A CATALYST FOR SOCIAL CHANGE IN OREGON

DEDICATION
MRG dedicates this year's annual report to William Jamison, in memory of his gracious presence, his inspiring spirit, and his tireless efforts on behalf of the arts, the HIV/AIDS community, and many community groups in Portland, including MRG. He was deeply loved, and is greatly missed.
MCKENZIE RIVER GATHERING FOUNDATION
ANNUAL REPORT
JULY 1, 1994 TO JUNE 30, 1995

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Front cover ~ The Sacred Earth Coalition works to protect Native American fishing rights and sacred lands. Top photo/Cheri Hyde; middle, bottom photos/Susana Santos—Tygh Archives.

Inside cover ~ Children comprise 65% of the residents of this complex built by the Farmworker Housing Development Corporation. Photo/Farmworker Housing Development Corporation.

Left, top ~ The Vernon Neighborhood Action Group's Board of Directors at their home ownership retreat. Photo/Vernon Neighborhood Action Group.

Left, middle ~ Love Makes a Family validates lesbian and gay families in the face of the religious right's homophobic "family values". Photo/Bonnie Tinker.

Left, bottom ~ An assembly of Pineros y Campesinos Unidos del Noroeste members votes to approve their tenth anniversary organizing campaign. Photo/Willamette Valley Law Project.

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The McKenzie River Gathering Foundation (MRG) is an active community of donors and grassroots activists working in partnership to serve as a catalyst for progressive social change in Oregon. Everyone involved in MRG can take pride in the work we accomplished during the fiscal year ending June 30, 1995. It has been a year of positive change and great success.

We are very pleased to announce that we have successfully completed the MRG $1 million endowment drive, thanks to the tremendous generosity of our donors. The endowment will make our work of supporting progressive organizing efforts in Oregon possible for generations to come, by underwriting a major portion of our operating costs. Given the current political climate in the United States, one defined all too often by the politics of reaction and division, we are deeply grateful for the commitment of our donors who not only recognize the value of supporting a broad range of progressive issues, but give generously of their financial resources to make this possible.

At a celebration of the endowment drive’s success, held in Eugene in the spring of 1995, a long-time member of the MRG community urged us to see this drive as a beginning, and not a completed project. And indeed, while we have concluded the active phase of our endowment drive, we would like to encourage additional gifts from those who have not yet participated. The more the endowment grows, the better we will be to support the broad range of progressive organizing underway in our state. Already, a major donor to the endowment has chosen to make an additional gift of $50,000 to show support for its future growth.

Truly, we can say that the MRG endowment is $1 million and growing!

MRG’s support of progressive grassroots organizations in Oregon is also growing. In this past fiscal year, MRG distributed nearly $300,000 in grants ($192,350 from our general fund, and another $96,000 in donor-advised grants). These funds were used to support a broad range of organizations (please see the grant listings on the following pages) with grants of up to $10,000. We have already seen solid results from many grantees, including the amazing success of the Willamette Valley Law Project/PCUN in organizing for higher wages for farmworkers during the strawberry harvest: they estimate that their efforts have produced $1 million in increased wages for farmworkers. Throughout the state, MRG grantees are organizing for the rights of working and poor people, building coalitions between environmentalists and rural residents, and educating and organizing the broader community to counter the right-wing onslaught against immigrants, gays and lesbians, and the poor. As we watch the 104th Congress seek to further marginalize low-income people, pave the way for turning the environment into a corporate candy store, and institute intolerant cultural policies, we can take heart that there are thousands of people in Oregon alone who are actively engaged in building communities that hold economic justice, human rights, and environmental sustainability as core values.

While it is always important for organizations to operate as effectively as possible, current circumstances demand that we redouble our efforts to build the progressive movement. As public funds are transferred en masse from programs that help those most in need to kickbacks and subsidies for those with the greatest greed, foundations such as MRG are called upon to provide greater resources. One way we seek to do this is to reach out to new supporters and build a larger base of financial support for our grantmaking programs. In this spirit, we encourage members of our community to spread the word about MRG to friends, colleagues, and family.

Another way that we have sought to increase our effectiveness is through re-visioning the way we work internally in order to operate more effectively with less. This past year, the MRG board engaged in an extensive strategic planning process that has resulted in a reconfiguration of our staff structure (which will save a significant amount of money), and a recommendation to explore consolidation of our two offices into one office within the next two to three years. At the same time, we have been exploring ways to increase our outreach in a meaningful way beyond the Portland - Eugene corridor. These are big changes, and positive ones. The reconfiguration of our staff came at a time when two existing staff members were planning to move on to other endeavors, resulting in a smooth transition that provides MRG with a highly competent, dedicated staff team. The recommendation to consolidate our offices and increase our statewide outreach has resulted in the creation of a transition task force whose mandate is to work with MRG’s constituent communities to develop a realistic and cost-effective plan that meets the many needs of grantees, donors, and volunteers. The proposed consolidation will occur only after the development of a transition plan which adequately addresses the concerns of our community.

As we look back on this year, we wish to thank the many people who made so much success possible. We look forward to continuing our work together in the coming year.

Brigette Sarabi & Linda Reymers, Co-Directors

Photo this page—Friends of Opal Creek
AMERICAN INDIAN ASSOCIATION OF PORTLAND. $4,000
For: Publication of the Portland Indian News, which educates the non-Indian community while providing urban Native Americans with information on a range of critical issues; it is also a vehicle for internal communications between the Native community and the 14 Indian organizations comprising AIAP’s Board.

BROTHER TO BROTHER, PORTLAND. $4,000
For: General support for Black Gay and Bi-sexual men’s organization challenging the radical right, working on HIV/AIDS issues, and educating the lesbian and gay community about racism and the African-American community about homophobia.

CENTRO CULTURAL OF WASHINGTON COUNTY, CORNELIUS. $4,000
For: Identifying and training migrant leaders who will educate migrant workers about their rights and then organize to change conditions of isolation, sub-standard housing, dangerous working conditions, and unjust wages.

CHICANO CULTURE CLUB, SALEM. $2,000
For: Ongoing work for Latino inmate group at the Oregon State prison with an emphasis on the Los Hermanos Program. This project brings Latino youth at risk of involvement with drugs, violence, and gangs to the prison for intervention and education.

CLERGY AND LAITY CONCERNED OF LANE COUNTY, EUGENE. $8,000
For: General support for a leading southern Willamette Valley social justice organization. Programs include: Youth for Justice, for developing youth activism; Communities Against Hate, for organizing against the far right; Economic Justice, for addressing homelessness, job fairness and economic inequities; and Anti-Bigotry Organizing, for improving resources for rural organizations responding to bigotry.

COOS COUNTY COALITION FOR HUMAN RIGHTS, COOS BAY. $3,000
For: General support for group formed to challenge the religious right’s attempts to curtail the civil rights of lesbians and gay men. Their efforts include initiating a Coos County Human Rights Commission, addressing the rise of the militia movement in their region, challenging AIDS-phobia, and promoting a Teaching Tolerance program in area schools.

FARMWORKER HOUSING DEVELOPMENT CORPORATION, WOODBURN. $10,000
For: Development of a model farmworker resident association at Nuevo Amanecer, FHDC’s first housing project. The association will empower residents to participate in the economic system, which has historically excluded farmworkers.

FRIENDS OF OPAL CREEK, LYONS. $3,000
For: Educational and outreach efforts to build local community support for the protection of Opal Creek, which has been the symbolic epicenter of the old growth debate. They will be developing a model rural partnership between often estranged environmentalists and rural communities.

HISPANOS UNIDOS, LAKEVIEW. $3,000
For: General support for first grassroots group in Lake County organized to address issues affecting the Latino population. This group has organized against police brutality, advocated for its constituency with social service agencies, and sponsored cultural events to unite the Latino community and improve its visibility.

**Brother to Brother educates the gay community about racism and the African-American community about homophobia. Photo/Brother to Brother.**

**The Homeless Action Coalition advocates for shelters, affordable housing, and humane treatment of homeless people. Photo/Homeless Action Coalition.**
GRANTEES

HOMELESS ACTION COALITION, EUGENE. $2,000
For: General support for work that includes providing a clearinghouse for information on homeless issues, monitoring and challenging harassment of homeless people, and addressing the causes of homelessness by advocating for shelters and affordable housing. HAC is a grassroots coalition taking direction from low-income and homeless people.

LAKOTA OYATE KI CULTURE CLUB, SALEM. $2,000
For: Publication by a group at the Oregon State Prison that focuses on preserving the cultural integrity and religious freedom of incarcerated Native Americans.

LESBIANS, GAYS AND OTHERS IN COMMUNITY SERVICE, EUGENE. $2,000
For: General support for group addressing homophobia by mobilizing their membership to perform service projects for a wide range of organizations, including those targeted by the religious right.

HOTEL WORKERS ORGANIZING COMMITTEE, PORTLAND. $8,000
For: 1. Community education project to achieve justice for their constituency (primarily women and people of color) of which 50% earn less than $9,000 a year. 2. Follow-up to the first conference of Northwest multicultural environmental, human rights, and economic justice organizations—the goal of which was to establish an ongoing network. 3. Organizing a Rapid Information Network among their constituency.

LOVE MAKES A FAMILY, PORTLAND. $3,000
For: General support for group addressing exclusion from "the family" as one of the primary mechanisms of homophobia. Their program includes: The Parent Teacher Action Project, Family Empowerment Services, a weekly talk radio show, and a speaker training project.

HOUSING OUR FAMILIES, PORTLAND. $3,800
For: Seed funding for a Women's Leadership Program for traditionally marginalized low-income women who provide informal leadership in their communities. These leaders will become skilled in collectively defining and advocating for community needs.

KA LAHUI HAWAII, PORTLAND. $5,000
For: Education and outreach by Oregon-based Native Hawai‘ian group concerning Hawai‘ian self-governance, cultural integrity, and control of trust lands. Their work is helping to de-colonialize Hawai‘ians, one-third of whom have been driven from their homeland by the economics of tourism.

LAZARUS ART SOCIETY, PORTLAND. $3,500
For: Inter-generational arts program based in communities of color in North/ Northeast Portland that focuses on developing the strengths of the community and celebrating its diversity through cooperative endeavors. The program provides a safe zone for children after school and encourages positive problem-solving abilities.

LESBIAN COMMUNITY PROJECT, PORTLAND. $3,500
For: General support for this group addressing the potential consequences of being "out-and-open": child custody, housing, employment and medical service discrimination, homophobic violence, and the far right's holy war on homosexuals. LCP promotes the well-being of the lesbian community through a grassroots multi-issue, multicultural perspective.

NATIVE AMERICAN ELDER CARE, CHILOQUIN. $5,000
For: Seed funding for program that facilitates interaction between youth and elders to insure cultural survival, while providing community rather than institutional care of elders. Founded on the Native American Wellness Model, this program is part of a movement toward true self-determination and economic self-sufficiency.

NETWORK FOR IMMIGRANT JUSTICE, EUGENE. $2,000
For: Seed funding for this broad-based organization consisting of 28 grassroots member groups in the South Willamette Valley challenging the burgeoning racist anti-immigration movement in Oregon. Members of this Latino/a-led network include racial justice, lesbian and gay union, business and international solidarity groups.
GRANTEES

NORTHWEST RADIATION HEALTH ALLIANCE, PORTLAND. $2,800
For: Health survey of Oregon downwinders, whose lives and health have been jeopardized by the Hanford Nuclear Reservation’s deliberate, routine radioactive contamination. Survey results will be used to challenge official military and industrial denial and educate health care providers.

OREGON NATURAL DESERT ASSOCIATION, BEND. $4,000
For: Strengthening collaboration between environmental activists and Native Americans in their mutual efforts to restore and protect salmon habitat on the ceded lands of the Warm Springs tribes. Activities include a Native People’s Speakers Bureau that focuses on the cultural significance of salmon, the causes of salmon decline, solutions to restore salmon habitat, and strategies for broadening public activism.

PROYECTO, INDEPENDENCE. $10,000
For: Support for Latino organization whose projects include: 1. Pro-Mecha, focusing on youth issues; 2. community advocacy, including translation, legal issues, housing, employment and discrimination; and 3. anti-immigration movement challenges, with emphasis on a conference that will develop strategies and an alliance for ongoing organizing efforts.

NORTHWEST ALLIANCE FOR ALTERNATIVE MEDIA AND EDUCATION, PORTLAND. $4,000
For: General support for production of the nationally-recognized Portland Alliance, a progressive newspaper promoting activism by its readership.

OREGON HUMAN RIGHTS COALITION, PORTLAND. $5,000
For: Expansion of this low-income organizing group into seven counties and a public education project on the punitive nature of the state’s Jobs Plus program.

OREGON NARAL/EUGENE TEAM, EUGENE. $3,000
For: General support for educating, organizing and training efforts on reproductive rights issues. A primary focus is countering the religious right’s attempt to place further barriers in the way of already under-served women in rural communities.

OREGON TRADESWOMEN NETWORK, PORTLAND. $3,000
For: Volunteer coordinator position whose work includes coordinating a school speakers program, matching mentors with novice tradeswomen, and developing a volunteer data base. OTN addresses discrimination and harassment of tradeswomen through mobilization, representation, recruitment, and support.

PORTLAND JOBS WITH JUSTICE, PORTLAND. $4,000
For: Support for: 1. the Livable Portland Project (promoting corporate accountability standards, criteria for granting public subsidies to corporations, and fair wages and benefits in new and existing jobs); 2. the Workers Rights Board (to respond to abuses and promote labor rights criteria); and 3. seed funding for a Salem Jobs with Justice group.

Photo/Oregon Tradeswomen Network.

Photo/Theater Adelante/Teatro Nuestro worked with Latino youth on a play addressing the complex issues raised by the anti-immigration movement.
**GRANTEES**

**RURAL ORGANIZING PROJECT, SCAFFOOSE. $5,000**
For: General support for group providing technical assistance, peer support, and networking resources to 52 human dignity groups challenging bigotry in rural Oregon. With ROP assistance, local groups are monitoring and providing education on issues including hate crimes, white supremacist activity, the Wise Use (anti-environment) movement, censorship, and tax limitation efforts.

**ROGUE VALLEY FAIR SHARE, MEDFORD. $4,000**
For: General support for expansion of their outreach campaign to mobilize Southern Oregonians on issues including health care reform, economic development for marginalized people, low-income housing, and promotion of diversity.

**SACRED EARTH COALITION, PORTLAND. $5,000**
For: General support for group comprised of Native American and non-native environmentalists working to protect traditional fishing rights and sacred lands. A special focus will be on an “Endangered Species Era” project that connects indigenous communities, environmentalists, and the public in public education efforts to protect our remaining natural ecology and the integrity of the Endangered Species Act.

**SOJOURNER TRUTH THEATER COMPANY, PORTLAND. $4,000**
For: Performances of “African-American Culture 101” in schools and other venues beyond the Portland area; their folk art dispels racist stereotypes and celebrates the historical contributions of African-Americans.

**THEÁTRE ADELANTE/TEATRO NUESTRO, EUGENE. $6,500**
For: Working with Latino youth as actors in the bi-lingual play “For A Better World”, which addresses the complex issues raised by the anti-immigration movement — from how health services might be impacted to the divisions among Latinos around this issue. The performances will be directed toward the Latino community and will be in conjunction with local activist groups’ organizing efforts.

**TOUCH THE EARTH, KEIZER. $3,500**
For: Seed funding for group organizing Native American youth through a summer program emphasizing environmental and cultural survival issues. Participants will be involved in developing follow-up projects with adult mentors and other youth in their own communities and will be connected through a five-county Native American youth leadership network.

**TYGH OF TLXNI CULTURAL CONSERVANCY, PORTLAND. $5,000**
For: General support for group focused on: 1. Providing historical and cultural documentation of the last matrilineral fishing society in Oregon to promote the survival of this living heritage; 2. Preserving the Tygh sacred homeland; and 3. Working in coalition with other environmental organizations in conserving the high plateau environment at Tlxni.

**UMPQUA WATERSHEDS, ROSEBURG. $6,760**
For: General support for group addressing sustainable economics as they confront degradation of forest ecosystems in the Umpqua River Basin. Environmental rollbacks have caused this group to re-emerge after being driven underground by threats from quasi-militia members.

*Left: The Media Project’s Gay Lives and Culture Wars counters the onslaught of the homophobic right through public education.*
*Photo/Media Project.*
VERNON NEIGHBORHOOD ACTION GROUP, PORTLAND. $4,750
For: A collaborative effort with a neighboring community development corporation that will create home-ownership opportunities for low-income people who are left out of the loop of traditional lending institutions. This project will stabilize and maintain diversity within the North/Northeast Portland area.

WILLAMETTE VALLEY LAW PROJECT, WOODBURN. $6,750
For: Support for the Tenth Anniversary Organizing Campaign of PCUN (a highly effective Latino labor rights organization). The campaign, whose scope and intensity is unprecedented in Oregon, will focus attention on the lack of significant, systematic improvement in farm labor conditions over the past decade.

WOMEN IN ANTI-VIOLENCE EDUCATION, EUGENE. $640
For: Public education empowering women to make informed decisions in contending with violence. A special focus is on younger girls and boys because of their vulnerability to gender role pressure and stereotyping.

WOMEN'S COMMUNITY EDUCATION PROJECT, PORTLAND. $4,000
For: General support for WCEP's organizing and educational activities, with an emphasis on two programs: Class Oppression, Identity and Politics; and Economics for Women Organizers. These programs will be planned in conjunction with working class women activists to benefit their work in a range of economic justice organizations.

WOMENSPACE, EUGENE. $3,500
For: Collaborating with other social justice organizations to form the Women's Training and Leadership Collective for women in three rural communities. The goal of the project is to develop and implement local projects that challenge sexism and economic oppression in areas where isolation puts women at greater risk.

The Northwest Radiation Health Alliance is using their internationally recognized health survey to challenge the military-industrial denial of the Hanford Nuclear Reservation's routine radioactive contamination. Photo/Northwest Radiation Health Alliance.

The Earth's summer program initiates a five-county Native American youth leadership network. Photo/Touch the earth.

Oregon NARAL's Eugene Team's efforts include countering the religious right's efforts to place barriers to reproductive rights in the way of already underserved rural women. Photo/Oregon NARAL-Eugene Team.

MRG has several programs that contribute toward the awards made to our regular funding cycle grantees. These groups receive their designations following their selection as funding cycle grantees by the MRG grantmaking committee. They are supported by contributions to the MRG general fund for the purposes described below.

ANTI-BIGOTRY FUND
A seed gift from the former No on 9 Campaign was given to MRG to begin an Anti-Bigotry Fund that would serve as a resource to continue the work of countering all forms of prejudice in Oregon; the money raised by MRG for this effort supplements our long-standing grantmaking for human rights by providing additional funding at this critical time in our state. While the groups below are the designated recipients for Anti-Bigotry Fund grants, many other organizations actively engaged in anti-bigotry work received funding through MRG's general fund this year. The 1994/95 Anti-Bigotry Fund grantees are:

BROTHER TO BROTHER
CLERGY & LAY CONCERNED OF LANE COUNTY
COOS COUNTY COALITION FOR HUMAN RIGHTS
NETWORK FOR IMMIGRANT JUSTICE PROYECTO
RURAL ORGANIZING PROJECT
SOCIOJOURNER TRUTH THEATER

MICHAEL SMITH MEMORIAL GRANT
This special fund was established to support MRG grantees that reflect the social change issues that were of special concern to longtime MRG supporter Michael Smith. The following grantees were chosen to commemorate Michael's commitment to building a peaceful and just society:

HOUSING OUR FAMILIES
MRG GRANTMAKING PROGRAMS

In addition to the general fund grants described in the preceding pages, MRG has several other grantmaking programs available to assist progressive organizations. To be eligible for any of these funding options, groups must:

1. educate and organize for progressive social change
2. be based in Oregon
3. be committed to diversity
4. have little access to traditional funding sources.

Complete information on these programs can be obtained by contacting the Eugene MRG office.

TRAVEL GRANTS

Through a program supported in part by the Ralph L. Smith Foundation, MRG provides grants that enable non-profit Oregon groups to send representatives to conferences that further organizing work or provide training in organizational development. Travel grants of up to $250 were awarded to:

- Bradley-Angle House
- Cascade AIDS Project
- Committee in Solidarity with the Central American People
- Community Advocates
- Eugene-Springfield Solidarity Network Foundation
- Housing Our Families
- KBOO-FM
- Northwest Veterans for Peace
- Oregon Housing Now Coalition
- Oregon Human Rights Coalition
- Peace Development Fund
- People Overseeing Police Study Group
- Pineros y Campesinos Unidos del Noroeste
- Plaza Neighbors Association
- Portland Central America Solidarity Committee
- Rogue Valley Development Corporation
- Rural Organizing Project
- Two Spirit Nation
- Western States Center

CRITICAL RESPONSE FUND

MRG’s Critical Response Fund was established to make a limited number of grants available between our regular funding cycles for projects addressing unforeseen social change organizing opportunities. Groups receiving Critical Response grants of up to $500 were:

- Beyond the Closet, Bend, for a tour of 24 Oregon communities by reformed Aryan Nations leader Floyd Cochran in response to an increase in Aryan Nations activity in Southern Oregon.

- Jefferson Center, Wolf Creek, for a bi-lingual conference of forestry workers who met to avoid being played off against each other by federal agencies and private contractors which would result in declining wages, unsafe/illegal working conditions, and intensification of racially-based tensions.

- The Media Project, Portland, for distribution of their public education videotape, Gay Lives and Culture Wars, to galvanize people during heightened Oregon Citizens Alliance activity.

- Network for Immigrant Justice, Eugene, for education and organizing efforts at Eugene’s "Fiesta Latina", in the wake of the right wing’s burgeoning campaign of discrimination against immigrants.

- Peace, Portland, for the Oregon portion of the Big Mountain Native American speakers tour to galvanize support for environmental justice issues that are to be deliberated at the national level.

- Pride Day Steering Committee, Eugene, for annual event promoting the networking, community building, and visibility necessary to protect lesbian and gay civil rights from right wing attacks; the steering committee was organized when the original sponsoring agency was unable to continue its planning role.

- Project Recover, Eugene, for organizing to develop a "car camp" model operated for and by homeless people before the existing facility is dismantled.

- Stop the Sub-Minimum Wage Campaign, Portland, for educating and organizing workers dependent on tips plus minimum wage whose livelihoods are threatened by the Oregon Restaurant Association's advocacy of "tip credit", which would reduce the wages of tipped workers.

- Network for Immigrant Justice, Eugene, for new group pursuing the major organizing opportunity presented by Eugene’s Fiesta Latina at a time when the right wing has begun its campaign of discrimination against immigrants.
MRG GRANTMAKING PROGRAMS

Bi eras y Campesinos Unidos del Noroeste, Woodburn.

LILLA JEWEL FUND FOR WOMEN ARTISTS

This fund was established with MRG by a donor for the purpose of supporting MRG's funding of projects for lesbians and other women through our regular grantmaking, and through annual awards to Oregon women artists. This year's awards were given in the categories of film/video and performance art. The award was given jointly to:

PAT BAUM, filmmaker

ZOIA SMITH, performance artist

DONOR-ADVISED GRANTS

The following grantees were nominated by MRG donors as a way of supporting specific social change organizations, while making use of MRG's administrative services and the option of anonymity in their giving:

- ACLU FOUNDATION OF OREGON
- ALLIANCE FOR THE WILD ROCKIES
- BICYCLE TRANSPORTATION ALLIANCE
- BIODIVERSITY LEGAL FOUNDATION
- CENTER FOR APPROPRIATE TRANSPORTATION
- CLERGY AND LAITY CONCERNED OF LANE COUNTY
- COMMITTEE IN SOLIDARITY WITH THE CENTRAL AMERICAN PEOPLE
- COMMITTEE IN SOLIDARITY WITH THE PEOPLE OF EL SALVADOR EDUCATION FUND
- ECOLOGY CENTER
- ENVIRONMENTAL PROTECTION INFORMATION CENTER
- EUGENE-SPRINGFIELD SOLIDARITY NETWORK
- FOUNDATION FOR GLOBAL SUSTAINABILITY
- FRIENDS OF EL PUEBLO ADELANTE
- FRIENDS OF EUGENE
- FRIENDS OF O PAL CREEK
- GREATER GILA BIODIVERSITY PROJECT HEADWATERS
- HOMELESS ACTION COALITION
- HUMAN RIGHTS WATCH
- INFANT
- KLAMATH COUNTY COALITION FOR HUMAN DIGNITY
- LIBRARY FOUNDATION OF SAN FRANCISCO
- MEDIA PROJECT
- MEDICAL AID FOR EL SALVADOR
- NATIVE AMERICAN WOMEN'S RESEARCH & EDUCATION PROGRAM
- NORTHWEST COALITION FOR ALTERNATIVES TO PESTICIDES
- NORTHWEST VETERANS FOR PEACE
- OREGON NATURAL RESOURCES COUNCIL
- PACIFIC RIVERS COUNCIL
- PEACE DEVELOPMENT FUND
- PINEROS Y CAMPESINOS UNIDOS DEL NOROESTE
- POCO/HEALTH WORKERS ORGANIZING COMMITTEE
- PORTLAND CENTRAL AMERICA SOLIDARITY COMMITTEE
- PORTLAND-CORINTO SISTER CITY ASSOCIATION
- PORTLAND TABO
- PORTLAND WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM
- PRIDE COMMITTEE '95
- PROJECT DOWN PAYMENT
- PROJECT REACH
- RURAL ORGANIZING COUNCIL
- SACRED EARTH COALITION
- SAVE THE WEST
- SISKIYOU REGIONAL EDUCATION PROJECT
- SISTERS OF THE ROAD SUPPORT COALITION
- NORTHWEST WILDLIFE FOREST REVIEW
- WOMEN'S COMMUNITY EDUCATION FUND

Project Recover volunteers test water for homeless campers. Photo/Project Recover.
The Funding Criteria

MRG funds organizations that educate and bring people together to work for progressive social change. We support groups challenging the vast social, economic, and political inequities around us. Funding is directed toward creating a peaceful, just, and environmentally sound society.

MRG considers proposals for funding from groups that:

- work for progressive social change;
- are located in Oregon;
- are committed to diversity; and
- have little access to traditional funding sources, e.g., United Way, government, and mainstream foundation grants.

The Funding Process

MRG’s funding process is designed to involve applicants and grantmakers in constructive dialogue, and to assist novice grantseekers in learning about foundations.

Our fall and spring funding cycles each involve four months of evaluation activities. Organizations interested in submitting a funding cycle proposal begin by contacting MRG’s Eugene office to receive an application packet; only proposals submitted by completing MRG’s application form can be considered.

MRG’s grantmaking committee consists of activists with expertise in the issues funded. After evaluating all of the submitted applications, committee members interview each finalist to learn more about their project and to assist them in participating effectively in MRG’s process.

Services to Grantees

MRG’s support for Oregon’s progressive social change organizations extends beyond our primary mission of providing grants through the funding cycle process. MRG’s services to grantees include:

Supplementary MRG Grant Programs

In addition to our spring and fall funding cycles, MRG has several other grantmaking programs that can be applied to: Critical Response Grants, Travel Grants, and the Lilla Jewel Award. Donor-advised grants are provided by MRG supporters who would like to nominate specific social change groups as grantees. (These programs are described in more detail in the grants section of this report.)

Technical Assistance

In addition to helping groups new to foundations with our grantmaking process, MRG assists grantees in identifying resources that can assist them with fundraising and other organizational development issues.

Leveraging Grants

MRG provides references for grantees in their proposals to other foundations and advocates on behalf of Oregon social change groups in contacts with foundation representatives.
MRG is a member of the Funding Exchange (FEX), a network of regionally-based social change foundations throughout the United States, with a national office in New York City.

All FEX members share a commitment to funding grassroots groups addressing fundamental, progressive social change. Like MRG, member funds receive contributions from a broad spectrum of donors, and involve community activists as the primary decision-makers.

The Funding Exchange provides resources, networking opportunities and skills development to member funds. In addition, FEX provides services to national donors including publications, conferences, and technical assistance on issues in philanthropy.

In 1992, the Funding Exchange completed an endowment campaign that raised $10 million to help support and stabilize the FEX member funds. This incredible accomplishment provides an important financial resource for progressive activism in the U.S. for generations to come. As a member of the Funding Exchange, MRG receives a share of the income from the FEX Endowment. During the past year, MRG received $33,000 from the endowment.

To complement the regional grantmaking of member funds, the FEX national office has three grantmaking programs:

The Saguaro Fund supports progressive community empowerment and organizing efforts, with a priority of funding projects led by and based in communities of color throughout the U.S. and Puerto Rico. Currently, the Saguaro Fund has a particular funding emphasis on youth. Oregon-based organizations which have received funding from the Saguaro Fund include Pinoseros Campesinos Unidos del Noroeste (PCUN) and the Sacred Earth Coalition.

The Paul Robeson Fund for Independent Media supports independent social issue film, video and radio productions that address critical social issues, reach a wide audience, and combine intellectual clarity with creative use of the media. Oregon-based projects receiving grants from the Robeson Fund include the Media Project and Flying Focus Video Collective.

The OUT Fund for Lesbian and Gay Liberation supports progressive or radical organizing projects working against the twin oppressions of heterosexism and homophobia. Oregon-based projects receiving grants from the OUT Fund include the Lesbian Community Project and the Coalition for Human Dignity.

In 1994, the Funding Exchange network undertook the Allies For Justice Initiative, which will provide additional funding and education for grassroots organizers countering the right-wing onslaught in the U.S.

For more information about national grantmaking programs, write the Funding Exchange at 666 Broadway, Suite 500, New York, NY 10012, or call them at (212) 529-5300.

FEX MEMBER FUNDS

APPALACHIAN COMMUNITY FUND / WEST VIRGINIA AND THE APPALACHIAN COUNTIES OF VIRGINIA, KENTUCKY AND TENNESSEE.

BREAD AND ROSES COMMUNITY FUND / PHILADELPHIA

CHINOOK FUND / COLORADO

CROSSROADS FUND / CHICAGO

FUND FOR SOUTHERN COMMUNITIES / GEORGIA AND THE CAROLINAS

HAWAII PEOPLE'S FUND / HAWAII (AFFILIATE MEMBER)

HAYMARKET PEOPLE’S FUND / NEW ENGLAND

HEADWATERS FUND / MINNEAPOLIS-ST. PAUL

LIBERTY HILL FOUNDATION / LOS ANGELES AND SAN DIEGO

MCKENZIE RIVER GATHERING FOUNDATION / OREGON

NORTH STAR FUND / NEW YORK CITY

VANGUARD PUBLIC FOUNDATION / SAN FRANCISCO

WISCONSIN COMMUNITY FUND / WISCONSIN

The Sojourner Truth Theater celebrates the historical contributions of African-Americans. Photo/Sojourner Truth Theater.
MRG DONORS

DONOR INFORMATION

The success of grassroots organizing efforts in Oregon is largely dependent on local support. Hundreds of Oregonians use the McKenzie River Gathering Foundation (MRG) as their vehicle for providing this support. MRG unites individual visions of what is possible with the work and organizations bringing those visions into reality.

When you give to MRG, your gift joins with many others to create a significant financial resource that will foster progressive organizing throughout the entire state. MRG donors support the work of the foundation, and the organizations it funds, with annual gifts ranging from $5 to $25,000. Each gift is important and helps to build a lasting movement for positive and fundamental social change.

People give to MRG's general fund for many good reasons. It is an opportunity to provide seed money to emerging groups and issues. MRG's activist grant-making committee provides a pool of informed, decision-making expertise second to none. MRG's staff monitors all funded projects, donors may maintain total anonymity, and donors are able to support many important projects with one gift.

In the past year, the foundation distributed roughly $300,000 in grants. We deeply appreciate the support of our donors that made these grants possible. If you are interested in learning more about MRG and supporting progressive social change in Oregon, please contact our Portland office.

CISCAP WORK-A-THON

The Committee in Solidarity with the Central American People (CISCAP) at a work-a-thon activity at the Feminist Women's Health Center, representing CISCAP's linkage of international and domestic issues. Photo/Media Project.

DONOR SERVICES

MRG offers a range of resources and services to help meet particular needs of our donors.

Donor-Advised Giving

Donor-Advised giving is a way for MRG donors to nominate grantees or designate a particular field of interest to be the final recipient of their gift. As in any MRG grant, donor anonymity is assured and grants are monitored. MRG staff are available to provide donors with background information on specific organizations or interest areas.

Donor Pools

MRG donors can set up special accounts with the foundation known as "donor pools." These accounts are advantageous to the donor who wants to make a large charitable contribution before they have decided on the interest area or specific organizations they wish to support. Many people choose to establish donor pools in a year when they sell appreciated stocks or real estate that result in significant capital gains. Additional gifts can be added at any time. A donor can transfer gifts from a donor pool to MRG's general fund, and/or nominate fields of interest or other charitable organizations to be the recipients of grants.

Socially Responsible Investing Seminars

MRG's SRI seminars draw upon the expertise of leaders in the field to explore practical and profitable means of investing individual assets without compromising social and environmental values.

Inherited Wealth Conferences

These conferences offer a safe place for progressive women and men with wealth to come together and explore personal, technical and political issues specific to their situation.

Financial and Estate Planning Workshops

MRG brings in financial and estate planning professionals to teach donors from all income levels about long-term financial planning options and strategies for meeting individual needs and objectives.

Donor/Activist Briefings

MRG offers occasional briefings on critical social change issues for the donors and activists of our community. Each briefing concentrates on a specific issue, and includes presentations by, and discussion with, leading activists in the issue of concern.

Planned Giving

MRG staff and advisors are available to assist in identifying and developing long-term vehicles to perpetuate the progressive, charitable goals of individual donors throughout their lifetime and beyond. For specific information about the planned giving program, donors should contact MRG's Portland office.

Lakota Oyate Ki's publication at the Oregon State Prison assists efforts to protect the religious freedom of incarcerated Native Americans. Photo/Lakota Oyate Ki.
WAYS TO CONTRIBUTE TO MRG

MRG’s donors come in all shapes and sizes, and from all walks of life. But they share one thing in common — a commitment to giving and helping to create a more peaceful, just and environmentally sound society.

Whether your financial situation allows you to give $25, $250, or $25,000, you are an important partner in MRG’s efforts to create social transformation. If you’re already a donor, thank you! If you’d like to begin participating in MRG by becoming a donor, here are some of your options:

- Write a check today.
- Make a monthly, quarterly or annual pledge.
- Donate appreciated stock or real property and avoid capital gains taxes, while receiving a tax deduction.
- Write MRG into your will, or talk to family members about planning a bequest to MRG in your name.
- Contact MRG about establishing a charitable trust.
- Make MRG a beneficiary of your insurance policy.
- Establish a designated fund (donor pool) to fit your philanthropic purposes and MRG’s tax-exempt program.
- Honor a special person or celebrate a birthday or wedding by giving a gift in their name.
- Volunteer time, or other goods or services.
- All contributions are tax-deductible to the maximum extent allowed by law. MRG is a non-profit, 501(c)(3) public foundation. Our tax ID Number is 93-0691187.

When appropriate, we suggest verifying details of specific arrangements with your accountant or lawyer as we do at MRG. MRG staff and development committee members are always available for consulting as you plan your giving.

MRG’S ENDOWMENT: $1,000,000 AND GROWING

October, 1993 saw the beginning of MRG’s Endowment Campaign. Our goal was to raise $1 million by December, 1995. We are pleased to report that, because of the tremendous response of MRG’s donors, we succeeded in reaching our goal early — by June, 1995. Over 60 households have contributed $1,000,000 in gifts and pledges to the endowment. To everyone who participated in this remarkable effort, we say THANK YOU!

MRG’s official endowment campaign is over, but the endowment continues to grow. Following completion of the campaign to raise $1 million, a $50,000 gift was made to help us on our way to raising $2 million. MRG welcomes additional gifts to the endowment both from those who have not yet given, and those whose circumstances permit additional gifts. We would also like to encourage MRG supporters to consider the endowment when making estate planning decisions.

MRG is a fundraising foundation, and we will continue to raise funds each year for our grants to organizations throughout the state. Why did MRG raise funds for an endowment? Because working for social change is inherently risky. Groups are born, grow, flourish, or die in direct relation to their financial management and fundraising skills. The McKenzie River Gathering Foundation has successfully navigated these waters for nineteen years. An endowment was the next logical step for a community foundation that has always taken its responsibilities to donors and applicants seriously. The income from MRG’s endowment will make sure that our kind of progressive philanthropy continues in Oregon in our lifetime, and in our children’s lifetime.

Endowment income will be used for program and operating costs, making more of the money raised annually available for grants, and raising MRG’s grantmaking ability significantly. Income from MRG’s endowment contributed over $20,000 to our general fund during the past year, and that amount of annual support will greatly increase in the next few years as pledges are fulfilled.
BOARD OF DIRECTORS

Geo.-Ann Baker is a Native American activist. She was the director of the University of Oregon Native American Student Union and has helped organize national conferences on issues affecting Native Americans. Geo.-Ann has served as a cultural resource person for multicultural camps and in school settings.

Teresa Enrico is program coordinator for the Hotel Workers Organizing Committee. She is an anti-bigotry activist and trainer on eliminating racism, sexism and homophobia. Teresa is vice-chair of the MRG Board.

Jan Fenton works with Technical Assistance for Community Services, providing bookkeeping and related support for non-profit groups. She has been active in the Laughing Horse Books Collective and the Portland Central America Solidarity Committee.

Cecil Prescod is a pastor and anti-bigotry activist affiliated with such organizations as Fellowship of Reconciliation, the Coalition for Human Dignity, and People of Faith Against Bigotry. He has been an organizer on human rights and militarism issues in the Caribbean and a tour leader for the African National Congress Youth League in Oregon.

Foncy Prescott is a staff person with the Committee in Solidarity with the Central American People. She is active in anti-intervention work on local and national levels and has been involved in pesticide reform and social justice organizations.

Carmen Rodriguez is a social change activist/artist and health information specialist. She has been active in farmworker justice, environmental, progressive media and human rights issues.

Anne Sweet is a trainer on diversity issues and a labor activist. She has been active with Oregon Alliance for Progressive Policy and the Hotel Workers Organizing Committee.

Kelley Weigel is network field coordinator for the Rural Organizing Project and has served as an anti-bigotry organizer for Clergy and Laity Concerned of Western Oregon. She has been involved in peace, nuclear disarmament, and environmental issues. Kelley serves as co-chair of MRG's Grantmaking Committee.

Marcy Westerling is director/organizer for the Rural Organizing Project which links and develops over 30 human dignity groups across the state. She has been active in anti-bigotry, domestic violence, and disabilities issues.

Cliff Jones is a senior associate with Technical Assistance for Community Services. He has been involved in low-income, AIDS/HIV, gay and lesbian, African-American, anti-racism, and labor issues. Cliff is the MRG representative serving on the Funding Exchange Board of Directors.

Scot Nakagawa is the Fight the Right organizing director with the National Gay and Lesbian Task Force. He has been involved in Native Hawaiian, anti-hate group, AIDS/HIV, progressive media, youth, and low-income issues.

Guadalupe Quinn is an advocate for at-risk Latino youth. She has been active in many social justice organizations including the Eugene Human Rights Commission, Clergy and Laity Concerned, Communities Against Hate and the Latino Coalition.

Tarso Ramos is the lead researcher for the Western States Center's Wise Use Public Exposure Project. He has been active in progressive media, anti-apartheid work, and efforts countering the far right. Tarso is MRG's Board chair and co-chair of the Grantmaking Committee.
GRANTMAKING COMMITTEE

Dianne Alves is Community Relations and Education Director for All Women’s Health Services. She has been active in environmental and reproductive rights issues.

Geo.-Ann Baker (see Board of Directors).

Nicole Cuadra is a labor organizer with the Oregon Public Employees Union and an activist with the Hotel Workers Organizing Committee. She has been involved in feminist, labor, racial justice, Central America solidarity; refugee rights, lesbian/gay liberation, women’s and youth issues.

Bridgette Jackson-Fabbulle is on the staff at Womenspace, a domestic violence agency. She is founder of the multicultural Martin Luther King, Jr. Theater and is active in the African-American Coalition and the NAACP.

Carol Matsuyoshi is a volunteer programmer at KBOO-FM with a radio show devoted to Asian/Pacific Islander issues. She has been active in Kalalau Hawai’i, ALANA for Peace and Justice and the Japanese American Citizens League.

Patricia McGuire is a law student and board chair for the Coalition for Human Dignity. She is active in regional and national organizations challenging the far right and has been involved in feminist and racial justice issues.

Juan Mendoza is a translator who also serves as an organizer for Willamette Valley Reforestation, assisting Hispanic tree-planting cooperatives. He has been active in Hispanic, peace, labor and progressive media work.

Adrian Murillo works with at-risk youth in Southern Oregon. He is involved in lesbian and gay, racial justice, and youth issues as a trainer and organizer.

Cecil Prescod (See Board of Directors).

Tarlo Ramos (see Board of Directors).

Veronica Sherman is the program director of Clergy and Laity Concerned’s Youth for Justice program. She has been active in human rights and childcare issues.

Lindy Walsh is on staff with a national river protection organization. She is a founder of the Lesbian Community Project and has been active in domestic violence, racial justice, consumer, environmental, and religious right issues.

Kelley Weigel (see Board of Directors).

DEVELOPMENT COMMITTEE

Rex Burkholler
Glenn Harris
Carsten Henningsen
Laurie McClain
Madeline Moore
Foncy Prescott
Linda Reymers
Brigette Sarabi

ENDOWMENT COMMITTEE

Leslie Brockelbank
Jack Gray
Carsten Henningsen
Madeline Moore
Scott Nakagawa
Linda Reymers
Deb Ross
Brigette Sarabi
Lou Savage
Doug Sherman
Marion Sweeney

STAFF

Eugene Office:
Linda Reymers, Co-Director
Laurel Weissman-Gore, Office Manager (through July, 1995)

Portland Office:
Brigette Sarabi, Co-Director
Glenn Harris, Outreach Coordinator (through April, 1995)
Leslie Griep, Office Manager (from June, 1995)
Madeline Moore, Development/Endowment Consultant

STAFF NOTE

This year has seen tremendous growth and change not only at the organizational level, but for individuals on staff. Several staff people made decisions early in the year to pursue personal goals unrelated to MRG. As MRG later developed its strategic plan, a decision was made to reconfigure the staff. As of fall, 1995, we will be moving from two full-time and two part-time staff to three full-time staff filling the positions of Executive Director, Grants Director and Office Manager. We have already welcomed Leslie Griep as our Portland-based Office Manager and will soon be announcing the name of the person filling our new Executive Director position, who will work out of the Portland office. Long-time staff member Linda Reymers will be taking on the newly-created Grants Director position out of MRG’s Eugene office. We will miss Glenn Harris’ effectiveness in his Outreach Coordinator position as he returns to school to finish qualifying for his teaching certificate. His leadership around grantmaking and outreach issues moved the organization forward in important ways, while his sharp intelligence and good humor made it a joy to work with him. MRG has said a fond farewell to Laurel Weissman-Gore, who left the part-time office manager position in Eugene when it increased to a full-time position in Portland. Laurel’s warmth, exceptional competence, and unfailing grace under pressure will be missed. Co-Director Brigette Sarabi will be leaving MRG in August, 1995, after four and a half years of dynamic leadership. MRG has benefited from Brigette’s vision and energy, and we appreciate her accomplishments, which include: a significant increase in MRG’s base of support, the successful coordination of the endowment drive, and many other institution-building projects. MRG’s growth and accomplishment over recent years owe much to the contributions of our departing staff people; we wish them every success.
McKenzie River Gathering Foundation - BALANCE SHEET - June 30, 1995

**ASSETS**

<table>
<thead>
<tr>
<th>CURRENT FUNDS</th>
<th>UNRESTRICTED FUNDS</th>
<th>RESTRICTED FUNDS</th>
<th>ENDOWMENT FUNDS</th>
<th>TOTAL ALL FUNDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>$284,610</td>
<td>$27,121</td>
<td>$106,045</td>
<td>$391,774</td>
</tr>
<tr>
<td>Investments, At Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West End Fund — Loans Receivable</td>
<td>15,000</td>
<td>177,650</td>
<td>710,602</td>
<td>888,252</td>
</tr>
<tr>
<td>Prepaid Expenses &amp; Deposits</td>
<td>722</td>
<td>722</td>
<td></td>
<td>722</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>264,332</td>
<td>204,771</td>
<td>816,645</td>
<td>1,285,748</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Equip. &amp; Furniture</td>
<td>36,714</td>
<td></td>
<td>36,714</td>
<td></td>
</tr>
<tr>
<td>Less Accum. Depreciation</td>
<td>(26,978)</td>
<td>(26,978)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Fixed Assets</td>
<td>10,736</td>
<td></td>
<td>10,736</td>
<td></td>
</tr>
<tr>
<td>Other Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West End Fund — Loans Receivable</td>
<td>19,400</td>
<td></td>
<td>19,400</td>
<td></td>
</tr>
<tr>
<td>Less Current Portion</td>
<td>(15,000)</td>
<td>(15,000)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-Term Portion</td>
<td>4,408</td>
<td></td>
<td>4,408</td>
<td></td>
</tr>
<tr>
<td>Loan Loss Reserve</td>
<td>(3,882)</td>
<td>(3,882)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Other Assets</td>
<td>526</td>
<td></td>
<td>526</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$275,544</td>
<td>$204,771</td>
<td>$816,645</td>
<td>$1,296,990</td>
</tr>
</tbody>
</table>

**LIABILITIES & FUND BALANCES**

| CURRENT LIABILITIES | | | | |
|---------------------|-----------------|-----------------|----------------|
| Accrued Expenses | $ 5,000 | $ 5,000 | $ 5,000 |
| Current Portion Lease Payable | 953 | 953 | |
| Accrued Vacation Pay | 1,160 | 1,160 | |
| Accrued Payroll Taxes | 584 | 584 | |
| Grants Payable | 4,000 | 4,000 | |
| Total Current Liabilities | 11,705 | 11,705 | |
| OTHER LIABILITIES | | | | |
| Long-term Portion of Lease | 1,400 | 1,400 | |
| **TOTAL LIABILITIES & FUND BALANCES** | $275,544 | $204,771 | $816,645 | $1,296,990 |

See accompanying notes to financial statements.

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**McKENZIE RIVER GATHERING FOUNDATION - NOTES TO FINANCIAL STATEMENTS - JUNE 30, 1995**

**Note 1 - Organization and Significant Accounting Policies**

(a) General: The accompanying financial statements of McKenzie River Gathering Foundation (MKG) have been prepared on an accrual basis of accounting and in conformity with the standards promulgated by the American Institute of Certified Public Accountants in its audit guide for voluntary health and welfare organizations. Contributions are recorded when received unless unsolicited and restricted. Restricted funds have been established to account for those resources available for use, but expendable only for the purpose specified by the donor.

(b) Organization: McKenzie River Gathering Foundation is an exempt organization for Federal income tax purposes under Section 501(c)(3) of the Internal Revenue Code and as a public benefit charity, qualified for charitable contributions under the Internal Revenue Code—Section 170.

(c) Fund Accounting: To ensure observance of certain covenants and restrictions placed on the use of resources, the accounts are maintained in accordance with the principles of fund accounting. Accordingly, resources for various purposes are classified and reported together in a manner that reflects the nature and purpose of such funds. Separate accounts are maintained for each fund, however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. The assets, liabilities and fund balances are reported in the following self-balancing fund groups:

- Current funds include unrestricted and restricted resources available for support operations.
- Endowment funds include amounts whereby the donor has stipulated that the principal remain intact, with only the income used for operations of MKG.

(d) Functional Expenses: MKG allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support services are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various rational bases.

**Note 2 - Investments**

Investment assets consist primarily of securities traded on the national stock exchanges. Securities are stated at cost or quoted market value of the securities at the date of donation.

**Note 3 - Donated Materials and Services**

MKG records the value of donated services or services when there is an objective basis to measure fair value. No amounts have been reflected in the statements for donated materials or donated services as no objective basis is available to measure the fair value of such materials and services. The Portland office space is rented below the going market rate. Estimated financial value is $2,700 for the year ended June 30, 1995.

**Note 4 - Financial Statement Presentation**

These financial statements have been prepared in accordance with generally accepted accounting principles and are subject to the periodic change in auditor's opinion.

**Note 5 - Inflation**

Inflationary factors may affect measures of financial performance and industry standards used by the Company. These factors have not been separately disclosed in the financial statements except where noted.
McKenzie River Gathering Foundation • STATEMENT OF FUNCTIONAL EXPENSES for the year ending June 30, 1995

Payroll

<table>
<thead>
<tr>
<th>MANAGEMENT &amp; GENERAL</th>
<th>FUNDRAISING</th>
<th>PROGRAM SERVICES</th>
<th>TOTAL FUNCTIONAL EXPENSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages</td>
<td>$38,034</td>
<td>$20,053</td>
<td>$29,644</td>
</tr>
<tr>
<td>Payroll Taxes</td>
<td>3,973</td>
<td>2,125</td>
<td>3,141</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>5,419</td>
<td>2,988</td>
<td>4,285</td>
</tr>
<tr>
<td>Total Payroll</td>
<td>47,426</td>
<td>25,054</td>
<td>37,070</td>
</tr>
</tbody>
</table>

Other

<table>
<thead>
<tr>
<th>Accounting &amp; Bookkeeping</th>
<th>8,565</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultant Fees</td>
<td>1,209</td>
</tr>
<tr>
<td>Copying &amp; Printing</td>
<td>1,208</td>
</tr>
<tr>
<td>Event Expense</td>
<td>2,282</td>
</tr>
<tr>
<td>Equipment Maintenance</td>
<td>641</td>
</tr>
<tr>
<td>Funding Exchange Theme</td>
<td>6,750</td>
</tr>
<tr>
<td>Interest</td>
<td>322</td>
</tr>
<tr>
<td>Insurance</td>
<td>350</td>
</tr>
<tr>
<td>Legal Fees</td>
<td>945</td>
</tr>
<tr>
<td>Meetings &amp; Transportation</td>
<td>2,772</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>3,914</td>
</tr>
<tr>
<td>MRG Publications</td>
<td>26</td>
</tr>
<tr>
<td>MRG Workshops</td>
<td>34</td>
</tr>
<tr>
<td>Office Rent</td>
<td>4,796</td>
</tr>
<tr>
<td>Office Supplies</td>
<td>426</td>
</tr>
<tr>
<td>Portfolio Management</td>
<td>5,751</td>
</tr>
<tr>
<td>Postage</td>
<td>1,021</td>
</tr>
<tr>
<td>Staff Child Care</td>
<td>108</td>
</tr>
<tr>
<td>Telephone</td>
<td>1,726</td>
</tr>
<tr>
<td>Transportation Staff</td>
<td>1,595</td>
</tr>
<tr>
<td>West End Fund Admin.</td>
<td>308</td>
</tr>
<tr>
<td>Total Other</td>
<td>36,573</td>
</tr>
</tbody>
</table>

Direct grants

| Funding Cycle Grants     | 178,500 |
| Critical Response Grants | 4,000   |
| Travel Grants            | 5,000   |
| Ulla Jewel Grants        | 3,000   |
| Donor Advised Grants     | 90,366  |
| Donor Pool Grants        | 17,710  |
| Total Direct Grants      | 358,776 |

Total Expenses Before Depreciation | 83,999 |

Depreciation | 6,197

Total Expenses | 90,196

See accompanying notes to financial statements.

EMGE & WHYTE
Certified Public Accountants
Eugene D. Emge, C.P.A.
Pamela J. Whyte, C.P.A.

Independent Auditor's Report
To the Board of Directors
McKenzie River Gathering Foundation
We have audited the accompanying balance sheet of McKenzie River Gathering Foundation (a non-profit organization), as of June 30, 1995, and the related statements of public support, revenue and expenses and changes in fund balance and functional expenses for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of McKenzie River Gathering Foundation as of June 30, 1995, and the results of its operations and changes in fund balances for the year then ended, in conformity with generally accepted accounting principles.

Emge & Whyte
August 1, 1995

Photo/Cheri Hyde/Tygh Archives

McKenzie River Gathering Foundation • NOTES TO FINANCIAL STATEMENTS • JUNE 30, 1995

NOTE 4 - WEST END FUND (WEF)

Before June 1992, MRF contracted with ARABLE to process loan applications and grant loans of West End Fund to community food-related enterprises, such as worker co-operatives. On the advice of legal counsel subsequent to an Internal Revenue Audit, the MRF Board of Directors resolved to cease West End Fund loan operations, except for collection of outstanding loans. MRF terminated the contract with ARABLE in June 1992. As of June 30, 1994, the following West End Fund loans were outstanding:

<table>
<thead>
<tr>
<th>Loanee Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solstice Bakery Inc.</td>
<td>$4,335</td>
</tr>
<tr>
<td>Sustain Foods Inc.</td>
<td>7,008</td>
</tr>
<tr>
<td>Organically Grown Cooperative</td>
<td>4,397</td>
</tr>
<tr>
<td>Genesis Juice Cooperative</td>
<td>3,744</td>
</tr>
</tbody>
</table>

At June 30, 1995, MRF reduced the loan loss reserve related to outstanding loans to $3,880, recognizing $3,508 in revenue.

NOTE 5 - LEASE

In July 1994, MRF entered into a three year capital lease on a copy machine. Future payments of the lease, net of interest at 10% consists of the following:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Amount Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995/1996</td>
<td>$953</td>
</tr>
<tr>
<td>1996/1997</td>
<td>1,401</td>
</tr>
</tbody>
</table>

NOTE 6 - RESTRICTED FUNDS

Restricted funds are the Endowment Fund, Ulla Jewel Fund, Michael Smith Fund, and the Anti-Bigotry Fund. The Anti-Bigotry Fund was established with a two year life which terminated during the current fiscal year. The balance of the fund ($18,889) was transferred to the general fund and distributed in funding cycle grants. Principal of the other restricted funds was held intact, as held out to donors. A portion of the earnings of the Endowment Fund was used for MRF operations and portions of the earnings of the Ulla Jewel and Michael Smith Funds were used for qualifying grants. Michael Smith Grants funds ($3,000) were transferred to the general fund and distributed through funding cycle grants. The fund balances of the endowment and restricted funds on amortized at the beginning of the year, and amortization earnings as follows:

<table>
<thead>
<tr>
<th>Endowment Fund</th>
<th>Principal</th>
<th>Unrestricted Portion</th>
<th>Total Fund Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>808,700</td>
<td>7,885</td>
<td>$816,585</td>
</tr>
<tr>
<td>Restricted Funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ulla Jewel Fund</td>
<td>103,558</td>
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<td>Michael Smith</td>
<td>99,268</td>
<td>290</td>
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<td>Total Restricted Funds</td>
<td>202,826</td>
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<td>$204,771</td>
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