

# Indianapolis

ROTARY  FOUNDATION



— 2017 —

ANNUAL REPORT

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

For the period July 1, 2016 to June 30, 2017

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

The **Indianapolis Rotary Foundation** awarded a grant to Giving Back to Africa. The mission of Giving Back to Africa is to educate and empower young people in the Democratic Republic of Congo enabling them to become agents of change in their community and country. The grant allowed them to develop part of their curriculum focusing on sustainability. In order to better implement the curriculum, the students created a sustainable school learning garden where they have the opportunity to research soil composition and composting as well to learn about the harvesting process of different crops. In the photo students are harvesting vegetables that will go towards nutritious meals for students that live at College des Savoirs.

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# A Report of the Foundation Operations in FY 2017 (July 1, 2016 - June 30, 2017)

Dear Rotary Community,

The 2016-17 fiscal year can easily be referred to as a year of numerous transitions for The Indianapolis Rotary Foundation. These transitions encompass the granting process, portfolio management and personnel. In each, there is much to report.

With the end of the centennial pledge to Gleaners Food Bank in the 2015-16 fiscal year the Foundation was given numerous granting and fiscal opportunities. Under the leadership of Ralph Taylor, the Foundation began the search for a worthy cause with which to use the newly available funds. The process included conversations with Rotarians, community leaders and anyone interested in civic engagement.

The plight of refugees bubbled to the surface as an important need, and a “Legacy Grant” of \$50,000, renewable for 5 years, was awarded to the Chin Community of Indiana (CCI). Distinctly different than the popular debate over immigration, the Chin community is officially designated by the US Government as refugee population based upon their historical persecution in Burma. Our own member, Richard Lugar, was part of the effort to designate the Chin as such a group during his time in the US Senate.



Legacy Grant check presentation to the Chin Community of Indiana

With over 15,000 Chin now residing in central Indiana, the need to assist is very large. An important component of the decision to award the grant was the strong desire, among Chin leaders, to accelerate the assimilation process of Chin residents into the Indianapolis community. The grant will help provide English classes, job placement, and much needed administrative support. Jeff Lake has taken on the task of organizing Rotarians to regularly provide volunteer and professional support to this important part of the Indianapolis community.

The end of the centennial pledge also allowed the Foundation to reduce the spending rate on the endowment to 4.25%, without impacting the

annual granting process. Given long term investment forecasts, our money managers recommend a 4% spending rate and we believe that level can be achieved in the next few years, as the corpus grows. As recently as 2008, at the peak of the financial crisis, our spending rate was 5.5%. This level was clearly unsustainable. While other foundations have struggled to meet their granting needs with shrinking funds, we have successfully navigated these issues due to the excellent stewardship of the investment committee and board of directors. Total Foundation assets stood at \$6.98 million at year end, compared to \$6.58 million the year before.

As in recent years, the Foundation was able to provide \$70,000 in community grants to many worthy organizations. Teachers' Treasures and Child Advocates, each received \$25,000, while Operation Job Ready Veterans and the 100 Black Men of Indianapolis, each received a \$10,000 grant. These worthy groups play an important role in improving the lives of our fellow Hoosiers and it is an honor to partner

with such amazing organizations.

In the true spirit of Service Above Self, the Foundation awarded over \$12,000 in Civic Entrepreneurship Grants. These are small grants designed to fund the passions of Rotarians. By promising to invest sweat equity, the Foundation responds by promising to pay the expenses associated with Rotarian service projects. While only \$10,000 was originally budgeted for these grants, the demand was so great, the board voted to allocate more money to fund these projects.

One of the most important functions of the Foundation is supporting the Rotary Club of Indianapolis' numerous committees. The Education, World Community Service, Environment and Beautification, and the Community Service committees all received funding. A total of \$67,000 was awarded to the committees to help them spread the message of Rotary to Indiana and across the globe.

One of the most exciting grants in recent years is that awarded to IndyDoDay. \$10,000 was awarded to this fantastic cause, which organizes an estimated 18,000 people into a massive day of service. This has quickly become the signature project for the Rotary Club of Indianapolis and embodies all that is good about Rotary.

In addition to a change in the spending rate, there are numerous important fiscal items to report. While the total assets increased by approximately \$400,000, we continue



to maintain an extraordinarily low expense ratio of 1.10% of total assets. Beyond sound fiscal management and good investment oversight, donations continue to be a vital part of our success. It is only through your generosity that all these accomplishments are possible. Please take time to read the enclosed list of donors, thank them for their sacrifice and consider joining this esteemed group.

Of special note, however, is one major donation. The John R. and Patty Lee Roesch Trust made a donation of \$63,684, as part of the settlement of their estate. John passed away in 2004 and was one of many Roesch family Rotarians. The Roesch's included the Foundation in their estate planning and their generosity will accrue many benefits to future generations. As a personal request, I ask each of you to consider making a similar estate plan. The Rotary office and our financial advisors stand ready to help set up such a plan at little or no cost to you. Please reach out and ask.

Finally, we have some noteworthy leadership changes occurring at the end of this fiscal year. After many years as our Foundation's treasurer/secretary, Mary Burger has decided to step down. Her many years of service and dedication to our Foundation cannot be expressed adequately in words. During the most challenging fiscal time in modern history, Mary helped navigate our Foundation to its strongest financial condition on record. Next time you see her, please thank Mary for her dedication and

service. In addition, after three years as Foundation president, I will assume the role of treasurer/secretary. Long time Rotarian, Bill Bubenzer will assume the role of President, while Matt Burnett will replace Bill Bubenzer as Vice President.

As a concluding remark, please accept my most sincere gratitude for allowing me to serve as the president of the best Foundation of the best Rotary club in the world. It is a blessing for which I will forever be grateful.

**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 a perpetual 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 Officers of the Club 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 campaign drives, youth programs, environmental projects, disability 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 reimbursement for those services. With the exception of the operating expenses listed



Rotarians help assemble weekend backpacks of food for hungry school kids.

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 2017 Foundation Awards

During Fiscal Year 2017, the Foundation made a total of \$70,000 in grant awards. These payments were made to the following organizations.

**\$25,000**

### **TEACHERS' TREASURES**

1800 East 10th Street  
Indianapolis, IN 46201

Teachers' Treasures used their funding to launch their Mobile Outreach Program. This program will allow pick up of classroom-related supplies and donations and then deliver them directly to teachers and students in need.



Through a grant from the Indianapolis Rotary Foundation, Teachers' Treasures was able to launch their Mobile Outreach Program. Seen here, are teachers able to shop for free at Nora Elementary School.

**\$25,000**

### **CHILD ADVOCATES**

8200 Haverstick Road, Suite 240  
Indianapolis, IN 46240

Child Advocates has a goal to assign a trained volunteer to act as an advocate for each child whose parents have abdicated that role through abuse and/or neglect. They used their funding to help find, train and supervise more volunteers.



## FY 2017 Foundation Awards

**\$10,000**

**100 BLACK MEN OF INDIANAPOLIS, INC**

1140 Dr. Martin Luther King, Jr. Street, Suite 100  
Indianapolis, IN 46202

100 Black Men of Indianapolis, Inc. used their funding to support their award winning and extremely effective Dollars and \$ense Financial Literacy Program. This 16-week coed program teaches budgeting, investment, credit, taxes and more to high school students.



100 Black Men 2017 Dollars and \$ense Financial Literacy program students and volunteers.

**\$10,000**

**OPERATION: JOB READY VETERANS**

9130 Otis Avenue, Suite A  
Indianapolis, IN 46216

Operation: Job Ready Veterans used their funding to provide programs that ensure that veterans, military spouses, dependents, and caregivers have the opportunity to realize their educational, employment and career goals.

# III

## FY 2017 Civic Entrepreneurship Grants

These organizations were approved to receive grants up to \$3,000.

### **PACK AWAY HUNGER - \$3,000**

To celebrate our Club's signature service project, Indy Do Day, our entire club helped pack 11,664 meals during a Tuesday Rotary meeting. These meals were distributed to food banks in Indianapolis and around the world.

### **MSD OF LAWRENCE TOWNSHIP - \$996.96**

This funding went toward the purchase of underwear for young children that may have accidents at school. Having this resource on site reduces missed class time and family/class disruptions. Volunteers helped package and organize the supply.



11,664 meals were packed during a Rotary Club of Indianapolis Tuesday meeting for the Club's signature service project, Indy Do Day.

# III

## FY 2017 Civic Entrepreneurship Grants

### **TINDLEY PREP FAMILIES - \$2,410**

A new member class decided to adopt and shop for two families at Christmas. From a child's first bicycle to much needed clothing, the gifts were a blessing to the families that received them.

### **DOVE RECOVERY HOUSE - \$934.57**

Dove Recovery House moved into a new facility in 2016 and increased their capacity to serve women undergoing drug treatment. With this funding, they purchased bedding for almost 20 new beds!

### **IPS SCHOOL #15 - \$1,837.88**

What do you want to be when you grow up? Kids can't be what they can't see, so our new member class provided a Professional Show and Tell to feature their professions. They capped off the experience with a luncheon and etiquette class.

### **CIRCLE CITY PREPATORY CHARTER SCHOOL - \$1,000**

A new charter school located in a community of need received funding to help attract and support kids and families as they got ready to go back to school with a Back to School bash! Rotarians visited and staffed the bash providing logistics and support to attendees.

### **INDIANAPOLIS CHILDREN'S CHOIR - \$1,000**

Rotarians volunteered to help clean out the music closets located at the Indianapolis Children's Choir and this grant helped support the purchase of new sheet music so more students can learn and grow through music.

### **VETERAN'S INDUSTRIES AND ARTS - \$1,000**

The Cool Bus is a mobile food pantry, delivering fresh fruits and veggies to food desserts around the City. This grant helped pay for refrigeration and shelving to get the bus on the road to helping feed the needy, and Rotarians gathered to help with the install of the items.

# Indianapolis Rotary Foundation 2017 Rotary Committee Grants

<b>Education</b> .....	\$14,000
<b>Environment and Beautification</b> .....	\$12,000
<b>Community Service</b> .....	\$4,000
<b>Indy Do Day</b> .....	\$10,000
<b>World Community Service</b> .....	\$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.



A New Members Class provided a Professional Show and Tell to IPS School #15. Students are brainstorming what line of work they would like to go into when they grow up.



## 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.



World Community Service Committee provided funds to Fountains of Hope to install water purifiers.

# 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 2017*

### Gifts \$1,000 to \$4,999

AT&T  
Batt Family Foundation  
Elaine Bedel  
Community Management Services  
Mac Fehsenfeld  
Johnson Weaver Foundation  
Al Leighton  
William Witchger

### Gifts \$500 to \$999

Brian Buchanan  
Matthew Burnett  
W. Patterson Garten  
Anita Harden  
Charles Meyer

### Gifts \$250 to \$499

Todd Lugar  
Benton Marks  
John Mainella  
Thomas A. Mason  
Norm Melzer

### Gifts Below \$250

Ramona Adams  
Jennifer Agramonte  
Ronald Baker  
Orion Bell  
Scott Black  
Peggy Blackard  
Stacey Blanton  
Patrick Broccolo  
Lawrence Brodnik  
Bill Bubenzer  
Mary Burger  
Lorene Burkhardt  
Pam Burks  
Cal Burleson  
Sheila Carlson  
Jerry Clifford  
Kathy Cookerly  
Michael Crowley  
Carey Dahncke  
Tracey Danner-Odenwelder  
Jeffrey Dean  
Debra Des Vignes  
Jenny Dexter  
Melissa Farmer  
Thomas Fisher  
Tom Fodor

Jamie Freije  
Joseph Gaafar  
Phyllis Geeslin  
Ann Gioe  
Ken Gladish  
Bruce Glor  
Albert Gonzalez  
Ryan Goodwin  
David Gregg  
John Hague  
Lynnette Hanes  
Janet Harris  
Jennifer Hobbs  
Steven Ivy  
Thomas Jones  
Gregg Keesling  
Marie Koenig  
Jeff Lake  
Lynn Lambuth  
Sam LeSturgeon  
Nikki Lewallen  
David Lewis Sr.  
Thomas Lugar  
Suzanne Marshall  
Thomas W. Mason  
James McClelland

Alice McColgin  
Jeffry Moffatt  
Leon Mordoh  
Mercy Obeime  
Daniel O'Malia  
Bryna O'Neill  
Monica Peterson  
John Roesch  
Lisa Rollings  
Thomas Schneider  
Dennis Sheward  
Stephen Smith  
Laura Sniadecki  
Michael Snyder  
Mary Jane Sorbera  
Don Steffy  
James Stokes  
Ralph Taylor  
Kelly Tingle  
Thomas Uhrig  
Jason Vohs  
Joe Westphal  
Matt Wilhelm  
Meg Williams  
Herand Zargarian

# 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.

William G. Batt  
 Elaine Bedel  
 Peggy Blackard  
 Bill Bubenzer  
 Brian Buchanan  
 Matthew Burnett  
 Eugene Busche  
 Christina Cottey

Mac Fehsenfeld  
 W. Patterson Garten  
 Anita Harden  
 Al Leighton  
 Norm Melzer  
 Charles Meyer  
 Mercy Obeime  
 John Peterson

John Roesch  
 Denny Sponsel  
 Marsha Spring  
 Lesley Stoeffler  
 Dick Tempero  
 Sue Tempero  
 William Witchger  
 Matt Will

## Indianapolis Rotary Foundation Major Gift Honor Roll

The Indianapolis Rotary Foundation has received one or more major gifts valued at \$5,000 or more from the individuals listed below. The generous contributions of these donors make it possible to significantly increase the charitable work of the Foundation.

George H. Batt  
 William G. Batt  
 Jerry Benkert  
 Curt Benner  
 John A. Bowe  
 Linda Brimmer  
 Eugene Busche  
 William A. Carter  
 Dexter Cooley  
 Dean Cromer  
 Walter O. Farrell  
 Charlotte Fischer  
 Bertha Gormley  
 Thomas Graham

Ray E. Hale  
 Robert S. Hulett  
 Al Leighton  
 Gerald Mann  
 Charles R. Meyer  
 Elmer Miller  
 Martin J. Moore  
 Lewis Morrison  
 Charles Murphy  
 David Pencak  
 Ervin Picha  
 Edward Roesch  
 John R. Roesch

Richard A. Ruddell  
 Edward Schoenberger  
 Elizabeth Stilwell  
 J. Russell Sutton  
 Sue Tempero  
 Richard Tempero  
 Richard Vonnegut  
 Harry Weaver, Jr.  
 Horst Winkler  
 Eugene Witchger  
 William Witchger  
 Kenneth Young  
 Anonymous Rotarian

# 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, 2017.

George H. Batt **BHR LSM**  
 William G. Batt **LSM**  
 James Bradford **LSM**  
 Linda Brimmer **LSM**  
 Bill Bubenzer **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**



Giving Back to Africa helps students create a sustainable school learning garden.

## Indianapolis Rotary Foundation Honorary (IHO) and Memorials (IMO) *To June 30, 2017*

Ramon Adams (IHO)  
 Hugh Baker (IMO)  
 Elaine Bedel (IHO)

Sheila Carlson (IHO)  
 Tamera P. (Jones) Dormans (IMO)  
 Polly Jontz Lennon (IHO)  
 Cletus McBride (IMO)

Kathryn Snedeker (IMO)  
 Betty Stilwell (IHO)  
 Kelly Tingle (IHO)

*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.



# 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 the 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



Circle City Prep Block Party

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 Planned Gift

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. Additional resources are available through the Central Indiana Community Foundation.

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 4.25% 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.

**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.**



22 kids attended the Rotary Youth Leadership Academy

# 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 ensures 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.



Rotarians packed 140 backpacks for homeless veterans served by HVAF of Indiana, Inc. because of a Community Service Committee grant.

# 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 Kelly Tingle at [ktingle@indyrotary.org](mailto:ktingle@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.



Teachers' Treasures Mobile Outreach Program



**FINANCIAL STATEMENT SUMMARY**  
**Fiscal Year Ending June 30, 2017**

**INVESTMENT ASSETS**

**Market Values**

Checking Account	\$133,191	
Commonfund Global Multi-asset	\$2,241,215	
Central Indiana Community Foundation	\$4,601,641	
<b>Total Market Value FY 2017</b>		\$6,976,047
<b>Total Market Value for FY 2016</b>		\$6,577,583
<b>Change in Net Assets</b>		<u>\$398,464</u>

**SUPPORT, EXPENSES AND OTHER CHANGES IN NET ASSETS**  
**Year to Date June 30, 2017**

**Support**

Contributions Received - Unrestricted	\$91,869	
Contributions Received - Indy Do Day	\$3,295	
<b>Total Support</b>		\$95,164

**Expenses**

<b>Grants Awarded</b>		
Community and Club Grants	\$270,416	
<b>Total Grants Awarded</b>		(\$270,416)
<b>Administrative Expenses</b>		
Foundation Portion of Rotary Office Expenses	\$68,000	
Audit Expense	\$3,200	
Other Administrative Expenses	\$5,514	
<b>Total Administrative Expenses</b>		(\$76,714)

**Excess (deficit) of support over expenses** (\$251,966)

**Other Changes in Net Assets**

Investment returns (loss)		\$650,430
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**Change in Net Assets** \$398,464

# IX

## Fiscal Year 2017

### OFFICERS

**Matt Will**, President

**Bill Bubbenzer**, Vice President

**Mary Burger**, Secretary-Treasurer

### DIRECTORS

**Ramona Adams \***

**Larry Brodник \***

**Matt Burnett**

**Sheila Carlson \***

**Lucia Carter**

**Pat Garten**

**Jeff Lake \***

**John Mainella \***

**Benton Marks**

**Leon Mordoh**

**Michael Schiele\***

**Ralph Taylor**

**Kelly Tingle \*\***

Executive Director

### COMMITTEES OF THE BOARD

#### INVESTMENT COMMITTEE

**Bill Bubbenzer** - Chairman

**Bill Batt**

**Elaine Bedel**

**Matt Burnett**

**Al Leighton**

**Bob Shortle**

**Tom Surgener**

**Mary Burger** (Foundation Treasurer)\*

**Matt Will** (Foundation President)\*

**Sheila Carlson** (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

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## 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](mailto:info@indyrotary.org)  
web: [IndyRotary.org](http://IndyRotary.org)

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

**Indianapolis Rotary Foundation, Inc.**