

# connections

*Linking People, Programs and Resources*

*helping donors reach their charitable goals*

## A DREAM HOME FOR AILING CHILDREN AND THEIR FAMILIES



RENDERING OF GEORGE MARK CHILDREN'S HOUSE

The terminal illness and death of a child can devastate a family in ways few can comprehend. Yet rarely does the family receive adequate professional support as they carry that enormous burden.

With the help of The East Bay Community Foundation, Dr. Kathleen Hull is on a mission to offer gravely ill children and their families an oasis of nurturing care during those dire times.

Dr. Hull is using a donor advised fund at the Foundation to help create her dream — a sprawling hospice in San Leandro where children with life-limiting illnesses and their families can spend quality time together in a nurturing, peaceful environment with support from a unified team of caregivers.

The George Mark Children's House was started by Hull, a Bay Area child psychologist, in memory of her two brothers, George and Mark Nicholson, who died at an early age. The experience of her brothers' passing inspired Hull to choose a career in child psychology and now to

build the hospice.

The project has drawn raves from local and national health care professionals who see the need for residential pediatric services, and from families who wished such services were available when they faced the loss of a loved one.

"Everyone has been heart-warmingly supportive," Hull said. "The reaction has been overwhelmingly positive."

Despite the need for such services, The George Mark Children's House will be the first such hospice in the United States. There are 25 such hospices in England, according to Hull. "We will be the first, as far as we know," she said, "to open in this country."

A parcel of land on a quiet hilltop in San Leandro has been acquired and construction on the building is planned to finish in 2001. Hull is asking local foundations and individual donors to contribute to the capital campaign to finish the building.

**THE EBCF MISSION** *The East Bay Community Foundation is a permanent endowment of charitable funds dedicated to improving the human condition and enhancing the quality of life of the residents and communities of Alameda and Contra Costa counties. The objective of the Foundation's stewardship and development of these philanthropic funds is to carry out donors' wishes by addressing ever-changing community needs through Foundation leadership, collaboration and grantmaking.*



Dear Friends:

As I write this, the stock market is in the midst of significant gyrations. Record highs in both the Dow and the NASDAQ in March were followed by large losses in April and daily gains and losses in the hundreds of points per day.

This seems like a good time to review The East Bay Community Foundation's stewardship record.

The Board of Trustees use a total return concept for investment management of our assets. Under this concept, investment return includes interest, dividends and capital gains. The Trustees adopt investment Guidelines that govern how our assets may be invested. Annual distributions from our assets, in the form of grants made to nonprofit organizations, are set as a percentage of assets under management. That "payout" rate is 5%. You may get a copy of these guidelines by calling our office and requesting them.

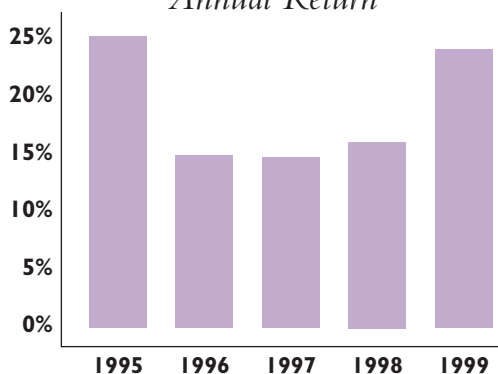
Our guidelines require that our asset managers be registered under the Investment Advisors' Act of 1940, and that they adhere to the "prudent man rule" under federal and state laws. The guidelines spell out asset classes and diversification parameters in order to help ensure that our long range goal of growing principal in excess of CPI (Consumer Price Index) + 5% is achieved while at the same time our risk to market fluctuations is kept as low as possible.

While the past is not a guarantee of future performance, 1999 was a good year for the Foundation. Assets invested in our Growth Pool had a total return of 22.43% for the year. This return, when averaged with our performance in past years, gives us a five-year average annual return of 17.77% and an eight-year average annual return of 15.31%. This means that our charitable funds are growing, and that we can make more and more grants to good programs in our communities every year.

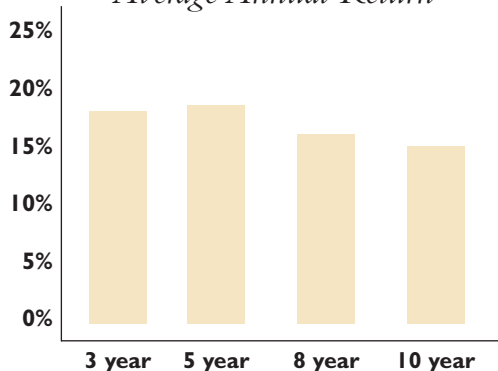
Because we diversify our investments across a broad range of different kinds of assets and keep focused on our long-term goal, gyrations in one sector of the market, as we have seen recently in technology stocks, have a smaller impact on our asset value than on the market as a whole. We feel comfortable that we have put in place policies of investment management that will ensure our ability to support our community through the 21st century and beyond.

## INVESTMENT RETURNS (GROWTH FUND)

*Annual Return*



*Average Annual Return*



The Growth Fund, intended for endowment funds, contains a balanced asset allocation of stocks, bonds and cash. The emphasis of the Growth Fund, as its name implies, is long-term growth. The Growth Fund's average annual return over the last 8 years has been 15.31%. All investment returns are shown net of all investment management and administrative charges.

Barbara Beery with daughters,  
Jane and Gillian.



## *giving options to meet donors needs*

### THE GIFT THAT KEEPS GIVING

Looking back at your life, is there one thing you would change or do differently?

This question was the focal point of a recent survey conducted in a number of senior centers across the United States. Many of those polled said they wished they had left behind a stronger legacy, "footprints" in the words of one gentleman.

There are many ways to leave a mark on future generations, including investing time in relationships with friends and family members as well as working with local institutions like schools, libraries and community centers.

Charitable giving is a great way to shape the lives of those that follow. Barbara Beery, an Oakland resident and estate planning attorney, recently took steps to ensure that she will leave footprints behind by establishing a Legacy Fund at The East Bay Community Foundation.

Charitable giving and volunteer work are an integral part of Beery's life.

In Barbara's words, her charitable work is important to her because it represents

an extension of her personality and values.

"Nationally and internationally, I support organizations that watch out for civil rights, environmental concerns, and quality of human life. I am so grateful to live here. Giving back is the least I can do. Besides, it was so much fun drawing up my agreement and imagining the social impact of giving the annual income from my invested endowed funds."

Ms. Beery recently established a Legacy Fund at the Foundation so that she can continue supporting her favorite charities in perpetuity. It took Barbara two simple steps to create her fund.

First, with help from the Foundation, she drafted a fund agreement. In the fund agreement, Barbara described her charitable goals for her fund. In her case this included both identifying a number of social issues over which she gave the Foundation discretion to carry out her goals, as well as designating certain organizations to receive annual donations for very specific purposes.

Second, Barbara decided how she was

going to make a gift to her fund. She had a number of options — bequest in her will, create a living trust, gift of retirement plan benefits or life insurance.

She chose to use life insurance as the best way to leverage her charitable donations into a significant contribution. Under this approach Barbara makes an annual tax deductible contribution to the Foundation and the Foundation uses the money to pay the yearly premium, which can leverage her contributed capital, sometimes more than 20 times the premium amount.

"I'm very happy that I've established a Legacy Fund at The East Bay Community Foundation," says Beery. "I found the experience of thinking about what sort of charitable legacy I wanted to leave behind very thought provoking and am grateful that the Foundation makes it easy for me to continue to support my favorite charities and to make my dream happen."

For more information on how to establish such a Legacy Fund, please contact the Foundation's Development Department at 925-280-0142.

## THE FACTS

Frank S. Betton bequeathed \$800,000 to The East Bay Community Foundation in 1971 to assist young women in the East Bay. In the past 29 years his legacy fund has produced \$1.2 million in grants in his name while his fund has grown to over \$3 million.

## TRI-VALLEY DOLLARS MEETING LOCAL NEEDS

Donors interested in making a difference in the communities in which they live and work may choose to give through their local community foundation. In many cases that community fund may be more local than they think.

Although The East Bay Community Foundation serves all of Alameda and Contra Costa counties, there are several community funds that are affiliates of the Foundation, where donors can give to programs closer to home. The number of Foundation affiliates has grown from eight in 1998 to a robust 14 today.

The Tri-Valley Community Fund, for example, serves local needs in the San Ramon, Livermore and Amador valleys. The fund, founded in 1982, is the Foundation's oldest affiliate fund.

The Tri-Valley fund raises charitable contributions from area donors and distributes them to local, health, human service, cultural, social and educational organizations in the communities of Livermore, Pleasanton, Dublin, Sunol, San Ramon, Danville and Alamo.

Last fiscal year the Tri-Valley fund made 175 grants for a total of \$406,093.

"It has been our pleasure to connect local donors to programs and projects in the Tri-Valley area," said David Rice, the Fund's Executive Director. "We believe that there are many more people in the area to be helped and we look forward to working with them."

The Fund, guided by a 19-member board of Tri-Valley community leaders, brings together donors, community leaders and service providers to serve an area of the East Bay that is witnessing substantial development and economic growth.

As an affiliate of The East Bay Community Foundation, the Fund offers donors all the giving options available through the Foundation, including endowment development, while at the same time conducting work place campaigns in partnership with the United Way.

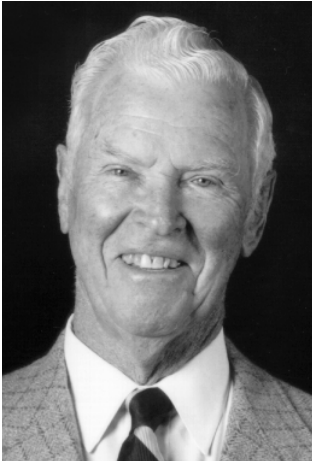
The role of the Tri-Valley Community Fund is to provide local access to philanthropy for both donors and service providers, whether it be through individual donations or large-scale work place campaigns. The Fund supports many local efforts, from neighborhood projects to community-wide educational, social and public health programs.



### OTHER AFFILIATE FUNDS

Berkeley Community Foundation  
Crockett Community Foundation  
El Sobrante Community Foundation  
Fremont Community Foundation  
Lafayette Community Foundation  
Martinez Community Foundation  
Pittsburg Community Foundation  
Pleasant Hill Foundation  
Rodeo Community Organization  
Rodeo Good Neighbor Fund  
San Pablo Community Foundation  
Union City Friends Fund  
West Berkeley Foundation

# FAREWELL TO THREE FOUNDATION FRIENDS



EUGENE JURJ

Three well-known philanthropists and long-time friends of the Foundation passed away recently. Each was known and respected across the Bay Area for their commitment to communities and for their generosity.

**Eugene Jurs** was not only a well-known businessman in the East Bay, he also was, like his wife Florence, deeply involved in community issues. Gene was a long-time Foundation trustee who also chaired its Board of Directors from 1979 to 1981. Gene and Florence were major forces in the development of the not-for-profit community in Oakland and will be sorely missed.



MORRIS BROWNING

**Morris Browning** is credited with popularizing Mary Ellen Jams. His mother, Mary Ellen Browning, and father had provided her jams to hotels, restaurants and railroad companies in the early 1900s. Over the years Morris made gifts to a wide diversity of nonprofits and universities. Morris' philanthropic vision will continue in perpetuity under the May Ellen Browning Fund at The East Bay Community Foundation.

**Carl Munck's** focus was on public education. An activist lawyer practicing in Oakland in the early 30's, he held leadership positions in dozens of professional, service and church organizations. From the late 40's through the mid 60's, Carl was considered to be one of the major forces in building the reputation of Oakland Schools.

A grateful Oakland School Board honored Carl Munck in 1961 by dedicating the Carl B. Munck School to him. Carl established an endowment fund at the Foundation in support of the Carl Munck School in 1994. Because of his generosity, this fund will help support programs at the school for generations to come.



CARL MUNCK

— MICHAEL M. HOWE

[ In the past six months, the Foundation awarded 42 competitive grants to East Bay nonprofit organizations totaling \$394,400 ]

*Strengthening Arts and Cultural Organizations*

**Arts and Culture Commission of Contra Costa County (AC5)** supports and nurtures arts and cultural organizations in the County. This year AC5 will bring together artists, arts organizations, educators, and business leaders, along with city and County officials, to create a cultural plan for Contra Costa County. (\$7,000)

**Oakland Ensemble Theater** provides insightful and engaging works of contemporary theater, shaped by the sensitivities and sensibilities of African Americans. (\$8,500)

*Strengthening Families*

**Lincoln Child Center** provides individualized mental health services for children and support for families at two Pittsburg elementary schools to ensure that "at-risk" children develop appropriate behavior to be able to stay in the classroom and learn. (\$5,000)

*Fostering Safe, Healthy Communities*

**Options Recovery Services** partners with the Berkeley Drug Courts by providing drug and alcohol abuse treatment on an outpatient basis free of charge to low-income or homeless people charged with a crime in the Berkeley courts. (\$7,500)

**Ombudsman, Inc.** increases the dignity, self-worth, and self-reliance of residents in Alameda County long-term care facilities by resolving their complaints, advocating on their behalf, and protecting their rights. (\$5,000)

*Promoting Environmental Quality and Sustainable Land Use*

**Asian Pacific Environmental Network** organizes members of the Laotian community of West Contra Costa County to participate in the political process, and work for the health, social, and environmental well-being of their community. (\$12,000)

*Fostering Self-Sufficiency and Economic Independence*

**East Oakland Community Project** is launching a new series of skill-building workshops to help low-income and homeless individuals find and keep jobs, manage money, and become re-integrated into the life of their communities through volunteer service. (\$7,000)

John Chapman, *Chair*  
 William F. Ausfahl  
 Warren "Chip" Brown  
 Jill Dinwiddie  
 Edward M. Downer, III  
 Judith R. Epstein  
 Michael Freedland  
 Edgar Grubb  
 Richard G. Heggie  
 Stephen L. Hicks  
 James H. Hill  
 Cornelius L. Hopper, M.D.  
 Tim Hunt  
 Kathleen W. Huston  
 Patricia M. Jones  
 James P. King  
 Ernest S. Leopold  
 Craig Lundin  
 John McDonnell  
 William B. Morrish  
 Diane W. Sanchez  
 Helen Pan Troxel  
**EMERITAE**  
 Lois De Domenico  
 Peggy Graupner  
**PRESIDENT**  
 Michael M. Howe

The "New Economy" has produced a significant amount of wealth for a number of East Bay residents, many of whom are new to wealth. An increasing number of the newly wealthy are partnering with community foundations to assist in their wealth preservation planning. Here's why. Community foundations can:

- discuss a variety of different wealth preservation techniques, from charitable remainder trusts to supporting organizations
- handle the receipt of a broad variety of assets, including restricted stock, stock options, real estate and intellectual property
- help people with little or no history of giving develop and realize their charitable goals by connecting them with effective local and national nonprofit organizations

For more information about the above options and the advantages they offer, contact the Foundation's development office at 925-280-0142.

THE EAST BAY  
**COMMUNITY**  
 FOUNDATION

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