

BARRINGTON AREA COMMUNITY FOUNDATION

Fall Newsletter 2005

PRESIDENT'S COLUMN



The incredible response by the charities to the tragedies in New Orleans and Texas has even prompted Congress to pass favorable new legislation that supports charitable giving. Initially, the resistance was the revenue loss from the tax-deductibility of donations. That wilted because the charities were so fast and so effective in hurricane relief.

When Alexis de Tocqueville studied America in the 1840s, he observed what distinguished the New World was the sheer volume of volunteerism. Still true. No country in the world has the level of voluntary giving as we do.

And the fastest growing philanthropic segment in America is community foundations. We are a people who help people—especially neighbors.

This is a report on your community foundation. We will give you an update on activities, summarize finances, and let you hear from some of the organizations your donations have supported.

We continue our commitment to hold our expenses down. Our success has been the result of the generosity of our donors; we know that. We, the directors, will strive always to warrant that support.

Norval Stephens

FINANCIAL UPDATE

First, you should know BACF had a clean audit, in compliance with all the standards of an endowment of our size. You can see the full 990 report to the IRS at www.guidestar.com. Here is a summary pulled just before we went to press.

Assets under management:

12/31/03	12/31/04	9/30/05 (Unaudited)
\$1,062,055	\$1,436,880	\$1,570,000
*	*	*

We are often asked how the endowment is invested. Here is the current asset allocation as of September 27:

I Shares Russell 1000 Index	15%
I Shares S& P 500 Index	15%
I Shares S& P Mid Cap 400 Index	16%
Total US Equity	46%
I Shares MSCI EAFE Index	16%
Total Equity Funds	62%
I Shares Lehman Bond Fund	36%
Cash Equivalents	2%
Total	100%

Directors: Young Chung, Kim Duchossois, James Fitzgerald, Kay Gillespie, Laurence Gott, Jonathan Hamill, David Hirsch, Robert Jensen, Sue Kainz, H. Michael Kocmond, James Lancaster, Gerald Nadig, David Nelson, William Noyes, Marilyn Patrick, Glenn Reed, Gilbert Reich, Frederica Smith-Pederson, David B. Smith, Norval Stephens, Gillian Stoettner, Charles Sweet, David Waring, George Yapp

OUR ETHICS STATEMENT

When we started in 1998, we thought we had done everything right. Board structure and procedures, mission, by-laws, investment policy. In the meantime, some charities abused the public trust. So now, we have a conflict of interest policy that every board member must sign every year. The newest requirement, even for charities, is a statement of ethics.

A task force of the board reviewed other ethics statements—some almost two pages long. We wanted a statement that was short, concise and contemporary. Here is the recommended draft, as amended in our September 19th meeting, subject to approval by our counsel:

The Barrington Area Community Foundation will carry out its mission to address unmet needs of the community so that the work of the Board of Directors will benefit the community, will be fairly and openly determined, will be accurately and properly reported, will assure the scrupulous management of funds, will provide diligent examination of all grant requests and will be based on the collective best judgment of the Board of Directors without bias or prejudice.

THE CASE FOR DONOR-ADVISED FUNDS

Donor-advised funds are a means of accomplishing your financial and philanthropic goals without setting up a trust but with tax advantages. We will work with you to create a fund in which you indicate the focus (senior citizens, health care, youth services, minority assistance, etc.) and we do the review, investigation, award in your name and audit the outcome. Call Board member Jonathan Hamill to discuss this at 312-474-1222.

BARRINGTON AREA
COMMUNITY
FOUNDATION

A SALUTE TO OUR SPONSORS

In the annual report, we cited all our donors. In this report, we want to thank all the corporate sponsors who have supported the Foundation:

Advocate Health Care
ABT
Barrington Bank & Trust
BankNote Capital Corp.
Valerie M. Bruns Landscaping
Catalytic Products International
Champion Chrysler-Dodge
Chicago Indoor Racing
Chuck Hines Clothing
Cornerstone National Bank & Trust
Jim Dugan, State Farm Insurance
Drs. Gott, Goldrath & Troy SC
Great Haven Corp.
Harris Bank
Henry Michaels & Associates
Wayne Hummer Investments
K & M Printing
Illinois Tool Works
LaSalle Bank
Leopardo Construction
Metal Service Center Institute
Marquardt Buick-Pontiac-GMC
M. J. Miller Jewelers
Motor Werks of Barrington
Northern Trust Company
Pepper Construction
Phillips Men's Wear
Rose Packing Company
Sage Products Co.
Saturn of Lake Barrington
Segall, Bryant & Hamill
Sheppard Group, Merrill Lynch
Staubach Midwest LLC
UBS Financial Services
Wickstrom Ford
Wickstrom Lincoln - Mercury
Wild Onion Brewing Company

Gifts of long-held highly appreciated stock have major tax advantages. We will handle the transfer, but please allow at least two weeks at the end of the year. Please call Board member David Nelson at 847-277-2121.

SPOTLIGHT ON TWO GRANT RECIPIENTS

Church Women United

About fifty years ago, women in Barrington churches began determining and filling the needs of underserved people in our community – starting a food pantry, a Christmas giving day, and providing for needs of migrant workers. In 2001 we started to cover the costs of school kits for disadvantaged students. For elementary and middle schools, these kits range from \$30 to \$50. Our project started by supplying kits in some of our elementary schools for the children who qualify for low-income benefits according to federal guidelines. Last fall, with the help of Barrington Junior Women's Club, we were able to offer supplies to all qualified elementary students in District 220.



With the wonderful grant of \$6,000 from the Barrington Area Community Foundation, we began supplying kits to students in our two middle schools, where the kits cost \$50. The kits are given out anonymously at orientation in the fall, with no one knowing how

the kits were financed. The schools notify the recipient students in advance, however, that Church Women United will pay for their kits.

We are most grateful for the partnership of the Barrington Area Community Foundation.

Mary Anderson, Chair
Church Women United Barrington Social Ministries

The Barrington Area Council on Aging serves the Barrington area by providing resources, education and support to seniors and family caregivers and coordinating activities for active seniors.

In 2005-2006 BACOA will introduce "Brain Aerobics," a program focused on improving and maintaining cognitive function in seniors. Brain Aerobics classes cover six areas:



- How you learn: Discovering the strengths within your brain.
- Humor as a brain builder
- Using the eye to stimulate the mind: Visual puzzles, optical illusions and more
- Tapping both left and right brains with facts and fantasy
- Listening as a brain enhancer: Expressing opinions, reminiscing in a new context
- Words for the wise: Word games to make you think and laugh

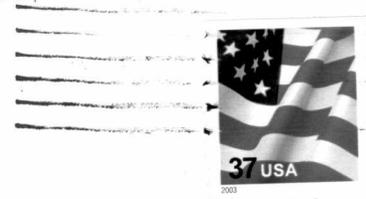
MatherLifeways, which developed the program, conducted a two-part workshop in September, with a BACOA staff member observing the class. A second workshop will be held in February/March 2006. Thanks to the Community Foundation's support, we will be able to hire and train a program coordinator and promote the program.

Joyce Palmquist, Executive Director
Barrington Area Council on Aging

BARRINGTON AREA
COMMUNITY
FOUNDATION

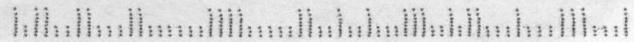
107 Fox Hunt Trail
Barrington, IL 60010

RETURN SERVICE REQUESTED



Mr. John Warner
1109 Bonita Lane
McHenry, IL 60050

WARN109 600502021 1605 17 10/22/05
RETURN TO SENDER
WARNER
2302 N US HIGHWAY 12 APT FRNT
SPRING GROVE IL 60081-9305
RETURN TO SENDER



PLANNING FOR NEXT YEAR AND THE FUTURE

On November 16, 2005, all the charities listed with the Barrington Area Library and all those that have applied to us in the past will be invited to a meeting at Barrington United Methodist Church, 7:30 - 9:00 a.m. We will explain our grant process for next year, answer questions on how we judge and award grants, what we will want in an audit—and then we will listen to the needs these charities have and expect to have in the future. Out of this may come some partnerships, some new ventures and some new ways for us to look at our service to the community. Call Board member Bob Jensen at 847-517-7070 for more information or to register.

IN THIS ISSUE

- Reports from two grant recipients
- Financial update
- Year-end benefit from giving appreciated stock
- Would a donor-advised fund fit in your plans?
- Our new Ethics Statement

**MARK YOUR CALENDAR NOW FOR THE
BACF 2006 GOLF OUTING,
JUNE 5TH AT BILTMORE CC.**

