

*National Rural Funders Collaborative
Annual Assembly Summary Report
Nebraska City, Nebraska
September 2 - 6, 2003*

I. Introduction

“Working Differently: The Challenge and Value of Collaboration”

A total of 128 participants attended this year’s Annual Assembly:

- more than 40 Community Based Organizations including Tribal Entities, Community Development Corporations, Community Development Financial Institutions, Statewide Intermediaries and Trade Associations representing more than 20 formal or informal regional collaborations. In addition, there were:
- 25 community, family and private foundations;
- 25 national and regional intermediaries and strategic allies;
- 14 public-sector agencies;
- 11 state universities, land grant schools and community colleges; and
- All of these from more than 30 states.

Beyond these organizational and institutional differences represented at the Nebraska gathering were rich differences and nuances of culture, race and history: a Japanese-American joke teller, a Picuris Indian fetish carver, a Buddhist monk story teller, an Appalachian quilt maker, a Gullah descendant from the Carolinas, a Latina rug weaver, and so many more who represent the rich and diverse fabric that rural America has become and is becoming.

At NRFC’s first annual assembly in West Virginia one year ago, the aim was to bring together diverse grantees and stakeholders to begin to establish a network of sharing and learning from one another. At this second assembly one year hence, the objective was to begin to engage this burgeoning network at a deeper level to work together as NRFC partners to achieve its three objectives:

- Fund Strategic Opportunities
- Learn from Best Practices
- Advance Rural Policy

Underlying this approach has been the belief that strategic collaboration among strategic partners – funders, practitioners, policy agencies, grass roots leaders, organizations and communities – can significantly increase the impact, leverage and sustainability of rural initiatives. But the true value/ benefits of collaboration for rural community change must ultimately be measured in the context of the many challenges of collaboration. Collaboration takes time, resources (financial and otherwise) and patience if its value is to be realized. Hence, this year’s assembly theme, “Working Differently: The Challenge and Value of Collaboration,” was meant to provoke NRFC partners to reflect on their own experiences about the value and challenge of collaboration: When it is worth it? How to know when collaboration is successful?

The structure and flow of this year's assembly was designed to move NRFC partners from a more passive and reflective posture of contemplating collaboration to the far more difficult challenge of actually practicing collaboration in the context of implementing what are in many cases multilayered, multi-player scenarios for achieving greater value through working together. To rephrase the question, then, "What is the true cost of working differently together?" And, equally important, "How do we know when collaboration is truly successful and when it is not...the difference between the two it is being the final indicator of when collaboration is worth the effort?"

II. Session Summaries

Wealth Creation

Overview:

Rural community change relies upon regional economic development to feed and sustain its success. There is a need for a fundamental shift in thinking about poverty alleviation. Poverty is not merely about income; persistent poverty is strongly connected to a lack of assets. By shifting the focus to **building wealth** among the poor, a strong conceptual framework for economic development can emerge. Wealth Creation involves not only jobs and income levels, but assists individuals keep their money and save it to invest in long-term goals.

The traditional approach to poverty alleviation and community development focuses on community deficits to be "resolved". A more useful framework for thinking about development **focuses on community assets** that can be enhanced to build economic opportunity. One example given recognizes rural communities ability to make creative use of limited resources; this collective skill could be utilized as a critical asset in building entrepreneurship in rural America.

Currently, most government wealth building programs are not accessible or widely used among the poor. Therefore, effective approaches to poverty alleviation are most effective when integrating both policy and work with individual citizens.

National Perspective: *Presented by Dr. Michael Sherraden, Benjamin E. Youngdahl Professor of Social Development at Washington University in St. Louis¹*

Income is what people take in (mostly used for short-term consumption); while **Assets** are what people accumulate and hold over the long term (for security and investments to improve their long-term condition). By focusing on an **Inclusive** model for Building wealth, a new strategy emerges that can (1) bring everyone into asset-based policy, (2) Make asset-based policy life-long and flexible, (3) Make the policy progressive (greater subsidies for the poor), and (4) achieve adequate levels of asset accumulation, given the purposes of the policy

Government policy does not support wealth building among the very poor, although asset accumulation is critical to getting out of poverty. One of the most effective non-governmental

¹ Dr. Sherraden's presentation can be accessed at http://www.nrfc.org/ln/annual_report_references.asp

efforts to build wealth is the Individual Development Account (IDA). IDAs are savings accounts, many with matching funds available. In Great Britain, an initiative is underway to provide an IDA for every child. Such efforts are important because beginning saving early in life establishes the habit and allows individuals to put aside less money each month to meet the same goals. Ultimately, policymakers must look at the vast disparities in wealth accumulation along economic and racial lines and develop policies to support long-term saving among America's poorest residents.

On the Ground Lessons Learned: *Presented by Ron Phillips, Coastal Enterprises Inc.; Bernie Mazyck, South Carolina Association of Community Development Corporations; Jeff Yost, Nebraska Community Foundation; Carla Gomez, Tapetes de Lana; Jonette Sams, Picuris Pueblo Bison Project*

Several reoccurring themes were identified from each of the practitioner presentations. One of the most important is the need to think of wealth creation strategies in an integrated way. Ron Phillips suggested that wealth building involves thinking about asset facilitation, asset development, and asset protection. Bernie Mazyck discussed not only the efforts in South Carolina to build individual wealth through IDAs (asset development), but also the significant efforts to reduce predatory lending and protect the inheritance of black farms (asset protection). Jeff Yost suggested an even broader integrated strategy being used in Nebraska, linking leadership development, community endowments, and increasing entrepreneurship. Emphasized in the presentations from New Mexico was the importance of being flexible in responding to opportunity (never look a gift bison in the mouth), reducing waste by creating multiple industries around one resource, and vertical integration throughout a region (linking a spinning industry with buffalo breeders, and weavers).

Policy Implications:

- CDCs and IDAs have great potential for building economic opportunity but generally lack sufficient resources.
- There is a growing industry that takes advantage of the poor by charging exurbanite rates for financial services. Efforts at the state level to curb this have been successful.
- Government programs (following the IDA model) should be developed to encourage asset building among the poor. Existing programs like TANF and Medicare should not punish recipients for building wealth.
- Rural entrepreneurs often have less access to resources and peer-support than those in larger cities and may face more significant challenges in starting and maintaining a business than those in cities.
- Rural communities implement a wide variety of strategies to encourage businesses to locate in their area with varying degrees of success. The factors involved in companies choosing and staying in a community may not be accessible information to many towns.
- Those in poverty are less likely to have a relationship with a bank and more regularly rely on payday advance, check cashing and similar institutions for banking services. Many of these institutions charge exorbitant interest rates and service fees.
- Financial education/ access to banking services may not be available or accessible to the poor.

Leadership Development

Overview:

Even if lasting economic change in rural areas relies upon regional economic success, successful rural efforts to bring about lasting transformation depend on the development of increasingly inclusive and responsive “community-based” leadership and institutional structures. How does a community with limited resources and opportunities identify, develop, educate and train, connect, elevate, and retain the leaders that can transform a community?

National Perspective: *Presented by Gayle Williams, Mary Reynolds Babcock Foundation*

Building the capacity of leaders in communities and rural serving institutions is an essential component in creating communities that are strategically ready to implement strategies that promote rural community development and relationship building. Leaders emerge and their development is something that occurs through **deliberate efforts** that allow the decision-makers to work collectively to make their lives and other’s lives in their communities better. One of the key components of leadership development is the ability to **capitalize on the human relationships** of each other in order to formulate a centralized partnerships and network that is essential to building each others capacity, through a variety of roles as educators and mentors, to effectively create community change. As leaders seek to create these centralized partnerships, they work in a inclusive manner where they consider the various contexts of local culture, history, politics, and language as potential factors that hinder or propel them towards their desired outcomes.

On the Ground Lessons Learned: *Presented by Isao Fujimoto, UC Davis; Bernice Joseph, University of Alaska; Milan Wall, Heartland Center for Leadership Development; Rachel Tomkins, Rural Schools and Community Trust*

Session participants identified common themes that foster effective leadership development such as training programs that are experientially relevant to specific placed-based community development efforts, and integrating and capitalizing on diversity (age, professional levels, ethnicity) of community culture. Isao Fujimoto, UC Davis, discussed the need to capitalize on human relationships through mentoring and systematic change; Bernie Joseph, University of Alaska, presented a comprehensive model that builds upon the leadership capacity building utilizing the connection of the young and the elderly in Alaska; and Milan Wall, emphasized the concept that leadership occurs in teams and that the inclusion of young players in this process is essential to its evolution. The ability to build leadership presents the opportunity to create new and innovative resources that strengthen communication skills, strategic planning processes, and networks that create stronger levels of trust among communities.

Policy Implications

- Often, leadership is strained by pressures to satisfy rigid and narrow accountability measures. This limits the usefulness of evaluation in planning and takes time and effort away from program goals.
- Often communication is hindered by language barriers and jargon. Communities often also face indirect, misleading, or voluminous amounts of material that they “must” examine and understand.
- The level and ways in which youth are involved in the planning that occurs in their communities is highly variable. In an era where many young people are leaving rural areas for cities, the involvement of youth can be critical both in developing new development strategies and in retaining promising young people within the community.

- Needs of rural communities often require long term attention from devoted and talented leaders. Most leaders, however, wear many hats and juggle multiple responsibilities. Local leaders are tested by shifting needs, partners, and resources. Often, they are stymied in their efforts because of a lack of resources or community capacity.
- Leaders should reflect the community and be trusted by it. Too often, community power structures which are fundamentally oppressive are only further supported through regional and national funding and support.

Self Sufficient Families

Overview:

Community-based rural leadership and institutional engagement and regional economic change are ultimately effective only if they result in improved quality of life for individuals, families and children who live and work there – especially those who live at or below poverty.

National Perspective: *Presented by Miriam Shark, Annie E. Casey Foundation²*

The inadequate infrastructure and delivery systems that are currently in place in rural communities throughout the United States is acting as a limiting barriers to the promotion of wealth creation and family sustainability. The National agenda promotes the inclusion of a multi-faceted approach that involves converting income into appreciable assets, resulting in financial resiliency, leverage, and economic growth using a variety of tools through a family-focused approach. This family economic success framework creates a continuum that emphasizes a model the promotes the following themes: Earn It, Grow It, Keep It and then Connect It.

On the Ground Best Practice: *Presented by John Molinaro, West Central Initiative; Angela Duran, Good Faith Fund; Dr. James Berner, Alaska Native Health; Jackie Savage, Connect Inc., and Deb Burd, Western Mountains Alliance*

Presenters and participants discussed unique ways in which communities are addressing local and regional issues that promote family economic success. *John Molinaro* Vice President, West Central Initiative presented *Lean Manufacturing*, an innovative project that strives to improve industrial efficiency and productivity by driving wasted time, effort and materials out of the manufacturing environment³; *Angela Duran* of the Good Faith Fund, discussed an integrative approach that addresses workforce development, asset development, and public policy activities for low-income and low-skilled residents of the Delta in Arkansas and Mississippi⁴; *Dr. James Berner*, Alaska Native Tribal Health Consortium, presented an entrepreneurial strategy that engages tribal selected representatives to complete health training courses that directly produces an employment base that impacts the regional economy; *Deb Burd*, Western Mountains Alliance discussed the importance to honor rural values and the environment through economic capacity building, regional collaboration, and natural resource collaboration; and finally *Jackie Savage*, with *Connect Inc.* provided an example of a delivery system that

² Miriam Shark's presentation can be accessed at http://www.nrfc.org/ln/annual_report_references.asp

³ John Molinaro's presentation can be accessed at http://www.nrfc.org/ln/annual_report_references.asp

⁴ Several resources provided by Angela Duran can be viewed at http://www.nrfc.org/ln/annual_report_references.asp

helps find support resources and jobs for individuals to move from welfare to work via an integrated phone system.

Policy Implications

- Poor health status and high health care costs are principle barriers to achieving family self-sufficiency and community economic development.
- Many poor people accept unreliable vehicles and/or high interest loans to pay for a car. In the long run such a car costs significant money to repair and is an unreliable way to get to work.
- Rural economies are frequently dependent on a small number of increasingly volatile economic enterprises: agriculture, extraction, manufacturing, and their associated services. Many rural areas depend on tax incentives to induce low-paying and unskilled manufacturing jobs to locate in their communities. However, most of these jobs are now located overseas.

III. Regional Caucus Groups and Proposals for Regional Blueprints

A full day was spent convening “Regional Caucus” groups to think beyond the borders of their existing partnerships and collaborative work and include others within the NRFC Learning Network event as strategic allies in their regional vision. Teams were divided up based on geographic regions⁵ to develop two minute proposals for such efforts and the next day to gather to think through what their next steps would be to solidify these relationships.

Overall, this was a positive experience for the groups. Some more than others showed a readiness to formulate regional visions and collaborative efforts. One of the more validating results from these discussions were the multiple proposals that emulate the strategy and structure of NRFC’s collaborative approach. NRFC will make recommendations to the Steering Committee to further explore this approach as a starting point for grantmaking to expand existing regional investments. Here we provide a brief overview of the regional blueprints developed by each group.

Pacific

The Pacific Collaborative supports the establishment of a regional learning collaborative model as an effective mechanism to achieving long-term community and economic sustainability in rural Alaska, Hawaii, and other Pacific/Arctic regions. The creation and implementation of this inclusive tool will assist communities and rural serving institutions with accomplishing the following goals: (1) focused sustainability and prosperity; (2) Quality life indicators defined by the region; (3) regional strategic readiness models that will increase the standard of living Alaska/Hawaii and other Pacific and partner areas such as health, education, economic development and culture; and (4) maximizing and leveraging the needs/assets of focused sustainable resources for the region.

⁵ Although a separate group for “Indian country” was created to give participants an opportunity to identify cultural and economic issues that transcend geographic boundaries. In addition, Hawaii and Alaska were paired up as the “Pacific” group for the same reasons. Surprisingly this decision proved to be effective in addressing some of the very real and cultural issues of isolation.

Northeast

The North East Collaborative promotes the concept of a regional initiative that is framed through a community/driven-focused approach, which emphasizes prosperity through individual/family security, reduction rate of financial marginality and bankruptcies, and inter-generation behavior change. This particular approach utilizes the tools of various programs and projects as a mechanism for regional change.

Indian Country

The Indian Country Collaborations supports a holistic wealth creation and family-well being model, which utilizes the creation of financial institutions for tribal, intertribal, and individual empowerment. This foundational tool will assist regional partners with addressing identified regional needs: (1) capital access and formation; (2) resource development; (3) Health; (4) land loss and education; (5) wealth creation; (6) and natural resource preservation.

Mid South Delta

The Mid South Delta Collaborative promotes a regional asset-mapping concept that builds on the resources of identified partner organizations through a regional convergence of capital, tools, relationships, and assets. This collaborative mechanism will assist regional partners with accomplishing outcomes in the areas of cross-sector planning, problem solving, innovative strategy models, philanthropy, and public policy agendas.

Northwest

The North West Collaborative promotes a community-centered model of intergenerational change that emphasizes a regional economic educational process. Through various project and initiatives, regional partners utilize the mechanisms of programs and projects to support regional outcomes in the areas of (1) financial literacy/wealth creation; (2) leadership development; (3) and partnership development.

Southeast -Black Belt

The Southeast-Black Belt Collaborative promotes a regional asset-mapping and sustainability model that emphasizes economic, capital, community, and policy transformation through the utilization of regional resource partners, strategies and special initiatives. This regional approach will assist partners with the enhancement and development of strong community and organizational infrastructures that inclusive of the needs of the region as a whole.

U.S./Mexico Border

The U.S./Mexico Border Collaborative supports a global educational model, which emphasizes inclusive bi-national strategies that focus on economic, political, and civic community expansion and development. This regional approach will assist partners in restructuring a regional infrastructure that is culturally diverse and inclusive of the identified needs of all partners.

IV. Performance Evaluation

On the last day of the event, the morning was spent showcasing the evaluation model that has developed in collaboration with Grantees, and guided by the expertise of our lead evaluation consultants, Bettie Hodges and Cornelia Flora. In an informal “talk show” style, Bettie and “Neal” were interviewed to provide an overview of NRFC’s understanding, approach, theory, and early findings.

Assembly participants were particularly excited about the strategic readiness model and its natural application as an outgrowth of existing strategies among regional collaboratives. Many of the participants validated and stressed the importance of the qualitative methods in the form of “story telling” beyond the notion of stories as antidotes, but as a means to amplify best practices and lessons learned. Another positively received concept was NRFC’s non-traditional approach to site visits, as an opportunity to engage additional stakeholders, both regionally and nationally, to the work. Federal partners were particularly interested in identifying indicators that can be used and worked in as language into existing and future policy procedures. Both funders and federal partners stressed the importance of this work to for all of us to be more effective together and to better understand what really makes for community transformation.

V. Emerging Leaders Caucus

As an extension of the Annual Assembly, NRFC engaged the first convening of the *Emerging Leaders Caucus* in an informal retreat setting over a two day period. The retreat was designed as a unique colloquium to serve as a catalyst for young, emerging rural leaders to expand and restructure existing frameworks to combat social and economic issues that are impacting rural communities throughout the United States. The retreat was comprised of a rich base of twenty (20) change agents, from fifteen (15) distinctive community and rural serving institutions, between the age of 18 to 35 that possess numerous assets, resources, and the passion to define a vision for rural leadership.

The Emerging Leaders Caucus attracted practitioners from diverse backgrounds, interest areas, and varied rural institutional systems working together towards accomplishing the following **goals**:

- *A comprehensive analysis that identifies the opportunities, barriers, and gaps in supporting the capacity building of rural emerging leaders;*
- *Defining capacity –building for emerging young leaders in rural communities;*
- *Identification of resources, structures, and networks to support rural leadership;*
- *Creating a vision for rural emerging leadership from a community and institutional focus;*
- *Developing a strategic readiness strategy for the National Emerging Leaders Caucus that is integrated into the work of the NRFC and it’s learning framework.*

The Emerging Leaders Caucus was distinctively structured to incorporate varied phases of assessment and strategic planning. Utilizing an informational gathering style of small group work, individual presentations, and brainstorming exercises, participants were able to identify reoccurring **themes and strategic readiness models** that would assist the caucus with accomplishing identified goals:

Theme #1: Community & Institutional Succession Planning

Strategies:

- Career Ladders
- Alternative Organization & Community Frameworks
- Strategy Models

Theme #2: Community & Institutional Professional Development, Growth, and Wellness

Strategies:

- Emerging Leaders Training Institute
- Professional Bank
- Wellness Models

Theme #3: Community & Institutional Leadership Special Interest Areas

Strategies:

- Asset & Project Interest Inventory
- National Rural Funders Collaborative Inventory
- Listserv & Publications

The Emerging Leaders Caucus is a unique forum that brings together young professionals between the age of 18 to 35 from across the United States, who are dedicated to combating social and economic barriers that are impacting rural communities. This caucus is structured as an instrument and a catalyst, dedicated to identifying, supporting, and building the capacity of young leaders across a network of regional rural collaboratives and stakeholders.

VI. Next Steps and Final Thoughts

The diverse stakeholders gathered in Nebraska arrived ready to share insights from working in rural America and left committed to working differently together in order to increase leverage and impact in achieving place-based outcomes that will mean healthier, wealthier and more vibrant rural communities and families. The commitment that NRFC and its partners have made together is to continue to build knowledge around these and other core themes of wealth creation, leadership development and self-sufficient families. NRFC has pledged to support this commitment to working differently in these ways:

Funding

NRFC staff and steering committee have already begun to change its strategic funding approach from an open call for proposals to one that is more iterative – both building upon knowledge gained from its ongoing learning and performance measurement and in ongoing dialogue with partners and strategic allies. Accordingly, the **“regional blueprints”** developed in Nebraska are important conversations with diverse partners and allies within various rural regions and provide ideas and potential opportunities for future funding and learning. While NRFC is not currently invested at the same level in all of these regions and also cannot support all of the ideas raised or act on even the most important ones at once, NRFC staff and steering committee will begin the process of working through various blueprints and refining them in conversation with these and other regional partners so that these blueprints provide insights and information for next step opportunities in funding.

Learning

As NRFC goes deeper into the work of its strategic investments and begins to identify new strategic opportunities to support, the challenge will be to place even greater emphasis on **clarifying outcomes** and **identifying performance measures**. By doing this, both what is meant by **capacity-building** and the case for supporting it will be stronger. In part, this reflects one of the critical marks that will distinguish NRFC’s work from that of other funding initiatives – namely, a commitment to develop a compelling, participatory, interactive model for capacity-building and outcome achievement. The other challenge for NRFC under the rubric of learning is the effective **communication** –

both within NRFC and to a broader audience – of the import of working differently together in these diverse collaborative place-based arrangements. By blending a mix of face-to-face meetings, site visits, interactive web-tools, and conference calls, the NRFC staff will continue to nurture these conversations around Wealth Creation, Leadership Development and Self Sufficient Families to gain a deeper understanding of what these lessons mean for success and sustainability in rural areas, and which lessons are transferable across rural geographies, cultures and regions.

Policy

Finally, perhaps the greatest challenge for NRFC is to move the **rural policy agenda** forward –not as a rhetorical exercise to influence legislators and the general public, but more as a ***strategic approach to connecting those who are involved in framing and interpreting policy at various levels: local, state, regional and federal.*** Hence, our take away and commitment following from Nebraska is twofold: *1) to engage an increasingly broad, but strategic group of federal agencies to frame and interpret policy in conversation with place-based partners who are working to implement effective strategies for rural community transformation; and 2) to strengthen and support local, state and regional policy discussions and efforts so that they are more informative of and connected to federal policy development for rural areas.* It should also be added, not as a footnote, but as a reminder of what is central to NRFC’s mission: i.e., whatever more specific changes occur in rural policy, they must be based on principles of **greater community and grassroots participation, especially from youth and young adults; greater social, economic and racial equity in rural areas; and redirection/strategic focus of more resources to rural areas facing persistent poverty.**