Mark Drabenstott: We turn now to all of you. This is a chance for you to reflect on what you have heard the past two days, and where you think we should go next. We have time for a few questions.

Eric Thor, Arizona State University: Mark, as you know, one of the big challenges in this business is finding what we call the partnerships for funding. We obviously have several agencies in the audience and several private, nongovernmental offices. What I think we need is a discussion about where the funding trends are going in the future that would allow some of these ideas to be implemented. We can talk and have talked for two days about some very exciting ideas. Getting them implemented in five or six regions in the country is difficult, unless you have just the right funding mix and partners that have the money.

Joe Sertich, Northeast Higher Education District: This is just a follow-up for John Welty. You talked about educational attainment and how our college graduates can be determining factors of success. Could you say more about that? I have been using this in Minnesota. In the metro, it is 30.9 percent of those older than 25 that have bachelor’s degrees. In the rural areas, it is 17 percent, and, of course, we have a number of counties that are as low as 10 percent. That happens because we educate them, and they leave to go to the jobs. I would like to hear more about why you think that could be a determining factor for success in rural regions. I assume you mean by the higher we can raise the educational attainment rate.

Napoleon Moses, Alcorn State University: This also is for John Welty. When you were discussing the need to develop key centers and institutes at your university and involving faculty in those institutes, you said there is also a need to develop a new type of reward system for faculty members to support that involvement. I would like to hear your comments about that new type of reward system.

Mr. Drabenstott: John, we’ll give you the lead on the last two questions—The issue of the connection you see between education and incomes and the incentives you provided. Then, we will give all three of you a chance to talk about Eric’s somewhat bigger question. How do we put together the funding to undertake some of these new economic engines in regions?

John Welty: To some degree it is probably a chicken-and-egg analogy about the level of educational attainment. One of our experiences has been that we have a number of industries that want to expand, and they cannot find the people they need to expand. What we are realizing is that we need to have better prepared people who are ready to move into those industries. I have seen another sign of hope. As we have gone out and tried to help industries recruit, we have seen many people who may have grown up in central California, been educated there, and then left who are still really interested in coming back. That is one of the strategies we are trying to play out—to bring those people back, while at the same time beginning to increase the educational attainment level.
In regard to the question about centers, institutes, and faculty, we have used the traditional mechanism of including this newly defined service as part of the tenure promotion process. But we have also taken the step of including in all of our appointment letters of new faculty the expectation that they will be engaged in their discipline in relationship to the region. We have tried through service awards, which carry cash awards with them, to recognize faculty that have done some extraordinary things. There is another important thing I am constantly talking about through a combination of those things. We are starting to see a change in the culture of the faculty because there are some rewards there for them to pursue. In addition, we have provided assistance to faculty in getting grant and contract activity that is related to regional issues.

Mr. Drabenstott: Linda, would you kick off the answer to Eric’s question?

Linda Salmonson: It takes dialogue with the private sector. I have heard themes about bonding and themes about financing and raising money that are fabulous models throughout this conference. But who buys those bonds? Who really is it that is the economic engine that drives all of this? It is those people and institutions who earn money and pay taxes. We need to engage the public in that discussion, and the good ideas will surface to the top. That is superfluous as an answer, but it is really where the discussion needs to start.

Mr. Drabenstott: John, you talked about a combination of funding. Could you elaborate on that comment?

Mr. Welty: We have used the Irvine Foundation, which heretofore had invested little money in central California. It has been a key private foundation. This is because for the first time we were able to go to them and say: “Here is this region in the state that has been underserved, and you have not been doing the job that is in your charter.” We essentially shamed them into at least beginning to think about it. We also have sought through both state and federal support the ways in which we can use existing programs. Frankly, because Fresno State is a Hispanic-serving institution (HSI), we do receive some benefits primarily under grant applications. This has allowed us to take that benefit because of the HSI status and attract some of that grant. That is an example of a policy issue that could be discussed in relationship to institutions that are located in rural areas. Making some of those exceptions or just waiving some requirements that allows for funding to flow can make a huge difference in watching some of these efforts.

Mr. Drabenstott: Larry, we will give you the final word.

Larry Whitaker: Grant dollars and entrepreneurial investments are available. However, I have seen that local governments partnering with each other works the best. That is not always afforded in some states. I don’t know which state you are from. I would ask that you go back and determine whether your Extension council can have and be in a financial partnership as a fiscal agent with your county government. If it cannot, you need to contact your legislatures and ask that to be changed.

In Kentucky, in the models we have worked through, had it not been for the opportunity of the statutory authority to partner with three counties in one instance and five counties in another instance (these are three separate projects), neither one of us would have been able to attract the industry to retain the jobs. We created more than 3,000 jobs in a matter of about four years because county judges put aside geopolitical ideas, the size of the county, and political parties, and pooled resources and opportunities for federal funds. When you submit a federal grant and you have three counties or five counties partnering, you will get attention. Then, you can spread that wealth. More importantly, with the “Think Small” downsizing, we were able to do as one what three or five could not. I will leave you with that challenge to see whether you are allowed
within your state with public and/or private or non-profit to have legal and binding fiscal partnerships with public entities. If you are not, you are missing a lot of opportunities and missing an opportunity for rural governance.

Mr. Drabenstott: Ladies and Gentlemen, please join me in thanking our closing panel.