Scholarship App Goes High Tech

Marion Community Foundation announces the availability of applications for its 2011 scholarship program and its new online application system. Marion Community Foundation expects to award more than $110,000 in scholarships this spring.

Brad Bebout, president of Marion Community Foundation, is excited about the availability of the new online scholarship application. "The online application system will make it even easier for college students from the Marion area to apply for MCF's scholarships," he said.

According to Bebout, the online application system became a necessity due to the rapid growth of the Foundation's scholarship program. It is designed to make the application process easier for students, scholarship selection committee members and area guidance counselors.

"In this tech savvy age, students expect to be able to file applications online," said Bebout. "We know of a number of national scholarship programs with online applications; we are not aware of any other local organization with an online application."

Not only can the application be completed online, applicants can start and save the application in process and come back and complete it in stages. This allows the applicant to begin the application process while gathering the necessary supporting materials. By providing email addresses, applicants can request letters of recommendation as well as transcripts and records from guidance counselors electronically. All applicants will need to submit their FAFSA information as part of the application process.

MCF's online scholarship application was developed using a service purchased from ScholarSelect, which was customized in-house using last year's scholarship application as the model. The process of developing the online application began back in November.

"We are very proud of it," said Bebout. "It was a very long process, a lot of work, but we are building for the future."

The new electronic application benefits the Foundation's donor selection committees as well. Previously MCF provided committee members with hard copy and/or CDs of all applications for review. The online system now allows those reviewers to log on and look at applications pre-sorted specifically for their particular fund. Nearly 3/4 of the 48 scholarship funds at MCF have donor selection committees. These committees, established when a fund was created, typically are made up of the donor and/or the donor’s family, the staff of a particular high school or combination of the two.

Donor selection committees review applications for their specific scholarship funds and provide input to the Foundation’s Scholarship Committee, which in turn, makes award recommendations to the MCF board for final approval. The MCF Scholarship Committee consists of Tom Johnston, Larry Geissler, Sue Jacob, Doug Ford and Charles Garvin. The scholarship committee members have tested the new system, as have MCF's staff and local guidance counselors.

The online application will make the process easier for guidance counselors. They may submit their information electronically and attach electronic copies of transcripts. Marion Community Foundation has sent instructions to all area guidance counselors which will enable them to help their students with MCF's new online application process.

Ample safeguards have been put in place to protect information transmitted. The safeguards are provided both locally and through Scholar Select.

The 2010 scholarship program saw 139 applications and the awarding of 89 scholarships to 74 recipients, for a total in excess of $88,000. Marion Community Foundation scholarship awards have continued to increase every year. The new online application will especially benefit college students, making it easier for them to complete the application and access all MCF scholarships.

"Many students discover that once they get to college, there are fewer and fewer scholarship opportunities for those already in college," said Bebout. "The online application will make it easier for area students to access local scholarships."

Applications are available now through March 17. The review process continues for several weeks, culminating in the Board's final decisions in late April.

Additional information and access to the online scholarship application is available at marioncommunityfoundation.org. Students should click on "Scholarship Applications" on the left sidebar to start the process.
Five Funds to Begin Scholarship Awards

Marion Community Foundation’s 2011 Scholarship Program will see the addition of five new funds making awards this spring. These include the John & Jackie Watkins Scholarship Fund, Roger & Donna Holbrook Memorial Scholarship Fund, Marge Sorreles Davies Memorial Scholarship Fund, The Community’s Memorial Scholarship Fund and SSG Shannon M. Smith “No Fear” Scholarship Fund. While these funds may have been previously profiled in Legacy, this spring will be the first time awards are made from them.

John & Jackie Watkins Scholarship Fund

Applicants for this fund must be graduating seniors from a high school located in Marion County who are pursuing an education in agriculture. Ranking in the upper 50 percent of their senior class is a prerequisite. Special consideration will be given to those who have participated in FFA.

Roger & Donna Holbrook Memorial Scholarship Fund

Open to seniors and graduates of Pleasant High School, the Holbrook Scholarship seeks to reward high achieving, well-rounded scholar. Applicants must have attended Pleasant for their entire high school career, be in the top 10 percent of their graduating class, and have participated in at least one school-sponsored sport or music extracurricular activity. Preference will be given to students who demonstrate diverse involvement in both athletics and music.

Marge Sorreles Davies Memorial Scholarship Fund

The Davies Scholarship is open to seniors and graduates from any high school in Marion County interested in pursuing a bachelor’s degree in nursing. Academically, applicants must be in the upper 25 percent of their high school class or hold a minimum 3.0 GPA in college. Special consideration will be given to graduates of Elgin High School and past recipients of this scholarship.

The Community’s Memorial Scholarship Fund

A broad-reaching scholarship fund, The Community’s Scholarship memorializes a number of individuals collectively. The scholarship is open to graduates and seniors from any Marion County high school who rank in the upper 50 percent of their class.

SSG Shannon M. Smith “No Fear” Scholarship Fund

The “No Fear” Scholarship memorializes its namesake, a serviceman who was killed in the line of duty during the Global War on Terror. It is open to seniors from Marion Harding and Big Walnut high schools. Applicants must rank in the upper 50 percent of their graduating class, have participated in interscholastic wrestling, and have no criminal record.

Non-Endowed Ridgmont Scholarship Continues

As part of the 2010 Marion Community Foundation Scholarship Program, $10,000 was awarded to nine graduating seniors of Ridgmont High School in Ridgeway, Ohio. Every student who applied received at least $1,000. These scholarships were made possible by an anonymous gift via a non-endowed scholarship fund at the Foundation. Pleased with last year’s results, the donors have given MCF $20,000 to award similar scholarships in the coming year.

“The anonymous donors were trying us out last year,” said MCF president Brad Bebout. “They wished to see whether or not to create a fund at Marion Community Foundation. They are pleased so far and wish to continue to fund the scholarship for this year.”

The 2011 Ridgmont Scholarship Fund will be open not only to graduating seniors, but college freshmen, veterans, and non-traditional students as well. Awards will be made as part of MCF’s 2011 Scholarship Program, currently in progress. See page 1 for details.

Chaney Fund to Support Marion Catholic

Unlike the vast majority of scholarship funds at Marion Community Foundation, the newly established Stephen J. Chaney Memorial Scholarship Fund will support high school attendance, rather than college-level academics. The Chaney Fund has been established to support annual tuition assistance for students to attend Marion Catholic High School.

Created by The Stephen J. Chaney Scholarship Trust with a gift of more than $65,000, the scholarship fund memorializes an alum of Marion Catholic. Stephen Chaney was a 1964 graduate who was awarded a football scholarship to the University of Notre Dame. He later enlisted in the U.S. Army and became a distinguished Green Beret. After successfully completing one tour of active duty in the Vietnam Conflict, Chaney volunteered for a second tour of duty. During his second tour, he was killed in combat.

Commencing on or about September 23, 2011 -- the anniversary of Chaney’s death -- the Chaney Fund will begin awarding annual tuition assistance grants to students of Marion Catholic High School. The recipients of the tuition assistance will be recommended by the school principal on the basis of need and scholarship.
Lancaster Pollard selected as Chief Investment Officer

Marion Community Foundation’s Board of Trustees has hired Lancaster Pollard Investment Advisory Group to serve as its Chief Investment Officer and investment consultant. The Columbus (Ohio) firm will provide customized investment advice and help the Foundation’s Investment Committee refine the organization’s Investment Policy. The new CIO will also help MCF develop an asset allocation that will achieve the organization’s investment goals.

According to Brad Bebout, president of MCF, Lancaster Pollard will function both as a professional and neutral, third-party advisor. “Lancaster Pollard has served nonprofit organizations, including community foundations specifically, for more than 20 years,” says Bebout. “Because they do not have custody of our assets, they provide objective investment advice that is solely in our best interest, not tied to any particular investment option or product.”

Doug Lukseo of Lancaster Pollard will work with MCF’s four local investment managers to maximize fund performance, avoid duplication of asset selection, and encourage success in the managers’ respective areas of expertise. Asset allocation based upon a liability driven analysis using a value at risk model is Lukseo’s area of specialty.

“Responsible foundations can no longer rely on a simple formula of 60 percent in stocks and 40 percent in bonds,” says Bebout. “As we learned in the financial crisis of 2008, the investment world has become much more complicated. MCF is growing rapidly and we must be nimble and responsive to change. Lancaster Pollard will advise us how we can manage our growth and wisely invest the funds entrusted to us.”

Non-Competitive Grants Awarded on As Needed Basis

At the January meeting of Marion Community Foundation’s Board of Trustees, several grants were approved and awarded. These grants are in addition to the nearly $350,000 awarded annually during MCF’s competitive grants program each fall. These grants, awarded from various organizational and donor advised funds in accordance with the donors’ intentions, are awarded on an as needed basis, as determined by the Board. The most recent awards include:

Marion Senior Center

A grant in the amount of $558 was awarded to the Marion Senior Center from the Vera O. McDanel Senior Citizens Transportation Fund to support their transportation services. Additionally, a grant in the amount of $1,500 from the Francis & Thelma Wise Fund, which supports treatment and prevention of Parkinson’s Disease, was awarded to this same organization for the HealthRHYTHMS Program.

Trinity Baptist Church

A grant in the amount of $5,900 was awarded from the Richard W. Rinehart and Mildred Rinehart Charitable Fund to purchase an ice-maker for the church’s fellowship hall. The Rinehart Fund is a designated fund specifically for the support of Trinity Baptist Church.

Marion Area Counseling Center

A grant in the amount of $3,500 will be added to a previous award to the Marion Area Counseling Center for the Signs of Suicide program for Marion area schools. This grant will assist with fourth quarter (fiscal year) program expenses.

Marion Homeless Shelter

The Marion Homeless Shelter has requested a grant from its organizational endowment fund and will receive $14,000 for operational expenses.

Veterans’ Memorial Park

A matching grant of $3,000 has been earmarked for the Veterans’ Memorial Park Association. The Association is conducting a fund raising effort to make repairs and improvements of lights and sidewalks at its park, located across from the Harding Memorial. In doing so, MCF will award up to $3,000 to the Association in a dollar-for-dollar match of the Association’s other fund raising efforts.

Palace Cultural Arts Association

A grant in the amount of $1,000 was awarded to the Palace Cultural Arts Association as sponsorship of its Family Fun programming on New Year’s Eve. The grant covered expenses for film rental, snacks, craft supplies and staffing of the event and came from the R&C Fund at Marion Community Foundation.

Prairie Parks

An anonymous donor has made a gift of $10,000 to the R&C Fund at Marion Community Foundation with the request that it be immediately passed through to the Prairie Parks Fund and designated for the organization’s fund raiser for the Marion Tallgrass Project. This award has been approved by MCF’s Board of Trustees.

The non-endowed Prairie Parks Fund was created by the Prairie Parks Foundation, Inc. in 2006 as a means of raising funds for the Marion Tallgrass Project. In addition to the $10,000 pass-through award and in light of the recent, rapid development of the longstanding rails-to-trails project, MCF’s Board has voted to award the balance of the fund to Prairie Parks, as intended, for the development of the Marion Tallgrass Project, and close the non-endowed fund. Of that fund, $10,000 was a grant previously awarded via MCF’s R&C Fund and earmarked for the Tallgrass Project.
## Financial Position

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<th>Assets</th>
<th>2010</th>
<th>2009</th>
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<tr>
<td>Current assets:</td>
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<tr>
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<td>Property and equipment, net of</td>
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<tr>
<td>accumulated depreciation</td>
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<tr>
<td><strong>Total assets</strong></td>
<td>30,967,257</td>
<td>$12,761,695</td>
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</table>

## Liabilities and Net Assets

| Current liabilities:                |               |               |
| Accounts payable and accrued        | 10,023        | $5,312        |
| expenses                            |               |               |
| Grants payable                      | 265,849       | 303,164       |
| **Total current liabilities**       | 275,872       | 308,476       |

| Long term liabilities:              |               |               |
| Agent liabilities                   | 1,165,956     | 973,650       |
| Grants payable, net of current      | --            | 25,000        |
| portion                              |               |               |
| **Total long term liabilities**     | 1,165,956     | 998,650       |

| Total liabilities                   | 1,441,828     | 1,307,126     |

Net assets -

| Unrestricted                        | 29,525,429    | 11,454,569    |

**Unrestricted net assets -- beginning of year**

<table>
<thead>
<tr>
<th>2010</th>
<th>$30,967,257</th>
<th>$12,761,695</th>
</tr>
</thead>
</table>

## Activities

| Unrestricted revenues and gains (losses): | 2010          | 2009          |
| Contributions                          | $17,671,813   | 594,122       |
| Dividends and interest                 | 389,916       | 404,526       |
| Net unrealized gain (loss) on investments| 603,005      | (550,531)     |
| Net realized gain (loss) on investments| 270,641       | (1,925,717)   |
| Other                                  | 6,094         | 3,033         |
| **Total unrestricted revenues and gains (losses)** | 18,941,469   | (1,474,567)   |

| Expenses:                             | 2010          | 2009          |
| Grants and scholarships               | 478,109       | 590,573       |
| Investment fees                       | 137,953       | 125,874       |
| Personnel                             | 119,732       | 118,931       |
| Marketing                             | 36,735        | 36,937        |
| Professional fees                     | 39,207        | 36,493        |
| Occupancy                             | 19,066        | 19,235        |
| Employee benefits                     | 15,278        | 14,986        |
| Building repairs                      | --            | 10,000        |
| Insurance                             | 7,901         | 7,930         |
| Copying                               | 3,787         | 4,045         |
| Office                                | 4,651         | 3,902         |
| Dues and subscriptions                | 3,530         | 3,015         |
| Conferences and meetings              | 1,148         | 2,644         |
| Depreciation                          | 1,488         | 1,529         |
| Travel                                | 922           | 1,273         |
| Other                                 | 1,102         | 705           |
| **Total expenses**                    | 870,609       | 978,072       |

Net change in unrestricted net assets

| 2010                                 | $18,070,860   | (2,452,639)   |

Unrestricted net assets -- beginning of year

| 2010                                 | $11,454,569   | 13,907,208    |

Unrestricted net assets -- end of year

| 2010                                 | $29,525,429   | $11,454,569   |

The figures stated above are for the fiscal years ending June 30, 2010 and 2009, respectively. They are excerpted from the annual audit of Marion Community Foundation prepared by Wolf, Rogers, Dickey & Co., CPA. The full report, including MCF's complete list of funds and grants, is available upon request and may be viewed online at marioncommunityfoundation.org.
P.I.T. Stop
PHILANTHROPIC INVESTMENT TIPS

by Bradley C. Bebout, President of Marion Community Foundation

Marion Community Foundation is proud to be entrusted with a portion of the assets from the Louise Kling Trust. Because fostering philanthropy is part of our mission as a community foundation, we were dismayed to learn of the decline of Ms. Kling's trust. It is not in anyone's best interest to see such good intentions falter. We are fully prepared to carry out the mission envisioned by Ms. Kling of supporting local scholars in perpetuity.

The Louise Kling Trust has been dissolved by the court and the principal of the trust divided among the beneficiaries Ms. Kling specified. A portion of her estate was designated to support the college educations of graduates of Marion Harding High School, specifically those pursuing degrees in music or medicine. It is those funds, from the Trust, which are being used to create the Louise Kling Memorial Scholarship Fund at Marion Community Foundation. The fund has been established with a distribution of $256,000.

We are also pleased that another of the Kling beneficiaries, the Marion County Children's Home Endowment Fund, Inc., has seen fit to invest their portion of the assets with Marion Community Foundation. They have placed their entire disbursement into an organizational endowment fund which they established with MCF back in 2005. We appreciate the Children's Home for affirming its trust in Marion Community Foundation and acknowledging MCF as being consistent with its own long range objectives.

I would like to take this opportunity to define how a community foundation approaches investing and assure the community and the beneficiaries of Ms. Kling's generosity that MCF has many safeguards to protect the trust's remaining assets and support the community in perpetuity, as she intended.

I feel it important to illustrate the differences between a trust and a fund at a community foundation with some brief background information. The Kling Trust was created by Louise Kling for the benefit of local organizations and certain Marion Harding High School graduates. Trusts like hers are managed by one or more trustees under the supervision of the county court.

This is a very different structure than a community foundation. Marion Community Foundation is an Ohio corporation governed by a board of trustees. Our board includes 15 local professionals - including attorneys, physicians, educators, businesspeople and finance and investment experts. Such a board provides the variety necessary to bring a broad array of expertise to bear on how funds are established and how awards, such as scholarships, are distributed. Such a board serves as the ears and voice of the community that it represents.

In addition to the board of trustees, MCF has an Investment Committee to provide yet another layer of both expertise and diversity. Our Investment Committee consists of three board members and three non-board members who continually monitor our investments and the performance of our four investment managers. We operate under a stringent set of guidelines known as our Spending and Investment Policies. Our Spending Policy dictates the rate at which our funds can make distributions. Our Investment Policy dictates how the gifts entrusted to us may be invested, as well as how they may not be invested. Preservation of principal, so that funds exist in perpetuity, is of paramount importance to us.

Marion Community Foundation is transparent and accountable. The Foundation undergoes an independent audit every year. We are required to file a tax return annually. A copy of our audit and tax return are posted to our website and are publicly available. We have also undergone a 5-year, in-depth process of review by the Council on Foundations, which culminated in MCF being awarded the National Standards seal. National Standards is an accreditation awarded only to community foundations which meet the nation's highest standards for operational quality, integrity and accountability.

Marion Community Foundation was created in 1998; this was AFTER the Kling Trust was established; therefore, it was not an option available to Ms. Kling. Now that a portion of the Trust is under our management, we will apply our experience and expertise to help this venerable community resource thrive, as we have each of our funds.

As the premier clearinghouse for planned giving in our community, MCF provides an effective and trusted tool that connects good people to charitable causes important to them. We look forward to supporting the scholars as Ms. Kling envisioned when she created her trust. We look forward to the Kling Scholarship being a charitable fund that will last forever.
Workman Joins MCF Trustees

Nicole (Nikki) Workman, Director of Public Relations at Marion Technical College, has been named to the board of trustees of Marion Community Foundation, announced president Brad Bebout.

Workman brings with her more than 16 years of experience in the marketing field. She has worked in numerous areas of marketing communications, including media buying, trade show organization, event planning, sales, graphic and web design and, most recently, public relations.

Active in the community, Workman is involved with the Women's Business Council, Marion Rotary Club, United Way of Marion County, BNI's Marion Business Builders, and the Galion, Marion, and Morrow County chambers of commerce.

She is a graduate of The Ohio State University and holds a bachelor of arts degree in journalism, with a minor in communications. She is currently in the process of completing her master's degree in communication and leadership through Gonzaga University's online degree program.

Workman was born and raised in Galion (Ohio) and currently resides in Mt. Gilead with her husband, Buck, and three children.

Holiday Open House Successful

Marion Community Foundation's annual Holiday Open House has become one of the premier events of the season. This year's Open House, held in early December, was attended by 156 guests—a 9 percent increase from the previous year.

Special thanks go out to Marion Flower Shop, Hal Clase and All Occasions Catering, the members of Youth Engaged in Philanthropy, and all other volunteers and staff who contributed to this grand event.

Rather than give door prizes to attendees of the Holiday Open House, Marion Community Foundation holds a "Grantmaker for a Day" raffle, which allows attendees to share in the holiday and philanthropic spirit. Winners chose a local, nonprofit organization to receive a $100 grant. This year's winners were Susan Wenig, who designated her grant to the Lallue United Methodist Church's Chancel Choir, and Linda Wilson, who selected Mobile Meals as the recipient of her grant.