Addressing the Crucial Relationship between Good Schools and Thriving Rural Communities
The Rural School and Community Trust (Rural Trust) is the leading national nonprofit organization addressing the crucial relationship between good schools and thriving rural communities. Working in some of the poorest, most challenging rural places, the Rural Trust involves young people in learning linked to their communities, improves the quality of teaching and school leadership, advocates for appropriate state educational policies, and addresses the critical issue of funding for rural schools.
The mission of the Rural School and Community Trust is to help rural schools and communities get better together.
Teacher working on the LCL video curriculum with his students.

### Areas of National Leadership

**Highlights from 2004-2005**

Our strategies for fulfilling our mission and key accomplishments under each:

**Expand place-based education and engage young people in community building and civic action.**

- Thirty-seven schools in ten states are developing projects through our youth-centered work that engage students and teachers in real-world learning through challenging academic work on community issues. Outcomes include enhanced student learning, increased civic knowledge and competence among students, and greater community understanding and support of public education. The ten states are Arkansas, Louisiana, Maine, Mississippi, Nebraska, Ohio, South Carolina, Tennessee, Vermont, and Wisconsin.

In Ohio, students are taking on the difficult issue of school funding, educating themselves about the process and laws, and speaking out about how it affects them. Students in Vermont designed a new high school social studies course focusing on students being active citizens. Wisconsin students are working on bringing the state’s rural schools and communities to the forefront in the minds of citizens and legislators, while Tennessee students are working to boost their local economy by starting their county’s only greenhouse nursery and also launching a “Buy Local” campaign.

- We acquired the Lights, Camera, Leadership! (LCL) program and curriculum from the Orton Foundation, allowing us to expand our place-based education training offerings. This high school credit-bearing, place-based curriculum develops student leadership and academic skills through the process of making and premiering a community video. The video captures some important aspect of the community from past, present, and future perspectives. Students learn to lead focus groups, interview community members, conceptualize and produce a video, and organize and facilitate a community premiere.

- The Rural Trust cemented its position as the leader in place-based learning resources this year, continuing to provide workshops, trainings, assessment guides, facilitated discussions and curricula to build community and school capacity across the country. We reached out in 16 states, with over 1,500 participants overall.

- We are in the second year of the Learning with Public Purpose program, made possible through a Next Generation grant from the Corporation for National and Community Service (CNCS). We are in the process of expanding to include teachers and schools in Shaw, Mississippi, as well as Bogalusa City, Washington Parish, Iberville Parish, and St. Helena Parish, Louisiana. They are joining sites in Maine, Tennessee, and East Feliciana Parish, Louisiana. We also participate as a member of the CNCS Service Learning Leaders Circle.
Improve teaching and school leadership in rural places.

✦ A new district, Bogalusa City Schools (Louisiana) joined our Rural School Leadership (RSL) initiative and a partnership with Southeastern University is helping to sustain and expand that work. A group of Alabama “Black Belt” superintendents embraced the action research model we developed for rural school leaders, using it to identify and study the specific issues they face on a daily basis. Also, earlier RSL reports are being used in graduate school leadership courses in Mississippi and North Dakota.

Improve research and analysis on rural education.

✦ In predominantly rural states, rural students are often the focus of concern, but in larger urban states—even where they are comparatively numerous—they are largely invisible. This was among the key findings in Why Rural Matters 2005, our third edition of a biennial snapshot of the condition of rural education in each state. The report ranks states on the basis of four “gauges” measuring: the importance of rural schools to the state’s educational performance, the level of poverty in the communities served by rural schools, other socio-economic challenges to high academic performance, and policy outcomes (including student test scores and graduation rates, among others).

Based on these measures, the rural states in need of the greatest attention are located in four distinct regions: the Mississippi River Delta (Mississippi, Louisiana, Alabama, and Arkansas), the Southeast (South Carolina, Georgia, and North Carolina), the Southwest (New Mexico, Arizona, and Oklahoma), and Central Appalachia (Kentucky and West Virginia).

Another important finding from the report is that in some states, rural schools are building upon their strengths, beating the odds and overcoming significant socio-economic challenges to produce high performing students, even while threatened by a changing policy environment. Policy decisions that undermine these rural schools would clearly be a case of ‘killing the goose that lays the golden egg.’ Conversely, other, more urban states are treating their rural schools and students as if their success does not matter much. Even though rural students in these states face comparatively fewer challenges than rural students in other states, they suffer surprisingly weak student performance and get relatively little attention—they are largely invisible, like hidden ‘country cousins.’

For the first time, the report included suggestions for policymakers based on the report’s data. Among the recommendations: states should support small schools; provide more money for teaching students from poor families and those learning English; buffer schools against loss of revenue due to declining enrollment; emphasize distance learning; and help communities build multi-use facilities that can serve as schools, health clinics, social services agencies, and more.

Rural Education Priority Rankings from Why Rural Matters 2005
Two finance-related publications released this year, *Best Fiscal Management Practices for Rural Schools* and *Providing Rural Students with a High Quality Education: The Rural Perspective on the Concept of Educational Adequacy*, provide help to rural advocates seeking appropriate, equitable, and adequate funding for rural schools.

Releasing state-specific policy research allowed us to arm state groups in Arkansas and Maine with useful information for their work. In Arkansas, our study on the impact of the state’s consolidation law on the racial makeup of local school boards showed a 55% decrease in elected African-American board members. We also showed that Maine’s smaller schools effectively reduce the negative influence of poverty on student achievement by 35-100% compared to larger schools, depending on testing grade and subject area. In addition, we prepared studies examining the relationship between achievement, socio-economic status, and school funding in Nebraska and New Mexico. In each case, our analysis indicated that lower achieving schools serve students who face greater socio-economic barriers to academic achievement, and that they do so with fewer financial resources than higher achieving schools. In Nebraska, we were asked to present the findings to the State Board of Education.

Enhance rural community organizing, develop rural leaders, and ensure appropriate policy for rural schools.

We aided rural citizen organizations in eight states as they developed and implemented plans to: maintain small community schools, improve distance learning, develop school finance systems that are fair and adequately address the challenges faced, reduce dropouts, better connect schools and higher education institutions, and reduce the numbers of students inappropriately assigned to juvenile justice institutions.

For example, Save Alabama’s Small Schools is working to bring together clusters of small rural schools to cooperatively share teachers and expertise in locally managed, distance learning consortia. In Arkansas, an all-volunteer group called Advocates for Communities and Rural Education with 900 activists in 127 school districts kept the Legislature from closing over 200 school districts.

In North Carolina, the Rural Trust is involved with the plaintiff school districts (from the *Leandro* case) and a network of education groups working to establish the North Carolina Rural Education Working Group. The group will develop and promote state policies that improve education for rural students. We also submitted multiple *amici briefs* to the trial court on behalf of rural students.

At the fourth annual Rural Education Working Group Conference in Charleston, West Virginia in April, over 100 people from 20 states participated. Twenty workshops and a plenary session covered a wide variety of topics relevant to rural education, including: school-community relations, school finance advocacy, methods of holding school officials accountable; creating high performing schools in low-wealth rural areas, growing statewide networks of rural school advocates, establishing distance learning programs that work, developing effective policy messages and communications strategies, and supporting and retaining good teachers in rural schools.

A sound state school funding system is one that simultaneously provides all schools with “equitable” and “adequate” funding while also recognizing that some schools may need extra funding in light of student needs and community characteristics.

From *Providing Students with a High Quality Education*
Build visibility and credibility for rural places and their schools.

✦ National organizations turn to the Rural Trust as the voice for rural schools nationwide. This year we presented to a number of them, including: National Writing Project, National Science Foundation, Kellogg Foundation, Harvard Civil Rights Project, the Center for Education Policy, and the Campaign for Fiscal Equity. We continue to be active partners in the Coalition of Community Schools, Quarters From Kids, the National High School Alliance, the Association of Supervision and Curriculum Development Commission on the Whole Child, the Service Learning Leaders’ Circle, the National Rural Education Support Center, and National Youth Service Day. We delivered workshops for such organizations as the Coalition for Essential Schools, the National Service Learning Consortium, the National Rural Education Association, the National Rural Funders Network, and the Association of School Curriculum Directors.

✦ The release of *Why Rural Matters 2005* spotlighted rural schools through aggressive national coverage. Reporting included Associated Press state stories and wire stories on United Press International; national education outlets, including *Education Week*, *Education Daily*, and *E-School News*; multiple state outlets; and *USA Today*.

✦ We completed a redesign of our website—www.ruraledu.org—which allows us to do online conference registration, receive credit card donations, and register users on our website. The sleeker, easier to use design allows for a streamlined user experience.

✦ The issues of rural and small schools received increased attention in the national and educational news media. Articles focusing on rural schools ran this year in the *Wall Street Journal* and the *New York Times*; as well as both the *American School Board Journal* and *Principal Leadership Magazine*.

School boards are often the only line of defense for keeping small schools open, says Strange, of the Rural School and Community Trust. Once those boards disappear, it is easy to close the schools.

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July 2004 - June 2005

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Rural Trust Treasurer
Community Activist and former
Indiana State Senator

Ernest Brooks, III
President/CEO
National Youth Connection

Mollie Carter
Chairperson
Sunflower Bank

Lewis Donelson, III
Senior Partner
Baker, Donelson, Bearman & Caldwell, P.C.

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Executive Director
American Indian Higher Ed. Consortium

Patricia Albjerg Graham, Ph.D.
Charles Warren Professor of the
History of American Education
Harvard Graduate School of Education

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Challenge West Virginia

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Francisco Ramirez
Director of Finance and Administration

Marty Strange
Director of Policy

Doris Terry-Williams
Director of Capacity Building

Rachel B. Tompkins
President

Alison Yaunches
Communications Manager
# Financial Statements
## June 30, 2005 and 2004

### Statements of Financial Position (Summarized)

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<tr>
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### Statements of Activities (Summarized)

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*Note: Complete financial statements available upon request.*