

Board Meeting Packet

May 2009

FutureGenerations
FutureGenerations/Graduate School
Board of Trustees Meeting
 May 15-16, 2009

Table of Contents

President's Report2-5
 Mission Map6
 Annual Report.....Insert

GRADUATE SCHOOL

Agenda7
 Minutes to be approved from meetings dated:
 December 31, 20088
 November 21, 2008.....9-11
 April 29, 200912
 Applicants for Class IV.....13
 Blueprint for Growth.....14-21
 Draft Strategic Plan.....22-29
 Timeline for Accreditation.....30
 Graduate School BrochureInsert

CIVIL SOCIETY ORGANIZATION

Agenda31
 Minutes to be approved November 21, 2008 (see notes in Graduate School).....9-10
 Country Program Papers:
 Nation-Building as Violence.....32-40
 Using Participatory Budgeting to Meet Community Health Priorities.....41-42
 Water and Climate Induced Vulnerability in Northeast IndiaInsert
 China Fact SheetInsert
 Financial Reports:
 Balance Sheet by YearInsert
 Income Statement Projection by YearInsert
 Forecast FY 2009 and Budget FY 2010Insert
 Endowment History by YearInsert
 Revenue by donor by Month FY 2010Insert
 Expense Budget by Program by Month FY 2010.....Insert
 Surplus (Deficit) by Program FY 2010.....Insert
 Cash Flow Projected FY 2009 budget FY 2010Insert
 Budget FY 2010.....Insert
 Strategic Plan for Countries43-44

President's Report
Future Generations (CSO)¹ and Future Generations Graduate School
North Mountain Campus—15, 16 May 2009

When I met in Chicago with the Chair of the Peer Review Team two weeks ago, the group that will evaluate Future Generations Graduate School in the last round of our seven-year voyage to Accreditation, as the conversation advanced, she said, “Future Generations is a much more complex organization than I ever realized. You seem to be small, but in reality Future Generations is extremely large. I really do not know what to compare it to. How should I understand how you are organized to be so small and operate at such a large scale?”

Future Generations is indeed large—much larger than either the size of our full-time staff or our budget would indicate. In many ways, Future Generations is an organization that demonstrates what we profess about “going to scale.” Size of budget and size of staff are the two yardsticks by which organizational size is usually measured, and in these we are certainly modest. But in scope we are large. Our geographical scope is global and our operational scope encompasses governance, higher education, health, conservation, peace building, women, the process of empowerment, the list goes on. We seek to go to scale in a number of more substantial and sophisticated ways than today—but we do not seek to be more than twice or three times larger in size and budget. Much larger in size organizations do not attempt to tackle the scope that Future Generations engages with.

In our largeness and smallness, Future Generations operates under a different organizational matrix—Future Generations is laterally organized, concerned with enhancing the interconnections among people/governments/civil society. Conventional organizations are vertically structured—they specialize in an area such as health, conservation, gender, or geography. In reaching out horizontally, Future Generations connects sectors. We seldom do the work ourselves, but we frequently bring together partners and help them work more effectively together. That we have been successful up-until-now is evident, but there is a real challenge as to how to be successful into the future.

We need to understand how to make this lateral organization work. The world today needs effective lateral connectivity. Future Generations has a very distinctive market niche for *it is in lateral connectivity that synergies grow between sectors*, and in growing synergies costs come down and impact goes up, *exponentially*. This is, I believe, the key of the Future Generations “business.” It is not our conservation-health-peace-graduate school-or even Seed-Scale sub-aspects. What is central to our operations is the institutional attention mode of lateral organization enhancement. The largeness of Future Generations comes because of connectivity into others, partnerships that are real.

What drives lateral connectivity (we argue) is the energy of people. (What drives vertical operations is money, a vast oversimplification of course, and for details read our forthcoming book.) Talking about lateral organizations and partnerships gets a bit hard to understand, talking about how to promote people to use their energies more effectively is only a little less hard to

¹ We have been calling the nonprofit charitable Future Generations organization, “the NGO,” but this is technically incorrect because the Graduate School is also a non-governmental organization. Within NGOs, the charitable sub-category that the original Future Generations is more properly called a Civil Society Organization (CSO), although in our case CSO probably is more aptly explained as Community Stimulating Organization.

understand. But the underlying reality being noted here is that Future Generations is probing into unfolding new territory both in how social change operationally functions and in how organizations are structured.

What has been easier to understand is the happy, build-it-as-we-need-it process that has rambled along over the last 17 years as this institutional journey proceeded through this unfolding operational and organizational territory. It has been even easier to understand dramatic national parks and heart-rending stories of women's empowerment. But there is now a major need to think through very carefully *and take actions* as to what Future Generations is all about. The old accommodation of happy programming and obscure theory cannot be the modality for the future. There are two reasons.

First, the financial meltdown has profound implications. The past fiscal year has been our best in three years. We end with a positive cash balance. And, we achieve this in the financial climate of a global meltdown. But don't let this success mask what needs to be done. Success came by a financial restructuring that began with Board proactivity and continued with leadership at program levels. Restructuring must continue. The two Boards are only beginning to assert the needed leadership; they must be increasingly proactive in fund raising. Country programs must also be the same. I've written an accompanying strategy paper with suggestions for the country program responsibility. The Chair of the Board Nominating Committee is calling for clarity also in her report as to what Board fiscal expectations are.

The second reason why this restructuring is needed is that I am no longer going to be the President. The Boards have, until now, been able hold back from leading in fund raising because the Founder was filling the space. Substantive restructuring needs to begin now to prepare for my departure.

So, some of us are going to have to get out of the way for the organization to go forward—or we are going to have to change and be supportive by creating lateral links among ourselves. Whether Board or staff, we are not an organization where as individuals we can, working alone, do the jobs needed. But we can get those jobs done by formalizing our lateral links to each other. Trustees need to work in partnership with staff in fund raising. Country offices need to work in partnership with each other. This is not something that we can spend months talking about—the accompanying budget is very clear that while we end this fiscal year in the black, the money will run out soon. The need is immediate for serious rolling up of the sleeves and applying our energies.

Without that, we will be calling a special meeting of both Boards in August or September. Look at the impressive base that you have to work with. I am making the points below in bullets; most of you know the details as to what each describes. If you do not, in most cases a summary is found in the impressive new Annual Report which accompanies this President's Report.

The Base Now In-place:

Future Generations Graduate School

Our Graduate School is months away from navigating from concept (Chris, Peter, Mike all clearly remember the Board Meeting at Wade Davis's) to full accreditation. Along that road first achieving West Virginia authorization then registration, federal IRS approval with the special tax-exempt status higher education receives enrollment and graduation of three classes from 21 countries, and imminently now full national accreditation. We have made this journey in near record time, a year and a half ahead of what was first projected. Kudos to us all! But the structure is not what is most distinctive:

- The definition of student body was re-designed
 - Students represent communities, not being just individuals going to school;
 - Students encapsulate the diversity of humanity, a mini-UN.
- An innovative pedagogy was shaped, Blended Learning;
 - Intense face-to-face instruction at outstanding demonstration sites around the world;
 - Peer-to-peer dialogue and Faculty-to-student mentoring using the cutting edges of the Internet technologies;
 - Supervised Learning from the communities where students work, connecting these once-isolated places and projects with global best practice.
- The field of Social Change & Conservation was defined, (i.e. how to live on Earth more equitably and sustainably)

Also under the Graduate School: Research achievements have also mounted during the last six months. Be mindful that the primary shared feature of Future Generations research circles around the thesis of understanding the role of the Bottom-up in social change and conservation. This is not a firm feature, (for example, Bob Fleming's Himalayan Ecosystem research enters and leaves this arena) but understanding the Bottom-up (or put another way, the role of empowerment) is our central research quest as we seek conceptual understanding in the fields of:

- Social change through the continuing research on Seed-Scale (our next book is slated to come out under Oxford University Press in the fall of 2010);
- Community-based primary health care under the leadership of Henry Perry and Carl Taylor (co-sponsored by Future Generations with the APHA, World Bank, UNICEF) with a range of major publications;
- Engaging People in Peace-building under the leadership of Jason Calder with its now five case studies in Afghanistan, Burundi, Guyana, Nepal, and Somalia;

- Himalayan Ecosystem Case Studies under the leadership of Bob Fleming;
- Community-based Conservation under the leadership of Daniel Taylor and Mike Rechlin.

The CSO—Program Achievements of Significance in 4 Countries:

- Peru
 - Innovative demonstrations in home-based health care where “mothers are the number one providers, homes are the number one care facilities, and behavior changes are the preferred health intervention;”
 - National legislation that has codified the management model;
 - Foundational research advancing continuing health innovations.
- China
 - Two major nature preserves established and one under development in Tibet;
 - Pendeba programs – which advance a community-based care system - and now new Pendeba Society;
 - Green Long March—what has now grown into the largest youth environmental movement in China;
 - Model eco-communities that give tangible evidence of better practice.
- Arunachal/India
 - Primary health demonstration in Arunachal;
 - Expanding the effectiveness of Women’s Action Groups also in Arunachal;
 - Community-based conservation initiatives in Arunachal.
- Afghanistan
 - Mosque and home-based education in Afghanistan;
 - Potentially a breakthrough health methodology coming out of Afghanistan pilot project;
 - Promising evidence of community-engagement in governance demonstrated by the release of hostages from Taliban control.

Finally, I return to the challenge of how to explain our scope within the reality of our size. Large scope and small size is not unique to Future Generations. My favorite NGO model for this is Alcoholics Anonymous, a huge organization of lateral connections that also works from shared principles and, like us, emphasizes “changing behaviors” not running programs through distribution of money. The global secretariat of AA has less than thirty people. As Future Generations seeks to get people off the addiction to positive change through running programs through spending money, there are relevant parallels—noting that the educational depth of what we seek gathers probably more complex variables than alcohol addiction.

To visibly and easily explain the scope of Future Generations I have been recently using what I term our “Mission Map.” See below. We have a Mission—and each part connects laterally to different partnerships. Some of these are schools of thought, one is a grad school, others are schools of rather uncommon phish organizationally and operationally. The result we plan to grow into our Vision of “Promoting 100 Nodes of Change.” See below.

Mission Map

FutureGenerations Graduate School

Meetings of Boards of Trustees, Faculty, and Staff

May 15, 2009

North Mountain, West Virginia

Agenda

Thursday, May 14

Meeting of the Graduate School Faculty College

Friday, May 15th

11:00 Welcome to our newest Board Member, Anne Petersen

Meeting Begins (Chris Cluett, Chair)

11:00- Adjustments to the Agenda

Approval Minutes from Nov 21/22, 2008, Dec 31, 2008, and April 29, 2009

Report Items

11:15 Report by Dean (Tom Acker)

Graduate School Generally

Faculty College Specifically

Faculty Handbook

11:40 Nominating Committee Report (Pat Rosenfield)

11:50 Report on Self-Study Planning & Process (Daniel Taylor, Chair Self-Study Team)

Easy Agenda Items

12:00 Profile of Admitted Students (LeeAnn Shreve, Admissions Officer)

Begin Class IV to January or when funded (Tom Acker, Dean)

New Building Discussion (Daniel Taylor, President)

Items Requiring More Substantive Discussion

12:20 Selection of Honorary Masters Degree Recipient(s) (Daniel Taylor, President)

Budget (major discussion and vote on acceptance to occur next day) (Dean Acker)

12:45 Lunch (get and bring to table)

1:00 Blueprint for Growth (Tom Acker, Dean)

Regional focus student body, trimester structure, language

Direction for the Revised Strategic Plan

2:00 Meeting Adjourns

Board Meeting—31 December 2008—Graduate School Future Generations

Attending: Chris Cluett, Tom Acker, Pat Rosenfield, Bill Carmichael, Michael Stranahan, Daniel Taylor

10:00AM

Board listened to report from Fr. Acker regarding accusations by two female staff members against their male supervisor. (Investigation by Discovery of Fact Committee consisting of Tom Acker and Carol Mick.)

Discussion followed by decision to give warnings; file will be closed and kept confidential.

Dan'l moved acceptance, Bill seconded

Appreciation to Tom Acker and Carol Mick

Meeting Adjourned 10:35AM

Minutes—Boards of Trustees
Future Generations (NGO) & Future Generations Graduate School
New York City, Empire State Building
November 21, 22, 2008

Pre-Meeting—Showing the Cinereach Film on Green Long March & Discussion

Trustees Attending: Tom Acker (Grad Sch), Jim Brasher (NGO), Bill Carmichael (Grad Sch & NGO), Chris Cluett (Grad Sch & NGO), Peter Ide (NGO), Pat Rosenfield (Grad Sch), Mike Stranahan, (Grad Sch), Daniel Taylor (Grad Sch & NGO), Caroline Van (NGO)
Staff Attending: Vic Arrington (Exec VP), Pierre-Marie Metangmo (Dean), Casey Mallinckrodt (VP Advocacy)

Approval of Minutes of May 15, 16, 2008 Amended to note Bettye is on the NGO Board not Grad School; Pat moved, Chris seconded, approved by acclamation.

Discussion of how to conduct the operations of dual boards whether concurrently. Review of that we shall have to sort this out as we go. But for this meeting the two boards are meeting concurrently to achieve full understanding; at votes, however, each trustee will vote only if she/he is on the board for which that motion applies.

Discussion of deaths and sacrifices made by staff in field situations (3 in India, 1 in Afghanistan); commitment they make to the work, also discussed the legal and ethical circumstances around this issue.

Question comes up as to implications for travel and death for our students and our staff as they travel; need for bringing this up and putting into P&P manual, question raised as to insurance protections, stipulations need to be explicit in contracts for staff to only the \$10K insurance guarantee, importance of recognition of risk by our students and include this in acceptance letter to our masters students.

Peter moves a board vote of condolences to survivors of deceased who died. Board also recognizes to the staff who were their direct colleagues and appreciation for their sacrifice. Chris second. Passed by acclamation. Board seeks to find support for continuing the work.

Discussion of the Faculty Handbook. Agreement reached that this contains great detail, some affecting core policies, but board did not want to take these item-by-item. The Handbook was, therefore, to be reviewed by the Graduate School Chair with the Dean. Items that might require board approval would be brought forward.

Financial Discussion of Four Country Programs and Grad School.

Peru: Agreement to idea of working with mining companies—if care taken to screen those companies.

Arunachal: Is currently mapping its strategy, moving toward a society model for community groups, moving its health work into government.

China: This year differs from prior. Now have fund commitments with deadlines and deliverables donors will be getting in return for their contributions. The Green Long March is redesigned to have more depth with complete training and execution. Caroline describes as example how the Swire sponsorship went forward.

Afghanistan: Current funding base is in government contracts. One is two-year National Solidarity Program; the other is one-year USAID/LGCD. With LGCD Future Generations went through a hostile audit where there were prejudicial reviews. (Dan'l presents the document and the Future Generations rebuttal as examples.) This will be not renewed by our decision. The NSP contract is performing well even though it operates in a region of great hostility. In unpaid contract fees there are about \$600,000 due to Future Generations.

Graduate School: There are two sources of funds: tuitions that heretofore are covered by an institution interested in the work of a student and grants for research projects. Pierre-Marie reminds the board he requested each trustee to provide four leads to grad school. He proposed running special training programs in the Graduate School that would make money; concerns came from trustees whether they really would make money and cover both overhead and opportunity costs.

Overall Budget Discussion: Reviews the deficits for past years. Discussion about the larger global economic context and potential for impact on the work of Future Generations. Tom moves to approve interim operational budget pending full budget approval by B&A Committee by December 31st upon prior receipt of corrected budget and a short term fund raising plan that presents actionable strategy to close the gap. Pat seconds. Discussion follows.

Proposal that the organization create a Development Committee on the Boards of Trustees. Discussion of value of creating such committee. Question is who will lead and how will execute its function. No action taken.

Agreement that the Budget & Audit Committee plus both board chairs should have quarterly reports of financial status.

Returned to the discussion on proposed budget. Vote called on the budget. Unanimous approval.

Discussion Board Responsibilities. Presentation led by Bill of the overall Board duties. (See attached list from earlier board action.) No further action taken.

Separation of organizations: Clarification was provided that votes already mandated the separation of financial documentation, that this will require that for FY2009 there will be two separated audits.

Clarification discussion that both committees of the current boards (B&A and Nominations) will function as the committees for both boards so long as there is one trustee from each board on each committee.

Bill announces his intent to step down as Chair of NGO Board effective in May 2009 following two years in that position. Other trustees recognize his decision and thank him for his leadership. Decision on replacement to be made in May.

Nomination Committee: Pat reports on the nominating of Anne Petersen as a candidate for Board position. Pat moves, Chris seconds; acclamation to invite. Pat reports Robin Werner unable to accept. Pat reports on her discussions with Nicholas Lapham with him on the potential of joining the board. Discussion of possibility of Wade Davis, Al Sommer, Peter Hero, Gene Fife, Jennifer Barsky, Philipp Englehorn.

Pat stresses priority to get fund raising leadership by both boards. Bill speaks to the issue of including non-US citizens on boards. Others speak to value of diversity.

Discussion of the search process for President. Committee to be Pat and Chris as co-chairs with Mike, David, Bettye as members.

Two current Board terms are concluding at this meeting (Bill Carmichael and Chris Cluett). Pat moves reappointment of both, Peter seconds. By acclamation.

Discussion of the website redesign, how to do that, the process involved.

Submitted by:

Daniel Taylor

Future Generations Graduate School Telephonic Board of Trustees Meeting April 29, 2009, at 7:30 PM

Graduate School Board Members Present

Chris Cluett, Daniel Taylor, Anne Petersen, Mike Stranahan, were present

Also attending Tom Acker, Dean of the Graduate School, and Drew Tanner

Discussion on the planned new building to house the Graduate School. This now moves into active phase given recent award of a \$50,000 planning grant from Kresge Foundation.

Daniel moved, and Ann Petersen seconded a motion that Dan'l authorize Harry Teague to begin preparing plans for the new Graduate School building.

The motion passed unanimously.

Tom Acker proposed building flexibility into our academic planning, specifically with the following features:

- a) Adjustments to the instructional calendar that would consider specifically shorter Graduate School programs where students would get graduate credits but not be expected to complete whole degrees.
- b) Classes with regional foci as a parallel to our present emphasis on a "mini-UN" global class. Tom said we would have to hire additional faculty—for places like Haiti, Guyana, West Virginia where this kind of program makes sense and that we might be able to raise money for this kind of a program.
- c) Training might be in a local language, so our graduate school should not view itself as only an English medium program.

The consensus of the board was that this were interesting ideas, and they encouraged Tom to go forward with them with more discussion and formal approval to occur when more specifics become available.

Respectfully submitted,

Michael Stranahan, Sec'y.

Applicants for Class IV

FUTURE GENERATIONS GRADUATE SCHOOL: BLUEPRINTING FOR GROWTH

Dr. Thomas S. Acker, S. J. (Dean)

Historical Context:

The state of Virginia incorporated Future Generations in 1992 as a charitable non-profit organization. Future Generations' mission statement read: "Identify and inform others of examples that enhance an enduring earth, and incubate demonstration projects that promote the learning of peoples; regeneration of the environment and the improvement of human welfare." The organization chose strategies of research and training to improve human and environmental conditions in four countries. These initiatives grew into an institutional-wide interest in extending innovations in development and conservation through formal academic training.

Accordingly, the state of West Virginia Higher Education Policy Commission, upon request, gave preliminary authorization to Future Generations to grant a Master's Degree by letter of April 24, 2003. A condition was to move toward accreditation by the North Central Association (NCA). The state of West Virginia incorporated Future Generations Graduate School January 3, 2008, and NCA granted initial candidacy January 28, 2008. NCA will make a second site visit based upon a second self study in October, 2009.

A new mission statement was fashioned for both Future Generations, Inc., and The Future Generations Graduate School. The core of the new mission statement, approved through a series of meetings in 2003, 2004, and 2005, states: "**Future Generations teaches and enables a process for equitable community change that integrates environmental conservation with development....**" Both organizations operate under the same mission statement. The Graduate School training record to date is:

	Matriculated		Graduated	
	Date	# of Students	Date	# of Students
Class 1	1/03	17	10/05	8
Class 2	1/06	18	10/07	11
Class 3	9/07	16	10/09	9 (projected)

The mission of the two organizations is achieved through three reinforcing strategies: teaching, learning/research, and practical community application. The three points of this triangle oscillate information along the communication lines of the triangle that further stimulate the growth of each element. This describes one understanding of **blended learning**.

There were two principle reasons why Future Generations, Inc. and the Graduate School became two separate legal institutions yet remain joined by a single mission. It was felt that a self-

contained graduate school would enhance focus around the educational purpose; in addition, it was recognized that a graduate school status would enhance opportunities to raise money in the light of United States regulations. However, both organizations inform, support, and labor with each other toward the same objectives. **They seek a global shift in development practice that promotes more effective partnerships between communities, governments, and organizations to achieve community change and conservation.**

Many organizations have quite similar objectives. For instance, the School of International Training (SIT Graduate Institute) in Vermont describes itself as “preparing generations of global citizens to address the world’s most critical challenges.” Building on its experiential education model, SIT presents learning at the nexus of theory and practice.

The University of Sussex in England offers an Applied Social Change and Development Degree. Reading University in the U.K. has had a Master in Community Development for 25 years. Brandeis University, outside Boston, delivers an MA similar to ours. Most programs require a year of residency at their university. It will be important for Future Generations to consider these and other similar institutions for the purpose of our own learning and also to consider associations or cooperative efforts.

Current Status of the Graduate Program:

Successes: Our current graduate program to date has shown the following successes. Future Generations Graduate School pioneered a model for blended and community-based learning and refined it over three cohorts. The school has graduated two classes representing 19 students. Some students have individually achieved significant successes in their own communities. The Graduate School has received authorization to grant degrees from the state of West Virginia. The Graduate School is legally and financially separate from Future Generations, Inc. The Graduate School is preparing the self-study for the second NCA visitation. The model developed by the Graduate School has been picked up by several organizations and educational institutions, both in the United States and elsewhere. The model has allowed some students to overcome incredible obstacles to attain a valid graduate education based on their own community.

Challenges: The challenges in the current Master’s Degree Program involve limited processes for insuring uniform high standards of student learning, too small a donor base for financial stability, high costs for students (especially those we most need to serve), unclear relationship between Future Generations and its Graduate School, limited students to achieve the lofty goals of the mission, and difficulties of engaging in interactive learning and teaching with such a widely diverse student body, many of whom are in remote places. Our target group, community change practitioners, by definition, has limited resources to pay for an expensive education, often do not have the luxury of rigorous undergraduate training including English, and generally live in remote areas with poor internet connectivity.

The fundamental challenge for the Future Generations Graduate School is maintaining an adequate number of students. No matter how good a school’s reputation, no matter how prestigious the teachers, no matter how creative the curriculum, if student numbers are low,

viability comes into question. Few students means higher administrative costs per student, difficulties in maintaining quality faculty, inability to fulfill mission, and often major challenges of *esprit de corps* among the students and the staff. Our retention rate is fair and needs to improve.

Short Term Goals: June 1, 2009-June 30, 2011

A. Recruiting Students with Tuition Support: The fundamental challenge for the Future Generations Graduate School is maintaining an adequate number of paying students. This requires a fundraising strategy for less financially privileged students. The current strategy is to seek tuition support from the communities, foundations, or governments that enroll their most promising staff and leaders. To date, this approach has been problematic. For international non-government organizations, even those such as CARE, Save the Children, World Relief, and Conservation International, the program is too costly of an investment for one person. We need to recast our fundraising efforts and perhaps make some adaptation to the students we recruit. This must be done without losing the focus of the primary mission of the Graduate School.

B. Improving Curriculum and Ensuring Learning Outcomes: The trustees of the Graduate School, as well as the staff, have a strong belief in the model and pedagogy of the school. While the current delivery of courses has had many successes, it is important that the staff, faculty, and students carefully review ways of improving the curriculum and delivery. This is especially true in the online interactive communication structures that are used and the limited face-to-face interaction between faculty and students. Some important lessons can be learned by inquiring how other similar organizations operate with similar challenges.

We have learned through extensive discussions with international fundraisers and other organizations, the need to carefully review the curriculum and learning outcomes with an emphasis on developing practical skills, management and personnel training, marketing, grant writing, and the fundamentals of economics. Our curriculum requires burnishing or at least adaptation depending on fundraisers who may support a large segment of our class.

Accordingly, the following seven items are the short term goals. These goals work to **create stabilization and enhancement by growth.**

KEY OBJECTIVES

1. Obtain North Central accreditation as quickly as possible.
2. Enroll Class IV with 20 students by January 1, 2010, with a minimum of \$300,000 to support year one.
3. Enroll Class V by September 1, 2010, with a minimum of \$600,000 to support first year.
4. Contribute 25% of Graduate School expenditures for calendar year 2010 to Future Generations, Inc. to cover North Mountain overhead expenses.
5. Improve and assess the interactive and other communication structures in the triangle of teaching, learning/research, and community action.

6. Identify the most important key players in other organizations, learn from them, and probe the possibility of partnerships.
7. Review and sharpen curriculum—adapt to Regional Programs and address short-term faculty needs.

Long Term Goals: July 1, 2011 – June 30, 2014

There is a basic point of wisdom that can be expressed as follows: “You do not marry because you cannot live alone, but you marry because together one plus one can equal three or four or five.” With a bit of a twist, this is called Seed-Scale, Future Generations process for community change.

The first two years of this plan seek to obtain stability and consolidate our position as an important player in global development practice. The following three years should address creative growth in student numbers and quality of our program, assess the impact of students who have graduated, determine if our program is cost effective in results, and consider new models that could be more effective. In this respect, the initial work identifying organizations or partners that have similarity should be extended to actually forming strategic alliances or partnerships if they can further our mission.

An important element of the Future Generations model is that we utilize peoples’ energy more than dollars. In the actual pursuance of development practices, this reduces the cost by 75%. However, that still requires the 25%, and this cost is often borne by the Masters Program. It will always be important for Future Generations to witness trends in the global scene that are attracting dollars from governments and foundations, and then to tap into these for support without changing our fundamental goals.

Let me present one clear example. Future Generations has been asked to look at the drug and alcohol problems affecting West Virginia. It is easy to extend this concept to the whole Appalachian region of which West Virginia is the only state entirely within that region. By considering our model of women’s empowerment and community development, we can focus an entire graduate school class on drug and alcohol problems, and through this single issue, as a starting point, use our educational courses on community development to bring about cultural and social change.

KEY OBJECTIVES

1. Review and repeat proven successful funding efforts and consider new strategies in this area.
2. Develop official indirect cost rate with U. S. Department of Health & Human Services as a way of determining support for administration.
3. Develop an active alumni network
4. Establish links with research organization/funders to tap funds for applied research.
5. Establish alliances with appropriate schools for program, teaching, and public relations support.

6. Create a next model for global development.
7. Continually evaluate each graduation class to identify improvement areas of M.A. program.

Strategy to Achieve our Goals

Both Future Generations and the Future Generations Graduate School have the same purpose: **They seek a global shift in development practice that promotes more effective partnerships between communities, governments, and organizations to achieve community change and conservation.** The initiation of the Graduate School was seen as an effective instrument to further this goal. Consider the Graduate School as a tool box with a particular shape – a pedagogy. The characteristics of this pedagogy are listed in a recent brochure of the Graduate School. We all believe in the pedagogy even as we stand ready to further improve it.

The Graduate School developed two specific tools, a Masters Degree program and a Research Program. The Masters Degree program took a particular shape. It is international in two ways: it has students from many nations in each class and the teaching residentials take place in different nations. Furthermore, the program requires English as the medium of communication. This particular instrument has proven successful but costly and difficult to sustain. We need to consider more delivery tools that will maintain the pedagogy and focus on ultimate purpose. I present three formats.

1. International Program (this is the program we now run)
2. Regional Program (focuses on one region or sector, either themed or general)
3. Special Purpose Program (smaller units of current program)

The Regional Program offers us the significant opportunity for growth of mission and purpose, expansion to global significance, and financial viability and security.

The concept is relatively simple. We approach one source or a few sources to support an entire class. The class has a homogeneity of locality, purpose, and culture. The class need not be taught in English but rather adapted to the prevailing language of the group. We would hire teachers to fit the needs of the class and place. **Residentials** might still move the group to places outside the locality, but the **Practicum** would remain focused on the communities of the students. The class may begin with a theme, but as the studies develop, they incorporate the wide subject matter of the Master's Program. The courses would not need to change, but simply be adapted by the teacher to the nature of the class.

Allow me to give some examples:

1) Future Generations Graduate School has applied to the Federal Government for \$3.6 million to initiate a program dealing with drug and alcohol problems in West Virginia (Appalachian Region) that would use the pedagogy of the international classes for the purpose of changing the culture of drugs and alcohol in West Virginia.

2) Haiti is an embarrassment to the United States. Here is the poorest nation on our doorstep and it continues to struggle even with many organizations pouring money into it – top down approach. USAID will spend \$245 million this year. We should break into this situation using our bottom-up approach. We would hire teachers to do this and teach it in Creole or French.

3) Foundations may find it valuable to have one of their up and coming grantees train with us. Students would do a practicum relative to their own Foundation. We would gather 20 Foundations in a class and this would cross-fertilize these Foundations.

These examples can be multiplied. The value is that one goes to one organization or consortium to support a whole class. We would hire more faculty and thus expand our base. Our mission is better fulfilled because we increase our student number, our examples of success, and our global outreach.

We should also be open to giving only part of our Master's Program. Credit can be given for each course. We can pare the program to very specific needs that do not require a degree. We can also give seminars but in all cases we need to be focused on goal, our pedagogy, and financial viability. It is important to look at our current program, realize what is basic to it, but not limit ourselves to one specific tool (e.g. mixed international or the medium of the English language). In no way would we abandon our International Master's Program but it is possible we would find the dollars to continue it more easily from the income of the regional programs.

Sources for Regional Class full support and their contact. These funding opportunities of \$1 million or more may require a Special Purpose Program.

1. Gates Foundation – Chris Cluett
2. Haiti – Tom Acker, S. J. -- – Henry Perry
3. World Bank – Daniel Taylor
4. Afghanistan – Aziz Hakimi, Luke Taylor
5. West Virginia Federal Delegation – Tom Acker, S. J.
6. W. Va. National Guard – Tom Acker, S. J.
7. Liberia/President Ellen Johnson Sirleaf – Pat Rosenfield, Tom Acker, S. J.

*Additional two contacts to better insure one positive result

Sources for an International Class require funding for one or several students at a time. We require 20 students averaging \$15,000 per student/year.

1. World Vision – Vic Arrington
2. Mercy Corps – Vic Arrington
3. Save the Children – Vic Arrington
4. Synergos
5. IFC
6. Peru – Extractive Industries
7. West Virginia – Friends of Coal – Tom Acker, S. J.
8. BRAC – Bangladesh Rural Advancement Committee – Henry Perry, M. D., Faruque Ahmed

9. Guyana – Jason Calder
10. Prince Albert Foundation – Casey Mallinckrodt
11. Caritas – Tom Acker, S. J.
12. Currently six applicants can each pay \$9,000 toward tuition
13. Each trustee of Future Generations and Future Generations Graduate School seek one \$15,000 to \$20,000 scholarship for Class IV

Thomas S. Acker, S. J.
April 28, 2009

INTERNATIONAL CLASS IV – BUDGET

Regardless of class size, we must have \$300,000 to begin International Class IV. This averages \$15,000/student for a class of 20 students.

Revenue: \$300,000

Expenditures

1. Teachers – six courses	\$ 30,000
2. Practicum Advisors (\$1,000 per advisee)	\$ 20,000
3. Two residenceals	\$120,000
4. Travel	\$ 25,000
5. Supplies	\$ 10,000
6. Contingency	\$ 20,000
7. Overhead to North Mountain (25%)	<u>\$ 75,000</u>
Total	\$300,000

REGIONAL CLASS V – BUDGET

Revenue: \$600,000

Expenditures

1. General	\$450,000
2. Overhead to North Mountain (25%)	<u>\$150,000</u>
Total	\$600,000

Draft Strategic Plan 2009-2010

Presented to: The Board of Directors of the Graduate School

Submitted by: Dr. Pierre-Marie Metangmo
Dean
Future Generations Graduate School
pierre-marie@future.org

Date: November 12, 2008

Table of Contents

	Page No.
I. Preamble:.....	1
II. Vision:.....	1
III. Values:.....	1
IV. Mission Statement:.....	1
V. Strategic Goals, Objectives, and Tactics:.....	2
<u>Strategic Goal #1</u> - Strengthen the Graduate School Institution.....	2
<u>Strategic Goal #2</u> – Develop and implement a teaching and evaluation model that addresses the multilevel educational needs of our constituents and results in lasting impact at the community level.....	3
<u>Strategic Goal #3</u> – Develop a clear research agenda and protocol:.....	6

Appendices:

- A. Who Do We Serve and How?
- B. Draft Learning Objectives
- C. Market Analysis
- D. Branding the Graduate School
- E. Future Generations Graduate School Development Plan
- F. Figure: Development Plan 2008-2010
- G. Financial Review – Four year Summary

Graduate School's Draft Strategic Plan (2009-2010)

I – Preamble: Since Future Generations first initiated the Master's Degree program in 2003, there have been tremendous accomplishments. The organization has:

- Designed, implemented, and continues to refine exceptional applied education to improve the effectiveness of community-based approaches around the world.
- Graduated two classes of Master's Degree students from 12 countries, with a third class to graduate in 2009.
- Received candidacy for initial accreditation from the North Central Association of the Higher Learning Commission.
- Legally separated the NGO from the Future Generations Graduate School of Research and Applied Studies in Community Change and Conservation (Graduate School), with a separate board and separate accounting

As the Graduate School grows and matures it must refine its priorities and objectives. This Draft Strategic Plan is a basis for discussion and not a detailed work plan, which will follow. This document focuses on why, what, and how:

- Why the Graduate Scholl is in this business (Vision and Mission)
- What it is intending to do (Goals and Objectives)
- How it is going to do it (Tactics)

This document builds on the previous work of the board, administration, faculty and staff, and incorporates evidence derived from the experience of our three classes, research into market niche and funding sources, and the expectations and recommendations of the Higher Learning Commission.

II - Vision: The Graduate School envisions a culturally and biologically diverse world in which just and peaceful self-determination is a reality for all communities and individuals.

III - Values: The Graduate School builds upon the core values of equity, integrity, compassion, service, sustainability, holism, collaboration, health, peace reciprocity, and positive lasting change.

IV - Mission Statement: The Graduate School pioneers and implements community-oriented approaches to international development, conservation and learning. It strengthens leadership, research capacity and education in organizations, governments, and communities worldwide to achieve just and lasting change.

V - Strategic Goals, Objectives, and Tactics:

Strategic Goal #1 – Strengthen the Graduate School Institution.

Criterion One for accreditation is Mission and Integrity and requires that “*the organization operates with integrity to ensure the fulfillment of its mission through structures and processes that involve the board, administration, faculty, staff, and students.*” This calls on the Graduate School to be a self-sustaining institution with a well-established operational structure.

Objective 1.1: Strengthen understanding and support of the Graduate School’s mission and goals:

Tactic 1.1.1: Ensure the board, administration, faculty, staff, and students understand and support the institution’s mission and goals.

Tactic 1.1.2: Ensure all internal constituencies of the institution articulate the mission and goals in a consistent manner.

Objective 1.2: Strengthen organizational governance and administration to promote effective leadership and support collaborative processes that enable the Graduate School to fulfill its mission and goals. Towards this end, the board shall:

Tactic 1.2.1: Enable the Graduate School’s chief administrative personnel to exercise effective leadership.

Tactic 1.2.2: Clearly define governance structures, processes, and activities.

Tactic 1.2.3: Implement these structures, processes, and activities through succinct delegation of authority.

Tactic 1.2.4: Ensure appropriate qualifications of personnel through professional development training for administration, faculty, and staff, and develop a search, vetting, and hiring protocol for future employees.

Tactic 1.2.5: Develop methods and schedules for regular evaluation of organizational structures and processes.

Objective 1.3: Uphold and protect the Graduate School's integrity.

Tactic 1.3.1: All members of the Graduate School present its mission, goals, and accomplishments accurately and honestly to the public.

Tactic 1.3.2: The Graduate School understands and abides by all laws and regulations in all countries in which it operates.

Tactic 1.3.3: The Graduate School develops and implements protocols and assessment criteria to ensure the safety of its employees and students.

Objective 1.4: Design and implement a job evaluation protocol to assist and support employees in defining and achieving work goals and quality standards.

Tactic 1.4.1: Set schedule for evaluations.

Tactic 1.4.2: Set clear work goals, work plans, and measurable quality standards for each organizational position.

Strategic Goal #2 – Develop and implement a teaching and evaluation model that addresses the multilevel educational needs of our constituents and results in lasting impact at the community level.

Criteria Two, Three and Five of the accreditation process require the following:

Criterion 2: Preparing for the future: The organization's allocation of resource and its process for evaluation and planning demonstrate its capacity to fulfill its mission, improve the quality of its education, and respond to future challenges and opportunities.

Criterion 3: Student learning and effective teaching: The organization provides evidence of student learning and teaching effectiveness that demonstrates it is fulfilling its educational mission.

Criterion 5: Engagement and service: As called for by its mission, the organization identifies its constituencies and serves them in ways both value.

The NGO started providing workshops and granting certificates. This evolved into the board calling for the creation of the Graduate School. Now, that the Graduate School is established, its success and accreditation must create credible certificates and workshop programs for those who are not best suited for the Master's Degree program.

The Three-Tiered Teaching Model positions the Graduate School to engage our constituencies at multiple entry points for learning and teaching (criteria #3 and #5). Teaching and curriculum in the Master's Degree program will be informed by the certificate and workshop programs by keeping us abreast of changing conditions and emerging challenges in the field (criterion #2). Communities where we have conducted workshops and organizations with whom we have partnered in certificate programs provide opportunities for applied, experiential learning during

the residentials and are possible resources for practicum projects (criterion #5). Recruitment and development plans for all three tiers address criterion #2, and learning assessment plans for each tier address criterion #3.

Objective 2.1: Tier One: The Master's Degree program speaks to a great need in the development community for highly skilled individuals who can direct ongoing projects, develop new programs, function as operational managers, and most importantly, lead the transition to the emerging paradigm of community-based work. These leaders need to have a perspective and training that integrates knowledge and skills in the health sciences, natural sciences, economics, social sciences, and management. The Graduate School utilizes a blended learning approach that combines:

- Applied experiential learning
- Community-based needs assessment and problem solving
- On-line and inter-personal dialog skills and networking capacity.

While the curriculum will continue to evolve, it is the priority of the Graduate School to maintain Blended Learning as our independent variable, and to develop a Master's Degree grounded in this pedagogical model to create a strong and highly effective program that meets the needs of our students and the development community.

Tactic 2.1.1: Develop a curriculum that addresses the current needs of emerging leaders and managers in the professional development and conservation of communities.

Tactic 2.1.2: Develop and implement an effective learning assessment plan for the Master's Degree program.

Tactic 2.1.3: Recruit qualified candidates for enrollment in Master's Degree classes that will matriculate in 2009 and 2010.

Tactic 2.1.4: Raise \$5 Million for the Graduate School operations and scholarships by 2010.

Tactic 2.1.5: Build partnerships with institutions of higher learning, NGOs, INGOs and foundations that broaden our educational impact and enrich the curriculum for students.

Tactic 2.1.6: Build human resources capacity through training to increase existing skill sets, and hire personnel to expand the areas of Graduate School institutional expertise.

Objective 2.2: Tier Two: Certificate Programs. To stay abreast of constantly changing needs of organizations working in community development and conservation, NGOs and IOs require strong networks and regular updates of skills and capacity for their professional and staff personnel. The Graduate School will apply its expertise and teaching model to develop and implement training in partnership with NGOs, IOs, governments, and communities to address the specific needs and networking potential of, these partners.

Tactic 2.2.1: Identify and contact potential partner organizations for discussion and assessment of specific needs and networking potential.

Tactic 2.2.2: Assess in-house expertise and determine where additional expertise and technical assistance is needed for design and implementation of programs.

Tactic 2.2.3: Develop program details including baseline and post implementation assessment methodologies.

Tactic 2.2.4: Determine criteria for granting Graduate School credits toward the Masters Program upon completion of a certificate program.

Objective 2.3: Tier Three: Workshops. Small communities, NGOs, and entrepreneurs have often identified clear needs and goals for the improvement of local conditions, but lack skills in program design, grant writing, and implementation. Funding organizations are interested in funding in-country programs and organizations. The Graduate School will partner with these communities, organizations, and individuals to develop proposals, target funders, and implement programs to further the goals of the in-country players and the Graduate School.

Tactic 2.3.1: Identify potential partners for discussion and assessment of specific needs.

Tactic 2.3.2: Assess in-house expertise and determine where additional expertise and technical assistance is needed for design and implementation of programs.

Tactic 2.3.3: Develop workshop details including baseline and post implementation assessment methodologies.

Tactic 2.2.4: Develop and publish “How-To” manuals and teaching materials useful at the grassroots level for both literate and illiterate audiences.

Strategic Goal #3 – Develop a clear research agenda and protocol:

As the Graduate School is being formed, the focus in research must establish a credible pedagogy that honors both scholarly and practicum-oriented learning.

The challenges of community-based development and conservation include questions regarding best practices, effectiveness evaluation, key elements of successes, and sustainability of community programs with potential for scaling up to national and regional levels. To answer these questions and offer replicable solutions, the Graduate School reviews the global literature, documents case evidence, and conducts applied field-based research. The Graduate School will develop a comprehensive research program addressing the needs of our students, the communities and organizations it serves, and the field of development and conservation community studies.

Objective 3.1: Develop an in-house protocol for development and submission of research proposals.

Tactic 3.1.1: Design an internal review process for concept papers, publications, and proposals to be executed prior to submitted or distributed beyond the institution.

Tactic 3.1.2: Design a proposal format to be followed in the absence of formatting instructions from the funding organization.

Objective 3.2: Define the Graduate School's research agenda.

Tactic 3.2.1: Develop research to firm the Graduate School's niche in the academia and the applied field of development and conservation. Areas of focus should include:

3.2.1.1 Blended Learning and action-research to support and enhance our students' work

3.2.1.2 Development, particularly in health, peace building and Leadership

3.2.1.3 Conservation

3.2.1.4 Collaborative research with Country Programs such that the Graduate School residential programming and the Future Generations NGO country programming are synergistically enhanced.

Tactic 3.3.4: Position The Graduate School to identify and take advantage of RFPs in its areas of expertise.

Master's Degree in Applied Community Change & Conservation

Timeline for Accreditation

January 28, 2008	Candidacy for Accreditation received.
March 2008	Registrar maps out continuing actions needed.
May 2008	Board of Trustees takes series of actions to legally separate the two institutions.
June 2008	Faculty College creates plan to implement assurance and advancement recommendations.
August 2008	Dean initiates strategic planning process.
September 2008	Strategic planning moves forward on the Moodle Interactive Online Platform.
October 2008	President establishes the Self Study Team with the President as Chair.
November 2008	Dean submits a draft Strategic Plan and Faculty Handbook to Board of Trustees (Board of Trustees will send back suggestions on both documents.)
January 2009	Dean resigns – President takes over as Acting Dean. Intensive works begins on the preparation of the Self Study.
February 2009	Thomas Acker, S.J. accepts appointment as Dean.
March 2009	President attends the Higher Learning Commission Annual Meeting in Chicago Self Study Team members are all actively working on their respective criteria.
May 2009	Graduate School Board of Trustees reviews status to take necessary actions.
July 15, 2009	Self Study draft goes to final editing and printing.
August 15, 2009	Self Study submitted to the Higher Learning Commission.
September 2009	First site visit of the Peer Review Team in Nepal.
October 2009	Second site visit to North Mountain Campus. Further actions to be determined.

FutureGenerations
Board of Trustees Meeting—May 15-16, 2009
North Mountain
Agenda

Friday, May 15th

- 2:00 Meeting Begins, Adjustments to Agenda
Approval of Minutes from Nov 21, 22, 2008
- 2:15 Q & A about Three Country Programs (China, Arunachal, Peru)
- 3:30 Discussion: Small Organization with Large Scope (See President's Report)
Challenges of Management; Role of North Mountain as Partner
Role of Being Global from North Mountain Base
Challenges of Presentation; So the Structure is Easy to Understand
- 5:00 Close of First Day's Meeting
- 6:00 Dinner at Dan'l's Home

Saturday, May 16

- 9:00 Report from Grad School Board Meeting
New foci (regional option, new formats, year structure & languages)
Status Classes III & IV
Status Accreditation
- 9:30 Report from the Nominating Committee
Discussion on New Trustee Candidates
Report on Presidential Search
Election of New CSO Board Chair
- 10:30 Financial Matters
Financial Report FY 2009
Approval 2000/10 Budget (CSO & Grad School separate votes)
Authorization for separate audits & Additional savings accounts
- 11:30 Fund Raising Responsibilities & Opportunities
- 12:30 – 1:30 Lunch
- 1:30 Presentation on Afghanistan, situation and options ahead
- 3:00 Break
- 3:30 Implementation of Global Vision
Role of 100 Nodes of Change
Role of Country Strategic Plans (See Proposal in Board Book)
- 5:00 Meeting Ends (Scheduling Board Meetings Nov 2009 & May 2010)
- 5:30 Dinner at North Mountain Office

Nation-Building as Violence

The issue is not who should rule Afghanistan, but rather how. And the answer is devolution of power and local governance under a constitution that can be owned by all.

By Aziz Hakimi²
07 May 2009

Much of the current debate on Afghanistan is focused on efforts to understand the changing dynamics of the ongoing conflict and its impact on stability and reconstruction programs that were launched after the ouster of the Taliban regime in late 2001. Forming a large part of this debate are self-serving proposals by the international community - chiefly the United States - to 'manage' the conflict and prevent a total collapse of the present regime, led by the unpopular Hamid Karzai. Most of these proposals aim at the consolidation of a 'security state', funded largely by Western arms and money, primarily to prevent the reconquest of Afghanistan by the Taliban and its global jihadists and to reduce the potential for attacks against the United States and Western Europe. Genuine peace building initiatives are sidelined in favour of short term stability goals in Afghanistan and cheap popularity votes in Western capitals. Unfortunately, this very focus holds the promise of greater instability.

On 27 March 2009, President Obama launched his Af-Pak policy amidst much fanfare. The central element of this strategy is aimed at focusing greater US and allied resources in Afghanistan and providing greater financial support to Pakistan to fight a resurgent Taliban. On the ground, the Af-Pak policy has provoked contradictory reactions from Afghans. Some Afghans are concerned that the policy sets limited security goals for US involvement in Afghanistan, while neglecting the need to promote human rights and a broader nation-building agenda. Others view the increased US assistance with alarm, fearing the intensification of conflict. The question is whether the intensification of conflict will eventually lead to a lasting peace or will it back fire and prolonging the war. Relations between the Afghan government and the US administration are already strained because of mounting civilian casualties by NATO and US forces.

This week President Hamid Karzai of Afghanistan and President Asif Ali Zardai of Pakistan are in Washington for a summit meeting with President Barak Obama to discuss the implementation of this strategy in their two countries. President Karzai is up for election at a time when relations between Afghanistan and the US are at an historical low. However, domestically he is looking strong against his opponents. On the other hand, President Zardai of Pakistan is bedevilled by a spreading Taliban insurgency and domestic political opposition. The success of the Af-Pak strategy is already in grave doubt.

² The author is a political analyst based in Kabul, and currently country director of Future Generations in Afghanistan.

Nature and Dynamics of Conflict in Afghanistan

The conflict in Afghanistan is generally explained by narrowing down the causal factors to the roles of the Taliban and al-Qaeda, and the impact of competing policies of regional powers. Understanding the regional dimension of the Afghan conflict is crucial to success in achieving stability within Afghanistan. However, internal factors must also be addressed if there is to be genuine long-term peace and stability. Afghans, followed by the international community, have developed the habit of blaming everything on Afghanistan's neighbours and other regional powers while ignoring the conditions at home. While it is important to deal with the regional 'spoilers', it is equally important that Afghans put their own house in order and stand united against foreign interference. It is Afghanistan's own internal weaknesses and the abuse of power by the political elites that have allowed foreign interference to prosper and internal cohesion to suffer.

The mainstream narrative has failed to produce an accurate or useful understanding of Afghanistan's internal dynamics and the challenges it faces in its attempts to emerge from more than three decades of social, political, and economic turmoil. The oversimplified, unidimensional description produced by Western analysts and media ignores many essential features of Afghan historical identity, society, culture, politics, and economy. Based as they are on this imperfect understanding, the efforts by Western powers to reshape the country's political and economic systems have had devastating results for the people of this country. And Afghans themselves have not done a better job. Most Afghans are too remote to fathom the policies of their political elites, developed in conjunction with Western allies, and those who do understand them have been too timid to question their relevance or to point out their disastrous implications for future development.

Internal Colonialism

Centralised state power and state control over the Afghan people and territory was developed substantially during the reign of Amir Abdul Rahman Khan, from 1880 until 1901. Known as the 'Iron Amir', he single-handedly contributed more to piecing the country together than any ruler before or since. In his two decades of iron-fisted command, he built a strong, centralised state with a preponderance of coercive resources – all thanks to large subsidies from the British. Abdul Rahman Khan was the first central ruler to seriously attempt to break the power of the tribes and local strongmen. He put down many rebellions using a combination of government regular forces and tribal *lashkars* (tribal levies), who were whipped into action by the rhetoric of jihad. Political opposition was defeated on the battlefield – and, alternately, bribed and co-opted, fragmented or exiled; tribal and religious traditions were likewise co-opted to gain legitimacy.

Despite all his efforts, however, the Iron Amir failed to destroy tribal power. Maintaining a large standing army necessitated the expansion of bureaucracy to extract wealth by taxing trade and agriculture. To feed, clothe and pay his army, he also relied on external support, mainly from Britain. However, these resources were not sufficient for the efficient running of government, nor to support expanding state structures. The agrarian economy of Afghanistan suffered severely from the over-taxation, while the Amir's policy of isolation and overall economic policies condemned the country to remain something of an impoverished country. His rule ended with his death in 1901. In the end, the Amir left to his successors a consolidated if terrorised state. The Amir's Barakzai successors, all members of the Mohammadzai family, remained in

power first as amirs and then as kings of Afghanistan until 1973. Although they gradually liberalized his coercive policies, the damage to the country was profound and lasting: Afghanistan remains an impoverished and provisional space.

The conventional narrative explains the failure of Afghan governments to build a strong, centralized, and unified modern state in terms of the country's geophysical, sectarian, and tribal fragmentation; the territory is inhabited by a multiplicity of Pashtuns, Tajiks, Hazzaras, Uzbeks, Turkmen, Baluch and other smaller ethnic groups, all with internal subsets of identity and allegiance. These factors have indeed been obstacles to centralised state-building. But the specific policies and practices of the Kabul governments since 1880 have cumulatively reinforced disunity. Being traditionally weak, Afghan governments manipulated existing religious, regional, and tribal differences to weaken potential opposition, playing off one socio-cultural group against another. Far from destroying tribal power, these efforts reinforced a fierce and highly competitive independence that persists to this day. The current regime of President Hamid Karzai actively promotes this policy to strengthen its own weakening position.

Defunct Nationalism

The genesis of the Afghanistan state and economy provided an unstable brew as Afghanistan evolved into the modern era in the closing decades of the twentieth century. Starting in the early 1950s, growing vulnerability in terms of dependence on foreign aid and expertise, hostile foreign policies toward neighbours, especially the newly-born Pakistan, massive spending on development and security projects, radicalisation of the educated elites, and the ill-fated liberalisation of the 'New Democracy' era – all of these combined to produce massive pressure on the Afghan state and society. Balancing these contradictory demands proved a handful for both the royal government of Mohammad Zahir Shah (1933-1973) and for President Mohammad Daud Khan's regime (1973-1978), who came to power with the help of the Afghan Communists party (People's Democratic Party of Afghanistan) in 1973. An 'autocratic nationalist', Daud Khan's response to the growing political unrest was extreme violence, unleashing the state's modern coercive means against his opponents.

Five years later his regime was brought down by his onetime Communist allies, when they launched their Marxist revolution in April, 1978. The Afghan Communists, eager to accelerate the pace of change and development, embarked upon a radical reform program that provoked armed resistance throughout the country. Internal feuding between Parcham (flag) and Khalq (masses) factions of the Afghan Communist party, persisting local resistance, and the government's inability to deal with it effectively invited the Soviet invasion of December 1979. But outsiders had no more success than the Barakzai Pashtuns in imposing unity; the country has yet to recover from the turmoil.

The royal governments and Daud Khan's republic continued to favour Pashtuns in all areas of state policy. Official nationalism espoused the cause of 'freeing' the Pashtun tribes of Pakistan and eventually uniting them with Afghanistan. No surprise, then, that Afghanistan's other communities showed little enthusiasm for the state's irredentist project. As in the past, any future moves to try and consolidate a cross-border Pashtun homeland will not only further deteriorate relations with Pakistan, but has the potential to spark ethnic and sectarian tensions inside Afghanistan.

Even before the 1978 coup and the long years of conflict that ensued, the national or patriotic idea was weak and underdeveloped. In this regard, one is forced to speak less of some hypothetical all-embracing Afghan nationalism, than of rival ideas of the nation held by the country's different ethnic groups. Nationalism as such lacked broad appeal, except for the small and unrepresentative educated elite, mainly in Kabul. During the war against the Soviet forces and the factional fighting that followed their withdrawal, ethnic, tribal and sectarian divisions worsened, leading to further fragmentation and the emergence of local power holders or warlords. It could be argued that during this period, Afghans were "neither one people nor one political community".³

Afghan nationalism remained an elite concept, and its development was deeply intertwined with the Mohammadzai family as *amirs* and kings of Afghanistan. In fact, evidence suggests an intimate link between modernisation, nationalism and the institution of monarchy in Afghanistan; the masses were largely un-involved. The lack of mass support for state-driven nationalism and the difficulty of non-Pashtun groups to identify with it subsequently ensured that it did not evolve into a national consciousness. Afghanistan has made some progress since the 1950s, much of this has been restricted to Kabul and its small circle of educated elites. Even this group was deeply divided along ethnic lines, with the Pashtun elites often claiming to represent the entire population, and the non-Pashtun bitterly resenting their virtual monopoly of power, which has markedly changed during the last three decades, allowing non-Pashtun military and political groups to control power today.

The only time a sense of national feeling developed was in time of foreign invasion, as seen against the British colonial forces in the 19th and the Russian occupation forces in the 20th centuries. This took the form of national resistance, a duty to safeguard the independence of the homeland against foreign invasion. After 1978 a more lasting sense of what has been described as "territorial national identity,"⁴ a "national identity as Afghans and citizens of Afghanistan, a sense of belonging to one country,"⁵ developed as a result of the harsh experience of civil war and exile. This factor was largely responsible for the emergence of a minimum national consensus on the need to maintain the country's territorial integrity.

The initial support given to the mainly Pashtun Taliban when they began their conquest of Afghanistan in 1994 can be explained in part by the significance the majority of the Afghan people attached to the national territory. The declared aim of the Taliban – to re-unite the country and disarm rival military actors – initially won it considerable sympathy and support. Over the

³ Hyman, Anthony (2002), "Nationalism in Afghanistan", *International Journal of Middle East Studies* Vol. 34, p.299.

⁴ Schetter, Conrad (2005), "Ethnoscapes, National Territorialisation, and the Afghan War", *Geopolitics*, Vol. 10, p.62

⁵ Hyman (2002), p.311-361.

next 5 years, they extended their power throughout Afghanistan, leaving their main military rival, the Northern Alliance, headed by the formidable Ahmad Shah Masoud in control of only a small portion of territory in the northeast. The Taliban utilised brutal measure for re-unification, but their rule made it clear that spatial integrity was one thing and national social integration quite another, particularly in the absence of a common ideology. Indeed, the Taliban's capture of the entire country held the possibility of destroying the fragile balance of power between ethnic groups, and held the threat of undermining the very unity of Afghanistan as a multi-ethnic state. Indeed, Taliban rule did deeply divide the Pashtun and non-Pashtun populations, who saw in the new rulers a repeat of the 19th-century Pashtun-driven internal colonialism, marked by massive violence and countless atrocities.

From Top-Down to Bottom up State-Building

Given this extended history of unsuccessful state-building, how appropriate is it today to speak of 'nation' and 'state' in the context of Afghanistan? As a country, Afghanistan has always lived beyond its own means, thereby jeopardising its national independence and economic security. As a society, no serious thought has been given to the fact that the goal of constructing a capable, effective and modern nation state has been based on unrealistic expectations and a wrongful reading of global historical processes. These goals have not reflected the national imagination, but only represented the narrow interests of the ruling elites.

Today, following seven years of failed experiments after the American invasion of Afghanistan, it simply does not make sense to view the problem of state-building in the same light as much of conventional development theory tends to do. The present set of problems is unlikely to be solved by simply capacitating and liberalising the state itself – especially in a situation where deep divisions exist over the very definition of the Afghan polity. As experience has shown, simply strengthening the state might only increase conflict in places where the state is viewed as representing narrow interests, intent on lording it over the country's various communities.

Mounting evidence seems to demonstrate that promoting the European nation-state model is inappropriate for dealing with the crisis of political order in societies in which political and social control has traditionally rested upon localized loyalties and regionalized polities. In view of the violence ravaging every aspect of life in Afghanistan, it is clearly time to forgo the forcible creation of a highly centralized ideological state and to resist unleashing its coercive power on a highly fragmented society with a strong tradition of resistance to arbitrary and centralized rule. Surely a more realistic goal for the short, medium, and long terms would be to aim at constructing a significantly decentralized state that require few resources and is closer and more relevant to the people. So long as the diverse and scattered Afghan people hold competing ideas of what their nation is and should be, the only reasonable way to achieve political stability in Afghanistan is to disperse power away from Kabul, which has been the perennial seat of conflict.

The problem of state failure is no doubt the biggest international challenge of our times. Today there are many places in the world where states are either weak, on the verge of failing or have collapsed altogether. This problem has become so acute that the traditional development discourse has changed markedly in recent years, partly in recognition of the central role played by the state in countries ravaged by war, poverty, famine and underdevelopment. The neoliberal discourse, based upon the belief that political stability is a by-product of economic development

is now seriously contested. From being a secondary concern of development, state-building now occupies a prominent place in academic and donor discourse. Considerations of security and concerns about international terrorism have increased the sense of urgency to help weak, failing, and failed states to recover the capacity for effective governance. Rebuilding an accountable, legitimate, and effective state is the primary task facing Afghanistan. It is an immensely challenging task, and success or failure alike will have profound consequences both for the people of Afghanistan as the primary stake holders and for international engagement with that country. In view of recent warnings that Afghanistan may never make it as a full-fledged nation state, the need and urgency to critically examine the country's past and current efforts is obvious.

Constructing Nation-state at the Margins of the World

The concept of the nation-state should not be regarded as the *only* or indeed the *preferred* analytical variable in discussions about consolidating political power in territories that have traditionally been viewed as existing—or, more often, have been compelled to exist—at the margins of the modern world. In these areas, the state is only one organization among many social entities. Borderlands have not always been inimical to national interests. Border societies have constituted the first line of homeland defense against foreign invasions. To protect their traditional mode of life, borderland societies have also resisted domestic intrusion and coercion. Afghanistan has been and continues to be described as a regional borderland, acting as a geographical buffer that marked the edges of imperial control in the nineteenth century and struggled with liberal power⁶ in the twentieth century. The colonial frontier is a geopolitical area at the edge of politically and militarily controlled imperial space: a zone of transition of low administrative intensity outside the centres of empire. These colonial frontier territories have made uncertain transitions to postcolonial independent nation-states. The once-vibrant and prosperous lands of Asia sitting on ancient trade and pilgrimage routes have experienced great difficulties in developing state systems that provide security, representation, and welfare to all.

We need an alternative approach to helping Afghanistan to overcome both current and future challenges of fragmentation and violence. Such an approach must set aside the conventional European nation-state model, which attributes conflict to the weaknesses of the central state, manifested in the inability of the state machinery (army, police, bureaucracy) to assert itself forcefully. An alternative approach must draw upon an alternative reading of how borderlands interact with the modern state. In this interaction, the ability of a central, secular, national political authority—namely the state—to overcome various competing societal forces (considered as a key requirement for the emergence of modern state) is not only irrelevant but actively counterproductive. Instead, the governments of emergent borderland nations need to minimize confrontation between the state and rival outlying contenders for power by supporting an integrative or federal model of political organization to achieve a more peaceful coexistence.

Afghanistan has enjoyed relative equilibrium and stability when relations between its microsocieties and the state have been interactive and cooperative. The constitutional Loya Jirga (grand assembly) convened in 2003 to produce a constitution provided an opportunity to Afghans to codify such relations. Unfortunately the opportunity was wasted; no real public

⁶ Traditional liberalism as a doctrine stresses individual freedom, free markets and limited government.

debate took place to offer alternative views of Afghanistan's development. Today the need is even more urgent for a fresh approach to state formation in borderlands, one that involves re-imagining the state and its relationship with borderland communities.

Despite years of brutal civil war, ethnicized politics, and many excesses against each other, the various ethnic groups in Afghanistan have stayed committed to the territorial integrity of Afghanistan, a fact that can be explained by the trauma of exile and loss of homeland during the years of conflict. This *territorial national identity* can hardly be anchored to any common values, traditions of experience, since any definition of national values has inevitably failed in the context of the cultural heterogeneity of Afghanistan. Instead of attempting to impose a "one size fits all" template of a centralized nation-state, the Afghan rulers should allow existing rival identities to operate within a loose national framework. It is time we looked for models of political organization, social control, and economic development that are flexible enough to accommodate the diverse situations of these borderland societies.

Rebuilding Nation-Building

Reconstructing an accountable, legitimate, and effective state has been identified as the primary task currently facing Afghanistan. But the question of what kind of state Afghanistan should have deserves serious thought. The answer should not simply be reduced to ending the Taliban insurgency. The Taliban are not the only source of conflict. Conflicts in Afghanistan are many and are often local. Today the central government remains weak; it has not been able to extend its power and influence beyond Kabul. Some observers have welcomed this development; they argue that centralized state weakness in Afghanistan should not be viewed negatively. For decades external donors have promoted an ineffective, centralized hegemony in Kabul while disregarding the outlying areas. Today many of the international reconstruction efforts remain concentrated in the capital. What Afghanistan needs is a distant but benevolent and legitimate state, regarded as a broker or an ally helping to establish a favourable local balance of power and influence – working with rather than against local and regional power-holders. The state should be effective without being intrusive.

The foremost issue facing Afghanistan today is not security per se; nor is it the creation of a central government with a standing army and effective bureaucracy. The challenge lies in balancing local and regional powers in a manner that minimises human conflict. The internal and regional dimension of the conflict is closely related and requires coordinated action.

The escalating violence has produced an ongoing reassessment of the situation, and a new consensus is emerging that a military solution is impossible. Instead, the realisation has dawned that a political solution is necessary to end the conflict, an important element of which is outreach and reconciliation with armed groups opposing the government. A broad-based national dialogue is needed to facilitate reconciliation with the Taliban and other insurgents fighting the regime in Kabul and foreign military forces operating under NATO and U.S. Coalition commands. The offer of entry into the political arena, in return for respecting the Constitution and laying down arms, is a familiar exit strategy from civil wars around the world. In principle, power-balancing and power-sharing are key factors in the quest for reconciliation and peace. Yet this is qualitatively different from the concept of reconciliation that asks individuals to give up fighting and integrate in the post-2001 political order, as some Taliban and several Hezb-e-Islami

fighters have already done. Many of them ran successfully for Parliament, and some have been rewarded with high administrative positions. In this scheme, however, the terms of integration are laid down by the government, and the official expression captures its one-sided nature: these individuals are said to have ‘reconciled’ with the government.

In tandem with reconciliation efforts, the national dialogue should also propose a framework for the devolution of state power and resources out of Kabul to the local level. Devolving political power to village, district and provincial levels would reduce the tension at, and pressure on the centre. Unless Afghanistan is transformed into a multi-level state where dynamic interactive relationships are established between the central authority and the various communities – and among the latter through appropriate institutionalised processes of political, economic, social and security reconstruction – the Afghan people are likely to remain in the wilderness for years to come.

The conflict’s regional dimension can be addressed by working with the governments of the region, especially that in Islamabad, to address the threat of insurgency within Pakistan and its spill-over into Afghanistan. The international community, especially the U.S. government, can play an important role in promoting an environment conducive to peace in Afghanistan and the region, including the resolution of tensions between India and Pakistan, between Saudi Arabia and Iran, and between Iran and the West.

After a century of misrule, the people of Afghanistan are in desperate search of the means with which to govern themselves. The issue is not *who* should rule Afghanistan, but rather *how* it should be ruled. The mechanism most often being mentioned is centralised government, controlled by an alliance of some combination of ethnic groups. Yet the painful lessons of Afghanistan’s history have been that strong, centralised government in any form leads to abuse of power. The current conflict in the south is not simply one thrown up by the Taliban insurgents. The blatant abuse of power by centrally appointed officials, mostly from the Popalzai and Barakzai branches of the Durrani Pashtun and often with links to the drug trade, has resulted in the victimisation of rival tribal groups, who are then forced to seek protection by joining the Taliban.

The international forces simply view these groups as anti-government and hence legitimate targets of their military operations – producing more victims and generating more grievances. This strategy has neglected the underlying tribal dimensions and the abuse of power by government officials who pursue their own individual and group agendas at the expense of public interest. Bad governance and abusive practices, widespread corruption, disregard for the rule of law and lack of justice play an important role in the nature and transformation of conflict at the local level. These factors further complicate the conflict scenario, and are often not sufficiently addressed. Yet the generalisation of the conflict, by attributing it mainly to a monolithic Taliban, has prevented a comprehensive and genuine solution to the seemingly pervasive and increasing violence in Afghanistan.

Instead, what Afghanistan needs is a loosening of centralised power and help in envisioning and creating decentralised or devolved governance within a strong national constitution in the sense that it attracts ownership of all communities. The current government should embrace the

principles of community self-governance at the village, district and provincial levels. Such a governance framework will be expected to provide a substantive degree of representation and legitimacy by allowing greater self-government, instead of incorporating all rivals into the centralized state. Incorporating rivals into the centralized state has led to more rather than less conflict, because of disagreement over distribution of central power among the various contenders for power. This is the only alternative to the current plan of arming militias, enhancing the state coercive power and reducing Afghanistan to a 'security state' – one governed by a few strongmen who can keep the country stable, can prevent the Taliban and al-Qaeda from retaking Afghanistan, and using its territory for attacks against the Western world. The only way that such goals can be met, actually, is for the focus to revert first to Afghans themselves, particularly those outside of the capital.

Using Participatory Budgeting To Meet Community Health Priorities in Peru

The International Budget Partnership published the following article by Laura C. Altobelli, Country Director for Future Generations Peru, in their most recent newsletter. The IBP is a leading advocate of openness and public accountability, in order to make government budgets more responsive to the needs of low-income people.

Health care in the community of Las Moras in Huánuco, Peru, consisted of a poorly equipped one-room health post staffed by an auxiliary nurse and visited by few patients. Then in 1994, the primary health care facility in Las Moras and about 250 others throughout the country were incorporated into a new government-community partnership for the delivery, management, financing and monitoring of primary health care services, called the Shared Administration Program. The program formed committees of locally elected community members, called *Comunidades Locales de Administración de Salud (CLAS)*, into private non-profit associations to collaboratively manage government funds for primary health care services. This gave communities not just a voice in priority-setting and oversight but also direct control over public funds for expenditures on infrastructure, equipment and human resources. Since the inception of CLAS, Future Generations, a private non-profit organization, has worked with the government, civil society and local communities to design the CLAS system and build the capacity of communities to thrive within the CLAS framework.

As a result of participating in the CLAS partnership, the Las Moras Health Center built additional consultation rooms and a birth center, purchased necessary equipment and supplies in a timely manner and increased the staff to 36 members, including doctors. It now supports a system of community health promoters, who are trained and supervised by health personnel to do monthly visits to families with pregnant women and children under two years old for check ups, referrals, and health education. This system of outreach and support has quadrupled the level of coverage for maternal and child health care.

Las Moras is not an isolated success story, CLAS has spread across the country, improving health care coverage and the efficiency of service delivery. CLAS committees now oversee one-third of all government primary health services. CLAS is supported by the national government's health sector financial and administrative systems and is also able to mobilize — through participatory budgeting, donations, prepayment schemes, or other means — complementary resources from local municipalities and other governmental and non-governmental entities to meet health sector goals. This unique strategy of direct community involvement has resulted in more public and private funds for local health facilities and greater efficiency in the use of these resources to increase the quality and utilization of health services. Studies show that CLAS achieves greater coverage of key health services for mothers and children, greater equity and higher levels of satisfaction than traditionally operated public primary care services.

Although the CLAS system does not cover the entire country, recent legislation has given municipal governments the responsibility of managing primary health care and requires them to open their budget processes to the public. In the context of decentralization, the central government of Peru is concerned with increasing the role and capacities of municipal

governments, many of which serve small rural or peri-urban districts. Municipal governments have historically invested their small budgets in local infrastructure with little accountability to their constituents. Extending municipal governments' purview to include primary health care delivery heightened these concerns about capacity and accountability which is reflected in the legislation's requirements for municipalities to open their budget processes to public participation and to produce results-oriented budgets. Even with the broader health care mandate, only a portion of municipalities' revenues are currently distributed through participatory budgeting. There is little information about how well this process is actually working, but there are indications that the process is evolving.

Future Generations supports the CLAS system's participatory budgeting and local collaborative management by linking both of these functions more effectively with the communities served by CLAS and thereby helping the health system to strengthen its relationship with local municipalities. The goal is to develop an effective and efficient community-oriented health model based on incorporating participatory and results-oriented budget processes into municipal oversight of primary health care service delivery.

Future Generations trains teams of municipal officials, health sector personnel and community representatives to work with local communities to develop a strategic vision based on local data and community priorities and a work plan to implement the vision. For community priorities that require resources from outside the community, projects are presented in the annual participatory budgeting process. Municipal officials have found this an ideal method for ensuring that they satisfy community needs and demands as required by law and learning community organizing skills that bring them closer to their constituents.

The effort to increase transparency by opening public decision making and social control to public participation contributes to decentralization in Peru. The aim of programs like CLAS is to empower citizens, communities, and institutions to collaboratively manage the use of public resources, achieving the goals of equity and sustainability through shared local governance of social services and development investments. Following these principles, the Las Moras community in Huánuco has significantly reduced chronic childhood malnutrition, won recognition from the Ministry of Health and the National Society of Industries in Peru, and serves as a national observation and training center for replicating the CLAS model in other regions of the country and abroad.

Strategic Plans Requirements for Future Generations Country Programs

Objectives:

- To promote a process by which Future Generations country programs have a growing ability to achieve their respective Mission Statements.
- To move forward the process of creating a robust global collaborative of interdependent organizations.
- Advancing toward greater self-reliance and simultaneous interdependence is part of the Future Generations “100 Nodes of Change” Vision.

Caveat:

Creating a plan is not the objective, but progress in the processes outlined. Certain aspects of the process are more needed now than others (for example, fund raising) but a larger strategy places country programs on trajectories toward the important above objectives.

Points of Note: The motive for pressing country programs toward autonomy is:

- Internally in each country to build self-reliance and in-country capacities to grow to scale within national demand. (Current absence of such a strategic matrix is now hindering each country’s operations and growth.)
- Autonomy status for a given country organization in no way suggests separating that organization from the global Future Generations.
- Global momentum points clearly to organizations now being linked to share ideas, resources, and gain efficiencies—but where governance and decision making are localized. Future Generations (even in its name) should be leading this movement.

Progress:

Future Generations, as evidenced by discussions over the last four years at Trustees meetings, has been headed in this direction. (It aligns with the Vision Statement of “100 Nodes of Change.”) An example of progress from 2008 was the Peru-Arunachal cooperation on health management; another example is the role of Nawang from the China/Pendeba program in support of both Arunachal and Afghanistan operations; a further is Claire from the China program supporting North Mountain operations. These examples are just tiny starts to what can grow into global, mutually supporting organizations. Further and important opportunities expand exponentially as the alumni network is included.

Today, there are eight legally distinct organizations worldwide plus the alumni in 21 countries. This is the base that we currently have to work with.

Expectations for a Country Organization Moving To Autonomy Status

The following are broadly stated expectations to be addressed by country strategic plans. When adequate progress is made toward these, consideration can be given to move programs toward autonomy status. It may be (for example Peru where special tax issues function) that even as achievements show ability for autonomy, the country program will still be kept legally part of the US organization.

Clarity of Mission

The two US organizations share a common Mission statement; however, the other organizations have found it beneficial to create separate Mission statements. By and large, now every country program has strong, relevant Mission clarity.

Effective Governance

Governance, in accord with institutional values, recognizes the three-way partnership to engage the Top-down of government and international institutions, connect to Outside-in functions of education and innovation, and represent the Bottom-up voice. (Currently the US operations are weak in this; the Arunachal operations are certainly the strongest.)

In accord with Future Generations values, it is essential that country governance be authentically of that country. As the global Future Generations collaborative matures, it is essential that it not be a benevolent American presence.

Financial Management Base

The policy that has been in place since 2004 as the essential requirement for autonomy status as a Future Generations organization is clearing two sequential fiscal audits without problem notes of any kind.

Financial management includes both expenditure management and also fund raising capacity. While it is not presumed that autonomy status requires a country program be totally self-supporting (one strength of a global collaborative is that we help each other raise funds) a practical target is that each country raise at least two-thirds of its fund needs.

Programs

Seek “best in class” status in respective countries—Mostly programs already have momentum underway toward this goal. A systematic base of rigorous program evaluation must be in place.

Staffing Requirements

Administrative staff (to have organizational permanence) must cover: a skilled leader, a technically competent and experienced deputy, and solid financial management. These three requirements can be met in varying ways.

Technical staff cannot cover the broad expertise that typically undergirds Future Generations operations. The answer to this challenge is partnerships—but for partnerships to bring the expert contributions needed, the Future Generations teams must pay further attention to engage top-notch people in addition to those already in place. At a minimum, in any office there must be at least two focal points of recognized national class expertise.

Prepared for Board of Trustees Meeting 15, 16 May 2009

Future Generations Through Its Mission Statement

Going to Scale Process



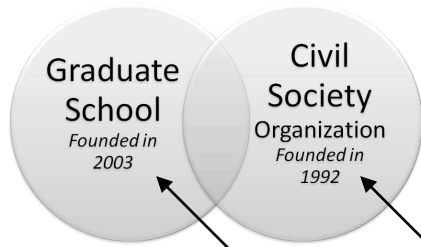
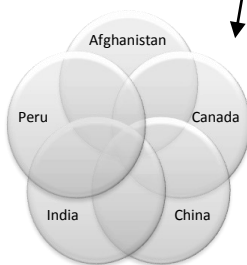
Training Programs



Blended Learning



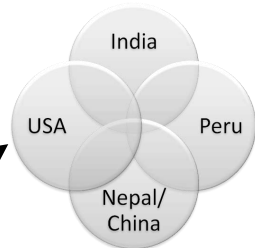
Country Offices in:



Communities in:



Residential Sites



Research Projects



Future Generations teaches and enables a process for equitable community change that integrates environmental conservation with development.

As an international school for communities offering graduate degrees in Applied Community Change and Conservation, we provide training and higher education through on-site and interactive distance learning.

Toward this end, we support field-based research, promote successes that provide rapid extension, and build partnerships with an evolving network of communities that are working together to improve their lives and the lives of generations yet to come.

Improving Lives



For the Future



Promoting



100 Nodes of Change Around the world



THE GREEN LONG MARCH

China's nation-wide movement of student-led environmental action.

Launched by Future Generations China and Beijing Forestry University in 2007, the Green Long March (GLM) is a youth network that aims to build a more sustainable future for China. Over the past two years, Green Long March volunteers across China have taken on critical regional issues such as water quality, green agricultural practices and renewable energy.

The GLM is a platform for student environmental groups from 50 Chinese universities to have a voice, be heard, and affect change at the community level. Working in partnership with government, universities, communities, media, students and corporations, the GLM is an enduring vehicle for environmental change in China.

Since 2007, the GLM has achieved the following:

- ♦ **Organized a nationwide university network**, which has expanded from 2,000 students in 2007 to 5,000 students in 2008 participating in GLM programs
- ♦ **Gained support from the Chinese government** and key environmental leaders through approval by the Communist Youth League, the State Forestry Administration, the Ministry of Education and the Ministry of Environmental Protection
- ♦ **Executed nationwide special events** including Earth Day, World Environment Day and events in Beijing during the 2008 Olympic Games
- ♦ **Raised environmental awareness across China** by inspiring broad youth participation and by close collaboration with regional, national and international media
- ♦ **Led community environmental action** through GLM case studies. The forthcoming GLM Green Seed Award will provide youth with grants to support community-based green initiatives



2009 CALENDAR

APR 1 - APR 6
GLM Leadership Training, *Beijing*

APR 4
Opening Ceremony and Green Bridge Activities, Green Seed Awards Presentation, *Beijing*

APR 22
Earth Day, *National Campaign*

JUN 5
World Environment Day, *National Campaign*

JUN 15 - JUL 10
Regional Training sessions

JUL 15 - AUG 15
GLM Marching, *National Campaign*

AUG 15 - SEP 1
Regional Student Forums

NOV 5-6
National Student Forum, *Beijing*

NOV 7
Closing Ceremony, *Beijing*

* Printed on Recycled Paper



GREEN LONG MARCH 2009 ENERGY



From developing electric cars to harnessing the wind, China is fast becoming a key player in energy innovation. In 2009, the Green Long March seeks to lead positive action around how we produce, use and conserve energy. The 2009 March will feature educational campaigns that promote creative energy solutions in homes, schools, businesses across China. Additionally, sponsor-funded "Green Seed" small grants will be awarded to outstanding youth-led community projects.

Marching Forward: GLM 2009

The Chinese government has called for a reduced dependence on coal, and aims for 10% of national energy consumption to be generated from renewable sources by 2010.

In 2009 the GLM aims to:

- ◆ Mobilize youth and communities to reduce carbon emissions and tackle climate change
- ◆ Conduct national and regional training programs on key energy issues for student environmentalists
- ◆ Strengthen information-sharing across university environmental networks

Solutions In Action: Case Study

The Case Study program provides a framework for students to identify and explore in depth an energy-related success story.

Case studies will:

- ◆ Focus on alternative forms of energy and energy conservation measures such as green audits and energy-efficient lighting
- ◆ Support regionally-specific energy solutions

- ◆ Highlight best practices through publication on websites, newsletters, and books in China and internationally

New Growth: Green Seed Award

The Green Seed Awards program seeks to spark green action across China and foster student leadership.

The 2009 Green Seed Award will:

- ◆ Select small-scale student projects that support meaningful community action on energy issues
- ◆ Recognize projects based on potential impact, feasibility, budget and community engagement
- ◆ Enable student leaders to gain project management skills and applied environmental knowledge

The 2009 Green Long March would not be possible without the support of our Founding Partner, Goldman Sachs, Gold Level Sponsors Swire Pacific Limited and Suzlon Energy, Silver Level Sponsor ZeShan Foundation and Sustainable Bronze Sponsor Arcandor AG.



FUTURE GENERATIONS

Our methodology integrates social development with environmental protection for just and lasting community change.

Future Generations is a graduate school and worldwide alliance of organizations dedicated to applied community development. Established in 1992, Future Generations strengthens within communities the capacity to shape their own futures. Communities learn to maximize locally-available skills and resources and to develop solutions that fit local cultures, economies, and ecologies.

In partnership with governments, Future Generations builds on proven local successes and community leadership to support regional and national-level impact. Areas of focus include maternal and child healthcare, nature conservation, peace building, income generation, and governance. Future Generations works in Afghanistan, China, Peru and India.

Future Generations three-pronged operational strategy is to:

- ◆ Incubate effective demonstrations of community change through key partnerships in target countries
- ◆ Conduct applied research to develop and evaluate community-based approaches
- ◆ Build local capacity worldwide through a Master's Degree in Applied Community Change and Conservation

The global reach of Future Generations extends to more than 7,000 communities in 19 countries. In ten years, Future Generations seeks to partner with "100 nodes of change," a global network of partners practicing a community-based approach to social change driven by local priorities and resources.

PROGRAM FACTS

AFGHANISTAN

Supports 300+ village councils that have established literacy and health classes for 21,000 women and girls; Farmer's clubs and 220 soccer teams are creating the conditions of hope.

CHINA

Trains community leaders in health care, sustainable livelihoods and conservation methodology in the Tibet Autonomous Region; Organizes the Green Long March, China's largest youth conservation movement.

INDIA

Partners with a growing network of more than 800 volunteers, 150 women's groups and farmer's clubs to realize Gandhi's dream of governance at the village level.

PERU

Strengthens a national system of 2,100 community health-care facilities, which have reduced chronic child malnutrition from 46% to 18% in pilot sites.

* Printed on Recycled Paper

Future Generations, Inc.
Future Generations Graduate School for Research and Applied Studies in Community Change, Inc.
Balance Sheet by Year

ASSETS	Actual FY2006	Actual FY2007	Actual FY2008	Projected FY2009	FY2009	FY2009
					Civil Service Organization	Graduate School
Current Assets						
Cash	151,376	38,164	474,947	780,000	641,000	139,000
Accounts Receivable	122,392	35,500	555,758	81,700	55,200	26,500
Program Advances		21,800	270,202	388,812	388,812	
Prepaid Insurance			4,405		-	
Travel Advances	11,000	200	12,379	22,000	22,000	
Total Current Assets	284,768	95,664	1,317,691	1,272,512	1,107,012	165,500
Property and Equipment						
Land	60,075	60,075	60,075	60,075	60,075	
Buildings	364,278	364,278	364,278	364,278	364,278	
Equipment	141,842	141,842	141,842	141,842	141,842	
Depreciation	(175,846)	(198,925)	(221,145)	(239,645)	(239,645)	
Total Property and Equipment	390,349	367,270	345,050	326,550	326,550	
Other Assets						
Endowment	3,566,442	3,978,233	4,779,170	4,200,000	547,600	3,652,400
Total Assets	4,241,559	4,441,167	6,441,911	5,799,062	1,981,162	3,817,900
LIABILITIES AND CAPITAL						
Current Liabilities						
Accounts Payable	38,814	24,589	34,562	34,500	34,500	
Accrued Expenses	9,000		2,490	3,000	3,000	
Total Current Liabilities	47,814	24,589	37,052	37,500	37,500	-
Long-Term Liabilities						
Notes Payable - Individual #1	450,046	451,765	350,000	300,000	300,000	
Notes Payable - Individual #2			1,300,000	1,197,203	1,197,203	
Total Long-Term Liabilities	450,046	451,765	1,650,000	1,497,203	1,497,203	-
Total Liabilities	497,860	476,354	1,687,052	1,534,703	1,534,703	-
Capital						
Unrestricted Net Assets	(50,205)	(702,965)	(740,573)			
Operating Net Assets				(541,870)	(727,720)	185,850
Unrealized Loss Endowment				(1,200,000)	(156,000)	(1,044,000)
Temp Rest Net Assets	246,886	458,260	735,914	629,000	629,000	-
Perm Rest Net Assets	3,547,018	4,209,518	4,759,518	5,377,229	701,179	4,676,050
Net Income						
Total Capital	3,743,699	3,964,813	4,754,859	4,264,359	446,459	3,817,900
Total Liabilities & Capital	4,241,559	4,441,167	6,441,911	5,799,062	1,981,162	3,817,900

Future Generations, Inc.
Future Generations Graduate School for Research and Applied Studies in Community Change, Inc.
Income Statement Projection by Year

	<u>Actual FY2006</u>	<u>Actual FY2007</u>	<u>Actual FY2008</u>	<u>Projected FY2009</u>	<u>Budget FY2010</u>
Support and Revenue					
Contributions and Grants	4,028,227	3,147,147	4,711,072	4,780,000	2,812,000
Program Service Fees	221,295	214,710	313,625	299,500	240,000
Investment Income	94,522	474,285	285,438	210,000	100,000
Unrealized Gains (Loss)	33,583	(88,555)	(426,862)	(1,200,000)	
Net Assets Released from Restrictions					
Total Support and Revenue	4,377,627	3,747,587	4,883,273	4,089,500	3,152,000
Program Services					
China	790,383	875,076	676,249	1,070,000	826,500
India	259,174	230,816	174,992	175,000	70,000
Afghanistan	1,101,780	540,801	1,239,529	1,300,000	438,000
Peru	447,472	531,999	506,331	325,000	652,000
Applied research	102,929	46,935			
Masters program	485,998	504,592	868,801	680,000	385,000
Research	36,213	210,885	270,568	200,000	245,000
Total Program Services	3,223,949	2,941,104	3,736,470	3,750,000	2,616,500
Support Services					
Management	252,361	420,300	405,472	640,000	620,000
Fundraising	136,948	124,572	141,491	150,000	150,000
Facilities	46,127	40,497	38,747	40,000	40,000
Total Support Services	435,436	585,369	585,710	830,000	810,000
Total Expenses	3,659,385	3,526,473	4,322,180	4,580,000	3,426,500
Change in Assets	718,242	221,114	561,093	(490,500)	(274,500)
Net Assets Beginning	3,254,410	3,972,652	4,193,766	4,754,859	4,264,359
Net Assets End	3,972,652	4,193,766	4,754,859	4,264,359	3,989,859

Future Generations, Inc.
Future Generations Graduate School for Research and Applied Studies in Community Change, Inc.
Forecast FY2009 and Budget FY 2010

	<u>Projected FY2009</u>	<u>Civil Service Organization</u>	<u>Graduate School</u>	<u>Projected FY2010</u>	<u>Civil Service Organization</u>	<u>Graduate School</u>
Support and Revenue						
Contributions and Grants	4,780,000	3,924,000	856,000	2,812,000	2,212,000	600,000
Program Service Fees	299,500	37,000	262,500	240,000	-	240,000
Investment Income	210,000	22,000	188,000	100,000	-	100,000
Unrealized Gains (Loss)	(1,200,000)	(156,000)	(1,044,000)		-	
Total Support and Revenue	4,089,500	3,827,000	262,500	3,152,000	2,212,000	940,000
Program Services						
China	1,070,000	1,070,000		826,500	826,500	
India	175,000	175,000		70,000	70,000	
Afghanistan	1,300,000	1,300,000		438,000	438,000	
Peru	325,000	325,000		652,000	652,000	
Applied research						
Masters program	680,000	-	680,000	385,000	-	385,000
Research	200,000	200,000		245,000	245,000	
Total Program Services	3,750,000	3,070,000	680,000	2,616,500	2,231,500	385,000
Support Services						
Management	640,000	640,000		620,000	620,000	
Fundraising	150,000	150,000		150,000	150,000	
Facilities	40,000	40,000		40,000	40,000	
Total Support Services	830,000	830,000		810,000	810,000	
Total Expenses	4,580,000	3,900,000	680,000	3,426,500	3,041,500	385,000
Change in Assets	(490,500)	(73,000)	(417,500)	(274,500)	(829,500)	555,000
Net Assets Beginning	4,754,859	523,263	4,231,596	4,264,359	450,263	3,814,096
Net Assets End	4,264,359	450,263	3,814,096	3,989,859	(379,237)	4,369,096

May 3, 2009

Future Generations, Inc.
Future Generations Graduate School for Research and Applied Studies in Community Change, Inc
 Endowment History by Year

	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>Estimated Value as of May-09</u>	<u>Percentage</u>	<u>FY2010</u>
Future Generations, Inc.							
Tibet	651,178	651,178	701,178	701,178	547,670	13%	701,178
Future Generations Graduate School for Research and Applied Studies in Community Change, Inc.							
Fleming	1,047,984	1,047,984	1,047,984	1,077,984	841,983		1,077,984
Taylor	1,590,203	1,590,203	1,590,203	1,590,203	1,242,062		1,590,203
Chun-Wuei Scholarship	257,653	620,153	920,153	1,220,153	953,027		1,520,153
Yeti		300,000	500,000	787,711	615,259		1,087,711
Total Graduate School	2,895,840	3,558,340	4,058,340	4,676,051	3,652,330	87%	5,276,051
Total Endowment	3,547,018	4,209,518	4,759,518	5,377,229	4,200,000	100%	5,977,229
Additions							
Fleming - Johnson Found				30,000			
Chun-Wuei - Anonymouns		362,500	300,000	300,000			300,000
Yeti		300,000	200,000	287,711			300,000
Total Additions		662,500	500,000	617,711			600,000

May 4, 2009

Future Generations, Inc.
Future Generations Graduate School for Research and Applied Studies in Community Change, Inc.
Revenue by Donor by Month FY2010

Future Generations CASH IN by month BUDGETED DEPOSITS	Projection 07/08-06/09	Budget 07/09-06/10	Budget 07/09	Budget 08/09	Budget 09/09	Budget 10/09	Budget 11/09	Budget 12/09	Budget 01/10	Budget 02/10	Budget 03/10	Budget 04/10	Budget 05/10	Budget 06/10
Anonymous	600,000	600,000	0	0	0	0	0	0	0	0	0	0	600,000	0
Anonymous-Tibet Pendeba	700,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Anonymous-Pregnancy	50,000	50,000	0	0	0	0	0	0	0	0	0	0	50,000	0
Anonymous-Arunachal	10,000	10,000	0	0	0	0	0	0	10,000	0	0	0	0	0
DAI - Afghanistan	1,393,418	0	0	0	0	0	0	0	0	0	0	0	0	0
Flora Family	45,000	0	0	0	0	0	0	0	0	0	0	0	0	0
NY Auction	90,757	0	0	0	0	0	0	0	0	0	0	0	0	0
Mulago - India	25,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Cornerstone -India	9,920	9,920	4,920	0	0	0	0	0	0	0	0	0	0	5,000
Others	56,822	48,000	2,128	1,192	3,723	1,394	1,826	0	26,707	6,380	1,000	1,000	1,000	1,650
Year End Appeal	66,489	65,000	0	0	0	0	27,450	37,550	0	0	0	0	0	0
USAID Child Survival-Peru	307,970	453,600	32,400	32,400	32,400	39,600	39,600	39,600	39,600	39,600	39,600	39,600	39,600	39,600
Suntech-GLM 10	29,263	0	0	0	0	0	0	0	0	0	0	0	0	0
Swire-GLM 10	234,358	110,000	0	0	0	0	0	0	0	0	77,500	0	0	32,500
Goldman Sachs- GLM 10	100,000	100,000	0	0	0	0	0	0	0	0	100,000	0	0	0
Rockefeller Brothers-GLM 10	50,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Carnegie-Peace Building	160,000	190,000	0	0	0	0	0	0	0	0	190,000	0	0	0
K. Davis-China	50,000	50,000	0	0	0	0	50,000	0	0	0	0	0	0	0
Hilton Foundation	25,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Nick Simons Foundation	20,000	20,000	0	0	0	0	0	0	0	0	20,000	0	0	0
Kresge	50,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Endowment Earnings	28,000	13,000	0	0	13,000	0	0	0	0	0	0	0	0	0
Total Revenue - US	4,101,997	1,719,520	39,448	33,592	49,123	40,994	118,876	77,150	76,307	45,980	428,100	40,600	690,600	78,750
Direct to Country Programs														
BP	13,000	13,000	0	0	0	0	0	0	0	0	13,000	0	0	0
Suzlan - GLM 10	110,000	110,000	0	0	0	0	0	0	0	0	0	0	0	110,000
Arcandor - GLM 10	15,000	40,000	0	0	0	0	0	0	0	0	0	0	0	40,000
Zeshan - GLM 10	60,000	60,000	0	0	0	0	0	0	0	0	0	0	0	60,000
Adrian Fu	91,970	0	0	0	0	0	0	0	0	0	0	0	0	0
Afghan - NSP	104,250	250,000	0	100,000	0	0	100,000	0	0	50,000	0	0	0	0
Afghan	61,850	0	0	0	0	0	0	0	0	0	0	0	0	0
Total - Direct to Country	456,070	473,000	0	100,000	0	0	100,000	0	0	50,000	13,000	0	0	210,000
Total - Revenue Future Generations	4,558,067	2,192,520	39,448	133,592	49,123	40,994	218,876	77,150	76,307	95,980	441,100	40,600	690,600	288,750

Future Generations Graduate School for Research and Applied Studies in Community Change, Inc.

CASH IN by month BUDGETED DEPOSITS	Projection 07/08-06/09	Budget 07/09-06/10	Budget 07/09	Budget 08/09	Budget 09/09	Budget 10/09	Budget 11/09	Budget 12/09	Budget 01/10	Budget 02/10	Budget 03/10	Budget 04/10	Budget 05/10	Budget 06/10
Stranahan Trust - Scholarships	165,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Metzger	30,000													
Prince Albert Foundation	32,192													
Tuition	262,500	240,000	0	0	0	0	0	0	240,000	0	0	0	0	0
Johnson Foundation - Fleming	30,000													
Anonymous-Chun Wuei ENDOWMENT	300,000	300,000	0	0	0	0	0	300,000	0	0	0	0	0	0
Anonymous-Yeti ENDOWMENT	287,711	300,000	0	0	0	0	0	0	0	300,000	0	0	0	0
Endowment Earnings	188,000	87,000	0	0	87,000	0	0	0	0	0	0	0	0	0
Total - Graduate School	1,295,403	927,000	-	-	87,000	-	-	300,000	240,000	300,000	-	-	-	-
Total - Consolidated	5,853,470	3,119,520	39,448	133,592	136,123	40,994	218,876	377,150	316,307	395,980	441,100	40,600	690,600	288,750

Future Generations, Inc.
Future Generations Graduate School for Research and Applied Studies in Community Change, Inc.
Expense Budget by Program by Month FY2010

Estimated CASH FLOW by month	Projection 07/08-06/09	Budget 07/09-06/10	Budget 07/09	Budget 08/09	Budget 09/09	Budget 10/09	Budget 11/09	Budget 12/09	Budget 01/10	Budget 02/10	Budget 03/10	Budget 04/10	Budget 05/10	Budget 06/10
Begin month cash			777,000	618,573	443,164	245,211	93,829	(15,796)	(168,522)	(115,689)	(255,057)	(207,681)	(352,429)	115,322
End month cash			618,573	443,164	245,211	93,829	(15,796)	(168,522)	(115,689)	(255,057)	(207,681)	(352,429)	115,322	(68,901)
Cash flow during month			(158,428)	(175,409)	(197,953)	(151,382)	(109,625)	(152,726)	52,833	(139,369)	47,376	(144,749)	467,751	(184,224)
Budgeted Cash In		3,119,520	39,448	133,592	136,123	40,994	218,876	377,150	316,307	395,980	441,100	40,600	690,600	288,750
Projected cash out														
China														
Salaries	80,040	80,040	6,670	6,670	6,670	6,670	6,670	6,670	6,670	6,670	6,670	6,670	6,670	6,670
Tax	7,004	7,004	584	584	584	584	584	584	584	584	584	584	584	584
Fringes		0												
Contract	20,700	20,700	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725
Country Office		0												
Green Long March	421,620	388,500									150,875			237,625
Pendeba/4GR	127,300	225,000	37,500		37,500		37,500		37,500		37,500		37,500	
Other	110,200	0												
Total China	766,864	721,244	46,479	8,979	46,479	8,979	46,479	8,979	46,479	8,979	197,354	8,979	46,479	246,604
India														
Country Office	5,008	0												
Aranacheul	69,085	0												
Pregnancy	21,400	20,000			10,000						10,000			
Ecotourism	76,650	0												
Other	13,000	50,004	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167
Total India	185,143	70,004	4,167	4,167	14,167	4,167	4,167	4,167	4,167	4,167	14,167	4,167	4,167	4,167
Afghanistan														
Salaries	13,624	12,096	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008
Tax	1,192	1,058	88	88	88	88	88	88	88	88	88	88	88	88
Fringes	166	1,104	92	92	92	92	92	92	92	92	92	92	92	92
Contract	118,400	54,300	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525
Kabul	184,900	100,000			50,000			50,000						
Ghazni	91,000	0												
DAI	653,000	0												
NSP	102,000	250,000		100,000			100,000			50,000				
Pregnancy	50,000	20,000			10,000						10,000			
Other	1,500	0												
Total Afghanistan	1,215,782	438,558	5,713	105,713	65,713	5,713	105,713	55,713	5,713	55,713	15,713	5,713	5,713	5,713
Peru														
Salaries	80,004	80,040	6,670	6,670	6,670	6,670	6,670	6,670	6,670	6,670	6,670	6,670	6,670	6,670
Tax	7,000	7,004	584	584	584	584	584	584	584	584	584	584	584	584
Fringes	4,870	4,872	406	406	406	406	406	406	406	406	406	406	406	406
Contract		0												
Country Office		0												
US Aid	208,800	330,000	18,500	18,500	18,500	30,500	30,500	30,500	30,500	30,500	30,500	30,500	30,500	30,500
Other	40,920	30,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Total Peru	341,594	451,916	28,660	28,660	28,660	40,660	40,660	40,660	40,660	40,660	40,660	40,660	40,660	40,660

Future Generations, Inc.
Future Generations Graduate School for Research and Applied Studies in Community Change, Inc.
Expense Budget by Program by Month FY2010

Estimated CASH FLOW by month	<u>Projection</u> <u>07/08-06/09</u>	<u>Budget</u> <u>07/09-06/10</u>	<u>Budget</u> <u>07/09</u>	<u>Budget</u> <u>08/09</u>	<u>Budget</u> <u>09/09</u>	<u>Budget</u> <u>10/09</u>	<u>Budget</u> <u>11/09</u>	<u>Budget</u> <u>12/09</u>	<u>Budget</u> <u>01/10</u>	<u>Budget</u> <u>02/10</u>	<u>Budget</u> <u>03/10</u>	<u>Budget</u> <u>04/10</u>	<u>Budget</u> <u>05/10</u>	<u>Budget</u> <u>06/010</u>
Graduate School														
Salaries	290,000	139,554	6,946	6,946	6,946	6,946	6,946	6,946	16,313	16,313	16,313	16,313	16,313	16,313
Tax	25,375	12,211	608	608	608	608	608	608	1,427	1,427	1,427	1,427	1,427	1,427
Fringes	27,625	18,438	1,137	1,137	1,137	1,137	1,137	1,137	1,936	1,936	1,936	1,936	1,936	1,936
Contract	49,300	57,678	3,813	3,813	3,813	3,813	3,813	3,813	5,800	5,800	5,800	5,800	5,800	5,800
Scholarships	229,500	30,000							30,000					
Nepal Residential		58,700			58,700									
Peru Residential	52,300	0												
US Residential		0												
Supplies	12,000	12,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Accreditation		15,000			7,500			7,500						
Travel	29,400	36,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Transfers to Endowment	617,711	600,000						300,000		300,000				
Other	3,300	3,600	300	300	300	300	300	300	300	300	300	300	300	300
Total Graduate School	1,336,511	983,181	16,804	16,804	83,004	16,804	16,804	324,304	59,776	329,776	29,776	29,776	29,776	29,776
Basic Research														
Salaries	80,004	80,040	6,670	6,670	6,670	6,670	6,670	6,670	6,670	6,670	6,670	6,670	6,670	6,670
Tax	7,000	7,004	584	584	584	584	584	584	584	584	584	584	584	584
Fringes		0												
Contract	44,560	49,752	4,146	4,146	4,146	4,146	4,146	4,146	4,146	4,146	4,146	4,146	4,146	4,146
Grants	36,400	50,000		30,000		20,000								
Travel	29,100	51,600	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300
Other	2,904	4,800	400	400	400	400	400	400	400	400	400	400	400	400
Total Basic Research	199,968	243,196	16,100	46,100	16,100	36,100	16,100	16,100	16,100	16,100	16,100	16,100	16,100	16,100
Development & Administration														
Salaries	534,000	543,096	45,258	45,258	45,258	45,258	45,258	45,258	45,258	45,258	45,258	45,258	45,258	45,258
Tax	46,725	47,521	3,960	3,960	3,960	3,960	3,960	3,960	3,960	3,960	3,960	3,960	3,960	3,960
Fringes	57,750	53,364	4,447	4,447	4,447	4,447	4,447	4,447	4,447	4,447	4,447	4,447	4,447	4,447
Contract	24,000	16,000		8,000		8,000								
Supplies	36,000	30,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Travel	68,000	72,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Other	78,300	48,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Total Development	844,775	809,981	66,165	74,165	66,165	66,165	74,165	66,165	66,165	66,165	66,165	66,165	66,165	66,165
Architect	15,000	31,875		10,625			10,625		10,625					
Debt Service	216,752	215,468	13,789	13,789	13,789	13,789	13,789	13,789	13,789	13,789	13,789	13,789	13,789	63,789
Total Cash Out	5,122,389	3,965,422	197,876	309,001	334,076	192,376	328,501	529,876	263,474	535,349	393,724	185,349	222,849	472,974

Future Generations, Inc.
Future Generations Graduate School for Research and Applied Studies in Community Change, Inc.
 Surplus (Deficit) by Program FY2010

	<u>TOTAL</u>	<u>China</u>	<u>India</u>	<u>Afghanistan</u>	<u>Peru</u>	<u>Graduate School</u>	<u>Basic Research</u>	<u>Development Administration</u>	<u>Permanantly Restricted</u>	<u>Debt Service</u>
Restricted Funds Carryover from FY09	620,000	450,000				30,000	140,000			
Revenue Summary FY10	3,106,520	483,000	44,920	275,000	453,600	327,000	190,000	733,000	600,000	
Funds Available for Use	3,726,520	933,000	44,920	275,000	453,600	357,000	330,000	733,000	600,000	-
Cash Outflow	3,965,422	721,244	70,004	438,558	451,916	383,181	243,196	841,856	600,000	215,468
Projected Surplus (Deficit)	(238,902)	211,757	(25,084)	(163,558)	1,685	(26,181)	86,805	(108,856)	-	(215,468)

Future Generations, Inc.
Future Generations Graduate School for Research and Applied Studies in Community Change, Inc.
Cash Flow Projected FY2009 Budget FY2010

Future Generations Cash Flow FY09 FY10
Consolidated - US Only

FY09	Projected 07/08-06/09	Actual 07/08	Actual 08/08	Actual 09/08	Actual 10/08	Actual 11/08	Actual 12/08	Actual 01/09	Actual 02/09	Actual 03/09	Projected 04/09	Projected 05/09	Projected 06/09
Beginning Cash Balance	424,945	424,945	231,369	101,054	22,418	72,972	26,667	967,378	677,770	694,076	822,723	558,295	1,077,712
Monthly Cash Flow	352,056	(193,576)	(130,315)	(78,636)	50,554	(46,306)	940,711	(289,608)	16,306	128,647	(264,428)	519,417	(300,711)
Ending Cash Balance	<u>777,001</u>	<u>231,369</u>	<u>101,054</u>	<u>22,418</u>	<u>72,972</u>	<u>26,667</u>	<u>967,378</u>	<u>677,770</u>	<u>694,076</u>	<u>822,723</u>	<u>558,295</u>	<u>1,077,712</u>	<u>777,001</u>
Revenue - Cash In													
Contracts	1,701,388	231,110	100,441	38,522	264,608	-	384,731	142,499	360,001	93,125	28,732	28,732	28,887
Foundations	1,109,192	163,920	-	249,162	59,406	27,450	89,039	30,857	-	356,858	45,000	50,000	37,500
Individuals	2,217,015	2,128	3,692	3,723	64,894	55,051	1,019,379	36,707	313,469	40,106	25,500	651,000	1,366
Borrowings	275,000	-	-	-	-	275,000	-	-	-	-	-	-	-
Investment Earnings	215,772	65,590	16	-	150,000	-	58	108	-	-	-	-	-
Total Revenue	5,518,367	462,748	104,149	291,407	538,908	357,501	1,493,207	210,171	673,470	490,089	99,232	729,732	67,753
Expenses - Cash Out													
Salaries & Contractors	1,337,118	89,003	100,044	114,456	172,591	86,937	145,410	109,059	131,881	99,137	96,200	96,200	96,200
Taxes & Insurance	162,478	10,993	13,314	13,413	13,608	13,915	13,103	17,445	20,128	8,668	12,630	12,630	12,630
Program & Indirect Costs	2,542,253	541,255	107,317	228,385	258,366	289,166	230,193	59,486	78,655	239,848	241,041	87,696	180,845
Endowments	617,711	-	-	-	30,000	-	-	300,000	287,711	-	-	-	-
Capital Equipment	15,000	-	-	-	-	-	-	-	-	-	-	-	15,000
Debt Service	491,752	15,073	13,789	13,789	13,789	13,789	163,789	13,789	138,789	13,789	13,789	13,789	63,789
Total Expenses	5,166,311	656,324	234,464	370,043	488,354	403,807	552,495	499,779	657,164	361,442	363,660	210,315	368,464
Net Cash In (Deficit)	352,056	(193,576)	(130,315)	(78,636)	50,554	(46,306)	940,711	(289,608)	16,306	128,647	(264,428)	519,417	(300,711)

Future Generations, Inc.
Future Generations Graduate School for Research and Applied Studies in Community Change, Inc.
Cash Flow Projected FY2009 Budget FY2010

FY10	Budget 07/09-06/10	Budget 07/09	Budget 08/09	Budget 09/09	Budget 10/09	Budget 11/09	Budget 12/09	Budget 01/10	Budget 02/10	Budget 03/10	Budget 04/10	Budget 05/10	Budget 06/010
Beginning Cash Balance	777,001	777,001	618,573	443,164	145,211	(6,171)	(115,796)	(168,522)	(85,688)	(225,057)	(190,681)	(335,429)	132,322
Monthly Cash Flow	(828,902)	(158,428)	(175,409)	(297,953)	(151,382)	(109,625)	(52,726)	82,833	(139,369)	34,376	(144,749)	467,751	(184,224)
Ending Cash Balance	(51,901)	618,573	443,164	145,211	(6,171)	(115,796)	(168,522)	(85,688)	(225,057)	(190,681)	(335,429)	132,322	(51,901)
Revenue - Cash In													
Contracts	453,600	32,400	32,400	32,400	39,600	39,600	39,600	39,600	39,600	39,600	39,600	39,600	39,600
Foundations	1,019,920	4,920	-	-	-	50,000	300,000	240,000	-	387,500	-	-	37,500
Individuals	1,073,000	2,128	1,192	3,723	1,394	29,276	37,550	36,707	306,380	1,000	1,000	651,000	1,650
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Earnings	100,000	-	-	-	-	-	100,000	-	-	-	-	-	-
Total Revenue	2,646,520	39,448	33,592	36,123	40,994	118,876	477,150	316,307	345,980	428,100	40,600	690,600	78,750
Expenses - Cash Out													
Salaries & Contractors	1,133,296	87,431	95,431	87,431	87,431	95,431	87,431	98,785	98,785	98,785	98,785	98,785	98,785
Taxes & Insurance	159,579	12,489	12,489	12,489	12,489	12,489	12,489	14,108	14,108	14,108	14,108	14,108	14,108
Program & Indirect Costs	1,335,204	84,167	76,667	220,367	78,667	96,167	116,167	96,167	58,667	267,042	58,667	96,167	86,292
Endowments	600,000	-	-	-	-	-	300,000	-	300,000	-	-	-	-
Capital Equipment	31,875	-	10,625	-	-	10,625	-	10,625	-	-	-	-	-
Debt Service	215,468	13,789	13,789	13,789	13,789	13,789	13,789	13,789	13,789	13,789	13,789	13,789	63,789
Total Expenses	3,475,422	197,876	209,001	334,076	192,376	228,501	529,876	233,474	485,349	393,724	185,349	222,849	262,974
Net Cash In (Deficit)	(828,902)	(158,428)	(175,409)	(297,953)	(151,382)	(109,625)	(52,726)	82,833	(139,369)	34,376	(144,749)	467,751	(184,224)

Future Generations Graduate School for Research and Applied Studies in Community Change, Inc.

Budget FY 2010

Graduate School	Projected 07/08-06/09	Budget 07/09-06/10	Budget 07/09	Budget 08/09	Budget 09/09	Budget 10/09	Budget 11/09	Budget 12/09	Budget 01/10	Budget 02/10	Budget 03/10	Budget 04/10	Budget 05/10	Budget 06/010
Revenue & Support - With Funding														
Stranahan Trust - Scholarships	165,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Johnson Foundation - Flemming E	30,000	-												
Anonymous - Chen Wuei Endowrn	300,000	300,000				300,000								
Anonymous - Yeti Endowment	287,711	300,000								300,000				
Prince Albert Foundation	32,192	-												
Tuition	262,500	240,000								240,000				
Metzger	30,000	-												
Endowment Earnings	188,000	87,000			87,000									
Total Revenue & Support	1,295,403	927,000	-	-	87,000	300,000	-	-	-	540,000	-	-	-	-
Expenses														
Salaries	290,500	139,554	6,946	6,946	6,946	6,946	6,946	6,946	16,313	16,313	16,313	16,313	16,313	16,313
Tax	25,419	12,211	608	608	608	608	608	608	1,427	1,427	1,427	1,427	1,427	1,427
Fringes	30,400	18,438	1,137	1,137	1,137	1,137	1,137	1,137	1,936	1,936	1,936	1,936	1,936	1,936
Contractors	34,800	57,678	3,813	3,813	3,813	3,813	3,813	3,813	5,800	5,800	5,800	5,800	5,800	5,800
Scholarships	229,500	30,000								30,000				
Nepal Residential		58,700			58,700									
Peru Residential	46,000	-												
US Residential		-												
Accreditation		15,000			7,500			7,500						
Transfers to Endowments	617,711	600,000				300,000				300,000				
Supplies	8,600	12,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Travel	28,000	36,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Other	5,000	3,600	300	300	300	300	300	300	300	300	300	300	300	300
Total Graduate School	1,315,930	983,181	16,804	16,804	83,004	316,804	16,804	24,304	29,776	359,776	29,776	29,776	29,776	29,776
Net Change in Assets	(20,527)	(56,181)	(16,804)	(16,804)	3,996	(16,804)	(16,804)	(24,304)	(29,776)	180,224	(29,776)	(29,776)	(29,776)	(29,776)