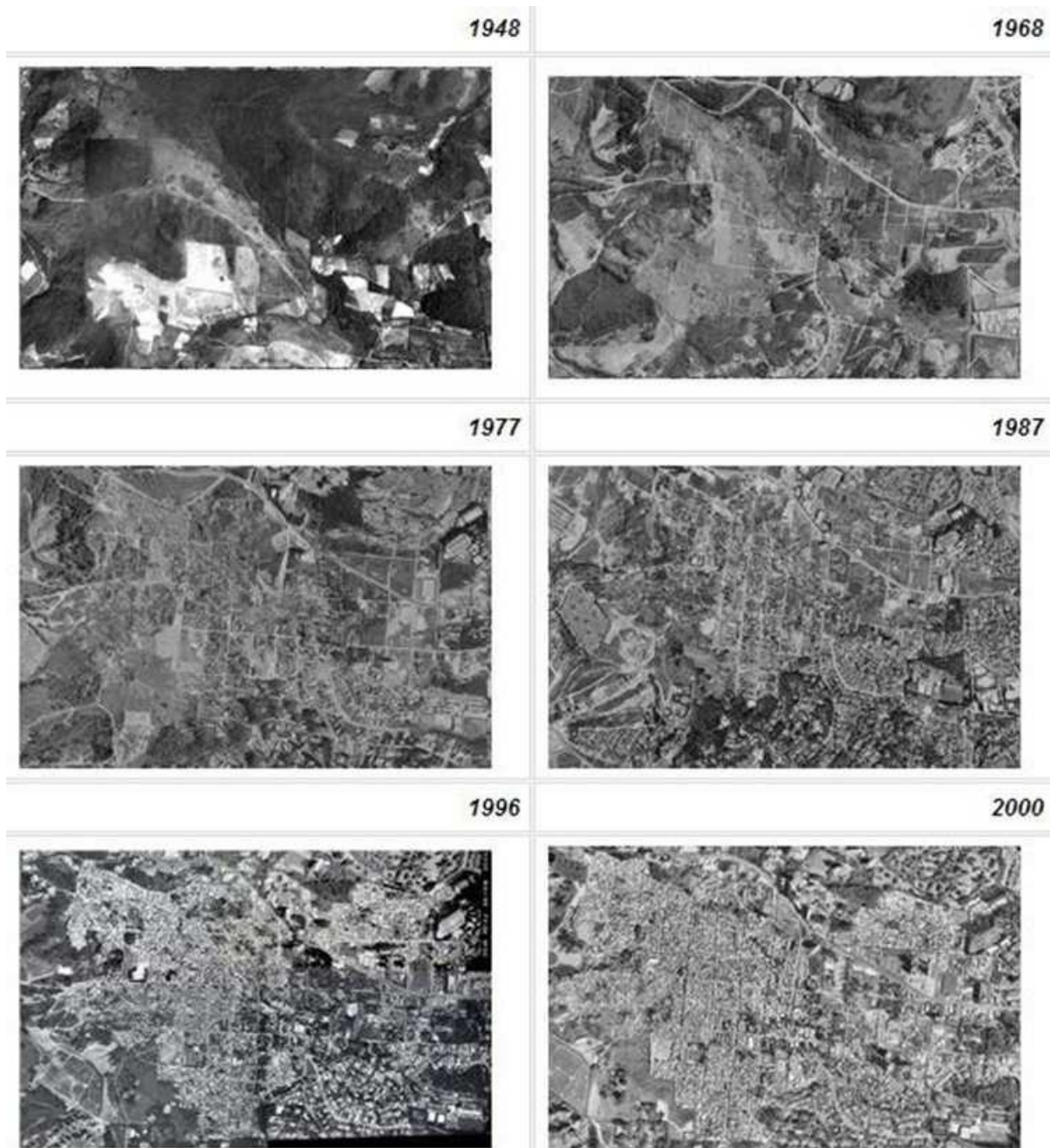
As you can see, the Institute has a trim organizational chart the administrative area taking care of the distribution of resources and the individual units tending directly to the children's needs. In terms of the administrative area, the Anglican Institute's style of management has been efficient given that the group has only eight members. A more elaborate hierarchy would complicate operations and create bottlenecks. In any event, to replicate the daycare's model to handle a thousand children, Reverend Aldo Quintão and his wife Ana Paula should review these mechanisms within the administrative area and the organizational chart as a whole.

The way in which all the units are administered could lead to idle capacity and bottlenecks if it isn't adjusted to the large changes that will occur in the Institute's operations. Transforming the management model of a 412 child daycare center to handle a thousand children, which will involve dealing with the expansion model and the increased need for fundraising, could make it necessary to rework this management model to avoid overloading the amount of work that would fall into Ana Paula's hands.

Whatever the organizational changes, we cannot forget the religious and family culture that exists in the current model. An organic system works for smaller working groups in an efficient manner and offers freedom of action and the creation and development of ideas, characteristics that are essential to volunteer work with the Anglican Institute's focus. Nonetheless, working with more and more processes and activities, this model could easily get out of control, given that there could be failures in reporting, knowledge management and the performance of activities. Thus an internal restructuring of the administrative area, defining internal processes for the activities that will have to be dealt with after the beginning of the expansion, could be necessary. Thought should also go into coming up with a new model in case there is great structural change.

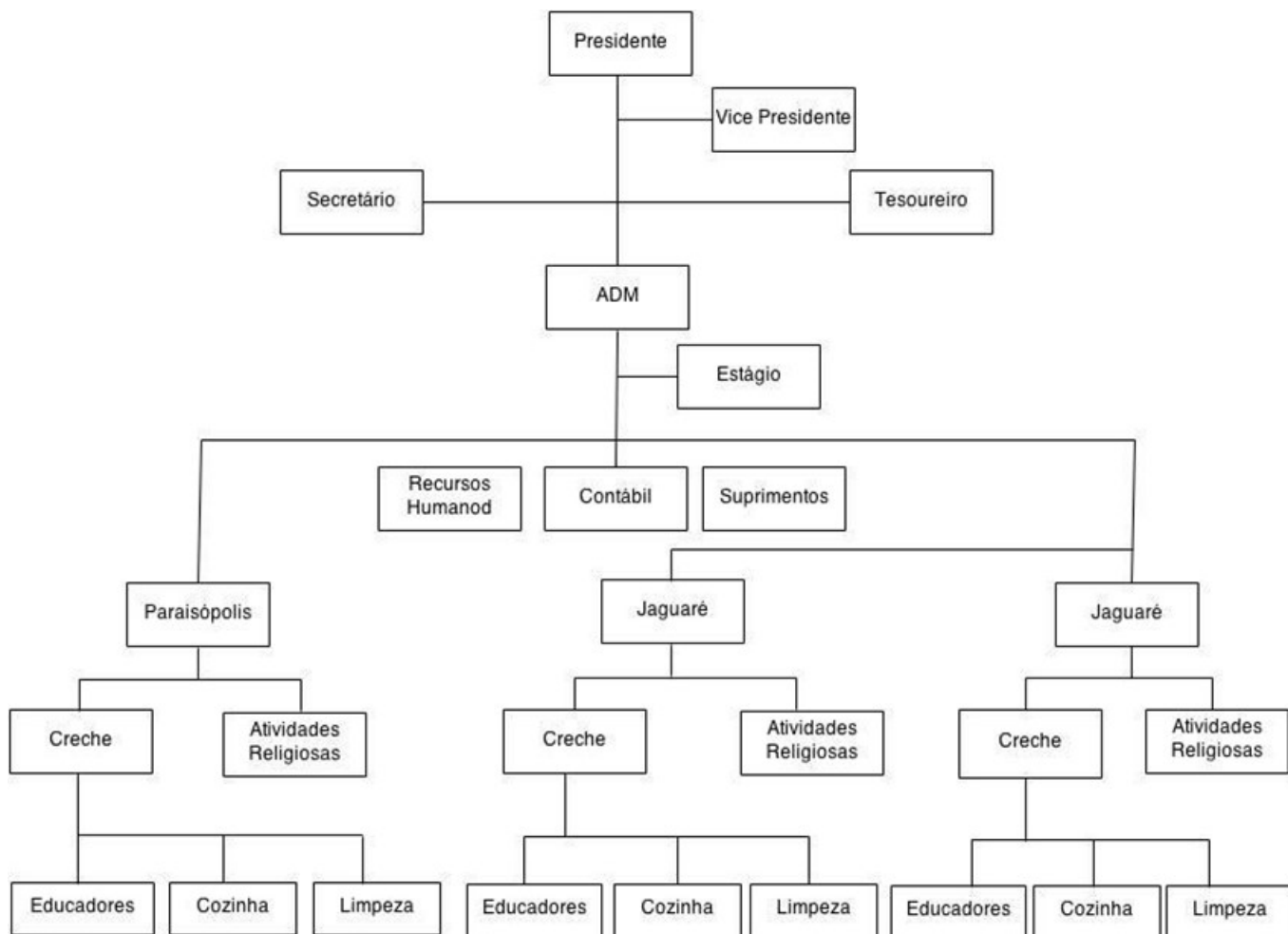
- The final goal is to expand the number of children served in the best manner possible without sacrificing quality.
 - I. Which is the best model for expanding the impact that the Anglican Institute will have in dealing with the needs of the mothers and children of this community?
 - II. How should the continual fundraising for this be approached and how will this new capital be generated?
 - III. How should the Institute solidify its relationship with the community using the selected model to promote the daycare center's continued success?

Appendix 1
Satellite photos of the region of Paraisópolis



Source: Mayor's Office of the City of São Paulo (2014)

Appendix 2 - Organizational Chart of the Anglican Institute



Source: This is our own chart

Appendix 3 The Anglican Institute's Balance Sheet

Balanço Patrimonial

	2013	2012		2013	2012
ATIVO			PASSIVO		
Circulante			Circulante		
Caixa e Equivalentes de Caixa	4.123.964,90	3.248.704,56	Obrigações Trabalhistas	255.593,17	215.286,14
Caixa e Banco	11.603,07	206.110,64	Fornecedores	22.835,72	36.961,00
Aplicações Financeiras	4.112.361,83	3.042.593,92	Obrigações Tributárias a Recolher	151.002,00	157.180,05
			Contas a pagar	163.729,09	67.441,83
			Total do Circulante	593.159,98	476.869,02
			NÃO CIRCULANTE		
Outros Ativos Circulantes	223.244,89	215.635,81	Contrib. Social	485.570,75	485.570,75
Outros Créditos	221.334,71	210.465,87	Provisões Previdenciárias	1.099.190,40	1.099.190,40
Despesas Antecipadas	1.910,18	5.169,94			
			Total do Não Circulante	1.584.761,15	1.584.761,15
TOTAL DO CIRCULANTE	4.347.209,79	3.464.340,37			
NÃO CIRCULANTE					
Créditos	2.651,02	1.023,00			
Outros Créditos a Receber	2.651,02	1.023,00			
IMOBILIZADO	1.757.853,65	1.862.934,23	PATRIMÔNIO LÍQUIDO		
Bens Móveis e Imóveis	3.578.994,59	3.564.069,98	Patrimônio Social	3.268.347,43	2.621.805,72
(-) Depreciações	(528.252,06)	(352.034,31)	Superávit / Déficit do Exercício	661.445,90	644.861,71
(-)Subvenções Governamentais	(1.292.888,88)	(1.349.101,44)	Total do Patrimônio Líquido	3.929.793,33	3.266.667,43
BENS INTANGÍVEIS					
software	3.971,50	3.971,50			
(-) Depreciações	(3.971,50)	(3.971,50)			
Total de Bens Intangíveis					
TOTAL DO ATIVO NÃO CIRCULANTE	1.760.504,67	1.863.957,23			
TOTAL DO ATIVO	6.107.714,46	5.328.297,60	TOTAL DO PASSIVO	5.514.554,48	5.328.297,60

São Paulo, 31 de Dezembro de 2013

Source: The Anglican Institute

Appendix 4
 The Anglican Institute's Financial Report

Demonstração do Resultado do Período

	2013	2012
Receitas		
(+) Convênios Prefeitura SP	3.523.162,01	3.443.335,99
(+) Isenção INSS	732.325,51	663.342,26
(+) Doações e Contrib. P/ Custeio	1.116.751,63	783.412,40
(+) Receitas C/ Eventos	247.207,46	200.386,66
(+) Outras Receitas	15.929,02	2.834,41
(+) Receitas Financeiras	223.350,24	193.176,35
(+) Reversão de Provisões	-	152.131,47
(=) Total das Receitas	5.858.725,87	5.438.619,54
Custos e Despesas		
(-) Despesas com Pessoal	2.959.402,70	2.786.119,54
(-) Serviços Contratados	118.429,91	54.559,43
(-) Custo com Projetos	620.145,15	736.343,18
(-) Despesas Gerais e Administrativas	546.495,44	265.381,33
(-) Impostos Taxas e Contrib.	39.337,57	48.271,29
(-) Despesas Financeiras	4.925,94	5.877,34
(-) Depreciações	176.217,75	170.085,93
(-) Isenção INSS	732.325,51	663.342,26
(-) Prov. Para Contrib. Social	-	63.777,53
(=) Total das Despesas	5.197.279,97	4.793.757,83
(=) Superávit Líquido do Exercício	661.445,90	644.861,71

São Paulo, 31 de Dezembro de 2013

Source: The Anglican Institute

Appendix 5
 Investments in assistance projects

Projetos Assistenciais	Recursos
Aplicação	Aplicados
Custo com Assistência Social	4.034.045,10
Despesas Gerais Administrativas	1.092.626,64
Despesas Financeiras	4.925,94
Despesas Tributárias	65.682,29
Totais	5.197.279,97

Source: Our own authorship

Appendix 6

Per capita distribution of government financial resources to public daycare centers

Calculo de Per Capita - Portaria 5848/13				
Até 60 Crianças	60	x	504,50	30.270,00
De 61 à 90	30	x	396,50	11.895,00
DE 91 à 120	30	x	367,00	11.010,00
Acima de 120			343,00	0,00
Adicional Berçário			162,00	0,00

VALORES POR CRECHES				
Calculo de Per Capita Belém				
Até 60 Crianças	60	x	504,50	30.270,00
De 61 à 90	30	x	396,50	11.895,00
DE 91 à 120	30	x	367,00	11.010,00
Acima de 120			343,00	0,00
Adicional Berçário	32		162,00	5.184,00
TOTAL	120			58.359,00

Calculo de Per Capita Jaguaré				
Até 60 Crianças	60	x	504,50	30.270,00
De 61 à 90	30	x	396,50	11.895,00
DE 91 à 120	30	x	367,00	11.010,00
Acima de 120	18	x	343,00	6.174,00
Adicional Berçário	38		162,00	6.156,00
TOTAL	138			65.505,00

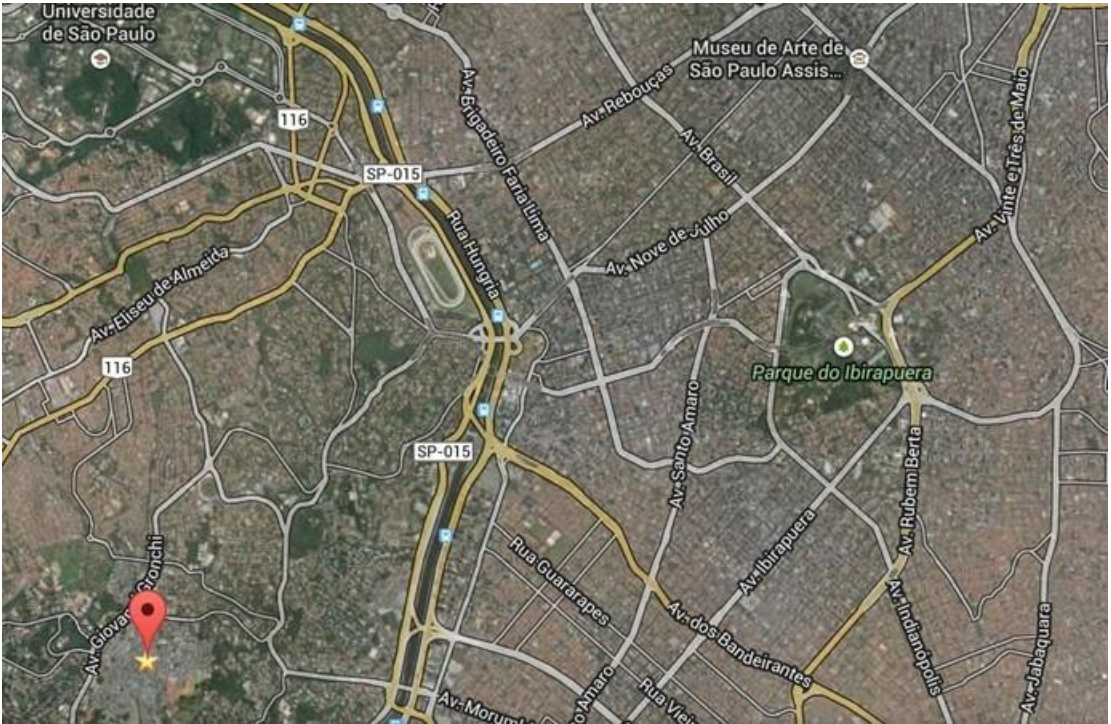
Calculo de Per Capita Morumbi				
Até 60 Crianças	60	x	504,50	30.270,00
De 61 à 90	30	x	396,50	11.895,00
DE 91 à 120	30	x	367,00	11.010,00
Acima de 120	289	x	343,00	99.127,00
Adicional Berçário	100		162,00	16.200,00
TOTAL	409			168.502,00

Appendix 7
Renata Eugênia Rodrigues Daycare Center



Source: The Anglican Institute.

Appendix 8
The Location of Paraisópolis within São Paulo



Source: Google Maps.