

SERVING RURAL
COMMUNITIES
PATTERSON
FAMILY
FOUNDATION
2007

Annual Report 2020



PREPARED FEBRUARY 2021

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Letter from the Director



Um, wow... What a year! And at this point, I am not just talking about 2020. But for the sake of this letter, that is where we will focus our attention. There is a lot to go over, and I hope you enjoy reading it as much as we enjoyed putting it together. Before we get into those details, I wanted to provide you with a little more color as to what happened in between the lines.

STARTING WITH FOCUS IN MIND

We started out the year focused on a newly minted Strategic Plan. We knew *what* we wanted to accomplish and were busy hammering out the details of our *how*. Our focus has always been centered on our vision of **lifting rural communities** and 2020 was going to be the year we rolled up our sleeves and really got to work.

Heading into 2020, there was going to be a lot to do. We knew we had a lot to learn about the challenges facing rural communities. We knew we were going to have to work hard to build the trust of those communities. We knew we wanted to work from the top down and the bottom up. To get our hands dirty and not just write some checks, but truly partner with our constituents to work for systemic change. We also knew that we needed to work on building our internal team so that we could scale to a point of effectiveness as a fully funded organization. There was a lot to do and were focused and ready do it.

A WILDCARD IS DEALT...

Neal wrote about wildcards in his 2005 book *ManageIT*. Despite it being written for Cerner managers and leaders, I often find myself referring to this book for lessons in management and leadership. While he did not coin the term 'wildcard,' it is a term he used to help provide an understanding of how to deal with unforeseen events which could not be ignored. I have included below an excerpt from Neal's book about wildcards and replanning that I found especially beneficial.

Having been dealt the wildcard of the global pandemic and economic crisis of 2020, our vision of thriving rural communities had not wavered, but we knew that we could not achieve that vision unless we first helped to 'stop the bleed'. Per Neal's book... a replan was in order.

SHIFTING THE FOCUS

Like the rest of the country, early spring was a surreal time for the Patterson Family Foundation. Watching what was happening on the coasts and urban centers was like watching a freight train headed straight for us. We knew that when the pandemic hit our rural constituents, it would hit hard. The rural communities we serve are in general older, sicker, and poorer than their urban counterparts. With hospital closures, medical provider shortages, the digital divide, and geographic isolation, the pandemic would be a completely different beast to fight. The only thing we knew we had going for us was a bit of a head start.

We knew there would be challenges unique to the communities we serve. We knew that there would be gaps to fill, but trying to read the tea leaves and figure out where to focus our effort felt like chasing squirrels – the very opposite of the highly-focused year we had expected in January.

A DIFFERENT PATH TO THE SAME PLACE

We reengaged our original plan to see what could apply to these new and unprecedented challenges. We applied our strategy in unanticipated, but effective, means. We surveyed the environment to look for ways to take advantage of our unique position to make an impact. We utilized this unanticipated event to identify gaps and opportunities, while developing our understanding of these communities and building relationships. We all became well accustomed to the phrase “Never waste a crisis.”

The board met in April 2020 to approve an initial \$4,452,500 in pandemic related spending. We then committed another \$3,122,659 over the next nine months and learned more about our communities than we ever could have hoped. We found ways we could do things that others could not and in turn, found ourselves trucking away towards our vision. The path took us on a route we never could have imagined.

We developed a framework for our work and determined that our impact would focus on pandemic related Response, Recovery, and Strengthening. This framework allowed us to focus our efforts despite an environment where we had more tasks than time.

While our activities felt chaotic at times, we never lost sight of the end goal, and we built strategy into every program we offered. We were intentional about designing programs and grant opportunities that would not only satisfy the urgent needs of our constituents, but also sow seeds for our Foundation’s long-term objectives.

One of the most predominant examples of this dual success is in the connections made and network developed while doing our work. Going into this year, we knew being the “new kid” with unproven ambitions, we were going to be paddling upstream to develop trust with our rural constituents. We were going to spend the year planning, but instead spent the year doing. We made connections along the way, doing our best to prove that we are here to help, and not just with a check. We also brought an active collaborative mindset to solve the problems they were facing. While this pandemic is nothing I would have ever expected or wished for, it did help to jump start the Patterson Family Foundation as a player in rural development. I will take the blessings where I can get them.

The effects of the pandemic did not go away with the turning of the calendar, and we are still working on helping communities navigate through the crisis. We look forward to a time where we can work less in Response mode and more in those of Recovery and Strengthening. We also understand that progress is not a straight line and that Pandemic-Related Programs will stay on the agenda for the foreseeable future. But as the crisis abates, vaccines are distributed, and the light at the end of the tunnel shines ever brighter, we will continue to survey the environment and look for opportunities to make an impact, whether pandemic-related or otherwise.

ROLE OF PRIVATE FOUNDATIONS

One of my biggest take aways from this year is the clear understanding of the potential that private philanthropy holds. As a private family foundation, we are beholden to our Donor’s intent (as well as tax regulations and the like). We can take risks where others cannot. We can direct our impact and investment on filling gaps, and our ROI uses a different type of metric. Without shareholders

and a balanced budget driving our decision making, we can and should be entrepreneurial, curious, and bold in our actions.

The 'aha moment' came to me in March, as we were discussing how to get ventilators into the hands of the rural hospitals that would need them as the case load rose. I learned that a ventilator could cost \$10-15K. While not chump change, it seemed to us like a reasonable cost for a piece of lifesaving equipment. On the other hand, it is a different story for a hospital whose budget is fully allocated. Justifying the spend for equipment that would likely only be in demand for the duration of the pandemic is a hard sell to a Board of Directors tasked with the financial sustainability of the organization. Layer in the fact that rural hospitals are, at best, already operating on razor-thin margins and it was clear to us there was no room on the ledger for a \$15K piece of equipment, no matter how life-saving it may be.

But we are a different story. As a private foundation, we can help with the urgent need by providing the cash for the ventilator. It will save lives today, allow people to get care in their own community, and when or if the hospital decides that it no longer needs a ventilator on their balance sheet, they can sell it for cash and contribute to another piece of critical equipment. Because our focus is different, but aligned with that hospital's focus, we can work together to fill each other's gaps. What an amazing system!

PLANNING FOR THE FUTURE... AGAIN.

The 2020 year was spent more on doing than originally intended and we have some planning to catch up on. The 2021 year will be another monumental one for the Patterson Family Foundation. We will continue the work of supporting the urgent needs of our constituents, and we will also be busy laying the groundwork to enable us to scale to a fully funded organization.

Our focus in 2021 will be to continue to build the structure that supports the vision, mission, and strategy. We will add to the team, select the tools, develop internal processes, and cultivate our message. All while, we will make strategic and intentional investments for the urgent and systemic needs of our rural constituents.

The theme for 2021's focus is "Building Today, For Tomorrow" and will be centered around four key imperatives:

- **Hone the How**
- **Build the Brand**
- **Operate Effectively**
- **Support the Constituents**

Without a doubt, the 2020 year was one for the history books, I do not need to tell you that. As I reflect on the decisions that were made by the Patterson Family Foundation's Board of Directors, Leadership, and Team, I am beyond proud of the impacts made. I am eager for the work we have ahead of us and honored to play a part.



Usage Note

This report is being prepared for internal use by Patterson Family Foundation directors and staff, current and future, and is not intended for external use. Although we have no requirement to prepare annual reporting beyond the IRS-required Form 990, we follow Neal's example to have the discipline to reflect on the year that passed and work to see around the corner about what might lie ahead. We believe it will be beneficial in the years ahead to revisit this era and be reminded of minor and major goals and accomplishments.

Who We Are

The Patterson Family Foundation is a family-led foundation extending the legacy of Neal and Jeanne Patterson to improve the rural communities we come from through health care, education, economic opportunity, and beyond.

At the Patterson Family Foundation, we're not just from rural communities. We're for rural communities. We're a passionate, talented team that is personally committed to improving the well-being and livelihood of the places we care about.

Originally established by Neal and Jeanne in 2007 as a long-term asset management vehicle for charitable giving, investments, and other initiatives, the Foundation took on a new phase of existence after Neal and Jeanne passed away in 2017. Neal's estate plans included a provision to significantly fund the Foundation with a gift from the estate. Neal and Jeanne's intent was for the Foundation, in combination with the Excolo Family Office, to play a strategic role in the lives of their children and descendants as well as the broader community. They asked for the Foundation's giving to be strategic, to make a long-term sustainable difference, and to focus on unmet needs in health care, education, and rural communities, and to do it in an entrepreneurial way that is so ingrained in the Patterson family. They acknowledged the broad scope of these areas, and they anticipated and supported a narrowing of focus.

In 2020, the Foundation continues being governed by Neal's four children: Clay, Lindsey, Cortney, and Will. These individuals are often referred to as "G2." There is a small but growing Foundation staff that share workspace with the Excolo Family Office, although this year many of the team predominantly worked from home. Across G2 and staff, we work to make Neal and Jeanne proud while also establishing new values and traditions unique to G2.

Our Journey

Please refer to the 2019 Annual Report for the events preceding January 2020.

Like most of the world, the 2020 we envisioned at the outset was vastly different from the 2020 we experienced. In mid-March 2020, the City of Kansas City, Missouri was placed under a shelter-at-home order as a response to the spreading SARS-CoV-2 (COVID-19) virus. Several associates began working from home and, while we expected a mere two-week lockdown, we continued to work virtually through the end of the year.

Lindsey continues to serve as chief executive of the Foundation. All the siblings are active Foundation board directors. Outside of the Foundation, Clay is COO at Zaarly; Cortney has been busy with volunteer board service while sowing her roots with a new home and her second baby on the way; and Will is in medical residency at MedStar Georgetown University Hospital. Whether in person or via teleconference, G2 meets monthly to maintain a consistent rhythm of needed discussion and decisions. G2 developed a cadence of discussing Foundation business and other Excolo matters in alternating meetings.

2020 started with an honest intent to carry out the strategic plan of robust programming aimed at improving the well-being, education, and viability of rural communities. The sudden onset of the pandemic required an abrupt pivot from a best-laid plan to an agile COVID-19 response. Our original strategic plan was tabled, and, true to our undaunted spirit, we resolved that the playbook would have to be rewritten as we went. As we acted, we absorbed as much information as we could about the virus, its spread, and the needs of the affected communities.

The broad impacts of the virus were felt across our rural area of impact. Hospitals, clinics, and municipal health departments were overburdened in staffing and bed count. Revenue streams slowed, largely due to the cancellation of elective and preventive procedures. A global PPE shortage meant a triaged distribution of these items to densely populated, heavier-impacted areas beyond rural Kansas and Missouri. Hospitals experienced an equipment shortage (such as ventilators or other ICU devices).

On a social level, the pandemic shone light on many iniquities. Shelter-at-home mandates changed how we accessed fundamental things such as education, work, and food. Students had to pivot to online learning, and those students who lacked high-speed Internet access at home struggled to find a way to dial in. Parents of students were effectively responsible for home schooling, in addition to any home and work responsibilities. One glaring shortage we identified is the lack of broadband access in rural areas. This is a complex problem with a costly solution, but one that the Foundation sees as a potential long-term investment that could significantly improve rural education, health care, and economic opportunities.

We unpacked a lot of opportunities and, in collaboration with local experts and rural residents, made great progress in trying to solve these big hairy problems. Read on to learn about our specific projects and interventions.

Assets Reporting

Management of the Patterson Family Foundation asset base is the responsibility of the Investment Committee, supported by the Investment and Treasury Management Team. An excerpt from the 2020 Investment Committee Annual Letter:

In 2020 and amid the upheaval, the Investment Committee adhered to the plan, remained invested with current asset managers and investment strategies, and invested capital alongside new managers. The Patterson Family Foundation's consolidated investment portfolio generated approximately \$148 million in investment gains in 2020, equating to a 12.0% return. After accounting for spending, expenses, and distributions, the Patterson Family Foundation added slightly more than \$104 million to the consolidated investment portfolio, which increased to \$1.35 billion as of December 31, 2020 as compared to \$1.24 billion

for the year prior, a net increase of 8.4%. As illustrated below, net of all spending, expenses, and distributions, the 2020 increase in assets of \$104 million adds to the nearly \$300 million increase achieved in 2019, which brings the two-year increase to approximately \$404 million.

This basic view includes assets in the three different entities that will ultimately be counted as Foundation assets when the estate settles (estimated 2021.)

BEGINNING OF YEAR ASSETS: \$1,242.7 MILLION

Patterson Family Foundation: \$259 million

Excolo Fund I, LP: \$807 million

NLP Interim Trust: \$179 million

END OF YEAR ASSETS: \$1,347 MILLION

Patterson Family Foundation: \$398 million

Excolo Fund I, LP: \$793 million

NLP Interim Trust: \$156 million

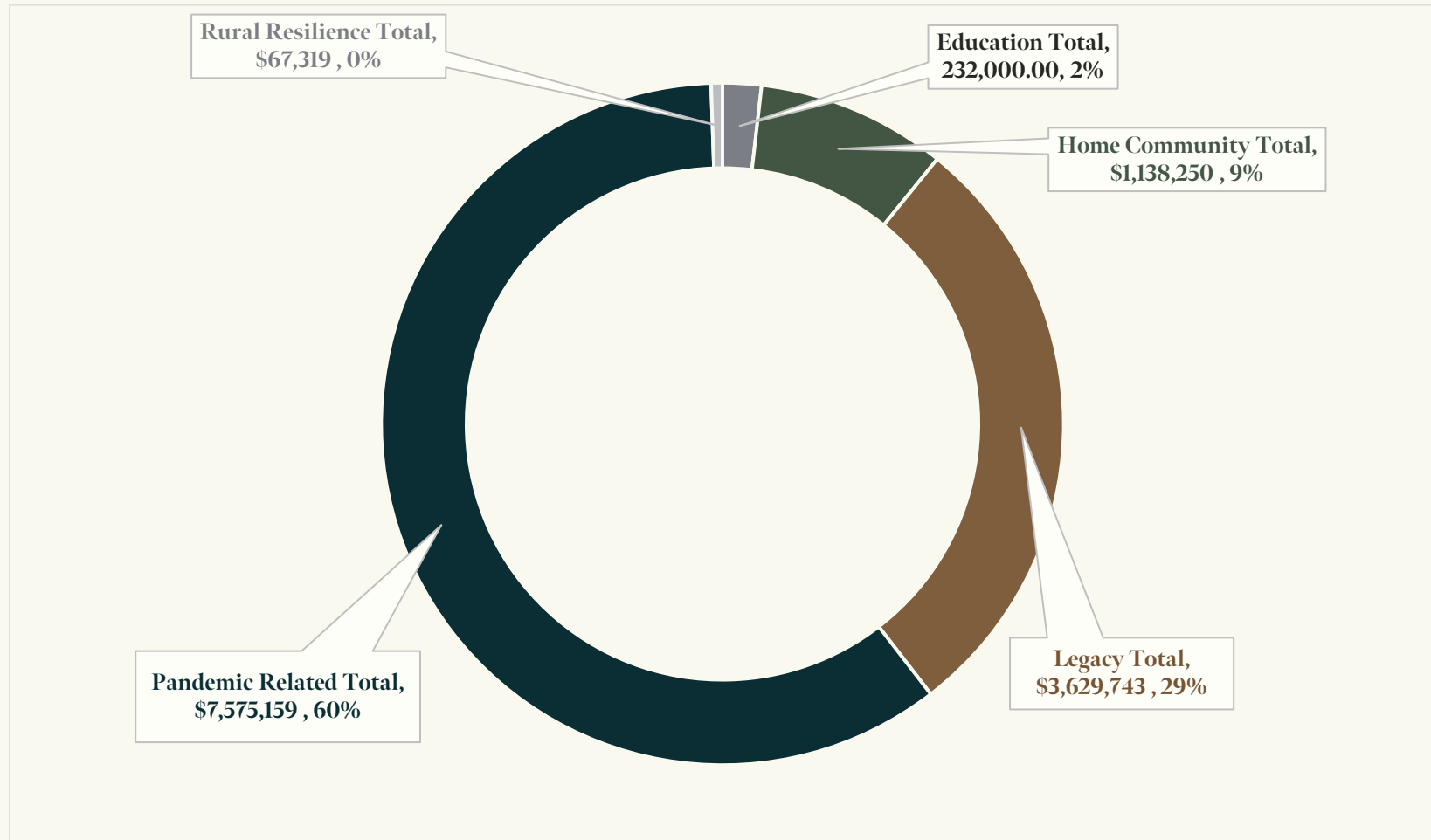
For more information about Patterson Family Foundation Investment and Asset activity, see *2020 PFF Annual Letter*.

2020 Contributions

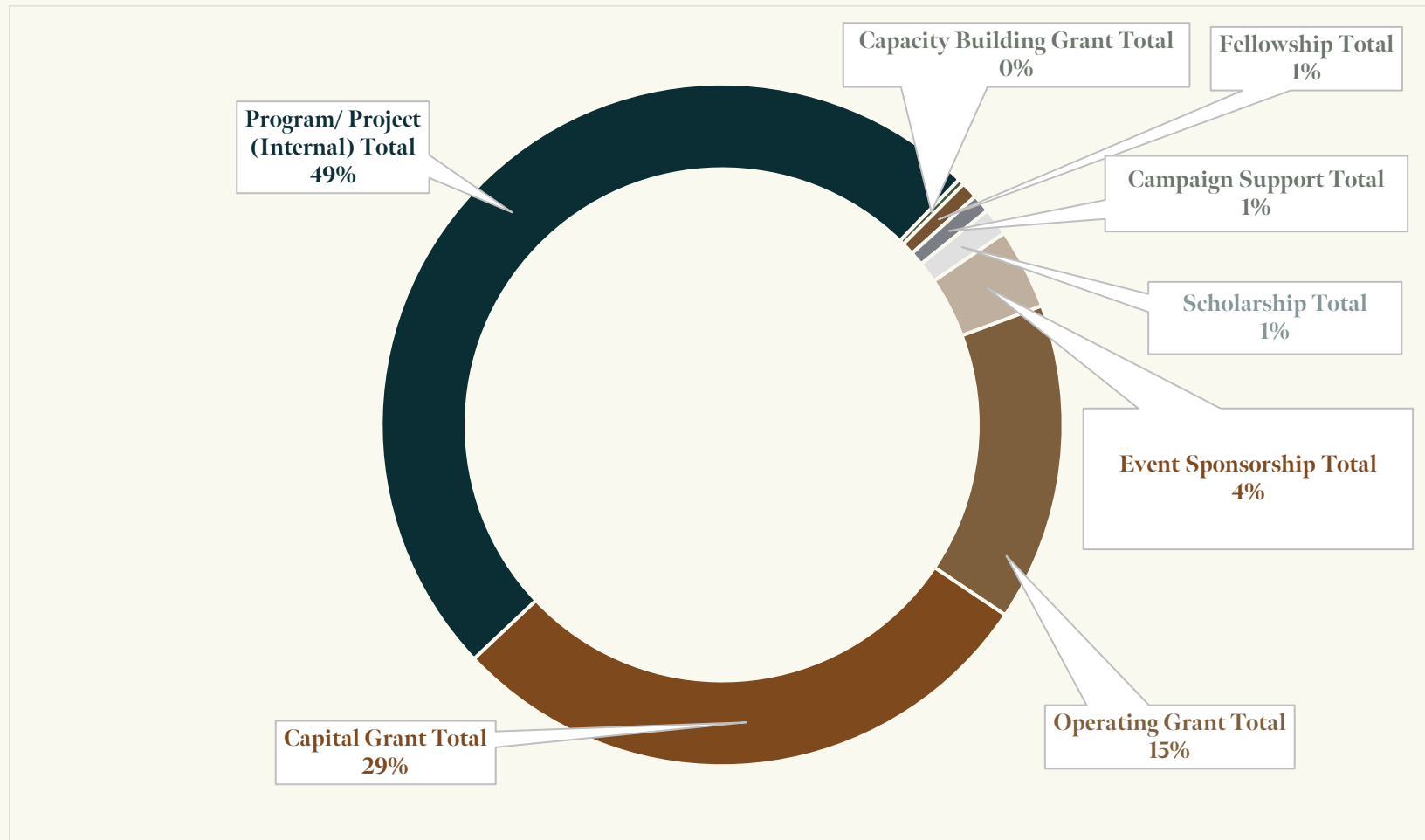
Below is a table of 2020 Charitable Distributions with a total of approximately \$12.642 million. The Charitable Contribution Requirement for 2020 is estimated at \$14.1 million. Our Pandemic- Related programing totaled approximately \$7.56M, including testing, PPE, school and small business grants, food insecurity, and more. Legacy giving included an installment on the American Royal capital campaign, regular season American Royal support, an installment on Healthy Nevada and Healthe Communities support, the first installment on the KU Carol Fabian Professorship and a scholarship gift to OSU School of Medicine for a total of \$3.69M.

Home Community grants were given to charitable organizations in Kansas City and Grove, OK to total \$1.14M. Some smaller grants were made to organizations in both Harper County and Ford County, Kansas, to support Rural Resilience efforts. Support of medical education and agrarian sciences continued with the support of college scholarships offered to rural students through the Ellis Foundation.

2020 Charitable Distribution by Focus Area



2020 Charitable Distribution by Funding Type



2020 Charitable Distribution by Payee

PAYEE	AMOUNT	PRIORITY	TYPE	TAGS	PROGRAM NAME
<i>Cosmosphere</i>	75,000.00	ED	OPG	G2 Sponsored	
<i>The Ellis Foundation</i>	157,000.00	ED	SCH		
<i>Crawford AuSable Excellence in Educ Fndtn</i>	250	HC	EVS		
<i>Bridges of Hope</i>	3,000.00	HC	EVS	OK Community	
<i>Reach Out and Read</i>	5,000.00	HC	EVS		
<i>HNC Living Foundation</i>	10,000.00	HC	EVS	Planned	HNC Living
<i>Friends of University Academy</i>	10,000.00	HC	EVS		
<i>The Nature Conservancy</i>	10,000.00	HC	CMS	Planned	Nature Conservancy Annual
<i>WAAMI Trail Fund</i>	100,000.00	HC	CPG	OK Community	
<i>The Pembroke Hill School</i>	1,000,000.00	HC	CPG	MY 2 of 4	PHS Campus Capital Campaign
<i>American Royal Assoc</i>	1,104.00	LG	EVS	Planned	Regular Season
<i>Little Sisters of the Poor</i>	4,200.00	LG	EVS	Planned	Regular Season
<i>OSU Foundation</i>	10,000.00	LG	SCH		
<i>American Royal Assoc</i>	12,500.00	LG	EVS	Planned	Regular Season
<i>Healthy Nevada</i>	46,663.00	LG	OPG		Advance on grant installment
<i>Healthy Nevada</i>	100,000.00	LG	OPG	MY X of X	Grant Installment
<i>American Royal Assoc</i>	100,000.00	LG	EVS	Planned	Regular Season
<i>KU Endowment Association</i>	100,000.00	LG	FLS	MY 2 of 5	Carol Fabian Professorship
<i>First Hand Foundation</i>	200,000.00	LG	OPG		
<i>Healthy Nevada</i>	217,576.00	LG	OPG		
<i>American Royal Assoc</i>	337,700.00	LG	EVS	Planned	Regular Season
<i>American Royal Assoc</i>	2,500,000.00	LG	CPG	MY 1 of 4	AR Campus Capital Campaign
<i>Two School District Checks Voided</i>	-6,600.00	PR	PMP		School Pandemic Relief
<i>Wichita County Health Center</i>	720.07	PR	PMP		Pandemic Hospital Equipment and Supply Grant
<i>Revolution Fellowship</i>	2,500.00	PR	PMP		Community Relief
<i>The Wesleyan Church</i>	5,000.00	PR	PMP		Small Rural Business Pandemic Relief
<i>Cloud County</i>	5,000.00	PR	PMP		Small Rural Business Pandemic Relief
<i>Rural Education and Workforce Alliance</i>	5,000.00	PR	PMP		Small Rural Business Pandemic Relief
<i>Harper County</i>	5,000.00	PR	PMP		Small Rural Business Pandemic Relief
<i>Jefferson County</i>	5,000.00	PR	PMP		Small Rural Business Pandemic Relief
<i>McPherson Main Street, Inc.</i>	5,000.00	PR	PMP		Small Rural Business Pandemic Relief
<i>Greater Miami County Economic Development</i>	5,000.00	PR	PMP		Small Rural Business Pandemic Relief
<i>Grow Sheridan County, Inc</i>	5,000.00	PR	PMP		Small Rural Business Pandemic Relief
<i>JTM324 Strategic Advisors</i>	5,655.00	PR	PMP		PPE Distribution
<i>JTM324 Strategic Advisors</i>	9,000.00	PR	PMP		PPE Distribution
<i>Chautauqua County Covid Crushers</i>	11,200.00	PR	PMP		PPE Distribution
<i>Greeley County Health Services</i>	11,483.00	PR	PMP		Pandemic Hospital Equipment and Supply Grant
<i>Satanta District Hospital</i>	12,750.00	PR	PMP		Pandemic Hospital Equipment and Supply Grant
<i>Kearny County Hospital</i>	13,150.00	PR	PMP		Pandemic Hospital Equipment and Supply Grant
<i>Edwards County Community Dev Fndtn</i>	15,000.00	PR	PMP		Small Rural Business Pandemic Relief
<i>Morton County Health System</i>	16,348.00	PR	PMP		Pandemic Hospital Equipment and Supply Grant
<i>Newton Medical Center</i>	16,650.00	PR	PMP		Pandemic Hospital Equipment and Supply Grant
<i>KDHE Bureau of Water</i>	20,000.00	PR	OPG		Wastewater
<i>Kearny County</i>	20,000.00	PR	PMP		Small Rural Business Pandemic Relief
<i>KDHE Bureau of Water</i>	20,000.00	PR	OPG		Wastewater
<i>Little Sisters of the Poor</i>	25,000.00	PR	PMP		Community Relief
<i>Jefferson County</i>	56,250.00	PR	PMP		Small Rural Business Pandemic Relief
<i>Genabio, LLC</i>	62,000.00	PR	OPG		Covid Testing
<i>Southwest Medical Center - Liberal, KS</i>	67,173.00	PR	PMP		Pandemic Hospital Equipment and Supply Grant
<i>KS/MO Public and Catholic Schools</i>	71,265.00	PR	PMP		School Pandemic Relief
<i>University of Kansas Health System</i>	75,000.00	PR	OPG		Covid Testing
<i>KC Digital Drive</i>	75,000.00	PR	OPG		Covid Testing
<i>Sheridan County</i>	76,000.00	PR	PMP		Small Rural Business Pandemic Relief
<i>JTM324 Strategic Advisors</i>	82,940.00	PR	PMP		PPE Distribution
<i>Kearny County Hospital</i>	90,000.00	PR	PMP		Pandemic Hospital Equipment and Supply Grant
<i>Novation iQ, LLC</i>	90,200.00	PR	PMP		PPE Distribution
<i>McPherson Main Street, Inc</i>	91,500.00	PR	PMP		Small Rural Business Pandemic Relief
<i>Cloud County, KS</i>	93,250.00	PR	PMP		Small Rural Business Pandemic Relief
<i>Greater Miami County Economic Dev Cor</i>	96,500.00	PR	PMP		Small Rural Business Pandemic Relief
<i>Greater KC Community Foundation</i>	100,000.00	PR	CMS		Community Relief
<i>Newton Medical Center</i>	100,000.00	PR	PMP		Pandemic Hospital Equipment and Supply Grant
<i>Mitchell County Regional Medical Fnd.</i>	100,000.00	PR	PMP		Pandemic Hospital Equipment and Supply Grant
<i>Harper County</i>	120,250.00	PR	PMP		Small Rural Business Pandemic Relief
<i>Harper County Health Foundation</i>	138,000.00	PR	PMP		Community Relief
<i>High Plains Heritage Foundation</i>	152,500.00	PR	PMP		Small Rural Business Pandemic Relief
<i>Rural Education and Workforce Alliance</i>	158,000.00	PR	PMP		Small Rural Business Pandemic Relief
<i>Promarko/Walter Dial</i>	166,065.10	PR	PMP		PPE Distribution
<i>Promarko/Walter Dial</i>	239,750.00	PR	PMP		PPE Distribution
<i>Strategic Advisors, Inc.</i>	250,000.00	PR	PMP		PPE Distribution
<i>Strategic Advisors, Inc.</i>	500,000.00	PR	PMP		PPE Distribution
<i>JTM324 Strategic Advisors</i>	510,000.00	PR	PMP		PPE Distribution
<i>Orr Safety Corporation</i>	525,000.00	PR	PMP		PPE Distribution
<i>Promarko/Walter Dial</i>	570,000.00	PR	PMP		PPE Distribution
<i>JTM324 Strategic Advisors</i>	723,500.00	PR	PMP		PPE Distribution
<i>KS/MO Public and Catholic Schools</i>	962,160.00	PR	PMP		School Pandemic Relief
<i>KU Endowment</i>	1,000,000.00	PR	OPG		Volunteer Healthcare Workforce
<i>Culligan Water of Wichita</i>	3,783.70	RR	PMP		
<i>Rural Education and Workforce Alliance</i>	10,000.00	RR	CPG		
<i>City of Anthony</i>	15,535.00	RR	OPG		
<i>Harper County Core Communities</i>	38,000.00	RR	CBG	Planned	YCM Capacity Grant - Harper County
TOTAL	12,642,470.87				

Programs and Initiatives

As we begin 2021, we can assign all existing and prospective programs and initiatives into one of the following categories:

- **HEALTH CARE**
- **EDUCATION**
- **RURAL RESILIENCY**
- **PANDEMIC-RELATED PROGRAMS**
- **LEGACY PROGRAMS**
- **HOME COMMUNITY**

2020 Foundation Highlights

COVID-19 RESPONSE

As was a consistent theme for all of us in 2020, the pandemic was our central focus in programs and initiatives. Below are some of the many ways we jumped in to make an impact.

Pandemic-Related Hospital Equipment Grants

As a result of the pandemic, many hospitals, especially in rural areas, struggled to obtain the critical equipment and supplies necessary to treat patients. The Patterson Family Foundation opened a funding opportunity to financially assist with medical equipment or supplies that would improve the safety, care, or comfort of patients or hospital staff treating patients with COVID-19. This funding opportunity granted \$2,844,048.10 across 44 rural-serving hospitals to purchase the equipment/supplies needed for patient care. Awards were available for up to \$100,000 per hospital across our 120-county reach in Kansas and Western Missouri.

Main Street Pandemic Relief Small Business Grants

The pandemic exposed businesses across the nation to operational and financial interruptions. Rural communities were not spared. In response, the Patterson Family Foundation budgeted \$1M to provide temporary relief to small, rural businesses as they navigated reopening guidelines across Kansas. The purpose of this funding was to fill gaps in federal, state, and local grant programs intended to relieve the impacts of the pandemic.

Awards were available to nine counties in Kansas. 237 small businesses were funded, and 9 local community agencies (one per county) focused on economic/community development received grants, in addition to small businesses.

School Grants

Throughout 2020, schools have faced significant disruption due to the pandemic. Many Missouri and Kansas schools closed early during the spring wave of cases, while leaders made plans to reopen in the fall. Disputes on reopening between national, state, and local leaders made planning difficult for schools. By August, it was clear that while some state-level guidance was available, each rural school district and board would be on its own to determine the appropriate ways to keep students, teachers, and the surrounding community safe and successful at learning when school resumed.

The Patterson Family Foundation invited superintendents of several public and private schools across 120 rural and micropolitan counties (95 counties in Kansas and 25 counties in Missouri) to apply for funding. The Foundation awarded funding to a total of 176 schools and donated PPE to 73 of these schools to assist with pandemic-related expenses and needs.

Wastewater Surveillance

The Patterson Family Foundation funded a portion of Kansas wastewater surveillance in 2020 into early 2021. This surveillance, as recommended by the CDC, has identified a snapshot of COVID-19 spread throughout Kansas and filled gaps in awareness where other testing methods have either fallen short or results have been long delayed. Wastewater surveillance data has been used to notify public health officials, in both rural and metro counties, of COVID-19 ebbs and flows to support informed policy making (e.g. mask guidance, school attendance, etc.).

Collaborating Organizations:

- Kansas Bureau of Water (KDHE)
- University of Kansas Department of Civil, Environmental and Architectural Engineering
- Local public works officials (county-level)

KU Medical Student Volunteers

Senior medical students in the KU School of Medicine program completed all their requirements for graduation around the first surge of the pandemic. Many of these students had worked in settings during their Sub-Internship, Critical Care, and Rural Preceptorship that had them function at the level of an Intern. Many worked with physicians in rural and remote practice locations affording them a higher level of autonomy. These senior medical students were able to provide relief to many rural physicians who were already overworked prior to the surge.

34 counties in Kansas had only one or two physicians for the entire county. Many of the KU seniors did not have work obligations until scheduled residency in July. The Kansas State Board of Healing Arts (KSBHA) was issued authorization (via gubernatorial executive order) and developed regulations for the reactivation of exempt or recently active physicians to help. Combining the efforts of these inactive and retired physicians, KU students were graduated from their degree program early and placed into a pool of volunteers to be deployed to overwhelmed systems under appropriate supervision. The Patterson Family Foundation helped fund this program that managed the pool of volunteers and the associated travel/per diem expenses for each volunteer.

The balanced of unused funding was released by the Board for the use of the Kansas University Center for Rural Health.

Emergency Water Distribution

In July, we received a call from an Emergency Manager in Kingman County, Kansas. They were under a 72-hour water advisory and were short on bottled potable water due to limited stock at the grocery, convenience stores, and neighboring towns. We put out a call to action on Facebook and contacted several regional commercial water suppliers. Hall's Culligan Water of Wichita, Kansas, was not only able to sell us the water in 3L bottles, but also deliver it to a local community pickup location in Kingman County within the same day and did not require the bottles to be returned to them. This donation of water allowed Kingman County to keep some reserve water in stock for future emergencies as well.

PPE DISTRIBUTION

Months into the pandemic, shortages of personal protective equipment (PPE) presented a challenge for hospitals, nursing homes, medical practices, and other health care organizations. Deficiencies in the supply chain early into the pandemic created a sellers' market. The cost of critical PPE supplies skyrocketed, such as a sixfold increase in the price of surgical masks.¹

In response to the supply chain shortage and cost burden of PPE available in the market, the Patterson Family Foundation was able to secure supplier partnerships to acquire K95 respirator masks, surgical masks, nitrile gloves, isolation gowns, and face shields. This inventory of PPE was first distributed to 120 county emergency managers throughout Kansas and Missouri for frontline workers and later to nursing homes and schools.

COLLABORATORS

Throughout the PPE distribution adventure, we made some great new relationships. We are grateful to all who shared in our commitment to make a difference in rural:

Sporting Kansas City

The Sporting Kansas City operations team was instrumental in our early success. They let us borrow their climate-controlled warehouse spaces in two locations. A small team of SKC associates even volunteered to drive the PPE shipments out to the counties. Our project would not have been successful without the hospitality and enthusiastic help of Andrea Kimball, Dawn Dysart, Joshua Blackford, Rick Dressel, and the Sporting Kansas City Security staff.

KDHE

Bryan Murdie of the Kansas Department of Health and Environment was an invaluable resource to most of our pandemic-related interventions. From insights on PPE needs, testing, and State-level mandate developments, he continues to work very closely with us on tapping us into Kansas' policy networks and informing us of broad and acute needs across the state. He got us in contact with the Kansas Air National Guard for distribution assistance.

Kansas Air National Guard

As we began our distribution, timing was of the essence to get the PPE out to the communities who needed it most. Our friends at the KDHE connected us to the Kansas Civil Air Guard based in Salina. Led by Commander Major Charles Lamb, the team leapt into action, flying their plane from Salina to Kansas City, Kansas, to pick up the PPE, drop some in Topeka for local distribution, and the rest upon arrival in Salina. We were so grateful for the effective means of transportation so early in our project.

C19KC Task Force

We partnered with the C19KC Task Force, a group of local Kansas City leaders. The aim of their collaboration was to strengthen the city's response to the pandemic and bring the economy back online quickly and safely. They were generous in sharing their PPE distributors, and in turn we donated a portion of materials purchased back to the Task Force for local use. The Task Force

¹ <https://www.who.int/news/item/03-03-2020-shortage-of-personal-protective-equipment-endangering-health-workers-worldwide>

remains a trusted collaborator as the pandemic-related needs of the communities shifts and we explore new opportunities to make an impact.

Taimoor “Josh” Nana

When he’s not busy making impacts in the local business and philanthropy ecosystem, Josh is a hobbyist pilot. When he learned of our distribution challenges, he offered to fly the packages and hand-deliver to areas in Northwest Missouri. This was one of our more unique delivery methods, and the locals were there to greet him on the tarmac with homemade baked goods and tears of gratitude.

JTM324

Wayne McMann of JTM324 was our key coordinator for the supply chain of several types of PPE. He was an expert liaison between us and suppliers, giving us transparent and timely information every step of the way. He also provided logistic suggestions and even personally brought a delayed shipment ‘the final mile’ from Chicago in a semi-truck.

Promarcko

Walter Dial of Promarcko was another key distributor who assisted us in sourcing nitrile gloves and isolation gowns and ensuring that they made it through customs and arrived to our warehouse safely.

Novation IQ

David Byrne of local company Novation IQ helped us acquire face shields and was generous and flexible in distributing the right amounts at just the right time.

US Postal Service

For those outbound PPE packages that were not hand-delivered via personal vehicle or airplane, we sent via USPS Priority. Especially in 2020, we believe that it is important to give business to organizations in need of support. We forged a great relationship with Sue Nelson, the Post Master of the Bonner Springs Post Office. At the busiest point in our project, we were sending 75+ boxes per day. Sue reached out to inquire about our high-volume pickups, learn of our project and its needs, and offer system and pricing support that made our jobs much easier. We continue to use the tools Sue shared to securely send and track our contributions and business mail.

Wagner Logistics

In August, we entrusted our distribution process to Wagner Logistics in North Kansas City to handle the day-to-day shipment of PPE. Their assistance allowed us to focus our efforts on outreach to learn more about the needs of our communities.

Patterson Legacy

HEALTHY NEVADA

Healthy Nevada is a community well-being initiative, founded in 2012 by Cerner and the City of Nevada, Missouri. The collaborative partnership, initially funded by Cerner, began ramping down in 2017. Throughout 2017-2019, Cerner continued to support Healthy Nevada as the organization searched for additional funding partners. Some of the involved leaders noted that the charitable aims of Healthy Nevada were compatible with the Patterson Family Foundation’s interests. In early

2019, the Patterson Family Foundation visited the Healthy Nevada Innovation center and became energized about the potential to help Healthy Nevada build on the lessons of its past, while breathing new life into its future.

Late in 2019, the Patterson Family Foundation committed \$100,000 over the first half of 2020 to support Healthy Nevada board and staff in tackling specific goals to define the next phase of community focus and programming for Vernon County residents. Upon successful completion of the specific goals put forward by the Healthy Nevada board, Healthy Nevada became eligible for additional funding from the Foundation. The goal is to transition Healthy Nevada to independent operation while gaining additional experience working with rural communities. 2020 marks the first year of a three-year funding cycle (distributed annually), totaling \$764,528.

HEALTHE COMMUNITIES AT ST. SABINA & FIRST HAND

First Hand Foundation offers a program called Healthe Communities to St. Sabina Parish in Belton, Missouri. St. Sabina was Jeanne's parish. Jeanne saw a need to assist an underserved population within her parish, which is how Healthe Communities was created.

Healthe Communities provides health navigation, health screenings, and condition management that supports participants and empowers them to take charge of their health. Their model focuses on four pillars of health: nutrition, physical activity, sleep, and relaxation. The goal of this program is to identify participants at risk for adverse health outcomes and help lower risk through education and interventions. The Patterson Family Foundation has funded their program for several years and is working with First Hand Foundation on the best strategy to make Healthe Communities self-sustaining.

HARPER COUNTY: LONG-TERM CARE FACILITY GRANT

In April, we issued a \$138,000 grant to the Anthony Community Care Center (ACCC) via the Harper County Health Foundation. This gift ensured they were properly prepared to meet the demands of the pandemic. In collaboration with the ACCC Administrator, we learned more about their revenue stream and ongoing payment gaps from Medicare on behalf of their residents. Utilizing our Family Office resources, we offered to contact KanCare (Kansas Medicaid) to help remedy the issue.

HARPER COUNTY: PATTERSON HEALTH CENTER OPERATIONS

In July of 2019, the Patterson Health Center officially opened its doors. Throughout 2019 and into early 2020, health center administration focused on integrating the two unique staff cultures of Anthony Medical Center and Harper Hospital, while delivering against the strategic initiative to optimize sustainability strategy. In early 2020 when the pandemic hit, Patterson Health Center collaborated with the public health department and other community officials to promote safe practices.

Other highlights from PHC Chairman Martha Hadsall include:

- Gross revenue is up by 34% from 2017
- Successful farmer's markets on PHC campus
- Received grant to enable telehealth to local care homes
- Implemented curbside visits and labs

- Set up 24/7 hospitalist services via telehealth
- Set up fund for insurance gaps for women’s mammograms. Monthly mammograms increased from average 30 to 100 in a recent month
- The behavioral health program continues to be successful; includes a grief workshop, and PTSD support group for veterans and law enforcement
- Rehabilitation program is going well; they have added a respiratory therapist

HARPER COUNTY CORE COMMUNITIES

Poverty can be a major cause of social tension and threatens to divide a community because of inequality, both in terms of income and health. Higher rates of poverty can negatively impact the community at large, resulting in higher crime rates and substance abuse, poor health outcomes, and lower educational attainment. The current poverty rate in Harper County, Kansas is 16.8%, which is higher than in neighboring counties of Barber (15.9%), Kingman (7.64%), and Sumner (11.8%). In addition to the poverty rate, 61% of children in the county are eligible for free or reduced-price lunch, which is also a strong indication of poverty throughout the community.

Core Communities is a holistic programmatic approach that combines trauma-informed techniques with the individualized support of dedicated volunteers and the resources of organizations and communities to create an environment that educates, empowers, and equips participants to move out of poverty successfully. 17 families have "graduated" from the class with average income increases of \$10,000 across all families. One family has come off government assistance completely, and a single mother was able to begin law school through help from the program. In May 2020, we gave a \$38,000 grant to this organization.

Rural Resilience

RURAL EDUCATION & WORKFORCE ALLIANCE UNIVERSITY TRAINING CENTER PROJECT (DODGE CITY, KANSAS)

In late summer, we were contacted by Dodge City Development Director, Joann Knight about the University / Training Center project. Through REWA, they renovated a historic college in Dodge City to host in-person learning, from local universities to certifications and life skill courses. They requested \$20,000 for the purchase of new windows in the floor they were about to open. We issued a \$10,000 match grant.

In July, they approached with a grant request for \$1M for infrastructure upgrades to the center. The overall scope was \$7.8M, and they were seeking grant match commitments to secure a grant from the US EDA. We took the contractor SOW and a prior USDA grant application and were able to glean out a solid proposal for G2. We sent an award commitment for \$1M, contingent on approval of the \$5M EDA request and the City of Dodge City honoring their \$1M grant commitment, also contingent on the EDA funds.

In September we learned that the EDA grant request was denied, but we are keeping a close watch on the University / Training Center project and are confident in Joann’s assertion that this project will happen; it is a question of when not if.

Press Mentions

Our work with communities and leaders to combat the effects of the pandemic earned us some press attention this year. We are motivated by continuing a legacy of support for rural communities, and we are grateful for the acknowledgements below. In 2021 and beyond, we will continue to do our work because it is the right thing to do.

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Conclusion

We hope you have enjoyed this report, and we look forward to improving the Annual Report in years ahead. Please share your ideas for what you would like it to include. If you are reading this in early 2021, it is not too late to update this year's report.

