

Indianapolis

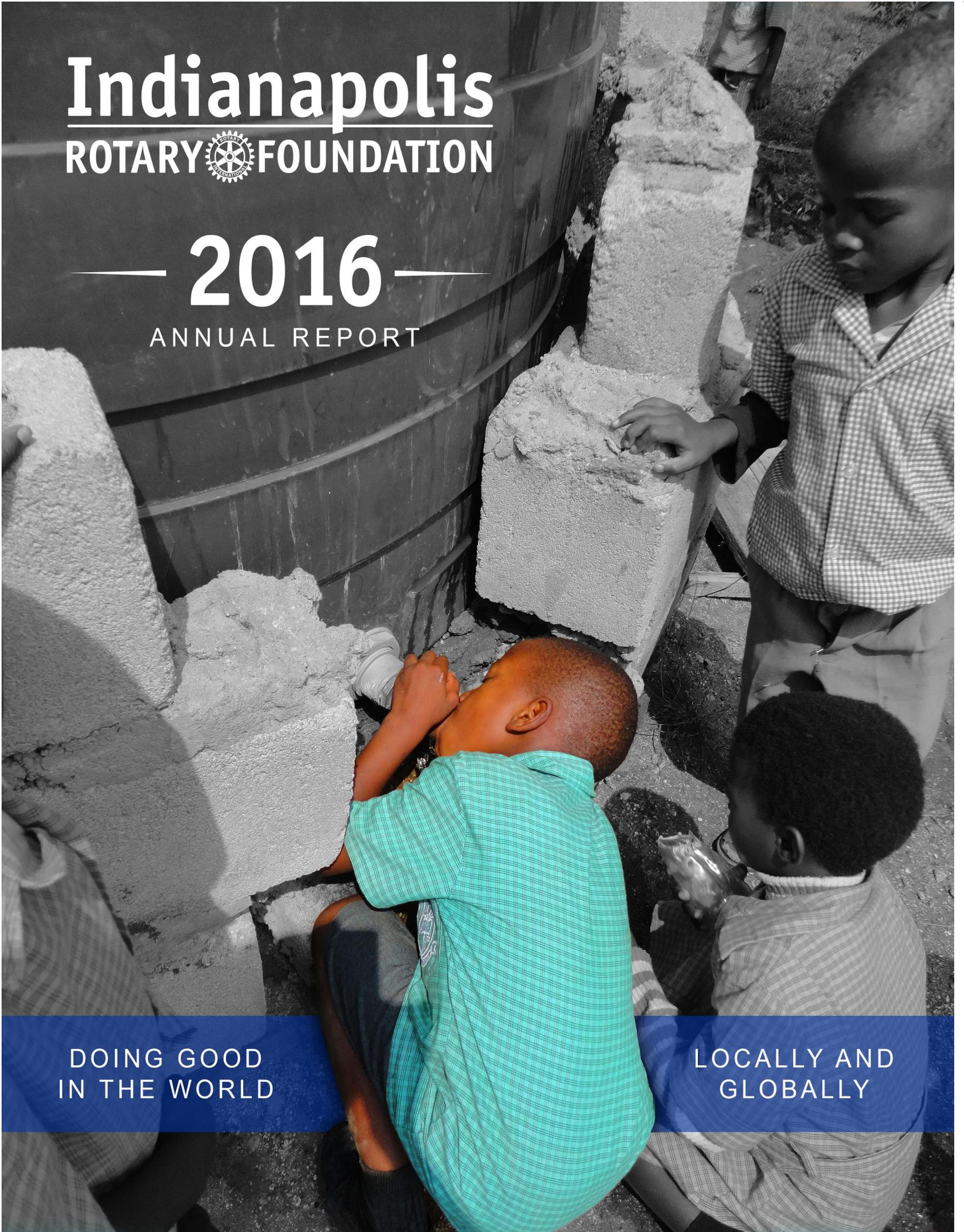
ROTARY  FOUNDATION

— 2016 —

ANNUAL REPORT

DOING GOOD
IN THE WORLD

LOCALLY AND
GLOBALLY



A report from the Board of Directors of the charitable arm of
The Rotary Club of Indianapolis

For the period July 1, 2015 to June 30, 2016

The Indianapolis Rotary Foundation enjoys 501(c)(3) status and is further recognized as a public charity by the IRS. Donations to the Foundation are thus treated by the IRS as donations and grants made to a public charity.



About the Cover

Swaziland, Africa is a small country with a population that has been decimated by HIV/AIDS. The AIDS pandemic, highest in the world, left over 120,000 orphans in its wake with a total population of only one million people. The number of orphaned children exceeds the number of caretakers leaving the orphans to fend for themselves in child-headed homes. Give Hope, Fight Poverty works holistically to ensure that the orphans receive a high quality education – but scholarships alone are insufficient. The children need food, water, healthcare, shelter, and sanitation to stay in school and be successful in their pursuit of an education.

The lack of proper sanitation and hygiene in rural Swazi communities has led to communicable disease, school absences, and entirely preventable death among children. The **Indianapolis Rotary Foundation** played a crucial part in addressing the sanitation and hygiene needs of our orphans in two rural communities: Malindza Village and eLangeni Village.

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I

A Report of the Foundation Operations in FY 2016 (July 1, 2015 - June 30, 2016)

Dear Rotary Community,

The 2015-16 Rotary year offered many exciting milestones and a few challenges. In a year of stock market turmoil, the Indianapolis Rotary Foundation continued to reach its goal of serving both the Indianapolis and global communities. The results of this year are nothing short of amazing and a testament to the indomitable Rotary spirit.

The most noteworthy milestone of the year was our presentation of the final check to Gleaners Food Bank in recognition of the Rotary Club of Indianapolis centennial anniversary. This campaign represented the largest effort in the history of our foundation and a true marathon of a journey. It was an honor to serve as chair of the original selection committee and also present the final check to Gleaners. Unfortunately, numerous people declined to fulfill their pledges to the campaign. In true Rotarian spirit, however, a number of Rotarians stepped up and donated beyond their initial pledge to cover the shortfall. We hope those who did not honor their pledge will see this example of Service Above Self and ultimately fulfill their pledge. To all who participated thank you for your commitment to helping those in need and modelling what it means to be a true Rotarian.

What has become one of the most exciting parts of our Rotarian history is the addition of Indy Do Day to Rotary's portfolio of service. The Rotary Club of Indianapolis now manages one of the largest days of service in the entire nation. The magnitude of this accomplishment cannot be overstated. Our foundation provides a crucial role in funding these operations and awarding additional grants related to Indy Do Day. Of special note is the foundation's support of the club's service project in partnership with Pack-Away-Hunger.

In addition to the enormous accomplishments of the Centennial Campaign and Indy Do Day, the foundation continues to have a dramatic impact on local charitable efforts. Through our community grant process, we donated \$85,000 to worthy local causes such as RecycleForce, Inc., Outside the Box, Jewish Family Services, Mid North Food Pantry, and the Assistance League of Indianapolis. The positive impact these groups have on our community is beyond description.

But, the Indianapolis Rotary Foundation goes beyond the borders of our great city. Through our committee grants, we touch the lives of people all over the world. The World and Community Service Committee uses its \$37,000 to help orphans in Haiti, create new businesses in Sierra Leone, educate children in the Republic of

The needs in our community are immense as is the willingness of Rotarians to provide a helping hand. The can do spirit of Rotary is infectious and inspires the entire community.

Congo, and provide medical care to people in Ecuador, just to name a few. We provide educational services to residents of Marion County via our Education Committee and help beautify the city with our Environmental and Beautification Committee's efforts. Rotary is truly making a difference in the world.

Of special interest to me has been the success of the Civic Entrepreneurship Grant. This grant provides funding for individual Rotarians seeking to fulfill their passion for service by covering the expense associated with a Rotarian service project. Ten new service projects were conducted this year and more are on the way.

The good works of the Indianapolis Rotary Foundation requires new



Students from the Christel House Academy Students In Service packing boxes of food at Gleaners. (Gleaners is a recipient of a gift of \$1.5 million from the Indianapolis Rotary Foundation)

resources and proper stewardship of existing resources. We are excited to report 38 new donors to the foundation and a strong fund raising year. At the same time, in 2015 the stock market earned only 1.19%. In consultation with our money managers, we have been advised to plan for a sustained period of muted

investment returns. In response the board took a serious look at our distribution policy and decided to reduce our payout ratio to 4.25%. Fortunately, the end of the Centennial Campaign coincides with this decision. As such, we do not foresee a need to reduce the money available for the various foundation grants. In fact, we still have sufficient funds and will be announcing a new Legacy Grant in the upcoming fiscal year. Relative to expenses, the Indianapolis Rotary Foundation is pleased to report an expense ratio of only 1.13%. This number is extraordinary and below industry standards.

The needs in our community are immense as is the willingness of Rotarians to provide a helping hand. The can do spirit of Rotary is infectious and inspires the entire community. This next year is already off to a great start and I look forward to reporting on next year's exciting outcomes.

Sincerely,
Dr. Matthew Will
President
Indianapolis Rotary Foundation

II

An Overview of the Indianapolis Rotary Foundation

The Rotary Foundation of Indianapolis is a private, stand-alone corporation that serves as the primary community charitable arm of the Rotary Club of Indianapolis. Annual contributions to the Foundation are added to an eternal endowment fund and allocated income from that fund is utilized to support grants for charitable and educational purposes, primarily in the Indianapolis and Central Indiana areas.

The Foundation is governed by a group of nine active Rotarians who have been appointed by the Board of Directors of the Rotary Club of Indianapolis plus the four Officers of the Club and the immediate past president of the Club who serve as ex-officio members of the Foundation Board. The club Sgt. at Arms does not serve on the Foundation Board.

The Foundation funds are provided to recipients for support of organizational capital fund drives youth camperships environmental projects, handicapped services educational endeavors youth economic training programs, community revitalization projects, cultural endeavors, short-term operating expenses for worthy start-up organizations and other activities and programs that are important to making the community a better place to work to live and to raise a family.

Grant recipients are chosen by a formal review process. Board members review all

applications and vote on finalists. Each finalist has an on-site visit by three board members. The results of these visits are presented to the Board which then approves or disapproves each finalist's application identifies the financial level for each grant and selects the follow-up actions to be taken to ensure Foundation funds truly "make a difference" in the community.

The Rotary Club of Indianapolis office provides the day-to-day management and clerical support for the Foundation operations and compensation is provided to the Club as



Rotarians packing food on a day of service for Pack Away Hunger, a non-profit organization dedicated to improving the lives of children and others who suffer from hunger and malnutrition.

reimbursement for those services. With the exception of the operating expenses listed later in this report all other activities are accomplished on a voluntary basis by Rotary Club members at no cost to the Foundation.

III

FY 2016 Foundation Awards

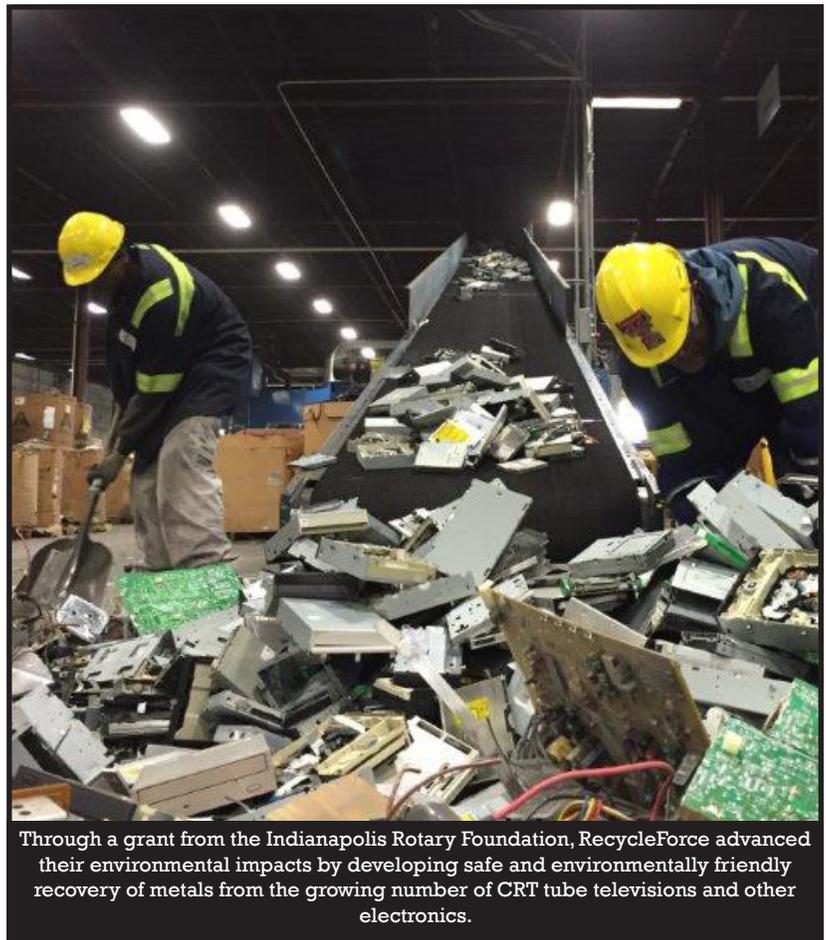
During Fiscal Year 2016, the Foundation made a total of \$85,000 in grant awards. These payments were made to the following organizations.

\$25,000

RECYCLEFORCE

1125 Brookside Avenue, Suite D12,
Indianapolis, Indiana 46202

RecycleForce is a social enterprise offering some of the most comprehensive and innovative recycling services around while providing life-changing workforce training to formerly incarcerated individuals and used their funding for a service project that included community engagement.



\$25,000

OUTSIDE THE BOX

3940 East 56th Street,
Indianapolis, IN 46220

Outside the Box used their funding to purchase a vehicle to enrich their programming that empowers people with intellectual disabilities toward personal growth, through education, self-discovery, leadership development and a customized career path.

\$15,000

JEWISH FAMILY SERVICES

6905 Hoover Road, Indianapolis, IN 46260

Jewish Family Services received funding to support the Libby Fogle Lunch Bunch, which brings together adults 60 and older to enjoy a balanced Kosher lunch, socialization and entertainment.

III

FY 2016 Foundation Awards

\$10,000

MID NORTH FOOD PANTRY

3333 N. Meridian Street,
Indianapolis, IN 46208

With a mission to enhance the health of mid-north neighborhoods by providing supplemental food and basic necessities for neighbors in need, the Mid North Food Pantry was excited to add eggs to their weekly offerings with their award.

\$10,000

ASSISTANCE LEAGUE OF INDIANAPOLIS

1475 West 86th St.,
Suite E, Northbrook Center,
Indianapolis, IN 46260



Young and eager volunteers assist at the Mid-North Food Pantry as a result of an Indianapolis Rotary Foundation grant to create new shelving at the center.

The Assistance League of Indianapolis used its funding to ensure their program Operation School Bell continues to offer new clothing to children that live in poverty, helping them to arrive at school ready to learn.



FY 2016 Civic Entrepreneurship Grants

These organizations were approved to receive grants ranging between \$1,000 and \$3,000.

PACK AWAY HUNGER

During a Tuesday program, Rotarians helped pack 12,744 meals to be distributed to Haiti and Indianapolis area food banks.

INDIANAPOLIS CHILDREN'S CHOIR

Sheet music was purchased for use by the choir and Rotarians joined together to organize their storage closets and folders. The city continues to sing the praises of the Indianapolis Children's Choir!

PROGRESS HOUSE

Funding was used to help build and landscape a relaxation gazebo at a transitional housing facility for men suffering from substance abuse.



III

FY 2016 Civic Entrepreneurship Grants

ARTHRITIS FOUNDATION

The <40 members joined together to help purchase and pack “camp kits” for young people with Juvenile Arthritis who were attending camp for the first time.

USO

152 boxes of gifts, family activities and small tokens of thanks were packed by Rotarians for distribution to families of recently deployed soldiers.

RONALD MCDONALD HOUSE

A new member class created take-home meal sacks for families to use on their first night home from Riley Hospital for Children. They also hosted an ice cream social for families.

NURSE FAMILY PARTNERSHIP

Goodwill Industry’s Nurse Family Partnership creates the opportunity for nurses to visit with low income families, in their home, and provide guidance on parenting. Safety kits were purchased which the nurses will distribute to families.

MID NORTH FOOD PANTRY

Shelving and pantry supplies were purchased and sorted by <40 members at this downtown Food Pantry that serves thousands in a food desert.

POURHOUSE

A new member class organized to provide a meal and care package, including toothbrushes, hand warmers and gloves, to the homeless downtown. These were distributed on the coldest night of the year.

TEAR DOWN THE WALLS MINISTRY

Housing materials and sweat equity were provided by a new member class who worked together to build homes for previously homeless Indianapolis residents.

Indianapolis Rotary Foundation 2016 Rotary Committee Grants

Environment and Beautification	\$12,000
Indy Do Day	\$10,000
Education	\$14,250
World Community Service	\$37,000

IV

History of the Indianapolis Rotary Foundation

The Foundation was authorized by the Board of Directors of the Rotary Club of Indianapolis and incorporated as a not-for-profit organization under the laws of the State of Indiana on April 15, 1947. A Club document that was published at that time stated that the intention of this organization is that “this agency of Rotary is to be a means to promote the well known philosophy of SERVICE ABOVE

SELF and at the same time stimulate the desire of every Rotarian to be of service to his fellow men and to society in general.”

The development of the Foundation was initiated by the widow of Isaac R. Holycross, a Rotarian who offered to donate \$25,000 to the Club to “promote charitable purposes under the direction of Rotary.” At this time the Board of Directors of the Rotary Club accepted her generous offer and established the Indianapolis Rotary Foundation to serve as the charitable arm of the Club.

Since that time annual fund drives have been held by the Foundation and a number of Rotarians have made significant bequests to the Foundation.

Thanks to the generosity of Indianapolis Rotarians and their families the level of the endowment fund of The Indianapolis Rotary Foundation now stands at over \$6.9 million dollars making it one of the largest Rotary Foundations in the United States.



Rotarians help assemble a Gazebo for Progress House, an organization that empowers residents to recover from addiction and re-enter society with the desire to lead productive and meaningful lives.

The two foundations, The Rotary International Foundation and The Indianapolis Rotary Foundation are complementary one to the other and both are worthy of support by all Indianapolis Rotarians.

V

The relationship between Indianapolis Rotary Foundation and Rotary International Foundation

The activities of the Indianapolis Rotary Foundation are directed primarily to “Service Above Self” in the Indianapolis and Central Indiana area.

In contrast, The Rotary International Foundation, also supported by Indianapolis Rotarians, supports internationally oriented projects, such as scholarship programs, vocational service programs, health-hunger-humanity grant related projects such as “Polio

Plus” to eradicate the threat of polio around the Earth, global literacy projects, etc. The Paul Harris Fellow program is an important element of the fund-raising program of the Rotary International Foundation.

The two foundations, The Rotary International Foundation and the Indianapolis Rotary Foundation, are complementary, one to the other, and both are worthy of support by all Indianapolis Rotarians.



The Indianapolis Rotary Foundation sponsored the “Graced Team Christian Academy,” in Sierra Leone. Pictured is the village where women have been impacted, creating harmony in the community and further help the women in their struggle to alleviate poverty.

Centennial Campaign for Gleaners

Total Commitment: \$1.5M

In preparation of its 100th anniversary in 2013, the Rotary Club of Indianapolis set a goal to implement a landmark major project befitting the occasion and enhancing the awareness of the Rotary Club of Indianapolis and Rotary's reputation in Indianapolis and the state of Indiana and the world.

In 2016, the Indianapolis Rotary Foundation was proud to make the last installment on our committed \$1.5 million pledge, ending a five year commitment to the Gleaners Foodbank of Indiana. This contribution helped feed over 160,000 people in need throughout Central Indiana. With this fundraising campaign commitment, the 297,000 square foot facility has been named the Rotary Club of Indianapolis Food Distribution Center.

Visionaries \$50,000 +

*Anonymous
Danny Danielson

⋮
⋮
⋮

Efroymsen Family Fund
*Mac Fehsenfeld
Stanley, Black, and Decker

⋮
⋮
⋮

Marian, Inc.
*John Peterson

Champions \$25,000 - \$49,999

*Elaine Bedel
Matthew Burnett

⋮
⋮

City Securities

⋮
⋮

*Old National Bank

Leaders \$10,000 - \$24,999

Barnes and Thornburg
Batt Family Foundation
Eugene Busche
Rick Conner

⋮
⋮
⋮
⋮

Pat Garten
Kendall Millard
Marty Moore
Leon Mordoh
*Tom Richardson

⋮
⋮
⋮
⋮

John Roesch
*Denny Sponsel
Marge Tarplee
Matthew Will

** Indicates Centennial Project Gift member payments received in FY 2016*

Centennial Campaign for Gleaners
FY 2016 Indianapolis Rotary Foundation Contribution:
\$70,000

Humanitarians \$5,000 - \$9,999

American Legion
Berry Plastics
Larry Brodnik
*Brian Buchanan
*Lorene Burkhart
Bill Ervin
*Tom Fisher

Denny Fulk
Anita Harden
*Susie Harmless
Harriet Ivey
Steven Ivy
*Tom Lugar
*John Mahrdrdt
Charles Meyer

Crowe Horwath
*Greg Schahet
*Wayne Schmidt
*Steve Smith
Betty Stilwell
Dick and Sue Temporo
*Jim Weaver

Centennials \$1,000 - \$4,999

*Ramona Adams
*John Aleshire
Wayne Alford
Joe Alpert
Arthur Jordan Foundation
Hugh Baker
*Evan Bedel
*Orion Bell
*Dale Benson
Jim Bernhardt
Peggy Wulff Blackard
Mark Blade
Kevin Bower
Bill Bubenzer
Steve Bundy
*Harry Bunn
Mary Burger
Pam Burks
Maira Carlstedt
*Lucia Carter
George Charbonneau
Sara Busche Cobb
*Kathy Cookerly
*Howard Creveling
*Carole Darst
Paul Del Re
Bill Douthit
*Morey Doyle
*David Dreyer
Tim Dudley
*Frank Eagan
Ivan Ekhaus

John Elliott
*Eric Ellsworth
Kevin Etkorn
*Melissa Farmer
*Ken File
Darrel Fitch
*Ron Gifford
*Larry Goldblatt
David Goldenberg
Grant Goldman
John Hague
Beth Hallowell
*Lynnette Hanes
*Guille Harvey
Mark Hayes
Jennifer Hobbs
*Kim Hodges
David Horth
*Brenda Jackson-Morrissey
*Bryan Jinnett
Johnson Weaver Foundation
Tom Jones
*Gregg Keesling
Jim Kienle
*Andrew Kocher
Al Leighton
David Leonards
Richard Lugar
*Todd Lugar
*Jeff Mader
*John Mainella
Kim Martin
*Thomas W. Mason

*Linda McCabe
Oma McCall
Jim McClelland
Norm Melzer
Kent Millard
*Mercy Obeime
*Danny O'Malia
*Ersal Ozdemir
Jim Pauloski
*Nick Reich
Fern Roesch
*Michael Schiele
Gary Selig
*Bob Seymour
Brenda Shaffer
Dan Shelley
Dennis Sheward
*Susanne Sogard
*Marsha Spring
*Dane Starbuck
*Don Steffy
*Rita Steinberg
Tom Surgener
*Pat Szuch
*Ralph Taylor
Theresa Walker
David Warder
Anna White
*Vickie Wolcott
*David Yeley
*Ron Zargarian
Janey Zurface

** Indicates Centennial Project Gift member payments received in FY 2016*



Sragvee Atluri placed 2nd in the annual Spelling Bee, sponsored by the Indianapolis Rotary Foundation.
 Not pictured: Larisa Tuttle (1st place) and Jonathon Snyder (3rd place)

Centennial Gifts up to \$999

William Agbor-Baiyee
 *Greg Albright
 Kitte Allen
 Rick Alvis
 Ameriana Bank
 Carol Applegate
 Scott Armstrong
 Ron Baker
 Jim Baldwin
 L.H. Bayley
 Jim Bethe
 Ed Bielski
 *John Bragg
 Fred Brames
 Wally Brant
 Patrick Brocollo
 Marion Broome
 Cal Burlison
 *Sheila Carlson
 Tom Carroll
 Scott Clabaugh
 Michael Conly
 *Michael Crowley
 Barb Coury
 *Laura Demeter
 John Dewey
 Connie Dillman
 George Dingley

Fred Ficklin
 Joe Gaafar
 *Phyllis Geeslin
 Jim Glass
 Jim Graham
 *David Gregg
 Av Handleman
 Katte Hanner
 Steve Harris
 Scott Horvath
 Bob Hulett
 Erik Johnson
 Colleen Kilrain
 *Andrew Kocher
 *Marie Koenig
 Jeff Lake
 *Lynn Lambuth
 Patsy Lentz
 Fred Lesh
 David Lewis
 *Benton Marks
 Gerald Marvel
 Tom A. Mason
 *Paul McClure
 Alice McColgin
 Janet McCully
 Bob McNamara
 Mickey's Camp
 Audrey Millar

Dene Nidiffer
 N.K. Hurst Company
 Tim Nation
 Needham Hurst
 Edie Olson
 Hitesh Patel
 Norman Pessin
 Clint Pletcher
 Pat Riley
 Michael Shanley
 *Erin Smith
 *Laura Sniadecki
 Mike Sogard
 Mary Jane Sorbera
 Herbert Spencer
 *Mary Stanley
 Paul St. Angelo
 Jerry Tobe
 Randall Tobias
 Bill Tracy
 Dennis Trinkle
 *Mark Weir
 Ray Waldman
 Don Willsey
 Mark Winzenread
 Hugh Wolf
 Tanya Woodward
 Charles and Judy Wright

** Indicates Centennial Project Gift member payments received in FY 2016*

VI

Building the Endowment of the Foundation

Thanks to the continuing generosity of Indianapolis Rotarians, their families and friends and others in the community who have recognized the importance of the role of the Indianapolis Rotary Foundation, the endowment level for the Foundation continues to grow. The continued growth of the Endowment Fund results in additional income each year for the support of Foundation grants for worthy community activities.

Contributions were received from the following sources in FY 2016

Gifts \$1,000 to \$4,000

Batt Family Foundation
Mac Fehsenfeld
Indiana University Foundation
Johnson Weaver Foundation
Alan Leighton
Matt Will

Gifts \$500 to \$999

Michael Conley
Pat Garten
Charles Meyer
Ray Waldman

Gifts \$250 to \$499

William Batt
Andrew Carr
Jenny Conder
Ann Kendall
Richard Markoff
Julian Pace II

Gifts Below \$250

Ramona Adams
Greg Albright
Karen Alter
Anonymous
Dale Benson
Peggy Blackard
Faith Blackwell
John Blakley
Kenith Britt
Patrick Broccolo
Greg Brodnik
Lawrence Brodnik
Robert Bubenzer
Harry Bunn
Mary Burger
Lorene Burkhart
Cal Bureson
Angie Davis
Lynn DCruz
Jeffrey Dean
Debra Des Vignes
Melissa Farmer
Fred Ficklin
Kenneth File
Thomas Fisher
Tom Fodor

Joseph Gaafar
Amber Garrison
Jane Gehlhausen
Ann Gioe
Bruce Glor
Donald Griffith
Katte Hanner
Mitchel Hannum
Anita Harden
Janet Harris
Steve Harris
Laura Haynes
Jennifer Hobbs
Deborah Hyde
Angela Ingalls
Steven Ivy
Stan Jacobs
Erik Johnson
Thomas Jones
Gregg Keesling
James Kienle
Colleen Kilrain
Marie Koenig
Jeff Lake
Frederick Lesh
Sam LeSturgeon

Nikki Lewallen
David Lewis
Nancy Lorenzano
Thomas Lugar
John Mahrtdt
Gerald Mann
Alice McColgin
Stephen McCoy
Norman Melzer
Leon Mordoh
Tim Nation
Mercy Obeime
Daniel O'Malia
Kimi Pace
Monica Peterson
Richard Pflueger
Gerard Randall
Nick Reich
Thomas Richardson
Bradley Roberts
Lauren Roberts
John Roesch
Michael Salemi
Michael Schiele
Dennis Sheward
Robert Shortle

Erin Smith
Stephen Smith
Mary Jane Sorbera
Don Steffy
James Stokes
John Sullivan
Thomas Surgener
Elizabeth Szentes
Nicholas Taylor
Ralph Taylor
Richard Tempero
Shad Tidler
Kelly Tingle
Betty Tonsing
Lisa Treadwell
Scott Wacker
Robin Westphal
John Wickes
Matt Wilhelm
Brian Willsey
Robert Willsey
Vickie Wolcott
Paul Wonch
David Yeley

Indianapolis

ROTARY FOUNDATION
Second Century Society

The Second Century Society is made up of donors who contribute \$1,000 or more to the general fund of the Indianapolis Rotary Foundation, after February 17, 2013 - the date of the Club's 100th anniversary.

Bill Batt
Elaine Bedel
Peggy Blackard
Bill Bubenzer
Brian Buchanan
Matt Burnett
Eugene Busche

Christina Cottey
Mac Fehsenfeld
Pat Garten
Al Leighton
Charlie Meyer
Mercy Obeime
John Peterson

John Roesch
Denny Sponsel
Marsha Spring
Dick Tempero
Sue Tempero
Matt Will



At the US Army's pre deployment conference, in partnership with the USO of Indiana and The Indianapolis Rotary Foundation, care packages were packed and assembled, then distributed to families who will have a loved one deployed soon.

Indianapolis Rotary Foundation Bequest Honor Roll (BHR) & Legacy Society Members (LSM)

The Legacy Society recognizes those individuals who have included the Indianapolis Rotary Foundation in estate plans and informed Rotary of that commitment. The following represents members through June 30, 2016.

George H. Batt **BHR LSM**
 William C. Batt **LSM**
 James Bradford **LSM**
 Linda Brimmer **LSM**
 David Burns **BHR**
 Eugene M. Busche **LSM**
 Frank Caperton **LSM**
 Charles M. Coffey **BHR**
 Donald DeCoursey **BHR**
 Richard H. Dyer **LSM**
 Walter O. Farrell **BHR**
 William R. Garten **BHR**
 W. Patterson Garten **LSM**
 Bertha Gormly **BHR**
 John D. Hague **LSM**
 Ray E. Hale **LSM**
 Robert S. Hulett **LSM**
 Stan C. Hurt **LSM**
 Charles Johnson **LSM**
 Guy W. Jones **BHR**
 Leslie Kelly **LSM**
 James Klineman **BHR**
 Elmer Miller **BHR**

Reilly Foundation **BHR**
 John R. Roesch **LSM**
 Edward H. Schock **BHR**
 Robert W. Seymour **LSM**
 Dennis Sponsel **LSM**
 Elizabeth Stilwell **LSM**

Marjorie Tarplee **LSM**
 J. K. Tremps **LSM**
 Richard Vonnegut **LSM**
 Glen & Frances Warren **BHR**
 William J. Witchger **LSM**



Indianapolis Rotary Foundation Honorary (IHO) and Memorials (IMO) To June 30, 2016

Vickie Blade (IMO)
 Susie Harmless (IHO)

Fred Lesh (IMO)
 Clifford Snedeker (IMO)

Marge Tarplee (IMO)

The listings for this Honor Roll are based upon the review of our Foundation records, some of which were found to be incomplete. If you are aware of others who deserve this recognition, please contact the Club/Foundation office so that their names can be added in the next Annual Report.

Remembering the Indianapolis Rotary Foundation with Your Gifts

Most of us realize that “when it’s all said and done,” we rate our true personal success not by the wealth and assets we have accumulated or by the professional and business titles we have acquired. At that time of our lives, we increasingly evaluate ourselves by how well we have helped to make this world and our community a better place to live, to work, and to raise a family. We judge ourselves by how effectively we have begun to “pay back” the help that we received from our families, our schools, and our communities.

During their active years, most Indianapolis Rotarians contribute generously to the Annual Fund Drive for the Indianapolis Rotary Foundation as an important part of their community service.

In their later years, two additional giving methods frequently become of interest to those Indianapolis Rotarians who want to ensure that their “SERVICE ABOVE SELF” assistance to the community will continue for decades to come. These are:

- Major gifts to their Club’s own Foundation, and
- Bequests to the Foundation.

Recognition of Your Gift

Persons who make major gifts to the Foundation are recognized in the Annual Report of the Foundation, as follows:

- If you make an outright gift of \$5,000 or more to the Indianapolis Rotary Foundation, your gift will be acknowledged in the Major Gift Honor Roll section of the Annual Report each year thereafter. In this way, fellow Rotarians and others will be reminded for decades of your generosity and your dedication to the improvement of the Indianapolis community.
- If you notify the Foundation that you have included the Indianapolis Rotary Foundation in your Will or other estate planning documents at a level of \$5,000 and above, you will be recognized as a member of the Foundation’s Legacy Society. The names of the members of this distinguished club are published in the Annual Report of the Foundation. This listing will be repeated and updated in all subsequent Annual Reports. So, not only will your good works continue, the acknowledgment of your gift to the Foundation will continue as well.



Larisa Tuttle placed 1st in the annual Spelling Bee, sponsored by the Indianapolis Rotary Foundation.
Not pictured: Sragvee Atluri (2nd place) and Jonathon Snyder (3rd place)

Choose Your Approach to Giving. Let's Examine Some Typical Giving Methods...

There are a number of approaches that you can use to make Major Gifts and Bequests to the Indianapolis Rotary Foundation.

The three major categories of gifts are:

1. Outright gifts
2. Gifts with income to you
3. Deferred gifts

Many Rotarians choose to make outright gifts of cash, securities or almost any other item, either while alive or in their Wills or other estate planning documents. Below is a chart showing items often gifted and the advantages to you in making the gift.

1. Outright Gifts

Many Rotarians choose to make outright gifts of cash, securities or almost any other item, either while alive or in their Wills or other estate planning documents. Below is a chart showing items often gifted and the advantages to you in making the gift.

Gift Type		Advantages to donor
Cash - outright cash, pledges, checks, credit card contributions, electronic transfers.	▶	Any gift you make to the Foundation will reduce the size of your estate for death tax purposes, plus you receive a useful charitable tax deduction.
Life Insurance - you irrevocably transfer ownership of the policy but continue to pay the premiums which are treated as charitable contributions.	▶	You get more "bang for the buck" here.
Securities – gifts of appreciated securities.	▶	Same as cash above, plus avoid capital gains on the appreciated portion of the gift.
Real Estate - this requires a properly executed Deed to the Foundation	▶	You avoid the capital gains tax on the sale of the real estate, plus you receive a charitable tax deduction.
IRAs - you name the Foundation as a beneficiary	▶	You and your heirs avoid the income taxes and death taxes owed on the IRA benefits.
Tangible Personal Property - art work, coin / stamp collection, automobile	▶	Besides the death tax savings and the charitable deduction you receive, you avoid the necessity of selling these items yourself.

2. Gifts With Income to You or Your Family

The second major category of gifting includes gifts you make to the Foundation with a promise from the Foundation that it will pay you or someone you specify an income stream in return. The most common forms of such gifts are:

Gift Annuities

Some Rotarians choose to make gifts of cash, appreciated securities or other property and take back a stream of income potentially greater than the income they are currently earning on those assets. This approach can be quite beneficial to both the donor and the Foundation. For example, Rotarian Bob owns Eli Lilly & Company stock that he acquired years ago. It is worth much more now, and the dividends Bob receives are only about 1% per year. If Bob tries to sell the stock, he will owe significant capital gains tax.

Bob can give \$100,000 of the stock to the Foundation, in exchange for a gift annuity contract in which the Foundation agrees to pay Bob 5% (\$5,000) per year for Bob's life and for the life of Bob's wife. That is more than

the dividends Bob receives. Plus, he avoids the capital gains tax on a sale of the stock, and he receives a nice charitable income tax deduction he can use now.

Charitable Lead Trust

A donor places cash or other assets in a special charitable trust that provides the Foundation with income interest each year for a set number of years. At the end of that term, the donor's family receives the trust assets back.

Charitable Remainder Trusts

A donor places cash, securities or real estate or other assets into Charitable Remainder Trust. The Trust then pays the donor or the donor's designee income each year for a specified term of years. At the end of that term, the Foundation receives the trust asset.

If you wish to utilize a gift annuity, simply contact your Foundation. We have a gift annuity form you may review. A Charitable Lead Trust must be drafted by an attorney, and the Foundation will be happy to confer with your attorney.

3. Deferred Gifts



The Indianapolis Rotary Foundation played a crucial part in addressing the sanitation and hygiene needs of orphans in two rural communities providing food, water, healthcare, shelter, and sanitation in Swaziland, Africa.

The third major category of gifting is deferred gifts. Deferred gifts are ones that the Foundation will receive, but not until sometime in the future, generally after death. These commonly include:

Time-of-Death Gifts.

These are gifts that Rotarians make to the Foundation in their Wills and estate planning trusts.

How to Make Your Gift a Bequest

A gift to the Indianapolis Rotary Foundation may be made at any time during your life, or a specific bequest can be incorporated into your Will or as a part of your Revocable Living Trust. A **specific bequest** is used when the donor wishes to bequeath a specific sum of money or an item of property. For example, a specific bequest provision could read as follows:

“I hereby give the sum of \$_____ to the Indianapolis Rotary Foundation, Inc., to be used as the Directors of the Foundation see fit.”

If you wanted, instead, to gift a specific item of property to the Foundation, a provision similar to the following could be used:

“I hereby give _____ shares of Eli Lilly & Company common stock to the Indianapolis Rotary Foundation, Inc., to be used as the Directors of the Foundation so direct.”

A residuary bequest is used for will/trust gifts of all or a portion of your residuary (or remaining) estate. The residuary estate consists of the assets remaining in the estate

after all the specific bequests and obligations have been satisfied. A provision making a bequest of your entire residuary estate could be drafted as follows:

“I hereby give all of the residue of my estate to the Indianapolis Rotary Foundation, Inc., to be used as the Directors of the Foundation so direct.”

Many individuals who make residuary bequests to charitable institutions are interested in several charities. In addition, many persons want to leave some of their assets to relatives or good friends. Consequently, they do not wish to leave all of their residuary estate to one institution or one individual. An individual’s residuary estate can be given to several institutions or individuals in a variety of ways, according to the wishes of the donor. For example, a Will provision for multiple residuary bequests could be drafted as follows:

“I hereby give my residuary estate as follows: one-third to my son John; one-third to the First United Church of Indianapolis; and, one-third to the Indianapolis Rotary Foundation, Inc., to be used as the Directors of the Foundation so direct.”

We Can Help

Making a Major Gift to the Indianapolis Rotary Foundation or including the Foundation in your estate is not only simple, but also ensures that your good works will continue for decades to come. The Foundation will be pleased to work with you and assist you in identifying the tax consequences of various gifting approaches and how to incorporate them into your overall plan.

In many cases, a simple Will change is all that is needed to incorporate a gift to the Indianapolis Rotary Foundation into your

estate planning documents. The Foundation recommends that you discuss your planned gift with an estate planning attorney to ensure that your wishes are well understood and clearly described and that they will be carried out as you wish.

Your fellow Indianapolis Rotarians suggest respectfully that you take time today to consider a Major Gift and/or a Bequest to the Indianapolis Rotary Foundation...your Foundation.

It is an opportunity for you to extend your timely and meaningful support to your community for decades to come. Your gift will be added to the Endowment Fund of the Indianapolis Rotary Foundation. Each year a pre-determined percentage of the Endowment (currently 5% of the last twelve quarters) will be used to fund the Foundation grants to community organizations, club committee sponsored projects and its operations.

Do not wait to make that Major Gift or bequest to your Foundation or wait until you need a major revision of your will. Take action today to ensure that your Foundation will be part of your legacy of continued community service.

Your Foundation, your community and your conscience will thank you for your thoughtfulness and your generosity.

Managing the Endowment Funds

The Board of Directors of the Foundation has the responsibility to serve as the custodian and the manager of the Foundation's Endowment Fund. The Board President appoints an Investment Committee of the Board to manage the Fund. The members of this committee are volunteers who are members of the Rotary Club of Indianapolis, but committee appointments are not restricted to members of the Board of the Foundation. In this manner, Rotarians with experience and talent in the investment field are utilized to manage the Foundation Fund.

The Investment Committee meets at least three times annually to examine the performance of the investments and to review the performance of the fund manager. In these meetings, the performance of the Fund is compared to those of other fund managers and the investment policy and Committee action policies are reviewed. The results of

each meeting are presented to the Board of Directors of the Foundation at its next meeting.

Decisions are made by the Investment Committee to balance the investments between income returning investments (to provide the annual income for grants) and long term growth investments (to increase the value of the Fund and, therefore, its long term income levels). Indianapolis Rotarians are invited to review the Foundation's investment portfolio and its investment protocols and policies at any time.

The principal of the Fund is not used for grant making purposes; only the cash income from that principal is used. **Each year, all of the gifts and bequests are added to the principal.** As a result, each year the Fund grows larger and its ability to produce income increases. **Your gift to the Foundation will provide eternal income that will be used by YOUR FOUNDATION to fund charitable**

grants selected by Indianapolis Rotarians serving on the Board of Directors.



In Swaziland, Africa the soaps must be sanitized and reformed with bleach and hot water before use.

VII

An overview of the Grant Review and Approval Process

The Board receives many more requests than the Foundation has the money to fund. Also, some of the requests are adjudged to be inappropriate for the use of Foundation Funds. It is also important to ensure that the Foundation funding is really “making a difference” in the community and that it is strengthening the recipient, rather than “propping it up,” only to become more dependent upon future grants from the Foundation.

The Board has developed grant guidelines and grant application form which provides a basis for consistent reviews by selected board members. This insures that the requesting organization provides all the required information to assist in understanding the proposed use of the funds, and the appropriateness of a grant from the Foundation

Copies of these requests are then provided to the full Board for their review prior to formal votes being taken at subsequent Board Meetings. During the Board reviews, recommendations are made regarding the need for follow-up visits to the recipient and the nature of the information that will be sought during those visits.

The Board attaches a great deal of significance to, among other things, the need for the proposed services, the level of coordination that the requesting organization exhibits with others in the community in the same or allied fields of endeavor, the organization’s plans for developing sources of long-term funding support other than that from the Foundation, the reasonableness of the budget and schedules submitted, and the manner in which the results of the project will be measured.



Thanks to a Rotary Foundation of Indianapolis grant, Christel House Academy provided meaningful service learning opportunities for students during the 2015 calendar year, encouraging the growth of more engaged and compassionate citizens.

The Indianapolis Rotary Foundation, Inc. Guidelines for Community Grants

Purpose of the Awards

The first purpose of the Indianapolis Rotary Foundation, Inc. (Foundation), as stated in its founding documents, is to promote charitable and educational purposes within the State of Indiana and such other charitable and educational purposes deemed appropriate by its Board of Directors. To satisfy this goal, the Foundation requests Letters of Intent be submitted from community organizations that wish to be considered for one of four community grants.

Awards

- Two grants of \$25,000
- Two grants of \$10,000, each

Application Process

For consideration of a Community Grant, applicants must comply with the following application process. Organizations that do not comply with the process will be automatically disqualified from consideration for a grant.

Accountability

Community grant recipients shall complete and submit a Final Grant Report to the Foundation. The Final Grant Report is due on the date indicated by the Foundation in its award notification letter. The Foundation reserves the right to modify any and all terms of this application process.

Information Requested from Organizations:

A Letter of Intent, which is not to exceed three (3) pages with a font size of at least 12-point, should be submitted electronically on the organization's letterhead and should be signed by both the chief executive officer and the board chair or president.

We ask that the organization include a brief description of the nature of the organization and its mission, including the year it was established as a 501(c)(3) not-for-profit. The program for which funding is sought should be described, including:

1. Grant amount being requested (\$25,000 or \$10,000).
2. Explanation of the need for the program
3. Number of people served by the program
4. Program timeline
5. Project budget
6. Explanation of the permanence of the project, if applicable
7. Volunteer opportunities for the Rotary Club of Indianapolis, if applicable
8. How the requested grant furthers the Indianapolis Rotary Foundation's charitable mission
9. A visible way in which a grant from the Indianapolis Rotary Foundation will be acknowledged
10. Roster of the Board of Directors, including names, titles, and professional affiliations.
11. Copy of the organization's IRS 501(c)(3) determination letter.

Guidelines for Civic Entrepreneurship Grants

Overview

Begun in FY 2012, the Civic Entrepreneurship was specifically designed to fulfill a stated purpose of the Indianapolis Rotary Foundation, Inc. That purpose was to stimulate the desire of each member of the Rotary Club of Indianapolis to be of service to others and to society in general.

Club members were encouraged to submit proposals for “mini-grants,” not to exceed \$1,000, to support Rotarian led community service projects. Indianapolis Rotary Foundation, Inc. awarded grants of up to \$1,000 based on the applications received.

Application Procedure

The application may not exceed three pages (2 page proposal + 1 page budget). The application should include the following specific information.

1. Name and Contact Information
2. Description of Project This may include:
 - a) Explanation of the need for the program.
 - b) Number of people served by the program.
 - c) Program timeline
 - d) Partner organization, if any
 - e) Volunteer opportunities for the Rotary Club of Indianapolis
 - f) Websites with additional information
3. How the project furthers the mission of the Rotary Club of Indianapolis
4. A visible way in which the Rotary Club of Indianapolis will be acknowledged (if appropriate)
5. Budget

The applications were submitted electronically to Executive Director Susie Harmless at sharmless@indyrotary.org. Only electronic submissions were accepted.

The grant applications were reviewed by the mini-grant committee, a standing committee consisting of five members, as follows:

- The Club president, who will serve as the committee chair
- Four members nominated by the Club president, defined as the president during the fiscal year the grants will be made, and approved by the Foundation board.



In Swaziland, Africa, a pit latrine toilet structure in almost finished condition (only the door needs to be hung)



FINANCIAL STATEMENT SUMMARY
Fiscal Year Ending June 30, 2016

INVESTMENT ASSETS

Market Values

Checking Account	\$35,157	
Commonfund Global Multi-asset	\$2,020,167	
Central Indiana Community Foundation	<u>\$4,522,259</u>	
Total Market Value FY 2016		\$6,577,583
Total Market Value FY 2015		\$6,996,869
Change in Net Assets		<u><u>(\$419,286)</u></u>

SUPPORT, EXPENSES AND OTHER CHANGES IN NET ASSETS
Year to Date June 30, 2016

Support

Contributions Received - Unrestricted	\$19,545	
Contributions Received - Centennial Project	<u>\$81,595</u>	
Total Support		\$101,140

Expenses

Grants Awarded		
Community and Club Grants	<u>\$228,867</u>	
Total Grants Awarded		(\$228,867)

Administrative Expenses

Foundation Portion of Rotary Office Expense	\$68,000	
Audit Expense	\$3,200	
Other Administrative Expenses	<u>\$3,304</u>	
Total Administrative Expenses		(\$74,504)

Excess (deficit) of support over expenses (\$202,231)

Other Changes in Net Assets

Investment Returns (Loss) (\$217,055)

Change in Net Assets (\$419,286)

IX

Fiscal Year 2016

OFFICERS

Matt Will, President
Ralph Taylor, Vice President
Mary Burger, Secretary-Treasurer

DIRECTORS

Ramona Adams *
John Mainella *
Larry Brodник *
Brian Buchanan

Matt Burnett *
Sheila Carlson *
Lucia Carter
Pat Garten

Leon Mordoh
Jeff Lake *
Benton Marks
Don Steffy

Kelly Tingle **
Executive Director

COMMITTEES OF THE BOARD

INVESTMENT COMMITTEE

Bill Bubenzner - Chairman

Bill Batt

Elaine Bedel

Mary Burger

Matt Burnett

Al Leighton

Bob Shortle

Tom Surgener

Theresa Walker

Matt Will

Jeff Lake (Club President)

Kelly Tingle (Executive Director) **

CIVIC ENTREPRENEURSHIP COMMITTEE

Matt Will - Chairman

Mark Blade

Lucia Carter

Marie Koenig

Ralph Taylor

** Asterisks denotes ex-officio appointments*

*** Denotes non-voting member*



Indianapolis

ROTARY FOUNDATION

For additional information, you are invited to contact a member of the Board of Directors of the Foundation or to contact the offices of the Rotary Club and Indianapolis Rotary Foundation at the following address:

Rotary Club of Indianapolis and Indianapolis Rotary Foundation

650 North Meridian Street, Suite 1A
Indianapolis, IN 46204

Telephone (317) 631-3733
Fax (317) 631-4530
e-mail: info@indyrotary.org
web: IndyRotary.org

For references in your legal documents and your tax returns,
the legal name of the Foundation is:

Indianapolis Rotary Foundation, Inc.