

2010-2011 Report to the Community

# INVEST *in* Maine



# Invest in Maine. What does that mean?

For the Maine Community Foundation, investing in our state takes many forms: engaging in leadership activities that help strengthen communities, making grants to nonprofits doing innovative work, helping students further their education, and partnering with donors on projects that will advance our quality of life and place.

This report highlights a few investments we believe exemplify our work. The cover offers one example: With support from several community foundation funds, WinterKids, a Portland nonprofit, has introduced young Somalis to snowshoeing and other outdoor winter activities. The program speaks to the future, to healthy Mainers and engaged youth.

You will also read about a new vision for the Maine woods, how a market is helping to energize downtown Waterville,

and the educational legacy of some committed volunteers. We hope these stories—and the numbers on the back page—inspire your confidence in our work.

We also hope you'll be motivated to consider how you can invest in Maine—now and for the future.



*Meredith H. Jones*  
Meredith H. Jones,  
President & CEO

*Anne Jackson*

Anne O. Jackson,  
Chair, Board of Directors

## A Strong Maine

Partners,  
leadership, connections,  
and resources



**A Healthy Environment**  
*Connecting with the outdoors*



**Involved Citizens**  
*Encouraging community service*



**Local Leadership**  
*Empowering Maine people*



**An Educated Workforce**  
*Gaining higher education*



**Thriving Communities**  
*Revitalizing downtowns*



**Inspired Philanthropy**  
*Realizing charitable visions*

For production and photo credits, visit [mainecf.org/annualreport.aspx](http://mainecf.org/annualreport.aspx)

**On the Cover:** Two Somali girls in Lewiston's Hillview Aspirations program try on snowshoes for the first time as part of a WinterKids program. PHOTO: MARION DOYLE

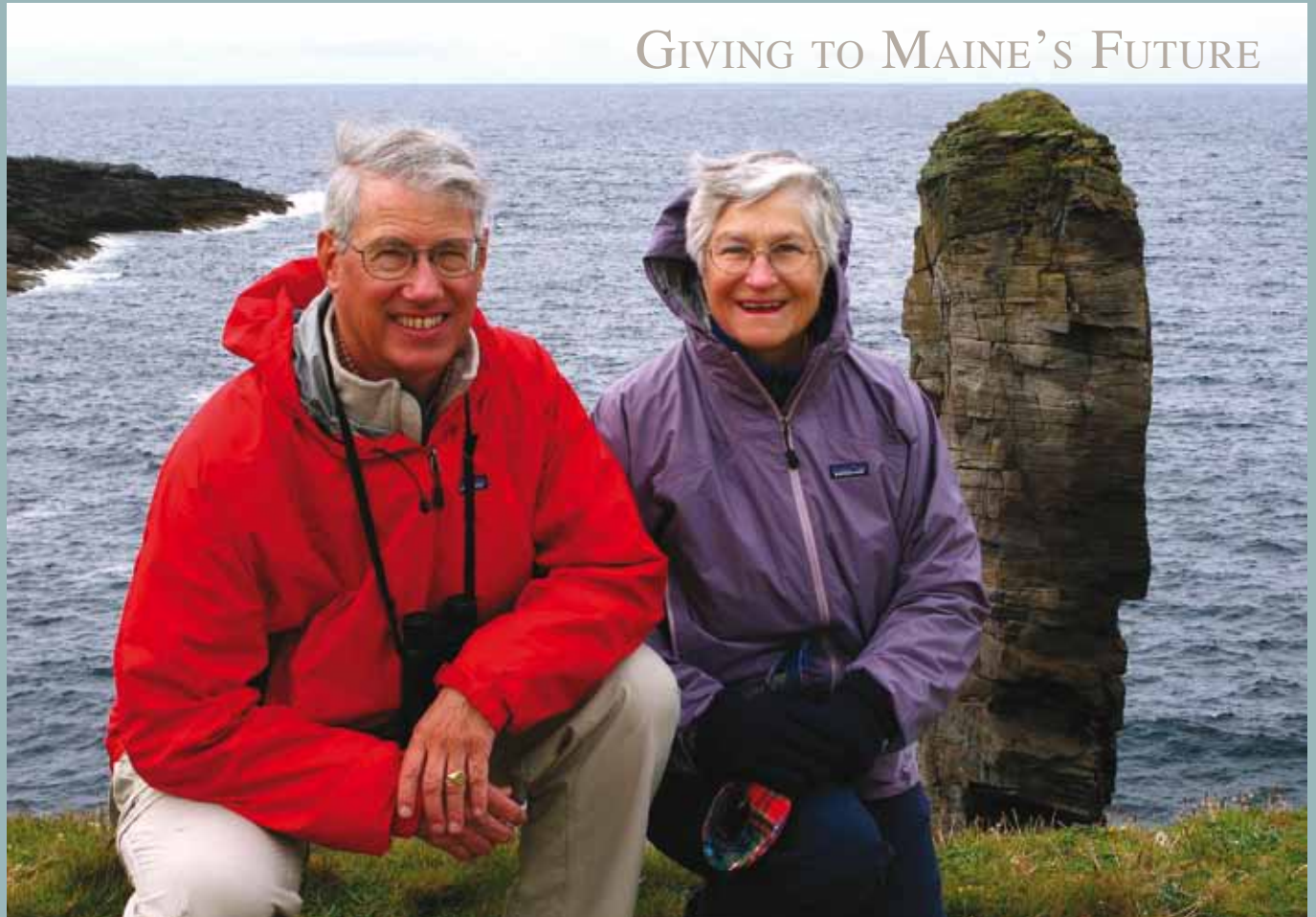
**G**eorge Shaw became a believer almost 30 years ago.

In the early 1980s, he and his fellow trustees at a Boston-based charitable trust had to find a way to replace the trust's resources when it came to an end. After completing their research, the trustees decided to support the long-term growth of New England community foundations, including the fledgling Maine Community Foundation. Starting in 1983, they made a series of grants to the community foundation, for grantmaking and as a challenge to build its permanent endowment.

George recognized the value of community foundations as a resource to meet changing needs over time. Inspired by this realization, he and his wife, Anna, established a donor-advised fund with the Boston Foundation. As a lawyer, he also urged his clients to consider community foundations as partners for planning their charitable giving.

After moving to Newcastle, George and Anna transferred their fund to the Maine Community Foundation. They use it for personal giving. "We have been especially pleased with the initiative to support Maine Farmland Trust's Buy/Protect/Sell program," says George, "and appreciate receiving proposals for hospice programs, which is a special interest of Anna's."

As they think about the future, the Shaws want to be sure that a significant portion of their charitable dollars remains in Maine. A member of its Board of Directors, George has urged the Maine Community Foundation to encourage its donors to consider leaving funds to a permanent endowment as part of their legacy to Maine. "Anna and I are confident the foundation will be able to address future issues meaningfully," he says—an important endorsement from someone who has been championing community foundations for a long time.



## ● Partners in Prosperity

What difference do nonprofits make in Maine? Every year the Maine Association of Nonprofits, with support from the community foundation and the Unity Foundation, addresses this question in its "Partners in Prosperity" report. Among the compelling statistics presented in the 2010 edition: Maine nonprofits mobilize approximately 360,000 volunteers each year—roughly the equivalent of the combined populations of Aroostook and Cumberland Counties. The sector's economic contribution is also impressive: \$8.2 billion in 2007, about 17% of the gross state product.

In cooperation with a diverse array of partners, the Maine Community Foundation supports nonprofits through grants, leadership training, and capacity building projects such as the Program for Nonprofit Effectiveness. We also manage endowments for more than 150 nonprofit organizations, including The Iris Network, which provides critical vision rehabilitation services for around 1,000 Mainers every year.

"A healthy and engaged nonprofit sector is essential to both maintaining and improving the quality of life in our state," write the authors of "Partners in Prosperity." The Maine Community Foundation is honored to work alongside and support the state's robust and vital nonprofit sector.



# FOUR WAYS TO

## 1. NAME YOUR PASSION.

Thinking about starting a family or corporate foundation? Find out why a donor-advised fund, named or anonymous, may be a tax-advantaged and convenient alternative. A scholarship, a fund to support a favorite organization or a particular cause—there are many ways to partner with the community foundation to fulfill your passion through philanthropy.

## 2. GO LOCAL, REGIONAL, STATEWIDE.

Strengthen communities by supporting the foundation's statewide grantmaking or one of our county and regional funds. Your gift is pooled with others to fund nonprofits in a wide range of fields across Maine. Volunteer community leaders help us make the most of these grant dollars.

## 3. HELP US LEAD.

The foundation is involved in a number of ambitious Maine-wide activities that include promoting community economic development, environmental stewardship, higher education, and civic engagement. Learn how you can help support these efforts in the "For Maine" section at [www.mainecef.org](http://www.mainecef.org).

For a complete list of competitive funds with guidelines and applications, visit [www.mainecef.org/AvailableGrants.aspx](http://www.mainecef.org/AvailableGrants.aspx)



## MEMBERSHIP HAS ITS LEGACIES

The Kennebec Valley Art Association depends heavily on its members to be its boosters, volunteers, and leaders. Since its founding in 1958, the association's diverse programming, ranging from drawing classes to student and juried exhibitions in the Harlow Gallery in Hallowell, has been sustained by its membership.

In return, the KVAA has honored some of its most loyal supporters by establishing two scholarships in their names.

The Tardiff/Fine Scholarship is named after Antoinette Tardiff, an accomplished painter who taught art as a volunteer at the Augusta Mental Health Institute and in local schools; and Blanche T. Fine, a gallery hostess who continued to support the association even after she moved to Pennsylvania. The KVAA Memorial Scholarship pays tribute to individuals who played key roles in providing art opportunities to people of all ages across the region.

In 2010, the association's board of directors transferred the scholarship funds to the Maine Community Foundation in an effort to improve ongoing financial management and to further the legacy of these special members. The Tardiff/Fine Scholarship and the KVAA Memorial Scholarship support graduating seniors at, respectively, Cony High School and Hall-Dale High School who are seeking college degrees in the visual arts or arts education—and who may one day be members of the Kennebec Valley Art Association.

## ● An Educated Workforce



When the five Maine gubernatorial candidates met at Unum in Portland for a forum on education last fall, the framing questions came from "An Educated Workforce for a 21st Century Economy," a special report prepared by the Mitchell Institute for the Compact for Higher Education and the Maine Community Foundation.

One of the issues addressed in the report is financial access to college. The Maine Community Foundation manages nearly 450 scholarship funds, many of them geared to high school students pursuing post-secondary education. One of them, the Guy P. Gannett Scholarship, has helped 86 Maine journalism students pay for college and graduate school while providing valuable networking opportunities. Gannett scholars are at work in media outlets across the U.S. and around the world. [www.mainecef.org/education.aspx](http://www.mainecef.org/education.aspx)

# INVEST IN MAINE

## 4. GIVE TO THE FUTURE.

We can help you shape a legacy that will support the causes you care about while providing financial and estate savings at the same time. You, in turn, through your bequest can help your community foundation build a flexible endowment that will enable us to address changing needs in Maine.

### SEEKING PROPOSALS

The Maine Community Foundation manages 18 competitive grantmaking programs that support areas of interest ranging from the arts and health to steeples and symphonies. Some of these permanent funds are county- or region-based, others statewide. All seek proposals that build on the strengths of a community—whether that community is a place or a group of people who share a passion.

Here are a few of the competitive funds at the Maine Community Foundation:

**Community Building Grant Program (including County & Regional Funds)**  
to build and strengthen Maine communities

**Belvedere Historic Preservation Grant Program**  
for the preservation or restoration of historic buildings in rural Maine communities

**Maine Charity Foundation Fund**  
for diverse charitable purposes, from hospice care to symphonies, across the state

**Maine Expansion Arts Fund**  
to support indigenous, ethnic, or rural arts programs or projects

**Maine Steeples Project**  
for the preservation of church steeples of historic, cultural, and community significance

**Penobscot Valley Health Association Fund**  
to enhance the well being of the greater Bangor community

**Rines/Thompson Fund**  
to improve the welfare of the citizens of greater Portland

## FATUMA HUSSEIN: UNITED AND COMMITTED



**B**orn in Mogadishu, Somalia, Fatuma Hussein came to Atlanta, Georgia, at age 12, after living in a Kenyan refugee camp during the civil war in her home country. Years later, in 2001, seeking a quieter and less populated environment, she and her family relocated to Maine, first to Old Orchard Beach and then to Auburn.

Through her own experience, Hussein understood the many challenges of life in a new culture, and she wanted to help her fellow Somali refugees find an easier start in their adopted home. She started by informally providing transportation, translation, and additional assistance to other immigrants from her native land. From these grassroots efforts, and with help from Coastal Enterprises, Inc., United Somali Women of Maine was born, officially opening its doors in 2002, with Hussein as director.

As “cultural brokers,” the women set out to educate and advocate for refugees and immigrants in the greater Lewiston area. “We needed community engagement to make the center work,” says Hussein, “and many partners.” Indeed, she credits the success of United Somali Women of Maine to the strength of its broad network of allied organizations and the programs and services it offers to empower the African immigrant community and help its members to become self-sufficient.

“Empowering people leads to healthy families, education, and citizens achieving their dreams,” Hussein states. As a member of the Maine Community Foundation’s People of Color Fund advisory committee she has shared her knowledge, leadership, and commitment to bringing about positive change.

## Involved Citizens

Last April, around 150 Maine citizens “of a certain age” gathered in Northport for the first ever Encore Leadership Corps (a.k.a. ENCorps) summit. The UMaine Center on Aging, with support from the community foundation, offered a free training program in community development, public health, and environmental stewardship to these experienced Mainers.

Today, ENCorps graduates are volunteering with land trusts, historical societies, senior colleges, garden clubs, hospitals, and town councils. One of them, Jim Pierce of Topsham, has focused on public transportation. As president of the Midcoast Collaborative for Access to Transportation, Pierce has helped mobilize local organizations, from Bowdoin College to Sweetser, to launch the Brunswick Explorer, a weekday bus that stops at retirement communities, shopping areas, and medical centers. Pierce proudly notes that the hybrid electric buses are also good for the environment. [www.mainecef.org/involvement.aspx](http://www.mainecef.org/involvement.aspx)



## A VISION FOR THE MAINE WOODS

**W**hen the Environmental Funders Network launched its Quality of Place Initiative in 2009, its members had two purposes in mind: to spur economic prosperity and to enhance Maine's distinctive built and natural environments. Using these guiding principles, the EFN, a joint program of the community foundation and the Maine Philanthropy Center, has made more than \$1 million in strategic grants to organizations across the state.

The network was looking for groups with ambitious ideas—"not the usual suspects," as Bo Norris, founding chair of the EFN steering committee, put it. Keeping Maine's Forests fit the bill: private and public partners attempting to alter business as usual over a massive landscape involving local, regional, state, and federal players.

"A Maine woods vision," says Marcia McKeague, a professional forester and timberland manager who serves on Keeping Maine's Forests' board, "must recognize the needs and aspirations of shopkeepers in rural communities, fishermen on remote ponds, loggers making payments on million-dollar harvesting systems, and conservationists seeking to preserve our wildlife treasures." To that end, the group has embraced inclusiveness, new models of stewardship, and the belief that success will be determined "more by unity than velocity."

Keeping Maine's Forests is part of a larger conversation and collaboration that EFN has nurtured by using its ability to connect grantees with one another. Many believe these relationships will grow into a new collective force of individuals, organizations, funders, and others whose commitment to Maine's special "brand" runs deep.



## LEGACIES FOR MAINE

When Tom and Holly Hancock of Casco, Maine, were considering their legacy, they thought about their circumstances and their passion. A desire to support local libraries led them to name the Maine Community Foundation as the beneficiary of their Individual Retirement Account.

Tom knows first-hand the ongoing needs of Maine's nonprofits. As a volunteer advisor on the community foundation's Cumberland County Committee, he works with his peers to ensure that grants make the greatest impact possible. Holly is the director of the Bridgton Public Library and past director of the Casco Public Library.

"We couldn't possibly predict the critical issues of the future," notes Tom, "but we feel comforted to know that our legacy gift will be helping libraries provide crucial services to their communities." The Hancocks appreciate the ease of working with the foundation. "Our love of libraries will live on," says Holly, "thanks to this terrific partnership."

*In 2010, the Maine Community Foundation received 24 new bequests or planned gifts. For a complete list of Legacies for Maine members and to read "Looking Forward, Giving Back" profiles, visit [www.mainecef.org/annualreport.aspx](http://www.mainecef.org/annualreport.aspx).*

## ● A Healthy Environment

The Maine Community Foundation believes that the health of individuals is tied to a healthy environment. Through competitive and donor-advised funds, the foundation supports projects and programs—from the creation of a Nordic ski trail on Ragged Mountain in Camden to educating kids about coastal maritime forests in York County—that connect Mainers with the outdoors.

The Quebec-Labrador Foundation's Questing to Learn program encourages youngsters to explore the Medomak River watershed where they "sink into place" through exercises in writing, science, and history. With support from the Marshall Dodge Memorial Fund, this innovative program is engaging schools, kids, and communities in a journey of learning.

[www.mainecef.org/environment.aspx](http://www.mainecef.org/environment.aspx)



## NEW FUNDS

The creativity of our donors continually inspires us. In 2010, they set up 54 new funds at the Maine Community Foundation, each of them representing a specific purpose, from paying tribute to family members to supporting a county. We welcome them to our family of funds.

Here is a small sampling:

### **Coastal Maine Botanical Gardens Education Center Endowment Fund**

A nonprofit endowment fund to support the upkeep of the Bosarge Family Education Center at the gardens in Boothbay

### **Grace Hight and Kirby Hight Scholarship Fund**

A designated memorial scholarship fund established by a business family in western Maine in honor of their parents to benefit graduates of the Skowhegan Area High School

### **Joseph and Lorayne Fund for Aroostook County**

A field-of-interest fund established by anonymous donors to benefit the County, with grants determined by the Aroostook County Committee

### **Kleinschmidt Fund**

A donor-advised fund established by an engineering firm in Pittsfield, Maine

### **John and Noreen Pelletier Charitable Fund**

A donor-advised fund established by a Van Buren couple through a charitable gift fund

### **Schoodic Community Fund**

A community field-of-interest fund for the Gouldsboro and Winter Harbor area affected by the closing of the last sardine factory in Maine

### **Vincent B. and Barbara G. Welch Supporting Organization**

A grantmaking program resulting from a transfer of a private foundation that benefits the Greater Portland area in the areas of youth, education, healthcare, and the arts

**To find out how you can start a fund at the foundation, visit the "for donors" section of [www.mainecef.org](http://www.mainecef.org).**

## A COMMUNITY ROLLS OUT THE BARREL(S)



**T**he Barrels Community Market opened in June of 2009, and in less than two years it has become a thriving hub of activity in downtown Waterville. More than 1,000 people come to the market every month to attend educational programs, take advantage of volunteer opportunities, and buy locally produced foods and crafts—a big boost to the city's and the region's economy.

Last year, Barrels Community Market began working with the Maine Organic Farmers and Gardeners Association to supply fresh produce to MaineGeneral Medical Center. "By buying locally, we reduce the time from ground to plate, which means the produce is much richer in healthy nutrients," says Jean Gauthier, director of MaineGeneral's Food and Nutrition Services.

Named for the Barrell Block, the historic building in which it is located, the market is the brainchild of Waterville Main Street, a nonprofit dedicated to the revitalization of the downtown area. Waterville Main Street got its own start in 2001, when the city was one of the first communities selected for the Maine Downtown Center's Main Street program.

A 2010 grant from the Broad Reach Fund, a Maine Community Foundation donor-advised fund, has helped the market expand its educational offerings and develop a model for sustainability. "The community stands behind the market," says manager David Gulak, and the future looks fresh, local, and healthy.

## ● Thriving Communities

In 2009 the Maine Community Foundation and its donors committed \$1 million in the form of a low-interest loan to Maine Farmland Trust for its Buy/Protect/Sell program. Through this program, the trust buys farmland, places easements on it, and sells it to new farmers at an affordable price. Over the past two years, those dollars have helped preserve 18 properties totaling 4,032 acres of vulnerable farmland.

Historic preservation is another important tool for creating vibrant communities. Working with Maine Preservation and the Maine Historic Preservation Commission, the community foundation has directed funds to projects across the state, including Save the Norway Opera House. When completed, the restored opera house will be a vibrant part of Main Street and serve the greater Oxford Hills community.

[www.mainecef.org/community.aspx](http://www.mainecef.org/community.aspx)



## THE JOY OF GIVING



In 2009 the Unity Foundation, in collaboration with the Maine Community Foundation and UniTel, Inc., launched Jumpstart Our Youth, or JOY, a philanthropy program for young people. Jobs for Maine's Graduates oversees the program at middle and high schools across Maine, using a curriculum that emphasizes the importance of complementing hands-on community service learning with smart grantmaking practices. Here students from Brewer High School present checks to Make-A-Wish and Camp Capella.



245 Main Street  
Ellsworth, ME 04605

One Monument Way, Suite 200  
Portland, ME 04101

Phone 877-700-6800  
Fax: 207-667-0447

[www.mainecef.org](http://www.mainecef.org)



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For a complete list of staff, visit  
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## FINANCIAL SUMMARY

Maine Community Foundation assets continued to gain ground in 2010, thanks to advancing markets and new gifts. Grants and scholarship awards held steady, while distributions from nonprofit endowment funds increased substantially. The following information is as of December 31, 2010.

|  | 2010                 | 2009                 |
|--|----------------------|----------------------|
| <b>Assets</b>  |                      |                      |
| Donor-advised funds                                    | \$98,869,736         | \$83,787,364         |
| Endowment funds held for other nonprofit organizations | 33,457,098           | 29,562,744           |
| Funds designated to specific organizations             | 38,847,906           | 35,538,235           |
| Field-of-interest funds                                | 50,742,829           | 47,598,885           |
| Scholarship funds                                      | 24,225,422           | 22,874,787           |
| Charitable gift annuities and other planned gifts      | 6,713,694            | 4,267,778            |
| Special programs                                       | 392,629              | 638,880              |
| Supporting organizations                               | 8,043,409            | 1,754,615            |
| Operations   | 3,035,899            | 2,435,632            |
| <b>Total Assets</b>                                    | <b>\$264,328,622</b> | <b>\$228,458,920</b> |

### Gifts Received and Additions to Endowment Funds

|  |                     |                     |
|--|---------------------|---------------------|
| Donor-advised funds                                    | \$14,128,617        | \$10,016,374        |
| Endowment funds held for other nonprofit organizations | 3,744,448           | 7,714,466           |
| Funds designated to specific organizations             | 831,947             | 1,922,969           |
| Field-of-interest funds                                | 1,371,385           | 1,777,632           |
| Scholarship funds                                      | 896,077             | 1,780,680           |
| Charitable gift annuities and other planned gifts      | 2,332,213           | 270,566             |
| Special programs                                       | 311,013             | 276,156             |
| Supporting organizations                               | 5,840,278           | 30                  |
| Operations   | 6,870               | 11,350              |
| <b>Total Gifts and Additions to Endowments</b>         | <b>\$29,462,848</b> | <b>\$23,770,223</b> |

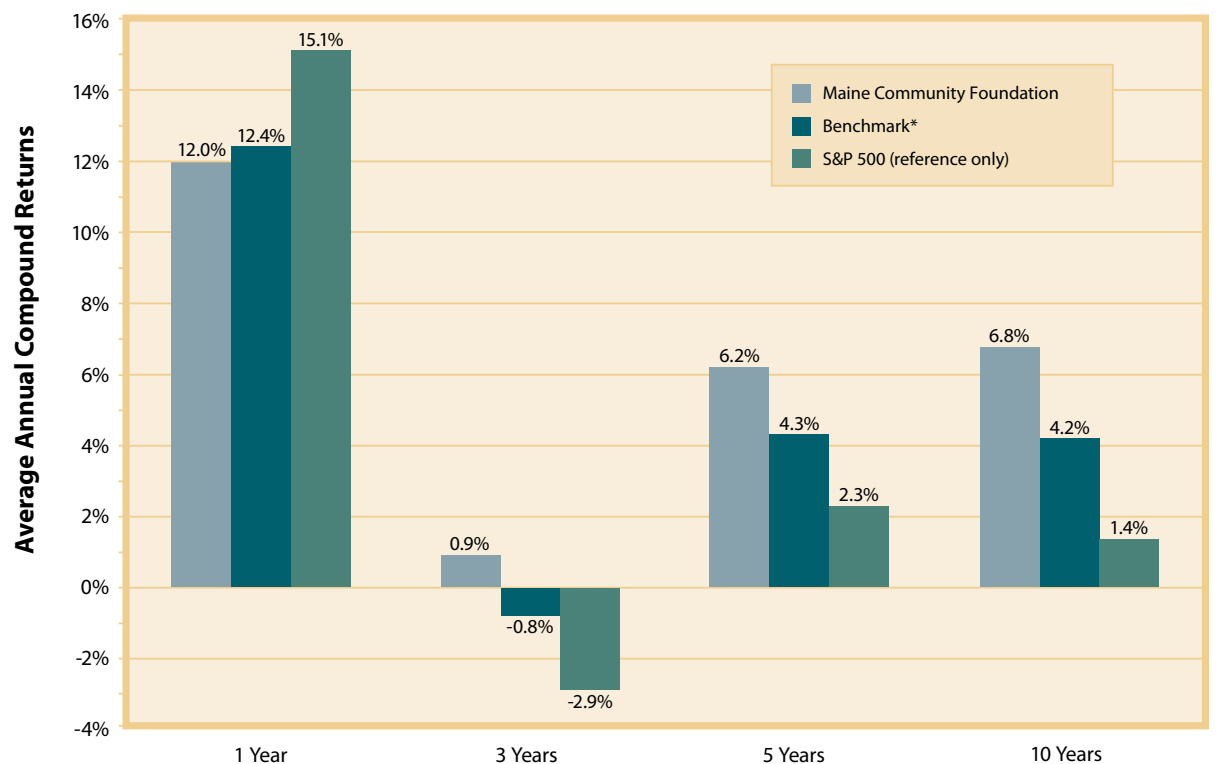
### Grants Paid and Distributions from Endowment Funds

|  |                     |                     |
|--|---------------------|---------------------|
| Donor-advised funds                                    | \$7,569,699         | \$8,857,052         |
| Endowment funds held for other nonprofit organizations | 2,926,140           | 918,206             |
| Funds designated to specific organizations             | 1,542,932           | 2,045,577           |
| Field-of-interest funds                                | 2,889,797           | 3,058,570           |
| Scholarship funds                                      | 1,386,990           | 1,460,961           |
| Supporting organizations                               | 79,945              | 124,620             |
| Other grants   | 174,089             | 103,165             |
| <b>Total Grants and Distributions from Endowments</b>  | <b>\$16,569,592</b> | <b>\$16,568,151</b> |

The 2010 audit was not complete at the time of the printing of this report. If you would like an audited financial statement, please contact Vice President and Chief Financial Officer Jim Geary by email at [jgeary@mainecf.org](mailto:jgeary@mainecf.org) or by phone at 877-700-6800. You can also visit [www.mainecef.org](http://www.mainecef.org) to view audited financial statements and tax returns, and to learn more about our investment program.

### Investment Performance

Effective stewardship of philanthropic assets is the key to building permanent charitable funds to strengthen Maine communities. The goal of the Maine Community Foundation investment program is to preserve and enhance the real value of these assets over time.



\* From 12/31/1993 to 9/30/2005, the benchmark was 55% Wilshire 5000 Index, 30% Barclays Capital Aggregate Bond Index, 15% Morgan Stanley Country Index World except U.S. Starting 10/1/2005, the benchmark is 35% Wilshire 5000, 15% MSCI World ex U.S., 5% MSCI Emerging Markets, 10% Real Assets Blend (30% DJ REIT Index, 25% Goldman Sachs Commodity Index, 25% MCSI World Natural Resources Index, and 20% BC U.S. TIPS index); 20% HRFI (Hedge Fund Research Inc) Composite; 15% Barclays Capital Government Bond Index. The benchmark is created assuming monthly rebalancing between indexes.

Additional financial information is available at [www.mainecef.org/FinancialInformation.aspx](http://www.mainecef.org/FinancialInformation.aspx)