

Spring 2007

Impact

COMMUNITIES FOUNDATION
of TEXAS

Bringing Visionary Philanthropists and Worthy Causes Together

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Ch = (D x M x P) > C

If you're like me, you reacted to reading this equation by saying, "What?"

When Len Schlesinger shared the equation recently with the CEOs of the largest community foundations across the country, he got a bunch of blank stares. Len, who is vice chairman and chief operating officer of Limited Brands, met with us to discuss the topic, "Leading Change." Limited Brands is the parent company of stores that have gone through many changes over the years, like Bath & Body Works and Victoria's Secret, so he should know a little bit about the topic. Of course, being a long-time professor at Harvard Business School gives him some credibility, too.

Change can be hard, but it doesn't have to be complicated. It just requires doing things differently. Sometimes, our institutions need to change. Sometimes, people need the opportunity to change, which can happen by encountering a powerful painting, a thoughtful teacher, or a breakthrough medical therapy.

The meaning of the mysterious equation is remarkably simple. Successful change ("Ch") is a function of the relationship between four things: dissatisfaction with the way things are ("D"), a different model for the future ("M"), the process of achieving the new model ("P"), and the

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Peak Schools Prepare Students For College and Successful Lives.

Former CFT headquarters now home to thriving inner-city charter school

At a recent open house at Peak Preparatory in Old East Dallas, fourth- and fifth-graders in crisp uniforms greeted visitors with firm handshakes and confident smiles. Ninth-graders studied for end-of-year exams and prepared for a field trip to visit college campuses in Austin, Houston and San Antonio. With summer just a few weeks away, the atmosphere was full of purpose.

Since 2004, when the school opened its doors at 4605 Live Oak, excitement has been growing at Peak – a school with a mission to encourage its 400 students, mostly low-income, inner-city kids, to lift the level of expectations they place upon themselves.

"Charter schools appeal to parents and students who want to make a commitment to increase quality choices in education," said Rosemary Perlmeter, executive director of Uplift Education, the nonprofit manager of several charter schools, including Peak

Preparatory. "They can offer a highly focused program to families from all economic backgrounds seeking new educational opportunities for their children," she said.

"There exists, in the growth of this movement, a challenge to traditional notions of public education and a chance to dramatically increase the number of students from low-income homes who will be prepared for

and attend college."

Four years ago, when CFT moved to its new location on Caruth Haven Lane, the board faced a decision about what to do with its former headquarters. As a gift to the community and as an investment in the future, CFT donated approximately \$7 million in property and funds to Uplift Education. The result was Peak Preparatory, which consists of Peak Academy Primary (kindergarten and grades four and five) and Peak Advantage

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Uplift Education operates "community-based college preparatory public schools." To close the achievement gap, classroom time for students may extend into the early evening, Saturdays and summer sessions.

Photograph by Bob Daemrich

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costs of making those changes (“C”). Change can be accomplished if people are unhappy with the way things are, if someone has a plan for an alternative, and if there is a way to turn the plan into reality. When they are multiplied together, all of those—dissatisfaction, a model, and a process—must be greater than the rational and emotional costs involved. And regardless of the costs, if any of the other variables approach zero, your chances of bringing about real change are slim to none.

We all use the successful change equation, even if only subconsciously, to evaluate what will improve lives in our community. A charitable grant is recommended and awarded from a CFT donor-advised fund when the odds of success are apparent to everyone. CFT trustees do the same with the foundation’s discretionary funds.

The grant of up to \$15 million by the W.W. Caruth, Jr. Foundation at CFT for the Dallas Police Department is a good example. Public safety was a foremost concern to Will Caruth. The grassroots organization, Safer Dallas Better Dallas, helped us to recognize dissatisfaction among many people with a lack of strategic support for efforts of the DPD to improve public safety in Dallas.

With resources from the grant, city leaders and some of the best policing consultants in the country are working on a plan and process for recommended changes. If the plan and process aren’t outweighed by the costs (How will the community react? How will officer morale be affected? Is there sufficient political and financial support from City Hall?), the trustees will invest the remaining grant funds to implement the plan. In the end, successful change will be both institutional and personal: an empowered police department and a higher level of security for you and your family.

How can we help you meet your goals for positive change?

Brent E. Christopher
President and Chief Executive Officer

Private Gifts Support Rigorous Prep Study in Public Schools.

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Secondary School or PASS (grades six, seven and nine.) Peak’s goal is to provide quality education in a supportive environment, giving children the tools they need to reach their highest potential. Classes average 20 students, and by 2009, when Peak will offer grades K-12, enrollment will top out at about 1,200.

CFT’s gift, as well as another \$1.3 million in grants from the Texas High School Project, is enabling Uplift Education to expand the proven approach to charter schools it began in 1996, when it established The North Hills School in Irving. During each of its nine years of operation, North Hills has earned either an “exemplary” or “recognized” rating from the Texas Education Agency, and *Newsweek* magazine just ranked it the 13th best public high school in the nation based on Advanced Placement and International Baccalaureate tests. Success at Peak and North Hills has led Uplift to open three additional schools this year and another in 2008.

Uplift offers community-based college preparatory public schools, with quality, rigorous programs more commonly found in elite private schools. And, as charter schools, Uplift schools receive only 70 percent of the per-pupil funding provided by the State of Texas to traditional public school districts.

“Uplift schools represent an incredible value for the public dollar,” said Philip Montgomery, chairman of Uplift’s board of directors and a former member of CFT’s board of trustees. “It has a great vision and a great program for providing quality college-preparatory education to families of all economic backgrounds. Because of limited public funding, Uplift must depend upon philanthropy from foundations, businesses and



Photograph by Bob Daemirich

individual donors, and we are finding that people see this as a worthwhile investment.”

The charitable spirit that helps make Uplift possible extends to the faculty and staff at its schools. At a recent CFT board meeting, trustees listened to an impassioned presentation by Jocelyn Guzman, a 14-year-old ninth-grader at Peak Advantage.

At the school, “Educators help us become successful human beings by teaching us academics and how to believe in ourselves,” she said. “Peak Advantage prepares its students for a college education, without discrimination based on previous experiences. Here, everyone has the same opportunity to shine.”

When illness caused economic hardships in her family, Jocelyn said her teachers provided her with school supplies, and students and teachers donated more than 100 baby items for her new twin brother and sister.

Jocelyn praised Peak’s teachers, “who help students who have so little believe that what they have inside far outweighs everything else . . . Peak gives us hope and encouragement to know that we can be whoever we want to be in this world.”

To learn more about Peak Preparatory and Uplift Education, visit uplifteducation.org.

Peak Advantage 2007 TAKS Results

	Math	Reading	Writing
6th Grade	98%	95%	—
7th Grade	90%	98%	98%
9th Grade	95%	100%	—

Based on recent scores from the Texas Assessment of Knowledge and Skills, Peak Advantage Secondary School should receive an “exemplary” rating, the highest awarded.

Providing Aid Abroad.

U.S.-based charity groups offer opportunity to make a difference beyond our borders

In the Mexican state of Chiapas, fifty dollars can go a long way. A loan that size – called a microfinance loan – can enable a borrower to purchase a grinder to make tortillas to sell at the market or buy yarn to embroider linens for tourists.

Lending women the means to achieve their dreams for a better life for themselves and their families is the aim of The Chiapas Project, a global microfinance initiative. Founded by Dallasite Lucy Billingsley, the nonprofit organization supports Grameen Foundation USA’s mission to expand microfinancing programs to poor women and to break the cycle of poverty. After raising \$790,000 to help bring 4,000 Chiapas women out of poverty, The Chiapas Project has set its sights on raising more than \$3 million for the Grameen Foundation’s Latin America Initiative.

The Chiapas Project and other nonprofit organizations headquartered in the United

States represent an opportunity for Americans who want to make a difference in the international community. By contributing to U.S.-based charities that provide assistance to those in need outside U.S. borders, Americans can avoid the risk of violating anti-terrorism financing laws. Following the 9/11 attacks, the U.S. Treasury Department issued guidelines concerning donations to foreign charitable organizations. While federal law allows contributions to foreign nonprofits, it prohibits the financing, directly or indirectly, to charities supporting terrorism and imposes stiff penalties for violations.

Whether the desire is to provide microfinance loans, tsunami relief or clothing for needy children, Communities Foundation of Texas can help you. CFT does not issue grants to foreign-based charitable organizations, but will help connect donors to worthy organizations with a 501(c)(3) designation from the Internal Revenue Service. “If you’re an advisor with a donor-advised fund and wish to recommend a grant to assist those abroad, we encour-



With assistance from a U.S.-based charity, women in Chiapas, Mexico, are lifting their families out of poverty.

age you to work with us to find a worthy organization that meets your charitable objective,” said J. Cook, vice president, grants. The American Red Cross, Salvation Army, Rotary International, Buckner International and give2asia are among the many other organizations recognized by the IRS as public charities that support international philanthropy.

For more information, please contact CFT’s grants department at (214) 750-4222. 

Noteworthy

COMMUNITY NEEDS – If you have a donor-advised fund at Communities Foundation of Texas, you have a new resource for learning about worthy nonprofit organizations in need of funding. Simply log on to cftexas.org and enter the “For Our Donors” section for a link to learn about special community needs. The link lists several outstanding grant requests for projects and programs that would improve lives in our community, but that could not be approved because discretionary funds were not

available at the last meeting of the Grants Distribution Committee. (See also page 5.) If you want to know more in preparation for recommending a grant from your donor-advised fund, please contact our grants department at (214) 750-4222 or by e-mail at jcook@cftexas.org.

TEXAS EDUCATION – John Fitzpatrick, executive director of the Texas High School Project, has been appointed by Texas Gov. Rick Perry to serve on the Commission for College Ready Texas. Members of the commission will provide leadership and guidance to the State Board of Education to improve college readiness pro-

grams by aligning high school curriculum with college standards. After holding public meetings, the commission will make recommendations to the State Board of Education, which has the authority to adopt, align and define college-readiness standards for Texas.

TRUSTEE HONOR – Frederick B. Hegi Jr., who joined CFT’s board of trustees in January, was among three Distinguished Alumni honored in May by the Cox School of Business at Southern Methodist University. Mr. Hegi, a 1966 graduate of SMU, is a founding partner of Wingate Partners, a private investment firm. 

Families. Wealth. Philanthropy.

Events at CFT explore how to extend spirit of giving to next generation

Families. Wealth. Philanthropy. How do individuals handle their financial success and extend the spirit of philanthropy to the next generation? That was the theme of events at Communities Foundation of Texas during the past few months, as donors, professional advisors and nonprofit organizations discussed charitable giving.

At the Professional Seminar Series, presented by CFT and SMU Dedman School of Law, Charles W. Collier, senior philanthropic advisor at Harvard University, outlined the role of professional advisors in advancing philanthropy. Donors want to discuss personal and family philanthropy, and they need help and expertise from their advisors, he said.

“Your clients need and want information and help with their philanthropic mission and networking, strategic grantmaking and evaluation, and how to bring children and grandchildren into their family philanthropy,” Mr. Collier said. “Discussing philanthropy can be done in a holistic way that respects clients’ financial and personal situations.”

In the presentation to advisors and in later remarks, he discussed themes in his book, *Wealth in Families*, and urged families to consider their values before they plan their estates and philanthropy. “The hardest, yet most rewarding, part of the planning process is asking essential questions about what is important to people – besides financial wealth – and how they can enhance each family member’s growth.”

Mr. Collier offered questions to consider when determining the appropriate financial in-



Photograph by Kristina Bowman

Attending the Professional Seminar were, from left, Jack Kinnebrew, CFT trustee; Jackie Franey, director, CFT gift planning and donor relations; Don Malouf, professional advisor; Charles W. Collier, Harvard University’s senior philanthropic advisor and seminar speaker; and Vester Hughes, CFT’s senior tax counsel.

heritance for children, such as a donor’s priorities, core values and how much is needed to maintain one’s lifestyle.

In addition, he discussed the best practices of effective families in estate and philanthropic planning. Effective families have strong relationships, communicate openly, support each other through life transitions, rear autonomous children and have relationships with adult chil-

“The . . . most rewarding part of the planning process is asking essential questions about what is important to people – besides financial wealth – and how they can enhance each family member’s goals.”

dren that are “open, separate and equal,” Mr. Collier said. They recognize each family member’s individual pursuit of happiness, tell the family’s most important stories, create mentor-like relationships and give younger family members responsibility as soon as possible.

Philanthropy Among the Wealthy

In another look at charitable giving, the landmark Bank of America “Study of High Net-Worth Philanthropy,” conducted by the Center on Philanthropy at Indiana University, was the topic of a presentation at CFT. Dr. Patrick

Rooney, director of research at the center, told participants:

- More than 80 percent cited “meeting critical needs,” “giving back to society” and “helping those with less” as key drivers of their charitable giving.
- During difficult markets, charitable giving among the wealthy is resilient. It declines at a much slower pace than does overall wealth.
- More than half indicated their giving would not be affected by elimination of the income tax deduction. Tax implications may affect timing. But, for wealthy donors, giving is not primarily a tax-related event.

If you would like to learn more about the best practices of successful families and the critical questions to share with your family, please contact Dwight Clasby, vice president, external affairs, or Jackie Franey, director, gift planning and donor relations, at (214) 750-4222, or dclasby@cftexas.org or jfraney@cftexas.org.

Generous Underwriters

Lead sponsor of the Professional Seminar Series was Hughes & Luce, LLP. Additional sponsors included Strasburger, Bank of America Private Bank and The Mansion at Turtle Creek, a Rosewood Hotel.

CFT does not provide legal or tax advice and advises you to seek your own legal and tax advice in connection with all charitable and planning matters.

Dallas VA Fisher House.

Charitable gifts fund lodging for veterans' families

Families of soldiers and veterans being treated at the Dallas VA Medical Center will soon have a new “home away from home,” with construction of a VA Fisher House on the medical complex at 4500 South Lancaster Road.



T. Boone Pickens, third from right, was among those breaking ground for the Dallas VA Fisher House, which will be a “home away from home” for families of veterans receiving care at the VA Medical Center.

Officials recently broke ground for a 7,500-square-foot residential facility to provide lodging for families of veterans receiving care.

The groundbreaking follows a successful two-year campaign to raise local matching funds to qualify for a grant from the Fisher House Foundation, located in Rockville, Md. The local Fisher House campaign raised more than \$1.4 million through its fund at Communities Foundation of Texas in order to receive matching funds from the Fisher House Foundation to construct the facility.

Free temporary lodging will make a great difference to families sometimes sleeping in waiting rooms at the medical center, eating food from vending machines and bathing in restrooms, said retired Maj. Richard “Dick” S. Agnew, chairman of the Advisory Council and finance committee of the Fisher House – VA North Texas Campaign.

“We are extremely grateful to the contributors who recognize the

sacrifices made by our military families and are making it possible for them to stay in a comfortable environment while visiting their loved ones,” Agnew said. Patients arriving from Iraq and Afghanistan often remain at the medical center for longer periods than in previous wars, causing hardships for many families.

Dallas oilman and investor T. Boone Pickens provided a \$600,000 lead gift to the campaign. Other major donors include the Elsie and Marvin Dekelboum Family Foundation recommended by Gail Hartstein and Scott Powell, Hillcrest Foundation, Hoblitzelle Foundation, Raytheon Company, Metroplex Military Charitable Trust, Hawn Foundation, M.B. & Edna Zale Foundation, The Catholic Foundation, Lockheed Martin, American Legion Post 655, VFW Post 8923, 7-Eleven, Inc., W.P. & Bulah Luse Foundation, Gayden Family Foundation, and two donor-advised funds at CFT, the John P. and Jane K. Wilson Fund and the Don M. and Kathryn B. Houseman

Fund. CFT also made a grant from its discretionary funds.

The Dallas VA Fisher House, due for completion by the end of the year, will include 21 suites, each with two double beds and private bath, as well as a living room, playroom, dining room and communal kitchen. The facility, which will serve family members visiting from distances 50 miles or greater, will be turned over to the Department of Veterans Affairs for management by the Social Work Service of the VA North Texas Health Care System. The Fisher House will have one salaried manager, and volunteers will provide additional support.

Forty-three Fisher Houses are located or planned for 2007 at military and Veterans Affairs facilities in the United States. The Fisher House program, which was established by New York real estate developer Zachary Fisher, annually serves more than 8,500 military families and has provided more than two million days of lodging since its founding in 1990. 🌿

Chances to Give: Worthy Requests Not Granted

Communities Foundation of Texas receives many grant requests that are worthy of support, but limited discretionary funds make it impossible for trustees to approve all of these requests.

CFT encourages donors and fund advisors to consider grant requests that could not be funded at the March meeting of the Grants Distribution Committee:

Brighter Tomorrows, Inc., Grand Prairie, sought \$28,404 to purchase upgrades to the agency’s computer and network. The charity provides emergency shelter and support to victims of domestic or sexual violence at eight locations in Dallas County.

Collin County Children’s Advocacy Center, Inc., Plano, requested \$250,000 toward a \$2.5 million building expansion for new offices and space for its Healing and Education Center. The agency serves abused and neglected children.

UPLIFT Education asked for \$75,000 toward \$100,000 to modernize library resources at Peak Preparatory. Funds help provide materials to enhance learning abilities of secondary students.

Dallas Urban Debate League sought \$160,000 to provide total start-up costs of establishing an urban debate league in the Dallas Independent School District, to empower youth to become engaged learners, critical thinkers and active citizens.

North Texas Future Fund, Irving, requested \$40,000 in general unrestricted support. The nonprofit conducts research to identify issues critical to the future economic prosperity and quality of life in North Texas. It is currently focused on education and literacy.

St. Thomas Aquinas Catholic School, Dallas, asked for \$30,000 to assist in Phase I of the school’s campus renovation project.

Austin Street Centre, Dallas, sought \$5,000 to support the Women’s Work Therapy Program, a job training and psychosocial rehabilitation program for homeless women.

For more information about these funding requests as you consider your grant recommendations, please contact CFT’s grants department at (214) 750-4222. 🌿

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Kids Award 'Common Cents' Grants – Students from 58 schools in the Dallas Independent School District recently awarded more than \$54,000 in grants to local nonprofit organizations from the Common Cents Fund at Communities Foundation of Texas. Common Cents, a student-led coin collection effort to raise money for charity while encouraging good citizenship and social responsibility in schoolchildren, was brought to the district by philanthropist Louise Gartner. Among the 38 organizations receiving Common Cents funds were Promise House, American Red Cross, Dallas CASA, Child Abuse Prevention Center, SPCA, National Kidney Foundation and The Family Place. 🌱

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