

BARRINGTON AREA COMMUNITY FOUNDATION

Spring 2006 Newsletter

PRESIDENT'S COLUMN



Norval Stephens

March, 2006

There is good news throughout this issue. There is good news on the Foundation's very successful year. There is good news on the highest grant award we have ever made. And there is good news on new board members as the Foundation bids farewell to three very loyal retiring members.

First, an evaluation of need indicated that BACF should seek to reach \$2 million in endowment to be able to fund the more than \$100,000 in requests we get each year. Our goal therefore was to reach \$1.7 million in 2005 and \$2 million this year. Well, the year end total was \$1,796,000 (unaudited, but we are sure of that figure). Thank you for your support.

Since our *grants* are based on 5% of our net assets averaged over the trailing 12 quarters, this year's grants will be \$64,900, up from \$45,490 in 2005. The total is made up of \$62,000 based on our formula and \$2,900 that the recipients returned last year when their programs came in below their estimates. We salute New Generations and the Career Center for their careful stewardship of grants and their integrity in returning unspent funds to be regranted.

As you will see elsewhere, Sue Kainz, Frederica Smith-Pederson and David Smith are retiring. Mary Bradford-White and Richard Zacaroli are joining the Board.

The Foundation seeks to address unmet needs in the community and to warrant your support for the ways we try to do that. For that support we are everlastingly thankful.

2006 OFFICERS & DIRECTORS

President	Norval Stephens
Vice President	James Lancaster
Treasurer	David Nelson
Secretary	James Fitzgerald

Directors Mary Bradford-White, Young Chung, Kay Gillespie, Laurence Gott, Jonathan Hamill, David Hirsch, Robert Jensen, Michael Kocmond, Gerald Nadig, William Noyes, Marilyn Patrick, Glenn Reed, Gilbert Reich, Donna Smith, Gillian Stoettner, Charles Sweet, David Waring, George Yapp, and Rich Zacaroli
Kim Duchossois

LARGEST GRANTS EVER TO BE AWARDED

By Bob Jensen, Chair, Grant Review Committee

This year, the Barrington Area Community Foundation will award grants of \$64,900, a 43% increase over \$45,490 last year. Here is how BACF will do that.

Letters have been sent to all charities listed on the Barrington Area Library's website, the official listing in our community. In addition, every past recipient will receive notification. Furthermore, our directors have asked us to inform every charity nearby that provides service to Barrington area residents of the grant requirements. For these last charities, the service must be significant or unavailable to our residents within Barrington.

The deadline for receipt of applications for grants is April 15.

Fifteen to 20 requests are received each year, typically totaling over \$130,000. Once we have them, the committee meets, reads and reviews each and assigns two or three to each director to contact the charity and discuss the request. It must address an unmet need, not duplicate the services already provided by another organization, have an impact on the quality of life in our community and not come from an organization largely tax-supported. We will not just meet operating budgets or budget shortfalls. In fact, we review the fund-raising capabilities of each organization to be sure that each is doing its best to achieve its objectives.

The only exception to the handling of the requests for new programs is the grant of \$1,500 for the best use of volunteers. When the Volunteer Center of Greater Barrington ceased operations in 2004, the group granted the Foundation their remaining funds. The Foundation committed to single out those organizations that best enlist and use volunteers. Some recent studies suggest that services provided by volunteer organizations cost 20% of what those services would cost if provided by government.

Grant awards will be announced in late May or early June.

Grant guidelines, procedures, and criteria can be obtained at: www.barringtonareacommunityfoundation.org

BARRINGTON AREA
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FINANCIAL RESULTS THROUGH DECEMBER 2005

From the very beginning in late 1997, we committed to make all our financial data readily available, to publish our Form 990, release our financial results to the public. Balance sheet items are in thousands and may not add due to rounding. Here are the summary financial figures as audited:

BALANCE SHEET

	12/31/05*	12/31/04	12/31/03	12/31/02	2/31/01
	(all figures in these columns are in 000's)				
Assets					
Cash, Cash					
Equivalents	274	195	137	110	241
Investments					
Cost	1,390	1,156	864	602	175
Unrealized Gains	132	86	61	-59	-17
Total	1,522	1,242	925	544	158
Total Assets	<u>1,796</u>	<u>1,437</u>	<u>1,062</u>	<u>653</u>	<u>399</u>
Liabilities & Equity					
Liabilities	0	1,135	0	0	0
Net Assets					
Beginning					
Net Assets	1,437	1,062	653	399	212
Change in					
Net Assets	360	374	409	254	187
Total	<u>1,796</u>	<u>1,437</u>	<u>1,062</u>	<u>653</u>	<u>399</u>

*(2005 figures are unaudited. Totals may not add due to rounding)

INCOME AND EXPENSE STATEMENT

	Jan - Dec 05	Jan - Dec 05	% Change
INCOME			
Contributions (Unrestricted)			
Individuals	166,876	152,968	
Corp. & Found. Grants	202,926	204,800	
Other Grants	9,076	1,000	
Total Unrestricted Contributions	378,878	358,768	5.6%
Less Costs Associated with			
Benefit Events	-64,838	-67,514	
Net Unrestricted Contributions	314,040	291,254	7.8%
Investment Income			
Interest & Dividend Income	37,868	26,566	
Realized & Unrealized Gains			
& Losses	62,127	93,613	
Total Investment Income	99,994	120,179	-16.8%
TOTAL UNRESTRICTED REV	414,034	411,434	0.6%
EXPENSES			
Grants & Assistance	45,490	31,500	
Supporting Services	8,633	6,243	
TOTAL EXPENSES	54,123	37,743	43.4%
NET INCREASE IN ASSETS	359,912	373,690	-3.7%

*(2005 figures are unaudited.)



BACF Directors, photo taken at the annual donors' dinner. Standing, left to right: David Waring, Donna Smith, David Smith, William Noyes, George Yapp, Gilbert Reich, Jonathan Hamill, Gerald Nadig, Young Chung, Marilyn Patrick, and David Hirsch. Seated: James Fitzgerald, Gillian Stoettner, David Nelson, Kim Duchossois, Norval Stephens, Kay Gillespie, Charles Sweet, and James Lancaster. Not pictured: Laurence Gott, Robert Jensen, Susan Kainz, Michael Kocmond, Frederica Smith-Pederson and Glenn Reed

Thomas Belsamo, Photographer

2006 GOLF OUTING AND DINNER

On Monday, June 5, 2006, BACF will hold its 4th annual golf outing at Biltmore Country Club. This is BACF's major fund raiser of the year. Proceeds from the golf outing will be used to support BACF's mission of addressing unmet needs in the community.

Only 25 foursomes are available at \$2,000 each. As this goes to press 15 are already spoken for.

Sponsorships are also available for:

- Golf (\$5,000)
- Dinner (\$3,000)
- Luncheon (\$2,500)
- Driving Range (\$2,000)
- Putting Green (\$2,000)
- Cart (\$1,000)
- Hole (\$500)

Awards for various golf event winners are announced at the dinner, at which there is also a live auction. Dave Nelson is the unscrupulous auctioneer, known to pit friends against each other for auction items.

For more information, contact Golf Outing Chairman Gerry Nadig, 847-381-3464

Also, special thanks to BACF board members and golf committee members Kay Gillespie, David Hirsch, Dave Nelson, Marilyn Patrick, Gillian Stoettner, and non-board members Skip Gianopolis and Jack Keenan for helping pull the event together.

BRYAN CRESSEY TELLS OF AGONIZING ABOUT GIVING

Bryan Cressey, the featured speaker at the annual donors' dinner in December, told how he struggles with the subject of philanthropy, how he "frequently asks himself how much should I give, where will it do the most good, if I can't give enough to solve the entire problem, should I give anything to it, and so on."

He continued that "I often ponder this thought: if I use a portion of my earnings to help others, it may feed the very hungry, save some from the ravages of alcoholism, create some research enabling the handicapped to walk again, etc. Yet, if I keep that same portion for myself, I, one person, am only a fraction better off, if at all."

He concluded his remarks by saying that "I personally believe that I do have a responsibility to the other 5.99 billion individuals currently sharing the earth with me. I believe that I am duty-bound to assist them with my financial resources, my time, my experience. And I will try to do more. This is not a question of right or wrong...it is simply right for me."

BOOK PROFILE

Questions To Ask Before You Write A Check

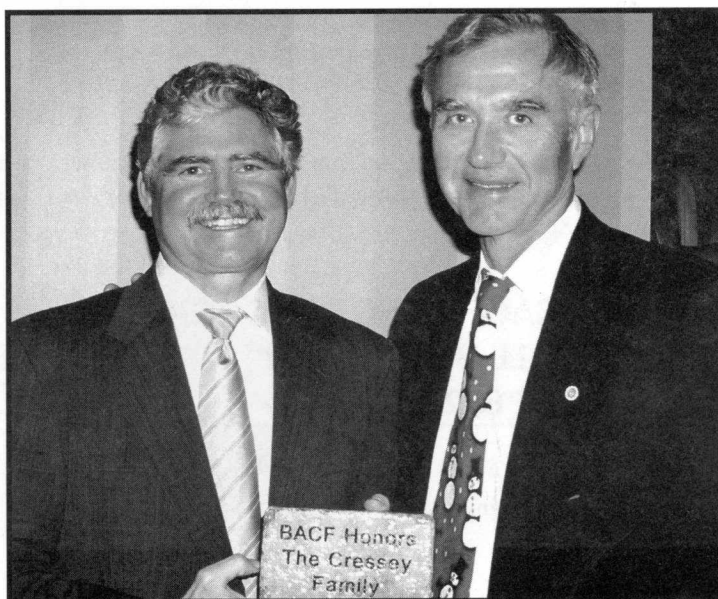
This twenty-seven page publication is one of many publications in a series known as The Effective Donor, published by the Philanthropy Roundtable (www.philanthropyroundtable.org). This publication is a collection of four essays each by a different author in response to Questions to Ask Before you Write a Check to: 1) Social Service Providers, 2) Higher Education, 3) the Arts, and 4) Health Care Providers.

The following is excerpted from the introduction written by Marvin Olasky "The chapters that follow contain many excellent questions to ask before writing the check. I'd like to summarize some of them here, and then ask an even more fundamental question of my own: Which habits of mind and heart do donors need in order to ask such questions resolutely, and probe for specific detail when respondents are evasive?"

"Some common themes that run through the essays include: take time to define your grantmaking goals, and be as specific as possible; get as much detailed information as possible about potential grantees; determine early on a realistic way to measure results, and use your evaluation to guide future giving; think through whether the project or grantee is likely to be sustainable over a sufficient period of time to get results, and whether you as a grantor are making a one-time or a long-term commitment."

"But there is a lot more to each chapter. David Koch's chapter on social service providers begin with the appropriate motivational question: Why give at all?"

This is a must read for anyone who takes his or her grantmaking more seriously. Note this book is not available on Amazon. To view or down load this publication go to: www.philanthropyroundtable.org/guidebooks.



Chuck Sweet, BACF board member, presents Bryan Cressey with a commemorative brick for the support he and his family provide the community at the BACF 2005 Donors Dinner held in December at the Biltmore Country Club.

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RETURN SERVICE REQUESTED

THREE DIRECTORS RETIRE; TWO NEW DIRECTORS ADDED

Three long-serving directors, with over 12 years of combined service, have announced their retirement from the board. In order of length of service they are Frederica Smith-Pederson, David Smith and Susan Kainz.

The Board thanks these three for their service and welcomes two new directors to three-year terms, Mary Bradford-White and Richard Zacaroli.

ANNUAL BACF DONOR RECOGNITION DINNER WILL BE HELD ON DECEMBER 6, 2006

For the past several years, BACF has hosted a dinner to thank those who made significant donations during the past year. This year's dinner is being held at The Garlands, located just off Northwest Highway, on December 6, 2006. The evening will start at 6:00 p.m. with a cocktail reception. Dinner is at 7:00 p.m.

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