Leverage is what makes see-saws work.
It can also help you lift children—and adults—out of poverty, illness or danger.
CFT is a fulcrum for philanthropy.
We understand our community's needs.
And we know about the places and people who can meet those needs.
We can inform and inspire your vision for charitable giving.
So CFT can multiply the magnitude of your generosity.
It’s leverage, because it gives you the power to lift up.
A Letter for You

Dear Friends,

From a busy twelve months in the life of Communities Foundation of Texas last year, two things stand out.

First, **we gave away $1 billion.** Not all at once, of course, but since the foundation began in 1953. During a time of economic recession and federal stimulus spending, $1 billion can get lost in the shuffle. In the lives of the people who benefited from each CFT grant that comprised the $1 billion total, however, each dollar meant a lot. It meant food on the table. It meant help finding a job. It meant a cultural experience that opened someone’s eyes. It meant research for a new medical cure. It meant a chance at higher education.

And, it meant all those things not only during one year . . . but year after year for 56 years.

Hitting the $1 billion grantmaking milestone in 2009 set the stage for an entirely new level of contribution by CFT as we continue going forward. The opportunities just get bigger and bigger.

Second, to seize those opportunities, **we crafted a new strategic plan.** For a long time, CFT has prized the quality of its service to the donors and organizations who create funds at the foundation. That won’t change. But we’ve shifted from looking at our role as being mostly transactional to being much more transformational. What does that mean? It means we will be a hub where donors, nonprofits and community needs meet. It means we will expand our knowledge and use it to match community needs with donor interests. It means we will be a better resource for families about philanthropy. It means we will focus our discretionary assets to have the biggest impact.

And it will mean all those things not only during one year . . . but year after year for many years to come.

Being strategic about our work creates more opportunities for you to draw value from your relationship with CFT. It’s what gives you leverage.

**Leverage** means a couple of different things (in addition to getting a mechanical advantage from using an actual lever). It means being able to influence people and events. It also means using an investment to produce a much larger return. In this case, you get both. The stronger and more vital CFT becomes as a resource to you, the more you can leverage the foundation—whether it’s to achieve positive outcomes for our community through grant-making dollars or any other kind of influence.

Take a look inside for examples of how CFT can be leveraged. Then think of more ways and put us to work. **That’s why we’re here.**

Joseph M. “Jody” Grant  
Chairman of the Board

Brent E. Christopher  
President and Chief Executive Officer
More Grants Than Ever

In the course of making its annual spring discretionary grants in 2009, CFT reached a major milestone—we have now granted more than $1 billion to worthy charitable organizations in order to improve health, safety, education and quality of life in our community and beyond. For the record, that one-billionth dollar was part of a $25,000 grant to Mi Escuelita Preschool in Dallas. The grant smartly combined a donor-advised grant with a discretionary grant to provide the needed support. And in total for the year, $84 million was paid in grants by CFT—more than any other year in our history.

DonorBridge is Here

An exciting new online resource for anyone looking to invest in the nonprofits of North Texas—DonorBridge—launched in 2009. By the end of its first official day of operation, donors had used the site to give over $4 million to more than 350 nonprofit organizations across North Texas. With the leverage of $300,000 in matching funds, the results far exceeded our expectations. The site (which gives you detailed information about local nonprofits at donorbridgetx.org) is a 24/7 resource created by CFT in partnership with the Center for Nonprofit Management and with support from The Dallas Foundation.

Teach For America Comes to Dallas

The W.W. Caruth, Jr. Foundation Fund at CFT pledged $1.5 million to help seed Teach For America’s new Dallas initiative. The program brings 100 new Teach For America teachers to the Dallas Independent School District’s highest-need schools and to Uplift Education charter schools for the 2009-10 school year. Teach For America, whose corps members from top colleges and universities around the country commit to teach for at least two years in urban and rural public schools, is a nationally successful education initiative that arrives in Dallas for the first time in 2009.

Promoting Preparedness

To respond to the need for better emergency preparedness, CFT committed $5 million as a challenge grant over four years to support development and implementation of a Mass Care Response and Disaster Relief Plan for North Texas. Initial funding from the W.W. Caruth, Jr. Foundation Fund at CFT will support a first-in-the-nation collaboration by four partners: the American Red Cross Dallas Area Chapter; the North Texas Food Bank; The Salvation Army, DFW Metroplex Area Command; and the Volunteer Center of North Texas.

Supporting A Promising New Therapy

CFT recently granted $850,000 to support clinical trials in adult autologous cardiac stem cell therapy at Baylor University Medical Center in Dallas. This new regenerative therapy for congestive heart failure uses a patient’s own adult cardiac stem cells to repair a damaged or failing heart. The treatment delivers a concentrated dose of stem cells drawn from bone marrow or blood into the damaged heart muscle. The grant funds a transition from overseas research to FDA-approved clinical trials in the U.S.
Fund Focus

Donor-Advised

Donor-advised funds are the most common funds at CFT. You make one or more gifts to CFT to establish a fund, which can be named after you or family members. Then, you give us specific recommendations over time about making grants from the fund to public charities here and beyond.

Designated

With a designated fund, you set up a fund to benefit a particular charitable organization or charitable purpose, such as awarding scholarships. Often, these funds are established as endowments to hold permanent assets for a named charity.

Discretionary

Charitable gifts can be made in any amount to CFT for use in our competitive grantmaking during the year. Making a gift to CFT’s discretionary funds allows you to leverage our expertise in directing resources to the charitable organizations in our local community that need them most and will use them effectively. Your gift can be unrestricted or targeted to a particular area of interest.
**Donor-Advised Fund Spotlight:**  
**Charles R. Sitter Fund**

*Noteworthy Generosity*  Mr. Charles R. Sitter, a former president of Exxon Corporation, generously supported many community causes. In 2007, he established a donor-advised fund at CFT because he valued our community knowledge and ability to assess the nonprofit organizations he was interested in supporting. After Mr. Sitter’s death in 2008, his daughter Cindy, whom he named a successor advisor, has continued his charitable legacy in creative ways, including $125,000 in challenge grants to the Dallas Symphony Orchestra. The grants have spurred a symphony of giving by other supporters of the orchestra.

**Designated Fund Spotlight:**  
**The Phoebe and Russell Perry Endowment Fund for the SPCA of Texas**

*A Pet Project*  Phoebe Perry has had a deep bond with animals her entire life, especially her beloved dog Sadie, who recently passed away. In 1999, Mrs. Perry established a fund to provide support to the SPCA of Texas, both during her lifetime and after her death. The fund is specifically designated to provide for the needs of animals at the SPCA’s campus in McKinney, named the Russell H. Perry Campus, in memory of her late husband.

**Discretionary Fund Spotlight:**  
**Mabel Peters Caruth Bequest**

*Continuing the Counseling*  Mabel Peters Caruth valued CFT’s expertise in identifying and addressing our community’s changing needs. So in her estate, she left a large bequest to be used for our discretionary grantmaking. Such gifts make it possible for us to support innovative and effective programs like a recent joint effort of Jewish Family Service of Dallas and the Society of St. Vincent de Paul. In the wake of Hurricane Katrina, the two agencies worked together to provide counseling services to evacuees in North Texas. In 2009, CFT approved a $60,000 discretionary grant to allow them to replicate their successful collaboration in order to provide more readily available mental health counseling to clients at both agencies.
Selected Grants

As part of the total $84 million in grants paid by CFT, the Board of Trustees awarded more than $2.5 million in discretionary grants to worthy nonprofits in fiscal 2009, including those below.

**Arts & Culture**

**Dallas Contemporary**
$150,000 over three years to support a capital campaign to transform an industrial space into the museum’s permanent home and to create programs that will bring cutting-edge work by emerging artists to Dallas.

**Dallas Theater Center**
$200,000 over two years to make significant renovations and upgrades to the Potter Production Studio that will allow the company to produce more intricate and technically challenging productions in its new home, the Dee and Charles Wyly Theatre.

**Education**

**Foundation for the Education of Young Women**
$30,000 to provide summer educational opportunities for students of the Irma Rangel Young Women’s Leadership School, the first all-girls public school in Texas. The school’s mission is to give young women in urban schools the academic skills to achieve success in college and in life.

**Vickery Meadow Learning Center**
$47,620 to expand the agency’s successful literacy programs to a satellite location in West Dallas. The Center provides English language instruction to adults and their young children.

**Environment**

**Texas Trees Foundation**
$100,000 to identify and implement tree-planting sites around urban heat islands in Dallas, utilizing innovative Geographical Information Systems (GIS) mapping techniques.

**Health**

**Grand Prairie Wellness Center**
$35,000 for operational support to help the Center provide health care and health education, to low-income, uninsured patients. The Center expects to serve 40% more patients in 2009.

**Social Services**

**CONTACT Crisis Line**
$16,200 to upgrade computer hardware and software used by volunteers on crisis help lines. CONTACT volunteers answer approximately 37,000 calls each year.

**Youth**

**Services of Hope Entities**
$50,000 to expand the “Bridging the Gap” Literacy/Character Academy program at Birdie Alexander Elementary School during the 2009-10 school year. The after-school program promotes improved literacy, character development and increased parental involvement.

**Vision Regeneration Inc.**
$40,000 to fund a financial audit and development expenses related to the organization’s efforts to eliminate violent and destructive behavior among at-risk youth through youth development, gang prevention and intervention services.
Communities Foundation of Texas is governed by an independent Board of Trustees. Board members are local citizens with wide-ranging knowledge of community needs and deep commitment to helping meet them. Their charge is to understand donors’ interests and the roles of nonprofits, acting as stewards for nearly 900 funds. All Board members are volunteers, serving without compensation. Trustees exercise the final authority regarding all CFT gifts, investments and charitable grants.

CFT relies heavily upon its volunteer Board of Trustees to help accomplish our mission. At the start of 2009, two new community leaders were welcomed to the Board: Carlos González Peña and Karen L. Shuford. At the end of 2009, Linda McFarland will retire from the CFT Board after many years of dedicated service. CFT is deeply grateful for her enthusiastic commitment, guidance and support.

Learn about CFT’s Advisory Council and view a partial listing of funds online at www.cftexas.org.
Financial Information

2009 Grants Distribution

$83,583,000 in total grants paid in fiscal year 2009

Total Grants Paid
(in millions)
### Composition of Assets

<p>| | |</p>
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<tr>
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<td>Donor-Advised Funds</td>
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**Total assets** $650.7

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**INVESTMENT MANAGERS**
- Aberdeen Asset Management, PLC
- Barrow, Hanley, Mewhinny & Strauss, Inc.
- Burgundy Asset Management
- Capital Guardian Trust Company
- Credit Suisse
- Disciplined Growth Investors
- Hotchkis and Wiley Capital Management
- INTECH
- Standish Mellon Asset Management LLC
- State Street Global Advisors
- Western Asset Management Company

**CUSTODIAN**
- BNY Mellon

**LEGAL COUNSEL**
- K&L Gates LLP

**INDEPENDENT AUDITOR**
- McGladrey & Pullen, LLP

**INVESTMENT CONSULTANT**
- Rogerscasey

*To review the annual independent audit report and the related audited consolidated financial statements with footnotes, please visit [www.cftexas.org](http://www.cftexas.org).*
Corporate Information

Leadership
Brent E. Christopher
President and
Chief Executive Officer
Elizabeth W. Bull
Senior Vice President
and Chief Financial Officer
Jeverley R. Cook, Ph.D.
Executive Director,
W. W. Caruth, Jr. Foundation
John Fitzpatrick
Executive Director,
Texas High School Project
Sarah Cotton Nelson
Chief Philanthropy Officer

Staff
Finance and Administration
INVESTMENTS AND FINANCE
J. Steven Orr
Vice President, Investments
Kristine Thomas
Vice President, Accounting
Kathy Gandy
Accounting Manager
Dawn Jimenez
Disbursement Administrator
Karen Mercado
Accounting Assistant

FACILITIES AND ADMINISTRATION
Marcia Godwin
Corporate Secretary
and Managing Director,
Caruth Homeplace
Liz Moyer
Facilities Manager
Jerry Jones
Facilities Assistant

Philanthropy
Monica Egert Smith
Community Philanthropy
Director
Sheila Eddy
Grants Administrator
Anita Lawson
Database Operations
Director
Karen Gutierrez
Data Integrity Manager

Texas High School Project
FINANCE AND ADMINISTRATION
Todd Foster
Director, Finance &
Administration
Lucinda Jones-English
Finance Manager
Marisa Durrin
Finance Assistant
Sylvia Martinez
Director, Communications
Gaylette Wineberg
Executive Assistant to
the Executive Director

PROGRAM STAFF,
ADMINISTRATION
J. Chris Coxon
Chief Program Officer,
Initiatives
Betty Garza
Executive Assistant
Nancy Willis
Grants and Program
Manager
Kim Fossey
Associate Program Officer,
STEM Network
Karen Hembry
Evaluation Manager
Mark Baxter
Policy Analyst
Matthew Lingenbrink
Impact Assessment
Associate

SCHOOL REDESIGN
INITIATIVE
Fred Richardson
Program Officer

EARLY COLLEGE HIGH
SCHOOL INITIATIVE
Alma Garcia
Program Officer
Denise Davis
Associate Program Officer
Susan Henderson
Program Manager,
Professional Development
Network
Liza Ceniceros
Administrative Assistant
Paula Garcia
External Instructional Coach
Diana Jernigan
Leadership Facilitator

EDUCATION LEADERSHIP
INITIATIVE
Carl O’Dell
Manager, Technology
Programs and Strategy
Daisy Santosh
Associate Program Analyst
Anna Walden
Project Manager
Maria Glenn
Administrative Assistant

TEXAS SCIENCE
TECHNOLOGY ENGINEERING
AND MATH (T-STEM)
INITIATIVE
Dee Chambliss
Program Officer, Academies
Reo Pruiett, Ed.D.
Program Officer, Academies
Joe Ferrara
Associate Program Officer
Lora McKeown
Administrative Assistant