



Southwest Initiative Foundation is supporting all kids who call southwest Minnesota home, from cradle to career.

A NEW FOCUS ON OUR KIDS

Standing in front of more than 500 employers, community leaders, elected officials, educators and students at the Grow Our Own Summit, 24-year-old Adam Strong of Kentucky shared deeply personal details of growing up in a poor, dysfunctional family. He spoke of getting beat up on his way to school, substance abuse in his home, foster care and experiences unimaginable to many of us.

“I am not an anomaly,” Adam said. And he’s right.

In our region, 11,000, or one in six kids lives in poverty. That number is the reason for Southwest Initiative Foundation’s new focus.

“This is monumental for Southwest Initiative Foundation and our region,” said SWIF Board Chair Bob Thurston. “Nearly two years ago when our board and staff were doing strategic planning, we dove deep into data and trends in southwest Minnesota. Looking ahead, we’ll continue the work we do best, like business finance, community

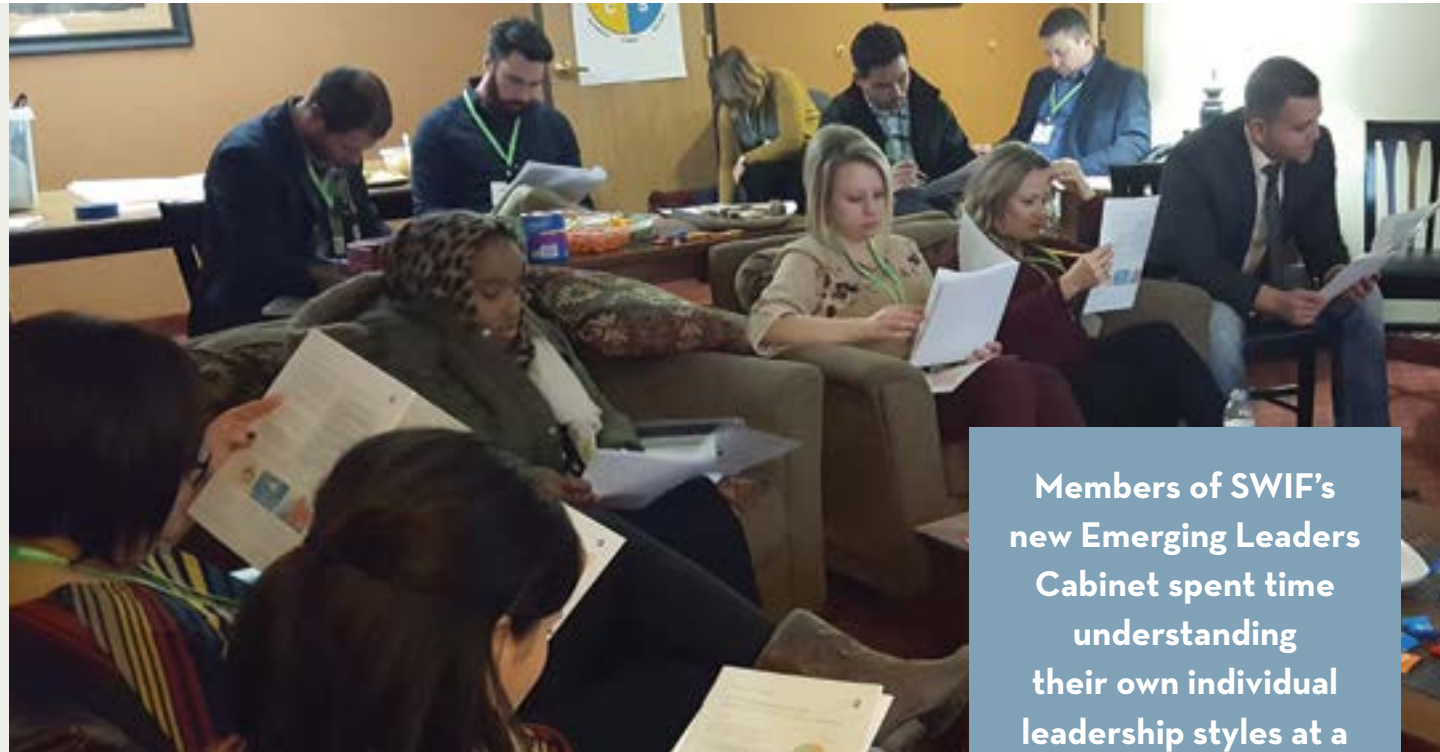


Adam Strong

philanthropy, grantmaking and early childhood, all with a focus on helping our next generation succeed right here in our region.”

We’re calling this work Grow

Our Own and it was officially launched at the December 15 summit in Marshall. Its focus is the “opportunity gap” faced by American youth, where the division of economic classes is widening and children born into poor families are unable to access the opportunities they need to become successful. Research shows that not all of these kids—no matter how hard they try—will be able to reach their full potential.



Members of SWIF's new Emerging Leaders Cabinet spent time understanding their own individual leadership styles at a kick-off retreat.

RAISING NEW VOICES

SWIF Launches Emerging Leaders Cabinet

Energy filled the room at a recent retreat to launch SWIF's new Emerging Leaders Cabinet.

Led by Board Chair Bob Thurston and Director of Community Philanthropy Liz Cheney, the Emerging Leaders Cabinet is a volunteer committee of our board of directors comprised specifically of people under the age of 40.

The 13 members are from throughout the southwest Minnesota region. All come from different walks of life, and represent the diversity of our great region.

Its purpose is simple: to cultivate the next generation of leaders through strategic engagement and development opportunities. This includes using strategies to recruit diverse leaders, explore current realities and trends and to create avenues of influence.

The retreat was an orientation for cabinet members, informing them about SWIF and our new Grow Our Own strategies, as well as introducing them to each other and providing opportunities to learn about themselves and their leadership style.

Visit swifoundation.org/elc to meet our cabinet members.

INAUGURAL MEMBERS

Jordan Huisken, Worthington

Fardowsa Ibrahim, Willmar

Susie Lang, Olivia

Don Martinez, Hutchinson

Jonathan Morales, Spicer

Karlie Mosher, Hutchinson

Ayan Muktar, Willmar

Chasity Ommodt, Spicer

Chanthavy Singvongsa, Jackson

Rob Thurston, Olivia

Robert Valdez, Willmar

Jessica Velasco, Worthington

Sarah Warner, Walnut Grove



Diana Anderson, President/CEO

OUR KIDS

President/CEO Diana Anderson

My husband John and I raised two sons in Canby, and it is a great place to raise a family. It's safe, the schools are great, neighbors know and care about each other—it was perfect. At least it was for our family.

We volunteered with the church youth group, and there I met kids who through nothing more than the lottery of birth were living in poverty. As I got to know them and their families, I was stunned at the stark contrast between their reality and that of our boys. Today, one in six southwest Minnesota kids lives in poverty.

SWIF was born out of crisis more than 30 years ago. For those of us who remember the mid-1980s, we know it was a bleak time for our rural communities, with Minnesota's prime agricultural region facing its worst economic crisis since the Great Depression. Leaders at The McKnight Foundation saw what was happening in Greater Minnesota and said, "We must do something." True to their core values, they knew the solutions would come from empowering local communities to chart their own way forward, and the Southwest Initiative Foundation was born.

Since then, SWIF has balanced an enduring mission with being nimble enough to respond to our region's changing needs. Today, we see a need that is too big to ignore, and true to the core values that McKnight instilled in us, we know that local communities are best positioned to make sure all our kids realize the American Dream. That's why we launched the Grow Our Own work.

We want to equip employers, business leaders, elected officials, educators, and civic, community and nonprofit leaders with the information and tools needed to support youth. We want every single person in southwest Minnesota to believe that these kids are *our* kids.

Taking on the opportunity gap is a risk; poverty is a huge, complex issue. An African proverb has motivated me whenever I begin to feel overwhelmed by the work ahead. It reads: "If you want to go fast, go alone. If you want to go far, go together." Surrounded by hundreds at the Grow Our Own Summit and in communities since, we've felt a momentum that tells us we're heading in the right direction.

What will southwest Minnesota look like in another 30 years? I'm inspired by the possibilities. I hope you are, too.



Mason and Garrett, now 25- and 30-years-old, are an inspiration to their mom Diana Anderson. Pictured here in 2010, they represent the thousands of young people who grow up in southwest Minnesota—and need our support to reach their full potential.



Summit participants gleaned information from a full lineup of experts, including world-renowned researcher and author Robert Putnam.

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“Too many kids in our region aren’t getting the best possible start to their lives,” SWIF President/CEO Diana Anderson said. “We can, and must, do something to change that.” Diana said leaders across the state and country are watching SWIF’s work unfold.

COMING TOGETHER AT THE SUMMIT

Experts, including summit keynote speaker Robert D. Putnam, Malkin Professor of Public Policy at Harvard University and author of *Our Kids: The American Dream in Crisis*, illustrated how kids from low-income families have less access to everything from quality early childhood education to Advanced Placement courses in high school to sport and enrichment activities that provide mentoring, teambuilding and other life-long skills they need to be good

citizens and good employees.

Professor Putnam also pointed out that people saying “our kids” used to mean all kids in the community, not just their own children, and we must get back to that in our society. “Our sense of ‘we’ has shriveled,” he said. “This is a big deal for all of us.”

Additional speakers included Kevin Walker, President & CEO of the Northwest Area Foundation; Kelly Monson, Minnesota Children’s Cabinet, Office of Governor Mark Dayton & Lt. Governor Tina Smith; Janet Topolsky, The Aspen Institute; and Kathleen Moxon, YouthBuild USA. Joe Sertich facilitated discussions that got participants sharing ideas and talking about what they see in their own communities.

Adam capped the day with a message of hope. In addition to his trials, he talked about being supported by safety net programs and receiving food bags from local churches. When his second grade teacher realized Adam couldn’t read, he received extra help and attended after-school and summer programs. He was laid off from his first job after high school but was introduced to YouthBuild, a nonprofit that provides career pathways for low-income youth to learn skills and serve their communities.

He put himself through community college and earned his bachelor’s degree, and today is a medical laboratory scientist and advocate for changes that will help others reach their American Dream.

“I just was given the right opportunities at the right time,” Adam said. “If we give these opportunities to other kids in poverty, they’ll be just as successful... We can’t just hope and pray that kids aren’t born into a poor family.”

SHARING THE MESSAGE

Participants have taken this message back to their communities, in large part thanks to the summit’s 54-member volunteer outreach committee. This group worked with SWIF from July through December, serving as a sounding board for our early work and recruiting summit attendees.

Beginning just days after the summit, examples of local action were popping up throughout the region. The Redwood Area Youth Foundation kicked off a campaign to pay off all past-due student lunch account balances in their district. A Hutchinson book club is reading Professor Putnam’s *Our Kids*. A group in Luverne is working to end “pay-to-play” and “pay-to-watch” so all students can participate in extracurricular activities. People in the Ortonville area are exploring weekend food programs for students.

Media coverage has also boosted this work, including a partnership with Pioneer Public Television to air a special summit program. See the back cover for broadcast details.

“Southwest Initiative Foundation will be thoughtful as we move forward with the Grow Our Own work,” Diana said. “This is economic development and we’re approaching it from cradle to career. These kids are our

future employees, entrepreneurs, community leaders, volunteers, homeowners and taxpayers, and our region’s economy depends on their success.”

REGIONAL REPORT GUIDES WORK

The University of New Hampshire’s Carsey School of Public Policy has been working with community foundations like ours across the country to understand regional data and trends. Director of Research on Vulnerable Families Marybeth Mattingly presented at the Grow Our Own Summit and authored a report released in February, “A Profile of Youth Poverty and Opportunity in Southwestern Minnesota.”

SWIF will use this information to guide community conversations about the opportunity gap and local strategies to close it.

Visit swifoundation.org to download the report.

OPEN INVITATION FOR COMMUNITY PRESENTATIONS

Want to share this work and research with your community? SWIF staff are ready to visit with civic groups, schools, employers, city or county officials, faith communities, diverse communities and more.

Contact Nancy Kaping at nancyk@swifoundation.org or 800-594-9480 to request a presentation.





SWIF's Early Childhood Program Officer Jodi Maertens feels Minnesota's child care crisis professionally and personally. She's relied on family and friends to help care for her daughter when child care wasn't available.

"Families need good, quality care," said Kris Otte, owner of Kidz Junction in Hutchinson. "A place where they know their kids are well taken care of and in a good program."



Children at Kidz Junction in Hutchinson have benefited from SWIF's work. Owners Kris and Cory Otte worked with our microloan team to purchase the business in 2009.

BRIGHT BEGINNINGS PROGRAM AIMS TO FILL CHILDCARE SHORTAGE

For the past decade, people have been getting out of the in-home family child care business, creating a severe shortage of providers. In southwest Minnesota, more than 12,000 child care providers have all their slots filled, leaving a shortfall of over 3,000 licensed spots for children under age 6.

Some of the shift is from Baby Boomers retiring. But, as a recent study from the Center for Rural Policy and Development indicates, most providers are leaving because they aren't making enough money to stay in business—or aren't even starting their business because they can make a better living in other fields. Add to that increasingly complex licensing regulations and difficulty accessing mandatory training opportunities and it's a tough business.

Program Officer Jodi Maertens knows this issue all too well. She and her husband Bill, who owns a manufacturing business in Marshall, have an 18-month-old daughter. Last summer, their child care provider decided to close her business and go back to school.

"Personally, we felt the impact. We took turns taking days off and arranged for babysitters to cover for a month," Jodi said. "I know that not everyone has these options depending on their job or family situation. It was a stressful time for us."

Employers are working hard to find talent, but recruits are turning down jobs in places where quality child care is unavailable or unaffordable. Low-income families and single-parent families are particularly hard hit, hurting the family further financially, Jodi said.

According to Child Care Aware of Minnesota figures, a family with an infant and a preschooler are paying between \$13,676 to \$19,552 annually for child care. It's also not uncommon for a parent to drive 40 miles round-trip or more to reach their provider, further adding to costs.

Opening and sustaining a center requires a threshold number of children, which is harder to attain in rural areas. Jodi said in small communities, successful centers are often supported by the school, major employers and economic development groups.

SWIF hopes a new program called Bright Beginnings will help. It's a collaborative effort between our Microenterprise Loan Program and Early Childhood Initiative to provide financing and training to child more care businesses.

This program is available to licensed home- and center-based providers. Loan funds can be used for licensing, curriculum, playground equipment, educational toys and materials, repairs, renovations or upgrades, code requirements, and start-up or expansion expenses.

"Families need good, quality care," said Kris Otte, owner

of Kidz Junction in Hutchinson. "A place where they know their kids are well taken care of and in a good program."

Kris started her child care career as an intern. "I'm still doing it 22 years later and still in love with it. It's hard work. You have to be passionate about working with the kids," she said. After eight years of working at a center in Hutchinson, she had the opportunity to buy it and move it to a larger facility.

"Southwest Initiative Foundation literally gave me a foundation of where to start with the purchase of the business, from the business plan on up," Kris said. She and her husband Cory worked with our microloan team for financing in 2009. "The services run even after the loan," she said. "Staff was always sending info and keeping me up-to-date with things that would be beneficial for small businesses."

Contact Program Officer Jackie Turner at jackiet@swifoundation.org or 800-594-8480 to learn more about this program.

Another positive step is SWIF's recent grant award from DEED, which will support child care expansions in our region. Read more on page 8.

DEED FUNDING ADVANCES REGIONAL WORK

What do diverse entrepreneurship and childcare have in common? SWIF received grants from the Minnesota Dept. of Employment and Economic Development (DEED) to support both areas of work here in southwest Minnesota.

SWIF is one of 23 nonprofit lenders to receive a grant from the Emerging Entrepreneur Loan Program, a new statewide program that aims to help increase economic opportunities for businesses owned by minorities, women, veterans, low-income individuals, and/or persons with disabilities. SWIF received \$100,000 and was chosen based on criteria including background, business operations and experience working with new and diverse entrepreneurs.

Another \$110,000 from the Greater Minnesota Childcare Grants Program will help reduce the child care shortage in our region.

“The shortage of quality, affordable child care in Minnesota is having a ripple effect across the state, affecting families, employers, economies and communities,” said DEED Commissioner Shawntera Hardy.

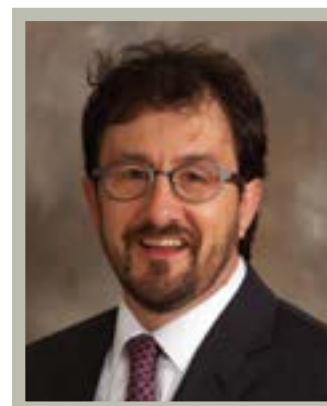
DEED is the state’s principal economic development agency, promoting business recruitment, expansion and retention, workforce development, international trade and community development. These grants are examples of how SWIF leverages resources and expertise to support businesses and projects in our region.

LOCAL PARTNERSHIPS EXTEND OUR WORK

SWIF has awarded grants totaling up to \$60,000 to our local affiliates as part of our new Grow Our Own efforts. This grant opportunity was made available to all 25 of our affiliates and 12 successfully submitted applications for funding.

Each will receive \$2,500 to partner with a local organization and complete a project that impacts youth in their community. In addition, SWIF has challenged these affiliates with \$2,500 dollar-for-dollar matching grants. Any gift given to their general endowment funds before June 20, 2017 will be matched by SWIF.

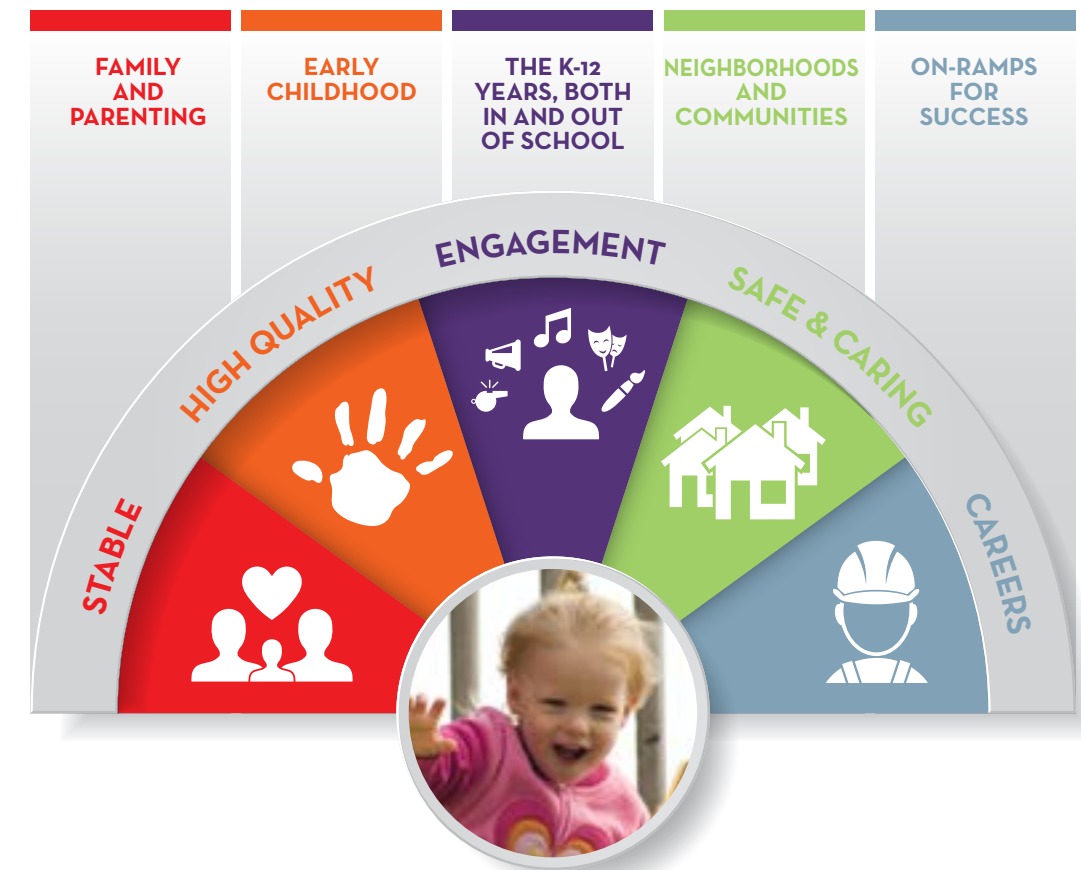
“It’s all about raising awareness on the local level,” said Community Philanthropy Officer Jeff Vetsch. Jeff leads and manages the Community Foundation Program and works with other fund partners. “Dozens of these volunteer board members attended the Grow Our Own Summit and are excited and ready to take on this challenge,” he said.



Jeffrey Vetsch
Community Philanthropy Officer

A Framework for Closing the Opportunity Gap

SWIF is taking a holistic approach, from cradle to career, to support our kids. We’re organizing our efforts using the five areas shown in this framework. Each of the affiliate projects touch these focus areas, too.



LOCAL GRANT PARTNERSHIPS

Check out swifoundation.org/goaffiliates to learn about their projects!

- **Balaton Area Community Foundation** and Little Panthers Preschool
- **Benson Area Community Foundation** and Swift County Human Services
- **BIO Legacy Foundation (Bird Island and Olivia)** and Christian Community Outreach Center
- **Dawson Community Foundation** and Dawson-Boyd School District
- **Heron Lake-Okabena Community Foundation** and Heron Lake-Okabena School District
- **Hutchinson Area Community Foundation** and Hutchinson Center for the Arts
- **Lake Benton Area Foundation** and Lake Benton Volunteers for Education
- **Milan Community Foundation** and Greater Milan Initiative
- **Montevideo Area Community Foundation** and Chippewa Valley Youth Club
- **Mountain Lake Area Foundation** and Mountain Lake Public School
- **Walnut Grove Area Foundation** and Westbrook-Walnut Grove Elementary School
- **Worthington Area Foundation** and Worthington YMCA

STAFF RETIREMENTS

Two longtime staff members retired at the beginning of 2017 but their work will be felt here at SWIF for years to come. We take a look back at their accomplishments and wish them well in the next chapter of their lives.



Bob Golberg has been recognized for his work at the Minneapolis YMCA, Minnesota State University-Mankato, Amherst H. Wilder Foundation and SWIF.

Bob Golberg joined our staff in 2012 as Legacy Gift Planner, focused on enhancing our work with donors who consider important goals with estate plans and their legacy. Bob brought experience, focus and heart to our efforts, while helping preserve valuable rural resources for generations to come.

For five years, Bob shared the SWIF story and a variety of estate planning possibilities—some relatively simple and some more complex—with professional advisers and donors. His work has impacted many organizations and countless individuals and in 2014, he was honored with the prestigious Clinton A. Shroeder Distinguished Service Award from the Minnesota Planned Giving Council.

He leaves SWIF with a philosophy that anyone can leave a meaningful legacy with some thoughtful and creative planning.



Our microloan clients had no stronger advocate than Berny Berger. She's pictured here with Willmar's Happy Family Asian Grocery owners Play Htoo and Kyaw Soe Hang, as well partners Charlie Leuze and Connie Schmolz who helped put together the financing package.

Berny Berger was hired in 1998 and held multiple positions at SWIF, most recently as Microenterprise Program Coordinator. In 2001, she founded our Microenterprise Loan Program, which has awarded nearly \$5 million in total microloans, supported 290 businesses and received national recognition since the program's debut.

What sets this model apart from our Business Finance or other lending options is that our microloan clients receive business education and one-to-one coaching. A woman known for her heart and capacity to care, Berny has worked with hundreds of entrepreneurs and go-getters to make their dreams into realities. She also worked hard to seek funding and manage program reporting.

Today, in addition to supporting current and potential microloan clients, the team supports small business education through online classes, Social Media Breakfasts, Social Media Rock Star Conferences, the Minnesota Cup Business Venture Competition and more.

BOARD MEMBERS COMPLETE SERVICE

Our organization is grateful for the outstanding direction provided by our Board of Directors. They contribute to SWIF as leaders, volunteers and donors. In 2016, two of our board members completed their service.



Bob Taubert of Pipestone served three years. As the managing partner/farmer at New Horizon Farms, LLP, Bob provided valuable perspective on the issues our local ag producers face as they work to make a living, produce quality products and be good stewards of their resources. He served on the farmland committee, helping SWIF manage our nationally-known Keep It GrowingSM program. During this time, the foundation created meaningful interactions for donors and retained valuable wealth for our communities.

A Pipestone native, Bob represents what it means for families and businesses to call southwest Minnesota "home." He and his wife Tami established the Taubert Family Advised Endowment Fund as a way to support rural Minnesota, including through SWIF's affiliate the Pipestone Area Community Foundation. As the father of four school-age children, his experiences and insights have been critical as we launched Grow Our Own and work to understand what all southwest Minnesota kids need to be successful.



Greg Raymo of Worthington served four years and has been a passionate and enthusiastic advocate for the entire region. Also a lifelong resident, Greg was raised in Madison and then raised his family in Worthington. As president of First State Bank Southwest, he works tirelessly on behalf of the community, to grow businesses and advocate for the quality of life that every family deserves. He served on our loan advisory committee and has worked closely with many diverse entrepreneurs to start and grow their businesses. He also served on our finance and audit committee and investment committee.

Greg and his wife Barb are charter Growing Home Circle members, giving back through SWIF's General Endowment. Greg has also been active with our Worthington Early Childhood Initiative, Worthington Area Community Foundation, and Business Finance and Microenterprise Loan Programs. In 2009, he received the Southwest Initiative Foundation Award, recognizing his extraordinary contributions to SWIF and the region.



**SOUTHWEST INITIATIVE
FOUNDATION**

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GROW OUR OWN ON PIONEER PUBLIC TELEVISION

Pioneer Public Television and SWIF are collaborating to share the Grow Our Own message far and wide. A special program featuring excerpts and interviews from our summit will air Thursday, April 20 at 9 p.m. and Sunday, April 23 at 12:30 p.m.

Visit pioneer.org/growourown for details and online viewing.



Pioneer Public Television staff interview Kelsey Henningson-Kaye of Ortonville for Grow Our Own.

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