

# Paying for It: The Costs and Benefits of Serving Rural Communities

Tuesday, 3:45-5:45 p.m. Room #5, Meeting Room Level

Carla Roberts, Vice President of Affiliates, Arizona Community Foundation

Madeleine McGee, President, The Community Foundation Serving Coastal South Carolina

## Session Topic

The focus of this session is what kinds and amounts of financial and staff resources it takes for a community foundation to serve underserved rural areas, and the ways a community foundation and its rural donors and funds manage to generate or raise revenues, endowed funds or other donor resources to support the expense of covering rural areas.

## Strategic Issue Breakout Session Flow

The flow of the breakout session will go something like this:

CSG Lead	Intro, Context, Introductions	5 minutes
Madeleine McGee	TCF Approach and Experience	20 minutes
CSG Lead	<i>Question Queue</i> for Madeleine	15 minutes
Carla Roberts	ACF Approach and Experience	20 minutes
CSG Lead	<i>Question Queue</i> for Carla	15 minutes
CSG Lead	<i>Instant Advice</i> : Open it up for others to present their approaches and challenges for advice and comment from Carla, Madeleine and each other.	Remainder of time

We will engage two process innovations during this session:

1. *The Question Queue*. We will ask participants to write their questions (and constructive ideas) on post-it notes for posting throughout the session — posing them to Madeleine, Carla, each other, or the cosmos. We will begin using these during Q&A. Aspen CSG will work with the presenters to answer any questions that are not answered during the session on the RDPLN website in the week or two following the workshop.
2. *Instant Advice*. In the last segment of the session, we will ask any participant to pose in 5 (or fewer) minutes a situation they are facing in relation to the breakout topic, and then we will ask participants for their Instant Advice responses of one minute or less (with post-its encouraged as well).

Note: We may adjust this process a bit, but you get the idea.

## Presentation Outline

Here are the questions we asked Carla and Madeleine to focus on during their initials *Paying for It: The Costs and Benefits of Serving Rural Communities* presentation.

1. **Your Structure**. Just for context, tell us what rural coverage structure you think your foundation represents. (See attached draft *Rural Coverage Structures and Characteristics* matrix).

(over)

2. **Your Approach to New Rural Service.** Please describe your foundation's approach to financially supporting the foundation's new service in rural areas. Address issues like the following:
  - a) What staff services and financial support will you offer to new rural area organizing groups or donors interested in serving an unserved or underserved rural area - and how do you pay for your initial forays into such a rural area? If you have used several different approaches, please name them and describe each.
  - b) Over the years, what sources of funds have you used to do (a)? For example, have you used unrestricted funds, special private foundation grants, donor pass-through grant, rededicated operating budget funds? What have been the pros and cons of each?
  
3. **Your Approach to Maintaining Rural Service.** Please describe how your foundation continues to support regular service in rural areas, once it is established. Please address:
  - a) How does your foundation staff establish rural areas, who pays for it and with what fund resources?
  - b) Besides staff salaries, what other foundation resources do you *dedicate* solely to serving established rural areas and how do you use them? (For example, endowment matches, etc.)
  - c) What are your endowment and administrative fee policies and procedures with relation to rural area funds and/or divisions?
  
4. **From Cost to Benefit.** Please tell us how it is you balance the costs of increasing your rural service with the benefits? For example,
  - a) Have you determined a point at which serving a rural area or fund pays for itself? If yes, what is it and how do you know?
  - b) Do you subsidize service for new rural donors or underserved rural areas at a rate higher than for similar extended or new service for urban donors and areas? If yes, how much, why — and how do you know you do?
  - c) If you do subsidize new or extended rural service, what are the benefits to the foundation and region that you experience which justify it? How do you articulate these to the board to get their approval of — and even engagement in — your rural efforts?
  
5. **The Lessons.**
  - What are the top 3 *toughest things* your foundation has experienced in dedicating and generating financial and staff resources to serve underserved rural areas?
  - What are the top 3 *best ways or ideas* your foundation has found to financially support and staff rural fund and division development?
  - What 3 *lessons or pieces of advice* would you offer to another community foundation that wants to support extended service to underserved rural areas — and move it toward paying for itself?