



LEADING WITH
Courage

Reshaping Southern Philanthropy for a New Era

Philanthropy
SOUTHEAST



Together for Change

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Rural Communities

Credit: Healthcare Georgia Foundation

Bringing Overdue Attention to Rural Communities

Don't forget about rural philanthropy.

That message is top of mind among many of those working at Southern foundations and nonprofits focused on doing good in small towns, farming communities, and other sparsely populated areas.

The plea has merit. While roughly 1 in 5 Americans call rural communities home, just 1 in 20 domestic grant dollars flow to these communities, according to a 2015 report on grantmaking by large foundations by the Economic Research Service. This lack of support to rural communities explains the National Center for Responsive Philanthropy's

finding that foundations nationwide invested only 56 cents per person in the South for every dollar they invested nationally.

Allen Smart, who through his consulting practice PhilanthropywoRx has spent much of his career focused on elevating rural philanthropy, views the 1 in 20 figure as an optimistic estimate, with some projections putting the percentage of dollars going to rural causes closer to 1 percent.

Further, Smart said in recent years that America's deepening political divide—which is often characterized in terms of rural vs. urban sensibilities—hasn't helped engage funders that have a national reach.

"I think it has created even more of a kind of knowledge gap and a bias for national funders against rural areas," Smart said. "It's safe to say that the majority of people working at national funders are from urban areas and are likely politically progressive. So the idea that they would be investing money or giving rural places a fair shake, well, that's a stretch."

Yet a fair shake is what Smart argues rural philanthropy deserves—and a growing number of Southern funders are taking notice by investing in efforts to advance health, equity, and economic development in rural communities.

"Even just a few years ago there was almost no conversation

about racial equity, rural communities of color,” Smart said. “Now we are seeing those conversations happen, and some funders starting to work through an equity lens in rural areas.”

Addressing the Equity Gap

Equity has been at the core of the Healthcare Georgia Foundation’s Two Georgias Initiative— a five-year effort to drive health care innovation in 11 rural counties across the state.

Planning grants were awarded to rural community-health coalitions seeking to address health disparities, improve health, and expand access to quality health care services for residents in the 11 communities. The foundation subsequently awarded the coalitions \$1.1 million to implement their Community Health Improvement Plans.

The effort directly targeted Georgia’s gaping health equity divide, which is largely defined by the refrain of “there is Atlanta and then there is the rest of Georgia.” The initiative

offered each community the opportunity to identify its most pressing challenges and delivered ongoing coaching and support to help them address those challenges.

The foundation incubated the effort through partnerships with Emory University, the Partnership for Southern Equity, and Georgia Health Decisions that provided wraparound support, training, and evaluation tools to each community.

Even before the project got off the ground in 2017, the foundation discovered it had to grapple with the systemic challenges that exist within philanthropy, said Healthcare Georgia Foundation director of programs Lisa Medellin. Medellin’s team quickly learned that activities that are seemingly routine in urban areas can pose daunting challenges in rural areas.

Case in point: Clay County—one of the state’s poorest communities—which when the program began did not have any nonprofits that could serve as a fiscal agent for administering the grant.

While other grantmakers might have gone elsewhere, Medellin was moved by the passion of the county’s only primary care physician, who had learned of the grant and emphasized the desperate need. So the foundation got creative and identified an organization in a nearby county to serve as a potential fiscal agent.

That—and Medellin’s advocacy for the community to the foundation’s board of directors—led to Clay County ultimately becoming part of the cohort.

“So it was really about re-imagining how philanthropy really can show up,” Medellin said. “We quickly learned we had to have a lot of flexibility as funders. We need to be more innovative, more creative, more open to risk taking.

“A lot of funders are shy about investing in rural communities because they think it’s going to be too much work. But that doesn’t mean you do nothing because it might take a lot of time or you get pushback.”



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-Lisa Medellin

Healthcare Georgia Foundation

Moving On to Move Forward

The Arras Foundation realized it needed to change in order to change its community

Lancaster, S.C., has followed the well-worn arc of many rural communities across the Southeast over the past century.

The arc begins with a booming textile industry that paid family-supporting wages and promised opportunity for generations to follow. As time went on, its textile mills suffered steady decline as foreign competition, evolving technology, and other economic factors squeezed the industry.

What followed was economic hardship, growing social ills, waning political clout, and the persistent brain drain of young people seeking opportunities elsewhere.

Similar dynamics have strained foundations working in countless Southern rural communities to address mounting challenges while providing hope for better days ahead.

The Arras Foundation, which serves Lancaster and surrounding communities, has answered the call by



Credit: Arras Foundation

rethinking everything—including its role as a community leader and partner.

“As part of that rethinking, it has shifted from a traditional grantmaker to a proactive convener committed to seeking out and hearing from all sectors of the community,” said Susan DeVenny, president and CEO of the foundation.

“There was almost a community mentality of ‘my voice doesn’t matter,’” DeVenny said. “We knew we needed to reinvigorate everyone.”

To do that, the foundation gathered feedback from thousands of its residents, including a targeted outreach to more than 600 young people.

“It was a real light-bulb moment realizing that our young people did not feel or perceive opportunity past high school,” DeVenny said. “And much of that was rooted in our textile history and their own family histories where there had always been some security and a job at the mill.”

Through its outreach, the foundation gained deep insight into the needs and aspirations

of community residents. Yet when it came time to take action, the foundation made the strategic decision to “not reinvent the wheel.” Instead, it chose to seek out existing expertise and programming that could make a significant impact with limited funding and resources.

That led Arras to the Orton Family Foundation, a private foundation in Vermont that has developed Community Heart and Soul, a replicable roadmap for rural communities and small towns looking to boost engagement and act on community improvements that garner a broad base of support.

Orton’s approach centers on conversations stemming from two straightforward questions:

- What do you love about the community?
- What is the future you envision for it?

The approach shifts thinking toward the aspirational and actionable, as opposed to identifying problems or focusing on divisive politics. As a result, people from differing backgrounds, economic status,



Credit: Arras Foundation

and political perspectives find what they have in common with their neighbors and then identify concrete ways to make improvements.

“There is definitely some magic to the method,” said Arras’s DeVenny.

The approach has inspired two communities near Lancaster—Fort Lawn and Kershaw—to implement plans for a range of community improvements and new recreational assets.

To address the challenges facing young people, Arras built off of an AmeriCorps program called the College Advising Corps, which places a recent college graduate into high schools to be a resource and a “near peer” to high school juniors and seniors.

Paired with College Advising Corps has been a reinvigorated college internship program that has placed 62 interns in a range of roles since 2016.

With these and other efforts underway, DeVenny said the community is beginning to come together to chart a new course toward prosperity.

‘We Googled it’

The challenges that Healthcare Georgia encountered are an everyday reality for many foundations based in rural communities. Some have concluded that progress has to be homegrown.

That DIY spirit is what led Gerry Roll and others to create the Foundation for Appalachian Kentucky in 2006.

“A lot of the motivation to establish the community foundation came from the fact that philanthropy is not responsive to rural America,” said Roll, the foundation’s CEO. “We knew we needed to take control of what was going on here. So we started this community foundation. We didn’t know what a community foundation was. We didn’t even have a model. We Googled it.”

Google searches turned up insights from the Aspen Institute, which had developed a framework for effective rural philanthropy. The foundation’s organizers adopted many aspects of a traditional community foundation, but took a unique focus by dividing key priorities into “three buckets of community building, capacity building, and asset building.”

The foundation initially gained traction with a pledge from a local coal company of \$50,000 per year for five years. Since then, the foundation has secured more than \$45 million and administered nearly 6,200 grants.

Much of the focus is on issues such as food security, economic development, affordable housing, and education access. Yet the foundation is also working in areas that defy stereotypes of rural America, putting resources behind equity initiatives and LGBTQ+ rights.

“If we looked at equity through the lens of race, place, and class, then we would start moving the needle on some real issues,” Roll said. “It’s starting to feel like some of our youth who left this area because they couldn’t be who they really are see change happening, and are willing to come back because they love their home and they want to see it succeed.”

Roll hasn’t given up on engaging larger national donors, but at the same time isn’t slowing down when it comes to building a regional network committed to addressing the many issues facing Appalachian communities.

“I am seeing real change in my community where I live, where my children grew up, and where my grandchildren are,” Roll said. “Not a huge sweeping change, but the little changes that collectively bring us to a better place. I think if broader philanthropy could take a minute to come and see us, to come and look, they might be surprised by what they find.” ●

