



May 2003: The FEX conference room holds record number of grants applications

Since 9/11, the murky political situation in the US is rapidly deteriorating the democratic rights of all Americans. In efforts to protect those disappearing rights not only the existing organizations but also many new ones have sprung into action. As a result of this increased activism we received a record number (855) of grant proposals this year for our general and Robeson cycles. We see this new level of awareness and activism as a positive outcome of another dark period in the political history of this country. At the same time we would like to emphasize the need for your support more than ever before to keep that spirit alive.

Homocom Corporation: A Docket Grantee

By Jerry Snee

In this newsletter, we are featuring a Docket grantee in our grantee profile - funded for the first time by FEX in 2002-03 - which uses alternative media in their movement building work within the LGBT community, Homocom Corporation.

Homocom Corporation was founded in 2001 in New York City to help change the way society sees lesbian, gay, bisexual, and transgender (LGBT) people, and the way LGBT people see themselves and their role in society. Homocom's two main projects are The Gully online magazine and its Spanish-language counterpart, The Gully en Español. Both versions encourage civic participation and a redefinition and expansion of LGBT issues in connection with those of race, nationality, class, gender, ability, culture and language. Articles in The Gully frequently link to activist sites or provide E-mail addresses and sample letters to promote reader involvement.

**You've
Helped**

Homocom is committed to giving the global LGBT community the forums and skills to fight homophobia, participate vigorously in civic society and make their voices heard on virtually every issue of importance today, be it social, political, economic, cultural or religious. The website has recorded over half a million visits thus far, and regularly draws 20,000 readers a month from 100 countries.

Other work enacted by Homocom over the past year include skill-sharing, workshops and internships. In November 2002, Homocom offered its first online Internet Journalism Workshop for LGBT youth, "Out for the Truth." In this free annual workshop in English and Spanish, young LGBT writers learned basic skills while working with a real publication. Five students participated from Latin America, the U.S., and Russia. In 2003, they had their first participant in The Gully Internship Program, mentoring a young Russian lesbian in internet journalism at The Gully. Also, in collaboration with The Gully, Homocom has begun the oral history project, "In Our Own Words," which offers snapshots of the lives of ordinary LGBT people. For more information about this organization or to offer your support, you may visit their website at: www.homocom.org

Small Planet Fund Makes its First Grants

By Anna Lappé

When my mother, Frances Moore Lappé, and I started the Small Planet Fund we wanted a way for people to give to key trailblazers in *Hope's Edge: The Next Diet for a Small Planet*. In 2002, we raised almost \$50,000 through donations and a fundraiser that brought together Eric Schlosser (*Fast Food Nation*), Marion Nestle (*Food Politics*), and food from Cleaver & Co. and other sustainable eateries. The fundraiser included singing from Thenmozhi Soundararajan (Third World Majority) and a silent auction with earth-friendly products. A highlight of the year was traveling to Eckerd College where students organized a *Hope's Edge*-inspired 250-person organic dinner with food fresh from a local farm. The evening included an anti-corporate food video-images of McDonald's and brightly colored cereal boxes whizzed by as a guitar riff played and students asked: "Is this what democracy looks like?" By the time the evening was over, and a silent auction they'd organized finished, the students had raised \$1,300 for the Fund! Fund recipients for 2002 and 2003 include: edible schoolyards and urban gardens in the United States, Landless Workers Movement (Brazil), Navdanya Farmers Movement (India), and Transfair USA. We thank the Funding Exchange for their support and invite you to join us for our fundraisers in Los Angeles (October) or New York City (December). For more info anna@smallplanetfund.org



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National Office News

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FEX to Celebrate 25 Years of "Change Not Charity"

By Marcia Gallo

During the last decade, blacks have become beautiful, gays have come out, women have become liberated - but who could imagine publicly celebrating inherited wealth? Its very existence was proof of injustice...

In 1977, activists with San Francisco's Vanguard Public Foundation wrote the above sentiments in *Robin Hood Was Right: A Guide to Giving Your Money for Social Change*. *Robin Hood* was a call to arms for radical young people with wealth who wanted to support the activism all around them. "Those of us who have sponsored this book, and the larger circle of philanthropic activists described in it, are an informal group of young, wealthy Americans who have been working over the past six years to combine our money with our ideals for a more equitable society." In providing at first thousands, then millions, of dollars for progressive social change, they also changed the nature of American philanthropy. Two years later, they formed the first national network of locally-based alternative foundations, The Funding Exchange.

In 2000, Haymarket People's Fund published an updated version of *Robin Hood*. By then, much had evolved in the world of social justice philanthropy. Fifteen Funding Exchange funds were operating in 20 states, and the once-radical model of a partnership between wealthy activists and community organizers had forced discussions of accountability and accessibility at mainstream foundations. "No longer alternative, the funds called into question the traditional way that philanthropy operated: the secrecy, the elitism, and the 'we know best' attitude. The relationship between traditional foundations and progressive social change foundations is now one of reciprocity."

And today, the Funding Exchange network has much to celebrate as it approaches its 25th year. With 17 funds - from the original six in Philadelphia, Boston, New York, San Francisco, Los Angeles and Portland/Eugene, Oregon to new efforts now underway in Arizona — we are larger than ever and yet still dedicated to the basic principle of "change, not charity." You can find a FEX fund in Chicago, Denver, Madison and Minneapolis; Atlanta and Knoxville; Pittsburgh and Honolulu; Santa Barbara and San Diego. Last year, our combined grantmaking was over \$20 million. As a group, we are able to not only fund the community-based grassroots organizing for which we are so well known but to mobilize our network in support of local, national and international peace and justice efforts. It's an evolution of which we are justifiably proud.

As we plan next year's anniversary events, we invite you, our donors and comrades in social justice philanthropy, to share your insights and ideas with us. We are organizing a 25th Anniversary Committee and welcome your participation. We also welcome your reminiscences about FEX. Write, call, or email us with your memories, your stories, your photographs, and your hopes for our future - and let us know which ones can be published! Send them to Marcia Gallo, 666 Broadway #500, New York NY 10012; 212.529.5356, ext. 315; Marcia.gallo@fex.org. Mark your calendar now to celebrate the Funding Exchange in 2004!

Save the Dates!

Tuesday October 7 in Boston

Thursday October 9 in NYC

Saguaro Fund

10th Anniversary Celebrations

Like the cactus from which it takes its name, our Saguaro Fund has survived harsh political environments and grown to nourish hundreds of grassroots organizations working for social justice in communities of people of color. It is a quiet giant among progressive funds.

We will commemorate the 10th Anniversary of the Saguaro Fund with a special presentation of a new Funding Exchange report on the impact of US imperialism on people of color. This unique analysis brings you the perspectives and experiences of the people living — and organizing — in current and former US territories and jurisdictions.

Our featured guest at both events will be the report's author

Surina Khan

Activist and writer, formerly with Political Research Associates and the International Lesbian and Gay Human Rights Commission, past Chair of the FEX Board of Directors

Join us for dinner and drinks... Meet old friends and make new ones...

Contributions requested to build the fund's grantmaking capacity (\$50 suggested)

RSVP to Peter Diaz
peter.diaz@fex.org
212.529.5356, ext. 318

Make an online gift to the Funding Exchange here: http://www.fex.org/2.2_makeagiftindex

Get a copy of our Planned Giving Guide and create a lasting legacy for "Change not Charity"

The Costs of War Hit Home

By Karen Dolan

An elected official of East Cleveland reportedly made a plea at a recent public event for Bush to wage war in East Cleveland, as in Iraq, so that its roads, schools and crumbling infrastructure could then be rebuilt. Though said in jest, her remark reveals the desperate need felt by many states and cities for resources to be spent at home rather than on war.

The recession and the costs of the war are causing huge cuts in public education.

The nation's governors warn that state deficits are the largest in more than 50 years. In the next year the deficits will run between \$60 billion and \$85 billion. This is between 13 percent and 18 percent of state expenditures.

The *New York Times* reported that some states have undertaken drastic cost-saving measures—including unscrewing every third light bulb in government buildings, having teachers double as janitors, and releasing prison inmates early. Many states also reported having to lay off teachers, raise student tuitions or cut financial aid—sometimes all three.

Pressed to the brink of bankruptcy, states, cities and towns across the US are recognizing the devastating costs to taxpayers of a perpetual war economy. In the months leading up to the war on Iraq, more than 160 local governments passed antiwar resolutions decrying the billions of dollars to be spent on the war while vital social programs face severe budget cuts.

Another View

Los Angeles' resolution stated that the "cost [of the war] would be borne by the people of the City of Los Angeles, who rely on federal funds for anti-poverty programs, for workforce assistance, for housing, for education programs, for infrastructure and for the increased demands of homeland security."

The National Priorities Project (www.nationalpriorities.org) reports that, based on the conservative estimates of \$100 billion for the Iraq war alone, taxpayers in Denver would pay \$152 million of the war bill from their federal income taxes; in Atlanta, \$80 million; in Des Moines, \$42 million; in Detroit, almost \$180 million; and in New York City, a crippling \$2.4 billion.

According to the National Priorities Project, the proposed \$46 billion increase in military spending for 2003 could be much better spent. California's share could put some 570,000 more children in Head Start; New York state could provide health coverage to almost 750,000 of its uninsured children; Oregon, facing the nation's most severe cuts in public education, could fund 7,000 new elementary school teachers and Mississippi could provide 3,000 affordable housing units to its low-income residents.

The Center on Budget and Policy Priorities reports that the proposed House budget plan includes more than \$159 billion in cuts over the next decade to programs for low-income families. Programs such as Medicaid, the State Children's Health Insurance Program (SCHIP), Social Security Insurance, Food Stamps, Temporary Assistance to Needy Families and many other programs will all be cut.

Alabama will lose at least \$1 billion in funding for Medicaid and SCHIP under the proposed budget plan for 2004 to 2013. California will lose almost \$10 billion.

Further worsening the situation, Congress is in the process of passing a bill giving somewhere between \$350 billion and \$726 billion in tax cuts to the wealthy. It has just given an additional \$80 billion to cover the first month of Iraq war costs. And it is about to agree to a 10-year budget plan that devastates state funding for critical entitlement and low-income programs.

Karen Dolan directs the Cities for Peace program at the Institute for Policy Studies in Washington, D. C.

Welcome Tony, And the Media Justice Fund

Anthony Riddle is the consultant to our new fund, Media Justice. He has worked in the field of media advocacy for 25 years, concentrating his efforts in the emerging field of community media. He has been the manager of three community access facilities, has served as press secretary for Atlanta Mayor Maynard Jackson, and has worked as a national and international media consultant. As the National Chair for the Alliance for Community Media, he traveled across the country working with progressive, grassroots organizations in many fields. In addition to his media and organizing experience, Tony has served on six grantmaking panels, including the Paul Robeson Fund for Independent Media.

The Media Justice Fund will support local and national organizing efforts aimed at media reform policies, open access to technology, and accountability by media corporations. Such efforts have historically been under-funded and have operated with only loose ties to other social justice movements, separated from them by issues of race, age, culture, and sense of immediate priorities. This division has worked to the detriment of both movements, isolating media advocacy efforts from the broader justice agenda and keeping social justice groups from recognizing media policy as a core issue. The Media Justice Fund will promote projects that manifest strong collaborations between media and social justice activists and agendas.

The Fund will initiate three grant-making mechanisms to support specific media justice organizing projects and activities in the United States. Each grantmaking program will pay particular attention to projects' geographic, cultural, ethnic, and programmatic diversity.

If you would like to know more about the Media Justice Fund please visit our web site.

A Fund that Gave Hope to People

By Peter Diaz

Unlike most Donor Advised Funds (DA) at the Funding Exchange that are started with a sizeable contribution, the Small Planet Fund (SPF) was created with a zero balance. Anna Blythe Lappé, the fund's advisor and primary fund raiser, created the Small Planet Fund with her mother, Frances Moore Lappé after the publication of their book, *Hope's Edge: The Next Diet for a Small Planet* in 2002. SPF aspires to raise resources for the organizations profiled in the book to fight hunger and poverty around the world. In true grassroots form, Anna Lappé used the publicity from the book to begin raising money for the new fund.

Hope's Edge is the sequel to Frances Moore Lappé's classic *Diet for a Small Planet*. Working in partnership with her mother, Anna infused *Hope's Edge* with her unique vision. Anna has accomplished more in her 20-something years than most people have their entire lives. A graduate of Brown University

and Columbia University's School of International and Public Affairs, Anna has traveled around the world, contributed to nationally recognized publications, presented at countless colleges and worked at various nonprofit organizations in New York and abroad.

Although fundraising can be difficult and frustrating, Anna's excitement masks the challenges associated with it. It is perhaps her excitement that has generated \$50,000 for the fund in the past year. The success of the book helped raise awareness for SPF to a larger audience. Anna recalls, "Last year I went to speak about the book at a small college in Florida and I was surprised that a group of students had raised \$1,300 dollars for the Small Planet Fund. I was just so happy. I felt like the book was really connecting with people." She hopes to continue grassroots fundraising by hosting future events in New York City and Los Angeles.

For more information, please visit: www.smallplanetfund.org.

FEX
In
Person

Looking Back And Planning Ahead

Welcome to fiscal year 2004. As you know, we begin our fiscal year on July 1 and the summer is often a good time to reflect on the last year's work.

This year has been hard. The continued downward spiral of the economy has made fundraising much more difficult for all nonprofits, but especially for social justice groups. Many FEX grantees told us of grants not renewed, grant commitments not met and a general loss of funds. They are facing layoffs and retrenchment at precisely the time when the work is the most crucial. In addition, the increased demands from the movement to include anti-war strategies, organizing for civil liberties, and organizing against racist immigration and economic policies have made the situation more critical.

This year alone the amount of proposals

submitted to the National office grantmaking program more than doubled. There are 394 proposals up for consideration from the OUT Fund for Lesbian and Gay Liberation, the Saguaro Fund, and the Docket, and 461 proposals being considered by the Paul Robeson Fund for Independent Media. We have never witnessed such an influx of proposals from groups all over the country seeking funds to continue their work.

While FEX donors continue to be generous and supportive to the national office programs and to FEX Network foundations, we can feel that there has

Ellen's Corner

been a "general dispiritedness," as one donor put it. For example, it was much harder this year for folks to commit to funding the docket and other FEX funds. People were harder to reach, harder to pin down and more distracted, we suspect, by the competing demands of the war, the repression of civil liberties and the economy.

As a network, FEX continued to play a crucial role in progressive funding. Because of FEX's unique position of funding grassroots organizations and media/policy groups who support on-the-ground base-building, within a

broader social justice context, FEX's contributions to the anti-war efforts both here and abroad were immense. Together, as a network of 16 foundations with the national office grantmaking program FEX gave away close to \$2 million to anti-war efforts. United for Peace and Justice, one of the larger and broader peace coalitions to emerge in the last year, credits the Funding Exchange with making it possible for them to convene their momentous national meeting in Chicago last month.

As a federation of foundations, FEX has a unique vantage point and continues to build on that. As you know, the funds have recommitted to a set of political values that guide our work and are beginning the process of self-study and peer review. Two funds have stepped forward to be the first to take on the self study, McKenzie River Gathering Foundation and Headwaters Foundation for Justice. Both funds welcome the opportunity to have a guided political discussion within their fund and an opportunity to discuss their work and political vision with peers from other funds.

At the national level we continue these broader political discussions as we establish network priorities and objectives and strategies for meeting them. In this way we can be even stronger with greater impact.