



The past year has been an exciting one for the McKenzie River Gathering (MRG) Foundation. This year we completed a two year long process of restructuring our staff to accommodate a stronger emphasis on grantmaking and new grantee outreach. As a result of the restructuring process, our Eugene office is now staffed by a Grants Director with an almost exclusive focus on the grants program. This year we also hired our

To the MRG Community . . .

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first permanent Executive Director who, along with our Office Manager, staffs the Portland office and oversees fund raising.

The restructuring process is already producing results, including a 40% increase in applications for grants. The number of new groups coming to us for support may level off eventually, but we are pleased to know that we are reaching more people in more parts of the state who are working for progressive change.

As the transition process draws to a close, we are also focusing more of our energy on fund raising. This year, the board of directors of MRG made a major commitment to participate in fund raising. Many of you may already have received a call from an MRG board member asking you to renew or increase your support of MRG, and to gauge your interest in new donor services.

The telephone surveys are just one facet of a committed campaign to improve the service we provide to donors and to expand our base of support. In the coming year we intend to travel the state to communities outside of the North I-5 corridor (where most of our current support is derived) to include more people throughout Oregon in progressive philanthropy.

Throughout our nearly twenty-one years MRG has changed staffing structures, fund raising strategies, grantmaking process, and leadership structure. But throughout, MRG has stayed true to its original mission of funding organizations that aim to alleviate social and ecological problems by dismantling power inequities and systems of patronage that keep grassroots people from taking control of their communities and their futures. And, we've continued to make grants through a process controlled by people traditionally on the receiving end of charity—reflecting, even in our grantmaking strategy, a staunch commitment to grassroots empowerment.

The most recent innovations represent real changes for MRG, but in the ways that matter most, we remain the same organization we have been for twenty-one years. As we go into our third decade, we intend to continue to build on the record of success that has made MRG into the primary funder of Oregon's progressive community.

All of this is possible because of the unwavering commitment of MRG's donors and volunteers. In spite of all of the changes that our culture and communities have been witness to over these past two decades, our supporters remain committed to the simple idea that the truest expression of philanthropy is in investing in grassroots empowerment. We call it funding change, not charity.



funding change, not charity

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:

- are organizing 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.

MRG's grantmaking focuses on organizing efforts addressing human rights, economic justice, environmental protection, peace, and international solidarity. Within these broad areas, MRG grants are supporting work on concerns including: anti-bigotry, racial justice, domestic violence, homeless rights, low-income and rural community development, community-labor coalitions, HIV-AIDS, reproductive rights, lesbian and gay liberation, disability rights, ancient forest and watershed protection, environmental justice, progressive media, anti-militarism, and international self-determination.

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 grantmaking office in Eugene to receive an application packet. Only proposals submitted by completing MRG's application form are considered.

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

During Presentation Day, which caps our information-gathering efforts, finalists describe their proposed projects to the committee and respond to questions. MRG is one of the handful of foundations nationally that enables applicants to make their case before all of the decision-makers—as part of our commitment to a democratic grantmaking process.

Presentation Day is also one of the few opportunities that activists from throughout the state have to come together to learn from each other's work and to develop relationships that can help to unite the broad range of social change work into a progressive movement.



human
economic
environmental
peace
international





rights
justice
protection
solidarity



Grantees, 1996-97

ABC Immigrant Rights Organizing Project • Portland	\$6,000
Asian and Pacific Islander Lesbians and Gays • Portland	\$4,000
Baker County People for Human Dignity • Haines	\$2,200
Blue Mountain Native Forest Alliance • Baker City	\$3,000
Causa '96 • Salem	\$7,000
Central Oregon Environmental Center • Bend	\$3,000
Chicano Culture Club • Salem	\$2,000
Clergy and Laity Concerned • Eugene	\$8,000
Community Networking Technologies • Eugene	\$3,500
Concilio de Inquilinos de Villa de Clara Vista • Portland	\$5,000
Convenio de Raices de Mexicanas • Phoenix	\$3,000
Danzine • Portland	\$5,000
Eaglecap AIDS Support Team • LaGrande	\$3,000
Environmental Justice Action Group • Portland	\$4,000
FREE in Junction City • Junction City	\$2,500
Hip Chicks and Activists • Portland	\$3,300
Institute of Research • Albany	\$3,000
Josephine County Human Rights Alliance • Grants Pass	\$3,000
Kalmiopsis Audubon Society • Port Orford	\$3,000
Klamath Co. HIV/AIDS Support & Education Council • Klamath Falls	\$5,000
Komemma Cultural Protection Association • Yoncalla	\$4,000
Lakota Oyate-Ki • Salem	\$3,000
Latino Coalition • Eugene	\$3,000
Love Makes a Family • Portland	\$4,000
Mano a Mano Family Center • Salem	\$5,000
Mothers from Hell • Eugene	\$6,000
Movimiento Unido de Latinos en Accion • Klamath Falls	\$5,000
Multicultural HIV/AIDS Alliance of Oregon • Portland	\$6,000
National Organizers Alliance/Portland Gathering • Portland	\$3,000
Noho Like • Portland	\$3,000
Northwest Alliance for Alternative Media (Portland Alliance) • Portland	\$1,000
Oregon Action/Portland Chapter • Portland	\$5,700
Oregon Action/Rogue Valley • Medford	\$4,000
Oregon Health Access Project • Salem	\$2,500
Oregon NARAL/Lane County Team • Eugene	\$4,000
The Other Paper • Eugene	\$2,000
Peace House • Ashland	\$4,000
Rural Organizing Project • Scappoose	\$8,000
SPIRIT • Portland	\$10,000
Support Coalition Northwest • Eugene	\$2,000
Tillicum Foundation/KMUN-FM • Astoria	\$3,000
Tygh Cultural Conservancy • Portland	\$7,500
Umpqua Watersheds • Roseburg	\$5,000
Willamette Valley Law Project • Woodburn	\$5,000
Workers Organizing Committee • Portland	\$6,500



20/20 Foresight: MRG Funding the Future

20/20 GRANTEE:

Oregon Human Rights Coalition • Portland \$20,000

~For the Community Works Initiative, a special project to build infrastructure and support efforts to respond to welfare "reform" and budget cuts affecting low-income people.

GENERAL FUND DESIGNATED GRANTEE

THE MICHAEL SMITH FUND GRANT:

Concilio de Inquilinos de Villa de Clara Vista

MRG GRANTMAKING PROGRAMS:

—TRAVEL GRANTS ~ Groups receiving travel grants of up to \$250:

- Brother to Brother • Cascade AIDS Project • Central Oregon Environmental Center
- Clergy and Laity Concerned • KBOO-FM • Love-Makes a Family • Mano a Mano • MEChA
- Mexican-American Citizens League • Northwest Coalition for Alternatives to Pesticides
- Oregon Coalition Against Domestic and Sexual Violence, Women of Color Caucus
- Portland People Overseeing Police Study Group • Planet PEACE • Project PEACE
- Rural Organizing Project • Western States Center • Willamette Valley Law Project

—CRITICAL RESPONSE FUND

Groups receiving Critical Response grants of up to \$500:

- Human Rights Coalition of Jackson County • Oregon Freedom to Marry Coalition

—LILLA JEWEL FUND FOR WOMEN ARTISTS

- Lilla Jewel Award, \$2,000, to Chisao Hata of Portland
- Special Mention, \$1,000, to Irene Farrera of Eugene

—DONOR-ADVISED GRANTS

- ACLU Foundation/National • ACLU Foundation of Oregon • Alano Club • Americans for Peace Now • Amnesty International • Approvecho • Breast Cancer Action • Center for Investigative Reporting • Clergy and Laity Concerned of Lane County • Committee in Solidarity with the Central American People • Do Jump Dance Theater/Echo Theater • Environmental Justice Action Group • Episcopal Church • FAIR • Institute for Food and Development Policy • Food First • Friends of the Children • Funding Exchange • Institute for Traditional Medicine/An Hao Clinic • Human Rights Watch • Jewish Fund for Justice • KBOO-FM • Lesbian Community Project • Media Project • Mother Kali's Library • New Israel Fund • Northwest Coalition for Alternatives to Pesticides • Oregon Native Youth Council • Oregon Shores Conservation Coalition • Parry Center for Children • Planned Parenthood of Portland • Portland Alliance • Portland Central America Solidarity Committee • Project Recover • Public Media Center • REACH • Save the West • Sisters of the Road Cafe • So and So and So • Southern Poverty Law Center • Women's Cancer Resource Center

Donor Services

MRG offers a range of resources and services to help meet the particular needs of our donors including:

▼ 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 for granting over the course of subsequent years. 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. We offer an annual Women and Wealth Conference in the Spring to deal with the special needs of women with wealth.

▼ 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.

Ways to Contribute to MRG

MRG's donors are a diverse group of people who share one thing in common — a commitment to creating a more peaceful, just and environmentally sustainable society. Whether your financial situation allows you to give \$25, \$250, or \$25,000, you are an important partner in MRG's efforts to advance justice and create a more compassionate society. 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 and services.

Financial Statement

McKENZIE RIVER GATHERING FOUNDATION, YEAR ENDED JUNE 30, 1997

PUBLIC SUPPORT & REVENUE

General Fund	\$ 255,456
Other Public Support	171,999
Other Revenue	<u>272,413</u>
TOTAL PUBLIC SUPPORT & REVENUE	\$ 699,868

EXPENSES

Program Services:	
Grants	\$ 349,134
Community Education	<u>18,071</u>
TOTAL PUBLIC SERVICES	\$ 367,205

Supporting Services:	
Administrative	\$ 97,681
Fund raising	<u>36,460</u>
TOTAL SUPPORTING SERVICES	\$ 134,141

INCREASE IN NET ASSETS \$ 198,522

NET ASSETS AT JULY 1, 1996, RESTATED \$1,579,033

NET ASSETS AT JUNE 30, 1997 \$1,777,555

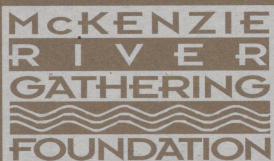
PERMANENTLY RESTRICTED NET ASSETS

Endowment Fund	\$1,069,556
Michael Smith Fund	104,367
Lilla Jewel Fund	<u>108,558</u>
TOTAL PERMANENTLY RESTRICTED NET ASSETS	<u>\$1,282,481</u>



The above financial statements fairly reflect information presented in audited financial statements prepared in conformity with generally accepted accounting principles for the year ended June 30, 1997.





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Who Are MRG Donors?

Hundreds of Oregonians contribute to grassroots social change through MRG. By making contributions to MRG, donors are able to take advantage of our unique grantmaking process which involves activists chosen for their in-depth knowledge of the issues we fund and the groups active on those issues in every region of the state.

MRG donors make annual gifts ranging from \$5 to \$30,000, creating a significant financial resource for the progressive community in Oregon. Every gift we receive is very important to us; each one amplifies our ability to empower activists to distribute funds to progressive groups.

Why Give to MRG?

People give to MRG's general fund for many good reasons. The general fund provides an important opportunity to provide seed money to emerging groups and issues. In fact, MRG is a pioneer among philanthropies in Oregon with a track record of providing early money when and where it is needed to make seemingly marginal issues into mainstream concerns. Contributors are also attracted to our activist controlled process of grantmaking that ensures that we are as responsive as possible to the needs of grassroots organizations. MRG's staff monitors all funded projects. Donors may maintain total anonymity, and donors are able to support many important projects with one gift.



Get Involved with MRG!

In the past year, donor support at all levels made it possible for MRG to distribute more than \$300,000 in grants to Oregon groups. If you are interested in learning more about MRG and joining our community of support, please contact our Portland office.

