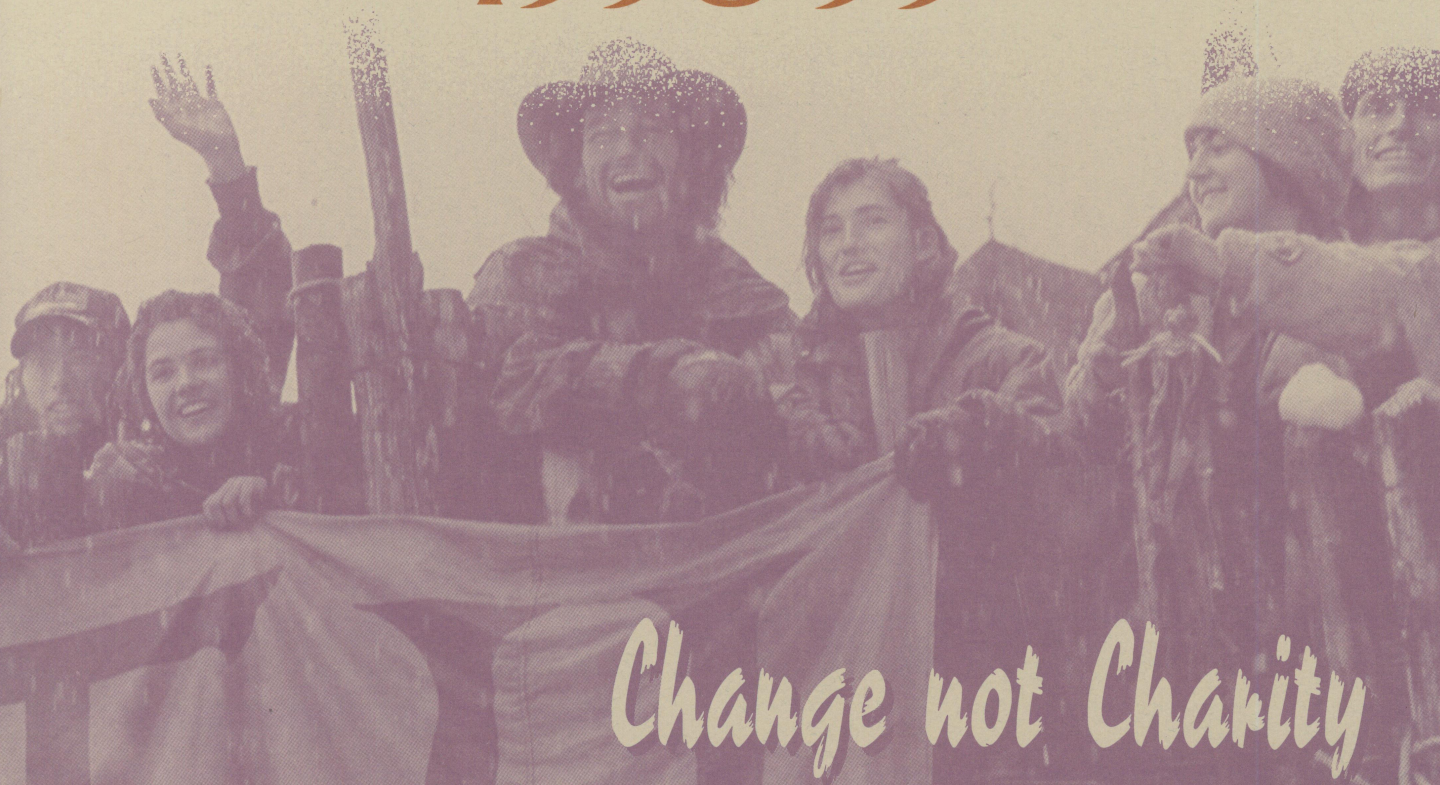




annual **MRC** *McKenzie River Gathering* report
FOUNDATION
1998-99



Change not Charity

SOCIAL CHANGE, *n.* 1. The structural transformation of political, social and economic systems and institutions to create a more equitable and just society. 2. Proponents target the underlying causes of critical social problems such as homelessness, discrimination, and poverty. 3. While a variety of organizing and advocacy methods are utilized, social change organizations



ADAPT

are characterized by the activism, cooperation, persistence, and dedication of their members. (example: An association of people with developmental disabilities work collectively to address issues of discrimination by empowering its members to advocate for themselves and collectively challenge service providers, government agencies, and other institutions to ensure equal access and rights for developmentally disabled people.) **syn.:** community empowerment, just society, common good, grassroots democracy, accountability. **ant.:** status quo, charity, business as usual, temporary solutions.

Definition courtesy of Headwaters Fund.

McKENZIE RIVER GATHERING FOUNDATION

Annual Report 1998/99


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top, ONE/Portland Taiko, photo by Rich Iwasaki
bottom, Pickaxe Productions, Eugene

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Linda Reymers, Grants Director

director's message

Martin Luther King, Jr. once said, "We move from the quicksands of social injustice to the solid rock of human dignity." Social justice will be won over time; it is the small victories along the way that build a solid foundation toward long-term systemic change. Key to this foundation upon which to build our communities is the need for an infrastructure of financial support.

We invite you to join with hundreds of other Oregonians funding this critical work.

In fact, at a time when we are saturated with hype about the opportunities created by a bull market, low interest rates, and record unemployment, it can be tempting to ease into a state of complacency. History shows us that "boom times" always go bust while a long-term investment will yield higher rewards. So it is with the struggle for progressive social change. Those fighting for socially and ecologically sound economic alternatives premised on human worth and environmental preservation continue to build solid and diverse communities.

Since 1976, MRG has remained committed to investing in progressive grassroots organizations throughout Oregon. We remain committed to funding the fight to show the "other side of the story." Hidden among the hyperbole expounding the virtues of a market economy are the stories detailing the lack of living wage jobs, the loss of the safety net by the passage of the Welfare Reform Act, record numbers incarcerated and mandatory minimums for first time offenders. Dig a little deeper and you will see that despite low interest rates, fewer can afford to purchase homes. Delve further in and you will no doubt find warnings about environmental degradation and the impact on surrounding communities, most often low-income, and people of color communities.

The 48 groups funded by MRG this past year each add a new chapter to the story. Each advances work in the issues we fund: human

rights, economic justice, environmental protection, peace, and international solidarity. The story is filled with pictures of hope as the 11 groups funded through our critical response grants took their voices to the street to challenge injustice. The five groups receiving travel grants took their expertise to the road, and brought home words of wisdom learned from activists on the front lines of the struggle for social justice in other areas of the world.

A dollar is
not value, but
representative
of value,
and, at last,
of moral
values.

~Ralph Waldo Emerson

We can each take pride in knowing we did not remain silent, nor did we become complacent. It is in the spirit of celebration we offer you this annual report detailing the tremendous work being done throughout the state. In all, we granted almost \$500,000 to progressive organizations—including the launch of our new funding initiative Project Connect—in the fiscal year ending June 30, 1999.

MRG thanks each one of you for your role in making our 23rd year a success. MRG: change, not charity.

change, not charity

ALDS Support and Prevention of Josephine County, Grants Pass, \$2,000

For: Developing communications, public education, networking and outreach through technology. ASAP has developed this project in response to the particular conditions limiting conventional communication; these concerns include safety in a predominantly rural county being considered by the Ku Klux Klan for its national headquarters.

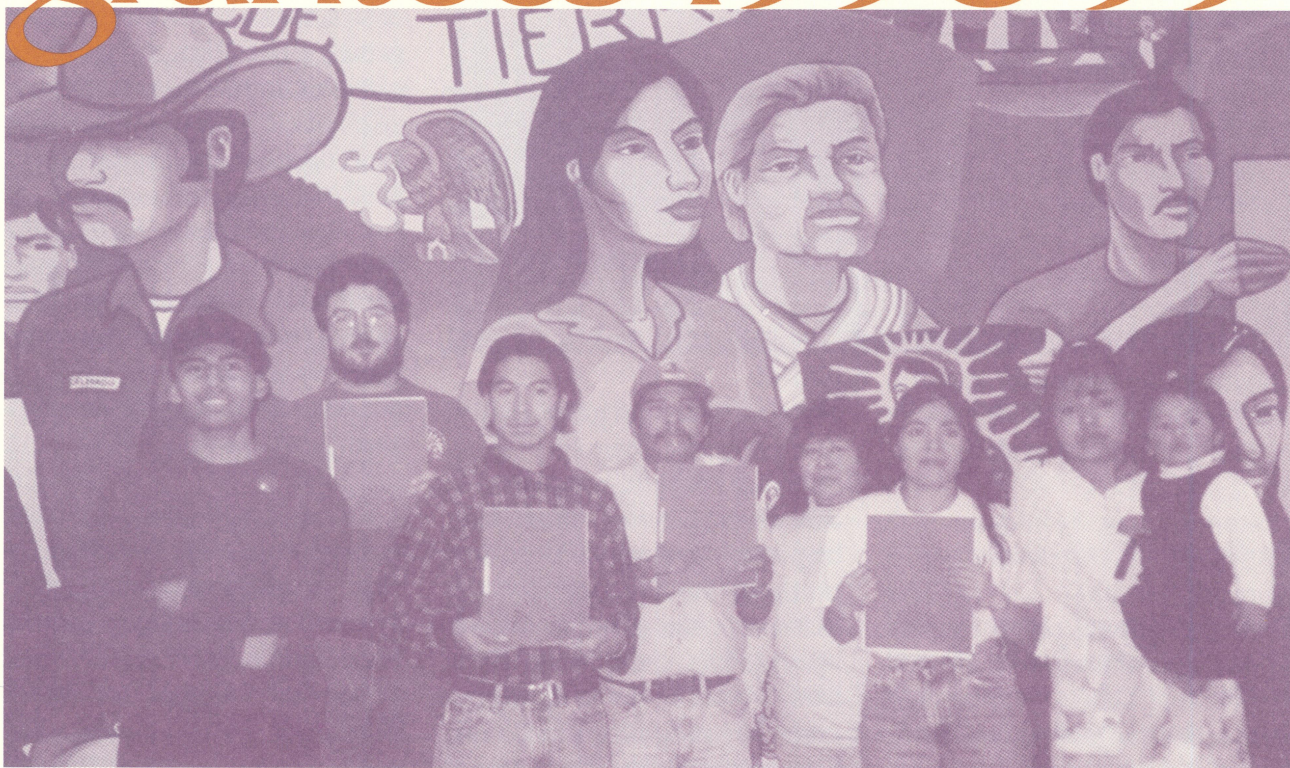
Blue Mountain Biodiversity Project, Fossil, \$4,000

For: A project challenging federal agency/corporate land exchanges of public lands in a region containing 65% of the state's forests. Land exchanges typically undervalue public land, overvalue private land, and misrepresent the actual level of old growth being traded away.

Cascadia Wildlands Project, Eugene, \$4,000

For: Defending native forests by monitoring destructive, unsustainable resource extraction practices in wild places. They are mobilizing the public to challenge government-sponsored forest clear-cutting, road building, and mining while promoting responsible stewardship practices.

grantees 1998-99



Members of *Comite Cipriano Ferrel* of *PCUN* holding the first collective bargaining agreement ever in Oregon Agriculture, signed on *Cesar Chavez Day*, March 31, 1998.

Alliance of Forest Workers and Harvesters, Mt. Angel, \$5,000

For: Seed funding for multi-cultural organization promoting social, environmental and economic justice for forest workers and harvesters. They are building an active membership and leadership, defining community issues, and developing a network of core groups that bridge the language and cultural differences among their members.

Brother to Brother, Portland, \$4,000

For: Organizing African-American gay and bisexual men to have a voice in decisions that shape their lives. They are opposing the radical right, combating the spread of HIV in communities of color, and confronting racism and homophobia.

Centro de Ayuda, Newport, \$3,000

For: General support for organization challenging racism and promoting cultural awareness. They are forming coalitions with other groups, gaining attention for their issues through events and media, and providing advocacy and intervention on housing, healthcare, employment and educational issues.



Coastal AIDS Network, Lincoln City, \$2,000

For: General support for project countering the intolerance that deters people from learning about safe sex and from taking advantage of health care services. Activities include lesbian/gay/bisexual outreach, community building, advocacy, public education, and referral services.

Committee in Solidarity with the Central American People, Eugene, \$4,000

For: Developing organizational diversity, coalition work and new leadership. CISCAP links social and economic justice work in the U.S. and Latin America.

Community Alliance of Lane County, Eugene, \$9,000

For: General support for CALC's leadership in challenging bigotry and promoting human rights. Programs include Communities Against Hate, Youth for Justice, and Immigrant Rights.

Community Alliance of Tenants, Portland, \$8,000

For: The Tenant Organizing Project will organize tenants to secure institutional changes ensuring renters' access to

stable, safe housing. The rise in rents is twice that of wages in the Portland area, which now has fewer units of affordable housing available.

Community Networking Technologies/Netcorps, Eugene, \$7,000

For: Support for group whose goal is to assist Oregon's progressive movement to conserve resources, develop coalitions, improve communication, and increase the time available to achieve programmatic goals through the use of technology. Funds will be used to train a corps of young adults to provide computer training to grassroots social change groups statewide.

Confederated Tribes of the Lower Rogue, Coos Bay, \$4,000

For: Cultural survival project by descendants of the area's few Native Americans that were not removed from their aboriginal homeland in the 1800s. A major focus is their annual "gathering of the people" to ensure preservation of tradition and encourage multiculturalism in the larger SW Oregon community.

Danzine, Portland, \$5,000

For: General support for grassroots organization dedicated to improving the health, safety and human rights of sex workers. They are training women as peer educators and labor organizers to effectively address HIV prevention and the dehumanization of sex workers.

Eaglecap AIDS Support Team, La Grande, \$3,000

For: Outreach project in remote Wallowa County to expand awareness and community participation in prevention efforts. EAST is providing education on issues including homophobia, gender and HIV in three conservative eastern Oregon counties.

El Programa de Ayuda, Bend, \$3,000

For: Seed funding to organize the fast-growing mono-lingual Latino population in Central Oregon. Their program includes social service advocacy, crisis intervention, leadership development, and immigration support.

Environmental Justice Action Group, Portland, \$6,000

For: Program organizing their grassroots membership around issues of health, safety and environmental justice in North/Northeast Portland. Included will be long-term organizational planning, membership development, a newsletter, a speaker's bureau, and a youth leadership development initiative.

Fair Share/Oregon Action, Portland, \$6,000

For: Membership organizing drive to build their base to reflect the predominantly low-income and racially diverse character of North/Northeast Portland. Oregon Action's economic justice programs consist of: Money in Politics, Living Wage Agenda, Tax Fairness, and Devolution (of federal "safety net programs").

Fair Share/Rogue Valley Oregon Action, Medford, \$5,000

For: The Living Wage Jobs Project which addresses issues facing the working poor in Oregon. A major success is their ability to bridge traditional barriers of race and class to unite low-wage workers, environmentalists, churches, unions, farmworkers and community groups for economic justice.

Headwaters/Progressive Coalition of Southern Oregon, Ashland, \$6,000

For: Coordination of a new multi-constituency/multi-racial alliance of organizations working for economic, social, and environmental justice. The alliance is seeking to transform its member organizations and the progressive movement as they address diversity issues and develop a common vision through support of one another's work.

Human Rights Coalition of Jackson County, Medford, \$5,000

For: General support to increase their ability to do outreach, alliance building, and project implementation. Activities include monitoring conditions in farmworker labor camps, sponsoring a regional housing conference, and addressing hate group activity.

Human Dignity Coalition, Bend, \$2,000

For: Through public education, visibility events, and coalition building, HDC works to increase community awareness in the Central Oregon region. Their goal is to stave off the far right's attempts to shift public policy against minorities.

Illinois Valley Task Force on Social Justice, Cave Junction, \$5,000

For: Projects to mobilize area activists around social and environmental justice issues. They are developing a county wide network, educational events, a rapid response program, and outreach to isolated rural areas.

Lesbian Community Project, Portland, \$5,000

For: General support for the renewal of LCP through improving their organizational infrastructure and political organizing. LCP will work to have their members see their liberation as intrinsically linked with that of all people who experience discrimination



Jefferson Center, Wolf Creek, \$5,000

For: General support for association of Southeast Asian, Latino, Native American, and Euro-American forest products workers addressing labor, environmental, and ethnic relations issues. Included will be regional gatherings of workers and a participatory-research project providing an inside analysis of the forest products contract system.

Lambda Community Center Association, Ashland, \$3,000

For: Southern Oregon Youth Outreach, a program of this sexual minority community center addressing the conflict and discrimination participants experience at home and school. Many of the youth involved come from conservative rural areas, from as far away as Klamath Falls.

while helping other organizations incorporate anti-homophobia in their work.

Love Makes A Family, Portland, \$4,000

For: Parent Teacher Action Project to make public schools inclusive and safe for students of all sexual orientations. This group provides a voice to their 1,200 members who are involved in families headed by sexual minorities.

Multicultural Association of Southern Oregon, Medford, \$2,000

For: Multicultural Kids Camp providing a safe and productive environment for 400 children from different backgrounds to learn about other cultures. The camp will help children resist stereotyping, discrimination, and cultural misunderstanding in a region that is experiencing an influx of far right groups.

Multicultural HIV/AIDS Alliance of Oregon, Portland, \$8,000

For: Coalition developing and promoting a competent, culturally appropriate HIV prevention and service delivery system. Their meetings throughout the state immerse participants in a variety of cultures so that they can effectively advocate together for all communities.

Neighborhood Women, Portland, \$5,000

For: The Women's Leadership Training Program which will assist participants in developing and maintaining women's leadership support groups. They organize women to address the most pressing issues in their communities—from land use to racism to affordable housing.

Network for Immigrant Justice, Eugene, \$5,000

For: General support for their ongoing work to counter anti-immigrant efforts and promote broad support for immigrant rights and justice. NIJ members include Latino organizations, human and civil rights groups, and labor and international solidarity groups from the south Willamette Valley.

North Coast Pride Network, Astoria, \$2,000

For: Increasing the strength, productivity and infrastructure of a new resource center. The center exists to provide visibility and support for the region's sexual minority community, and to challenge homophobic stereotypes, myths, and bigotry.

ONE/Portland Taiko, Portland, \$4,000

For: Cultural organizing by Asian-American drum performance group through the "Bridge Project: Reaching Across Historical Divides Between Japanese American and Filipino American Communities". This performance piece involves members of both communities in its development and helps to create a more unified voice in addressing common experiences of racism and discrimination.

Oregon American Disabled for Attendant Programs Today, Portland, \$5,000

For: Seed funding for group working to make access to programs for people with disabilities more equitable and accessible. People with disabilities are mobilized by ADAPT to challenge barriers through high visibility media events.

Oregon NARAL, Eugene, \$3,000

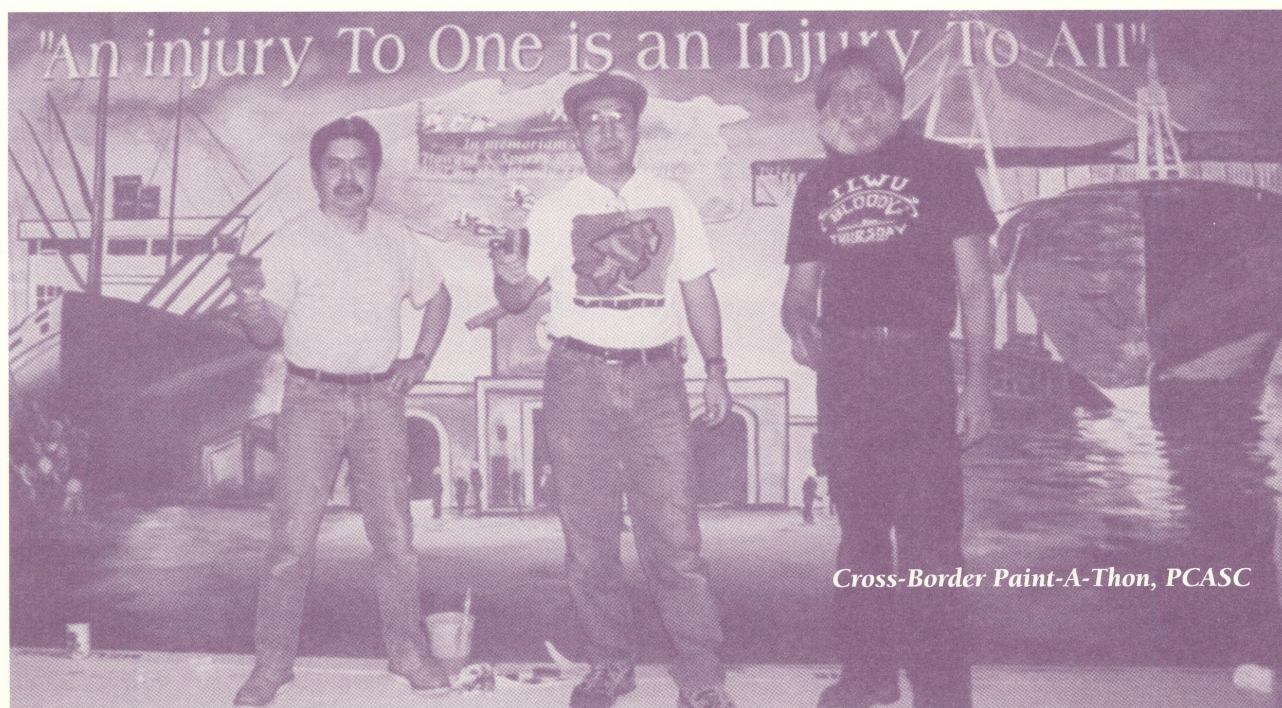
For: General support focusing on maintaining a regional organizer serving Lane, Benton, Linn, and Jackson Counties. They will increase their participation in coalitions with non-traditional allies in order to broaden the base of those who promote reproductive choice.

Oregon Shores Conservation Coalition, Depoe Bay, \$5,000

For: Developing OSCC's Coast Watch program to mobilize its 740 participants into a network of grassroots community groups. Coast Watch volunteers each monitor a mile of Oregon coastline; they are taking the next step by joining together to promote collective activist responses in their communities and statewide.

Oregon Tradeswomen Network, Portland, \$5,000

For: Implementing OTN's Tradeswomen Organizing Project to build a statewide membership base, develop leadership, and mobilize rural OTN groups. OTN works to end discrimination and sexual harassment, create safer workplaces, and educate women and girls about opportunities in the trades.



Cross-Border Paint-A-Thon, PCASC

Peace House, Ashland, \$3,500

For: General support for southern Oregon's peace and justice center, whose programs address youth outreach, firearm issues, foreign policy, economic justice, and anti-bigotry.

Pickaxe Productions, Eugene, \$3,000

For: Production of a video documentary telling the story of the largest and most successful grassroots campaign to stop old-growth logging in Oregon. The video will be used by organizers to mobilize the public; it will portray the power of ordinary citizens to effectively challenge environmental destruction.

Portland Central America Central America Solidarity Committee, \$7,000

For: General support for this group working to oppose military and economic intervention in Latin America. They will use their grant to support their immigrant rights theater project and work with the Cross Border Labor Organizing Coalition.

Portland Network for Immigrant Rights, \$3,500

For: Seed funding for work building leadership among immigrant communities and promoting immigrant rights. As the first coalition of groups addressing immigrant rights in the metro area, they will advance the work from reactive emergency efforts put forth by individual organizations to a proactive, coordinated movement.

Rural Organizing Project, Scappoose, \$8,000

For: General support for this statewide network of human rights groups that will focus on strengthening member group capacity to take on local issues and respond statewide. ROP is developing two new programs to build skills, analysis, and successful

actions: Kitchen Table Activism and LEAD (Local Expansion and Development).

SAWERA, Portland, \$5,000

For: Three projects to support South Asian Women's Empowerment and Resource Alliance's culturally appropriate domestic violence work: 1) outreach and education through a South Asian cultural performance piece, 2) a "welcome packet" with information on rights and resources, and 3) South Asian cultural training for local domestic violence agencies.

Power
concedes
nothing
without a
demand.
It never
did and
never will.

~Frederick Douglass

Sojourner Truth Theater, Portland, \$3,000.

For: Expanding the tour of *African American Culture 101* to communities throughout Oregon. Using a performance/workshop format, they will dispel misconceptions and celebrate the contributions of African Americans.

Sisters in Portland Impacting Real Issues Together, Portland, \$4,000

For: Support of SPIRIT's new organizing project addressing

the transportation barriers that low-income families face in Portland, with a goal of winning free bus passes for students to be able to attend school. SPIRIT is an organization of low-income women, and women and girls of color.

Tillicum Foundation/KMUN-FM, Astoria, \$4,000

For: Producing timely social, economic and environmental justice programming for the North Coast region. KMUN provides a progressive voice influencing community dialogue and supporting the work of local social change groups.

Umpqua Watersheds, Roseburg, \$4,000

For: Building visibility and organizational capacity for group protecting the environmental integrity of the Umpqua River basin. Their work following the landslide disasters in their area has made them recognized experts on the relationship between forest clearcutting and landslides.

Unete al Movimiento de Conciencia Popular, Medford, \$6,000

For: General support for this farmworker group that visits labor camps, produces educational materials and cultural activities, and networks with supportive organizations. They challenge abuse of immigrants and the substandard living and working conditions of farmworkers.

Willamette Valley Law Project, Woodburn, \$6,000

For: Public education in support of the first Oregon labor agreements with farm owners. WVLP's efforts to broaden this victory include (1) working to have labor standards included in organic farm certification, and (2) promoting consumer support for union-label products.

general fund designated grantees

Donor-Advised Grants

A Teacher's Space
ACLU Foundation of Oregon
Amnesty International
CALC
Camp Fire Boys & Girls—Mt. Hood Council
CISCAP
College Fund/United Negro College Fund
Community Advocates
Community Alliance for Lane Co. (CALC)
Community Health Center
Do Jump
El Quetzal
Energy Futures, Inc.
Episcopal Church of the Resurrection
Episcopal City Mission
Episcopal Community Services
Episcopal Divinity School
ESSN Foundation
Eugene Tree Foundation
First Books/Fort Vancouver Public Library
Food for Lane County
French American International School
Friends of Eugene
HIV Alliance
Hurricane Mitch Relief Fund
Hydrologic Group
INFACT
Institute for Traditional Medicine
Jefferson Middle School
KBOO
Lane Shelter Care
Lesbian Community Project/CEP
Literary Arts
McCormack Elementary School
Nearby Nature
Northwest Coalition for Alternatives to Pesticides
Northwest Youth Corps
NW Medical Teams
Options Counseling
Oregon Coalition to Abolish the Death Penalty
Oregon Council for Hispanic Advancement
Oregon Food Bank
OSU Lane County Extension Service/4-H
PCASC
Portland Public School Foundation/DaVinci Middle
Portland Public Schools Foundation/Irvington Elem.
Pride NW
Rachel Carson Center for Natural Resources
Save the West
Sheldon High School
So & So
Southern Poverty Law Center
Trillium Community Land Trust Project
United Way of Lane County
University of Oregon Honors College Student Assoc.
Westmoreland Wetlands Advisory Group

The Michael Smith Fund

Multicultural Association of Southern Oregon
Tillicum Foundation/KMUN-FM

Travel Grants

Groups receiving grants of up to \$250 for domestic travel:

ACLU Foundation of Oregon
Bradley-Angle House
Brother to Brother
CAUSA
Cross Border Labor Organizing Committee
Lesbian Community Project
Portland Jobs with Justice
Shelter Development Committee/RVCDC
Survivor Project
Women of Color Caucus
Youth for Justice

Critical Response Grants

Groups receiving grants of up to \$500 for unanticipated organizing opportunities occurring between our regular funding cycles:
Ashland Ad Hoc Organizing Committee
for Mumia Al Jamal
El Bracero
Eugene Coalition to Stop the Bombing
Josephine Co. Task Force for Social Justice
La Migra Task Force

Lilla Jewel Fund for Women Artists (visual arts)

Lilla Jewel Award: Linda Wysong, \$2,000
Lilla Jewel Special Mention: Cynthia Star, \$1,000

criteria

MRG funds organizations that bring people together to challenge discrimination, violence, poverty, and environmental destruction through community-based, grassroots action. Funding is directed toward creating a peaceful, just, and environmentally sound Oregon.

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 grants program focuses on organizing efforts addressing human rights, economic justice, environmental protection, and international solidarity. Within these broad areas, MRG grants support work on concerns including: anti-bigotry, racial justice, domestic violence, homelessness, poverty, community-labor coalitions, HIV-AIDS, reproductive rights, lesbian/gay/bisexual/transgender liberation, disability rights, protection of our forests and watersheds, environmental justice, activist media and cultural work, 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

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 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 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 one another's work and to develop relationships that can help to unite the broad range of activist work across issue, geographic, cultural and economic divides.

Grantees, 1998-99

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.

Most MRG donors make annual gifts ranging from \$5 to \$25,000, 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 almost \$500,000 in grants to Oregon groups, including the launch of our new funding initiative Project Connect. If you are interested in learning more about MRG and joining our community of support, or if you would like us to meet a friend or family member who might like to learn more about our work, please contact our Portland office.

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 win justice and create a more compassionate society. If you are 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.

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

Whatever you do will seem insignificant, but it is very important that you do it.
—Mahatma Ghandi

mrg's endowment

In October 1993, MRG set a goal of creating a permanent 1 million dollar endowment to secure the foundation into the future. So far, over 60 households have contributed \$1 million in total gifts and pledges to the endowment. To everyone who contributed to the remarkable success of this effort, we say THANK YOU!

MRG is a fund raising 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 fund raising skills. MRG has successfully navigated these waters for over 23 years. An endowment was the next 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 \$54,000 to our general fund during the past year,

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.

and that amount of annual support will increase in the next few years as pledges are fulfilled.

MRG's official endowment campaign is over, but the endowment continues to grow. Following completion of the campaign, 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.

financial report, 1998-99

McKenzie River Gathering Foundation STATEMENT OF FINANCIAL POSITION June 30, 1999

ASSETS

Cash & cash equivalents	\$ 1,301,070
Investments	2,088,009
Endowment pledges receivable	26,329
Bequests receivable	-
Office equipment & furniture, less accumulated depreciation of \$11,171	4,773
Other assets	3,223
Total Assets	\$ 3,423,404

LIABILITIES

Grants Payable	\$ 84,825
Accounts payable	2,613
Accrued vacation pay	5,261
Accrued payroll taxes	4,645
Total Liabilities	97,344

NET ASSETS

Unrestricted	
General Fund	756,023
Board Designated, Donor Pools	521,330
Board Designated, Endowment	607,124
Board Designated, Michael Smith Fund	70,695
Total Unrestricted	1,955,172
Temporarily restricted, Lilla Jewel Fund	76,443
Permanently restricted:	
Endowment Fund	1,076,391
Michael Smith Fund	109,496
Lilla Jewell Fund	108,558
Total Permanently Restricted	1,294,445
Total Net Assets	3,326,060
Total Liabilities and Net Assets	\$ 3,423,404

McKenzie River Gathering Foundation STATEMENT OF ACTIVITIES For the Year Ended June 30, 1999

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total Year Ended June 30, 1999
PUBLIC SUPPORT & REVENUE				
Public Support Contributions:				
General	\$ 751,183	\$ -	\$ -	\$ 751,183
Donor Pools	597,522	-	-	597,522
Donor Advised	61,757	-	-	61,757
Funding Exchange	41,376	-	-	41,376
Endowment Fund	-	-	17	17
Michael Smith Fund	-	-	2,538	2,538
In-kind Rent	5,000	-	-	5,000
Uncollectible Pledge Adjustment	-	-	-	-
Total Public Support	1,456,838	-	2,555	1,459,393
Revenue:				
Investment Gains	309,469	27,645	-	337,114
Interest and Dividends	61,009	4,036	-	65,045
MRG Events	627	-	-	627
Other Revenue	1,129	-	-	1,129
Administrative Fees	1,989	-	-	1,989
Total Revenue	374,223	31,681	-	405,904
Net Assets Released from Restrictions:				
Satisfaction of Lilla Jewel Fund Restrictions	5,205	(5,205)	-	-
Total Public Support & Revenue	1,836,266	26,476	2,555	1,865,297
EXPENSES				
Grants and Grant Making	550,128	-	-	550,128
Community Education	8,802	-	-	8,802
Administrative	109,580	-	-	109,580
Fund Raising	34,126	-	-	34,126
Total Expenses	702,636	-	-	702,636
Change in Net Assets	1,133,630	26,476	2,555	1,162,661
Net Assets at Beginning of Year	821,542	49,967	1,291,890	2,163,399
Net Assets at End of Year	\$ 1,955,172	\$ 76,443	\$ 1,294,445	\$ 3,326,060

Multicultural
HIV/AIDS
Alliance
of Oregon,
Annual
Meeting.



financial report, 1998-99

McKenzie River Gathering Foundation
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 1999

	PROGRAM SERVICES		SUPPORTIVE SERVICES		TOTAL FUNCTIONAL EXPENSES
	Grant and Grant Making	Community Education	Administrative	Fund Raising	Year Ended June 30, 1999
DIRECT GRANTS					
Funding cycle grants	\$ 220,000	\$ -	\$ -	\$ -	\$ 220,000
Project Connect initiative	83,000	-	-	-	83,000
Critical response grants	2,250	-	-	-	2,250
Travel grants	2,478	-	-	-	2,478
Lilla Jewel Fund grants	3,000	-	-	-	3,000
Donor Advised grants	61,757	-	-	-	61,757
Donor Pool grants	111,815	-	-	-	111,815
Total Direct Grants	484,300	-	-	-	484,300
PERSONNEL					
Wages	37,758	3,884	47,273	19,678	108,593
Payroll Taxes	3,921	423	5,287	1,795	11,426
Employee benefits	6,418	610	5,464	2,109	14,601
Total Personnel	48,097	4,917	58,024	23,582	134,620
OTHER					
Accounting & bookkeeping	-	-	7,860	-	7,860
Books & subscriptions	14	6	30	108	158
Copying & printing	986	431	216	4,380	6,013
Event expense	174	895	-	-	1,069
Equipment maintenance	1,290	99	1,631	1,280	4,300
Executive Director search	-	-	1,265	-	1,265
Facility rental	95	-	-	-	95
Funding Exchange tithe	-	-	9,625	-	9,625
Insurance	250	7	222	197	676
Meetings	4,633	206	1,456	245	6,540
Miscellaneous	16	-	2,330	52	2,398
Office rent	2,900	332	3,979	1,796	9,007
Office supplies	699	46	452	105	1,302
Portfolio management	-	-	13,823	-	13,823
Postage	1,754	326	1,089	328	3,497
Professional services	1,061	861	2,827	198	4,947
Staff development	-	-	43	10	53
Telephone	2,724	284	2,458	864	6,330
Transportation	1,135	392	1,001	981	3,509
Depreciation	-	-	1,249	-	1,249
Total Other	17,731	3,885	51,556	10,544	83,716
Total Expenses	\$ 550,128	\$ 8,802	\$ 109,580	34,126	\$ 702,636

McKenzie River Gathering Foundation
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 1999

Cash Flows of Operating Activities:	
Change in Net Assets	\$ 1,162,661
Adjustments to Reconcile Change in Net Asset to Net Cash and Cash Equivalents Provided (Used) by Operating Activities:	
Noncash expense, depreciation	1,249
Nonoperating support, current year endowment contributions	(2,538)
Investment gains	(337,114)
(Increase) decrease in other assets	30,730
Increase (decrease) in grants payable	78,125
Increase (decrease) in other liabilities	2,302
Net Cash and Cash Equivalents Provided (Used) by Operating Activities	935,415
Cash Flows of Investing Activities:	
Purchase of equipment and furniture	(4,597)
Proceeds from sale of investments	313,279
Purchases of investments	(307,097)
Payments received on notes receivable	-
Net Cash and Cash Equivalents Provided (Used) by Investing Activities	1,585
Cash Flows of Financing Activities:	
Endowment fund contributions received	4,688
Net Cash and Cash Equivalents Provided (Used) by Financing Activities	4,688
Net Increase (Decrease) in Cash and Cash Equivalents	941,688
Cash and Cash Equivalents at Beginning of Year	359,382
Cash and Cash Equivalents at End of Year	\$ 1,301,070

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, 1999.

Note:
Of the current year public support, 58% was received from one estate (approximately one-half to the General Fund and one-half to Donor Pools). Of the current year General Fund contributions, not including the above General Fund amount received from the estate, 36% was received from five households.

acknowledgments

Carl & Margery Post Abbott
 Carol Adler
 Adolfson Associates, Inc.
 Daniel Anderson
 Frank & Dorothy Anderson
 Stuart Anderson
 Evelyn Anderton & Janet Anderson
 Barbara Aten
 Gilbert & Laura Avery
 Joan Bayliss & Irwin Noparstak
 Nancy Becker & Ed Reckford
 Ann Bellman & Michael Woods
 Ashira & Dick Belsey

Sue Dockstader
 Marlene Drescher
 Nancy Duhnkrack
 Rachel Ebor
 Peter Edberg
 Kristy Edmunds, PICA
 Ken Eiler & Mary Sellin
 Jacquelyn Ellenz & Steven Snyder
 Teresa Enrico
 Carmella Ettinger

Nancy Haque
 Catherine Harris
 Glenn Harris
 William & Barbara Harris
 Sylvia Hart
 Emily Heilbrun
 William S. Herz
 Hoedads Inc. Co-op
 Terri Hopkins



Multicultural Kids Camp '99,
 Multicultural Association of Southern Oregon

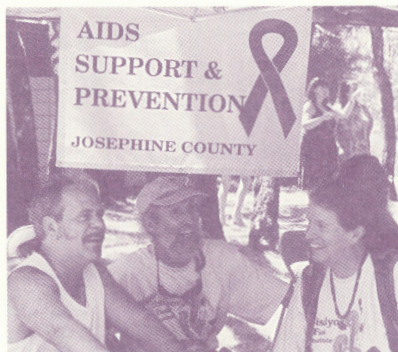
Karen Belsey
 Arwen Bird
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 Ross Bondurant
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 Shannon Brown
 Florence Byrne
 Sheila Canal
 Alison Cantril & Andy Peara
 Sarah Cantril
 George & Fanny Carroll
 Laura Castleberry
 Hilde Cherry
 Citizens for Public Accountability
 Debra Connaway
 Mary Lynn Cumings
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 Sandra Davis
 Myrla & Robert Dean
 Susanna & Don DeFazio
 Harriet Denison
 Jill & Dean Desantis
 Steve & Beth Deutsch

Evergreen Hill Fund of The Oregon
 Community Foundation
 Kathryn Farr
 Clair Feighan
 Jan Fenton & Tim Calvert
 Chris Ferlazzo
 Ann & David Fidanque
 Ruth & Herman Frankel
 Romaine Fredricka
 Funding Exchange (FEX)
 James Gamwell
 Larry Garcia
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 Martha Goetsch & Linda Besant
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 David Goller
 Jack Gray & Mary Jo Wade
 Marge Greenhut &
 Sierra Lonepine Briano
 D.J. Haanraads
 Allen Hancock
 Noel Hanlon & Peter Koehler
 Tom & Jane B. Happy

Barbara & Kess Hottle
 Sally & Todd Huffman
 Penelope Hummel
 Bert Huntley
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 Y.E. & Shonna Husbands-Hankin
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 Ralph D. Jacobson
 Robert & Theresa Jones
 Steve Jones
 Marjorie & Ogden Kellogg
 Michelle Knox
 Ann Koucky
 Marjorie Kundiger & Bill Josephson
 Gordon Lafer
 Leland & Kathleen Larson,
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 Miriam Levitt, Technical Assistance
 for Community Services (TACS)
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 David Lifton
 LeAnn Locher
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 Lydia Lord

Norman C. Lumian
 Jonn Lunsford
 Sogene Mah
 Jerome & Sylvia Manheim
 John & Martha Marks Fund of The
 Oregon Community Foundation
 Laurie McClain
 Bayard & Evelyn McConnaughey
 Anne McLaughlin
 Barbara Meislin
 Jeffrey Menashe &
 Wendy Lee Gutmann
 Mark Mikolavich &
 Marsha Willard
 Julie & Martin Miller
 Charles & Dian Missar
 Suzanne Monahan
 Monqui, Inc.
 Madeline Moore
 Michael Mooser
 Peg Morton
 Scot Nakagawa
 Beth Naylor, Jim Watson, &
 Leah Naylor-Watson
 Carol Newman
 Christopher Nielsen
 Ellen Nusblatt
 Juan Carlos Ocaña
 Rachel Ogdie
 Karen Olch
 Theodore & Laramie Palmer
 William Patz & Erin Fairley Tze-
 dakah Fund of The Shefa Fund
 Kathleen Pequeño
 Sandy Polishuk
 Jon Pollock
 Paul Poresky & Gail Mueller
 Portland Taiko
 Cecil Prescod
 Foncy Prescott
 Mary Norris Preyer Fund
 Progressive Investment Management
 Cecily Quintana
 Terrie Quinteros
 Ramon Ramirez
 Tarso Ramos
 Richard Ray
 Shad Reinstein & Jody Laine
 Lydia Rich & Rex Burkholder
 Jeffrey Richard
 Helene Robertson
 Eric & Margaret Robinson
 Seth Rockwell
 Thomas Ross & Laurel LaBathe
 Michael & Francie Royce
 John Saemann
 Gregory Satir & Adrienne Fuson
 James Scott & Elaine Robin

Leslie Scott
 Thomas Seddon
 Majeska Seese-Green
 David Shapiro
 Howard & Manya Shapiro
 Doug Sherman & Jeanne Henry
 Sho Shigeoka
 Donald & Peg Smith
 Izetta Smith & Ellen Goldberg
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 Joy Spalding & Harold Vatter
 Missy Stewart & Don Merkt
 Joan Strouse
 Dennis Suggs
 Ardis Sussell
 Marion Sweeney
 Szekely Family Foundation
 Linda Tarr
 Technical Assistance for
 Community Services (TACS)
 Pamela Tennity
 Don & Lisa Texeira
 Monette & Edward Thatcher
 Joyce Thomas & Rob Castelberry
 Trillium Natural Foods
 Olga Turner
 Diane Valentine



Marc Valens
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 Dodie Weyhe
 Pam Whyte
 Carnet Williams
 Martin & Carolyn Winch
 Mary Winch
 JoAnn Wiser
 Pearl Wolfe & Bill Goldsmith
 Betsey Wolfson
 Martha Yamasaki
 Elisabeth Zall
 and 14 Anonymous Donors

Endowment Donors

Burley Design Cooperative, Inc.

In Memory of Michael Smith

Bill Farver & Kathy Gordon
 Doug Sherman & Jeanne Henry
 Don & Peg Smith

In Memory of L. Quincy Sugarman

Betty Sugarman

In Memory of Kim Yamasaki

Richard Rodrigues & Mark
 Maguire

**The Following businesses have
 supported MRG this past year.
 we thank them for their com-
 mitment to the progressive
 movement.**

David Atkin, Attorney

Steve Jones,
 Dain Rauscher, Eugene

Pattie Ladd, Riverrun Graphics

Laurie McClain,
 Socially Responsive Investing

Shelly McFarland,
 Dain Rauscher, Portland

Madeline Moore,
 Socially Responsible Investing

Progressive Investment
 Management

M. Sellin, Ltd.

Pat Tippet,
 Flaming Carrot Catering



mrg members

Board of Directors



.....
Debra Connaway
Executive Director of the
Multicultural HIV/AIDS
Alliance of Oregon.

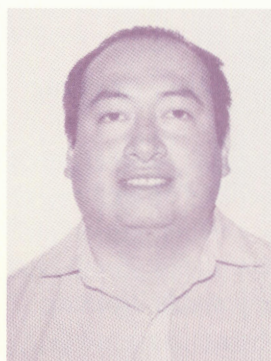


.....
Sho Shigeoka
Coordinator for the Asian/
Pacific American Education
Office at Oregon State
University.

.....
Nancy Haque
Organizer/staff for sustain-
able economics committee
of Portland Jobs with Justice,
a coalition of community,
labor and religious organi-
zations campaigning for
workers' rights.



.....
Lindy Walsh
Administrative Director,
River Network; Leadership
Team of Lesbian
Community Project.

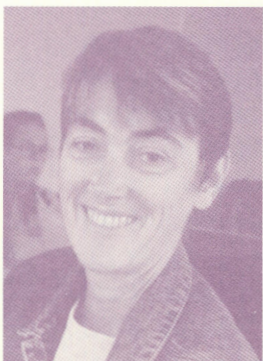


.....
Juan Carlos Ocaña
Active in issues concerning
the Latino community—
especially those related to
immigration—and in
tenants rights.



.....
Carnet Williams
Founder and President of
Netcorps, a nonprofit
group involved in helping
progressive environmental
and social justice groups
use technology as a tool to
further their missions.

.....
Francie Royce
Urban planner working on
alternative transportation
issues and active in
support of public
school funding.



Staff

Leslie Griep, Administrator
Kathleen Pequeño, Program Associate
Susan Remmers, Executive Director
Linda Reymers, Grants Director

Grantmaking Committee

Debra Connaway ~ (See Board of Directors)

Marlene Drescher ~ President of the Board of the Institute for Economic Justice & Indigenous Technology; working on fair trade and peace issues in Central America; has been active in domestic violence, sexual assault, civil rights, and gay and lesbian issues.

Teresa Enrico ~ Executive Director of the Workers Organizing Committee; anti-bigotry activist; trainer on eliminating racism, sexism, and homophobia.

Larry Garcia ~ Public Health Nurse; background in HIV/AIDS care; past Co-chair of Coos County Gay & Lesbian Outreach Network; active in HIV prevention; currently Chair of the Rural Organizing Project.

Nancy Haque ~ (See Board of Directors)

Romaine Fredricka ~ Activist in the domestic violence movement since 1991; currently a member of the Oregon Coalition Against Domestic & Sexual Violence Women of Color Caucus; Field Staff with Rural Organizing Project.

Sogene Mah ~ Active in Asian, queer, and women's issues; has been involved with immigrant youth.

Juan Carlos Ocaña ~ (See Board of Directors)

Rachel Oddie ~ Co-founder of Community Networking Technologies (CNT); involved in helping progressive environmental and social justice groups use technology as a tool to further their missions.

Kathleen Pequeño ~ Resigned from grantmaking committee to take position as MRG Program Associate; previously was Office Manager for Technical Assistance for Community Services; activist around domestic & sexual violence issues; activist with Teatro Sin Fronteras.

Leslie Scott ~ General Manager, Oregon Country Fair; long-time peace and human rights activist; former volunteer coordinator for Council for

Human Rights in Latin America; community organizing for rural action network.

Sho Shigeoka ~ (See Board of Directors)

Pamela Tenuity ~ Headwaters' Clean Water Campaign Director and Environmental Center Coordinator; working with Progressive Coalition of Southern Oregon on labor, social justice and political democracy issues.

Diane Valantine ~ Staff for Save Our Wild Salmon Coalition; previously staffed Oregon Natural Resources Council; Board of Directors for the National Abortion and Reproduction Rights Action League.

Investments/Cash Management Committee

Nancy Becker

Leslie Griep (staff)

Carsten Henningsen (financial advisor)

Andy Pears

Susan Remmers (staff)

Finance Committee

Nancy Becker

Leslie Griep (staff)

Miriam Levitt (bookkeeper)

Susan Remmers (staff)

Francie Royce

Lindy Walsh

PR Committee

Sho Shigeoka

Susan Remmers (staff)

Linda Reymers (staff)

Carnet Williams

Executive Committee

Nancy Haque

Juan Carlos Ocaña

Susan Remmers (staff)

Lindy Walsh

MRG is proud to announce the launch of a new special funding initiative... Project Connect

Over the past year, the MRG Board and staff decided to explore the current political landscape to address the unique demands our grantees face as we move toward the year 2000. Several issues quickly emerged, and after much research and discussion, we decided to launch a technology initiative. Project Connect was launched in April, 1999 and will come to completion in September, 2000.

Simply put, Project Connect will foster creativity in the way MRG-funded grassroots groups approach organizing and will raise the critical question of the role technology will play as we enter the era of electronic communication.

Project Connect seeks to improve the Oregon progressive movement's infrastructure and organizing capacity by assisting individual grassroots organizations to increase their capacity for communication and information management through technology.

Twenty-four groups throughout the state will participate.

The impact of Project Connect reaches well beyond the "hands-on" technical aspects: it offers an opportunity to broaden our political analysis to incorporate the role technology plays in our lives and work. MRG holds a strong tradition of listening to our grantee and donor activist community about critical issues facing the progressive movement. Our special initiatives are created to meet the demands of an ever-changing political landscape.

Technology is here to stay. Progressive groups need to learn how to effectively utilize the tools of technology to advance program work while constantly challenging the way this medium fundamentally alters the traditional paradigm of the "haves and have nots." While we do not hold all of the answers to the impact this transfer of wealth will have on low-income and minority communities, we do know that the power to control and disseminate knowledge through the use of technology further deepens the class divide. Project Connect seeks to narrow the divide.

Stay tuned for more information as Project Connect unfolds over the next year! For more information, please contact Kathleen Pequeño at 503/289-1517.



MRC
McKenzie River Gathering
FOUNDATION