



# Just what is a community foundation?

Is it an effort to build local philanthropy? Is it a unifying force for diverse communities? Do community foundations confront community challenges by driving solutions through their own grantmaking? Or do they drive change in accordance with their donors' or fundholders' unique wishes?

In fact, community foundations do all of these things and frequently in concert with each other. And since the first community foundation opened in Cleveland more than 100 years ago, community foundations have been addressing the spectrum of social needs in small towns and large states, across the country, and around the world.

### The Community Comes Together

Sparked by a simple idea – that members of a community could come together, pool their talents and resources, and effect positive change in the neighborhoods around them – the concept of a community foundation was catching on across the United States and made its way to New Jersey in the late 1970's.

At that time, several distinguished charitable organizations were serving New Jersey, notably the Victoria Foundation, The Fund for New Jersey, the Schumann Foundation, and the Geraldine R. Dodge Foundation. These organizations and others like them made targeted grants to nonprofits in New Jersey supporting numerous worthwhile programs.

What several business and nonprofit leaders realized, however, was that New Jersey's philanthropic sector had room to grow. By building on the success of these existing nonprofit organizations and leveraging the charitable impulses of even more New Jerseyans, there was a tremendous opportunity to bring the community together for even greater social change.

The idea struck a nerve with Robert Corman. Not yet a year in his role as executive director of The Fund for New Jersey, an organization that promotes effective democracy through education, advocacy, and public policy analysis, Corman began exploring ways to utilize the Fund's dollars more effectively, which at the time were principally targeted to citizen engagement and advocacy across New Jersey on critical public issues.

"As someone new to the foundation world, I was very interested in what a community foundation was designed to do, and how it might work here in New Jersey," said Corman.

His curiosity was shared by Mary Strong, a friend of the family who founded The Fund for New Jersey, later a board member of the Fund, and the organizer of the Summit Area Community Foundation.

Together, Corman and Strong conducted the necessary research on the community foundation model and why it was becoming increasingly popular across the country. They reviewed the existing literature on the topic, met with area business leaders to gauge interest, and even traveled to Ohio to gain a better understanding of the design and operations of the first-ever community foundation, The Cleveland Foundation.

But before the idea could be pitched to wider and larger audiences, several important questions required answers, chief among them the scope of the new endeavor.

#### According to Corman:

"Early on in this, I was interested in what the geography should be. There were not enough people in Newark who could provide financial contributions to the community foundation to have this thing be oriented by name exclusively to Newark. The suburbs were critical to any community foundation. So we decided then that 'The Greater Essex Community Foundation' was probably as far as we could conceive taking this with the funds available at the time. It also lent itself to a good argument in terms of how community foundations work, in that you really do need a penumbra around your target area. In this case, it was around Newark and the urban areas of North Jersey."

Now with a defined target area, a clear understanding of how a community foundation could benefit New Jersey, and a proposed organizational structure that was thought out, but still flexible enough for others' input, Corman pitched the idea to his own board at The Fund for New Jersey. The meeting was a success, and gave Corman and Strong the momentum to go outside the philanthropic sector. Their next conversations were with Bob O'Brien, Chairman of Carteret Savings Bank, and Woody English, Senior Partner at McCarter & English.

Sadly, Bob O'Brien passed away in 2014. As he recalled in a 2011 interview, "I was sitting in my office in Newark when an old friend called to introduce me to Mary Strong. She thought we should have a community foundation in the state, and it sounded like a pretty good idea."

Strong and Corman asked O'Brien for his help in putting together a meeting of the top business leaders in the state, and before long the "Broad Street Bobs" were assembled at Prudential to hear about the new idea.

Representing Newark's five largest companies were, coincidentally, Bob Beck of Prudential, Bob Ferguson of First National State Bank, Bob O'Brien of Carteret Savings Bank, Bob Van Buren of Midlantic National Bank, and Bob Van Fossan of Mutual Benefit Life Insurance Company.

"Bob [O'Brien] was always fun and exceedingly thoughtful," said Corman. "Sitting at the helm of the board, his ease created confidence in the promise of the Foundation and he elicited the best from others around the table. He was one of the few leaders of his generation that was quite willing to express his affection and admiration for others, and in so doing was a distinctive model of strong, intelligent, and healthy leadership."

Corman walked the executives through his presentation, explaining how a community foundation would work and how it would collaborate with other foundations and nonprofit organizations throughout the state. He explained that their next steps would be to reach out to corporations and foundations for funding with an eye toward rolling out important community programming. The meeting was another success, and the "Broad Street Bobs" enthusiastically signed on to the project.

"Within months of that meeting, we had the organizational design and a proposal I put together that went to these different foundations and corporations," said Corman. "Before long we had \$100,000 in assets."



The Greater Essex Community Foundation was formally incorporated on November 26, 1979. One of its first priorities was to build its board and a capable staff.

Members of the Greater
Essex Community Foundation
Board of Trustees

Standing (left to right):

Alfred Clapp Harold Helm Dillard Robinson Gladys Taylor Hilda Hildago Tilly-Jo Emerson William Page

Seated (left to right):

S. Jervis Brinton Robert O'Brien Joan Bate Robert Corman Bob O'Brien started with his fellow Broad Street Bobs, most of whom would join the board. He also sought out business leaders whose professional reputations went beyond New Jersey, as well as philanthropic leaders who had experience working with the state's nonprofit organizations.

"One very good man I was able to convince to join the board was Harold Helm, who was recently retired as chairman of Chemical Bank in NYC," said O'Brien. "He lived in Montclair, and was a well-known national figure. Harold coming on board showed that this new organization was serious and could really do great things."

Another significant addition to the board was Bernard "Bernie" Berkowitz, who at the time was chairman of United Way in New Jersey. Berkowitz was accustomed to raising money to support different charities, but sought a way to make more of an impact with those dollars.

"We often discussed the possibility of United Way building an endowment which would be used for things other than the annual needs of these agencies," said Berkowitz. "When Robert Corman came along with this idea for the Community Foundation, we decided that helping to found it was a great way to achieve our broader goals. It was great timing, so I came on board."

Another new board member, Tilly-Jo Emerson of the Junior League of the Oranges and Short Hills, quickly went to work with Corman on the search committee to hire staff. Working out of temporary offices at Carteret Savings on Broad Street, Corman and Emerson interviewed several promising candidates for the executive director position.

One of those candidates stood out: Sheila Williamson.

At the time, Williamson was doing community outreach in the Oranges. She also served on the board of the United Way where she had worked with Bernie Berkowitz.

"Bringing Sheila on staff really set the foundation on a good course," remembers Emerson. "I thought that was one of my more successful moments."

"Sheila Williamson picked up the reins and did a magnificent job of organizing," added Bob O'Brien. "She had a couple of friends who came on board as part-time workers. She knew of a small office in one of the Oranges, which became the foundation's first office. We took off wonderfully."



#### She

Sheila Williamson

Sheila Williamson served as CFNJ's Executive Director from 1979 to 1993. In that role, she touched countless lives – from the inner-city children she helped to become leaders to the successful CEOs she transformed into committed philanthropists.

### Remembering Sheila Williamson

- "When we first interviewed her, Sheila blew us all away... [Later,] she picked up the reigns and did a magnificent job of organizing." Bob O'Brien
- "It wasn't hard to let [CFNJ] go because there was such a trusting relationship with Sheila... We were very close friends; she and her husband Jim watched my children grow up."
  - Robert Corman
- "Sheila was the heart and soul of the organization when I was there. She was someone who was tireless and enormously committed, and the organization is better because of her efforts." - Governor Christine Todd Whitman
- "Shelia Williamson's efforts were essential in the early progress of the Community Foundation of New Jersey. Shelia's warm personality, her intelligence and broad knowledge of New Jersey created friends and opportunities for the Foundation from Day One. She was one of those rare people everyone liked and respected." Governor Tom Kean
- "She was very committed to helping the underdogs. She felt strongly that people should be helped, and she had a natural ability to work with the people who needed the donations, and also the people who would give them."
- Christina W. Donnelly, Sheila's daughte

### New Leadership in the Community

During Sheila Williamson's tenure as executive director, from 1979 to 1993, the Foundation codified its mission, expanded its reach, and embraced its role as a community leader.

Perhaps most importantly, the Community Foundation went from an idea to a reality, and one that was actively working to improve the community.

"While I created a direction for the foundation, Sheila took that and framed it into a lot of substance and structure," says Robert Corman, who went on to serve on the board for eight years. "This was one of my very early experiences in creating an organization, but it wasn't hard to let it go because there was such a trusting relationship with Sheila, and I knew she would do great things."

In the first two and a half years of its operation, the Foundation distributed approximately \$37,000 in grants to local organizations such as the apprenticeship program at St. John the Divine in Newark, the Wallace Memorial Fund which supported the United Way of Essex & West Hudson and the YM/YWCA of Newark & Vicinity, the New Jersey Conference on Philanthropy, and the Home Equity Conversion Project, which studied the feasibility of home equity conversion as a means of supplementing elderly homeowners' income.

Donor advised funds – through which an individual, family, or business can make a contribution, receive an immediate tax deduction, and make grant decisions at their own pace and with the support of CFNJ staff – became a popular offering for New Jerseyans, with many signing up as fundholders.

One of the key milestones, however, was the decision to change the name of the foundation.

According to the June 1983 Annual Report:

"...it soon became apparent to our Board of Trustees that the needs of Essex were not dissimilar to the needs of other counties and towns in New Jersey. The Trustees also realized that many donors have concerns beyond a narrow geographic area and that many New Jersey problems (such as toxic waste and acid rain) cut across boundary lines. The Board thus saw that New Jersey has need [for] a pool of philanthropic dollars which can address problems at the very local level, at the county and regional level and at the statewide level. In recognition of this fact the name and scope of the foundation was changed in March 1983 to Community Foundation of New Jersey (CFNJ)."



Governor Christine Todd
Whitman with members
of the 1997 NLI Class

The re-named foundation not only had a fresh outlook and burgeoning statewide reach, but also had discovered additional revenue streams.

"Opening the foundation to the whole state really started to bring in the funds," said Bob O'Brien. "All of a sudden the assets of the foundation really started to grow, because a lot of people had other interests in mind than just those in Newark or Essex County, and they addressed them by opening donor advised funds and making other contributions."

### Neighbors Helping Neighbors

One of the signature programs of this era was the Neighborhood Leadership Initiative (NLI), which was founded in 1992 while Christine Todd Whitman, the future governor, served as president of the Foundation's board. According to the Foundation's 1993 Annual Report, NLI "epitomizes our belief that true, positive change can only come from the grassroots up, not the top down."

To achieve that positive change, the program "identifies committed people in the community, trains them over nine months in skills which enable them to become leaders and organizers, graduates them as Community Foundation Fellows and awards them grants for small projects in their communities."



The 2000 NLI Class

According to Bobbi Gille, a CFNJ program officer at the time,

"The main objective was for people in these very challenged areas to start up programs because they spotted a need in the community. The objective was to put those particular leaders in a place to train new leaders and have these good works grow from there."

Initial funding for the Neighborhood Leadership Initiative was provided by the Geraldine R. Dodge Foundation, the Victoria Foundation, Hoffman-La Roche, the New Jersey Department of Community Affairs, and by the John C. Whitehead Fund, established when Mr. Whitehead (a former United States Deputy Secretary of State and chairman of the board of the Federal Reserve Bank of New York) made a \$1 million contribution to CFNJ. During the program's tenure, it graduated 512 leaders, all of whom have contributed to their communities in a positive way.

As Luis Perez, a 1998 graduate and former gang member, recalled in a New York Times article on the program, "We are soldiers learning to tap into the government and private sector for resources in order to fight our battles in the war on drugs, poverty and the exploitation of our communities. I have grown from a soldier to a general, ready to declare war on anything that will destroy the fabric of my community."

Another 1998 graduate, Joyce Cook, who was the director of social services and programs for the New Community Corporation in Newark, said then that, "you may have thought your problem was just unique to your own little pocket, but you find there are common problems all over the entire state, and you look at effective ways that other groups of people and individuals have attacked the problem, and you say, 'OK, I can borrow that idea and take it back to my community."

The Neighborhood Leadership Initiative became one of the Foundation's most successful and recognizable initiatives, and cemented the Foundation's role as a grassroots, community-based partner early on. The ripple effect of good works has invariably touched millions of New Jerseyans over the years, and done so at remarkably little cost. To empower promising young leaders with the skills to solve problems on their own initiative has proven quite valuable.

According to former Governor Christie Whitman, the program was about "empowering people in the communities, which was, in my mind, the best way to come up with solutions that were going to work - by listening to the people who live in those communities."



Members of the
Community Foundation
Board (left to right):

Bernie Berkowitz John Kidde Christine Todd Whitman Ted Boyer Bob O'Brien

### Jumpstarting Great Ideas

For the Community Foundation of New Jersey, going from a simple idea to a multi-million dollar force for good has not been without its mix of successes, challenges, and lessons learned. In fact, the wealth of knowledge that the Foundation's staff picked up over the years made it a natural repository for best practices in philanthropic giving, community organizing, and nonprofit management in the state. Embracing its role as an "incubator" for nonprofit organizations, the Foundation actually has helped launch several programs that have gone on to be successful organizations in their own right.

#### Jersey Cares is one such organization.

At first, the idea was to create a program at the foundation to promote philanthropic giving and volunteerism. Originally called "New Jersey Gives," the program included billboards across the state and the promotion of a database through which residents could find volunteer opportunities in their local communities. Original funders for the project included Gannett, Prudential, Mutual Benefit Life, Bell Telephone (ATT), and First Fidelity (today part of Wells Fargo).

The program experienced great success connecting willing volunteers to important projects, and by 1993 branched off to become its own organization, now known as Jersey Cares.

Seeking to promote civic engagement, Jersey Cares today "recruits and engages volunteers in rewarding, effective efforts that address community-identified needs. [It] partner[s] with local nonprofits to identify needs and implement volunteer projects to meet these needs. [It] provides individuals, families, corporate employees and community groups with a wide variety of volunteer opportunities that range from tutoring children to painting new murals in schools."

"The Community Foundation's role in these situations is to give the programs legs, and then let them grow," says Faith Krueger, the Foundation's COO. "We can help people identify the most effective ways to solve a problem, and provide support if and when they choose to set up an independent organization."

Other organizations for which CFNJ has served as an incubator include the Council of New Jersey Grantmakers (which now has more than 120 members), Impact 100 Garden State, the Morristown Festival of Books, New Jersey AIDS Partnership, Miraclefeet, and the Afghan Girls Financial Assistance Fund.

Organizations incubated at the Community Foundation:













### Creating Philanthropic Assets for New Jersey

By the early 1990's, CFNJ had a long record of effecting significant positive change in communities across New Jersey. As a leader in nonprofit development and programming, the Foundation came to be viewed as an agent for change, rather than simply a responder to need.

Yet with Sheila Williamson's passing in 1994, the Foundation had lost its biggest advocate and a strong statewide voice for philanthropy. And so it began the unenviable task of filling Sheila's very big shoes.

It was around this time that attention began to turn toward increasing CFNJ's assets and ensuring that the community organizations it supported and worked with had their own assets to continue their programming well into the future.

After tasking a search firm with identifying a new executive director, the Foundation hired Jim Kellogg, a practicing attorney in New York City whose term as a director at Prudential had just ended.

As Jim Kellogg remembers it, "it was a good time for me to think about another career that was closer to my home in Short Hills. And leading the Community Foundation was very desirable at the time given its obviously bright future."

As executive director, Jim leveraged his background in finance to grow the Foundation's assets, a signature achievement during his tenure. With favorable tax laws and a strong stock market, several key initiatives led to this increase in funds.



First, Jim encouraged people to contribute their appreciated stock through donor advised funds to save on the capital gains tax. A change in the federal tax laws at that time made private foundations less

Next, Jim had CFNJ purchase at least one share of stock in each of the publicly held companies based in New Jersey. As a stockholder, Jim would appear on behalf of the Foundation at the companies' annual meetings, and ask a question about – or more likely make a pitch for – donor advised funds, and how they may grow with one's stock earnings.

attractive for charitable giving; as a result, assets in CFNJ's donor advised funds doubled in one year.

Because of these and other revenue-generating efforts, Jim Kellogg increased the foundation's assets during his first two years as executive director (a position that was re-named "president" in 1994), from \$10 million to \$25 million. When he retired in 2002, assets were more than \$90 million.

CFNJ's growing staff moved from its small basement office in Orange to the historic Tracy House in Morris Township in 1987. The Morris County Park Commission became CFNJ's landlord and we have enjoyed a wonderful relationship with them ever since.

Members of the Community Foundation staff (left to right):

> Faith Krueger Roja Singh Terry Corbin Phyllis Tavollacci Ira Resnick Susan Soldivieri Jim Kellogg Carolyn Angeleri Margaret P. Shantz

As the Foundation's assets grew, so too did its ability to support more nonprofits. But it was important to the Foundation that these nonprofits not simply rely on CFNJ or any one organization for their funding. A key component to long-term philanthropic success is, after all, a sustainable and steady base of revenue.



Members of the Community Foundation Board (left to right):

Ingrid Reed
Ken Estabrook
Bill Turner
Mark Sandler
Chris Cox
Stu Sendell
Marilyn Pfaltz
Bob Jones
Mike Horn
Russ Lucas
Geoff Connor
Jim Kellogg
John Duffy

This idea led the Foundation to roll out a new offering for nonprofits: agency endowment funds.

The offering was simple. CFNJ would match the first \$5,000 that a nonprofit would invest with them. The nonprofit could not withdraw the \$5,000, but it could keep the earnings. By investing their funds with CFNJ, the nonprofits would not only have access to a network of experienced philanthropic professionals, but also an investment committee whose combined years of financial experience would be put to work in growing the various funds.

According to Jim Kellogg, it was a way to get nonprofits to take a closer look at CFNJ:

I would say to these nonprofits, 'you get the small financial benefit – the match and the earnings, which essentially offsets our fee – and secondly, I'm going to look to my Investment Committee to grow your dollars.'

The agency endowment funds were and are a signature achievement of CFNJ and have forged a real commitment to creating permanent endowments for the organizations in our communities.



### The Role of Corporate Philanthropy

For philanthropy to be truly effective on a wide scale, it requires more than just the work of nonprofits, foundations, individuals, or corporations – but, in fact, all of these entities working together. CFNJ has long placed a priority on helping businesses and foundations collaborate while encouraging new generations of committed philanthropists. One example is its work with PSEG to establish an employee crisis fund managed almost entirely by CFNJ staff so as to preserve impartiality in making gifts.

CFNJ also works with New Jersey-based Johnson & Johnson to facilitate its philanthropy. Johnson & Johnson's **Community Health Care Fund** at the Community Foundation, created in 2005, has granted more than \$2.6 million to core health programs at area medical centers. Beneficiary programs include mobile health and dentistry, childhood obesity prevention efforts, bilingual medical services, diabetes care and management programs, Latino outreach programs on diabetes, and prenatal health literacy and support groups.

A separate fund, the Johnson & Johnson Somerset County Companies Fund, focuses specifically on Somerset and Hunterdon Counties, granting more than \$1.4 million to programs tackling homelessness, adult day care and childcare, substance abuse, maternal health, and mental health issues.

A third fund, the **Johnson & Johnson Family of Consumer Companies Fund** provides grants to nonprofit organizations such as human services agencies, food banks, homeless shelters, arts programs and more located in the New Jersey areas where the Family of Consumer Companies has facilities.

CFNJ also hosts the **ShopRite Partners in Caring Fund** through which Wakefern Food Corporation, the retailer-owned cooperative, has provided more nearly \$25 million in support to foodbanks across New Jersey and nearby states.

One of the unique features of the ShopRite Partners In Caring program is the creative and enthusiastic support it receives from ShopRite employees, customers, and partners. Every September, during Hunger Action Month, associates in all ShopRite stores raise funds and build displays that bring attention to the hunger issue. Two associates that raise the most awareness and dollars at each of the 40 stores are elected by their peers to appear on a Cheerios box cover.

Karen Meleta, Vice President at Wakefern Food Corp., explained that the company, "didn't have a foundation or a 501(c)(3), but people wanted to contribute to the cause. When we met with CFNJ and learned how it works, and then considered the alternative of starting our own foundation, we realized that CFNJ would be a great choice. The fact that their team was readily available to help was very compelling. CFNJ is an incredible resource that was there just when we needed it, and it continues to provide the kind of counsel and leadership we've come to rely on."

Throughout, CFNJ has fostered a strong relationship with New Jersey's corporate sector to ensure a steady base of philanthropic resources for the state. After all, if managed properly, a corporation can leverage its vast financial resources to bring economies of scale to local nonprofits' important work.



Johnson Johnson





Lucia DiNapoli Gibbons
(center, with award),
Wachovia's Regional
President for Northern
New Jersey, flanked by
representatives from
nominating nonprofit
organizations at the 2003
Corporate Philanthropy
Awards Dinner

#### **CORPORATE PHILANTHROPISTS OF THE YEAR**

2005 Yardville National Bank 2004 PSEG 2003 Wachovia 2002 OceanFirst Bank 2001 Novartis 2000 Panasonic
1999 Fleet Bank
1998 ShopRite
Supermarkets
1997 Warner-Lambert

Company

1996 AT&T
1995 Campbell's Soup
Company
1994 Prudential
1993 Johnson & Johnson
Family of Companies

1992 Public Service
Electric and
Gas Company
1991 Merck & Co., Inc.
1990 Mutual Benefit Life

### The Role of National Foundations

While major corporations have supported much of CFNJ's programming, so too have national foundations that seek to address community issues on a wide scale. Given CFNJ's strength in community programming in New Jersey, it has been a natural partner to numerous national foundations seeking to make a difference in the state.

One highly successful example of this is CFNJ's partnership with the Ford Foundation and the Charles S. Mott Foundation. At the time, these two national foundations came together to try to strengthen inter-group relations between new immigrants and longtime residents in local communities.

New Jersey's high number of immigrants made the state an excellent laboratory for the new program, if only CFNJ could determine the best way to go about achieving the two foundations' goals.

CFNJ's staff, led by then-chief program officer Ira Resnick, spent months analyzing the major social needs in communities with large minority populations. In many of the urban populations, the major quality of life issues were crime, availability of employment, public education, and environmental degradation. Ultimately the staff concluded that the education of children was the common denominator – something that is important to all families regardless of their immigration status.

And so CFNJ successfully pitched a program to Ford and Mott called the Parents Organizing Parents Strategy (POPS). The program's main goal was to strengthen the connections between parents and their children's schools, thereby strengthening the relationships among all parents.







Ira Resnick, then-chief program officer at the Community Foundation, speaks to community leaders at a POPS information session in Jersey City

 A group session at a POPS event in Jersey City

A graduation of POPS parent-leaders

CFNJ partnered with the Princeton Center for Leadership Training to develop the program further, including creating a set of goals, strategies, and a curriculum. Once implemented, POPS offered parents the opportunity to build skills that help improve student success. Parents who participated in the program learned how to conduct group workshops in their school communities and were eligible to receive grants toward additional student achievement programs.

"I liked that we were empowering people," remembers Stuart Sendell, a former CFNJ board chair. "By actively going into these schools and helping newly-arrived immigrants navigate the system and learn how to play a more active role in their children's education was enormously valuable."

The program first focused on two cities, Jersey City and Elizabeth, but by 2002 had expanded to include Passaic, Perth Amboy, Plainfield, Irvington, Union City, and Union Township. POPS was one of CFNJ's most recognizable community programs, with additional funds coming from the Geraldine R. Dodge Foundation and the Charles Emil Thenen Foundation.

### Realizing a Fundholder's Wish

Like all community foundations, CFNJ maintains its commitment and loyalty to its individual fund-holders, many of whom seek to make an important difference in the community, but need a trusted partner to help realize their philanthropic goals.

In 1996, the Alkemade Fund was established at CFNJ under the estate of George and Yvonne Alkemade. Its overall goal was to provide assistance to people with poor vision. The Alkemades could have easily willed those dollars to any number of worthwhile nonprofit organizations that specialize in eye care, and those gifts certainly would have made a difference in the community. But with CFNJ's partnership model and commitment to long-term, positive change, the dollars have been leveraged even more effectively over time.

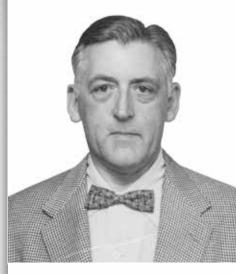
CFNJ partnered with Helen Keller International (HKI), one of the leading blindness prevention organizations, to bring their ChildSight program to middle school students in Jersey City and Passaic.

According to HKI, in the United States, two million children every year have uncorrected refractive errors. These problems often go undiagnosed due to high cost and limited access, and result in many children being held back from their full potential.

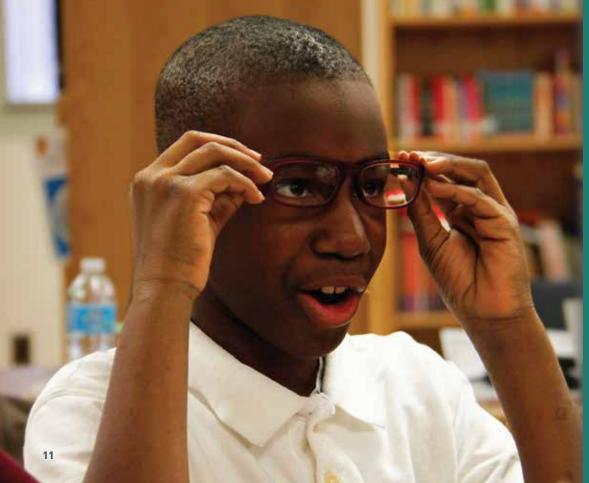
The ChildSight program addresses this by "[serving] at-risk children living in urban and rural poverty by offering free vision screenings and eyeglasses 'to bring education into focus.'"

In Jersey City and Passaic alone, ChildSight has distributed tens of thousands of eyeglasses to middle school students, thanks to the Alkemade Fund grant. Students who receive the eyeglasses show a marked improvement in academic achievement as well as behavior and overall health.

More recently, the Alkemade Fund has supported arts and music lessons for vision-impaired students of the Newark School of the Arts.







♠ George & Yvonne Alkemade

A child receives a new pair of glasses and a new outlook on the world

### Responding to Tragedy

As part of its forward-looking programming, CFNJ continually seeks the input of its board members, fundholders, and fellow community members to gauge what issues are most important and what problems need addressing. In the weeks and months after September 11, 2001, the issue at the forefront for nearly all Americans was coping with and responding to that day's tragic attacks.

Early on, emotions ranged from pain and anguish to patriotism and duty. These feelings all contributed to a period of strong national unity and presented an unprecedented opportunity to do good in the community.

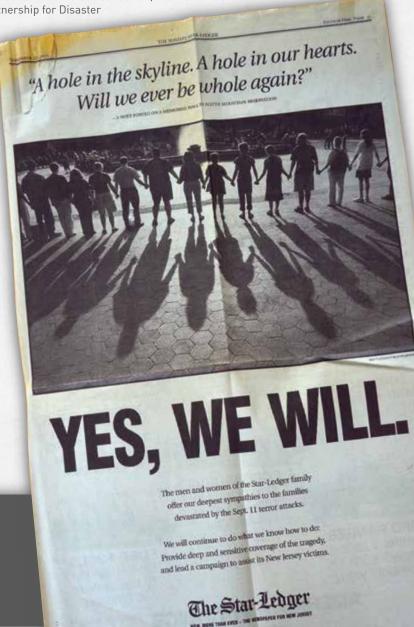
One of CFNJ's first and most prominent programs inspired by the September 11th attacks was a partnership with The Newark Star-Ledger to boost charitable giving. Through an introduction made by board member Marilyn Pfaltz, The Star-Ledger founded and strongly promoted The Star-Ledger Disaster Relief Fund, housed at CFNJ, to which residents could donate and have those dollars go to relief efforts.

"I went to our post office box in Morristown [after the first ads ran]," remembers Jim Kellogg, "and the whole box was full with checks for The Star-Ledger Fund. The response was amazing and contributed to something really worthwhile."

In total, the fund raised nearly \$1.6 million and supported The Salvation Army, the New Jersey Chamber of Commerce Foundation, the New

Jersey Interfaith Partnership for Disaster

Jersey Interration F Recovery, and the New York Times Neediest Cases Fund. It also was an important reminder that CFNJ's core mission is to serve the community, especially when there is great need.



has created the Sane-Ledger Disserve Relief Furth.

In the years since September 11, 2001, CFNJ has worked with many individuals and families to set up funds in memory of lost loved ones.

The Todd Ouida Children's Foundation is one of these funds, and today it is making a real difference in the lives of children across New Jersey. Founded by the family of Todd Ouida, a young man who lost his life on September 11th, the foundation today celebrates Todd's life through a meaningful legacy of helping others. Born out of Todd's own successful struggle with childhood anxiety, the foundation provides financial support for children's mental health initiatives, raises awareness, and provides information for those seeking help - showing that great good can come of such tragedy.

For Barbara Pandolfo. creating a scholarship in the memory of her daughter Dominique, an expressive young woman lost on September 11th, that helps young people achieve their educational goals keeps Dominique's spirit alive. After working with CFNJ to establish a scholarship fund, Barbara has watched ten young women study everything from chemistry and engineering to planning and public policy at schools such as Cornell and Rutgers. Over the years, the scholarship recipients have updated Barbara on their activities and plans, and provided a real glimpse of the friendships, learning experiences, and maturing that have taken place - all in Dominique's memory.

The Star-Ledger advertised in its own paper for contributions to The Star-Ledger Disaster Relief Fund.

### Recognizing Volunteers

From the EMT to the T-ball coach, New Jersey is full of volunteers who spend countless hours helping to improve their communities. The State of New Jersey puts the number somewhere around 1.5 million, with these volunteers giving more than 170 million hours of their time each year.

While most volunteers do their work without care for honors or recognition, there actually is an award for those who truly go above and beyond in serving the public good.

The New Jersey State Governor's Jefferson Awards for Public Service "honor(s) individual or group volunteer efforts that achieve measurable community impact and represent outstanding acts of public service without the expectation of recognition or compensation."

The Community Foundation of New Jersey has proudly worked with its partners in the Governor's Office on Volunteerism and The Star-Ledger since 2007 to administer the program.

Well over 500 New Jerseyans have been nominated for the awards each year, in categories ranging from emergency services and health care to education, the environment, or the arts. With more than 20 categories in all, the program has honored men and women serving both at home and abroad, responding courageously in the wake of natural disasters, and empowering the next generation of citizens and volunteers.

In keeping with Thomas Jefferson's vision for a nation of "informed and involved" citizens, the program effectively inspires and activates public service in communities across the country. Just as importantly, it shines a light on the myriad ways in which New Jerseyans are lending a hand and making an impact.





### Focus areas: NEW LEADERSHIP

Hans Dekker joined CFNJ as the new president in 2003. During his tenure, the Community Foundation has continued to expand its number of fundholders, its asset base, and its programmatic areas. It has also tripled its assets (from approximately \$90 million to well over \$300 million), despite an occasionally challenging market. The number of funds stands at more than 1,000 today.

Newark's Rise Academy is honored at the 2015 New Jersey State Governor's Jefferson Awards for Public Service



Eshmael Solomon (left)
received a scholarship from
the Elsie E. and Joseph W.
Beck Memorial Scholarship
Fund that allowed him to
attend Saint Vincent College.
Ishmael overcame serious
health and financial hurdles to
graduate with a degree in
Sociology in May 2015.

### Making College Dreams a Reality

Among the various fund types offered by the Community Foundation, scholarship funds have been among the most popular. These funds help young people achieve their dreams of higher education and provide an opportunity for fundholders to shape the future of their communities.

The Foundation manages more than 100 unique scholarship funds, ranging from those that focus on journalism, sailing, or the arts to those that focus on specific schools or geographic areas.

"We work with fundholders to customize a set of criteria for their scholarships so that they may support the types of students or study areas that align with their own interests," says Faith Krueger, CFNJ's COO and coordinator of its scholarship program. "That's the springboard from which a family can go out and think creatively about their scholarship fund."

Scholarship funds managed by the Community Foundation today grant out more than \$1 million each year.

### Recognizing Nonprofit Leaders

Given the important role that nonprofit leaders play, the Community Foundation recognized two to three of these individuals per year for their exemplary service to New Jersey's nonprofit sector.

Through the **Exemplary Performance in Nonprofit Management Awards**, CFNJ distributed eight separate \$10,000 awards to nonprofit leaders for their own professional enrichment and/or education.

CFNJ fundholders were invited to nominate leaders, who were then reviewed (anonymously) by a selection jury composed of trustees, fundholders, and community volunteers.

### **WINNERS**

2006 Mary Pat Angelini
Prevention First
Rev. Elizabeth S. Hall
Homeless Solutions

2007 Mary Jo Buchanan
Family Service of Morris County
Steve Heisman
HABcore, Inc.
Deborah Berry-Toon
Project Self-Sufficiency of
Sussex County

2008 Stephen Fredericks
The Growing Stage
Ursula Goetz
Monmouth County SPCA
Dr. C. Roy Epps
Civic League of
Greater New Brunswick

### Supporting Kids in Foster Care

Moving from one place to another while in the foster care system can be a traumatic experience in and of itself. With the standard, court-supplied "luggage" in tow – large, black garbage bags – many children are overwhelmed by feelings of neglect.

So the Community Foundation of New Jersey and its fundholders considered ways to help.

Replacing the large, black garbage bags with suitable duffel bags could make the trip from one place to another just a bit more bearable - so fundholders came together and raised \$30,000 to make it happen. Through a generous grant to Court Appointed Special Advocates (CASA), the fundholders ensured that the 6,000 New Jersey children moving through the foster care system would travel with new duffel bags.

Designed especially for CASA, the bags zipper into flat, small squares so that case workers can conveniently store, transport, and hand them out. The bags were received well by the children, who reported fewer feelings of stigmatization and found just a bit more dignity in this world.

## A Steady Commitment to Giving

The economic collapse in 2008 was felt across New Jersey (and the world), especially among nonprofit organizations that could no longer count on the financial support of donors who saw their net worth drop.

Enter donor advised funds, designed in a way to weather most economic disturbances and fill the void when so many others stop giving. Because dollars in a donor advised fund have already triggered the requisite tax deductions and are expressly for charitable purposes, fundholders at CFNJ actually saw their giving go up in 2008 as compared to 2007, bucking the worldwide trends.

The more than \$28 million CFNJ fundholders granted to charities in 2008 was surely not enough to make these organizations whole, but it provided a lifeline that might not otherwise have existed. We are proud of our fundholders and partner philanthropists who maintained their philanthropic commitments in a difficult economic environment.

### Focus on Affordability

With its professional advisors, the Community Foundation has engaged on key issues of shared interest, namely affordability in New Jersey.

In early 2010, the Community Foundation partnered with the New Jersey State Chamber of Commerce to sponsor a study by the Boston College Center on Wealth and Philanthropy to track wealth migration into and out of New Jersey.

The study found that in the years between 2004 and 2008, New Jersey lost almost \$1 billion in charitable giving capacity as a result of a significant decline in the amount of wealth moving into the state and an increase in the amount of wealth leaving.

"From the myriad of professional advisors we work with, you hear a similar refrain: we are losing many of our wealthiest donors and clients to places like Florida, North Carolina, Arizona, and Pennsylvania, said Hans Dekker. "When asked to diagnose the cause for this out-migration, most point to a series of tax policies that make it very expensive to live and be charitable in New Jersey."

The Community Foundation sponsored the study to examine wealth rather than just income, because wealthy households are responsible for the majority of charitable giving in New Jersey. In addition to their charitable giving, these households play a valuable role as members of our civic and nonprofit community by serving as volunteers, trustees, and as role models for charitable giving for younger generations.

"New Jersey should aspire to be the most charitable state in the nation," says Dekker, in an oft-repeated point to legislators and nonprofits alike. "So much of what makes our state such a wonderful place to live depends on charitable organizations that support the arts, culture, health interventions, and other social services."





Following the tragic 2007 murder of three collegebound friends in a Newark schoolyard, the Community Foundation acted fast to bring an innovative solution to the grieving city.

Working with the City of Newark, the Newark Police Department, and other nonprofits, the Community Foundation deployed a "Community Eye" technology platform to monitor gun-related activity in city neighborhoods.

The system's network of audio technology alerts police to gunshots in real time, allowing for faster responses. The system pinpoints the near-exact location of a gunshot, the number of shooters, the number of shots fired, and whether the shooter(s) were moving or stationary. The system is supported by a network of remote-control public surveillance cameras. This detailed information and instant alerting allows the Newark Police Department to more effectively combat gun-related crimes.

The Community Foundation has long positioned itself that any serious discussion on this problem and its solution must include a careful look at those elements of New Jersey's tax structure that impact charitable giving. This includes the lack of a state tax deduction for charitable giving, an estate tax exemption that begins taxing a family's life savings at \$675,000, and income tax rates including the "millionaire's tax."



⚠ Legal, Wealth, and Tax Advisory Committee members

Attorneys, financial advisors, and tax advisors have for decades been critical partners to the Community Foundation and its fundholders. These partners now constitute a Legal, Wealth, Tax Advisory Committee through which they continue to provide sage advice and counsel on complex philanthropic issues.

Attorneys and wealth advisors are also an important part of the referral process, explaining to clients how the Community Foundation simplifies the process of giving while amplifying a fundholder's philanthropic impact.

Thank you to all those attorneys and advisors who have helped or are helping the Community Foundation better serve its fundholders.

### Expanding Policy Focused Journalism

Dissatisfied with the lack of relevant and timely information on the statewide and local issues that affect all New Jerseyans, the Community Foundation partnered with former reporters from The Star-Ledger in 2010 to fill the void. Together they created NJ Spotlight, an interactive website featuring high-quality, in-depth journalism that provides an understanding of the vital issues affecting our state today in education, the environment, health, and public finance.

Thanks to additional funding from the Geraldine R. Dodge Foundation, Knight Foundation, William Penn Foundation, and others, the website has since expanded its coverage areas, introduced roundtables and webinars, and received multiple awards for its quality journalism on issues ranging from property taxes to Hurricane Sandy-related grantmaking.

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### Responding to Disaster: HURRICANE SANDY RELIEF & RECOVERY

When a disaster strikes, the work of a community foundation takes on added importance. And in the wake of Hurricane Sandy in 2012, the Community Foundation took on an important leadership role in harnessing the good will of thousands of New Jerseyans seeking to help their friends and neighbors recover.

Whether it was the \$10 personal contribution from a woman in Vermont or the major gift from the National Mah Jongg League Foundation, a broad array of support allowed the Community Foundation to move quickly to establish two funds – a Relief Fund dedicated to critical community needs and a Recovery Fund focused on long-term planning and sound rebuilding.

Having learned from the experiences of Louisiana, Haiti, and Japan, the Community Foundation's staff emphasized to all those reaching out that the true cost of a natural disaster is felt over time. Communities may struggle well after federal and state funds run out. And many nonprofits will need time to get back on their feet following sharp increases in demand for their services.

The Community Foundation understood that as an advocate for the state's communities, it could play a unique role in the state's recovery. Along with its partners, the Community Foundation focused on post-storm resiliency, equity of relief and recovery efforts, and collaborative communication among responders, as well as severely overlooked issues such as impacts on mental health.



After the hurricane hit, the **Hurricane Sandy RELIEF** Fund provided support in places like Morristown to support an emergency feeding program, Atlantic City to re-open a youth crisis shelter closed by the storm, Hoboken to help the Volunteer Ambulance Corps replace destroyed equipment, Keansburg to provide Thanksgiving dinners to displaced families, and Union Beach to support clean-up efforts.

The New Jersey **RECOVERY Fund raised** more than \$5 million. thanks to partnerships with the Geraldine R. Dodge Foundation and other nonprofits, corporations, and major foundations. These dollars were invested in projects aimed at responsible planning. It was important that as communities rebuilt, they did so in ways that prevent such devastation from occurring again. Working with the best planners as well as environmental, transportation, and commercial stakeholders, the Fund's focus was on preparing communities for all forms of disasters and mitigating their potential impacts.



### Focus on Leadership

In the aftermath of Hurricane Sandy and the Community Foundation's important role in the state's recovery, the Foundation's position as a leader on tough issues has become increasingly clear.

While the Board's Leadership Committee has long sought out interventions on complex, often overlooked issues, this work gained added significance. For many years now, the Community Foundation has engaged interested fundholders to take on several particularly vexing issues with discretionary dollars. Known as **Changemaker Projects**, this work of the Community Foundation provides a heightened opportunity for fundholders to simplify their giving and amplify their impact.



SOAP - Save Our Adolescents from Prostitution

### Human Trafficking

The Community Foundation and several fundholders came together in late 2013 to prevent human trafficking – particularly sex crimes – in the months leading up to the 2014 Super Bowl in New Jersey.

As the Community Foundation became a member of the NJ Coalition Against Human Trafficking, its Leadership Committee deployed a grant (with its own discretionary dollars) to support the Save Our Adolescents from Prostitution (S.O.A.P.) project. Founded by Theresa Flores, a survivor of human trafficking, S.O.A.P. provides direct outreach and assistance for victims as well as training, resources, and awareness for motel operators.

The project hinges on the distribution by volunteers of thousands of soap bars to participating motels. Each bar of soap is wrapped with a red band that gives the National Human Trafficking Hotline phone number.

Community Foundation fundholders and staff participated in several soap "deployments" in the vicinity of Giants Stadium in the days leading up to the game. Remarkably, the FBI, in its own, separate human trafficking operation, successfully recovered 16 juvenile victims. Six were from New Jersey and all were between the ages of 13 and 17.

Since then, fundholders at CFNJ have added their support to the cause, and the Leadership Committee renewed support to help build the Coalition's statewide coordinating capacity.



The Community Foundation supported and joined with the State Public Affairs Committee of the Junior Leagues of New Jersey on several SOAP deployments

### Juvenile Justice

When the Community Foundation heard the story of L.B., a young man who experienced severe neglect in New Jersey's juvenile justice system, and others like him, its Leadership Committee once again decided to act.

With a grant to the Post-Disposition Advocacy Project at Rutgers Law School-Newark, the Community Foundation in 2014 brought legal services to more incarcerated youth who so desperately need rehabilitation.

The attorney who works with the youth – whose salary was paid through the grant – was able to rectify numerous wrongs and start to build a case for reforming the juvenile justice system such that it truly rehabilitates youth – for their benefit and that of the communities to which they will someday return.

Her work, and that of a second attorney paid for by CFNJ fundholders, the Leadership Committee, and a grant from another funding partner – the Fund for New Jersey – helped pave the way for new legislation passed in August 2015 that bans solitary confinement for New Jersey's incarcerated juveniles.

## CFNJ Today

The Community Foundation's recent history has been just as rich and success-filled as its founding, thanks to the strong involvement of fundholders and the deepening of relationships with the state's key nonprofits and other drivers of change.

"The progress we have made just in the last ten years would make our founders proud," explained Tom Uhlman, Chairman of the Board of Trustees. "Philanthropy is so dynamic today, and we have made a point to stay ahead of these trends and identify new and compelling ways for fundholders to get involved."

For the Community Foundation of New Jersey, the past thirty-five years have been extraordinarily productive. From community programming and nonprofit incubating, to corporate philanthropy and national foundation partnerships, CFNJ has explored, experimented, and achieved great success in so many of the nonprofit sector's fields.

Could Robert Corman and Mary Strong have envisioned their idea becoming such a successful reality? Could the "Broad Street Bobs" have known that their initial investment would prove so beneficial to the state? Would Sheila Williamson even recognize the foundation today, with its hundreds of millions of dollars in assets and abundance of funds – donor advised, agency endowment, or otherwise?

Perhaps most importantly, however, the past thirty-five years have shown that the community foundation model is as relevant and important as it was in Cleveland in 1914.



#### Tracy House

In October 1987, the Community Foundation moved from space in the United Way of the Oranges' office to its current location, Topsides or "Tracy House" in Morris Township.

Built in 1916 for Henry (Harry) Romeyn Rawle and Mary (Mollie) Cozine Lefferts Rawle, Topsides was designed by Harrie Thomas Lindeberg, one of America's most prominent 20th Century domestic architects. Lindeberg also desgined several other architecturally distinguished homes in Morristown, Morris Township, Harding Township, and other nearby communities.

In 1975, Topsides was donated to the Morris County Park Commission by its then-owners, Osgood Vose Tracy and Pauline Crawford Tracy. Topsides is on the New Jersey and National Registers of Historic Places as a contributing element of the Washington Valley Historic District.

Today, the team at CFNJ understands the leadership role it plays in our state, and the duty it has to honor the work of those who were so selflessly dedicated to its success.

"As philanthropy changes, we want to be ahead of that curve," said Hans Dekker. "That is why we are continually modernizing and adapting, and identifying new areas for social investment and new ways to partner with the private and nonprofit sectors."

In the past decade, CFNJ has significantly grown its assets and expanded its work into new, often-overlooked areas.

CFNJ looks forward to the next thirty-five years of simplifying the process of giving and amplifying the impact of its fundholders.

We are grateful to our numerous, tireless supporters. To our founders, our partners, and our past, present, and future fundholders —  $Thank\ Vou.$ 



### TOM UHLMAN Chairman of the Board of Trustees

"The progress we have made just in the last ten years would make our founders proud. Philanthropy is so dynamic today, and we have made a point to stay ahead of these trends and identify new and compelling ways for fundholders to get involved."

### By the Numbers





1,004

PHILANTHROPIC FAMILIES SERVED

Donor advised & scholarship funds 1979-2015

\$1,000,000
IN SCHOLARSHIPS PER YEAR

GROWTH IN CORPUS 1994-2003 NEIGHBORHOOD LEADERS GRADUATED

LEGACY FUNDS CREATED





\$2.9 m

GRANTED OUT IN THE FIRST 10 YEARS

• \$19m

IN THE NEXT TEN YEARS \$326m IN THE LAST 15 YEARS On behalf of our fundholders and the thousands of worthy causes they support, we thank every individual who has served on the Community Foundation of New Jersey's Board of Trustees. Your guidance and counsel has made us a stronger organization, better able to serve New Jersey's communities.

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