

BUILDING COMMUNITY ENDOWMENT: FUNDS OF THE FOUNDATION



The Lucinda P. Wallace Memorial Scholarship Fund was established in December 2002 to commemorate the good works done throughout Lucinda's lifetime.

The Fund was initiated by Lucinda's sister, Mary Wallace Hewlett of Downingtown, to honor Lucinda's lifelong commitment to education. Lucinda was an educator in the Baltimore City School System and the Sunday School Superintendent at Mt. Winans United Methodist Church for many years.

The Fund will support the continuing education goals of members of the Mt. Winans United Methodist Church. An advisory board of members of the Church will meet yearly to review applications for the annual scholarship awards.

COMMUNITY NEEDS CALLING FOR 2 - 1 - 1

2-1-1 is an easy to remember telephone number that, where available, connects people with important community services and volunteer opportunities.

In 2000, United Way of America and its partners successfully led the effort to get the Federal Communications Commission to designate 2-1-1 for health and human services information and referral. The 107th Congress recognized the importance of 2-1-1 by including it as an allowable use of funding in the bioterrorism preparedness legislation. Today, 2-1-1 reaches 33 million Americans-but not in Chester County.

The Chester County Community Foundation is working with regional partners to support the establishment of a 2-1-1 system serving Chester County that coordinates with the wide variety of localized hotlines and information/referral services. The result would provide an infrastructure to connect individuals with precise information and social services that address their individual needs; supply aggregate data to continually assess community needs; and empower the region to better respond to large-scale emergencies.



MARJORIE L. AND ARTHUR P. MILLER FUND

In October 1995 Marjorie and Arthur Miller of Wayne established the Marjorie L. and Arthur P. Miller Fund for Open Space and the Environment. The Millers, who have written several books on environmental subjects, wanted to encourage communities and nonprofits to preserve and protect natural resources such as streams, woodlands, wetlands, and wildlife areas.



Since 1999 the Millers have made an annual grant to a local nonprofit that devises a creative solution to open space preservation and environmental protection. Recipients of each challenge grant are expected to include incentive or matching funds in their plan. The Miller Fund supports the creation of parks, trails, and recreation areas. It also encourages environmental education by schools and nonprofits, research and publication about important environmental issues, volunteer and leadership development, and demonstration projects with wide application.

Past recipients include Camphill Village-Kimberton Hills which cleared the pollution and debris from an overgrown tributary to French Creek and planted native vegetation to establish a free-flowing stream; Green Valleys Association for its Welkinweir Interpretive Trail; and Maysie's Farm Conservation Center's sustainable agriculture program for its interns so they could visit and study about other local ventures. This past year, the Red Clay Valley Association received a grant to help complete the Red Clay Greenway Trail in Kennett Square.

Chester County COMMUNITY FOUNDATION

The Lincoln Building
28 W. Market Street | West Chester, PA 19382

Let your legacy make a difference in Chester County

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MISSION:

The Chester County Community Foundation leads, inspires and encourages all individuals and organizations to create or contribute to lasting philanthropic charitable legacies, to improve the quality of life primarily in Chester County.

A copy of the official registration and financial information for the Chester County Community Foundation may be obtained by calling the Pennsylvania Department of State at 1-800-732-0999 (toll free in Pennsylvania). Registration does not imply endorsement.

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*Part time

winter
2003

Foundation forecast

PARTNERS IN PHILANTHROPY

For people who value a connection to the community, proven and effective stewardship, and an exclusive commitment to philanthropy, The Chester County Community Foundation is the obvious choice.

As you face this New Year, you and your family might consider taking stock of your philanthropic goals. We at the Chester County Community Foundation can help you create a giving program that is customized to your wishes, and your personal and financial goals.

At The Chester County Community Foundation you get competitive investment returns, along with professional advice and personal attention from a local partner committed to the community.

We provide expertise based on solid experience. Tap into our connections in the community, benefiting from our community issue research and tailored philanthropic consulting services when you need them.

We are local. Because we are involved in the issues facing the community and committed to its future, we are a resource you can trust.

We are available. We are here to help you when you need us, and however you find it most convenient. We will work directly with you and your family, or in partnership with your own professional advisors.

Flexibility. Expertise. Service.

Each of the 150+ charitable funds established at The Chester County Community Foundation is unique in purpose, inspiration, and impact. All, however, share a common thread: a desire to make a difference. Please keep in touch with us throughout the year and let us know ways we can be even better at connecting people who care with causes that matter, so your legacy can make a difference in Chester County.

The Lincoln Building
28 W. Market Street | West Chester, PA 19382
(610) 696-8211 voice | (610) 696-8213 fax | info@chescocf.org
www.chescocf.org

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SPECIAL EVENTS

Open House

On December 6, 2002 the Chester County Community Foundation opened its doors for a Holiday Open House in conjunction with West Chester's Old Fashioned Christmas Parade. Neighboring attorneys, bankers, fund advisors, nonprofit executives and volunteers came to share food, drink, and laughter with board and staff members. Some attendees opted to stay in the warmth to watch the Christmas Parade through our Lincoln Building second story windows.

After the parade, the Community Foundation again hosted the Borough of West Chester's annual Gettysburg Address competition. This year eight middle school students recited the Gettysburg Address from the front steps of our Lincoln Building to a crowd of family, friends, history lovers, and curious passers-by. There were awards for the "Best Overall Speech" and the "Best Dressed," but no student left empty handed. All participants received prizes from local businesses for participating.



Connecting people who care with causes that matter

COMMUNITY GRANTMAKING:

Over the past six months, the Community Foundation has distributed more than \$977,800 through over 191 grants and scholarships. A few highlights of some of our Fund for Chester County unrestricted grants:

Phoenixville Area Police Athletic League...funds will expand recreation-oriented programs to disenfranchised, isolated youths from age 6 to 18.

Police Athletic League of Greater West Chester...funding toward the Positive Images program, a series of self-esteem workshops focusing on self-image, relationships, money, nutrition, and conflict resolution.

Safe Harbor of Greater West Chester...grant provides overnight shelter, food, and clothing for homeless people, plus work with counselors to address issues that prevent long-term independent living.

Union Fire Company No. 1...funds will enable the purchase of a Partner K-950 Rescue Saw, a piece of lifesaving equipment.

Volunteer English Program in Chester County...funds will be used to provide language skills training so immigrants can be more effective workers, family members, community members and citizens.

West Chester Area Senior Center...funds will support isolated seniors through the Frail Elderly Outreach Program.

UPCOMING EVENTS

"Growing Your Endowment" Training Series

The Community Foundation is offering a three-part seminar to Chester County nonprofit organizations in collaboration with LaSalle University's Nonprofit Center. The seminars for executive directors, development officers, and board members will be held from 5:30 until 8:30 p.m. on February 10, February 24 and March 10 at West Chester University. The cost is \$200 for nonprofit organizations with endowment funds held in trust by the Community Foundation. Please contact Aline Reece at aline@chescofc.org or 610/696-4383 with any questions, to receive a brochure, or to register.

For additional listings of upcoming events, visit our website at chescofc.org



INFORMATION FOR ATTORNEYS AND FINANCIAL PLANNERS

In addition to gifts of cash and stock, the Chester County Community Foundation can also administer gifts that meet estate-planning needs and offer significant tax benefits.

Funds established in the Chester County Community Foundation are component funds of a public charity and are not regarded as private foundations. The Internal Revenue Service has classified the Chester County Community Foundation as "tax exempt" under Section 501 (c) (3) of the Internal Revenue Code; as a "publicly supported" organization under Section 170b (1) (a) (vi); and "not as a private foundation" under Section 501 (a) (1). This status ensures donors the maximum tax benefit allowed by law.

Some of the planned giving opportunities available through the Chester County Community Foundation include:

Charitable Gift Annuities are one of the most common gifts that provide income back to a donor. Gift annuities allow a donor to transfer cash or marketable securities to the Community Foundation and to obtain a current income tax deduction. The Community Foundation then agrees to pay the donor or other named beneficiary a specified amount during the donor's lifetime. The American Council on Gift Annuities is a volunteer-led organization that recommends annuity rates. Though these rates are not binding, most charities follow them so that donors can make their choices based on their preference of charitable organizations. Annuity payments can begin immediately or be deferred to some future date. The remaining principal goes to the Community Foundation and can be used to create a named philanthropic fund.

Charitable Remainder Trusts can be constructed in two forms, both of which allow a donor to place assets in trust, claim a current income tax deduction, and elect to have either a fixed dollar amount (annuity trust) or a fixed percentage of the trust's value (unitrust) paid to the beneficiary for life or a peri-

od not to exceed 20 years. At the end of the trust term, the remaining principal goes to the Community Foundation and can be used to create a named philanthropic fund.

Why would someone fund a Charitable Remainder Trust instead of a Charitable Gift Annuity?

1. If the funding asset is hard to value, such as closely held stock, an apartment complex, tangible personal property (no income tax deduction in this case), or vacant land. In general, Gift Annuities cannot be established with these assets, and the Charitable Remainder Trust is the only option.
2. Charitable Remainder Trusts can have numerous beneficiaries (more than two) and variations on term (e.g., life, then term of years) neither of which are commonly allowed in the case of Gift Annuities.
3. In general, if the gift is more than \$250,000, a charity will be reluctant to place it in an annuity reserve fund due to respective investment restrictions. Many trustees judge it prudent to manage a trust of this size with a well-defined investment strategy concurrent with risk and income obligations.
4. If the trustee anticipates the trust will be invested in tax-exempt bonds, the Charitable Remainder Trust is the only option.
5. A Charitable Remainder Trust is more flexible for estate planning purposes, especially when a testamentary life income gift is contemplated.

It is helpful for a Community Foundation representative to meet with you and your client to help customize a Gift Instrument which specifies individual and family goals and objectives. For more detail, contact Beth Harper Briglia, CPA or Karen Simmons at 610/696-8845.



NEW FACES

One of the many strengths of the Chester County Community Foundation is the strong leadership the Board has provided over the years. Three of our Board members are profiled here. Meet the others in upcoming newsletters.



Mary MacKinnon

Mary MacKinnon of Coatesville has been a resident of Chester County for 20 years. She was brought up in West Virginia, Delaware and California, courtesy of the DuPont Company. Ms. MacKinnon managed to tour the country as a multi-college attendee in the late sixties and early seventies. After that, she spent 13 years as a securities trader and portfolio manager for an investment advisor.

Ms. MacKinnon is a mother of two—a son who is a freshman at the New School University and a daughter who is a junior at West Nottingham Academy.

In the past 15 years Ms. MacKinnon has been involved, to varying degrees, with Thorncroft Equestrian Center, Aid for Friends, Citizen Advocacy of Chester County, Chester County Fund for Women and Girls, and the grants committee of the Chester County Community Foundation.

Thomas Paulus

Tom Paulus is President of Patriot Advisors. Patriot Advisors, a division of Patriot Bank, is a wealth management firm located in Exton, Pennsylvania. Tom has over 10 years of experience in the wealth management industry, covering a broad spectrum of disciplines, such as, investment advisory, financial planning, tax planning, estate and trust planning, insurance and asset protection, private banking, and philanthropy.

Mr. Paulus attended Temple University where he earned a Bachelor's degree in Business Administration. After working as a Financial Consultant with Shearson Lehman Brothers, he co-founded Bonds & Paulus, a wealth management firm, in 1993. Bonds & Paulus was recently sold to Patriot Bank where Tom assumed the role of President of Patriot Advisors. Tom had previously served on the Board of Directors of Patriot Bank Corporation, and its subsidiary, Patriot Bank, of Pottstown, Pennsylvania.

Tom currently resides in Chester Springs with his wife and two children. He is actively involved with The Montgomery School in Chester Springs which his two children attend.



Mary Ann Rossi, Esq.

Mary Ann Rossi of Downingtown is a Director with the law firm of MacElree Harvey, Ltd. She concentrates her practice on zoning and land development, real estate and commercial litigation.

Ms. Rossi has served as President of the Chester County Bar Association, First

Vice-Chairman of the Board of Directors of Brandywine Hospital and Trauma Center, Secretary to the Board of Brandywine Health Services, Inc., and President of the Board of Legal Aid of Chester County.

Ms. Rossi is Chair of the Advisory Board of the Chester County Fund for Women and Girls. She is also a member of the boards of the Brandywine Health & Wellness Foundation and Chester County Leadership Connection.

Ms. Rossi holds a B.A. in English from Marywood College and an M.A. in French Language and Literature from Indiana State University. She received her J.D. from the Dickinson School of Law.

The Community Foundation introduces our newest staff member:



Geri Quarracino

Geri Quarracino, Business Manager, rejoined the staff of the Community Foundation in mid-November 2002.

Ms. Quarracino has provided accounting and systems implementation support for small businesses and nonprofit organizations for nearly 15 years.

As the Community Foundation's Business Manager, Ms. Quarracino is responsible for implementing the following business and finance support services with the highest professional standards: accounting activities including accounts payable, accounts receivable, payroll, account reconciliation, and reporting; purchasing systems and inventory management; physical plant and equipment maintenance; and human resources compliance. Furthermore, she assists the Vice President for Business Affairs with investment management, risk management, and legal compliance issues.

Ms. Quarracino resides in Kimberton with her husband, Frank. Their three children are currently pursuing advanced degrees at DeSales University, Gettysburg College, and University of North Carolina-Wilmington. We welcome Geri's return to the Community Foundation!