From Brenda R. Sharpe, President and CEO

**Dear Nonprofit Partners: Welcome to a new year!**

Last year was a busy one for all of us, and this one promises to be active as well, particularly given the increasing focus on health care and reform efforts at the state and federal levels.

One of the more significant occurrences last year was the rollout of some of the key provisions and rules related to the Affordable Care Act (ACA). The passage of the ACA in 2010, and the state-level activity it spawned in 2011, drove a lot of discussion and planning in our two states and region.

In our service area, there were exciting developments: new dental programs, advancement of the medical home model of care, and more nonprofits committed to improving culturally competent care and service delivery.

Within our own organization, the REACH Foundation began implementing a five-year strategic plan adopted by the Foundation’s Board of Directors at the start of the year. We worked hard in 2011 to share with our longtime partners our five-year goals and strategies, and the rationale for a more focused approach. Using a theory of change as the map for our strategic plan, we now have a framework for how and where we will make grant investments. This frame will continue to evolve as we work with grantees to achieve better health outcomes for the uninsured and low income people in our service area.

In 2011, REACH awarded 96 grants totaling $4,171,585. The declining total dollar amount reflects the lingering effects of the economy on the Foundation’s assets. Again in 2012, we have reduced our grantmaking to slightly more than $4 million to adjust for the continuing market instability and uphold our mandate as a “perpetual” foundation. We will continue to support core operating expenses for organizations we consider essential health care partners in the community, while also placing greater emphasis on advancing integrated models of mental, physical and oral health care. And, as we have since our inception, we will continually look for other ways to support and strengthen our nonprofit partners through leadership development, technical assistance and capacity building efforts such as the upcoming Nonprofit Finance Fund training, a partnership with H&R Block Foundation and Nonprofit Connect.
Here’s how the grantmaking budget looks for 2012:

- More than $2.5 million will be allocated for program, core operating and discretionary grants. In the first week of this year, we announced $1.2 million of that amount in program grants to 14 organizations. Our next competitive grant cycle will be launched in August.
- Approximately $800,000 has been budgeted in discretionary grants. Our intent with these funds is to support capacity building, pilot projects, professional development and other activities that strengthen the ability of key partners to carry out their missions.
- The remainder of our program and grant funds will support key initiatives and projects aimed at improving the health care delivery system, such as the Patient-Centered Medical Home Initiative and the Cultural Competency Initiative.

On the horizon: REACH will explore new initiatives aimed at improving health care access and quality in our rural counties. We also will work with some of our foundation colleagues to develop a common evaluation framework and provide resources for intensive technical assistance to improve the effectiveness of health advocacy organizations.

And finally, REACH will strengthen policy efforts in Kansas and Missouri. As advocates of the underserved and uninsured, we believe that public health programs and investments are vital and irreplaceable components of the health care equation. Reducing health disparities, increasing the availability and quality of services, and improving health outcomes cannot be achieved by nonprofits and philanthropy alone. Therefore, REACH will look for ways to advance policy solutions at local, state and federal levels.

As always, our Board places transparency at the top of our communications priorities. If you have any questions about our strategic plan or grantmaking priorities, don’t hesitate to call our professional and caring staff. We are here to help.

Brenda R. Sharpe, President and CEO