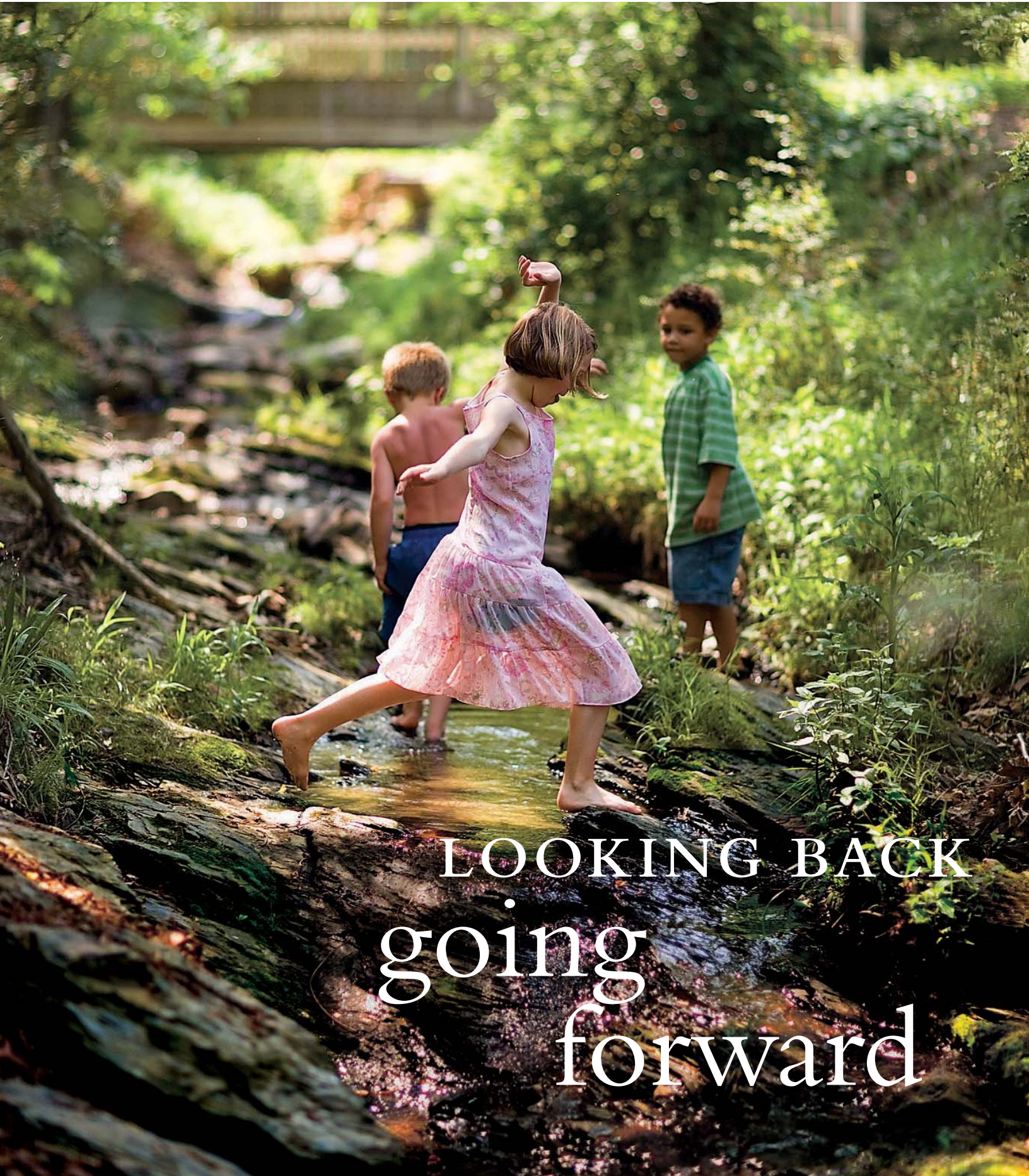


Moving the Needle 2008-2013



LOOKING BACK
going
forward



LETTER FROM THE PRESIDENT

Dear Partners,

Winthrop Rockefeller's arrival to Arkansas in 1953 was a major event. That a member of one of the wealthiest families in the world had moved to one of the poorest states in the country was a big deal. The press was understandably curious and asked about his plans. "I've got a lot to learn and a whole lot more to do," the late Governor responded.

True to his word, Rockefeller learned as much as possible about the educational, economic, racial, and social justice challenges in Arkansas. He then set out to use his personal, political, and financial influence to make the state a better place for everyone.

The Winthrop Rockefeller Foundation's *Moving the Needle Strategic Plan, 2008–2013* extended the Governor's legacy of "learning" and "doing." Developed in 2007, the plan was based on dozens of conversations with policymakers, community leaders, business leaders, youth, and national experts on community change. Those conversations, combined with our research on best practices in closing the achievement gap, economic development, and social justice, formed the framework that has guided WRF's investments for the last five years.

The feedback and research were clear. Arkansas suffers from low expectations. After decades struggling to fill the economic gaps left by the decline of manufacturing in the state's rural areas, people were tired. The persistently dismal economic data and low education rates only served to reinforce the idea that maybe Arkansas had fallen too far and couldn't recover. Buried beneath those statistics was a desire for change stymied by the doubt that change was possible. The purpose of *Moving the Needle* was to dispel that myth.

In September 2007, WRF's Board of Directors made a bold statement by approving the Moving the Needle plan. *No more low expectations*, was the Board's central message. It committed the Foundation's resources not just to address poverty in Arkansas, but to actually reduce it. Not simply to support education in the state, but to increase the number of residents prepared to work, attend college, start businesses, and otherwise take care of their families and communities. The plan approved that day assured the state's nonprofits that the Foundation was clear about their importance, and reaffirmed WRF's non-negotiable value that strong communities are the building blocks for a prosperous state. We committed to move the needle on the data and circumstances of people and communities in every corner of the state.

Fast forward five years. WRF and its partners have been "learning" and "doing" in earnest. We've invested in a growing knowledge-based economy that is raising per capita income in the state. Small businesses have better access to the money they need to grow. Young children are getting a stronger academic start and college kids are getting the support they need to succeed. Arkansas communities are showing that their residents have a new vision.

What follows is a short account of the last five years, featuring partners across the state thriving with WRF support. The Foundation is honored that so many have agreed that it is possible to move the needle in Arkansas on education and economic opportunity.

Sherece Y. West-Scantlebury, Ph. D.
President and Chief Executive Officer
Winthrop Rockefeller Foundation

How Moving the Needle Works

The Moving the Needle (MTN) Strategic Plan has four goals: reduce poverty, increase educational attainment, strengthen communities, and build nonprofit infrastructure in Arkansas. These goals were developed in consultation with individuals from all walks of life from across the state and are well aligned with the work of the Foundation over the past 35-plus years.

It wasn't enough, however, just to have clear goals. MTN also defined a strategy through which the Foundation would contribute to the attainment of those goals, founded on three guiding principles:

- 1 WRF cannot achieve those four goals by itself.*
- 2 Direct service programs, even the most effective, are only part of the solution.*
- 3 Public policy will be the major driver for positive change for the entire state.*

With those three maxims in mind, WRF set out to make a series of investments that:

- 1 Produce the research necessary to inform both good programs and policy.*
- 2 Fund the continued development of important nonprofits providing both advocacy and direct services.*
- 3 Support pilot and demonstration projects that inform good public policy.*
- 4 Build the public will for positive change.*

In essence, the thinking behind Moving the Needle is that if we know better, we will do better. That if we show change on a small scale, then more people will invest in change on a larger scale. The plan includes complementary top-down and bottom-up strategies, which ensure community voices and institutional voices both get the same level of attention.

After five years, we know that MTN has set a new tone for collaboration in Arkansas's advocacy community. We have produced the research that informs both the policymakers at the state capital and the community activists in the local church fellowship hall. And we have seen positive change across the entire spectrum of goals. We are far from finished, but we have made a good start.





What WRF Is Doing to Move the Needle

We invest in Ambassadors, Activists, and Advocates.

SINCE 2008, WE HAVE INVESTED more than \$3.5 million in initiatives to reduce poverty. In large part, the recipients have been grassroots leaders — individuals, organizations, and small- and medium-sized businesses. Those investments strengthen the collective voice and empower communities to address the policy issues that matter most to them. This approach has improved the bottom line for many Arkansans.

Every ambitious goal needs hard targets, and one strategy of our goal to reduce poverty was to help Arkansas policymakers and others recognize the need to set targets. Through participation in the state's first **Legislative Taskforce on Reducing Poverty and Promoting Economic Opportunity** and a grant to **Arkansas Advocates for Children and Families** to research policy options, the Foundation has led in helping stakeholders at all levels speak more broadly and more cohesively about poverty in Arkansas, and at the same time create specific steps for action. The original Taskforce, created in 2009, ended its charter a year later with a report to the Governor that provided a policy roadmap for cutting poverty in the state in half in 10 years. More than a dozen of the Taskforce's policy recommendations were implemented by the end of the 2011 Arkansas General Assembly Legislative Session. Since then, members of the Taskforce and others have continued to meet regularly and strategize, demonstrating Arkansas's interest in and commitment to moving the needle on poverty.

We invest in Student Success.

Over the last five years, we have invested more than \$12 million in initiatives to increase graduation rates. From making grants to develop highly effective program models to providing support for specific research, we have cultivated strong partnerships that have netted the state additional public and private resources to improve educational outcomes for Arkansas students. We have a strong sense of how deep an impact this kind of funding has, because common sense and research tell us that an investment in education is an investment in reducing poverty.

The Foundation has learned that the gap standing between Arkansas's pre-K to 12 and higher education systems needs to be closed in order to increase success rates for all students. The Center for Student Success at the Arkansas Association of Two-Year Colleges is helping to open more pathways toward a certificate or degree, and is a prime example of the role philanthropy can play in growing private and public support for education. Born out of support for Arkansas's participation in Achieving the Dream, a national reform initiative that helps community colleges use data to improve student success rates, the Center for Student Success used a \$150,000 grant from WRF to leverage additional funding from federal and private sources such as the Kresge Foundation, the Lumina Foundation, and the Bill and Melinda Gates Foundation. It now manages nearly \$80 million in grants.

The center identifies and promotes best practices and influences development of state policies to increase student success at all of Arkansas's 22 two-year colleges. It also provides resources to close the curricular and programming gaps between pre-K to 12, vocational, and higher education.

We invest in Communities.

Through Moving the Needle, we have invested almost \$3 million in initiatives to strengthen communities. We have been a partner — not just a funder — and have discovered that while community change can be catalyzed by external agents, it can only be *sustained* by local energy. Further, lasting change happens when the people affected by the work do the work themselves. The Foundation believes in a localized approach where diverse stakeholders come together to tackle issues like poverty and education.

An example of this approach is our partnership with North Jonesboro Neighborhood Initiative in Northeast Arkansas, a resident-driven collaboration that received WRF coaching and technical assistance as well as a grant for operational support. Leveraging a \$500,000 commitment from the City of Jonesboro, the North Jonesboro Neighborhood Initiative has increased community engagement in a neglected part of town, demonstrating the success that can come from public-private partnerships. Leaders have emerged from both the city and the community. The initiative has also secured additional funding and launched small-scale revitalization projects. It is making gains as it moves forward with its vision of North Jonesboro as a place where “engaged residents, local businesses, faith communities, social service providers,

and funders work together to build vibrant neighborhoods, foster community cohesion, and build a strong infrastructure of services and supports for families.”

Another successful story of place-based community change is the Foundation’s partnership with the Rural Community Alliance, a statewide organization that works in rural Arkansas counties on community revitalization, youth development, and education equity. Originally organized to save rural schools from the consolidation movement, Rural Community Alliance has expanded its scope and grown its membership to 52 chapters and more than 1,300 members statewide. The organization has championed policy change to equalize distribution of Title I funds and has organized to defeat a policy proposal to transfer school funding from smaller, higher-poverty districts to larger, wealthier districts.

The alliance also mounted a successful campaign to keep rural post offices open in 179 communities and has developed a model youth empowerment program, both of which have garnered national attention.



We invest in Nonprofit Organizations and Networks.

Since 2008, we have invested more than \$1 million in initiatives to build nonprofit infrastructure and partnerships. We know that strengthening the nonprofit sector in the state is a crucial economic development strategy and is essential to realizing our goals to reduce poverty and increase educational attainment. The Foundation has learned it needs to expand funding for operating support to organizations that address the other Moving the Needle goals. In addition to providing grant funding to shore up nonprofits, WRF has used its influence to build partnerships and attract outside investments in Arkansas.

Through collaboration with Arkansas Advocates for Children and Families, Arkansas Community Foundation, Arkansas Public Policy Panel, and Southern Bancorp, WRF launched the *Why Arkansas?* Campaign to help regional and national funders understand, and see for themselves, why Arkansas is a place ripe for investment. Based on research funded by WRF, the Campaign attracts new resources to Arkansas and unites the state’s nonprofits around a common agenda. It also provides a useful platform from which to inform state policymakers and encourage them to make decisions that will contribute to reducing poverty and increasing educational attainment. Tapping into the power of effective messaging, *Why Arkansas?* has broadened the support base for Arkansas nonprofits and, thus far, attracted nearly \$200,000 in new investments.



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Conclusion

Is the needle moving on poverty and economic opportunity in Arkansas? Yes, but there is much more work to do. The strategies the Winthrop Rockefeller Foundation and its partners have employed during the first few years of Moving the Needle are having their intended effect. Data show that we are making progress in some important ways:

IMPACT

WRF investments have supported getting more money in the pockets of low-income families through the Earned income Tax Credit; helped to create student support systems that are positively impacting struggling students in college; provided long-term evidence that quality early care makes a difference in the achievement gap; increased the collaborative capacity in rural communities; and strengthened some of our state's most important nonprofits.

INFLUENCE

WRF's investments, voice, and convening power led to the creation of the state's first taskforce on poverty reduction; equipped Arkansas educational leaders with the data necessary to make positive change; created a collaborative space for community change agents to combine their energy; and began coordinating our state's nonprofit capacity-building resources.

LEVERAGE

WRF investments have leveraged nearly \$1 million in small business loan funds from federal sources. Our partners have leveraged our voice and knowledge to help the state taskforce set targets for poverty reduction. Our relationships have been leveraged to bring the attention and resources of many national philanthropies to the state, and our approach has been leveraged to facilitate a noticeable change in the way Arkansas philanthropists see the value of strategic grantmaking.

In addition to those measureable instances of impact, influence, and leverage, there are also other outcomes we should note:

- We have increased our presence in the media significantly over the last several years.
- We have served as first point of contact for many out-of-state funders looking to make investments in Arkansas.
- We have a regional and national reputation as a strategic grantmaker.
- We are recognized as source for funding *and* information.
- During the most recent recession, when other funders pulled back, we maintained our grantmaking and took the opportunity to deepen our relationships, partnerships, and knowledge.

The initial MTN strategy has good traction in the state, but there are also still serious challenges to address:

OUR STRATEGY TO REDUCE POVERTY IS HAMPERED BY:

- The lack of public understanding about workable solutions and their potential impact
- Tight state budgets that limit support of good ideas such as a state Earned Income Tax Credit
- The magnitude of the challenges faced by the state

OUR STRATEGY TO INCREASE EDUCATIONAL ATTAINMENT IS CHALLENGED BY:

- Entrenched institutional resistance to change
- The massive need for reform (pre-K through higher education)
- The lack of capacity and appetite for innovation at the state level

OUR STRATEGY TO STRENGTHEN COMMUNITIES IS CHALLENGED BY:

- An underdeveloped local nonprofit and civic infrastructure
- Low community capacity to develop and implement comprehensive change strategies
- Lack of wide-scale civic engagement

OUR STRATEGY TO BUILD NONPROFIT INFRASTRUCTURE IS CHALLENGED BY:

- Low local nonprofit capacity
- A lack of coordination between existing capacity-building resources
- A lack of public and private resources to support nonprofits





What's Next

FOR THE NEXT ITERATION of our strategic plan, our goal is to think hard about the abovementioned challenges, and refine our grantmaking, technical assistance, and communications strategies. We are proud of our progress, but that does not mean we are blind to reality or the obstacles that stand in our path. In fact, the goals of Moving the Needle acknowledge those challenges explicitly in articulating the extensive changes that need to happen.

However, the poverty data and graduation rates depicting the challenges in our state do not define us; rather, they are what drive us. And to realize our vision, we need more Ambassadors, people willing to spread the word about how our state is uniquely positioned to meet the challenges that are present all over the country. We need more Activists, individuals and organizations that make it their business to demand positive change and that won't settle for the status quo in Southern and rural America. And, we need more Advocates, those willing to build and share the evidence case in every forum and venue they can find.

Ultimately, we want to change the lens through which we view our challenges in Arkansas. Our investments and the work of our partners show that together, we can move the needle in Arkansas. Half the battle is simply knowing that it's possible.

⇒ *WRF believes the needle can and must move from poverty to prosperity for all Arkansans*





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