ROMANIAN - AMERICAN
FOUNDATION
A gift from the American people

ROMANIAN-AMERICAN FOUNDATION

ANNUAL REPORT
2018

DEAR FRIENDS,

In this, the tenth year of the foundation, we have asked Ida Schmertz, our founding Chair, who retired from our Board of Trustees last October, to give us her insights and reflections on the opportunities and challenges in establishing the Romanian-American Foundation.

We would like to express our deep gratitude to Ida for providing twenty-four continuous years of passionate service to Romania through her leadership in the Romanian American Enterprise Fund and in the foundation. Her vision, diligence, and energy will always be with us, and it is a legacy we feel privileged to pass on.

Inside the report, you will find other accounts from friends of the foundation, covering some of the multi-faceted interventions that RAF is honored to support.

We're almost a decade down the road, and we are proud to share both the lessons learned and successes achieved with our valuable partners. We know that in the years to come, together, we will find new ways to multiply the good, passing on our passion for nurturing vibrant communities while empowering people to access opportunities.

Phillip Henderson
Chair of the Board of Trustees

Roxana Vitan
President

ABOUT RAF

The **mission** of the Romanian-American Foundation is to strengthen and promote conditions for a sustainable market economy and a democratic society that provides access to opportunity for all segments of Romanian society.

The Foundation is a gift from the American people to the people of Romania, a symbol of the enduring commitment to support Romania's historic transition to democracy and a market-based economy.

DESTINATION: FUTURE

We work to build a better tomorrow for Romanians. This entails profound systemic changes that do not happen overnight. That is why we are here for the long run, committed to contribute our know-how, vision, and passion for the greater good. Being a foundation in perpetuity, we have the luxury of building and funding programs that expand over time. This allows us to pilot and test our interventions, scale-up models that have proven to achieve relevant impact or rethink the architecture of a program when necessary.

And, because we dream of a brighter future, we allow ourselves to dream big.

HISTORY:
9 YEARS OF RAF

The Romanian-American Foundation was founded in 2009, as a successor to the Romanian-American Enterprise Fund (RAEF). The Fund had been created in 1994 by the United States Congress and funded through the U.S. Agency for International Development (USAID), under the umbrella of the Support for Eastern European Democracy (SEED) Act. The SEED Act laid the foundation for a mechanism of public-private partnerships designed to establish enterprise funds to assist the former communist countries in Central and Eastern Europe transition to a free market economy and democratic society.

RAEF pioneered a combination of investment and development activities that proved very successful in the Romanian marketplace. At the end of its mandate, RAEF returned half of the initial grant to the U.S. State Department ($25 million). The remaining half and all the profits generated became the endowment for a foundation in perpetuity.

RAF's current endowment has reached $150 million.

1989

Support for Eastern European Democracy (SEED) Act.

1994

The Romanian-American Enterprise Fund (RAEF) is established by the United States Congress under the SEED Act, and funded through a $50 million grant from USAID.

2008

USAID accepts RAEF's liquidation plan to allow for the establishment of a U.S. in-perpetuity foundation with an initial endowment of $50 million.

2009

Creation of the Romanian-American Foundation (RAF).

2009-2018

RAF invests over $23 million in programs affecting change in Romania.

2018

RAEF investments fully divested; RAF endowment reaches almost $150 million.

Ida Schmertz at the launch of the Romanian-American Foundation

THE RAF ORCHESTRA

By Ida F. S. Schmertz

Ida Schmertz was the first Chair of the Romanian-American Foundation's board of trustees, between 2009 – 2012. In October 2018 Ida retired from the RAF Board after 24 years of pro bono services in Romania.

Ida is an accomplished businesswoman, public policy analyst and philanthropist. As former senior vice president of corporate affairs for the American Express corporation, she also managed the company's philanthropic program, disbursing tens of millions of dollars to meet critical needs worldwide. Ms. Schmertz was also founding director of the Center for the American Woman and Politics at the Eagleton Institute of Politics at Rutgers University, and was founder and chair of the board of directors of OOO Micro-leasing in St. Petersburg and of the Volkhov International Business Incubator and Training Center, the first non-profit incubator in Russia. Ms. Schmertz served as a director of the Romanian-American Enterprise Fund, appointed by President Clinton, was honorary director of the Women's Economic Roundtable and is a former director of Prudential Financial, Inc.

The past decade and a half that I have been involved with the Romanian-American Foundation has been among the most gratifying years of my life. Why, you ask. Because I spearheaded an effort that confronted a number of obstacles through the years but has resulted in an organization that can stand as a model for foundations internationally and as an example for how Romania could function more effectively to the benefit of all Romanians.

How did we accomplish such a feat? In retrospect, I can suggest that the Foundation was created and has focused on a few basic principles, which I would summarize as:

- People
- Partnerships
- Perspectives
- Procedures

The reason I find RAF so gratifying is that all these elements—people, partnerships, perspectives and procedures—are in sync and woven together. They permeate the organization's staff, board and partners—all united in promoting change—and facilitate the participation of Romanians, young and old, urban and rural, in gaining access to the resources, information and training they need to participate effectively in a market economy and democratic society.

Sounds simple, right? But consider these one at a time.

Everything depends on people. What kind of person do you need to run the organization? Does she have vision, initiative, experience, people skills, appropriate values, leadership know how? What are required qualifications and responsibilities of the board of directors? Will the organization do it alone, or will it operate with and through partnerships? The partnerships you seek should be determined by the nature and quality of the people running them. Same with the grantees.

Of course, the director, the staff functions, the board, the partners and the grantees will all depend on your foundation's mission and the extent to which all the players are committed to supporting it. Everyone must have a similar perspective in order to fulfill their

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respective roles in implementing the strategy to advance the mission.

Procedures are often met with a groan, but the right procedures are essential to the smooth functioning of such a complex organization. RAF, for example, is an organization working for a democratic society based on equal access of all elements in society to a developing market economy. As such, it includes as major components of its procedures transparency, accountability, team work and partnerships.

Over the decades, starting in secondary school, I have worked with and for nonprofit organizations in the U.S. and internationally. I have served as a member of the board of directors of many, as chief executive of several and initiated several not for profit start-ups. The one characteristic they all share is a mission (purpose), strategy and programs to create change—change to help improve peoples' lives; to encourage and enable people and organizations to accomplish what they could not achieve on their own; to help small businesses compete and prosper; to improve education and housing; to promote social responsibility among corporations; to influence governments at all levels—in sum, to try to make the world a better place for all who live here and work here.

In my experience, RAF has its act together in a way few others have achieved, irrespective of the size or nature of the organization. This is a huge tribute to the hard work of the leadership, the staff, the partners and the grantees. The latter in particular deserve special recognition for executing the strategy and programs on the ground. **Think of an orchestra. Each player has a role, and when they read off the same score, work in harmony with the conductor and each other, the results can be sublime.**

I am pleased and proud to have played my part in developing the concept and the framework for RAF, in funding the organization and nurturing and supporting it during its early years. As I leave RAF, I feel confident that it will continue to invest in people, partners and programs, which will improve life in communities and help make Romanians proud to live in Romania.

June 2017: Visiting Maramureș

With RAF's first Board of Directors, in 2009

Ida Schmertz was the first Chairperson of RAF's Board of Trustees. Watch the interview she gave Andreea Roșca in October 2018, upon her retirement. She talks about philanthropy, the basic requirements for democracy, the beginnings of RAF, and how she sees the Foundation today.

Click to watch!

STRATEGY: OUR GUIDING LIGHT

One of our strengths throughout the years has been our strategic approach. Going through the rigors of developing our strategy allows us to stay focused on our selected priorities, keeps us grounded and allows us to make targeted investments in the areas we prioritize.

Seeking to make the best use of our resources, we narrowed down the areas we work in by selecting three strategic priorities. We believe in market-based solutions and based on extensive research we found three areas where we think our programs can make a difference: rural economic development, technology and innovation, and civic engagement.

Education programs are a cross-cutting component throughout all our interventions, offering students access to quality training and contributing to the sustainability of our programs.
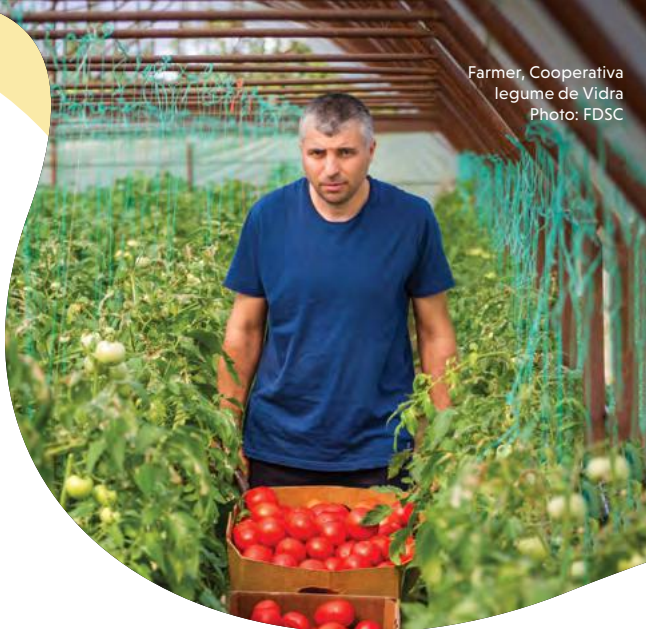
Farmer, Cooperativa
legume de Vidra
Photo: FDSC

Innovation Labs
Photo: Tech Lounge

Sibiu half-marathon
Photo: Fundația Comunitară Sibiu

RURAL ECONOMY
Grounded in tradition

Almost half of the country's population lives in rural areas, with many struggling on the verge of subsistence. We asked ourselves: *what if they thrive?*

The two niches where we believe our interventions can help rural communities take advantage of the demand from urban centers are small farmers and ecotourism.

Small farmers can have a better life if they gain better access to market. Rural areas are also a cradle for pristine land and centuries-old traditions which make them attractive ecotourism destinations.

TECHNOLOGY AND INNOVATION
Embracing the future

The technology and innovation sectors are increasingly relevant for Romania. Our programs seek to help the future talent of Romania take advantage of business opportunities related to innovation and new product development, a shift that will require higher numbers of tech specialists with a new set of skills. Our intervention focuses on education, and we work closely with a large universe of partners (universities, NGOs that work with teachers and schools, and partners from the business sector) to design entrepreneurial programs that match educational offerings to industry needs, endowing students with the technical and soft skills required by competitive markets.

CIVIC ENGAGEMENT
Sharing and caring

Civic engagement is the very essence of democracy. People involved in the life of the city, taking part in the decision-making process and contributing to solving their communities' problems, supporting the causes they believe in, volunteering, choosing their representatives and holding them accountable are the corner stones of a democratic society. We invest in the growth of an infrastructure for philanthropy and civic engagement, and offer civic education programs designed to help the younger generations become engaged and empowered citizens.

RAF INVESTMENTS 2009-2018

+$23.7 MILLION

in RAF grants and Program-Related Investments
2009-2018

+$8.8 MILLION

granted for rural economy programs

+$6.36 MILLION

granted for technology & innovation programs

+$6.58 MILLION

granted for philanthropy and civic engagement
programs

+270 GRANTS AWARDED

+$11.3 MILLION
co-invested or attracted by our partners

+$1.9 MILLION
in Program-Related Investments (PRIs)

RAF INVESTMENTS 2018

+$3.75 MILLION

in new grants and Program-Related Investments, in 2018

+$1.36 MILLION

granted for rural economy programs

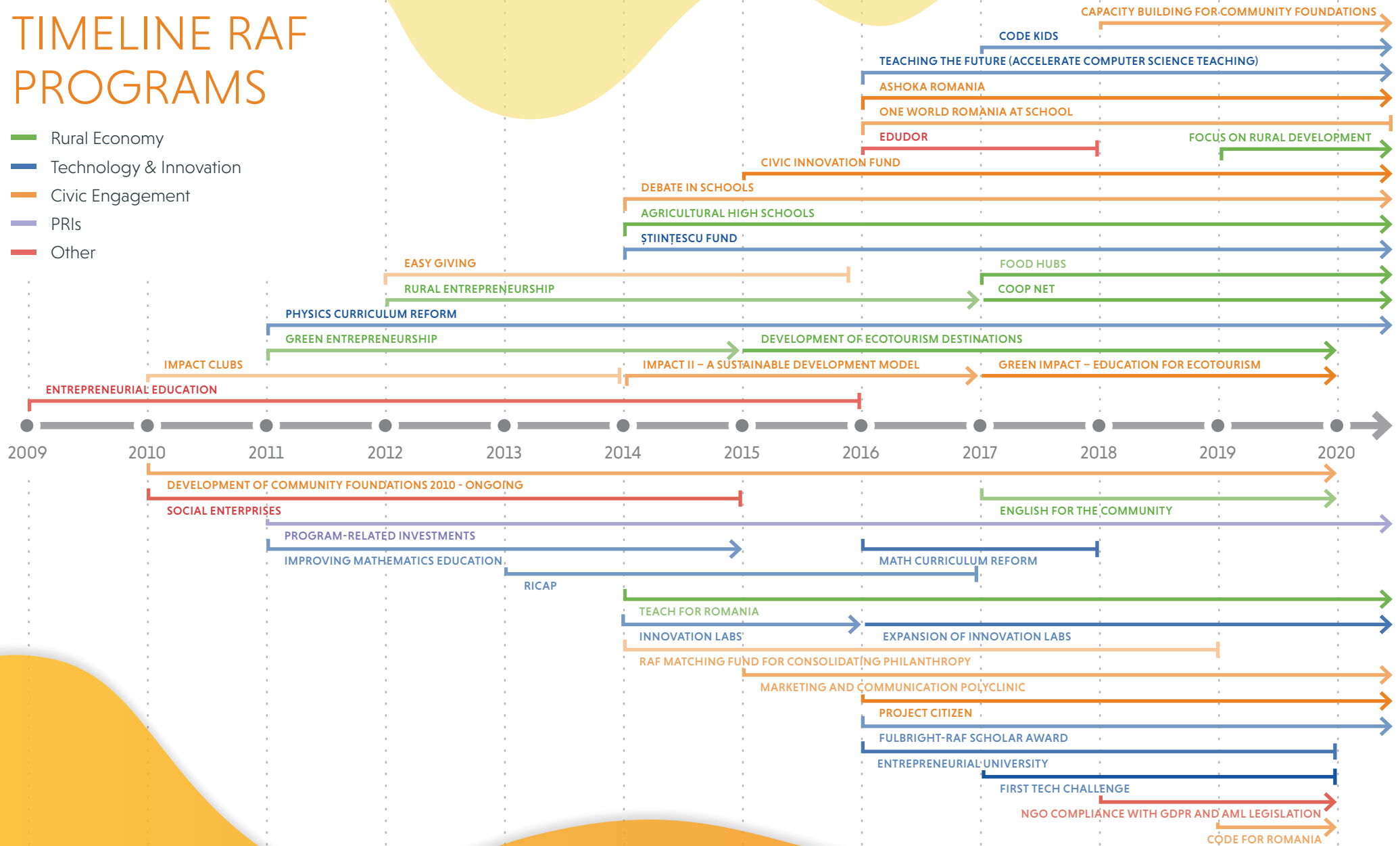## +$0.7 MILLION

granted for technology & innovation programs

+$1.42 MILLION

granted for philanthropy and civic engagement programs

TIMELINE RAF PROGRAMS

Legend:
- Rural Economy
- Technology & Innovation
- Civic Engagement
- PRIs
- Other

Timeline years: 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020

Programs:

- CAPACITY BUILDING FOR COMMUNITY FOUNDATIONS
- CODE KIDS
- TEACHING THE FUTURE (ACCELERATE COMPUTER SCIENCE TEACHING)
- ASHOKA ROMANIA
- ONE WORLD ROMANIA AT SCHOOL
- EDUDOR
- FOCUS ON RURAL DEVELOPMENT
- CIVIC INNOVATION FUND
- DEBATE IN SCHOOLS
- AGRICULTURAL HIGH SCHOOLS
- ȘTIINȚESCU FUND
- EASY GIVING
- FOOD HUBS
- RURAL ENTREPRENEURSHIP
- COOP NET
- PHYSICS CURRICULUM REFORM
- GREEN ENTREPRENEURSHIP
- DEVELOPMENT OF ECOTOURISM DESTINATIONS
- IMPACT CLUBS
- IMPACT II – A SUSTAINABLE DEVELOPMENT MODEL
- GREEN IMPACT – EDUCATION FOR ECOTOURISM
- ENTREPRENEURIAL EDUCATION
- DEVELOPMENT OF COMMUNITY FOUNDATIONS 2010 - ONGOING
- SOCIAL ENTERPRISES
- ENGLISH FOR THE COMMUNITY
- PROGRAM-RELATED INVESTMENTS
- IMPROVING MATHEMATICS EDUCATION
- MATH CURRICULUM REFORM
- RICAP
- TEACH FOR ROMANIA
- INNOVATION LABS
- EXPANSION OF INNOVATION LABS
- RAF MATCHING FUND FOR CONSOLIDATING PHILANTHROPY
- MARKETING AND COMMUNICATION POLYCLINIC
- PROJECT CITIZEN
- FULBRIGHT-RAF SCHOLAR AWARD
- ENTREPRENEURIAL UNIVERSITY
- FIRST TECH CHALLENGE
- NGO COMPLIANCE WITH GDPR AND AML LEGISLATION
- CODE FOR ROMANIA

Țara Hațegului - Retezat ecotourism
destination
Photo: Andrei Blumer, Asociația
pentru Ecoturism din România

RAF HOUSE

RAF House is a landmark of our long-term commitment to Romania's development. The historic villa, now almost a century old, is emblematic for our organization. Over the years, it stood the test of time, whether as a residence, a diplomatic location, a movie set, an office building, or a social gatherings venue.

Nowadays RAF House is not only the headquarters of the Romanian-American Foundation, but a civil society hub, a meeting space for organizations whose activities are aligned with our mission.

The ground floor rooms are offered, free of charge, to not-for-profit organizations to host events in line with our scope of work.

In 2018, RAF House hosted events that gathered over 2,300 participants.

RURAL ECONOMY

FOOD HUB DEVELOPMENT

A group of Romanian NGOs develop and pilot Food Hubs as sustainable economic alternatives that can ensure fair market access to small farmers' agricultural products.

AGRICULTURAL HIGH SCHOOLS – EDUCATING THE NEXT GENERATION OF FARMERS

Agricultural high schools' education helps students acquire the necessary skills to become small and medium-sized entrepreneurs in agriculture.

COOPNET

Providing a framework for RAF rural development partners to assist more interested parties in developing new cooperatives in Romania, based on the methodology tested in four locations, by accessing public funds.

Creating Opportunities for Small Farmers

Piloting possible solutions for rural economic development in agriculture.

EDUCATION FOR ECOTOURISM: ENGLISH FOR THE COMMUNITY & GREEN IMPACT

Contribute to the long-run development of the ecotourism destinations, building up the needed skills and attitudes of the young generations

DEVELOPMENT OF ECOTOURISM DESTINATIONS

Accelerating the establishment of ecotourism destinations and consolidating a country-wide ecotourism network.

STRATEGIES AND PROGRAMS UNDER THE RURAL ECONOMY PRIORITY

Local Development through Ecotourism

Capitalizing on natural and cultural potential through responsible and economically viable means.

THE GIANT LEAP

By Lina Vdovîi

Lina Vdovîi is an award-winning Romanian freelance journalist. She has varied experience in narrative journalism, investigative journalism and new media. In December 2012, she joined the Romanian Centre for Investigative Journalism and, in 2014, became a fellow in the Balkan Fellowship for Journalistic Excellence. In 2014, she was awarded 1st place in the Feature Writing category at the Superscrieri Awards, and a year later, she received the Young Journalist of the Year distinction from Freedom House, Romania. Her articles have been published in outlets such as Courrier International, EU Observer, Transitions Online, The Guardian, RFE/RL, The Christian Science Monitor, Balkan Insight, and Al Jazeera.

Can making small changes locally bring about an improvement in national policies? In Romania, with a democracy that still seems shaky, some find this hard to believe. However, the Romanian-American Foundation's strategy of piloting frameworks to facilitate dialogue at the national level on how to improve public policies has proven successful in at least one of its programs, farming cooperatives.

It's not hard to imagine an attempt to unite farmers in cooperatives failing in a country where people died in a revolution against communism. But, having taken a closer look at the lives and opportunities of small farmers, the Romanian-American Foundation (RAF) decided to give it a try.

Several years later, their bet paid off.

"With our programs, we always aim to test a theory on a small scale. Then, if it generates the change we hoped for, we expand it nationally with the help of our partners, and try to contribute to better public policies", says Romeo Vasilache, the Foundation's Senior Program Director, who has been involved in the design and management of the Rural Development through Entrepreneurship and Association program from the beginning.

The Foundation's financial resources are limited. This is why identifying potential vectors for rural development and defining a developmental strategy are extremely important. Finding the right partners, testing market-based solutions, investing in education and supporting the formation of a new generation in overcoming the difficulties associated with subsistence farming are all part of a carefully crafted plan.

SMALL, BUT MANY

Looking at the farming sector in 2012, RAF's first step was to identify the best intervention model. Tens of hours of interviews with academics, farmers, NGOs and central and local authorities led to the conclusion that small farming is very important but rarely profitable.

One of the main challenges small farmers faced was finding their way to market, and that was the area where RAF decided to test pilot projects by facilitating the setting-up of four cooperatives.

Romania has over 3.9 million farm holdings - the highest number of any European Union country.

Farming structures are highly polarized: 61% of agricultural land is managed by large and medium sized farms. Of the remaining land, about a quarter were semi-subsistence holdings and three quarters were subsistence farms of under 2 hectares.

RAF targeted the middle group; the semi-subsistence farm holdings of between 2-10 hectares.

On their own, these farmers don't sell enough produce to become development engines for their communities. But what if they were taught how to form cooperatives that could meet common local needs?

In formerly communist Romania, where the authorities had nationalized most agricultural land and dispossessed the peasantry, this was not a simple proposal. The collectivization of private property into state-owned cooperatives was a repressive operation that lasted for years. Those who resisted suffered arrest, deportation and sometimes summary execution.

History, especially recent history, remains in the collective memory. Older Romanians, who lived under communism, are suspicious of forms of cooperative ventures, however benign they may seem.

Alexandra Toderiță, the executive director at the Romanian Centre for European Policies, interviewed over one hundred farmers of all ages during the first two years of the program, from 2012 to 2014, to determine their attitudes to cooperatives.

"Older people, who still remembered communism and lived through forced collectivization, couldn't even imagine forming cooperatives," she says. "They had trouble understanding the mere concept, the fact

that this time they didn't have to give up their property, as was mandatory in communism."

On the other hand, younger people who had been forced by the economic crisis to return home from Western countries found it hard to see agriculture as something that could be profitable. However, they were more familiar with the concept of modern cooperatives.

Farmer, Legume de Vidra Coop
Photo: FDSC

When RAF awarded grants to four NGOs with experience in rural development to identify agricultural communities and work with local farmers, one of the main criteria for selecting the groups of farmers was that they were practicing the same type of agricultural activity, were economically active and also had an interest in associating.

Alone, the farmers were powerless in the face of big, industrialized farms. Together, they were a force.

Thus, one of the NGOs' main tasks was to convince people that cooperatives are a good idea. Once farmers were onboard, they needed to offer farmers tailored technical assistance. Farmers needed assistance running their day-to-day operations, with financial management, fiscal matters, sales, market access, good governance principles, and developing transparency.

One challenge was bringing people together at the same table and expecting them to agree. "This is why developing soft skills, such as communication and conflict management, matter for the scheme", says Romeo.

Valentin Filip, project manager at the Civitas Foundation, the organization that helped set up the Lunca Someșului Mic Cooperative, agrees. "I think the most important lesson we managed to teach them was how to settle disputes", he says. "At first, meetings were dominated by petty bickering about trespassing and disputes over prices that had been paid for

Stronger together - farmers from Vidra
Photo: FDSC

produce". We, from Civitas, were the mediators. We taught them how to communicate in a more constructive way, to find solutions together and to be responsible for their actions and decisions."

Alone, the farmers were powerless in the face of big, industrialized farms. Together, they were a force.

THE SLOW DANCE OF RESPONSIBILITIES

Of course, these ideas were sometimes met with resistance. In addition to the traumas of collectivization, under communism people were used to being told what to do. It wasn't easy to convince them that they were in charge. The NGO was there to help, but the farmers had to take responsibility.

"It's like a dance – you have to make sure they understand that even if you're there to back them up, they are responsible adults", explains Romeo.

"In good seasons, when sales are going well, people are happy and they don't ask too many questions", says Anca Marcu, the sales manager of the Lunca Someșului Mic cooperative. "But when sales slow down, they don't take a more active role. We still need to work on helping them acknowledge that it is their business, after all, and they must know exactly where they stand and act correspondingly."

At the end of the planning stage, the four cooperatives had a financial plan. Three were growing vegetables and one was an association of beekeepers. The farmers, some of whom had had no formal education, learned, among other things, how to write business plans and make projections for the future. For some, the figures were astronomical.

The Lunca Someșului Mic cooperative managed quite quickly to establish a sales channel with the Kaufland supermarket chain. The other one, Vidra, situated near

Bucharest, began selling their produce directly to the customer, but in the following year they sold through the Mega Image supermarket chain. The co-op near Iași didn't manage to penetrate the market quickly enough to survive, while the beekeepers' association is still struggling to continue, facing numerous challenges.

"The critical point is being able to penetrate the market quickly", says Romeo. "A channel capable of absorbing a great enough volume of goods for the cooperative to function is essential. Apart from being able to govern themselves, to manage conflicts and to deliver on time, if there are no sales there's no cohesion."

This is something that Simona Constantinescu from the Foundation for the Development of Civil Society, the NGO that helped set up the Legume de Vidra Cooperative, noticed as well. "Mega Image was expanding back then, so the moment was perfect for the farmers to start selling. They saw the benefits immediately and this was a huge motivation", Simona says.

However, there were two other key elements that helped the cooperative grow: transparency and a good manager. "Sorin Popa, the director of the cooperative, is a very smart guy. He saw the opportunity and he worked for free for almost a year. He was also open to our suggestions. He never went alone to the meetings and he always reported to the group on the state of negotiations".

Sorin learned that good communication and transparency are crucial. "The main fear people had was that somebody else was going to make off with their goods", says Simona. But they learned, in time, to trust one of their own.

CHANGING MENTALITIES AND CHANGING PUBLIC POLICY

While the NGOs were dealing with farmers, RAF brought in a think-tank to monitor the entire process. It analyzed legislation, the rural development programs and what was happening in the field with respect to the four cooperatives. In the end, they developed a white paper based on their observations and the data they collected. Then they publicly shared the information with policy-makers at the Ministry of Agriculture.

As a result, the current National Plan for Rural Development has greater focus on farming associations than previously. There is actual financial support for those who want to set up structures similar to the cooperatives that the RAF supported. As a group, farmers can apply for further funding from the European Union.

And while the cooperatives were just the first initiative RAF started in the agricultural sector, there are least two more programs being developed under the rural economy priority that follow the same steps: Test the model - Facilitate public debate - Improve public policies. The first one is developing ecotourism destinations in Romania by supporting local organizations and institutions in creating sustainable plans for local development. The second one is piloting the development of Food Hubs by NGOs to provide farmers with an alternative market.

"Even with limited resources, we wanted to contribute to change in Romania", says Romeo.

And they did. Even a journey of a thousand miles begins with a single step.

Sorin Popa, the director of the Legume de Vidra Cooperative
Photo: FDSC
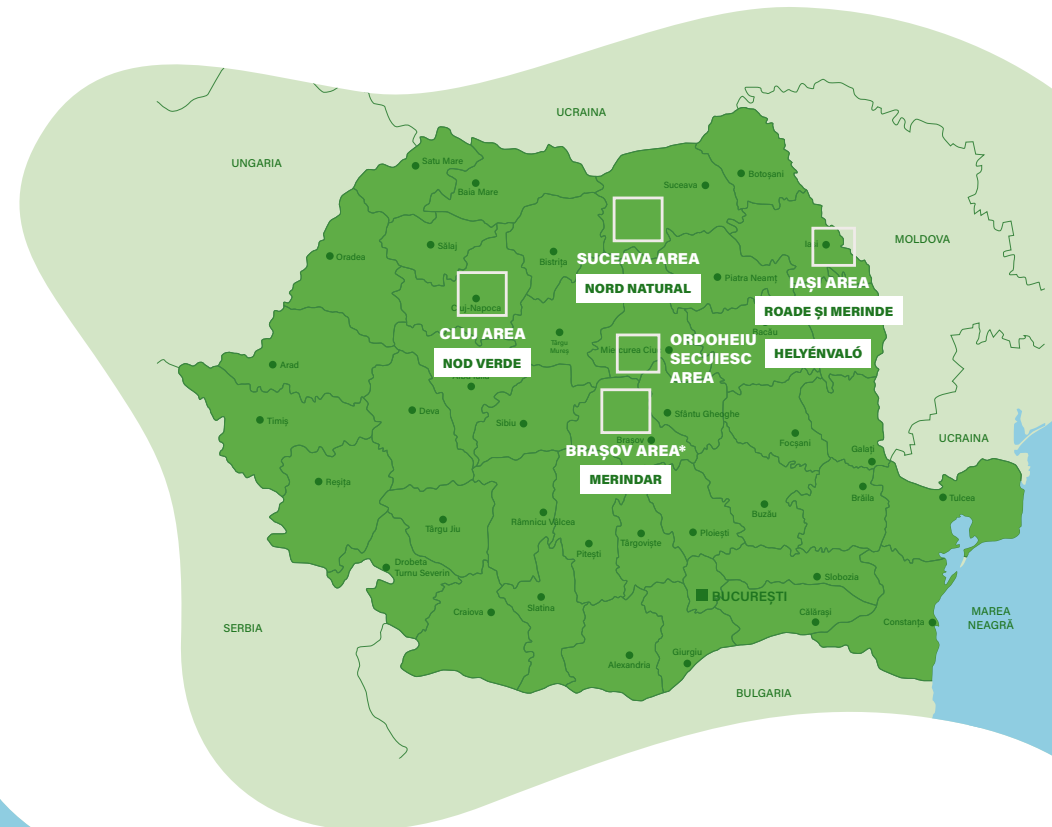
FOOD HUBS MAP

AGRICULTURAL HIGH SCHOOLS MAP

2018-2021

2021+

SUCEAVA AREA
NORD NATURAL

IAŞI AREA
ROADE ŞI MERINDE

CLUJ AREA
NOD VERDE

ORDOHEIU SECUIESC AREA
HELYÉNVALÓ

BRAŞOV AREA*
MERINDAR

TRUŞEŞTI

DORNA CANDRENILOR

MIROSLAVA

SALONTA

HUŞI

TG MUREŞ

CIUMBRUD

SIBIU

PREJMER

GEOAGIU

BUCUREŞTI

BRĂNEŞTI

UCRAINA

UNGARIA

MOLDOVA

SERBIA

BULGARIA

MAREA NEAGRĂ

ECOTOURISM MAP

ECO MARAMUREȘ

ȚINUTUL ZIMBRULUI

ȚARA DORNELOR

PĂDUREA CRAIULUI

BĂILE TUȘNAD ȘI ÎMPREJURIMILE

COLINELE TANSILVANIEI

ȚARA HAȚEGULUI RETEZAT

UNGARIA

UCRAINA

MOLDOVA

UCRAINA

SERBIA

BULGARIA

MAREA NEAGRĂ

Satu Mare
Baia Mare
Oradea
Sălaj
Bistrița
Suceava
Botoșani
Iași
Piatra Neamț
Cluj-Napoca
Vaslui
Arad
Târgu Mureș
Miercurea Ciuc
Bacău
Alba Iulia
Timiș
Deva
Sibiu
Sfântu Gheorghe
Brașov
Focșani
Galați
Reșița
Brăila
Tulcea
Buzău
Târgu Jiu
Râmnicu Vâlcea
Pitești
Ploiești
Drobeta Turnu Severin
Târgoviște
Slobozia
Craiova
Slatina
BUCUREȘTI
Călărași
Constanța
Alexandria
Giurgiu

Băile Tușnad Ecotourism Destination
Photo: László Potozky

TECHNOLOGY AND INNOVATION

Innovation Labs Sibiu 2018
Photo: Asociația Tech Lounge

STRATEGIES AND PROGRAMS UNDER THE TECHNOLOGY AND INNOVATION PRIORITY

Entrepreneurship in higher education

We work together with technical universities in Romania to provide students with an opportunity to gain a set of technical and soft skills that help them develop their entrepreneurial potential, understand market mechanisms and think innovatively.

STEM Education

In secondary education, RAF has intervened to promote teaching methods meant to stimulate both the students' interest in science as well as their critical thinking and creativity to contribute to the formation of a new generation of graduates who are able to take development opportunities in technology and innovation and match the requirements of an increasingly competitive market.

INNOVATION LABS
Pre-accelerator for start-ups designed to encourage creativity in technology and entrepreneurship among students and young professionals. After Bucharest, the program expanded to four other technical universities in Romania, namely Cluj, Iași, Sibiu, and Timișoara.

ENTREPRENEURIAL UNIVERSITY
Assists Romanian universities in the application of the HEInnovate entrepreneurial capacity assessment tool and provides five universities with accredited entrepreneurship curricula.

FULBRIGHT-RAF SCHOLAR AWARD
Support 24 Romanian professors from technical universities around the country with the opportunity to gain U.S. university-based experience in developing and sustaining entrepreneurship education.

FIRST TECH CHALLENGE
Promoting learning by doing Robotics.

ȘTIINȚESCU FUND
Supports the setting up of a local funding mechanism for education micro-initiatives aimed at raising children's interest in sciences.

PHYSICS CURRICULUM REFORM (FIZICA ALTFEL)
Strengthening the teaching of physics through investigative methods.

TEACHING THE FUTURE
Supporting computer science teachers to adopt project-based teaching strategies for their class and to create active-learning environments in their schools.

CODEKIDS – CODING FOR KIDS IN LIBRARIES
Children in rural areas and small towns learn basic coding attending coding clubs activities in public libraries.

Teachers from the program visit Zitec,
June 2018
Photo: Mihnea Ratte for Asociația Techsoup

<P ID="DEMO TEACHING THE FUTURE"></P>
<SCRIPT ASOCIAȚIA TECHSOUP & ROMANIAN-AMERICAN FOUNDATION>
FUNCTION: CHANGE () {

By Laura Ionescu

Laura Ionescu is a creative freelancer juggling between her passion for writing, communication trainings for NGOs, and Dume de mestecat, her entrepreneurial endeavor. Her work of ten years as a digital creative has resulted in numerous awards and accolades for successful campaigns. Laura was a TEDx speaker, and she was thrilled to share the stage with Erik Kessels, whom she considers "one of the most outrageously creative people in advertising". She became an activist when she realized that we are all responsible for the world we live in.

When you love what you do, you find a way to make others look at what you do and share your passion. This is just a part of the *Teaching the Future* program, designed and developed by Asociația Techsoup România and the Romanian-American Foundation. By involving students in long-term projects, teachers learn how to change the way computer sciences are taught in schools and give meaning to the subject they teach. The process is called project-based learning and it activates divergent thinking, the kind that continuously searches for creative solutions.

A goldfish has a nine-second attention span[1]. At first glance this statistic may not seem to have anything to do with us, but this is almost the equivalent of our attention-span in the digital era of eight seconds.

Technology develops at exponential speed rather than gradually. Previous technological revolutions could be registered over a lifetime, while now we witness numerous leaps in the course of a single life. This pace of change is humankind's greatest challenge: the speed at which we're exposed to information and the speed at which we can retain this information. This speed also predicates the attention-spans of different generations, that of a generation which is exposed to an increased level of visual information compared to the preceding one, for example.

This was the idea behind initiating the partnership between the Romanian-American Foundation (RAF) and Asociația Techsoup România when the Foundation chose Techsoup as its development partner in the fields of technology and innovation. In 2016 they laid the groundwork for a program designed to completely change the paradigm for teaching computer science in schools. The Asociația Techsoup *"was already working with kids who were good with computer science, helping them to excel"*, says Suzana Dobre, who coordinates the RAF's education programs. When you're here to stay, as is the case of the Romanian-American Foundation, the projects you're involved in take on meaning when they effect change. And change takes time. And a great deal of patience in order for it to happen. Even in tech, where things are moving at a dizzying pace.

The project was called *Teaching the Future* and had the best possible foundation: the great mutual trust between the financer and the grant-recipient in matters of ability, expertise and vision. Elena Coman (Asociația Techsoup) and Suzana Dobre (RAF) knew their plan was ambitious even as they began working together to change perceptions about the teaching of computer science. As Techsoup was already working with high-school students on interesting computer science projects, it occurred to Suzana that working together on a program aimed at teachers would have a bigger impact, as the benefit would be passed on to a greater number of students. With an *"it's worth trying"* from Elena and a common will to transform the teaching of computer science, the *Teaching the Future* project became teacher-focused. It was, in fact, teachers who had the power to influence how young people perceived computer science and the way it was learned in the classroom. Still, the way in which the material was taught needed to change. The solution found was *project-based learning*, a more interactive way of presenting computer science to young people. What is project-based learning? *"What is taught becomes secondary and is subsumed to the greater process, which is bigger than the student and teaches the student problem solving. Instead of going to school and learning Python, you go to school and learn how to make an application that helps organizations in your town raise funds faster, and at the same time you learn Python. It's an incredibly efficient way of learning*

Teachers from the program after a workshop at UiPath, August 2018
Photo: Cosmin Sbarcea for Asociația Techsoup

and very well adapted to a generation that needs to see the point of what it's studying", explains Elena.

The project then entered the test phase and became an accelerator lasting six to seven months. It taught teachers to apply project-based learning (called product development in IT) together with students, in the classroom. Techsoup put the teachers in contact with the IT industry and other stakeholders in the tech domain in order to inspire them to transform their computer science lessons into real-life experience. More than that, in those months the teachers saw the benefit of an educational model in which theory is included in a much broader way in the making of an IT product. At the same time, they discovered how to help their students develop their abilities, rather than just passing on information.

'When you work in the classroom, the kids don't just code. They have other plans, they know what they want to achieve. Every student in the team has a role: one learns coding, another learns marketing, and so on,' says Elena. Practically, to meet their goals, to finish

1. http://time.com/3858309/attention-spans-goldfish/

Students from the Ioan Slavici National College in satu Mare creating the IoT House
Photo: Timea Kabai, their teacher

constructing something, the students learned to cooperate and to empathize with each other. They learned through doing, but in a fun and engaging way, with theory merged with practice. The theoretical aspect seemed to magically disappear, when in fact it had been better and more systematically integrated.

The accelerator was a success, but *good practices need... practice*. The teachers needed to practice what they'd learned during the accelerator, though they felt more comfortable doing this outside computer science lessons than within. During this time, Asociația Techsoup and the Romanian-American Foundation followed-up to keep the teachers connected to the happening world of IT and to inspire and implement new classroom models: they got involved in workshops, hackathons, meetings with people from IT and high-profile events. And they found that even if you create the context, change doesn't always happen by itself.

At the end of what would be the first run of the accelerator, the partnership between Asociația Techsoup România and the Romanian-American

Foundation became an alliance. The initial trust was strengthened by the kind of patience that is indispensable for innovation, because innovation is, in fact, a well-structured process and not just an 'aha' moment. The first stage is conceptual – *Teaching the Future* was the idea. The accelerator was the second stage, that of research and development. The third stage of innovation involves proof of concept.

Suzana and Elena asked themselves: *"Okay, what have we done? How can we take it further?"*. Suzana: *"We had some proof of concept in the first year, we knew the part involving the industry motivated everybody. But we didn't know how to change how it was taught in schools."* Instead of being put off by an apparent lack of results, the two organizations learned their lessons and moved forward. If you want to innovate, in fact, you can't stop. It's a fluid process. You try, then see if what you've attempted has yielded results. If it hasn't, you go back and see if you can do it better. But you don't give up.

And they didn't give up. Instead, they offered the teachers even more ways for them to feel ownership of the new ways of teaching, helped them to develop their teaching skills even further, so that they could empathize more with the students and connect emotionally with them. Elena realized that Techsoup excelled at microlearning - learning experiences for NGOs that could be encapsulated in an hour. *"Could we do the same thing with the teachers too?"* she wondered. And with this question the second phase of the project began, with a return to research and

development. They then created a series of webinars about Scratch – a opensource programming language and an online community in which students could create their own stories and learn much more easily. They adapted it for beginners but in intensive modules in which teachers learned to manage projects that took

> **When you work in the classroom, the kids don't just code. They have other plans, they know what they want to achieve. Every student in the team has a role: one learns coding, another learns marketing, and so on.**

place over many lessons. 89 teachers did classroom activities after these webinars and returned with feedback from the students.

Fast forward to the middle of 2018. Elena and Suzana are talking on Skype with researchers from Cambridge University who have heard of the *Teaching the Future* program. Cambridge had already created a methodology for project based learning for high-school students, in which, over 12-18 weeks, with the help of teaching materials such as gadgets called Micro:bit, the students learned to solve problems, supported by their teachers. *'Interesting problems',* says Elena, *'of inclusive design, which need to answer the question: how can we redesign a salt-cellar that takes into account that the world's population is aging and there will be increasing numbers of people with arthritis who won't be able*

to use it? They knew this was a big question that demanded an answer, and the activities introduced by the teacher helped them learn about population, the world, people, inclusivity, design and empathy, up until the point where they were producing products and presenting them.'

After an exchange of experience in which a group of *Teaching the Future* teachers travelled to the UK, the Cambridge researchers came to Romania in December to visit the "National Gas School", a technical school in Mediaș. They piloted the methodology there together: they chose a high-school class and divided it into a control group and a test group and measuring the test group before and after changing the way they were taught. They discovered that it worked: the students in the test group had greater faith in their ability to solve problems and were much more open to trying new things. They showed greater creativity and were more willing to solve problems by thinking outside the box. It seemed that the program had passed the proof of concept phase, but in reality more time is needed to see the long-term effects.

What's next? *'Looking ahead, we have developed the concept in three directions, each with a clearly defined set of expectations, from the effects it can have on teachers and students, with several variants of evaluation being explored, but not in terms of final results. Now, really, we're going back to the proof of concept phase, and we're going to look at three levels of the model: the accelerator, the webinars and the Cambridge DOT program. These are going into the Romanian educational system where we're going to see the effects of this, even at a small scale. Then we'll*

2. https://www.bbc.com/news/health-38896790

see if the promising early results are repeated over the longer term. If they are, we'll see what the opportunities are for increasing the scope and influence of the program.', explains Suzana.

Though the Romanian-American Foundation and Techsoup estimate the proof of concept phase of the program will last three years, they have already begun to consider the next steps, which will make *Teaching the Future* an example of project-based learning for both parties involved: always thinking of something bigger, beyond the present moment, learning from what they're doing, going back to perfect it, test it, and to ascertain if the results justify the effort. Throughout this process, in which they've succeeded in transforming teachers into facilitators, reinterpreting their classroom role so that computer science becomes a creative enterprise, the greatest resource has been patience. In a world in which patience is quickly lost, it seems our attention has become steadily more selective rather than diminished.

Attention spans haven't got shorter[2]. They depend on our engagement with the task in front of us and the degree of attention we need to devote to concluding it successfully. In other words, our attention is purpose-driven in the era we live in. And engaging the attention of high-school students, who are digital natives, having been in contact with technology since childhood, requires

making the things they learn meaningful. Now, with Asociația Techsoup România, computer science classes are much more meaningful. Because they are an introductory course in how we can make the world we live in a better place, through small changes, lesson by lesson and hour by hour, and without being deskbound. It teaches how to ask ourselves the right questions, research, learn, apply and follow up.

Students from the Ioan Slavici National College in Satu Mare creating the IoT House
Photo: Timea Kabai, their teacher

TECHNOLOGY AND INNOVATION MAP
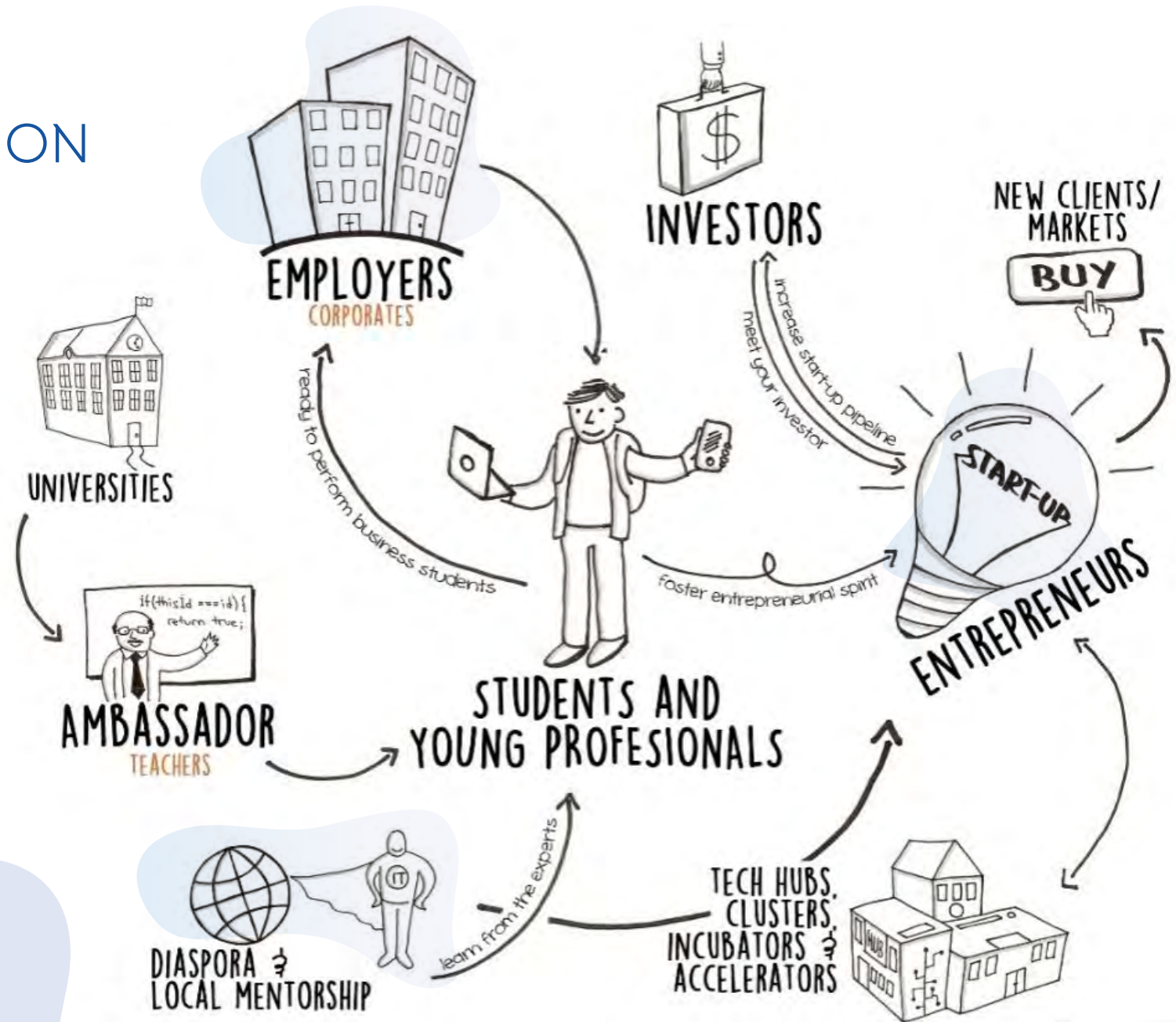
Dear R.A.F.,

As a Christmas present from our school, I decidet to write you a letter full of thankful. I think that learning is very important, but it can be very hard as well. With your ☺ project, I start learning way more easy.

My name is Elisabeta and I'm 12 years old. At first, I found physics very hard because its a lot like math, and I don't like math. We startet using your project and it got easier. Every other hour we play a game or more. Obviously, a physics game. For exemple, when we learnt about speed, we usesly cars, so we can make a few differences. Also, the theory that we learn is easier, because it is based on intersting facts. I think that is very important that our teacher and others were students for some days so they can understand and explain to us. Funt, isn't it ?!? I adore the fact that we are the future and we have the opportunity to know more. I think that every teacher will enjoy teaching their students using this program. In this case, I would like to be one. I like the fact that we do everything we learn, as we will do in real life.

Congratulation R.A.F.! I am proud to be in this generation!

Best Christmas card ever!

Sibiu half-marathon
Photo: Călina Belașcu for Fundația
Comunitară Sibiu

CIVIC ENGAGEMENT

STRATEGIES AND PROGRAMS UNDER THE CIVIC ENGAGEMENT PRIORITY

Civic Education

We support non-formal civic education programs and explore methods to be used by schools in order to build better civic competences for children.

TEACHING MEDIA LITERACY

Contribute to improving media literacy of high-school students, both as media consumers and generators of content.

DEBATE PROGRAM IN SCHOOLS

Supports the use of debate as an educational tool both in debate clubs (extra-curricular) and during classes.

ONE WORLD ROMANIA AT SCHOOL

Stimulates the use of documentary films about human rights as a civic education tool, both during classes and as an extra-curricular activity.

PROJECT CITIZEN

Including the Project Citizen method in the current practice of teaching civic education in the seventh grade.

Developing an Infrastructure for Philanthropy and Civic Engagement

RAF contributes to the development of an infrastructure of mechanisms and models designed to stimulate philanthropy and foster civic engagement.

ȘTIINȚESCU FUND

Supports the set-up of a local funding mechanism for educational micro-initiatives aimed at raising children's interest in sciences.

GDPR AND AML COMPLIANCE

The program aims to improve the capacity of the Romanian NGO sector to comply with the General Data Protection Regulation (GDPR) and the Anti-Money Laundering (AML) Legislation.

DEVELOPMENT OF COMMUNITY FOUNDATIONS IN ROMANIA

Developing a national Community Foundations network and increasing their capacity as active centers for local philanthropy.

FOCUS ON RURAL DEVELOPMENT

Design a framework of journalism, with a focus on rural development, which is story driven, public-powered, and solutions oriented.

MARKETING AND COMMUNICATION POLYCLINIC

Improving the communication capacities and the performance of several RAF partner NGOs in the public relations field.
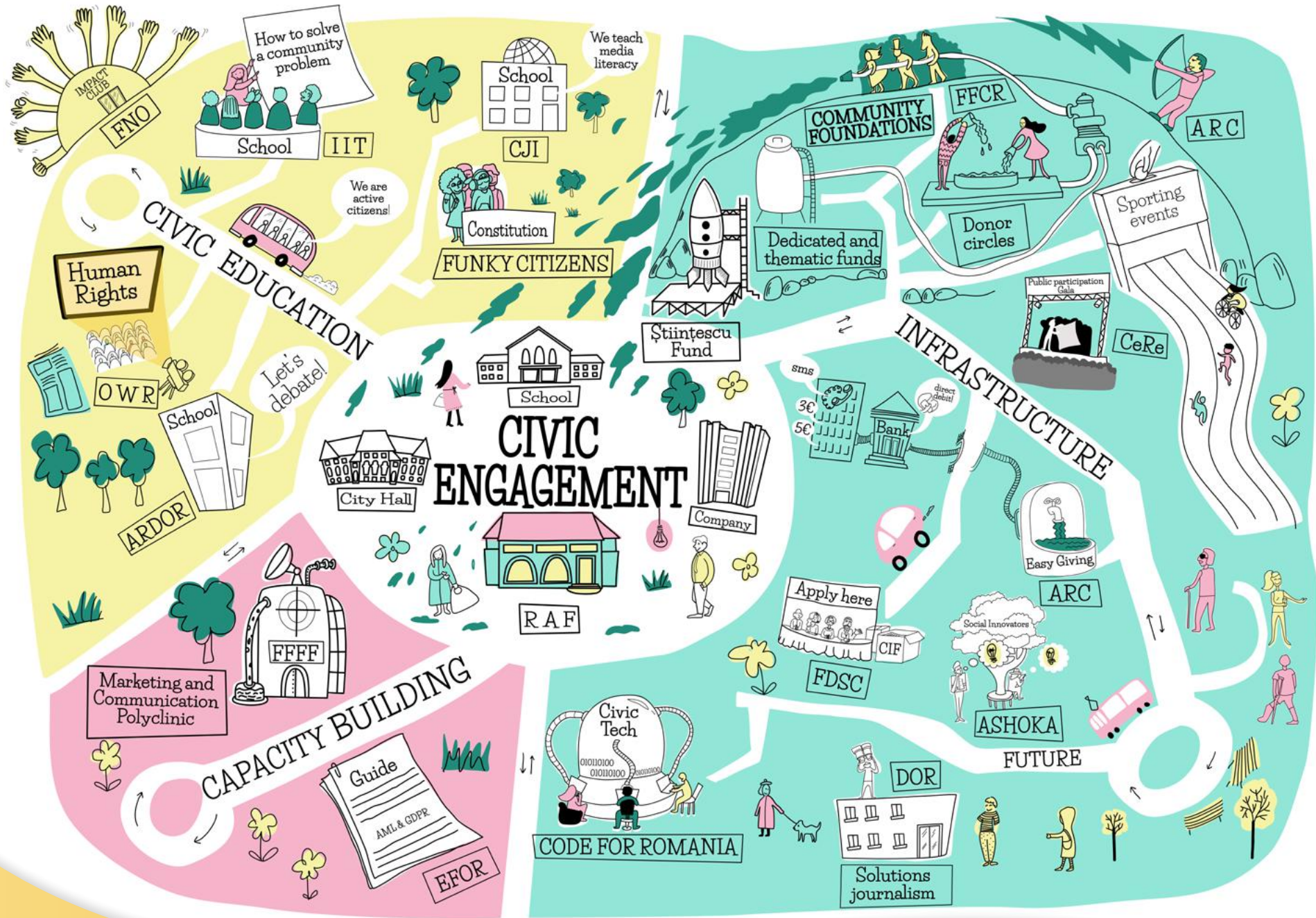
CIVIC INNOVATION FUND

Supports the strengthening of a long-term national funding program for the sustainable growth of local organizations active in the field of civic engagement.

CODE FOR ROMANIA

Scaling up the activities and increasing the sustainability of the Code for Romania Association, as well as growing their volunteers' community, which works to develop digital solutions for issues of public interest.

ASHOKA INNOVATORS FOR THE PUBLIC

RAF supports the introduction and replication of the Ashoka Innovators for the Public model in Romania, a program that identifies and supports entrepreneurial individuals with innovative solutions for society's systemic problems.

CIVIC EDUCATION

Human Rights

IMPACT CLUB FNO

How to solve a community problem

School IIT

School CJI

We teach media literacy

We are active citizens!

Constitution

FUNKY CITIZENS

OWR

Let's debate!

School

ARDOR

CIVIC ENGAGEMENT

City Hall

School

RAF

Company

CAPACITY BUILDING

Marketing and Communication Polyclinic

FFFF

Guide

AML & GDPR

EFOR

Civic Tech

0101100100 0101110100

CODE FOR ROMANIA

COMMUNITY FOUNDATIONS

FFCR

ARC

Donor circles

Sporting events

Dedicated and thematic funds

Public participation Gala

CeRe

Ştiinţescu Fund

INFRASTRUCTURE

sms

3€

5€

Bank

direct debit!

Easy Giving

ARC

Apply here

CIF

FDSC

Social Innovators

ASHOKA

FUTURE

DOR

Solutions journalism

CIVIC ENGAGEMENT MAP

To illustrate the main strategies under RAF's civic engagement priority, we envisaged a city with three districts grouped around a central square – altogether creating the context and the opportunities for people, NGOs, schools, and companies to bring their contribution to the community. Strolling along these streets, you will find all the programs funded by RAF in order to build the infrastructure that bridges society issues with available resources (funding, know-how, volunteering and other); educate young people to become active citizens; and build partner NGOs' capacity so that, with RAF's support, they can transform idea(l)s and dreams into real and sustainable change for the better.

Map legend:

ARDOR - Asociația de Dezbateri, Oratorie și Retorică
CJI - Centrul pentru Jurnalism Independent
FNO - Fundația Noi Orizonturi
IIT - Institutul Intercultural Timișoara
OWR - Asociația One World Romania

ARC - Asociația pentru Relații Comunitare
CeRe - Centrul de Resurse pentru participare publică
DOR - Asociația Media DoR (Decât o Revistă)
FDSC - Fundația pentru Dezvoltarea Societății Civile (**CIF** - Civic Innovation Fund)
FFCR - Federația Fundațiile Comunitare din Romania

EFOR - Asociația Expert Forum
FFFF - Fundația Friends for Friends

CONTRIBUTORS

The map to Știinţescu's world is a six-step adventure for those sharing a passion for the mix of sciences and arts that the Știinţescu Fund brings to 13 communities throughout the country. For over four years, more than 23,000 children have come to know Știinţescu as a mathematician, restorer, electronics specialist, librarian, chemist, artist, engineer, museographer, and meteorologist. It is how children became more drawn to science in a natural, relevant and playful way. In an effort to connect children with people willing to share their passion for science, the FFCR teamed with storyteller Mona Dîrţu and created engaging material that maps out the stages to becoming a Știinţescu mentor. Two of the "islands" on the map highlight the variety of projects that can be submitted under the acronym STEAM (Science, Technology, Engineering, Arts, and Mathematics) - the sky is the limit! - as well as the support and counseling that community foundations provide to the applicants for both the project design phase and especially during the implementation and reporting stages. Moreover, the Map is meant to be a different kind of communication material for the program, to be used either for launching or fundraising campaigns. Let the adventure begin!"

– Luiza Zamora, Federația Fundațiile Comunitare din România (FFCR)

Road map of the Științescu community

WELCOME!

Științescu is a national pro-science movement. Throughout the country, there are hundreds of mentors who, with support from the Științescu Fund, cultivate the curiosity of children and youths for science and technology.

www.stiintescu.ro

CAN I BE PART OF THE ȘTIINȚESCU COMMUNITY?

Of course you can, especially if:

• you have an interesting idea for a STEM (Science, Technology, Engineering, and Math) project.
• you like working with children and you have the patience to encourage their curiosity and critical thinking, motivate them to learn and work as a team.
• you are creative, and you can set up an informal framework where children can experiment, explore and play.
• you are ready to develop abilities, in addition to passing on information.

IS THERE A FINAL OBJECTIVE?

Yes, there is, but you are the one who defines it, in accordance with the selected theme. There are three things we ask from you:
• to cultivate the scientific curiosity of children's through exploration, experimentation, and play;
• to challenge children to ask questions, to think, to understand, and to test;
• to encourage teamwork, initiative, entrepreneurship.

WHAT EXACTLY DO I HAVE TO DO?

Step 1. Fill in the application form on your community foundation's website.
Step 2. On the established date, the project will be judged.
Step 3. If your project is selected, you sign a contract with the community foundation.
Step 4. You receive the funding under the agreed conditions.
Step 5. You take part in the training sessions organized by the foundation.
Step 6. You implement the project according to the established timeline and you promote it within your community.
Step 7. You draft a final report at the end of the program.

HOW DOES ȘTIINȚESCU SUPPORT ME?

Științescu supports you with resources and step-by-step counseling.

• COUNSELING: First, we help you write your project application and to draft a budget for it, we share good practices for working with children and we teach you – during a mini-training in communication – how to publicize your project online and offline. Afterwards, we remain available throughout the project, and offer you advice, should you need it, even for the final reporting.

• RESOURCES: The funding starts at 2,000 lei for a project, but it can exceed 10,000 lei. The resources you need are equipment, software, stationery, school supplies, rental costs for the project HQ, accommodation & transportation, communication etc.

HOW CAN I SUPPORT THE ȘTIINȚESCU MOVEMENT?

You can help us expand and promote Științescu, as a volunteer, by donating, or in other ways. You are welcome to visit your local community foundation's office to talk about the ways in which you can contribute.

ACTIVE GRANTS IN 2018

PRIORITY		PROGRAM MANAGER	PROGRAM NAME	AGREEMENT AMOUNT ($)	DISBURSED FY 2018 ($)
👥		Ashoka - Innovators for the Public	Ashoka - Romania Program	376,374	-
👥		Asociația Code4Romania	Code for Romania	241,800	-
👥		Asociația Expert Forum	Assesing the Impact of GDPR and AML Legislation on the NGO Sector in Romania	14,850	14,850
👥		Asociația Expert Forum	Strengthening the capacity of the NGO sector in Romania to comply with GDPR and AML legislation	73,000	40,000
👥	EDU	Asociația Funky Citizens	Getting Civically Fit	45,000	1,000
🚜		Asociația Media DoR	Focus on Rural Development	123,515	-
💻	EDU	Asociația Nație prin Educație	First Tech Challenge Romania	150,000	50,000
👥		Asociația One World Romania	One World Romania Awareness Campaign	3,000	-
👥	EDU	Asociația One World Romania	One World Romania at School	75,000	40,000
👥	EDU	Asociația One World Romania	One World Romania at School - Second Year	103,234	1,000
👥		Asociația pentru Relații Comunitare	Development of Community Foundations in Romania	130,000	20,200
👥		Asociația pentru Relații Comunitare	Strategic Thinking and Sustainable Development Support for Community Foundations and New Community Foundations Initiatives	80,000	-
👥		Asociația pentru Relații Comunitare	Support for New Community Foundations Initiatives	60,388	40,000
👥	EDU	Asociația Română de Dezbateri, Oratorie și Retorică	Debate Program in Schools	200,000	2,000

PRIORITY		PROGRAM MANAGER	PROGRAM NAME	AGREEMENT AMOUNT ($)	DISBURSED FY 2018 ($)
👥	EDU	Asociația Română de Dezbateri, Oratorie și Retorică	ARDOR Corporate Debate Courses	3,000	-
👥	EDU	Asociația Română de Dezbateri, Oratorie și Retorică	Debate Education Network 2.0	70,000	51,000
👥	EDU	Asociația Română de Literație	Reading to Learn: Teaching Literacy	52,000	11,000
🚜	EDU	Asociația Teach for Romania	Teach for Romania - Sustainable Growth	259,000	129,000
💻	EDU	Asociația Tech Lounge	Expansion of Innovation Labs - Second Year	380,000	186,000
💻	EDU	Asociația Techsoup România	Accelerate Your Computer Science Teaching (Teaching the Future)	50,000	1,000
💻	EDU	Asociația Techsoup România	Accelerate Your Computer Science Teaching (Teaching the Future) - Second Year	90,000	29,000
🚜	EDU	British Council	English for the Community	250,000	25,000
💻	EDU	Centrul de Evaluare și Analize Educaționale	Science Curriculum Reform	200,000	2,000
💻	EDU	Centrul de Evaluare și Analize Educaționale	Institutional Consolidation of CEAE	50,000	500
💻	EDU	Centrul de Evaluare și Analize Educaționale	Science Education Reform: Improving Scientific Literacy	210,000	110,000
💻	EDU	Centrul de Evaluare și Analize Educaționale	Impact Study Design for Fizica Altfel Program	14,500	-
🚜		Centrul de Mediere și Securitate Comunitară	Food Hub CMSC: Start-up Grant - First Year	204,000	94,000
👥		Centrul pentru Educație Economică și Dezvoltare din România	CEED Annual Report Reshaping	3,000	-

Priority	EDU	Program Manager	Program Name	Agreement Amount ($)	Disbursed FY 2018 ($)
tractor	EDU	Centrul pentru Educație Economică și Dezvoltare din România	Capacity Development for Agricultural High Schools - Third Year	56,000	42,000
people	EDU	Centrul pentru Jurnalism Independent	Teaching Media Literacy	340,000	130,635
people	EDU	Centrul pentru Jurnalism Independent	CIJ rebranding and repositioning campaign	3,000	-
tractor	EDU	Centrul Român pentru Politici Europene	Research and Advocacy for Positioning Agricultural High Schools as Hubs	171,000	10,000
tractor		Centrul Român pentru Politici Europene	Monitoring of Policy Implementation and Impact Assesment - First Year	60,700	15,200
people		Centrul Român pentru Politici Europene	A user friendly think-tank -CRPE is getting connected	3,000	-
laptop	EDU	Council on International Educational Exchange	Professor Development and Networking Program	877,000	275,318
people	EDU	Federația Fundațiile Comunitare din România	National Support for Științescu Fund	43,043	1,000
people	EDU	Federația Fundațiile Comunitare din România	National Support and Synergy for the Științescu Fund - Second Year	53,395	52,000
people		Fundația Centrul de Resurse pentru participare publică	Public Participation Awards Gala - 9th edition	5,000	5,000
tractor		Fundația Civitas pentru Societatea Civilă	Food Hub - Start-up Grant - First Year	180,555	100,459
tractor	EDU	Fundația Civitas pentru Societatea Civilă - Filiala Cluj Napoca	From High-School to farm - study tours for future farmers - Second Year	132,000	1,500
tractor		Fundația Civitas pentru Societatea Civilă - Filiala Cluj Napoca	Support Network for COOP development	123,965	54,880
tractor		Fundația Civitas pentru Societatea Civilă - Filiala Cluj Napoca	Food Hub - Start-up Grant First Year	255,759	131,050
people		Fundația Civitas pentru Societatea Civilă - Filiala Cluj Napoca	Communication campaign for positioning the Civitas Foundation in the local and regional CSR and Impact Entrepreneurship eco-systems	3,000	-

Priority	EDU	Program Manager	Program Name	Agreement Amount ($)	Disbursed FY 2018 ($)
tractor	EDU	Fundația Civitas pentru Societatea Civilă - Filiala Cluj Napoca	From Agricultural High School to Becoming a Farmer	182,500	97,000
people	EDU	Fundația Comunitară Bacău	Bacău Științescu Fund - Second Edition	21,000	500
people	EDU	Fundația Comunitară Bacău	Bacău Științescu Fund - Third Edition	19,000	15,000
people		Fundația Comunitară Bacău	Capacity Building of Bacău Community Foundation	20,000	20,000
people	EDU	Fundația Comunitară Brașov	Brașov Științescu Fund - First Edition	21,320	500
people		Fundația Comunitară Brașov	Individual Matching Fund	10,000	-
people	EDU	Fundația Comunitară Brașov	Brașov Științescu Fund - Second Edition	19,000	15,000
people	EDU	Fundația Comunitară Brașov	Brașov Științescu Fund - Third Edition	3,000	2,500
people		Fundația Comunitară Brașov	Capacity Building of Brașov Community Foundation	20,000	20,000
people	EDU	Fundația Comunitară București	București Științescu Fund - First Edition	22,500	15,000
people		Fundația Comunitară București	Capacity Building of București Community Foundation	20,000	20,000
people	EDU	Fundația Comunitară București	București Științescu Fund - Second Edition	6,000	5,500
people	EDU	Fundația Comunitară Cluj	Cluj Științescu Fund - First Edition	7,000	-
people		Fundația Comunitară Cluj	Individual Matching Fund	10,000	-
people		Fundația Comunitară Cluj	Capacity Building of Cluj Community Foundation	20,000	12,000
people		Fundația Comunitară Dâmbovița	Individual Matching Fund	2,185	-
people	EDU	Fundația Comunitară Dâmbovița	Dâmbovița Științescu Fund - First Edition	8,900	-

PRIORITY	PROGRAM MANAGER	PROGRAM NAME	AGREEMENT AMOUNT ($)	DISBURSED FY 2018 ($)
(people)	Fundația Comunitară Dâmbovița	Capacity Building of Dâmbovița Community Foundation	20,000	10,000
(people) EDU	Fundația Comunitară din Odorheiu Secuiesc	Odorhei Științescu Fund - First Edition	16,674	500
(people) EDU	Fundația Comunitară din Odorheiu Secuiesc	Odorheiu Secuiesc Științescu Fund - Second Edition	11,884	8,134
(people)	Fundația Comunitară din Odorheiu Secuiesc	Capacity Building for Odorheiu Secuiesc Community Foundation	20,000	20,000
(people) EDU	Fundația Comunitară din Odorheiu Secuiesc	Odorheiu Secuiesc Științescu Fund - Third Edition	3,000	2,500
(people) EDU	Fundația Comunitară Galați	Galati Științescu Fund - First Edition	19,500	10,000
(people)	Fundația Comunitară Galați	Individual Matching Fund	5,000	-
(people) EDU	Fundația Comunitară Galați	Galati Științescu Fund - Second Edition	4,500	4,000
(people)	Fundația Comunitară Galați	Capacity Building of Galati Community Foundation	20,000	10,000
(people) EDU	Fundația Comunitară Iași	Iasi Științescu Fund - Second Edition	20,625	-
(people) EDU	Fundația Comunitară Iași	Iasi Științescu Fund - Third Edition	18,750	15,000
(people)	Fundația Comunitară Iași	Capacity Building of Iași Community Foundation	20,000	20,000
(people) EDU	Fundația Comunitară Mureș	Mureș Științescu Fund - Second Edition	15,750	-
(people)	Fundația Comunitară Mureș	Individual Matching Fund	10,000	-
(people) EDU	Fundația Comunitară Mureș	Mureș Științescu Fund- Third Edition	2,000	1,500
(people)	Fundația Comunitară Mureș	Capacity Building of Mureș Community Foundation	20,000	20,000
(people) EDU	Fundația Comunitară Oradea	Oradea Științescu Fund - Second Edition	21,000	15,500
(people) EDU	Fundația Comunitară Oradea	Oradea Științescu Fund - Third Edition	4,000	3,500

PRIORITY	PROGRAM MANAGER	PROGRAM NAME	AGREEMENT AMOUNT ($)	DISBURSED FY 2018 ($)
(people)	Fundația Comunitară Oradea	Capacity Building of Oradea Community Foundation	20,000	20,000
(people) EDU	Fundația Comunitară Prahova	Prahova Științescu Fund - First Edition	22,000	500
(people) EDU	Fundația Comunitară Prahova	Prahova Științescu Fund - Second Edition	4,500	-
(people)	Fundația Comunitară Prahova	Capacity Building of Prahova Community Foundation	20,000	20,000
(people) EDU	Fundația Comunitară Sibiu	Sibiu Științescu Fund - Second Edition	21,000	-
(people)	Fundația Comunitară Sibiu	Individual Matching Fund	10,000	-
(people) EDU	Fundația Comunitară Sibiu	Sibiu Științescu Fund - Third Edition	4,000	-
(people)	Fundația Comunitară Sibiu	Capacity Building of Sibiu Community Foundation	20,000	20,000
(people)	Fundația Comunitară Timișoara	Individual Matching Fund	3,945	-
(people) EDU	Fundația Comunitară Timișoara	Timișoara Științescu Fund - First Edition	26,194	13,694
(people) EDU	Fundația Comunitară Timișoara	Timișoara Științescu Fund - Second Edition	6,000	5,500
(people)	Fundația Comunitară Timișoara	Capacity Building of Timișoara Community Foundation	20,000	20,000
(people) EDU	Fundația Comunitară Țara Făgărașului	Țara Fagarasului Științescu Fund - First Edition	41,625	-
(people)	Fundația Comunitară Țara Făgărașului	Capacity Building of Țara Făgărașului Community Foundation	20,000	20,000
(people)	Fundația Friends for Friends	Marketing & Communication Polyclinic	211,835	67,713
(tractor) EDU	Fundația Noi Orizonturi	Green IMPACT	120,000	42,000
(tractor) EDU	Fundația Noi Orizonturi	Alligning Communication with the New Strategy	3,000	-
(tractor)	Fundația OpenFields	Food Hub - Start-up, First Year	177,010	90,000

PRIORITY	PROGRAM MANAGER	PROGRAM NAME	AGREEMENT AMOUNT ($)	DISBURSED FY 2018 ($)
Civic Engagement	Fundația pentru Dezvoltarea Societății Civile	Civic Innovation Fund - Closer to the Grassroots	870,710	94,800
Civic Engagement	Fundația pentru Dezvoltarea Societății Civile	FDSC Strategy Review	41,000	1,000
Civic Engagement	Fundația pentru Dezvoltarea Societății Civile	GDPR Compliance of FDSC	14,500	14,500
Rural Economy	Fundația pentru Parteneriat	Development of Ecoturism Destinations	1,100,000	198,500
Rural Economy	Fundația pentru Parteneriat	Capacity Building for Ecotourism Destinations	560,000	338,360
Technology & Innovation / EDU	Fundația Progress	Coding for Kids at the Library	72,000	1,000
Technology & Innovation / EDU	Fundația Progress	Coding for Kids at the Library	200,000	99,000
Civic Engagement	Fundația Progress	Creating a CodeKids Brand for Coding Activities	3,000	-
Civic Engagement	German Marshall Fund	Transatlantic Leadership Initiatives	75,000	-
Civic Engagement / EDU	Institutul Intercultural Timișoara	Project Citizen	200,000	87,000
Civic Engagement	Institutul Intercultural Timișoara	In a Relationship with Our Teachers	3,000	-
Technology & Innovation / EDU	Junior Achievement România	Entrepreneurial University	246,100	1,047
Rural Economy / EDU	Junior Achievement România	Agricultural High Schools Program - AgriBusiness in School - Third year	171,231	30,831
Technology & Innovation / EDU	Junior Achievement România	The Entrepreneurial University - Second Edition	145,000	-
Rural Economy	NESsT	Social Enterprises Sustainability Research	21,000	20,000
Technology & Innovation / EDU	Romanian-U.S. Fulbright Commission	Professor Development and Networking Program	156,200	78,100
Rural Economy / EDU	World Vision Romania	Agricultural High-Schools - Drivers for Youth' Access to Rural Development Opportunities - Second Year	200,000	2,500

PRIORITY	PROGRAM MANAGER	PROGRAM NAME	AGREEMENT AMOUNT ($)	DISBURSED FY 2018 ($)
Rural Economy	World Vision Romania	Food Hub Start-up - First Year	200,000	84,789
Civic Engagement	World Vision Romania	"Proud to Be a Farmer!" Communication Campaign	3,000	-
Rural Economy / EDU	World Vision Romania	Agricultural High-Schools - Hubs for the Development of Small and Medium Farms	188,250	100,000
		GRAND TOTAL	**11,705,266**	**3,501,060**

LEGEND:

- grants for programs under the Rural Economy priority

- grants for programs under the Civic Engagement priority

- grants for programs under the Technology and Innovation priority

EDU - grants for education programs

PROGRAM-RELATED INVESTMENTS (PRIs)

RAF is the first foundation in Romania to offer Program Related Investments: soft loans and repayable grants to support the cash flow of qualified Romanian organizations that have charitable purposes aligned with RAF's mission. RAF developed the PRI mechanism in order to complement the other mechanisms used by the organization to achieve programmatic results. RAF also uses PRIs to expand its impact. The capital used in PRIs is repaid, meaning that the invested funds are recycled into new charitable endeavors.

BORROWER	PURPOSE	APPROVED ($)	DISBURSED ($)	OUTSTANDING ($)
PRI to a Bank for Student Loans	Guarantee and Cash Collateral	77,000	77,000	44,000
Teach for Romania	Bridge Loan for EU-Funded Project	110,000	60,000	60,000
CIVITAS	Headquarters acquisition	105,600	105,600	35,099
FDSC	Bridge Loan for EU-Funded Project	200,000	200,000	200,000
IIT	Bridge Loan for EU-Funded Project	60,000	60,000	60,000
TOTAL PRI		**519,600**	**519,600**	**399,099**

CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

The Romanian-American Foundation is audited by **KPMG Audit SRL**.

For the full audit report, including notes, please visit http://www.rafonline.org/en/who-we-are/annual-reports/

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Consolidated statements of financial position as of December 31, 2018

Consolidated statements of activities for the year ended December 31, 2018

Consolidated statements of cash flows for the year ended December 31, 2018

ASSETS	DECEMBER 31, 2018 ($)	DECEMBER 31, 2017 ($)
Marketable Investments, at fair value (Notes 3 and 8):		
Mutual Funds – Equity	70,174,711	63,394,229
Mutual Funds – Fixed Income	35,449,385	26,669,124
Mutual Funds – Other	18,760,391	14,620,911
Non-marketable investments, at fair value (Note 8)	1,240,833	1,306,129
Cash and cash equivalents (Note 3)	11,071,528	41,771,166
Cash restricted in bank deposits as collateral for student loans guarantee (Note 3)	44,000	77,000
Program related investments, committed (Note 3 and Note 9)	405,099	571,599
Prepaid expenses and other assets	36,804	1,178
Fixed Assets, net (Note 11)	3,393,540	3,353,358
TOTAL ASSETS	**140,576,291**	**151,764,694**

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	125,782	117,412
Program related investments, payable (Note 3 and note 9)	50,000	50,000
Grants payable (Note 3 and Note 9)	1,956,906	1,959,621
TOTAL LIABILITIES	**2,132,688**	**2,127,034**

NET ASSETS (NOTE 5)

NET ASSETS WITHOUT DONOR RESTRICTIONS

Board Designated Endowment Fund (Note 6)	134,406,631	144,498,681
Fixed Assets, Net (Note 11)	3,393,540	3,353,358
Undesignated (Note 5)	643,432	1,785,621
TOTAL NET ASSETS WITHOUT DONOR RESTRICTIONS	**138,443,603**	**149,637,660**
TOTAL LIABILITIES AND NET ASSETS	**140,576,291**	**151,764,694**

CONSOLIDATED STATEMENTS OF ACTIVITIES

Consolidated statements of financial position as of December 31, 2018

Consolidated statements of activities for the year ended December 31, 2018

Consolidated statements of cash flows for the year ended December 31, 2018

CHANGES IN NET ASSETS	YEAR ENDED DECEMBER 31, 2018 ($)	YEAR ENDED DECEMBER 31, 2018 ($)	YEAR ENDED DECEMBER 31, 2018 ($)
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
INCOME			
Realized gain on sale of non-marketable investments (Note 8)	2,735,706	-	2,735,706
Interest and dividend income, net (Note 8)	3,672,685	-	3,672,685
Support and Contribution Income -Grants from Romanian-American Investment Foundation (Note 4)	1,207,655		1,207,655
TOTAL INCOME	**7,616,047**	**-**	**7,616,047**
EXPENSES			
Employee compensation and benefits	661,114	-	661,114
Occupancy expenses	159,746	-	159,746
Professional services	245,295	-	245,295
Trustees' expenses	137,504	-	137,504
Administrative and other	218,779	-	218,779
Depreciation and amortization	85,852	-	85,852
TOTAL OPERATING EXPENSES (NOTE 10)	**1,508,919**	**-**	**1,508,919**
GRANTS AWARDED TO OTHER ORGANIZATIONS (NOTE 9)	**3,498,345**		**3,498,345**
INCOME IN EXCESS OF GRANTS AWARDED AND OPERATING EXPENSES	**2,608,784**		**2,608,784**
Net realized gain on marketable investments (Note 8)	4,463,318	-	4,463,318
Net unrealized gain on marketable investments (Note 8)	(18,177,063)	-	(18,177,063)
Net currency remeasurement (losses)/gains (Note 3 and Note 8)	(89,096)	-	(89,096)
DECREASE IN NET ASSETS	**(11,194,057)**	**-**	**(11,194,057)**
NET ASSETS, BEGINNING OF YEAR	**149,637,660**	**-**	**149,637,660**
NET ASSETS, END OF THE YEAR	**138,443,603**	**-**	**138,443,603**

CONSOLIDATED STATEMENTS OF ACTIVITIES

Consolidated statements of financial position as of December 31, 2018

Consolidated statements of activities for the year ended December 31, 2018

Consolidated statements of cash flows for the year ended December 31, 2018

CHANGES IN NET ASSETS	YEAR ENDED DECEMBER 31, 2017 ($)	YEAR ENDED DECEMBER 31, 2017 ($)	YEAR ENDED DECEMBER 31, 2017 ($)
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
INCOME			
Realized gain on sale of non-marketable investments (Note 8)	21,768,652		21,768,652
Interest and dividend income, net (Note 8)	2,254,572	-	2,254,572
TOTAL INCOME	**24,023,224**	**-**	**24,023,224**
EXPENSES			
Employee compensation and benefits	605,240	-	605,240
Occupancy expenses	131,745	-	131,745
Professional services	217,617	-	217,617
Trustees' expenses	121,719	-	121,719
Administrative and other	153,910	-	153,910
Depreciation and amortization	82,371	-	82,371
TOTAL OPERATING EXPENSES (NOTE 10)	**1,312,602**	**-**	**1,312,602**
GRANTS AWARDED TO OTHER ORGANIZATIONS (NOTE 9)	**3,496,254**	**-**	**3,496,254**
INCOME IN EXCESS OF GRANTS AWARDED AND OPERATING EXPENSES	**19,214,368**	**-**	**19,214,368**
Net realized gain on marketable investments (Note 8)	936,516	-	936,516
Net unrealized gain on marketable investments (Note 8)	9,222,893	-	9,222,893
Net currency remeasurement (losses)/gains (Note 3 and Note 8)	1,915,822	-	1,915,822
INCREASE IN NET ASSETS	**31,289,599**	**-**	**31,289,599**
NET ASSETS, BEGINNING OF YEAR	**118,348,061**	**-**	**118,348,061**
NET ASSETS, END OF THE YEAR	**149,637,660**	**-**	**149,637,660**

CONSOLIDATED STATEMENTS OF CASH FLOWS

Consolidated statements of financial position as of December 31, 2018

Consolidated statements of activities for the year ended December 31, 2018

Consolidated statements of cash flows for the year ended December 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES	YEAR ENDED DECEMBER 31, 2018 ($)	YEAR ENDED DECEMBER 31, 2017 ($)
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(11,194,057)	31,289,599
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS TO NET CASH USED BY OPERATING ACTIVITIES		
Net realized (gain)/loss on marketable investments	(4,463,318)	(936,516)
Net realized (gain)/loss on sales of non-marketable investments	(2,735,706)	(21,768,652)
Net unrealized (gain)/loss on marketable investments	18,177,063	(9,222,893)
Net unrealized FX (gain)/loss on non-marketable investments	65,296	(1,497,650)
Depreciation and amortization	85,852	82,371
Decrease/(Increase) in cash collateral guarantees	33,000	-
Decrease/(Increase) in program related investments, assets	166,500	(373,600)
Increase /(Decrease) in program related investments, payables	-	-
Increase/(Decrease) in grants payable	(2,715)	(840,025)
Decrease/(Increase) in prepaid expenses	(35,626)	5,555
Increase/(Decrease) in accounts payable and accrued expenses	8,369	8,879
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	104,657	(3,252,932)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of marketable investments	62,293,998	24,598,237
Proceeds from sales of non-marketable investments	2,735,706	34,519,160
Cost of marketable investments purchased	(95,707,965)	(26,143,441)
Cost of fixed assets	(126,034)	-
Net cash provided by investing activities	(30,804,295)	32,973,956
Net decrease in cash and cash equivalents	(30,699,638)	29,721,024
Cash and cash equivalents, beginning of year	41,771,166	12,050,142
Cash and cash equivalents, end of year	11,071,528	41,771,166

PEOPLE

OUR PARTNERS

"If you want to go fast, go alone. If you want to go far, go together."
- African proverb

Ashoka – Innovators for the Public

Asociația Code4Romania

Asociația Expert Forum

Asociația Funky Citizens

Asociația Media DOR

Asociația Nație prin Educație

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Asociația Teach for Romania

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Centrul pentru Jurnalism Independent

Centrul Român pentru Politici Europene

Council on International

Educational Exchange

Federația Fundațiile Comunitare din România

Fundația Centrul de Resurse pentru participare publică

Fundația Civitas pentru Societatea Civilă

Fundația Civitas pentru Societatea Civilă - Filiala Cluj Napoca

Fundația Comunitară Bacău

Fundația Comunitară Brașov

Fundația Comunitară București

Fundația Comunitară Cluj

Fundația Comunitară Dâmbovița

Fundația Comunitară din Odorheiu Secuiesc

Fundația Comunitară Galați

Fundația Comunitară Iași

Fundația Comunitară Mureș

Fundația Comunitară Oradea

Fundația Comunitară Prahova

Fundația Comunitară Sibiu

Fundația Comunitară Timișoara

Fundația Comunitară Țara Făgărașului

Fundația Friends for Friends

Fundația Noi Orizonturi

Fundația OpenFields

Fundația pentru Dezvoltarea Societății Civile

Fundația pentru Parteneriat

Fundația Progress

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Junior Achievement România

NESsT Romania

Romanian-U.S. Fulbright Commission

World Vision Romania

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THANK YOU

We would like to acknowledge our partners, who help bring our vision to reality, and all the volunteers and peers who inspire us to strive for the better every day!

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Marie-Luce Ghib

H.E. Hans Klemm

Magda Manea

Alexandru Potor

Timothy Saraille

Silvia Sumedra

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