

# community catalyst



Oklahoma City

Community  
Foundation

Helping Donors  
Help the Community

September 1996

## Local non-profits receive \$1.2 million in yearly earnings *Designated Endowment Fund program provides perpetual income stream*

The Oklahoma City Community Foundation will hold its annual distribution meetings for its Designated Endowment Fund agencies September 24-26. Distributions to over 200 non-profit agencies will total \$1.2 million.

The Designated Endowment Fund program provides a vehicle for charitable organizations to build endowments and for donors to be assured that money they give will continue to be used for its intended purpose.

Endowment funds are invested and allowed to grow over time, producing annual income for the organization now and in the future. These funds can provide security over the long term, and help ensure that an agency will have a lasting impact on the community.

Cyndi Lu Shaw, director of Harn Homestead, said that the organization's designated fund provides one sixth of its total annual income.

"It has allowed us to grow, and has enabled us to handle larger numbers in our educational programs," she said. "I think that it's what organizations need for the future, to get some kind of a stable underpinning."

The Designated Fund program at the Community Foundation provides a simple and efficient way for a non-profit to have an endowment fund. It

provides a common fund into which many donors can contribute, management services including investment oversight, acknowledgment to donors and annual cash distributions, and protection of the principle of the endowment against the impact of inflation and the preservation of assets.

The Foundation works as a partner with the organization in developing additional endowment assets and promotes the Designated Fund program to potential donors. Because the Designated Funds are pooled with other Community Foundation funds for investment purposes, each Designated Fund benefits from professional management and the returns available to a \$100 million investment pool. Donors can be assured of sound

financial management for their contributions; non-profit organizations can be confident that the total return on the fund will be maximized.

The Community Foundation has demonstrated strong historic investment performance that supports both a stable cash distribution and internally generated growth of the fund value. Between 1991 and 1996, the average investment return for the

Designated Fund pool was 10.55 percent. For a Designated Fund with an initial contribution amount of \$50,000, the total cash distribution for the five-year period would exceed \$14,000. Additionally, investment appreciation would have increased the market value of the fund to more than \$66,000.

Roger Haraughty, a member of the Development Committee for St. James School, said that the school's endowment fund has allowed them to afford extra amenities at the school such as computer labs and additional library books, at the same time allowing the school to keep tuition costs lower. The school uses the distributions from their fund to pay for unforeseen items which aren't accounted for in the annual budget, as well as the "extra" educational equipment the school is able to afford without dipping into its

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The Designated Fund meetings provide a chance for agency representatives to visit with Community Foundation staff and Trustees.

### Inside this issue:

- *The Margaret Annis Boys Trust: Community Foundation Special Report*
- Internet project
- Estate planning with Retirement Plan Assets



Nancy B. Anthony

## ...from the Executive Director

Miss Florence Wilson was a very generous Oklahoma City resident who supported a wide variety of charitable organizations in both Oklahoma and her native state of Ohio. She graduated from Vassar College and served as a secretary to her uncle, William Fremont Harn, a well-known Territorial era attorney. At her death in 1979, she left \$100,000 to the Community Foundation to benefit the endowment funds of five organizations: Allied Arts Foundation, National Cowboy Hall of Fame, YMCA, YWCA, and the Oklahoma Zoological Society. She also left a bequest to the Fund for Oklahoma City.

In 1996, seventeen years later, Miss Wilson's generosity still provides annual benefits for these organizations. Each of the organizations has received annual earnings on these endowments which exceed the original bequest. Because of the Community Foundation's long-term investment policy, the value of the fund has increased by 70 percent providing an increasing annual earnings distribution.

Miss Wilson was able to continue her lifelong support for these organizations long after her death. She and her attorney chose the Community Foundation to administer the endowment gift because they knew that if the organizations were no longer active or viable, the Community Foundation would direct the endowment toward a similar purpose in the community.

Endowment funds are a bridge between past donors and the future of an organization and the community. They represent the heritage from which many charitable organizations have developed. Donors are able to perpetuate their support for their favorite causes. Organizations are able to remember and appreciate the support of these donors from years past.

Miss Florence Wilson was well loved in the community many years ago. She is still helping those organizations she supported during her lifetime. Her gift to the Fund for Oklahoma City provides grant support for issues and opportunities that might not have even been known during her lifetime. Through her endowment contributions, the Florence Wilson Fund at the Oklahoma City Community Foundation is an active and vital part of the community today. Her gift was truly an investment in the future.

# Internet project links agencies to online opportunities



The Community Foundation is coordinating a project through the Daily Oklahoman's *Connect Oklahoma* Internet service to provide an opportunity for local non-profit agencies to take advantage of the new opportunities available on the Internet. The Internet is believed by some to be the next great frontier for international communication. This project will connect local non-profit organizations to the Internet and allow them to take advantage of this communications and research tool. The Community Foundation would like to create an interactive directory of local non-profit organizations on the Internet to enhance the information available to the public about their services.

Dale Levy, the Community Foundation's Director of Community Programs, along with Sue Hale of Connect Oklahoma, selected 20 non-profit agencies in the area to be a test group for getting on the Internet and developing Web sites.

The Oklahoman provides non-profit agencies and civic organizations free Web sites through its program called Connections. Connections can be found on the Oklahoman Online's home page at [www.oklahoman.net](http://www.oklahoman.net).

The Community Foundation's Web site can be found at [www.oklahoman.net/commfound](http://www.oklahoman.net/commfound).

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"This project is designed to be a learning experience for each agency, for the Community Foundation and for Connect Oklahoma — trying to find out the kind of information agencies will want on their home page, how best to organize the information, what will be most helpful to clients, to other organizations and to donors," Levy said.

To date, seven local organizations have Web sites through the Connections service and more are coming online soon. When enough agencies have Web sites, Connections hopes to include a searchable directory of all the organizations and their services. Levy hopes that once the interactive directory is in place, local libraries and some non-profit organizations will have computers set up for clients and the general public to use to search for needed services.

For example, one could search for all local agencies dealing with aging or homelessness or prenatal care.

"The Community Foundation is interested in using technology to enhance client services provided by agencies and to network agencies together so that resources may be used in the most efficient and helpful ways," Levy said.

In addition to enhancing client services, the Internet will allow local organizations to communicate through computers with each other and with other organizations around the world.

Because technology is growing and

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**If you have access to the Internet, look for us on the World Wide Web or send us an e-mail!**

**The Oklahoma City Community Foundation: [www.oklahoma.net/commfound](http://www.oklahoma.net/commfound)**

**Okla. City Community Foundation e-mail address: [occf@ionet.net](mailto:occf@ionet.net)**

**Look for these helpful Web sites, too:**

Oklahoman Online: [www.oklahoman.net](http://www.oklahoman.net)

Council on Foundations: [www.cof.org](http://www.cof.org)

National Charities Information Bureau: [www.give.org](http://www.give.org)

USA Foundation Center: [fdncenter.org](http://fdncenter.org)

USA Charities: [www.charities.org](http://www.charities.org)

Philanthropic Links: [www.duke.edu/~ptavern/Pete.Philanthropic.html](http://www.duke.edu/~ptavern/Pete.Philanthropic.html)

ioNet Non-Profit pages: [millers@intersport.com/nonprofit/](http://millers@intersport.com/nonprofit/)



# Estate Planning with Retirement Plan Benefits

*Condensed from an article by Jon Trudgeon in the May issue of "The Adviser," a Community Foundation publication for financial planning professionals.*

The flexibility of the Community Foundation — both in the assets it accepts and the services it offers — makes it the ideal recipient for various types of estate planning vehicles.

A growing portion of the wealth held by individuals who are at the age for serious consideration of estate planning is now in the form of "defined contribution" qualified retirement plans and IRAs. These assets are different from other assets in that they represent pre-tax accumulations.

For persons who are considering making charitable gifts as a part of their planning, one simple concept can be the key to avoiding substantial taxes and increasing the share or benefits passing to the estate owner's beneficiaries. That simple concept is this: Since charities do not pay income tax, using tax qualified retirement benefits to make charitable gifts avoids both income tax and transfer tax on those accumulations allowing greater amounts of other assets to pass to other beneficiaries after death. Put another way, you can make a larger gift to charity using qualified retirement benefits without adversely affecting the amount passing to your heirs than if the charity were given other assets. And that is just the beginning!

You don't have to give all of the benefit from the retirement accumulations to charity to make this work. You can also arrange for the post death benefit to be paid to a Charitable Remainder Trust (CRT), with a partial charitable deduction for estate tax purposes and avoidance of the income tax upon distributions from the Plan or IRA. This allows beneficiaries to receive distributions for life or a term of years from the CRT. True, distributions from the CRT may be taxable to the beneficiaries, but remember, the entire amount passing to the CRT, undiminished by income taxes at death, is available to provide the income stream for your beneficiaries. Compare this with an outright gift of the retirement accumulations to your beneficiary and



Trudgeon is an attorney with Speck, Philbin, Fleig, Trudgeon & Lutz.

investment of the proceeds after income and estate taxes (that can be as high as in excess of 80 percent when combined).

Who should take advantage of these planning tools? Married persons can pass retirement benefits to the surviving spouse, under the marital deduction, free of estate tax. Then, with proper planning, the surviving spouse can often spread distributions (and the taxes thereon) over prolonged periods measured by the life expectancy of the surviving spouse and usually younger beneficiaries. Deferring the distribution through election of an installment method allows the continued investment of retirement funds in the tax sheltered environment provided by the Plan or IRA. Deferring the distributions is almost always better from the standpoint of continued growth of the benefits and minimizing taxes.

Neither a surviving spouse nor an unmarried person can take advantage of the marital deduction. Only the surviving spouse (but not other beneficiaries) has the right to roll distributions into their own IRA and this device will not be available at the surviving spouse's death. Thus a surviving spouse or an unmarried person is ideally suited to use these planning tools.

For retirees with substantial qualified retirement benefits in their potential estates, use of those assets to make contributions to a charity, such as the Community Foundation, is very attractive and can provide significant tax savings for the retiree and his or her beneficiaries.

## Mission Statement

The mission of the Oklahoma City Community Foundation, a non-profit public charity, is to serve the charitable needs of the Oklahoma City area through the development and administration of endowment funds with the goal of preserving capital and enhancing its value for the benefit of the Oklahoma City area.

*The mission will be fulfilled by pursuit of these goals:*

- Provide convenient, efficient, and effective ways through which donors can contribute assets to charitable purposes.
- Encourage donors to create funds which will benefit the community both now and in the future.
- Advocate for the development of endowment funds and provide appropriate means by which permanent endowment funds can be built and wisely managed to provide long-term support.
- Develop the Funds for Oklahoma City, restricted and unrestricted community endowments, which can be used by the Trustees and the community to develop, coordinate, and enhance services and programs which meet the changing needs of the community.

## Staff

Nancy B. Anthony, *Executive Director*  
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Tammy Davis, *Comptroller*  
Susan Elkins, *Grants Administrator*  
Leslie Griffith, *Assistant Comptroller*  
Laura Lang, *Communications Coordinator and CATALYST editor*  
Dale Levy, *Dir. of Community Programs*  
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**For more information on giving to the Community Foundation, contact Nancy Anthony at 405/235-5603.**

*This information is not intended as legal advice. For legal advice, contact an attorney or a professional financial planner.*

## Community Program Proposal Deadlines

**After School Options**  
**October 15**

**Margaret Annis  
Boys Trust**  
**October 15**

**Fund for Oklahoma City**  
**November 15**

*Groups interested in these programs should contact **Susan Elkins** for guidelines, or **Dale Levy** to discuss proposals or collaborative projects being considered, at **235-5603**.*

## Internet project

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changing rapidly, every day there are more and more opportunities available for non-profits to more effectively use computers as a communications and research tool.

Local non-profits can research current events, issues of importance or grant opportunities online. Many institutions — such as college libraries, the Federal government, and local and national newspapers — have large bodies of accessible information online.

The Community Foundation sees the Internet and the World Wide Web as cutting-edge opportunities to promote communication between local charities and to offer information about their services to the community.

For more information about this project, contact Dale Levy at 235-5603, or for information about the Oklahoman's Internet services, contact Sue Hale at 475-3989.

## Designated Funds

*continued from  
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operating budget.

He hopes to see the fund someday grow large enough to allow for even more children whose parents might not be able to afford tuition to have the opportunity for a quality education at St. James.

"It's simply smart for a school to have an endowment fund," Haraughty said. "It makes the burden on the parents of students less, as well as lightening the burden on the parishioners. But the students are really the big winners in the long run."

The \$1.2 million in earnings the Community Foundation will hand out at its annual distribution meetings this month represents more than 27 years of the Foundation's commitment to providing opportunities for donors' contributions to grow in both value and impact within the community.



Oklahoma City

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Community Foundation 'Special Report' inside!

# MARGARET ANNIS BOYS TRUST



**M**argaret Annis Boys left a lasting legacy of beauty to her native state of Oklahoma. She was a long-time educator and a wildflower and tree aficionado. She was a school teacher and a principal for more than 42 years, touching the lives of countless Oklahoma children. In her spare time, she would take long car trips with friends, calling out the names of wildflowers along the road. And though she traveled to far away places like Alaska and Europe, she loved her native state and lived here until her death in 1990.

In her will, Boys left \$1.4 million to the Oklahoma City Community Foundation, with the intent that the money be held as part of the Community Foundation's permanent assets, with earnings from the trust to be used for the beautification of the city's public lands.

An advisory committee was formed of local citizens interested and knowledgeable about parks and beautification. Most of the original members still sit on the committee. The members are: Jim Tolbert, Sydney Dobson, Linda Lambert, Rodd Moesel, Mort Payne, Chris Keese and Jo Ann Pearce. The Community Foundation established guidelines for the grant program based on Boys' wishes and on certain standards that will ensure the long-term maintenance of landscaping projects. The committee reviews grant proposals three times a year and recommends projects that meet program guidelines to the Trustees of the Community Foundation. The first grant cycle began in July 1991, and since that time the Community Foundation has awarded 44 grants for a total of \$327,000 to beautify various spots within Oklahoma county.

The Boys Trust committee reviews each project diligently, keeping in mind the standards of the Community Foundation and the wishes of Margaret Boys. The following are a sampling of various projects that embody those important standards: promoting a sense of community, providing educational experiences and beautifying the city for years to come.

## Civic Projects

### The Myriad Botanical Gardens

The Boys Trust has supported several projects at the Myriad Botanical Gardens.



The first was a grant to help complete the East Gardens in 1991. The Crystal Bridge had opened just three years previous. In 1993, the Boys Trust funded a specialty garden north of the water bridge. The garden, the first of 22 proposed specialty gardens, was named The Margaret Annis Boys Blossom Bluff. Most recently, the Trust has granted money to replace trees along Reno St., Robinson Ave. and Sheridan Ave. that were lost to vandalism, car accidents or disease. The Boys Trust committee has eagerly supported these projects because the Myriad Gardens are first-rate botanical gardens and attract more than one million visitors each year. The gardens are a beautiful oasis downtown and leave a lasting impression on tourists as well as local visitors.



### Lake Hefner Trails

The Lake Hefner Trails are enjoyed by scores of local residents each day, whether they are walking, jogging, bicycling, in-line skating or people-watching. Oklahoma City Beautiful, the organization that has been responsible for the development of the Trails, has partnered with the City of Oklahoma City, Water Utilities Trust and the Federal Highway Administration to complete the project. The original 1.5 miles of the Trails, south and east of Stars and Stripes Park, were completed and landscaped in 1986. Almost five miles of trails were constructed on the east side of the lake in 1993. The Boys Trust helped to fund the landscaping of this stretch of the trails. Stately trees now line the trails, offering beauty as well as shelter from the sun and from the strong Oklahoma winds. Margaret Boys would be proud of this project, which brings together so many from all over the city to enjoy some recreation time while also enjoying the trees and wildflowers along the shores of the lake.



### Lincoln Boulevard Streetscape

In 1992, the Boys Trust committee granted \$12,000 for trees and shrubs to be planted along Lincoln Boulevard from 28th Street to 50th Street. This strip is known as the "Gate-



way to the Capitol." This was an important landscaping project because this stretch of previously bare pavement is often the first impression visitors have of our capitol. Two hundred and seventy-eight trees were planted, 40 trees were

transplanted and 440 shrubs were planted. The entire project was valued at \$169,000. This truly was a collaborative project. The State Department of Corrections supplied man-power to plant the trees, and continues to maintain the plantings and the medians. Other partners in the project were the Margaret Annis Boys Trust, Bank of Oklahoma, the State Capitol Area Association, Firststep Recovery Programs, the City of Oklahoma City Parks and Recreation Department and the Oklahoma City Tree Bank. The project was completed in July 1995.

### A Scented Garden at The Library for the Blind and Physically Handicapped

A recent and unique project the Boys Trust has funded is a scented garden at a state facility for the blind. The Library for the



Blind and Physically Handicapped offers library services as well as rehabilitation services to residents from all over the state who are blind or physically not able to turn the pages of a book. The scented garden was the idea of the library's director,

Geraldine Adams. The Library was featured in the book "Exploring Oklahoma with Children," and since then, busloads of school children visit the facility in addition to its regular patrons. The garden was created as a haven and an educational opportunity for the Library's patrons, their relatives or drivers who accompany them, as well as for the school children. The garden, known as "The Hill," will have a tactile map at the entrance. It features a number of scented plants and flowers, as well as textured shrubs and ground cover. Sighted visitors and students can learn to understand and appreciate the different senses a non-sighted person uses here. The garden is designed with three different textures underfoot to guide non-sighted visitors. Along one border is a tall thatch of cane, which rustles in the wind and serves as a boundary marker. In the middle of the garden is a large tree — wind chimes will hang on its branches and will also be used for gauging direction. The scented garden is a unique spot of beauty that also serves to educate Oklahomans on the special needs of some of our neighbors.



For more information on the Margaret Annis Boys Trust fund or to discuss proposed projects, call Dale Levy at 235-5603. For a copy of proposal guidelines, call Susan Elkins at 235-5603.

### Neighborhood Projects

Neighborhood beautification is important to the Boys Trust committee. It not only strengthens the sense of ownership of these common lands, it also strengthens the bonds between neighbors. More than half of the grants made during the first two years of the Boys Trust were to neighborhood associations and similar organizations. Several of the projects have been cooperative ventures, bringing together neighbors, area schools and churches and organizations like Oklahoma City Beautiful and the city Parks and Recreation Department. Strengthening community ties while beautifying common lands — a combination that would surely have pleased Margaret Boys and one that will strengthen our community's capacity to raise our children in an atmosphere of cooperation, beauty and pride in our surroundings.

These neighborhoods have been awarded Boys Trust grants:  
*Belle Isle*  
*Stoneridge*  
*Wileman's-Belle Isle*  
*Lincoln Terrace*  
*Heritage Hills*  
*Crown Heights-Edgemere Heights*  
*Central Park*  
*Capitol Hill*  
*Mayfair West*  
*Mesta Park*  
*Redbud Estates*  
*Crestwood*  
*Lakeridge Run*  
*Edgemere Park*  
*Kingscreek*  
*Linwood Place*



### School Projects

#### Leaf It to Me

The Boys Trust has funded some individual landscaping projects at area schools, but the biggest cooperative program so far has been the "Leaf It to Me" project of the Greater Oklahoma City Tree Bank Foundation. The project was started in 1993, with six elementary schools in the Oklahoma City Public School District, and the Boys committee has chosen to continue funding the program for the last three years. The latest project includes 10 schools and 200 trees. The program now has involved 37 schools, from elementary to high schools, in various districts in Oklahoma county. The "Leaf It to Me" project establishes arboretums at each school. An arboretum is a collection of trees labeled for display and study. Around 20 trees are planted at each school by students, parents and teachers. Participating schools must raise \$200 to help offset the cost of the program. The fundraising effort is another way for students, parents and teachers to take ownership of the arboretum. Students study and label each species of tree. The goals of the program are beautification, educational studies, improving the environment and building community. Because children are involved in most phases of the arboretums' establishment, this project provides learning experiences and a sense of ownership and pride in accomplishment. Because of her love for children, education and plants, we think the "Leaf It to Me" project would have been one of Margaret Boys' favorites.

