

# Connections

Coming of age

## Community investment focus of Self-Help conference

A conference on community lending hosted by the Durham-based Center for Community Self-Help attracted hundreds of bankers, nonprofit leaders, foundation and government officials. In workshops and strategy sessions, participants shared ideas for increasing access to credit in poor communities.

BY BARBARA SOLOW

DURHAM

A community development conference that brought nearly 500 people to Durham last month had participants drawing parallels to the era of Civil Rights marches and Woodstock.

Hosted by the Center for Community Self-Help in Durham, the first national "CDFI Institute" — short for Community Development Financial Institutions — focused on

strategies for expanding community-based lending.

Organizers said the size and scope of the event reflect the coming of age of the "CDFI" movement, which now includes more than 1,000 neighborhood-based lending organizations.

"A year ago, no one had ever heard of a CDFI. The field was just starting to emerge," said Mary Mountcastle, a Self-Help board member and conference organizer. "We had participants calling the institute 'CDFI Woodstock' because they felt the spirit of the group was so positive and enthusiastic."

More than 70 experts from nationally recognized lending institutions offered workshops on how to start and manage loan funds; how to finance home ownership in poor communities; and how to build partnerships with banks and government agencies.

Representatives of the Clinton

### LENDING

Administration described pending legislation that would provide nearly \$400 million for community lending, and Self-Help officials announced a new \$20 million home loan partnership with Wachovia Bank of North Carolina.

In setting the framework for the three-day event, Kate McKee, Self-Help's associate director, described the rapid growth of community lenders in both rural and urban neighborhoods.

The "far-flung network" now manages about \$1 billion in assets and provides \$2.5 billion to \$3 billion in loans for everything from small businesses to day-care programs, she said.

Other speakers emphasized that community lenders have built a track record of successful loans in areas that traditional banking institutions

have failed to serve.

"I used to call this array of credit institutions alternative institutions," said Judy Samuelson, director of program-related investments for the Ford Foundation. "But they are not alternative to anybody. In the communities they serve, they are often the primary source" of credit.

When the Ford Foundation made its first investments in neighborhood-based financial institutions in the early 1970s, the commitment was seen as temporary.

"Today, we are much more inclined to admit that what we have here are permanent institutions filling permanent needs in these communities," Samuelson said.

The federal government is moving to support the efforts of community lenders through a bill that would provide \$382 million over four years for neighborhood-based loan funds,

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Acting locally

### Resources on economic development

For those who want to learn more about community development finance, here are some resources identified at a recent conference in Durham sponsored by the Center for Community Self-Help:

- Aspen Institute: Produced a directory of micro-enterprise loan programs, 1333 New Hampshire Ave., NW, Suite 1070, Washington, D.C., 20036, (202) 736-5800.

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The art of learning

## Pilot schools use arts as springboard for education

Two public schools in the Wilmington area are incorporating the arts into all areas of the curriculum. Early results show increases in attendance and parental involvement. With the help of a possible grant, the pilot program could be expanded throughout the state.

BY KATHERINE NOBLE

WILMINGTON

Attendance is up and parents are more involved in two schools in southeastern North Carolina.

The impetus is believed to be an experimental effort to engage the interest of at-risk and other students in all academic subjects through teaching of the arts.

With funding from the school dis-

trict, from private and corporate foundations and from the Arts Council of the Lower Cape Fear, Sunset Park Elementary School in Wilmington and Southport Elementary School in Southport have joined a growing network known as A-Plus schools. The network has 14 schools in six states.

Teachers, administrators, arts leaders and others involved in the innovative program say that weaving the arts into other academic subjects and using a theme-based approach to teaching, results in enthusiastic teachers, interested parents and less violent, disruptive students who like school — and themselves — better.

A-plus schools also are resulting in better test scores.

Now, the program is poised to receive an influx of private foundation dollars that could give it the boost it needs to become a model for

the state, and perhaps the U.S.

"In a way, it's John Dewey coming to the fore all over again," says Ralph Burgard, founder of A-Plus Schools and a private consultant now living in Beaufort. Along with the Arts Council, he helped set up pilot programs in the two Tar Heel schools.

"It's very much in the American pragmatic tradition to make learning come alive with hands-on approaches that are practical," says Burgard. "In this case, thematic teaching takes themes that have a lot of relevance to a young student's life, and



Classroom assistant Linda Baston (left) and art teacher Teresa Rogers help (from left) Rafeeka Powell, Priscilla Rebollo and Grisel Vergara with art projects in Wilmington.

Photo by John Fletcher Jr.

then works all the basic academic subjects into those themes."

The arts give students hands-on experiences in the classroom.

A recent theme at Sunset Park was the circus. Adelaide Kopotic, the

school's principal, explains how each team of teachers worked together to come up with social studies, science, arts, physical education, reading,

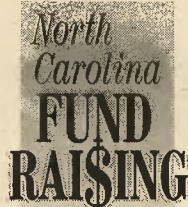
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Managing data

## Fundraising software helps track, court donors

BY KAY MCFADDEN

Last month, we offered a pep talk about how computer technology can empower its users. Individuals and organizations — particularly nonprofits — were urged to see the information revolution as a liberating experience that offers greater control.



We're glad to note that *The New York Times*' syndicated columnist, Russell Baker, now has taken up the cry of "carpe modem." Baker likened owning a computer to having Aladdin's lamp placed in your lap, with any request for information instantly gratifiable.

Managing vast amounts of data at a computer keyboard may seem overwhelming. But the forces of

recession, a changing donor population and government cutbacks make not exploring such avenues an even scarier proposition for nonprofits.

To underscore this message, we'll cite some simple examples of how organizations have created and used computer software to change the way nonprofits raise money. What's especially great is that two software producers, recognized nationally for their products, are in North Carolina. Help is on your doorstep.

Let's start with the most basic and onerous task a nonprofit must execute successfully: Figuring out who might want to make a donation, and then soliciting that individual in the most effective manner.

Historically, this job has been executed with expensive mass mailings. Painstakingly handwritten notes could identify repeat givers,

### TECHNOLOGY

but the resulting piles of paperwork decreed

that only big donors rose to the top. Not anymore. Thanks to Donor II software, a brainchild of Systems Support Services in Charlotte, anybody sitting at a keyboard can swiftly identify big and small target donors by keying in the causes that interest them.

"Our program's approach to giving is people-based," says Brian Larsen, vice president of Systems Support Services. "Solicitations based on a known interest are best, and they are the future direction of fundraising. Personal cultivation is where the money is."

For example, says Larsen, a nonprofit trying to raise funds for its services to elderly people can pull a list of donors known to have given to hospices for the elderly or to have made memorial gifts. The list is compiled by swift cross-referencing

of notes entered in each individual file.

The program also contains activity levels that allow nonprofits to note early conversations with someone who becomes a small donor, then perhaps a big one.

Such efficiency is only half the benefit, says Allan Burrows, head of development and operations for the North Carolina Child Advocacy Institute in Raleigh. Although the Donor II system required an investment ranging from \$5,000 to \$10,000, Burrows says, the money was more than recouped.

"We've doubled the names in our database but we're no longer doing broad-based appeals, which people are leery of," he says. "It's shown up on our financial statements in terms of cutting costs. And because we're more focused, we get a better return. We've actually generated

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