

Giving STRENGTH

Courageous Leaders ~ Vibrant Communities

Goals for a Decade

Letter from the President

Dear Friends,

In 2006, our Board of Directors began looking carefully at the past and future of the Bush Foundation. We looked back with pride at the breadth and responsiveness of our work. During the past decade, the Foundation has funded more than 900 organizations in fields ranging from domestic violence to faculty development, from ecological health to supportive housing and from cultural expression to programs for immigrants and refugees. During this time, we have also named more than 500 Bush fellows in the areas of arts, leadership and medicine. We are proud of the organizations and individuals we have been able to support and the work they have accomplished.

As we looked to the future, we concluded that we needed to focus our energies in order to have even greater impact. Last year, we embraced a new strategic vision:

To be a catalyst to shape vibrant communities in Minnesota, North Dakota and South Dakota. We will invest in courageous *and* effective leadership that significantly strengthens and improves the well-being of people in these three states.

We also affirmed our guiding principles of leadership, learning and impact. In everything we do we want to foster leadership, continually build on the knowledge we gain and choose activities that have a high potential to make a significant impact.

Paul Ylvisaker, a leader in philanthropy and a mentor to many, including me, characterized foundations as society's "passing gear" – organizations uniquely situated to challenge and support communities, to be catalysts and, in doing so, to strengthen and improve the well-being of the people in those communities. As an independent foundation we believe we are uniquely positioned for this catalytic role.

During the past six months, we asked ourselves repeatedly, "What difference do we want to make?"

Continued inside right

Photography, Top: Tom Roster, Middle: Carl Valiquet, Bottom: Tom Roster



Letter from the President (continued from cover)

In response, we have chosen three ambitious goals that we intend to pursue for at least the next decade. We realize that we cannot reach these goals on our own. While we know where we want to concentrate our efforts, we readily admit that we don't have all the answers. We will be looking for partners across organizations, sectors, communities, the region and even the nation, with whom we can join in searching for the means to achieve these goals.

Goals for a Decade: Courageous Leaders ~ Vibrant Communities

The Bush Foundation will seek partners and pursue strategies to:

- **Develop Courageous Leaders and Engage Entire Communities in Solving Problems** – with a goal that by 2018, 75% of people in all demographic groups in Minnesota, North Dakota and South Dakota say their community is effective at solving problems and improving their quality of life.
- **Support the Self-Determination of Native Nations** – with a goal that by 2018, all 23 Native nations in Minnesota, North Dakota and South Dakota are exercising self-determination and actively rebuilding the infrastructure of nationhood.
- **Increase Educational Achievement** – with a goal that by 2018, the percentage of students in Minnesota, North Dakota and South Dakota, from pre-kindergarten through college who are on track to earn a degree after high school, increases by 50% and disparities among diverse student groups are eliminated.

These are big goals. They're challenging. And we know we can't achieve them alone. We will look for partners who can help show us the way. We plan to pursue a more active, strategic approach for the use of our resources. We will learn as we go. While we may occasionally stumble, we will learn from our mistakes as we move forward. We will also be accountable, transparent about our goals and upfront about our progress every step of the way.

A Period of Transition

In many cases, achieving these goals means we will be engaging new partners. It also means we will not be funding work that does not align with our goals. To help grantees through this transition, we have set aside funds for transition grants for specific organizations with whom we have had long and deep relationships. The organizations we've invited to apply for these transition grants have received separate information directly from us. For the remainder of 2008, we will focus our resources on transitioning to the new strategy. As a result, we will not be accepting any new letters of inquiry or grant proposals for the rest of the year.

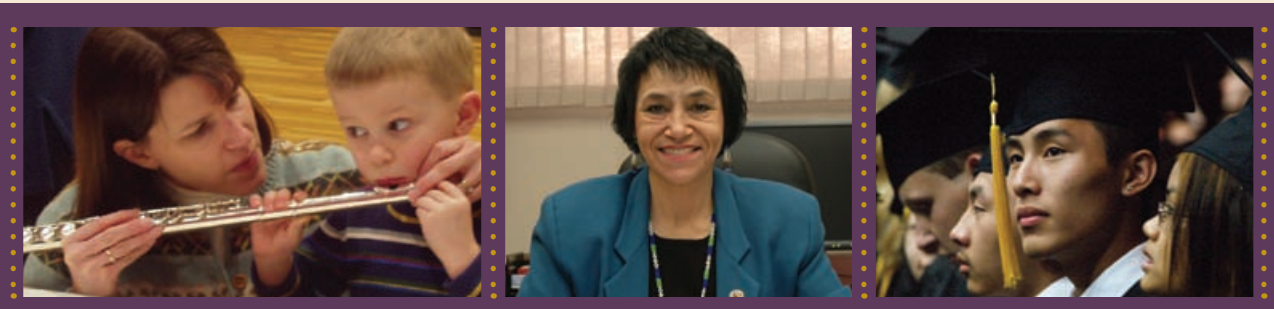
Looking Ahead

While we have set a new direction, this is just the first step. As we build on the achievements, lessons and courage of those who came before us, we are committed to working collaboratively to achieve these goals. We invite your ideas, suggestions and feedback. We look forward to your partnership. Most of all, we thank you – for your past and future support as we embark on this journey.

Sincerely,



Peter C. Hutchinson
President



Develop Courageous Leaders and Engage Entire Communities in Solving Problems

Goal: By 2018, 75% of people in all demographic groups in Minnesota, North Dakota and South Dakota say their community is effective at solving problems and improving their quality of life.

Why We Chose This Goal

Over the past 10 years, the issues facing communities have remained persistent (education, health care and economic disparities) and have become increasingly complex (energy, environment, immigration and globalization). Only about half of the people in Minnesota, North Dakota, and South Dakota say they live in a community that solves its problems, an increasing number think that things are off track, and trust in all major institutions has been in decline and remains low.

As we looked at our research, we reaffirmed that courageous leaders are critical to success. Developing leaders is one of the Bush Foundation's core strengths, so our decision to start there was easy. But, our research also told us that leadership by itself isn't enough. Entire communities need to be engaged – "communities" defined broadly by geography, affiliation, profession, fields of endeavor, faith, culture or demographics. Too often communities are either paralyzed or polarized into inaction. To effect real change, all community members need to work together, and they need courageous leaders able to engage, challenge and support them.

Our Approach

Do we know exactly how to do this? No. Based on our research, however, we have focused on five elements that are key to community success and developed preliminary strategies for each. Additional research, learning and partnering will be critical as we move forward.

• Use Data as a Reality Check to Guide Community Decision-Making

Among our first initiatives is to enlist researchers to provide communities with independent, impartial information on which to base decisions. While it's tempting to jump right into problem solving, communities that don't have a basis from which to assess current conditions and underlying causes often find it impossible to decide what to do or where to start. Once communities have the information, we'll need partners to tell the stories behind the data. Our hope is that through these collaborations, people will better understand both *what* the issues are and *why* they matter.

• Develop Courageous Leaders

We plan to continue and expand our work in leadership development, including continuation of all three of our fellowship programs in arts, leadership and medicine. In addition, we plan a major effort to support the increased effectiveness of those holding the estimated 40,000 leadership positions in the nonprofit and government sectors in Minnesota, North Dakota and South Dakota.

• Energize Community-Based Problem Solving and Support Leaders Who Emerge

We plan to work with intermediaries to engage communities across Minnesota, North Dakota and South Dakota in exploring issues and creating solutions. We will build on programs that already work and expect leaders to emerge through the process. As they do, we will find ways to support them. As part of this strategy, we will also adapt our ongoing guideline programs for arts and cultural organizations.

• Find and Create Better Solutions

To solve problems, communities need ideas – both those generated internally and those borrowed from others. We plan to identify partners who can support ways for communities to access creative ideas and develop the solutions they need.

• Expand Philanthropic Resources, Especially in North Dakota and South Dakota

We want to build strong collaborations with local and statewide philanthropic networks and explore other ways of expanding philanthropic resources. By helping communities uncover these resources, they can extend capabilities to improve their quality of life.



Support the Self-Determination of Native Nations

Goal: By 2018, all 23 Native nations in Minnesota, North Dakota and South Dakota are exercising self-determination and actively rebuilding the infrastructure of nationhood.

Why We Chose This Goal

Twenty-three distinct, sovereign Native nations exist in Minnesota, North Dakota and South Dakota. These culturally distinct nations have rich histories and deep strengths. They also face unique challenges. Research coming from Native nations is clear. When it comes to solving core issues, nation building is the only thing proven to work. What's more, for Native nations, progress is greatest wherever self-determination comes first. Leaders of these nations will be the ones to *lead* the change. The solutions will come from within. We want to collaborate with Native nations as the sovereign and distinct governments that they are, supporting emerging and current leaders in using their authority to establish or rebuild institutions of nationhood that work for them.

Our Approach

The ways to achieve this goal need to be discovered. They cannot be imposed. For that reason, our strategies focus solely on collaboration, as Native leaders seek to rebuild the structures of nationhood. While specific initiatives will emerge, we have one priority to start.

- **Launch a Native Nation Building Collaborative**

This collaborative will be a Native-led effort. It will create the forum by which the discovery process can occur. We will follow the lead of respected Native leaders as we partner with them to achieve this goal. The Collaborative will also define priorities and begin engaging individual tribal leaders in next steps.



Photography, AP/Gerald Herbert



Photography, Carl Valiquet

“These are big goals. They’re challenging. And we know we can’t achieve them alone. We will look for partners who can help show us the way. We plan to pursue a more active, strategic approach for the use of our resources. We will learn as we go.”

Peter C. Hutchinson
President, Bush Foundation

Increase Educational Achievement

Goal: By 2018, the percentage of students in Minnesota, North Dakota and South Dakota, from pre-kindergarten through college who are on track to earn a degree after high school, increases by 50% and disparities among diverse student groups are eliminated.



Photography, AP/Will Kincaid

Our Approach

Our approach to achieve this goal is to emphasize and support teacher effectiveness, especially in the next generation of teachers from pre-kindergarten through college. We have three preliminary strategies on which we will focus.

- **Develop Effectiveness Measures**

All solutions start with building a good foundation of knowledge, gleaned from data and research. We will support the efforts of researchers who can work with us to convert currently available data into information that can be used to develop strong measures of teacher effectiveness.

- **Recruit High-Caliber Teachers and Improve Teacher Preparation and Retention**

We plan to identify and invest in the most promising ideas for recruiting, training, coaching and retaining new teachers.

- **Improve the Effectiveness of Existing Teachers at all Levels**

We will champion improved effectiveness as the core of professional development for both new and experienced teachers and other instructional staff.

Why We Chose This Goal

A direct connection exists between education and the vibrancy of communities. We cannot compete in the national or global economy by falling behind in educational achievement. Currently, only about 25 percent of students in Minnesota, North Dakota and South Dakota earn a degree after high school, and the disparities in educational achievement among students in different ethnic groups and income levels are huge.

Research shows that effective teaching makes a bigger difference in educational success than any other variable. This is true at all stages of education from pre-kindergarten through college. Over the next 10 years, half or more of teachers in the three states will retire or leave and need to be replaced. Since the quality of an education system cannot exceed the quality of its teachers, who takes their places, how teachers are trained and what they do to help all students succeed are critically important.



Photography, AP/Rich Pedroncelli

Current Programs: What's Changing, What's Staying the Same

As we begin focusing on our goals and strategies for the next decade, here's what you can expect:

Fellowship Programs for Individuals

We will continue to fund our fellowship programs in the areas of arts, leadership and medicine. These programs are a core part of our strategy and tie directly to our goal of developing courageous leaders. Over time, we plan to purposefully expand and introduce new aspects to these vital programs and will invite all of our fellows to help advance the outcomes of the Foundation.

Grants for Organizations

Achieving our strategies will require changes in the way the Bush Foundation works with grantees. For example:

- We will initiate more work and will more often invite proposals, rather than reviewing and approving grant requests under our traditional program areas.
- Our grants will involve larger commitments of resources over longer periods of time, to fewer entities.
- We will be more intentional about working with outside partners to define and implement strategies to achieve our goals. These partners may include other foundations, higher education institutions, all levels of government, associations, and community, cultural and other nonprofit organizations.
- We will continue our learning and planning process – always reaching out to gather feedback and learn how to do our work even more effectively.

Transition Period

For the rest of 2008, we will focus our work to transition to our new strategy. Our remaining 2008 budget will be used for transition grants to long-term grantees and to fund continuing programs. As a result, we will not be accepting any new letters of inquiry or grant proposals for the remainder of 2008.

In identifying the group of organizations we invited to apply for transition grants, our decisions were guided by the following criteria:

- Organizations that have received a substantial number of Foundation grants in the past 10 years (excluding those participating in defined, multi-year programs with a specified beginning and end date).
- Organizations that have become highly reliant on the Bush Foundation for their initiatives or annual operating budget.

The organizations we invited to apply for these transition grants have received separate information directly from us.

As we refine our strategies, we will publish information at www.bushfoundation.org on how organizations with ideas or programs that may advance our goals can share those ideas with us. You can expect this information to be on our website in late 2008 or early 2009.

For More Information

We are confident that by developing courageous leaders and engaging people to solve community problems, supporting self-determination of Native nations and increasing educational achievement, we will live our mission to improve the quality of life for everyone in Minnesota, North Dakota and South Dakota.

For more information, go to www.bushfoundation.org. We will also be publishing updates as we develop our new initiatives. In the meantime, we welcome your questions and ideas. You can contact us at newdirection@bushfoundation.org.



Bush Foundation