

January 6, 2002

Dear Friends and Colleagues:

Happy New Year from the National Rural Funders Collaborative!

In the religious tradition in which I was raised, today is the day of Epiphany, the celebration of the wise men ("three kings") and their recognition that the world had changed in a very profound way. The same might be said for all of us who stand at the beginning of this New Year and reflect on how radically our lives have changed.

Although the world-shattering events of just four months ago are still fresh in our minds and hearts, we seem to be emerging from the cloud of numbness and shock. Like the wise men of old, we also seem to have begun to confront our changed world with a reassessment of old values and a renewed sense of hopefulness. As I'm sure holds true for all of you who were able to spend the holiday season with family and friends, an appreciation for the abiding values of "place" and "connectedness" has never been greater.

National Rural Funders Collaborative launched in July

When we launched the National Rural Funders Collaborative last July, we did so in the belief that there is much in rural America that warrants preserving and that there are important lessons, stories, values from which we all can learn. Three weeks after September 11, we received 284 letters of intent in response to our request for proposals in our initial round of funding. This reinforced our own sense of the scope and depth of problems facing those who live and work in rural America, as well as the determination and acumen with which rural communities and leaders are working to address them.

Twenty Finalists chosen for Consideration in First Round of Funding

In early November, NRFC made some very tough decisions to arrive at a list of 20 finalist letters of intent that we deemed to best represent and demonstrate the kind of promise and opportunity that rural areas still offer our nation. To see a complete list of the 20, as well as a brief analysis of the 284 letters of intent, see our website at www.nrfc.org. Just before Thanksgiving we began the process of visiting each site to see for ourselves the various ways in which funders, practitioners and community leaders are joining together to bring about strategic, sustainable and measurable improvement to their communities - many of which have faced persistent poverty for decades.

Compelling Stories from Rural America - Our First Six Site Visits:

- In rural Alaska, a native tribal health consortium is working, with the help of Rasmuson Foundation and the Denali Commission, to expand its system of "community health aides" (paraprofessional native caregivers) in order to ensure that Alaskans living in remote rural villages can receive the dental care, mental health counseling, treatment for substance abuse and eldercare they need. This system of training native caregivers selected by local communities themselves has been so successful that it serves as an international model studied and copied by nations around the world.
- Thanks to the ongoing work of the six Minnesota Initiative Funds, created almost two decades ago by the McKnight Foundation, a new statewide initiative is under way to develop a comprehensive child development and childcare initiative that will be available to all Minnesotans. One important challenge for statewide implementation of this program will be to educate and identify rural businesses who are willing to publicly endorse the importance of early child development and childcare both by sharing in the costs and by adopting internal policies that allow and encourage good parenting.
- In California's Central Valley, the James Irvine Foundation is working with the American Friends Service Committee, California Legal Assistance Foundation, Immigrant Legal

- Resource Center, El Colegio Popular in Fresno and various other farmworker and support agencies in the Valley to increase civic participation of immigrant residents. One of the strategic new challenges is to identify and train emerging leadership within Central Valley immigrant communities to become the next generation of advocates and champions for improved housing conditions, health care, education, access to credit, water rights and the many other unmet needs that threaten to keep this 430-mile-long, 50-mile-long "hidden community" within California a virtual third-world area within one of America's most prosperous states.
- Much of Alaska's interior consists of very small tribal villages (no larger than 500 and as small as 30 residents). Many of these villages are disconnected from goods and services and one another, except by plane... or by dogsled in the winter/boat in the summer. Tanana Chiefs Conference, a half-century-old consortium of these tribal communities, is working with the Minority Business Development Agency and a Fairbanks-based technology group, Third Sector Technologies, to create a network of access to information and credit that can help to support new entrepreneurial opportunities for these remote areas as more traditional means of subsistence support, like trapping and fishing, continue to disappear.
 - In the forested reaches of far northern California, Humboldt Area Community Foundation is working with the newly-created Redwood Forest Foundation, Inc. and Evergreen Forest Trust, working in Northern California and Washington state respectively, to create sustainable forests which can help to preserve livable wage jobs for forest communities while providing a new model for the timber industry that does not deplete natural resources or destroy natural habitats. In part, the promise of sustainable forestry will be fueled by new Community Agriculture and Forestry Bonds, which will provide new sources of capital by means of which available forest areas can be purchased by non-profit groups like RFFI and EFT working to preserve increasing acreage of sustainable forests.
 - In much of rural Arkansas, residents who have grown up and been educated in the state cannot read beyond a 3rd grade level, even though they hold a high school diploma or GED certificate. It is not surprising then, that a recent state court has held Arkansas's educational system to be both inequitable and "constitutionally inadequate." The upshot of this decision is not only that the funding of public education within the state be more fairly distributed; overall funding for public education must also be increased in order to provide a decent and sufficient education to all Arkansas residents. Given the strategic opportunity to create a more equitable, more adequate public school system, Arkansas Advocates for Children and Families, the Arkansas Public Policy Panel and the Good Faith Fund (along with their economic partner, Southern Development Bancorporation) are working in collaboration to ensure that remedial needs missing from both ends of the educational system, early childhood education and workforce training, are included in the new funding scenario.

The Road Ahead for NRFC and Rural Communities

In the month of January, we will visit the remaining 14 finalist sites, including various strategies and collaborations to overcome poverty in Georgia, New Mexico, Texas, North Carolina, Maine, Ohio, Nebraska, West Virginia, South Carolina, Louisiana, South Dakota, Montana, Virginia, and Colorado. By early March, NRFC will select several initiatives from the finalist pool to receive grant support.. We will distribute a total of \$1 million in this round.

Beyond our interest in providing new "seed" resources to be leveraged through greater attention to these areas and increased development of renewable funding sources, we are committed to identifying lessons and best practices that can inform the work of practitioners and funders alike in responding to the needs of rural communities. We also are also committed to identifying and elevating those policy issues that are emerging from this work. Over the next ten years, our funding, dialogue and reflection on our work will serve to inform public policy at every level so that

it will be increasingly responsive and adequate to support and sustain these and other like efforts to revitalize rural areas.

Thank you to all - funders, practitioners, community leaders, friends - who have believed in the value of NRFC and have supported it in its early stages. We stand on your shoulders as we work together to galvanize support for those efforts in rural communities that help to ground us all in a stronger sense of "place" and "connectedness."

Peace and Hope!

Jim Richardson
Executive Director
National Rural Funders Collaborative
jr@nrfc.org