

Rural areas see funding gap

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A host of challenges, including misperceptions and geographic realities, combine to make it difficult for rural nonprofits to receive adequate foundation funding, a new study says.

Geographic isolation and population dispersion are chief among those challenges, says a new report on rural philanthropy published by the National Committee for Responsive Philanthropy.

Foundations tend to fund densely populated areas in order to achieve maximum impact, the report says, and therefore gravitate toward nonprofits in urban areas.

At the same time, few major funders are located in rural areas, making it difficult for nonprofit professionals to develop the connections and relationships that lead to grant awards.

Rural areas also have fewer organizational resources for nonprofits, the report says, and as a result often struggle with issues of effectiveness sustainability, which can further alienate potential funders.

"Compared to their urban counterparts, rural nonprofits are significantly disadvantaged," Rachel Swierzewski, author of the report, says in a statement. "With scarce local funding sources and often insufficient local support systems, rural nonprofits find it incredibly difficult to build strong organizations."

To improve the funding climate in rural areas, the report recommends foundations offer more multi-year flexible grants that can be used for staff and technical assistance.

Existing rural funders should serve as connectors, arranging opportunities for rural nonprofits and foundations to explore rural needs and opportunities for grantmaking.

Rural funders also can develop funding collaboratives that involve foundations that are new to rural grantmaking, the report says.

Seasoned rural funders also should look for opportunities to fund rural organizations whose missions involve changing perceptions of rural nonprofits, the report says, and should actively search out and promote effective rural groups.

And when foundations do not have the needed expertise to provide funds in rural areas, they

should partner with organizations closer to the community that can serve as intermediaries in funding.

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