



Connections

East Tennessee Foundation

2010 Issue 4

Thoughtful giving for stronger communities, better lives

HOLIDAY SPIRIT ALL YEAR-ROUND



Mike McClamroch
ETF President & CEO

Yesterday my family spent several hours Christmas shopping for a family we might never know. We had their sizes, their wish lists of some things they needed and a few things they just wanted. Each of us, Kim, Michael, and I, had a mental image of what they looked like, who they are. This is a Christmas tradition for us and a great teaching tool for our nine-year-old son. I know that many other families do this as well.

But wait. Giving... it's what we're known for, right? For generations East Tennesseans have relied on the goodwill of their families, friends, and

neighbors to make it through tough times. And, I know of no one who would not describe these last three years as tough times. Unemployment is at a record high, and "on paper" our region's wealth has declined precipitously. It's anyone's disaster - a perfect storm. The need for charitable giving is at its highest in years and the means, the income, the wealth used to make those charitable gifts is at its lowest in years.

So how have we responded? With Volunteer Spirit, of course! East Tennesseans of all income levels have continued to give to their neighbors in need. We have earned, once more, our reputation for being one of the most generous regions in the country. It's "holiday spirit" year-round. It's what makes East Tennessee the best place on Earth to live.

So whether you give directly to those in need, or to the organizations who serve them - whether you give a lot, or a little, our message to you is simple...THANK YOU and Happy Holidays!

Harris Fund for Washington County Grants - pg. 4



Appalachian RC&D Quilt Trail



Tipton-Haynes Historical Association

Thoughtful giving - ONLINE

A new option for giving is available through our webpage for online donations. Using a service called *Network for Good* to securely accept online gifts, credit or debit card donations can be designated for any fund at the Foundation (scholarships, affiliate funds, fields-of-interest, etc.). Donors then automatically receive a receipt for their tax-deductible gift.

If you are a donor interested in making a one-time or recurring donation to an East Tennessee Foundation fund, visit www.easttennesseefoundation.org, and click on the Donate Now button.



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Donate Now
Secure donations through
Network for Good

Connections

COMMUNITY FOUNDATIONS

COMMUNITY FOUNDATIONS ARE MORE IMPORTANT NOW THAN EVER

Through these distinctive features, East Tennessee Foundation can help make communities stronger and lives better.



PERSONAL SERVICE *Our experienced staff can help you develop giving programs and assist with investment management and administrative details.*

We help individuals, families, businesses, foundations, and nonprofit organizations achieve their charitable and financial goals by providing tools that make giving easy, flexible, and effective.

- Donors can create a donor advised fund and recommend grants that support the issues and groups they care about, such as the arts, education, the environment, and healthcare, or they can rely on ETF to make grants that reflect their interests.
- Donors can establish a variety of funds. Some approaches focus on giving in the near-term, while others enable donors to make giving a part of their estate planning strategy.
- We can accept a variety of assets and facilitate complicated giving programs.
- We are an attractive alternative to starting a private foundation, since we can handle all record-keeping, reporting to the IRS, accounting, and investment management.

- We pool the assets of individual funds, giving us economies of scale to hire top investment managers.

- Donors can create an individual or family legacy by establishing a named fund at ETF - which can help ensure that future generations learn the value of giving back.

- Donors can choose to be anonymous in their giving.

LOCAL EXPERTISE *Our professional staff has an in-depth understanding of the issues, opportunities and resources that shape our community.*

- We closely monitor community issues.

- We can help you learn more about local agencies and programs that make a difference in areas you care about most.

- Our knowledge of the community enables us to make a difference by funding high-impact initiatives addressing a broad range of needs.

COMMUNITY LEADERSHIP *We invest in the long term and bring people and organizations together, convening diverse voices to address issues and opportunities in our area. Our business is building community.*

- We build endowments to ensure that grants are always available to support the communities we serve.

- We foster greater giving and volunteering in our 25-county area.

- We are governed by leaders with strong community ties.

- As a distinctive feature of community foundations, the variance power allows the Foundation's local volunteer board of directors to redirect funding support in order to most closely comply with the original purposes of the donor's gift.



WOMEN'S FUND

Building Assets to Create Self-Sufficiency

Throughout history, many have said that when you invest in a woman, you invest in a family, a community, and ultimately whole nations. East Tennessee Foundation has an outstanding history of proactively meeting the needs of our region. In that same light, we are proud to introduce *The Women's Fund of East Tennessee Foundation*.

Carol Transou and Terry Holley began exploring the many possibilities for the fund's steering committee last winter. Kay Clayton, Alice Mercer, Mary Ellen Brewington, Marty Begalla and Mary Amber Dunn jumped on their inspired bandwagon to bring to life a focus and strategy for a fund dedicated to meeting the needs of women and girls in East Tennessee. The Women's Fund received an initial gift of \$10,000 from the Sunshine Lady Foundation, started by Doris Buffett, offering us a bright beginning to the endowment.

The staff and steering committee have researched and talked to leaders from many funds around the country. There are numerous women's funds housed in community foundations throughout the United States. Indiana's endowment is approximately \$15 million. And several women's funds have over one million dollars in endowment. Community foundations have discovered that women's funds provide critical financial power to help women find solutions to community challenges such as: poverty, domestic violence, education, job training, and health issues. The ability to tackle many of these challenging issues helps individuals develop their personal assets and offers a real opportunity for them to become successful citizens.

This group had the pleasure of attending the Power of the Purse luncheon in Asheville, North Carolina, where over 1,000 women shared their financial resources and were entertained by keynote speaker Cokie Roberts. At this annual event The Women's Fund awarded over \$300,000 in grants. The Women's Fund is a permanent endowment created by the Community Foundation of Western North Carolina. Our soon-to-be-born Women's Fund aims to create a similar annual event for East Tennessee. Our goal is to inspire others to understand philanthropy and the power of giving together. Gifts grown together offer the ability to make grants that have major impacts on community organizations and the individuals they serve.

Our mission is simple. *The Women's Fund of East Tennessee Foundation provides grants to organizations that improve the lives of women and girls in East Tennessee by building a philanthropic community dedicated to that purpose.*

As we draw closer to the birth of this new fund we are gathering a group of founding members. The Founders Circle will be those individuals or businesses that give a \$15,000 donation. This can either be a one-time gift or contributions can be made over a 3-year period. These critical founding gifts will help us establish a healthy endowment base.

Members of the fund will donate \$500 annually and along with the founders will receive a vote on the proposed grants each year. And finally, we will invite our regional community to an annual celebration featuring a renowned keynote speaker. At this annual event we will announce our grant award winners and encourage others to join this powerful philanthropic effort.

This fund model has proven to be successful in communities throughout our country. We know it will be extremely successful in East Tennessee as we live in an area where neighbors help neighbors, thoughtfully and generously.

Mary Ellen Brewington
Steering Committee Member



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HARRIS FUND GRANTS

Harris Fund for Washington County

*An Affiliate Fund of East Tennessee Foundation
2010 Grant Awards*

The Harris Fund for Washington County was endowed by Ms. Eva Stanley Harris, a Washington County native, in memory of the Harris Family of Johnson City, to honor their spirit of philanthropy and legacy of community service. The Fund encourages creative use of area resources and promotes the improvement of the quality of life of Washington County residents.

Academy of Strings

The Financial Aid Program provides assistance to families, and the Community Service Concert Series presents free student performances in the community.

Appalachia Service Project, Inc.

Tools will be purchased and utilized in the home repair program for low-income Washington County residents.

Appalachian Resource Conservation & Development Council (RC&D)

Fiscal Sponsor of Upper Nolichucky Watershed Alliance

Upper Nolichucky Watershed Alliance's Adopt-A-Watershed project will expose school children to watersheds via stream ecology workshops.

Appalachian RC&D

"Quilt Trail Tales of Jonesborough" will be a walking tour in Historic Jonesborough of quilt patterns with ties to local families.

City of Johnson City

Improvements will be made to historic Robert Young Cabin in Winged Deer Park.

David Crockett High School

An Outdoor Classroom and Nature Preserve, which is set on 20 acres of wooded land on the school's campus, will be expanded.

First Presbyterian Church - Johnson City

The River, a program of First Presbyterian Church, will serve women who are in desperate situations.

Girls Incorporated of Johnson City/Washington County

An After-School Homework program will benefit approximately 100 girls.

Hands On! Regional Museum

"Good for You: Healthy Fun on the Run," is a traveling exhibit on lease from Chattanooga's Creative Discovery Museum.

Johnson City Schools Orchestra Association

Science Hill High School Orchestra students and Indian Trail Middle School students will participate in weekend music education immersion experiences.

Neighborhood Reconciliation Services, Inc.

The Community Service Program applies the principles of restorative justice by helping juveniles identify the harm they have caused and then take appropriate steps to repair that harm.

Science Hill High School Band Boosters, Inc.

Master Musicians Teach Master Classes will benefit students who play a wind, brass, or percussion instrument in the band.

Small Miracles Therapeutic Horseback Riding Center, Inc.

Special education students from Daniel Boone High School will participate in the Equine-Assisted Learning (EAL) Work-Based Learning Program.

Tipton-Haynes Historical Association

"The Common Civil War Soldier of Northeast Tennessee" will focus on the men from Washington County who fought for the Confederate or Union Army.

TOTAL AMOUNT OF FUNDING AWARDED:

\$32,000



Academy of Strings
Harris Fund Grantee



Science Hill High School Band Boosters
Harris Fund Grantee



FUNDHOLDER FOCUS

Harris Fund Grantees



Hands On! Museum



Appalachia Service Project



Small Miracles Therapeutic Horseback Riding Center

L.D.'S LEGACY



You could say that L.D. Strader's heart failed him, because he died a little more than a year ago due to heart problems.

But the truth is that L.D.'s heart lives on, expressing his love for young people through three scholarship funds at East Tennessee Foundation.

L.D. Strader was a man of varied interests and intense loyalty.

Fort Scott, Kansas, was the home of L.D.'s dad and several other family members. In his will, L.D. left a bequest for a scholarship fund at ETF to provide aid for graduating seniors at Fort Scott High School who intend to pursue further education.

L.D. was very proud of achieving the rank of Eagle Scout. Part of his legacy is the Lawrence Strader Boy Scouts of America Scholarship Fund. This fund will award scholarships to underprivileged Boy Scouts within the Great Smoky Mountain Council who are planning to attend college.

Central High School in Knoxville is L.D.'s alma mater, and it

was a very special place to him. Quoting from his obituary, "A Central High School graduate, he attended all reunions and loved being with his buddies." The Central High Class of 1950 had already established a scholarship fund at ETF, so L.D. left a testamentary gift that enlarged the fund by a significant amount.

Through his thoughtful giving, and with the assistance of East Tennessee Foundation, L.D. Strader will have a positive impact on countless young people in

Kansas and East Tennessee for many years to come. You can do the same thing. If you are interested in establishing a scholarship fund, either through a lifetime gift or a

bequest from your will, just call Bob Calloway or Beth Heller at (865) 524-1223 for information about how to do it.

Bob Calloway
V.P. for Advancement



Fort Scott High School



Historic Knoxville Central High School

Connections

FUNDHOLDER FOCUS

They've Always Bought a Ticket

If practice makes perfect, Jim and Marty Begalla have to be “giving” experts. They have “given” for a long time and in every conceivable way – their time, their possessions, and their money. And they especially like giving to the kinds of things that East Tennessee Foundation (ETF) is designed to support – stronger communities, better lives.

Jim was initially introduced to the community foundation concept through Katharine Pearson, the Foundation’s first executive director, and other University of Tennessee friends who were involved with creating ETF. During his sixteen-year oversight of the World’s Fair Park, he worked closely with ETF and AC Entertainment to successfully bring a myriad of top entertainers to Knoxville during the “Hot Summer Nights” concert series. Jim later served two terms on the ETF board of directors and was board chair. Marty was aware of the Foundation through Jim, but community foundations were already in her family – her sister was the executive director of the Community Foundation of Western Massachusetts.

The Begallas describe East Tennessee Foundation as an extremely well-run, fair organization serving a broad range of regional needs and opportunities (the arts, housing, scholarships, youth, education, etc.). Other reasons Jim and Marty give for choosing to place their donor advised fund at the Foundation include not having to worry about administration or investments, the ability to do one gift to the Foundation for tax purposes (as opposed to keeping up with a lot of small contributions), and being able to solidify their legacy in estate planning. “I just want to make a difference in our community, and my personal objectives are very consistent with those of the Foundation. The kinds of things I like to support are the kinds of things that the community foundation exists

for,” said Marty. Both have found it extremely rewarding to serve on ETF grantmaking panels and have been impressed with the site visits and other research done to assure the best use of the funds granted.

Jim and Marty use their fund to maintain a broad range of philanthropic interests. They like to support the arts and have done so primarily through the Knoxville Museum of Art and the Dogwood Arts Festival. They would like to see a new Children’s Discovery Center built and they contribute to their church and many other nonprofits. “Right now, our charitable focus is whatever we want it to be – because we are here to get things done,” said Jim. “However, provisions in our estate are more narrowly focused on specific community improvements.”

“Because we believe in local leadership and in a tie between your investments and your commitments to the community, we have never considered any of the commercial funds,” said Marty. “The Foundation offers opportunities, like the Women’s Fund, where you can join with other donors who have a similar

interest and make a much bigger impact. East Tennessee Foundation acts as a good communication tool in making donors aware of needs and opportunities that individuals may not be aware of in the community.”

“We don’t have the resources or the expertise to be able to solve world poverty,” said Jim. “Marty and I are not Bill Gates or Warren Buffett, so we really favor giving to smaller organizations where our grants can bring about the greatest positive change. And through the Foundation, due diligence is done for you to assure the best use of funds you grant. We haven’t always been able to do volunteer service to support various community causes and fundraisers, but we have always bought a ticket.”

Jim and Marty will probably be the first to say that they are not deserving of being called giving experts. But, if they are not, we think they’re the next best thing.



Jim and Marty Begalla
ETF Fundholders



ADVANCEMENT

GOOD COMPANY

We don't advertise. That would not be a wise use of our limited resources. How, then, do we entice charitable East Tennesseans to consider establishing a fund with us? Or how do we convince their professional advisors that we are worthy of their trust? Fortunately, we know many advisors on a personal level, and they have referred a number of their clients to us over the years. But there are many more to whom we are still an unknown entity, and we need to do all we can to earn their confidence.

Knowing that professional advisors throughout the region read our newsletter, I decided to dedicate this article to an objective presentation of our credentials. I will try to keep this from turning into one big brag, because I was taught that bragging is poor manners. I must admit, though, that I am awfully proud of the people I work with every day. You're about to find out why.

Rising above any of our other credentials is one fact that strikes me as especially noteworthy; our team of twelve people has accumulated a total of 106 years of experience at East Tennessee Foundation! I have been here for seven years, and I am no higher than eighth on the seniority chart. Either this is an awfully good place to work or nobody else will hire us!

Our folks have spent a good bit of time in the classroom. We have earned eleven undergraduate degrees and seven graduate degrees. The schools that conferred those degrees on us are UT, Maryville College, Tulane, Harvard, Columbia, Furman, Cumberland School of Law at Samford, Miami, Syracuse, Massachusetts, and North Carolina. If that's not name-dropping at its best, I don't know what is!

Do we have roots in East Tennessee? I will answer that question by telling you that our twelve staff members have lived here for an average of 35 years, none of us less than 14 years. We have also lived in a few other places, like Massachusetts, New York, Mississippi, Texas, Colorado, Florida, California, North Carolina, Utah, Louisiana, the District of Columbia, France, China, Thailand, Saudi Arabia, England, Germany, Ecuador,

Mexico, Nicaragua, the Philippines, and The Netherlands. Even though our roots are very deep in East Tennessee, in years past we have resided all over this country and the world.

Most of us had been around the block a few times before hooking up with ETF. We have people who have been social workers, educators, Air Force officers, bankers, and program directors. We also have staff members who have made their living as a camp director, event planner, silver appraiser, small business owner, urban planner, accountant, and office manager. And there is one among us who will actually admit



Bob Calloway
V.P. for Advancement

to having been an attorney!

Now, back to the 106 years of experience at ETF. What message does that send to potential fundholders and their advisors? Of paramount importance, it says we know what we're doing. Our institutional memory serves us well in knowing the origin of our funds and the intentions of the fundholders. We can render an extraordinary level of service because of that familiarity with our history. Also, our experience in the nonprofit world, especially in East Tennessee, has equipped

us with a thorough understanding of the needs in our region and the agencies that are effectively meeting those needs. Such knowledge enables us to steer charitable dollars where they will do the most good.

There you have it; no brag, just fact. I count it a marvelous accident of circumstance that I am privileged to work with such a qualified, mission-driven group of people. I know from my seven years of participation and observation at ETF that nothing less than the highest levels of professionalism are maintained in carrying out our responsibilities. Please talk to us about being your philanthropic partner; together, we can make East Tennessee an even better place to live.



Second row l to r: Mary Amber Dunn, Jan Elston, Mike McClamroch, Susan Blair, Bob Calloway, Jeanette Kelleher, Beth Heller, Leanna Brackett Front Row l to r: Jackie Lane, Precy Sturgeon, Carolyn Schwenn, and Terry Holley

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THE SEASON FOR GIVING



Charitable giving is never out of season, but we seem to do a better job of putting together our philanthropic desires and our dollars during this holiday season of the year. The tax benefits to be gained from charitable gifts are a matter of timing, so don't let the end of the year catch you with those gift dollars still in your pocket. And remember that a stock gift takes a little longer to be finalized, so allow a few extra days when giving stock.

*Don't deprive yourself of the wonderful feeling
that comes from a gift well-given.*

Has your contact information changed?
If so, please let us know so we can keep in touch.



E-mail and Website Options

To receive this newsletter and other helpful and exciting updates from East Tennessee Foundation, please contact us at etf@etf.org or read it on our website: www.easttennesseefoundation.org.

To have a copy of this newsletter sent to someone, contact us by phone, toll-free (877) 524-1223, (865) 524-1223 or e-mail, etf@etf.org.

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East Tennessee Foundation is a public, nonprofit, community foundation created for the purpose of building charitable resources to make communities stronger and lives better through thoughtful giving.

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East Tennessee Foundation respects, celebrates, and encourages diversity that positively contributes to our healthy and caring community.