



ROMANIAN - AMERICAN
FOUNDATION
A gift from the American people

ROMANIAN-AMERICAN FOUNDATION

ANNUAL REPORT 2015

Letter from the Romanian-American Foundation



Phillip Henderson

Chair of the Board of Trustees



Roxana Vitan

President

Dear friends of the
Romanian-American Foundation,

This past year found us on a much clearer path towards fulfilling our mission to contribute to Romania's development. We knew, from day one, that in order to increase the impact of our interventions we needed to think strategically, foresee the potential long-term outcomes and find the means to achieve them. And we all know that none of these is an easy task. This is why we have worked to craft a sound strategy that guides our decision-making process and funding framework.

In our endeavor we have often found ourselves walking unbeaten paths, pioneering different types of approaches, and taking risks. The beauty of it is that we do not do it alone. In six years, we have forged fruitful and durable partnerships with some of the best civil society organizations in Romania and together we set ambitious but realistic goals, with measurable results. And it is with great personal and professional satisfaction that we saw some of the changes we had envisioned turn into reality. We are particularly pleased to see increasing collaboration among our main partners in all funding strategies of the foundation; this was something we have encouraged and cultivated for several years already, and now we all start seeing results. For example, in the Small Farmers strategy, we have two consortia advancing the strategic objectives which have been collaboratively developed and continuously refined. We are pleased to see that part of

these objectives are currently covered also by the rural development strategy adopted by the Government. This result would have not been possible without close and coordinated action by the group.

This year we'll share with you a few of the stories from the people and organizations, partners in our programs. It was a difficult task to narrow the selection to the few presented here, but they could offer you a glimpse at what we do and the way people working along us contribute to making a change for the better. You'll read about teachers who encourage students to think. About students who grow passionate about the sciences because it is taught in an approachable manner. We are excited about young university graduates who strive to make a difference for children in schools from disadvantaged areas. You'll learn more about small farmers who once sold their produce in markets or to the middlemen and are now supplying supermarkets. About locals who are passionate about sharing the beauty of their regions, while preserving the environment, traditions and their cultural heritage. The sum of all these stories and many other stories is our story.

These individual stories from our partners and beneficiaries best illustrate how our work makes a difference. The strategic planning we conduct, each program we design and every grant we approve are developed with one goal in mind: to improve people's lives.



A large crowd of diverse people, mostly young adults, are holding up white cards with various Romanian hashtags. The cards include: #oameni buni, #implicare, #oameni pentru oameni, #filantropie, #empatie, #vis, #coșntientizare, #adaptare, #povești, #virusul voluntariatului, #voluntar, #experiences, and #motivational. The background is a dark, textured pattern.

ABOUT RAF

Mission

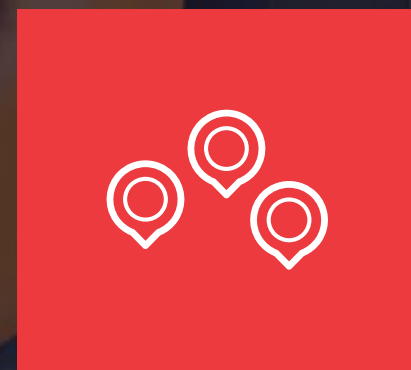
The mission of the Romanian-American Foundation is to strengthen and promote conditions for a sustainable market economy and a democratic society that provides access to opportunity for all segments of Romanian society.

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Our vision for change

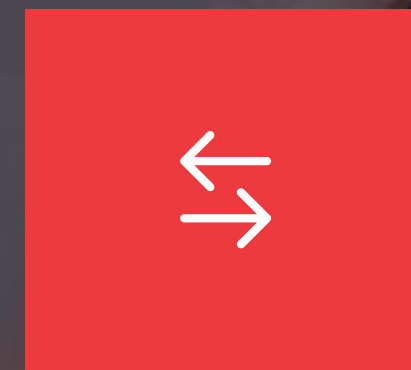
How we Work

We are a strategic and patient donor, whose work goes beyond grant making. We know that the changes we want to see do not happen overnight, and this is why our programs often stretch over a period of three to five-seven years. We apply all of our resources (funds, human capital, and networks) in an effort to bring together leaders and innovators that have a long-term commitment and who share our passion for the public good. Jointly, with our partners, we work to co-create programs that have a strong potential for replication and broad impact. We make social investments in initiatives in the fields we consider strategic, and match them with ongoing technical assistance.



SEARCH FOR PARTNERS

We identify partners and ideas by proactive solicitation. We carefully evaluate each of them, using a clear set of criteria. We are also open to receiving proposals at any moment.



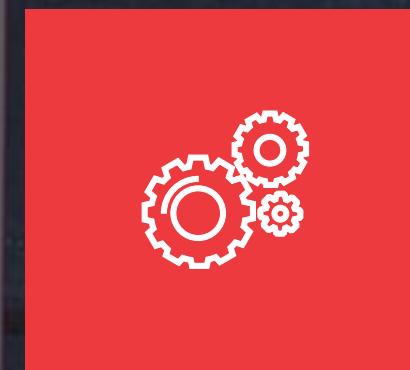
WORK TOGETHER

We work closely with each selected partner to develop a pilot for the idea. Our aim is to develop innovative ideas, with the potential to scale and leverage resources.



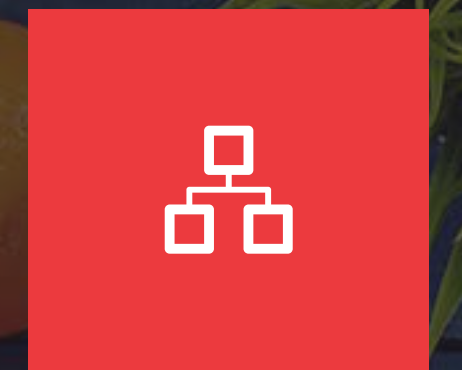
DESIGN AND TEST

We test the idea for sustainability and impact.



SUPPORT

We build a supporting network and/or community to expand the support and resources available and to nurture the initiative.



SCALE AND REPLICATE

We support scale up and replication, where feasible, through advocacy, connecting with new funders etc.



Our History

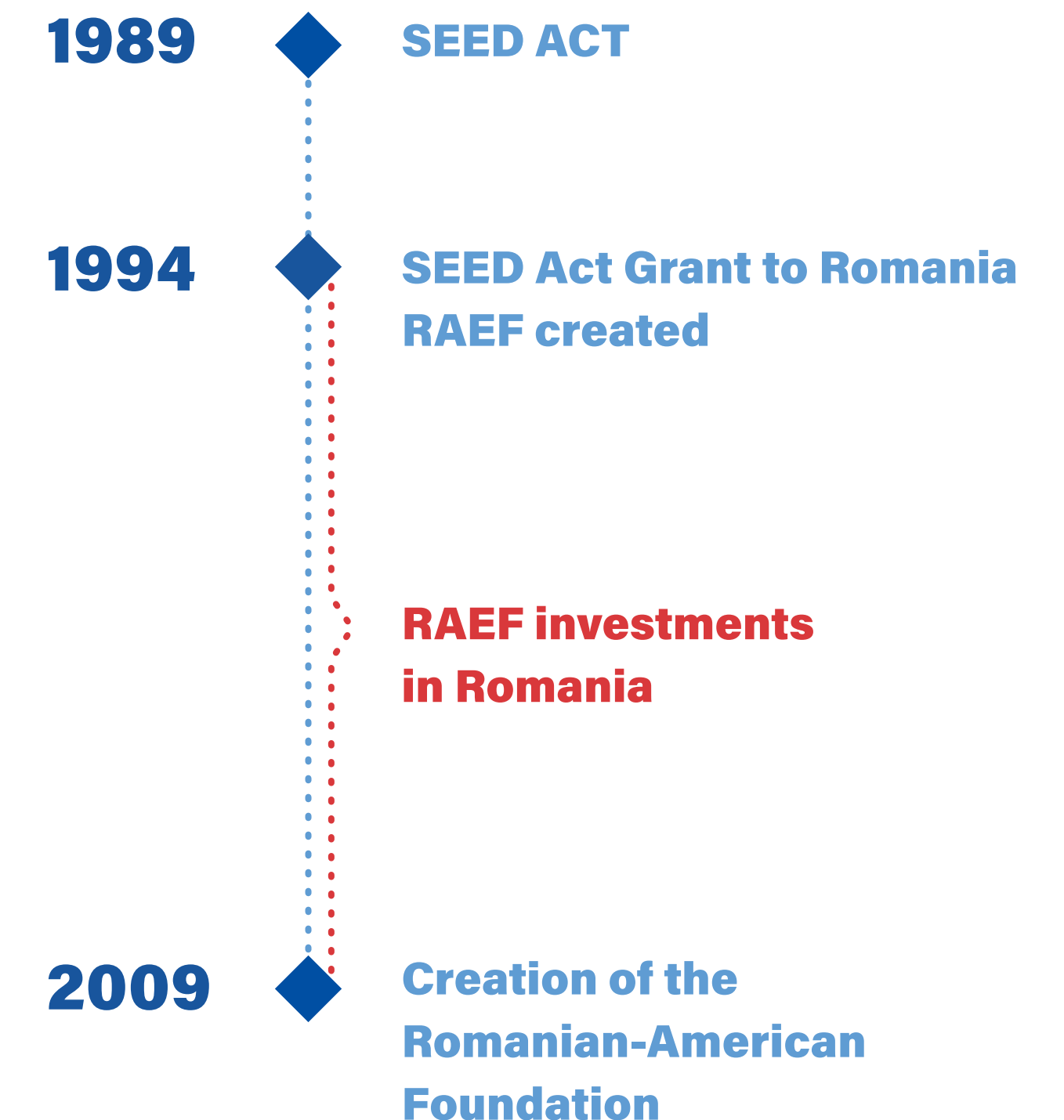


In the early 1990s, when political systems in central and Eastern Europe were changing drastically, the United States government decided to assist the group of countries that were transitioning from socialism to capitalism. They designed and deployed a Marshall Plan-like intervention in the area, meant to eventually prove that the market economy and democracy can flourish in the former communist countries. To put idea into practice, they passed the Support for Eastern European Democracy Act and developed a public-private partnership mechanism, the enterprise funds.

In Romania, the US Congress created the Romanian-American Enterprise Fund (RAEF) in 1994, with an initial capital of 50 million dollars. At the outset of the investment life of the enterprise funds the U.S. government decided that legacy foundations were to be created in each country to carry on the spirit of the initial intervention; 50% of the initial grant was returned to the U.S. Treasury, while the remaining half and all the profits would constitute the endowment in-perpetuity for the legacy foundations.

Romanian-American Foundation was created in 2009.

The Foundation is emblematic of America's enduring commitment to the Romanian people and Romania's historic transition to a market-based economy.



Our Strategy

Our resources are limited and we have to carefully choose the programs we invest in, looking for those which are prone to generate the greatest impact, survive after the RAF funding cycle and allow for replication. Our strategic priorities seek to capitalize on untapped opportunities in the areas of rural economy, technology and innovation, and civic engagement. Moreover, we see education as a cross-cutting investment throughout all of our work, the basis for the long-term sustainability of our interventions.

RURAL ECONOMY

RAF aims to develop market-based solutions for local economic development that will contribute to local jobs, unleash economic opportunities and empower communities. Our programs focus on two niches: middle agriculture and ecotourism. To support and consolidate our endeavor in economic development, we invest in the education of youths from rural areas.

TECHNOLOGY AND INNOVATION

represent a great opportunity for present and future growth of the country. Romanian talent has emerged more and more visibly over the past years. We work with teachers, schools, universities and strategic partners from the business and NGO sectors to develop programs that endow students of all ages with the knowledge and technical skills necessary to develop their entrepreneurial potential, to understand market mechanisms and think innovatively.

CIVIC ENGAGEMENT

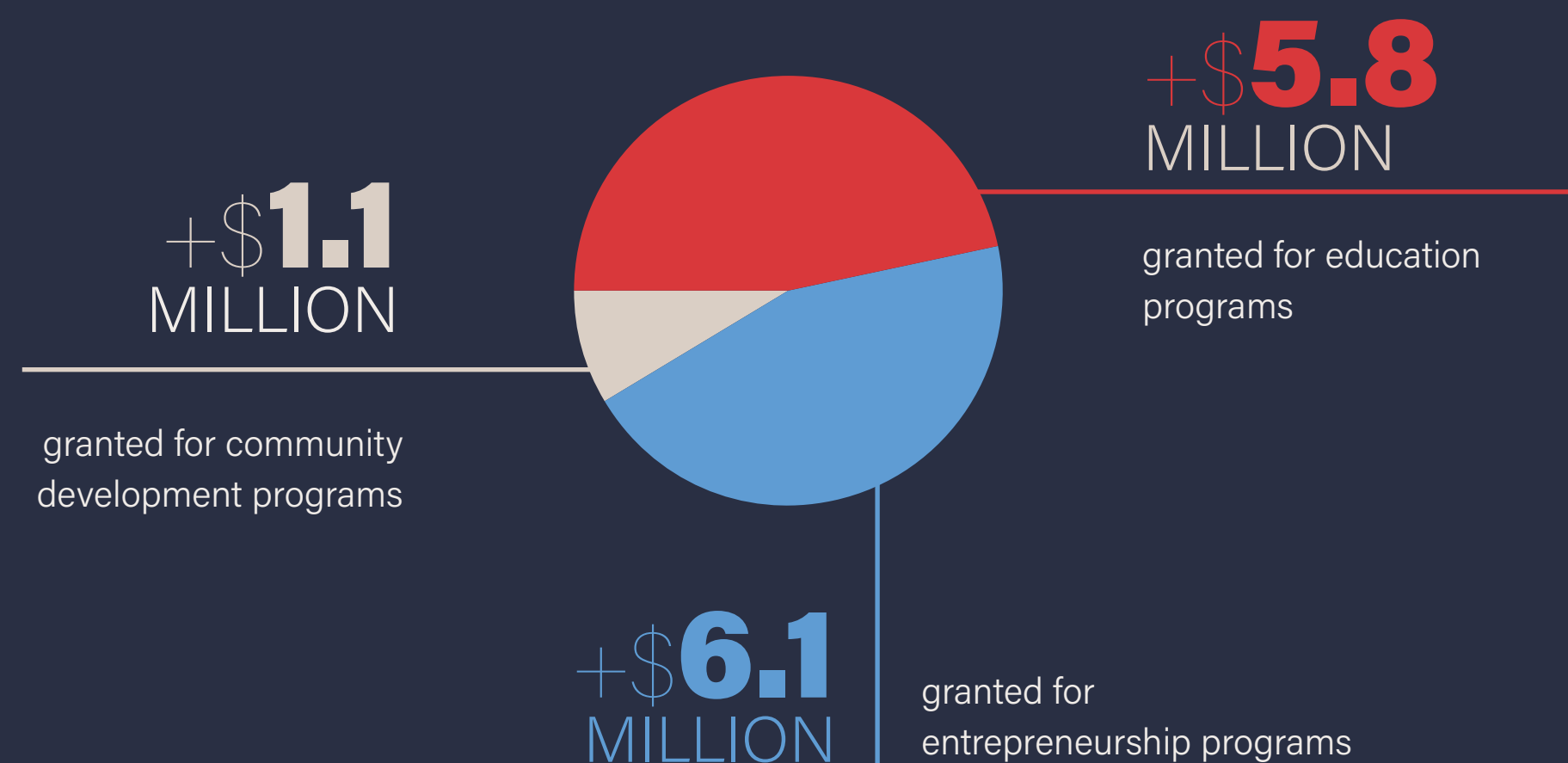
is a critical building block for any democracy. When people actively participate in “community life”, their societies begin to flourish, overcoming obstacles and finding local solutions to the issues they face. Volunteering, voting and holding elected officials responsible, supporting causes that are relevant for their communities, upholding philanthropy as a societal value and contributing to the strengthening of civil society are but a few examples of how active citizens can make a difference in society.



RAF Investments from 2009 to 2015

+\$**13**MILLION

in RAF grants and PRIs 2009-2015



+**70**
PARTNER
NGOs

+\$**5.5**
MILLION
co-invested or attracted by
our partners

+**130**
GRANTS
AWARDED

+\$**900,000**

in Program-Related Investments (PRIs)



RAF Investments in 2015

+\$2.5 MILLION

IN NEW GRANTS, IN 2015

+\$1
MILLION
ENTREPRENEURSHIP
PROGRAMS

+\$1
MILLION
EDUCATION
PROGRAMS

+\$0.5
MILLION
COMMUNITY
DEVELOPMENT
PROGRAMS



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Outcomes

+1,750

**SMALL FARMERS AND
ENTREPRENEURS**
benefited from RAF
investments in 40 rural
communities

3

**ROMANIAN
VEGETABLE BRANDS
CREATED**

52

SMALL FARMERS in 3
counties (Cluj, Iași and
Ilfov) involved in 4
associative structures

3

SUPERMARKET CHAINS
source produce from
the cooperatives

7

**ECOTOURISM
STRATEGIES
DEVELOPED**
by local stakeholder groups
in 7 micro-regions

6

STUDENT COMPANIES
continued to work on
consolidating their
products after the
Innovation Labs program

+300,000

STUDENTS & 5,500 TEACHERS
benefited from RAF-funded educational programs

1,400

TEACHERS use the
inquiry-based method to
teach physics

37

**TEACH FOR ROMANIA
TEACHERS**
work in schools from
underprivileged
communities



A group of people in traditional Romanian folk costumes are dancing in a circle outdoors. The men are wearing white shirts, dark trousers, and colorful embroidered belts. The women are wearing white blouses, colorful skirts, and headscarves. They are holding hands and moving in a circular pattern. The background is a lush green field with trees.

RURAL ECONOMY STRATEGIES AND PROGRAMS

Together with national partners and local leaders, the Romanian-American Foundation has created programs that contribute to the economic development of rural communities by encouraging entrepreneurship, community development and education.



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Opportunities for Small Farmers Strategy

*The programs under the **Opportunities for Small Farmers strategy** pilot possible solutions for rural economic development in agriculture*

RURAL DEVELOPMENT THROUGH ENTREPRENEURSHIP AND ASSOCIATION

The program develops business models that create clusters of small farms and provide support to farmers in improving their productivity and efficiency.

AGRICULTURAL HIGH SCHOOLS

The program supports agricultural high schools to adapt their educational offer to the needs of small and medium agriculture.

BUDGET

\$1,270,000

RAF CONTRIBUTION

\$855,437

DURATION

2012-2017

PARTNERS

Centrul pentru Educație Economică și Dezvoltare din România (CEED), Centrul Român pentru Politici Europene (CRPE), Fundația Civitas pentru Societatea Civilă (Civitas), Fundația pentru Dezvoltarea Societății Civile (FDSC), Fundația Centrul de Mediere și Securitate Comunitară (CSMC), Fundația PACT

BUDGET

\$816,400

RAF CONTRIBUTION

\$753,400
(\$356,880 in 2015)

DURATION

2014-2017

PARTNERS

Centrul pentru Educație Economică și Dezvoltare din România (CEED) , Centrul Român pentru Politici Europene (CRPE), Fundația Civitas pentru Societatea Civilă (Civitas), Junior Achievement Romania (JAR), World Vision Romania (WVR)

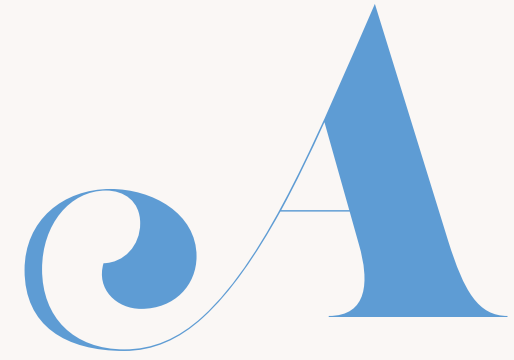


Stronger together

BY SIMONA CONSTANTINESCU, FUNDAȚIA PENTRU
DEZVOLTAREA SOCIETĂȚII CIVILE

Over the course of the past three years, the reality of the 21 member Legume de Vidra Cooperative has changed gradually. Individual producers and prior competitors learned to work together and to enjoy the benefits of belonging to a group. For instance, their first collective investment was to purchase a cooling delivery van, which could not have been made by any individual member. The van is now used by all to deliver their produce to clients. And that makes their lives easier. Furthermore, it was together they managed to have a fresh vegetables delivery contract to one of Romania's largest supermarket chains. And also together they have seen their individual production grow, alongside with their organizational capacity, infrastructure, and volumes of sales.





part from the evident business success, the fundamental change is in their mentality. Step by step people tamed their expectations and diminished their mistrust. They learned to be less skeptical. At the beginning of the program, they would often ask “Why would I join others, when my job is to sell what I grow? Why would I coordinate with my neighbor and also deliver his produce?” In time, though, the group found an identity of its own and started to act as an economic entity, with clear management and administration bodies. Today, instead of asking “Why would I do that?” the cooperative members ask “How should we do that?” They discuss about improving communication with members, ensuring a transparent management of the cooperative funds, developing further business plans and finding alternative distribution channels.

The community’s reaction was prompt: on a regular basis, other producers request to join the cooperative; the cooperative joined an inter-professional association; the local administration is assisting the members in getting certified as a local producer; the media is covering their efforts and other producers are interested in replicating the model.

“The program brought and held us together. It gave us hope that we will grow and sell our vegetables better. Most of us knew each other, but we needed time to learn how to work together and to get organized.”

“Now we are respected and recognized as a brand – clients trust the produce under the Legume de Vidra label. Many people have heard about what we have accomplished and they want to learn from us”, a member explains, proudly.“

Over time, I’ve had many meetings with cooperative members. I’ve discovered a world avidly looking to evolve, without knowing how. Many of the farmers still use rudimentary equipment, but are willing to learn.

“We’ve learned that having a successful business in agriculture means so much more than just working the land. It is essential to invest time to develop relationships with the other cooperative members”, a farmer once told me.

Today, they are proud to be invited to study visits abroad, and to welcome other farmers interested in the model. They have development targets and plans ahead, and they already started to dream about where they will be in 10 years from now.

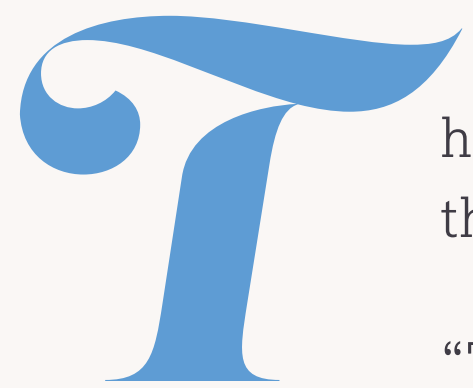
The changes I have witnessed during the three years of the program further validated my conviction that economic and social development go together, hand in hand, and that rural development cannot be achieved without investing time and resources to form functional and cohesive groups, as its mandatory prerequisite.



Small Framers in Cluj County Supply big Retailers with Local Produce

In Cluj County, 16 farmers from Apahida, Jucu and Bonțida decided form a co-op called Lunca Someșului Mic. They grow cabbage, potatoes and other vegetables in amounts that are large enough to generate profit. They used to sell them individually, either in the farmers market or to middlemen, but through the cooperative they supply big retail chains, such as Kaufland and Profi.





hey come from all walks of life. Some gave up their jobs to go back to working the land.

“This is how I grew up, I remember I was five or six and I was selling radishes on the side of the road. The purple Apahida radishes were famous at the time. That’s how I grew fond of agriculture, how it all started. A few years ago I quit my job and I started to grow vegetables, I took up the reins of my family, and now I carry on our farming tradition,” says Radu Telecan, the co-op Vice President.

Initially, the farmers were offered training and financial-organizational support by the Civitas Foundation. Assisted by the Civitas Foundation, they identified potential members, set up the cooperative, and developed a business plan. Together, they decided to use existing local resources and they rented a special vegetable storehouse, built with European funds, that was not being used to capacity.

“We wanted to put local produce on the market, and become competitive. We decided to take a step-by-step approach and accept setbacks as a part of the learning process”, recalls Valentin Filip, Civitas Project Manager.

There was no unanimity as to how the associative structure should be organized. To this day, there is difference of opinion

and farmers had to learn to find the middle ground to work together. Quality control, team management and funds administration are just a few of the areas where each of the members had to learn to make the best decisions for the well-being of the cooperative.

Radu Bot, the sales manager, is currently in charge with maintaining the relationship between the cooperative members and the supermarket chains they supply. And Ioan Repede, the cooperative president, coordinates the production activities.

When asked what a typical day at the cooperative looks like, Mr. Repede explains: “First thing in the morning, around 6.30-7am the truck arrives at the warehouse to load the produce. After checking the merchandise and the labels, we start loading the truck. We usually have 3-5 deliveries every week. After the truck leaves, we go back to our administrative duties. This means consulting the producers to estimate harvest quantities to be delivered in the following week. Around noon, the farmers arrive to prepare the produce for the next delivery. They bring the vegetables in bags or crates. They often meet and check out each other’s products, discuss quantities needed for the upcoming week and process”.

For the Civitas team, facilitators in the process, the moment has come to take a step back and let the members carry on by themselves. The cooperative is working on its own; individual members have begun to come up with their own business ideas and are seeking the resources to implement them. “Every two weeks we participate in a meeting, we sometimes make working visits, talk about possible projects, partnerships to promote the cooperative, investments, and even the problems we’ve encountered. Everything that is part of an entrepreneur’s life anywhere”, says Valentin Filip.

Why does he do what he does? “I was born in the countryside. My father used to tell me that it’s important not to lose the bond we have with the land. I do what I do because I believe that we need Romanian produce on our table, just like we need prosperous farmers and a healthy diet.”

“Romanian villages need cooperatives and we need to build and strengthen this “muscle” of helping each other. And there’s the pragmatic aspect of using the social capital in each community to build a better life for its members.”



The Local Development through Ecotourism strategy

The Local Development through Ecotourism strategy seeks to capitalize on natural and cultural potential through responsible and economically viable means.

DEVELOPMENT OF ECOTOURISM DESTINATIONS IN ROMANIA

accelerates the establishment of ecotourism destinations and consolidates a country-wide ecotourism network that will make a major contribution to the development of Romanian ecotourism.

BUDGET

\$2,100,000

RAF CONTRIBUTION

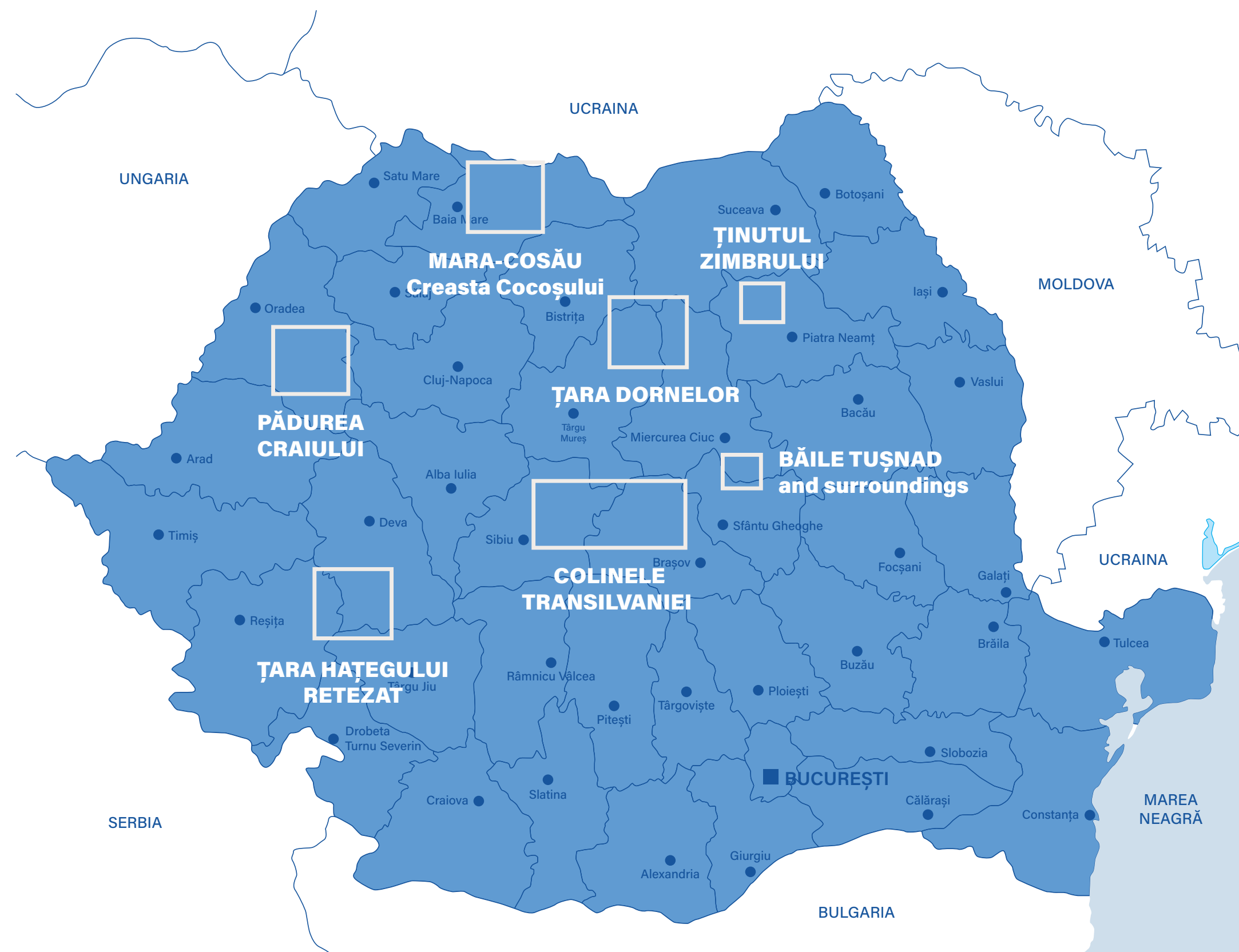
\$1,100,000

DURATION

2012-2017

PARTNERS

Fundația pentru Parteneriat, Asociația pentru Ecoturism din România, Asociația Expert Forum



Ecotourism as a creed

Asociația pentru Ecoturism din România (AER) started the journey to promote ecotourism in Romania over 15 years ago. For Andrei Blumer, who believes in preserving nature through development by social and economic integration of the protected areas, this type of endeavor is a labor of love.

Photo: László Potozky



”My motivation comes from something deeper than having a job and making a living. I love the fact that I can help build these modern bridges that connect society with nature, allowing for people to eat healthier food, spending their time at a slower pace, and purchasing services and produce from local people”.

Ecotourism in Romania has evolved from a small niche to one of the country’s Competitiveness Strategy pillars. As Andrei points out, the need to responsibly develop ecotourism destinations is acute in Romania, but also in Europe and internationally.

The topic is increasingly present on the public agenda. The endeavor is now very close to finally seeing legislation regarding ecotourism destinations adopted. This is a sign that Romania has reached a level of maturity, and AER has played an important role in this transition from a declarative policy level to concrete action. Public institutions such as the Ministry of Environment really embrace ecotourism; it’s no longer a topic they approach just conventionally.

The ecotourism offer has grown and diversified, and as a result the number of Romanians who choose to spend their vacations in ecotourism destinations has increased from less than 10% to 25%.

There are still challenges ahead: offering quality services in the hospitality industry and lack of strategic vision among some of the local administrations are just two examples.

In the near future, Andrei hopes to switch from being a player to being a spectator – like in football, when a player gets out of the playing field, but the game still goes on.



Catalysts for Change

László Potozky brings enthusiasm and energy to his work. For years, László and his team at the Romanian Environment Partnership Foundation (REPF) have been in the frontlines of finding and combining the right elements for preserving Romania's great natural and cultural heritage. They have a great sense of spotting opportunities and, just as in a giant puzzle, they put the pieces together to build the bigger picture.

Photo: Emil Pop



Within the Development of Ecotourism Destinations program, REPF acts as a catalyst, aggregating elements that make a functional ecotourism destination.*

The partnership between RAF and REPF created a framework for the desired change. In seven selected micro-regions, ecotourism strategies were adopted by local stakeholder groups in 2015, in view of developing ecotourism destinations. It is expected that by 2024 Romania will have 15-20 functional ecotourism destinations.

“It was a great satisfaction to see how Edit Pop, the destination manager, succeeded in getting all the four local administrations in the destination to adopt a common environmental policy. Four local councils approved the plan, and even committed to allocating funds for environmental measures. Local ownership and management is key to success and it is proven already in the areas we work. We work together to ensure skills and experience are added to the process but is the local NGOs and leader’s long term involvement and relation with the local stakeholders that makes the difference. Shared roles and strong partnerships are the glue to long term ownership and sustainability of the ecotourism program,” says László Potozky.

Mara Cosău in the Maramureș region was the first ecotourism destination to be accredited by the Romanian National Tourism Authority.



Photo: Emil Pop

In Maramureș tourists can discover the authentic, profound Romania, where cultural and spiritual universe, traditions and folklore are preserved.



Photo: László Potozky

* An ecotourism destination is a micro-region with remarkable natural and cultural assets, where sustainable tourism can be conducted, offering integrated experiences with minimal environment impact, by aggregating a network of complementary ecotourism service providers under the same common marketing and development strategy.

Rural Education Strategy

*The programs under the **Rural Education strategy** seek to develop educational opportunities for rural youth.*

TEACH FOR ROMANIA

attracts, selects and contributes to the professional development of young graduates willing to teach in schools situated in vulnerable areas, and supports them to become leaders in Romania's education using the Teach for All model.

READING TO LEARN

supports teachers from 30 schools to improve the literacy skills of their students.

AGRICULTURAL HIGH SCHOOLS

supports agricultural high schools to adapt their educational offer to the needs of small and medium agriculture.

BUDGET

\$2,250,000

RAF CONTRIBUTION

\$450,000
(\$100,000 in 2015)

DURATION

2014-2017

PARTNERS

Teach for Romania

Decât o Revistă published a series of articles documenting the program and portraying the first generation of Teach for Romania teachers: Teachers in a Forgotten Romania, 18 Teachers for Romania, Occupation: Teacher

BUDGET

\$428,106

RAF CONTRIBUTION

\$402,456
(\$115,000 in 2015)

DURATION

2012-2017

PARTNERS

Asociația Română de Literație

BUDGET

\$816,400

RAF CONTRIBUTION

\$753,400
(\$356,880 in 2015)

DURATION

2014-2017

PARTNERS

Centrul pentru Educație Economică și Dezvoltare din România (CEED), Centrul Român pentru Politici Europene (CRPE), undația Civitas pentru Societatea Civilă (Civitas), Junior Achievement Romania (JAR), World Vision Romania (WVR)



AN ALL-TIME PEAK OF JOY

EXCERPT FROM THE ARTICLE 18 TEACHERS FOR ROMANIA
PUBLISHED IN DECÂT O REVISTĂ ON JULY 6, 2015
AUTHOR: SORANA STĂNESCU

To get to Uda, a village 40 km away from Pitești, Alina wakes up at 5 a.m. and changes three different means of transportation: a bus takes her to the maxi-taxi at the end of the city, which leaves her 7 km away from the village, where she gets on a school bus that collects children from the neighboring communities and drives them to school. Altogether, it's an almost two-hour commute. The same goes for the other teachers who work in Uda and live in Pitești. Uda is an old and almost isolated village, with 90 children attending school. Many of the houses are deserted and on the verge of collapse, the roads are not paved, and direct access is possible only with a minibus, arriving at 2:30 p.m. and going back after 15 minutes.



ALINA ANDRONESCU, 28, BIOLOGY TEACHER
UDA AND COTMEANA, ARGEȘ COUNTY
PHOTO BY: ANDREI PUNGOVSCHI



Alina was born in Recea, another village in Argeş County; she studied biology at the Piteşti University, followed by a master’s degree from the University of Agricultural Studies and Veterinary Medicine in Bucharest and a PhD in biology. Since high school she has tutored her friends’ children and she says that if she can understand something, she can make others understand it, too.

“**Right now I’m experiencing an all-time peak of joy**”,

Alina said at the beginning of July. But it hasn’t always been so. All year she felt as if living under water, only occasionally coming up for air, before diving again. “Until April I’ve been pushing myself like crazy. It seemed like nothing was happening. Then I relaxed and started to listen to what the children were saying.”

“This world is so beautiful, it makes me want to know it!” exclaimed one student after she showed him some rare flowers from the Himalayas. Another one told her: “I understood why I shouldn’t offend my colleague again. Being offended all the time, he got used to reacting violently, but if we spoke nicely to him, maybe he would change.”

“It is my role to educate them”, says Alina. “There’s more to life than just a pen, a blackboard, and a piece of paper. You can’t go through life just copying what’s written on a blackboard.”

The content is just a means to an end. What she actually teaches them is to trust themselves, to communicate, to ask for help. The students found it awkward to say: I don’t know how to do this, help me. Alina’s greatest joy is to see their faces “awaken” and interested, to see them thinking independently and working as a team, whether trying to create a blog, or to produce a magazine.

During the last year, Alina succeeded in making two little girls with special needs participate in the class. They used to keep quiet all the time, fearing that their colleagues would mock them. She encouraged and stood by them until they started to speak. The colleagues applauded them.

”To be a good teacher, you must have feelings. And come to school with the best version of yourself, every day. If you take your frustrations with you, that’s what you pass on to those children.”

“If nothing hurts you, you can’t do anything”, says Alina.

She thinks that it’s important for the people who want to make a change to remain at the grassroots level, in the countryside, and to offer perspectives and openness to those who need them most. She is thinking of accessing EU funding to start a micro-farm in Uda, or a strawberry or a rose garden, where children can learn biology in a practical way. Because they need an example that it is possible. And if after the first harvest they have 2,000 lei as profit, they would reinvest it in the school. Most likely, Alina will continue to teach in Uda after the second year of the Teach for Romania Program. She’s gotten used to the commute.





TECHNOLOGY & INNOVATION STRATEGIES AND PROGRAMS

Romanian American-Foundation strategically invests in pre-university education to increase the attractiveness of sciences as an initial step in developing human capital in tech fields. Through targeted programming in and around Polytechnic Universities, RAF contributes to an expanded educational offer that seeks to provide the skills necessary for successful future entrepreneurs.

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STEM Education Strategy

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. The long-term stake for the Foundation is 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.

THE PHYSICS CURRICULUM REFORM

The Physics Curriculum Reform program was designed to strengthen the teaching of physics through inquiry-based methods.

BUDGET

\$1,029,016

RAF CONTRIBUTION

\$798,568
(\$200,000 in 2015)

DURATION

June 2011 – March 2017

PARTNERS

Centrul de Evaluare și Analize Educaționale

Decât o Revistă documented the program in the article Game-changing Teachers.

ȘTIINȚESCU FUND

The Științescu Fund program supports setting up a local funding mechanism for education micro-initiatives aimed at raising children's interest in sciences.

BUDGET

\$1,944,950

RAF CONTRIBUTION

\$1,233,000
(\$105,000 in 2015)

DURATION

2014-2021

PARTNERS

Fundația Comunitară București, Fundația Comunitară Cluj, Fundația Comunitară Iași, Fundația Comunitară Sibiu, Fundația Comunitară Prahova, Fundația Comunitară Bacău, Fundația Comunitară Mureș, Fundația Comunitară Țara Făgărașului



The Change from Within

Daniela Țepeș has been a teacher for 30 years. She loves teaching, cares about her students, and she is one of the many teachers on the frontlines of the Physics curriculum reform.





he recalls how one day, about four-five years ago, she realized that passing on information to her students had become almost useless. "It felt like I had hit a wall", she says," there was no sparkle in their eyes, and I felt helpless, as if I had nothing left to offer them. I just couldn't get through to them. My teaching was no longer fit for these new generations of kids". In these moments of professional doubt, she met other teachers that shared similar frustrations: lack of interest from students, less and less students choosing Physics for graduate studies and fewer young Physics teachers.

Together, they decided to do something about it and joined the initiative group in RAF funded program to bring experiments back as a teaching method. After all, it was how they had learned Physics.

Gradually they discovered that experiments are just a part of the story, it matters more how students learn and experiments could be a trigger in this process.

This group of enthusiastic teachers started to design inquiry-based teaching units. The result was a thick material that managed to frighten its very creators. However, rather than being discouraged,

they decided to improve it, by simplifying it and testing it in the classroom. When teachers tried to apply the new methods described in class, a new challenge became obvious. The transition from the traditional teaching, where the teacher tells the students what to do, how to do it, and what conclusions to draw to the scaffolding teaching model was not a smooth one.

Students were now encouraged to make their own observations and, most importantly, they were urged to think. And so, little by little, taking baby steps, through experiments and investigative learning, students became acquainted to critical thinking. Changes didn't happen overnight. Students were used to the old teaching methods, which were still customary for the other disciplines. They had not developed a habit of observing something, thinking it through, and then formulating their own conclusions. Yet, after some two months of teaching differently, "things started to happen". For Daniela, the biggest surprise didn't come from the top students, but from the ones who are in class but never engage, the ones with the weakest results. These students usually come from underprivileged backgrounds and for many child labor is part of their everyday life. After a while, many of these students came to Daniela to share their thoughts on the discoveries they had made together during the Physics class.

Using inquiry-based learning students discover Physics notions by themselves, while teachers guide them in the process. They gain self-confidence and they don't forget as easily. They have ideas, and even if they don't get the correct answer right away, they eventually figure it out.

The sparkle Daniela sought in her students' eyes was reignited. She says this teaching method is bound to have amazing results in middle school. The advantage of encouraging students to think from an early age is that children get used to ask, observe, and draw conclusions. "You should see these kids in 6th grade", she smiles. "If it were up to me, I would not teach them a single formula before high school". She explains that in high school the content requires more algorithmic thinking, and this limits creativity. But in middle school it's much easier to build around the qualitative component of teaching and guide students to acquire the inquiring skills.



“The approach based on inquiry proved its value when results started to surface. The truth is that no teacher can remain indifferent to the fact that their students make significant progress”.

This has been the key motivator for teachers trained to use this approach, despite of the inherent difficulties in moving away from the familiar traditional teaching.

Crina Ostaci, Daniela’s long-time friend and colleague, is trying on her own to use inquiry-based learning in teaching Chemistry. It is a bit more complicated, she explains: “It works in Chemistry as well, with some adjustments. We can’t just leave students to combine chemical substances as they want, and observe what happens. It would be too dangerous. Chemistry is more abstract than Physics, and they need a bit more guidance. However, the greatest gain of this program is that teachers accumulate experience. If we manage to figure out a way to get teachers to use inquiry-based learning in teaching other subjects, too, we would reach a critical mass who could take the curriculum reform process to completion”.



Human Capital Development in Universities

*Through the **Human Capital Development in Universities strategy**, RAF works 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.*

INNOVATION LABS

The Innovation Labs program is a pre-accelerator for start-ups designed to encourage creativity in technology and entrepreneurship among students and young professionals. Under the program, Tech Lounge piloted the expansion of Innovation Labs to Cluj. As a result, at the end of 2015 RAF decided to support Tech Lounge to scale up Innovation Labs in major university centers throughout the country.

BUDGET

\$76,150

RAF CONTRIBUTION

\$30,980

DURATION

2014-2015

PARTNERS

Tech Lounge

Entrepreneurship in Innovation

*The **Entrepreneurship in Innovation strategy** supports the new generation of entrepreneurs and researchers who want to capitalize on the business potential of their own innovative technologies in order to test and validate their global potential.*

ROMANIAN INNOVATION COMMERCIALIZATION ASSISTANCE PROGRAM (RICAP)

The Romanian Innovation Commercialization Assistance Program (RICAP) established a local network of innovation-focused companies and Romanian mentors, and connected them to a global network. Romanian innovators benefit from the guidance and support provided both by local mentors and by commercialization specialists in the USA.

BUDGET

\$419,000

RAF CONTRIBUTION

\$209,000

DURATION

2013-2015

PARTNERS

Centrul Român pentru Inovație în Dezvoltare
Locală, Larta Institute



Wyliodrin & Axosuits

“Participating in RICAP offered us a perspective of the global market that we had never considered before. The visit and meetings facilitated in the U.S. were the most important thing that happened to me and my team in the past ten years. We participated in other programs dedicated to tech companies before, but now we truly understood things that before we only know in theory”, Alexandru Radovici, Wyliodrin



Alexandru Radovici, CEO, Wyliodrin



Wyliodrin is a new platform that allows programming of embedded devices such as Raspberry Pi directly from your browser. By connecting the board to the Internet, the user can add, edit, store and run the program he created in real-time, regardless of its physical location. From the PC, phone, tablet or laptop, Wyliodrin software allows users to interact with the device connected to the internet even remotely. In this way the user can program robots to control a weather station for home or from the office.

In the last 12 months, Wyliodrin increased their number of employees and advanced quite a lot with their technologies. The company managed to obtain two new sales contracts with companies from top 200 ICT companies in the world. In the next period, they are planning to find other partners and start selling globally.

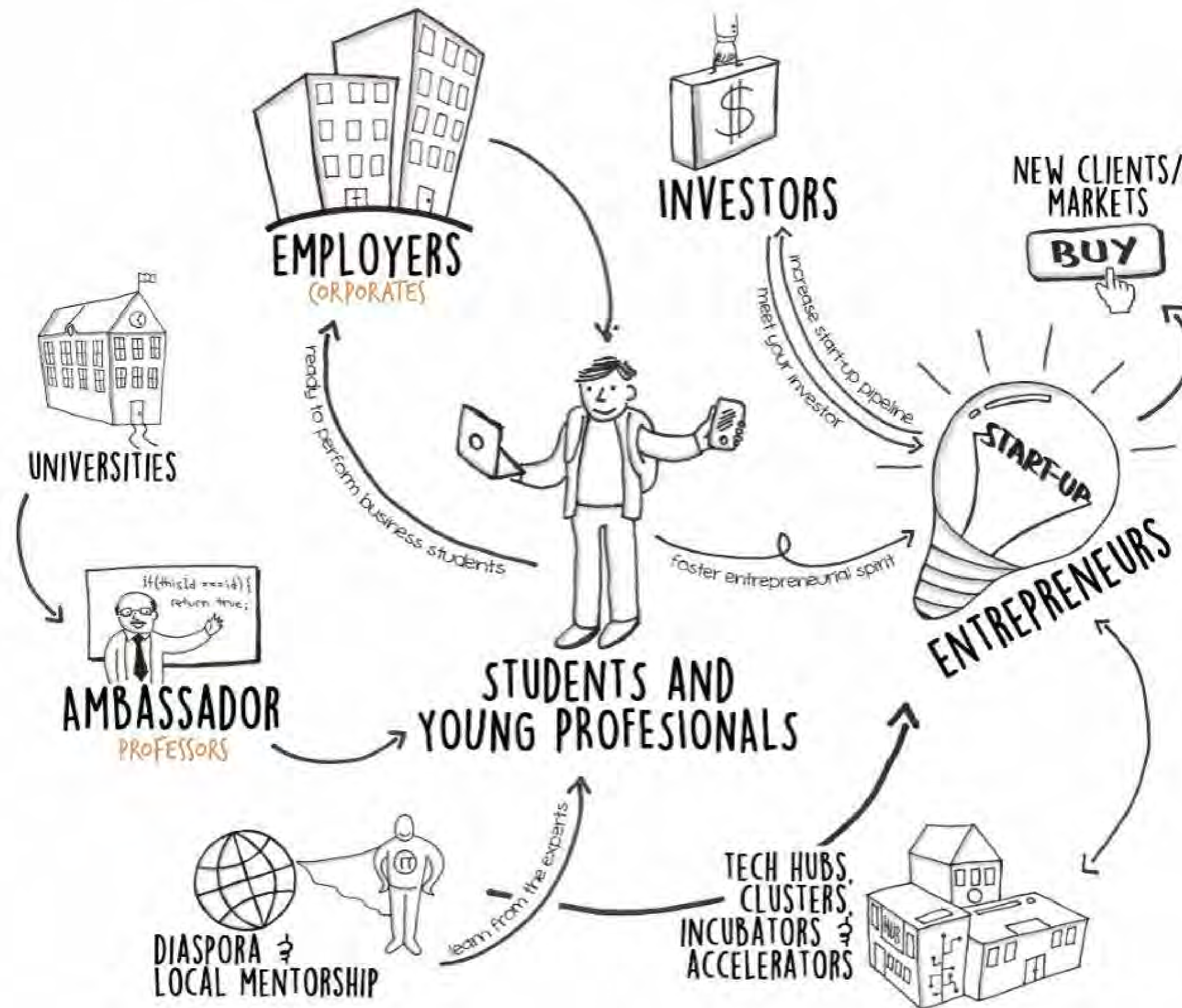


Following RICAP, Axosuits achieved some major milestones in the business development process. They made the transition from prototype to the production-ready model, they started the CE Mark certification process in Europe to commercialize medical exoskeletons. Moreover, the company started the clinical trials with SCI patients and was put in contact with several clinics in US in order to have a product demo in the near future. They have an agreement with the War Veterans Association. They created an Advisory Board and increased capacity with enlarged team.

“RICAP is a must have program for any entrepreneur wishing to venture in the U.S. market” Andras Kapy, CEO Axosuits



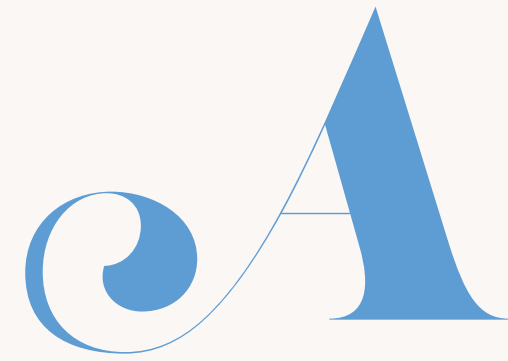
Andras Kapy, CEO, Axosuits



#makeitREAL

The Innovation Labs program grew out of an acute need to develop a versatile workforce in the tech industry. As the sector advances, the need for specialists rises proportionally, creating an imbalance between the number of tech university graduates and market demand.

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At the Polytechnic University of Bucharest, faculty members created Innovation Labs - a program aimed at developing an entrepreneurial ecosystem through a hackathon, tech talks, mentorship and an ICT business competition.

It became the necessary space for faculty members, students, and industry representatives to come together and generate benefits for all.

In its third year of implementation, the Innovation Labs program began to adjust and fine-tune the program focus. Previously, the emphasis was mostly on the start-up or the business idea, but now there is an increased accent on the cultivation and application of transversal skills. The volunteer mentors are a key component in the program's success. They have proven to work really well with the students, with realistic expectations and are quick in understanding specific needs of the teams they work with.

In 2015, Innovation Labs meant:

- ♦ 224 participants
- ♦ 2 hackathons open to 54 teams
- ♦ 30 teams entered mentorship
- ♦ 24 teams validated their prototypes
- ♦ 22 teams graduated from the program
- ♦ 56 mentorship workshops
- ♦ 85 volunteer mentors (top professionals and entrepreneurs) resulting in more than 600 hours of assistance
- ♦ 20 Tech Talk lectures with high-level industry speakers





Six teams have continued to work on consolidating their products after the program ended, exceeding the expectations of the program:

1. **Vitabox.me** is now working with Fitness & Lifestyle national-level leader World Class, thus providing its services through the largest Fitness & Lifestyle program in Romania.
2. **Coda Footprint** is now working with one of the leading banks in Romania on a custom deployment of the Coda Footprint solution on the bank's infrastructure.
3. **Waldo team** is currently at work in the Buildit Estonia Based accelerator, the main hardware startups accelerator program in Europe. They are now in pre-order for the first 100 batch.
4. **Eskimo** is an innovative, non-intrusive knee brace designed to help skiers adapt their position and moves, reducing the risk of injuries during descents. Currently the team is actively seeking funding for a first production batch.
5. **BuyAndHelp** | www.buyandhelp.ro | is a social platform created on simple premise: many people are willing to donate money, provided that they have an easy and transparent donation process at their fingertips.
6. **EpSyDet** (previously entitled Epilepsy Combat) has taken on the challenge of improving quality of life for patients with epilepsy. The Epilepsy Seizure Detection team aims to help patients through a device that can use heart rate metrics in order to detect a seizure and send an alarm to people around and to a guardian's phone. Since DemoDay, EpSyDet was incorporated, managed to secure a €25k EU financing, launched a test app on October 17 the, and managed to attract attention from WOW App founder Thomas Knobel who proposed that the final version of the app be integrated with WOW App.



CIVIC ENGAGEMENT STRATEGIES AND PROGRAMS

Romanian-American Foundation invests in strategic programs that aim to get a higher number of citizens involved in actions and projects leading to the development of their own communities. These programs support NGOs in their efforts to increase impact and better serve their communities

Philanthropy Strategy

The programs under the Philanthropy Strategy support the community foundations and local civic organizations movement, facilitate individual donations through an accessible online platform and boost philanthropy to the benefit of local communities.

COMMUNITY FOUNDATIONS PROGRAM

The Community Foundations Program aims to develop the capacity of community foundations as active centers for local philanthropy and to strengthen a national network of community foundations.

RAF MATCHING FUND PROGRAM

The program aims to stimulate individual philanthropy through Community Foundations. RAF matches the funds raised by community foundations from individual donors, motivating the organizations to involve people from the community in the process and to consolidate a pool of local donors.

BUDGET

\$200,000

RAF CONTRIBUTION

\$130,000

DURATION

2015-2017

PARTNER (PRO BONO)

Asociația pentru Relații Comunitare

BUDGET

\$1,090,914
(\$398,712 in 2015)

RAF CONTRIBUTION

\$390,000
(\$117,397 in 2015)

DURATION

2013-2017

PARTNER (PRO BONO)

Asociația pentru Relații Comunitare

PARTNERS

Fundația Comunitară Alba, Fundația Comunitară Bacău, Fundația Comunitară București, Fundația Comunitară Cluj, Fundația Comunitară Covasna, Fundația Comunitară Iași, Fundația Comunitară Mureș, Fundația Comunitară din Odorheiu Secuiesc, Fundația Comunitară Oradea, Fundația Comunitară Prahova, Fundația Comunitară Sibiu, Fundația Comunitară Țara Făgărașului



Philanthropy Strategy

EASY GIVING

The program was developed by Asociația pentru Relații Comunitare in partnership with banks and mobile phone operators to provide a safe, efficient and user-friendly donation mechanism (the www.donatie.ro platform), to stimulate philanthropy in Romania.

ȘTIINȚESCU FUND

The Științescu Fund supports the development of a local funding mechanism to encourage small-scale educational initiatives which make STEM subjects more attractive for secondary education students.

CIVIC INNOVATION FUND

The Civic Innovation Fund supports the strengthening of a long-term national funding program for a sustainable growth of local organizations active in the field of civic engagement.

BUDGET

\$297,539

RAF CONTRIBUTION

\$198,700

DURATION

2012-2015

PARTNERS

Asociația pentru Relații Comunitare

BUDGET

\$1,944,950

RAF CONTRIBUTION

\$1,233,000
(\$105,000 in 2015)

DURATION

2014-2021

PARTNERS

Fundația Comunitară Bacău, Fundația Comunitară București, Fundația Comunitară Cluj, Fundația Comunitară Iași, Fundația Comunitară Mureș, Fundația Comunitară Prahova, Fundația Comunitară Sibiu, Fundația Comunitară Țara Făgărașului

BUDGET

\$1,450,380

RAF CONTRIBUTION

\$870,710
(\$425,677 in 2015)

DURATION

2015-2020

PARTNERS

Fundația pentru Dezvoltarea Societății Civile (FDSC)



Easy Giving. The Story of Thousands of Donors

TEXT BY: CAMELIA MATEȘ

2010. It was the beginning of the year, the time for the annual planning meeting at Asociația pentru Relații Comunitare (ARC). It was the first meeting I attended. A handful of people, lots of plans, and lots of ambitious goals. Among these, the setting up of several community foundations throughout Romania, organizing a better fundraising conference, switching to the London Business group for big companies reporting model, and last but not least, developing a system that would allow a large number of donors to make small automated monthly donations.



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I was happily working on plan no. 1 (setting up a community foundation), but the last one seemed the most exciting project. For years, as a fundraiser, I had to coordinate the collection of 60 lei monthly from 60 generous and patient donors. Having an automated mechanism to do that seemed like my dream come true.

July 14, 2010. The donation mechanism had to be a direct debit system, concluded ARC managers Dana Pîrțoc and Cătălin Gheorghe. Dana and I had a meeting with Dan Pascariu, the President of Unicredit's Supervising Council. We told him, among others, about our plan and he showed enthusiasm and expressed his willingness to support this pioneering endeavor. We then met with two great people from Unicredit, Alin and Cezar, who explained to us what direct debit means and, most importantly, the obstacles we're likely to face. There was a long list, but the hardest ones were related to the impossibility of having a single mandate for several banks and to collect banking forms from passers-by without a bank representative present. To this day, Alin is one of our closest collaborators, and we often reflect upon that first meeting and the piping metaphors he used to explain to us the cash and documents flow.

July 2010 to June 2012. For two years, Dana and Cătălin worked to bring around the same table representatives of the six most important banks in Romania. It was a first, as we were to find out later. Everybody thought that it would be impossible to use a common banking form, and each one came with their own requirements. There were pages and pages of items to integrate in a single form. We would have been lost, had it not been for Raluca from Banca Transilvania.

She patiently integrated everyone's requirements into a 4-page form. It was long, but it was the first bank form in Romania that could be used in several banks.

Meanwhile, ARC had taken the risk to invest important resources in this project. Trust for Civil Society had agreed to fund the project only if it was a success. So failing was not an option.

We had long made the transition from piping metaphors to actual banking vocabulary. We had built the infrastructure to debit the donor's accounts. Our goal was to make no mistake in data collection and account debiting. And we succeeded. However, the challenges were still ahead of us.

The first partner organization to adopt this mechanism was WWF Romania. Together we tested the entire system. This organization's courage goes beyond their fight to protect bear habitats or oppose deforestation. They had the gut to be the first ones to get in the street, stop complete strangers and ask them to become long-term donors.

We thought that having in place a mechanism allowing 80% of the individuals with a bank account to make a donation was enough. We thought that the organizations we knew so well would immediately set out to recruit donors. But we were wrong.

Missio Link International, an organization from Timișoara, also started a fundraising campaign, and they had to move all of their fundraisers indoors. We then found out that in Timișoara fundraising in public spaces is illegal.

Our plan to work with at least five partner organizations in the first few months was now facing the cruel reality of having a very useful donation mechanism in place, and nobody using it. We did not stop believing in it, but we realized that it would need financial support to survive for several years, and that we needed funding for this initial startup period.

This is where Romanian-American Foundation (RAF) came into the picture. Their intervention made the difference between having a beautiful, but unused, platform and having tens of thousands of Romanian donors using it to support organizations throughout the country.

The preliminary talks with RAF were also a big challenge for us.

We were on top of the banking vocabulary, we knew the mechanics of debiting bank accounts, technics for fundraising training, but signing a funding agreement with RAF was subject to presenting a solid business plan. We were still daydreaming of having thousands of donors in the first year. 8,000 of them, to be exact. Roxana and Romeo, more experienced and more realistic, challenged us to think pragmatically and lower our expectations and realize that we need more funding for a longer period, but we had a hard time giving up the unrealistic projections. The beauty of working with RAF lays in the constant cooperation, in the fact that they don't perceive you as a helpless grantee, but as a partner who works with them to change the world together. Those preliminary discussions were the most uncomfortable, yet the most productive ones I've had.

We then got to the point where the grant was subject to RAF's Board of trustees' approval, an exam Dana and Cătălin had to take. They went very well prepared, and convinced the board members that we would do the great things we set out to accomplish. We now had funding for two years already and the task to reach 10,000 donors by direct debit.

It actually took us three years and greater efforts than we had ever envisaged for reaching the 10,000 donors. Big organizations, with big budgets, needed time for planning and to get the approvals from their respective international parent-organizations. Small entities lacked the financial and human resources to start a program that requires a big initial investment and reaches break-even after 12 months,

provided all goes as planned. We tried to support five of these organizations with grants that allowed them to continue the investment. But their real challenge was to find the right staff for the fundraising and direct debit fundraising coordinator positions. This is a constant challenge in recruiting donors all over the world.

December 2015. 17 months later than we had initially estimated, the RAF funding came to an end. That's 12,000 monthly direct debit donors and almost half a million donated dollars later. An additional 22,000 donors contribute 2 euro per month via text messages (SMS). A result we had not foreseen, which sprung from our constant desire to innovate and from our long-time partnership with the mobile phone operators.

The RAF funding was the beginning of a beautiful story about people getting involved in causes they believe in. Since January 2016, the number of donors and the donated amounts have increased rapidly, and our aim (we're being realistic) is to reach 20,000 direct debit donors by the end of the year.

Results at the end of the program:

- ♦ About 1.2 million donors contribute to the NGOs supported causes via SMS;
- ♦ \$4.3 million were raised through Text Payments donations, during campaigns for more than 50 NGOs;
- ♦ 12,000 donors decided to sign a direct debit agreement;
- ♦ 22,000 donors decided to donate 2 Euro/month via Text Payments to support a project on a long-term basis;
- ♦ 18 NGOs are using direct debit donations, developed internal data management and data protection; they have donor care and donor communication systems in place.

Civic Education Strategy

*The programs under the **Civic Education Strategy** support non-formal civic education programs and explore methods to be used by schools in order to build better civic competences for children.*

IMPACT PROGRAM

The IMPACT program supports the development of IMPACT Youth Clubs. By using community service activities in education, IMPACT Clubs encourage an entrepreneurial way of thinking, grassroots community development and volunteering.

DEBATE PROGRAM IN SCHOOLS

The program supports the Youth Debate competition, provides guidelines for the use of debate as a teaching method for relevant subjects, supports teachers in delivering debate and rhetoric optional courses and increases the capacity of debate clubs to raise funds for their activities.

BUDGET

\$1,647,956

RAF CONTRIBUTION

\$782,405

DURATION

2010 - 2016

PARTNER (PRO BONO)

Fundația Noi Orizonturi

BUDGET

\$386,268

RAF CONTRIBUTION

\$219,800

DURATION

2014-2017

PARTNERS

Asociația Română de Dezbateri, Oratorie și Retorică (ARDOR)

Civic Education Strategy

ONE WORLD ROMANIA AT SCHOOL

The One World Romania at School program stimulates the use of documentary films about human rights as a civic education tool, both during classes and as an extra-curricular activity.

BUDGET

\$171,054

RAF CONTRIBUTION

\$103,234
(\$50,180 in 2015)

DURATION

2015-2017

PARTNER (PRO BONO)

[Fundația Noi Orizonturi](#)

PROJECT CITIZEN

The program assesses the impact of a civic education interactive learning model in schools and develops a strategic plan for the further development of the program.

BUDGET

\$20,000

RAF CONTRIBUTION

\$18,000

DURATION

Dec 2015 – Jun 2016

PARTNERS

[Institutul Intercultural din Timișoara](#)



About Hope – IMPACT Students help 15 poor families

In the vicinity of Hârlău, a small town in Iași County, 15 underprivileged families live in two isolated villages: Deleni and Pârcovaci. Most of them are old and sick, and they're all poor. The lack of infrastructure (no roads, no bridges, no electricity, running water or telecommunications) makes their daily life even harder. A grandmother, in her 70s and nearly blind, is raising her seven grandchildren, who were abandoned by their parents. They barely make ends meet.



The volunteers from the “Ștefan cel Mare” College IMPACT Club found out from their colleagues about the struggles of these families and decided to do something to help them. The IMPACT students went and cleaned the elderly’s houses, delivered hot meals, and spent time with the few children still living there. They periodically return to lend a hand to these families.

Together they managed to gather a community of generous people and succeeded in collecting food and fire wood for the 15 families. They even brought a doctor who volunteered to examine the elderly, the parents and the children.

The IMPACT children’s enterprise did not pass unnoticed. Many people heard about it and applauded it, the local mayor’s office got involved in supporting their initiative, and they even made the [national news](#).

Moreover, the “change-the-world” students created a blog, [poianacu-destine.blogspot.ro](#), where they document each stage of their project and they share stories of other people who lent a hand, and the platform [poiana-cu-destine.webnode.ro](#), where people are invited to contribute to their endeavor with in-kind donations.

There are over 130 active IMPACT Clubs throughout Romania. In the school year 2014-2015, they implemented 197 projects for 37,000 beneficiaries.



Capacity Development for NGOs

*The **Capacity Development for NGOs Strategy** seeks to strengthen the non-profit sector, which RAF sees as a key element in the development of a democratic society in Romania.*

MARKETING AND COMMUNICATION POLYCLINIC

The Marketing and Communication Polyclinic Program improves the communication capacities and the performance in the public relation field of several RAF partner NGOs.

BUDGET

\$25,000

RAF CONTRIBUTION

\$25,000

DURATION

Nov 2015 – Feb 2016

PARTNERS

Fundația Friends for Friends

Leadership

*RAF invests in **Leadership** because we believe that any idea or change, however brilliant, has little chance of being translated into facts without a passionate leader and a community to support it.*

TRANSATLANTIC LEADERSHIP INITIATIVES

The Transatlantic Leadership Initiatives Program increases the annual number of seats allocated to Romanian leaders eligible to participate in the Marshall Memorial Fellowship program, organized by GMF in the U.S. and Europe.

BUDGET

\$75,000

RAF CONTRIBUTION

\$75,000

DURATION

Dec 2015 – May 2019

PARTNERS

German Marshall Fund of United States (GMF)

Other Grants

TEACH FOR ROMANIA ARTICLE SERIES

The Teach for Romania Article Series documents the journey of the first generation of Teach for Romania teachers.

To read the articles, please follow the links below:

Teachers in a Forgotten Romania

18 Teachers for Romania

Occupation: Teacher

BUDGET

\$3,136

RAF CONTRIBUTION

\$3,136

DURATION

Nov 2015 – Jul 2015

PARTNERS

[Asociația Media DoR](#)

HOW WE LEARN

How We Learn supports [Decât o Revistă](#) to document and publish in-depth stories on education-related issues in Romania, with the aim to build awareness regarding the state of education.

The articles can be found in the [EduDoR](#) section of the magazine.

BUDGET

\$27,800

RAF CONTRIBUTION

\$25,000

DURATION

Dec 2015 – Dec 2016

PARTNERS

[Asociația Media DoR](#)



Program-Related Investments (PRIs)

PRIs are business-like financial instruments, relatively new to philanthropy. RAF developed the PRI mechanism in order complement the other mechanisms used by the organization to achieve programmatic results. RAF also uses PRIs to expand its impact. The capital used in PRI is repaid, meaning that the invested funds are recycled into new charitable endeavors.

BORROWER	PURPOSE	APPROVED \$	DISBURSED \$	OUTSTAND-ING \$
PRI to a Bank for Student Loans	Guarantee and Cash Collateral	77,000	77,000	77,000
NESsT	Bridge Loan for EU-Funded Project	150,000	150,000	150,000
CIVITAS	Bridge Loan for EU-Funded Project	450,000	200,000	200,000
Total PRI		577,000	427,000	427,000

RAF HOUSE

RAF House stands as a symbol of our long-term commitment to contribute to Romania's development. Built in the late 1920s, this building is truly remarkable through its ability to reinvent itself over time as a public space.

From the beginning, we envisioned the house as an environment opened to civic and social interaction, remaining true to its original attributions and to its importance in the community.

The rooms at the ground floor are offered, free of charge, to civil society organizations as ideal location for events in line with our scope of work.

In 2015, RAF House hosted over 400 events organized by civil society organizations, which brought together over 5,000 participants. This translates into an estimated RAF in-kind contribution of over \$155,000.



CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2015

The Romanian-American Foundation is audited by Deloitte Audit SRL, a member of Deloitte Touche Tohmatsu. For the full audit report, including notes, please visit <http://www.rafonline.org/en/who-we-are/annual-reports/>



CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

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ASSETS

Marketable Investments, at fair value (Notes 3 and 5):

Mutual Funds – Equity

Mutual Funds – Fixed Income

Mutual Funds – Other

Non-marketable investments, at fair value

Cash and cash equivalents (Note 3)

Cash restricted in bank deposits as collateral for student loans guarantee (Note 3)

Program related investments, committed (Note 3 and Note 6)

Prepaid expenses and other assets

Property, net (Note 7)

TOTAL ASSETS

LIABILITIES AND UNRESTRICTED NET ASSETS

Accounts payable and accrued expenses

Program related investments, payable (Note 3 and note 6)

Grants payable (Note 3 and Note 6)

TOTAL LIABILITIES

UNRESTRICTED NET ASSETS (NOTE 2)

TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS

YEAR ENDED DECEMBER 31, 2015	YEAR ENDED DECEMBER 31, 2014
\$	\$
47,237,125	30,455,479
20,944,138	12,031,534
9,635,622	8,323,423
26,345,782	-
11,262,145	17,764,454
77,000	77,000
600,000	232,000
5,123	11,432
3,529,375	3,662,681
119,636,310	72,558,002
83,707	61,516
250,000	150,000
2,244,910	1,784,219
2,578,618	1,995,735
117,057,692	70,562,267
119,636,310	72,558,002



CONSOLIDATED STATEMENTS OF ACTIVITIES

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CONSOLIDATED STATEMENTS OF ACTIVITIES AS OF DECEMBER 31, 2015

CHANGES IN NET ASSETS

INCOME

Interest and dividend income (Note 5)
Support and Contribution income - Romanian-American Investment
Foundation, former RAEF (Note 4 and Note 8)

TOTAL INCOME

EXPENSES

Employee compensation and benefits
Occupancy expenses
Professional services
Trustees' expenses
Administrative and other
Depreciation and amortization

TOTAL OPERATING EXPENSES

Grants (Note 6)

INCOME IN EXCESS OF GRANTS AND EXPENSES

Net realized gain on investments (Note 5)
Net unrealized loss on investments (Note 5)
Net currency remeasurement (losses)/ gains

Total increase in unrestricted net assets

Unrestricted net assets, beginning of year

UNRESTRICTED NET ASSETS, END OF THE YEAR

	YEAR ENDED DECEMBER 31, 2015 UNRESTRICTED	YEAR ENDED DECEMBER 31, 2014 UNRESTRICTED
	\$	\$
Interest and dividend income (Note 5)	1,887,520	1,046,768
Support and Contribution income - Romanian-American Investment Foundation, former RAEF (Note 4 and Note 8)	51,798,315	20,000,000
TOTAL INCOME	53,685,835	21,046,768
EXPENSES		
Employee compensation and benefits	535,191	647,414
Occupancy expenses	138,783	151,854
Professional services	159,935	86,016
Trustees' expenses	108,478	137,947
Administrative and other	142,931	201,354
Depreciation and amortization	140,805	161,630
TOTAL OPERATING EXPENSES	1,226,123	1,386,215
Grants (Note 6)	(2,096,491)	(2,415,441)
INCOME IN EXCESS OF GRANTS AND EXPENSES	50,363,221	17,245,112
Net realized gain on investments (Note 5)	1,104,665	810,290
Net unrealized loss on investments (Note 5)	(4,222,065)	(450,319)
Net currency remeasurement (losses)/ gains	(750,396)	(6,521)
Total increase in unrestricted net assets	46,495,425	17,598,562
Unrestricted net assets, beginning of year	70,562,267	52,963,705
UNRESTRICTED NET ASSETS, END OF THE YEAR	117,057,692	70,562,267



CONSOLIDATED STATEMENTS OF CASH FLOWS

[CONSOLIDATED STATEMENTS OF FINANCIAL
POSITION AS OF DECEMBER 31, 2015](#)

[CONSOLIDATED STATEMENTS OF ACTIVITIES AS
OF DECEMBER 31, 2015](#)

[CONSOLIDATED STATEMENTS OF CASH FLOWS
AS OF DECEMBER 31, 2015](#)

CONSOLIDATED STATEMENTS OF CASH FLOWS AS OF DECEMBER 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in unrestricted net assets

ADJUSTMENTS TO RECONCILE INCREASE IN UNRESTRICTED NET ASSETS TO NET CASH USED IN OPERATING ACTIVITIES:

Net realized/ (gain) loss on marketable investments

Net unrealized/ (gain) loss on marketable investments

Net unrealized FX (gain)/ loss on non-marketable investments

Release of provisions for non-marketable investments

Depreciation and amortization

Decrease/ (increase) in cash collateral guarantees

Decrease/ (increase) in program related investments, assets

Increase /(decrease) in program related investments, payables

Increase/ (decrease) in grants payable

Decrease /(increase) in prepaid expenses

Increase/ (decrease) in accounts payable and accrued expenses

NET CASH PROVIDED BY OPERATING ACTIVITIES

Cash flows from investing activities:

Proceeds from sales of marketable investments

Proceeds from sales of non-marketable investments

Cost of marketable investments purchased

Cost of non-marketable investments purchased

Cost of fixed assets

NET CASH (USED IN) INVESTING ACTIVITIES

NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS

Cash and cash equivalents, beginning of year

CASH AND CASH EQUIVALENTS, END OF YEAR

YEAR ENDED DECEMBER 31, 2015 UNRESTRICTED

YEAR ENDED DECEMBER 31, 2014 UNRESTRICTED

	\$	\$
	46,495,425	17,598,562
	(1,104,665)	(810,290)
	4,447,542	450,319
	749,174	-
	(225,477)	-
	140,805	161,630
	-	-
	(368,000)	139,000
	100,000	45,000
	460,691	75,690
	6,309	1,805
	22,191	2,242
	50,723,995	17,663,958
	40,369,858	12,372,380
	3,969,653	-
	(70,719,183)	(17,349,474)
	(30,839,132)	-
	(7,500)	(4,039)
	(57,226,304)	(4,981,133)
	(6,502,309)	12,682,825
	17,764,454	5,081,629
	11,262,145	17,764,454



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THANK YOU!

We would like to express our gratitude to all our partners, whose expertise, passion and commitment make everything we do possible, and to acknowledge all the volunteers, peers and friends who help us advance our mission.

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