



Indianapolis

ROTARY  FOUNDATION



2015 Annual Report

Serving and Building Indianapolis Communities



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

For the period July 1, 2014 to June 30, 2015

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.

Table of Contents

I.	Report of Foundation Operations for FY 2015.....	1
II.	An Overview of Indianapolis Rotary Foundation	3
III.	FY 2015 Foundation Awards	4
	FY 2015 Civic Entrepreneurship Grants	5
	Indianapolis Rotary Foundation Committee Grants.....	7
IV.	The History of the Foundation	7
V.	The Relationship between the Indianapolis Rotary Foundation and the Rotary International Foundation.....	8
	Centennial Campaign For Gleaners.....	9
VI.	Building the Endowment of the Indianapolis Rotary Foundation FY 2015	12
	Contributions to the General Fund	12
	Second Century Society.....	13
	Bequest Honor Roll and Legacy Society Members.....	14
	Honorary and Memorials.....	14
	Remembering the Indianapolis Rotary Foundation with Your Gifts.....	15
	Recognition of Your Gift	15
	Choose Your Approach to Giving. Let's Give Some Typical Giving Methods	16
	1. Outright Gifts	16
	2. Gifts With Income to You or Your Family.....	17
	3. Deferred Gifts	17
	How to Make Your Gift a Bequest.....	18
	We Can Help	18
	Managing the Endowment Funds.....	19
VII.	An overview of the Grant Review and Overview Process	20
	The Indianapolis Rotary Foundation, Inc. Guidelines for Community Grants	21
	Guidelines for Civic Entrepreneurship Grants.....	22
VIII.	FY 2015 Financial Statement Summary of the Foundation.....	23
IX.	Listing of the FY 2015 Officers and Directors and Committees of the Board	24

A Report of the Foundation Operations in FY 2015

(July 1, 2014 - June 30, 2015)

Dear Rotary Community,

The March 1947 edition of the Rotarian Magazine contained two milestones in the history of Rotary International. On the cover and contained in the pages that followed was a well deserved tribute to the most famous Rotarian in history, Paul Harris, who had recently passed away. Page 54 of the same publication announced the creation of the Rotary Foundation of Indianapolis, Inc., which would grow into one of the largest foundations in the world of Rotary. The timing of these two events serves to show the fortitude of the Rotary spirit and its ability to exist well beyond any one individual.

It is with great humility that I serve as the President of the Indianapolis Rotary Foundation. Since its creation in 1947, the Foundation has served as a community leader by positively impacting the lives of people in Indiana and across the globe.

During 2014-15, the Foundation made \$80,000 in grants via the Community Grants program. Forest Manor Multi-Service-Center and Westminster Neighborhood Services, Inc., each received a \$25,000 grant to support their work in providing social services to residents of Indianapolis' near east side. Grants of \$10,000 each were awarded to the Joseph Maley Foundation, the Indianapolis Symphony Orchestra and Christel House Academy, all designed to help the youth in our community. These grants provided our youth with exposure to a service program, the performing arts and cultural awareness. The diversity of the Community Grants reflects the Rotary commitment to nourishing the body, mind and soul.

The fourth year of the Foundation's Civic Entrepreneurship grant witnessed an increase in use and an expansion of the program. \$11,389 was spent supporting this mini grant program. The program was expanded to provide up to \$3,000 of support for a service project run by new members. As with all Civic Entrepreneurship grants, the goal is to foster a sense of service in individual Rotarians.

The Foundation continued its support of Rotary Club of Indianapolis standing committees by providing \$67,000 of grants to the Education Committee, Environment and Beautification Committee and the World & Community Service Committee. From local school projects to helping people in Africa, the projects supported by the Club committees demonstrate the global impact of our local foundation.

During 2014, in fulfillment of its \$350,000 pledge and commitment to raise a total of \$1,500,000 as part of the Club's centennial celebration, the Foundation made its final payment to Gleaners Food Bank of Indiana. Individual pledges will be collected through the end of calendar year 2015 and the final check written at that time. As the Club president when the centennial campaign was conducted and now, as Foundation president when the final check is written, I feel a personal connection to this project and am honored to have served our Club and Foundation during this major milestone in our history. The fulfillment of this commitment, however, provides the Foundation with an opportunity to have a major impact on some other aspect of our community.

At the end of the fiscal year, the Foundation's investments finally returned to pre-recession levels and ended the year at \$6,996,868.

October 2014 was a major milestone in the history of the Rotary Club of Indianapolis. The Club decided to lead Indy Do Day. This is one of the largest days of service in the country and may likely grow into the largest private day of service anywhere in the nation. The Foundation has made a financial commitment to help fund this effort with a \$10,000 grant and plans to continue funding this project in the years to come. This once again shows the commitment of local Rotarians to the mission of Service Above Self.

All of these great programs require financial resources and prudent management of those resources. At the end of the fiscal year, the Foundation's investments finally returned to pre-recession levels and ended the year at \$6,996,868. Over the past 6 years, the investment committee has made significant improvements in the Investment Policy Statement, developed a more sophisticated investment strategy and, with its commitment to a proper risk

adjusted return philosophy, is well positioned to grow the Foundation's assets and weather market volatility. The investment committee deserves tremendous thanks for their dedication to protecting the assets of the Foundation.

The Foundation spent \$71,343 in administrative expenses during the year, which was slightly under budget. Given a portfolio size of \$6,996,868, this represents 1.02%, which indicates a truly fiscally responsible approach to expense management.

Of special note during this fiscal year was the raising of \$49,315 in general contributions. Given the existence of outstanding Centennial pledges and the lack of any formal fund raising effort, this number is extremely encouraging. Adjusting for estate gifts, this reflects one of the largest single year contributions on record. Special thanks goes to Matt Burnett and Susie Harmless for their effort in helping raise this money. Matt Burnett was instrumental in developing creative ideas to raise money for the Foundation. Most importantly, Susie Harmless honored the Foundation by asking Rotarians to donate to the local foundation, in her honor, in lieu of giving her retirement gifts. This selfless act reflected Susie's dedication to the Rotary spirit.

Notwithstanding this outstanding year, the Foundation is already making plans for an even better year in 2015-16. The board of directors, committee members, office staff and Foundation officers are all committed to ensuring the Indianapolis Rotary Foundation continues to have a tremendous impact on the global community for many years to come.

**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 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 2015 Foundation Awards

During Fiscal Year 2015, the Foundation made a total of \$80,000 in grant awards. These payments were made to the following organizations.

\$25,000

FOREST MANOR MULTISERVICE CENTER

5603 East 38th Street • Indianapolis, IN 46218

Afterschool Enrichment programming

\$25,000

WESTMINSTER NEIGHBORHOOD SERVICES

445 North State Street • Indianapolis, IN 46201

Purchase of express passenger van.

\$10,000

CHRISTEL HOUSE ACADEMY

10 West Market Street, Ste 1990 • Indianapolis, IN 46204

CHASSIS, Christel House Academy Students in Service, program

\$10,000

INDIANAPOLIS SYMPHONY ORCHESTRA

32 East Washington Street, Ste 600 • Indianapolis, IN 46204

Metropolitan Youth Orchestra

\$10,000

JOSEPH MALEY FOUNDATION

P.O. Box 681010 • Indianapolis, IN 46268

Service Day program

III

FY 2015 Civic Entrepreneurship Grants

The following organizations were approved to receive
funding of up to \$1,000

AVONDALE MEADOWS ACADEMY

Erected a flagpole at the Avondale Meadows Academy to fly the flag
of the United States of America.

CONCORD NEIGHBORHOOD CENTER

Rotarians planted shrubs and perennials around the perimeter of the Concord Neighborhood
Center's Child Care Center.

JUNIOR ACHIEVEMENT CENTRAL INDIANA

In this project, CHWHS Interact high school students from Christel House Academy visited seven
elementary classrooms at Christel House Academy to deliver the Junior Achievement curriculum.

This will serve approximately 175 children, each receiving five hours of Junior Achievement
programming.

LAWRENCE TOWNSHIP SCHOOL FOUNDATION

Funded 50 scholarships and reduced lunch students' registration fees to participate in the Unite &
Ignite 5K Run.

HABITAT FOR HUMANITY

Fifteen Rotarians participated to help toward completing home builds. These Rotarians were
asked to participate in myriad of tasks including: painting, framing a home, putting up siding,
landscaping, etc.

III

FY 2015 Civic Entrepreneurship Grants

The following organizations were approved to receive funding of up to \$1,000

PEACE LEARNING CENTER/METRO BAPTIST CHURCH

Students visited and served at several different non-profits throughout the city on a week long service trip. The site visits included: Homeless shelters, soup kitchens, after school programs, mentoring programs, and a fair trade organization.

PACK AWAY HUNGER

Rotarians participated in a service project, held during the Tuesday, April 7, 2015 regular program. The meals assembled were distributed both locally and to overseas nations where hunger is a problem.

COBURN PLACE

Rotarians volunteered at a domestic violence shelter. Secured funds and purchased wish list items. Additionally, facilitated a family game night in order to provide families and children with an opportunity to play games, socialize and enjoy positive relationships in a safe environment.

F.I.D.O.

Rotarians helped empower their fellow citizens by providing care for dogs by working alongside dog owners. They installed new kennels or repaired broken fences so that a dogs could be more comfortable, safe and secure. Additionally, the Fence Project Build Day educated owners on proper care and treatment for their dogs.

INDIANAPOLIS CHAMBER ORCHESTRA

Encouraged and assisted middle school, high school and college students to experience live, professional, classical concerts encouraging their participation in the cultural life of our city. The grant underwrote 100 student tickets for concert attendance in the 2015-2016 season.

Indianapolis Rotary Foundation 2015 Rotary Committee Grants

Education Committee	\$18,000
Environment and Beautification Committee	\$12,000
World Community Service Committee	\$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.

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 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.



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 January 2011, the Centennial Steering Committee publicly announced the Rotary Club of Indianapolis Centennial Campaign. The Club committed to raise \$1.5 million over five years on behalf of Gleaners Food Bank and help 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

*City Securities
*Old National Bank

Dan Yates

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

*Barnes and Thornburg
Batt Family Foundation
*Brian Buchanan
*Matthew Burnett
Eugene Busche

Rick Conner
Pat Garten
*Tom Lugar
Marty Moore
Leon Mordoh
*Tom Richardson

John Roesch
*Denny Sponsel
Betty Stilwell
Marge Tarplee
*Matthew Will

** Indicates Centennial Project Gift member payments received in FY 2015*

Centennial Campaign for Gleaners

FY 2015 Indianapolis Rotary Foundation Contribution:
\$70,000

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

American Legion
 Berry Plastics
 Larry Brodnik
 *Lorene Burkhart
 *Bill Douthit
 Bill Ervin
 *Tom Fisher
 *Denny Fulk

Anita Harden
 *Susie Harmless
 Harriet Ivey
 *Steven Ivy
 *John Mahrtd
 Kim Martin
 Charlie Meyer
 *Kendall Millard

Crowe Horwath
 *Greg Schahet
 *Wayne Schmidt
 *Steve Smith
 *Dick and Sue Tempero
 *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
 Moira Carlstedt
 Tom Carroll
 *Lucia Carter
 George Charbonneau
 *Sara Busche Cobb
 *Kathy Cookerly
 Barb Coury
 *Howard Creveling
 *Carole Darst
 Paul Del Re
 John Dewey
 *Morey Doyle
 David Dreyer
 *Tim Dudley
 *Frank Eagan
 Ivan Ekhaus
 John Elliott
 Eric Ellsworth
 *Kevin Etkorn

*Melissa Farmer
 *Fred Ficklin
 Ken File
 *Darrel Fitch
 *Ron Gifford
 Larry Goldblatt
 David Goldenberg
 Grant Goldman
 Jim Graham
 *David Gregg
 Beth Hallowell
 *Lynnette Hanes
 *Steve Harris
 *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
 *David Lewis
 Richard Lugar
 *Todd Lugar
 *Jeff Mader
 *John Mainella
 Benton Marks
 *Thomas W. Mason
 *Linda McCabe
 *Oma McCall
 Jim McClelland

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

** Indicates Centennial Project Gift member payments received in FY 2015*



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 Burleson

Sheila Carlson

Scott Clabaugh

Michael Conly

*Michael Crowley

Laura Demeter

Connie Dillman

George Dingley

Joe Gaafar

*Phyllis Geeslin

Jim Glass

John Hague

*Av Handleman

Katte Hanner

Scott Horvath

Bob Hulett

Erik Johnson

Colleen Kilrain

*Andrew Kocher

*Marie Koenig

*Jeff Lake

*Lynn Lambuth

Patsy Lentz

Fred Lesh

Gerald Marvel

Tom A. Mason

*Paul McClure

Alice McColgin

*Janet McCully

Bob McNamara

Mickey's Camp

Audrey Millar

N.K. Hurst Company

*Tim Nation

Needham Hurst

Edie Olson

Hitesh Patel

Norman Pessin

Clint Pletcher

Pat Riley

Fern Roesch

Michael Shanley

Erin Smith

*Laura Sniadecki

Mike Sogard

Mary Jane Sorbera

Herbert Spencer

Paul St. Angelo

Jerry Tobe

Randall Tobias

Mark Weir

Ray Waldman

Mark Winzenread

Hugh Wolf

Tanya Woodward

Charles and Judy Wright

** Indicates Centennial Project Gift member payments received in FY 2015*

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 2015

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

Batt Family Foundation
 Elaine Bedel
 Brian Buchanan
 Christina Cottey
 Johnson Weaver Foundation
 Mac Fehsenfeld
 Pat Garten
 Alan Leighton
 Leticia Snoddy
 Dennis Sponsel
 Matthew Will

Gifts \$500 to \$999

Brees Dream Foundation
 Matthew Burnett
 Maurer Family Foundation
 John Mahrdt
 Charles Meyer
 Dennis Sheward
 Lesley Stoeffler

Gifts \$250 to \$499

William Agbor-Baiyee
 William G. Batt and
 Martha Susan Batt
 Evan Bedel
 Kathy Cookerly
 Carole Darst
 Thomas Fisher
 Anita Harden
 Guille Harvey
 Marie Koenig
 Tom Lugar
 Jeffry Moffatt
 Richard Markoff, Ph.D.
 Norman Melzer
 John Roesch
 Tom Surgener
 Ray Waldman

Gifts Below \$250

Greg Albright
 John Aleshire
 Joseph Alpert
 Peggy Blackard
 Hugh Baker
 Alfred Brames
 Frank Brendon
 Harry Bunn
 Mary Burger
 Lorene Burkhart
 Pam Burks
 Eugene Busche
 Andrew Carr
 Lucia Carter
 George Charbonneau
 Willis Conner
 Kathryn Cookerly
 Carole Darst
 Jeffrey Dean

Laura Demeter
 William Douthit
 John Elliott
 Joseph Gaafar
 Sharon Gammon
 Christi Garcia
 Phyllis Geeslin
 Andrea Geiger
 Ron Gifford
 Arthur Haan
 John Hague
 Anita Harden
 Mike Harmless
 Guille Harvey
 Laura Haynes
 Steven Ivy
 Erik Johnson
 Tom Jones
 James Kienle

Marie Koenig
 Jeff Lake
 Lynn Lambuth
 David Leonards
 Sen. Richard Lugar
 Gerald Mann
 Tom W. Mason
 James McClelland
 Alice McColgin
 Robert McNamara
 Kendall Millard
 Leon Mordoh
 Brian Nachlis
 Mercy Obeime
 James Price
 Jon Raimondi
 John Roesch
 Michael Salemi
 Lauren Scheldrup

Mary Jane Sorbera
 Brenda Shaffer
 Erin Smith
 Dennis Sponsel
 Don Steffy
 Rita Steinberg
 James Stokes
 John Sullivan
 Tom Surgener
 Gary Taylor
 Ralph Taylor
 Richard Tempero
 Sue Tempero
 Kelly Tingle
 Scott Wacker
 Ray Waldman
 John Wickes
 Paul Wonch

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 Batt
Peggy Blackard
Bill Bubbenzer
Matt Burnett

Mac Fehsenfeld
Pat Garten
Alan Leighton
Marsha Spring

Dick Tempero
Sue Tempero
Matthew Will



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, 2015.

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, 2015*

Hugh Baker (IMO)
 Priscilla Baker and the Hugh
 Baker family (IHO)
 Mr & Mrs William G Batt (IHO)

Matt Burnett (IHO)
 Danny Danielson (IMO)
 Gracia and Jim Floyd (IHO)

Susie Harmless (IHO)
 Linda Johnson (IMO)
 William Kniptash (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.



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 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.

continued

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.





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.

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.





FINANCIAL STATEMENT SUMMARY
Fiscal Year Ending June 30, 2015

INVESTMENT ASSETS

Market Values

Checking Account	\$37,388	
Commonfund Global Multi-asset	\$2,072,246	
Central Indian Community Foundation	\$4,887,235	
Total Market Value FY 2015		\$6,996,869
Total Market Value for FY 2014		\$7,241,125
Change in Net Assets		<u><u>(\$244,256)</u></u>

SUPPORT, EXPENSES AND OTHER CHANGES IN NET ASSETS
Year to Date June 30, 2015

Support

Contributions Received - Unrestricted	\$49,327	
Contributions Received - Indy Do Day	\$700	
Contributions Received - Centennial Project	\$99,220	
Total Support		\$149,247

Expenses

Grants Awarded		
Community and Club Grants	\$536,104	
Total Grants Awarded		(\$536,104)

Administrative Expenses

Foundation Portion of Rotary Office Expenses	\$62,000	
Audit Expense	\$3,175	
Foundation Portion of Copier Costs	\$2,807	
Printing, Postage, Supplies and Service Fees	\$3,374	
Total Administrative Expenses		(\$71,356)

Excess (deficit) of support over expenses (\$458,213)

Other Changes in Net Assets

Investment returns (loss)		\$213,957
---------------------------	--	-----------

Change in Net Assets (\$244,256)

IX

Fiscal Year 2015

OFFICERS

Matt Will, President

Ralph Taylor, Vice President

Mary Burger, Secretary-Treasurer

DIRECTORS

Ramona Adams *

Scott Armstrong *

Larry Brodnik *

Brian Buchanan

Matt Burnett *

Sheila Carlson *

Lucia Carter

Pat Garten

Anita Harden

Jeff Lake *

Marsha Spring

Don Steffy

Susie Harmless **

Executive Director

COMMITTEES OF THE BOARD

INVESTMENT COMMITTEE

Bill Bubbenzer - Chairman

Elaine Bedel

William Batt

Mary Burger *

Matt Burnett

Susie Harmless **

Harriet Ivey

Al Leighton

Tom Surgener

Theresa Walker

Matt Will

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.

