

Peninsula
Community
Foundation
of Virginia



*Confirmed in Compliance with National Standards
For U.S. Community Foundations*

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2009 Annual Report to the Community

January 2010

Dear Friends,

There is a quiet crisis growing in the United States as well as here on the Virginia Peninsula – the plight of the nonprofit sector that cares for those hurting most from the economic recession. The evaporation of personal wealth has decimated charitable contributions; state and local budget shortfalls are costing nonprofits their best paying clients; and the human need for nonprofit help is skyrocketing as nonprofit resources shrink.

Locally, nonprofit endowment asset values have decreased between 22% and 30% respectively. While the Foundation has limited financial resources to assist through direct grants, we are providing valuable services to our local nonprofits in terms of free financial and investment management, administrative assistance, and serving as fiduciary agents for numerous community projects pro bono. Helping our local nonprofits attain financial sustainability through permanent endowments has never been more important than now.

Times of trial have always summoned the greatness of our community. As the Foundation looks for ways to respond to the charitable crisis in our community, we ask you to join us by establishing a Fund today. Our personalized donor service will assist you in making your charitable donations count where they are needed most. After all, it is a wise person that seeks to find their joy while living.



A handwritten signature in black ink that reads "Richard J. Pearce".

Richard J. Pearce
President of the Board



A handwritten signature in black ink that reads "Jana L. Murphy".

Jana L. Murphy
Executive Director



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Mission Statement

To provide individuals and organizations with opportunities to invest in the Virginia Peninsula and improve its quality of life.

Our Board of Directors and Staff

Richard J. Pearce President	Gregory F. Lawson Vice President	Sheila S. Noll Secretary	Gordon L. Gentry, Jr. Treasurer
Charles R. Amory, Jr.	Gerald R. Brink	Lawrence G. Cumming	Jack L. Ezzell
Manfred C. Freeman, Jr.	Anne Shuford	Anna V.B. McNider	Michael A. Monteith
Alan S. Witt			
Jana L. Murphy Executive Director		Donna M. Francis Community Relations Coordinator	

Our Vision for the Future of our Community

We strive to be an outstanding resource for organized philanthropy throughout the Virginia Peninsula. The Foundation acts as a conduit for Peninsula citizens who share a common goal of bringing excellence to our community through well-managed charitable giving. Through these partnerships, we serve as a catalyst for positive change and provide donors with opportunities to improve our community's quality of life. We diligently protect donors' charitable gifts with a vigorous approach to financial accountability.

Our vision for the future includes:

- being recognized throughout the Peninsula as a valuable resource for donors, financial advisors, and other nonprofit organizations in our service area;
- continuing to build permanent resources to provide for our community's ongoing needs;
- offering donors a range of charitable options allowing them to invest in our region in an effective and lasting way;
- managing charitable gifts in a prudent and efficient manner for the long-term benefit of our community;
- assisting other area nonprofit organizations in building their own endowment assets to ensure financial stability and continuity of service; and
- continuing to develop a diverse and knowledgeable board of directors to guide the Foundation.

What We Can Do for Donors

As a *public charitable 501(c)(3) non-profit organization*, we offer donors many distinct advantages, beginning with *preferred tax status*. A gift to the Peninsula Community Foundation provides the *maximum tax advantages* to the extent allowed by law. We have no excise taxes and no minimum payout requirements.

At the appropriate time, the Peninsula Community Foundation of Virginia submits a single tax filing for all funds, which *relieves donors of filing separate tax returns*. With minimum administrative costs we are able to *ensure that more of each donor's dollars actually benefit the community*, and we are free of many of the costs and restrictions placed on private foundations.

Giving Through Your Community Foundation

We believe it is our job to *help you stay informed* and to provide *opportunities to interact* with other donors. We also know that in this day of information overload, sometimes you want to *cut through to the most important items* and move forward.

That is why *we make giving easy*. We are continually looking for ways to streamline our operations to *make your giving experience simple, yet rewarding*. You decide your level of involvement, whether as an active participant with a Donor Advised Fund or a Designated Fund. In the alternative, you might prefer to contribute to a Field of Interest Fund, which benefits a particular issue of personal importance to you or your family.

Contributions to the Foundation's Unrestricted Fund or to an already existing fund may be in any amount. An individual, named fund may be established with a minimum of \$5,000, adding future contributions in any amount.

We are available for one-on-one discussions to explore your individual interests and charitable giving needs.

- Do you want to know more about community needs so that you can give more effectively?
- Would you enjoy collaborating with other like-minded donors?
- How much do you want to be involved in the giving process?
- Are you working on an estate plan that includes charitable giving?

We can also help you when you want to include your family in the discussions to encourage a giving strategy spanning several generations.

How to Create a Fund With The Peninsula Community Foundation of Virginia

There are just four steps to creating your own component fund at the Foundation. Here is what you need to consider in becoming a philanthropist on the Virginia Peninsula:

1. Decide WHEN to Give – You can create your fund now, establish it in your Will (and become a member of the Hunter B. Andrews Legacy Society) or create it through a trust arrangement that benefits your family as well as charity. Tax deductions are earned at the time of your gift, while grants awarded from your fund will continue to help the community in the future.
2. Decide WHAT to Give – Almost any kind of asset can be used to start your fund, such as cash, publicly traded securities, real estate, life insurance, tangible personal property, and private foundation assets. We can also discuss other options with you, such as bequests, charitable remainder trusts, charitable lead trusts, and charitable gift annuities.
3. Choose the NAME of Your Fund – Most of our funds are named for the donor or the donor's family. Every grant made from this fund will carry this name. Also, if you prefer to remain anonymous, you may choose a name accordingly.
4. Choose a TYPE of Fund – We offer a variety of funds that are flexible to meet donor needs and charitable interests. *Full descriptions of the following funds may be found on pages 9 and 10.*
 - ♦ Foundation Unrestricted Funds
 - ♦ Field of Interest Funds
 - ♦ Donor Advised Funds
 - ♦ Designated Funds
 - ♦ Scholarship Funds
 - ♦ Agency Endowment Funds

After you determine the answers to these questions, the Peninsula Community Foundation of Virginia will prepare a fund agreement that outlines your charitable intent. Once you sign the agreement and make your initial gift, the fund is officially established. This simple process can be accomplished in a short period of time, depending on your needs and the complexity of the gift.

For Professional Advisors

When Does Choosing the Community Foundation Make Sense?

As a professional advisor, you are instrumental in helping your clients select a giving option that best aligns with their personal motivation, philanthropic objectives, and financial goals. More than 70% of Americans give to charity during their lifetimes. That's where **you**, as a legal or financial advisor, come in.

As a trusted professional, you have a unique opportunity to help your clients meet their financial, personal and business goals, while guiding them in achieving their philanthropic and charitable mission.

Ask yourself these questions:

- *Do I have clients who care deeply about the local community?*
- *Do they contribute to more than one charitable cause or organization?*
- *Are they considering the creation of a private or family foundation?*
- *Have they expressed concern about the administrative complexity or expense of a private foundation, or the burden of federal tax filings associated with a private or family foundation?*
- *Are they interested in creating a legacy in the community?*
- *Do they want to receive maximum tax advantages for their contributions?*
- *Do they place a priority on sound financial management of their gifts?*

If you answer “yes” to any of these, you have clients who could benefit from knowing more about the Peninsula Community Foundation of Virginia and the charitable fund management we offer. We will help **you** to help your clients by serving as a partner, community resource, and professional charitable consultant.

Like matchmakers of old, professional advisors are called upon to listen closely, interpret carefully, and counsel wisely ... always hoping to recommend a solution that will be the perfect fit.

Over the past decade, the trend in lifetime giving has been the establishment of *Donor Advised Funds*. They offer immediate tax deductions and ongoing involvement in making charitable recommendations. While some donors may be attracted to the prestige of a private foundation, many value the *full-service support* of a community foundation Donor Advised Fund.

We are here to help you build stronger relationships. Studies show that many individuals with high net worth are expecting to talk about giving as they make financial plans with their trusted advisors. They will appreciate the charitable impact and tax advantages achieved with your help and ours. We work *through* you. You stay in control of *your client relationships*; we are here to *help you serve* your clients' charitable giving interests.

2009 Financial Summary

PENINSULA COMMUNITY FOUNDATION OF VIRGINIA, INC.
Statement of Financial Position as of 01/01/2010
Audited Results for the Year End as of December 31, 2009

ASSETS	2009
CURRENT ASSETS	
Checking/Savings	
Old Point National Bank	\$ 135,802.09
Old Point National Bank CD	124,448.04
Virginia Company Bank	0.01
Va. Co. Bank CD 2684 @ 3.9% 04/2010	69,916.95
Union Bank & Trust CD's	177,702.15
Total Checking/Savings	507,869.24
Accounts Receivable	
Doubtful pledges allowance	-16,644.41
Pledges receivable	130,185.62
Total Accounts Receivable	113,541.21
Other Current Assets	
Discount – pledges	-15,750.20
Ameriprise Financial Service	100,238.18
Merrill Lynch	2,820,613.53
Norfolk Foundation (unrestricted)	112,019.59
Total Other Current Assets	3,017,121.10
TOTAL CURRENT ASSETS	3,638,531.55
FIXED ASSETS	
Accumulated depreciation-furn/fix/equip	-8,221.05
Computer equipment	4,278.07
Furniture, fixtures & equipment	10,768.00
TOTAL FIXED ASSETS, NET	6,825.02
TOTAL ASSETS	\$ 3,645,356.57
LIABILITIES AND NET ASSETS	
LIABILITIES	
Funds held for others	\$ 180,000.00
Discount-funds held for others	-29,236.04
Total Liabilities	150,763.96
NET ASSETS	
Net income	157,960.61
Unrestricted	2,041,914.29
Temporarily restricted	1,192,324.79
Permanently restricted	102,392.92
Total Net Assets	3,494,592.61
TOTAL LIABILITIES AND NET ASSETS	\$ 3,645,356.57

Grant Making

Competitive grant awards may come from unrestricted named funds or field of interest funds. Currently, we award grants in six broad areas: arts and culture, civic affairs, education, environment, health and social services. We make grants on a case-by-case basis to tax-exempt, public charities classified as 501(c)(3) organizations and private charities as defined by the IRS.

Applying for a Grant

Letters of proposals for funding are accepted only between March 1st and May 31st each calendar year. If accepted, your organization will be invited to submit a formal application which will be provided to you by the Foundation. Funding decisions will be announced on or after December 1st each calendar year. Competitive grant awards will generally not exceed \$1,000 for each calendar year. Detailed information about our grants is available by visiting our Web site at www.pcfvirginia.org, clicking on “Grants and Scholarships,” and reviewing “Guidelines for Grantseekers.” Proposals that do not comply with the criteria in the *Guidelines* will not be eligible for consideration.

Component Funds

There are numerous options for giving within the Foundation. Many contributors select the Peninsula Community Foundation of Virginia’s Unrestricted Fund, which allows our Board the greatest flexibility and discretion in directing grant resources. Others prefer to designate their gifts for specific purposes that reflect their personal philanthropic interests, and allow these gifts to have a lasting connection with issues or organizations meaningful to them.

Anyone can contribute to any established fund at any time.

We can help you select an existing Foundation fund that matches your personal goals or help you establish your own legacy.

Foundation Unrestricted Fund

This unrestricted endowment fund allows for support to be directed where it is most needed now and in the future to meet the ever-changing needs of our community. The Board consults closely with community leaders and organizations in making its grant decisions. Grants are made to local agencies and projects where your generosity will do the most good.

- ♦ *Circle for Community Excellence Fund* – Established to support the operational programs of the Foundation.

Field of Interest Funds

Each *field of interest* fund supports a broad area of concern such as education, the arts or medical research. The Foundation makes grants to the most appropriate programs or organizations within the particular field of interest specified by the original donor.

- ♦ *PCFVA Youth Development Fund* – This *field of interest fund* will make a difference in the lives of our youngest Peninsula citizens. Contributions directed to this fund will ensure a permanent source of funding for programs and services for youth development.
- ♦ *Ferguson Family Fund* – Established in 2007, the *Ferguson Family Fund* provides grants of up to \$5,000 to Ferguson associates nationwide who meet the criteria for assistance. Grants are made in cases of personal or regional disasters or extreme personal hardship.
- ♦ *Poquoson Youth Development Fund* – Established by the City of Poquoson.

Component Funds - Continued

Donor Advised Funds

A donor advised fund is a permanently endowed and unrestricted fund. The fund advisors recommend grant distributions that fulfill the intent of the specific fund. Following are the donor advised funds currently being managed by the Foundation:

- ♦ *The Beale Family Fund* – Established in 2009 to provide medical and rehabilitation assistance to Ryan Beale after a serious accident left him wheelchair bound.
- ♦ *Ernest P. and Georgia S. Buxton Fund* – Established by the Buxtons to help meet a wide variety of philanthropic needs.
- ♦ *Duval Family Donor Advised Fund* – Established to help meet a wide variety of philanthropic needs.
- ♦ *Ferguson Enterprises Community Fund* – Established so that Ferguson Enterprises, Inc. can respond to a wide variety of philanthropic needs nationwide.
- ♦ *Norman Fitzer Fund* – Established in 2007 to provide a wide variety of philanthropic needs.
- ♦ *Terry and Patti Hall Donor Advised Fund* – Established to help meet a wide variety of philanthropic needs.
- ♦ *Hopkins Family Fund* – Established in 2009.
- ♦ *Allen Iverson Donor Advised Fund* – Established in 2008.
- ♦ *Spectrum Communications* – Established in 2009 to provide a wide variety of philanthropic needs.
- ♦ *Douglas and Molly Strup Philanthropic Fund* – Established to help meet a wide variety of philanthropic needs.
- ♦ *Tanzania Health & Humanitarian Fund* – Established in support of medical, education and missional needs of the Tanzanian people.
- ♦ *The Wythe Fund* – Established by J.W. Whiting Chisman, Jr. to help meet a wide variety of philanthropic needs.

Designated Funds

Designated funds allow a donor to name a specific nonprofit organization to receive support.

- ♦ *Hunter B. and Cynthia Andrews Endowment* – Established in 2005 for the benefit of the Hampton History Museum to assist in the purchase of new artifacts.
- ♦ *Downtown Hampton Child Development Center/Andrews Fund* – Established in 2010 by the DHCDC for the benefit of DHCDC.
- ♦ *Newport News Police Department Foundation Fund* – Established in 2008 to promote excellence in policing to the Newport News Police Department by providing resources not readily available from traditional funding sources.
- ♦ *People to People Community Center Fund* – Established in 2008.
- ♦ *Topping Trust* – Established in 2009 for the benefit of the Downtown Hampton Child Development Center.
- ♦ *Virginia Peninsula High School Rugby Fund* – Established in 2009 to promote and support a high school rugby league at area high schools.

Component Funds - Continued

Scholarship Funds

- ♦ *Ferguson Family Scholarships* – Established by former CEO and Mrs. John Stegeman, the *Ferguson Scholarship Fund* provides renewable college scholarship gifts to eligible children of qualified Ferguson Enterprises associates.
- ♦ *Henry Jordan Scholarship* – Established with PCFVA in 2008 to provide an annual college scholarship to a Warwick High School graduating senior in pursuit of a college education.
- ♦ *P. Hairston Seawell* – Established to fund a female student author at the College of William & Mary.
- ♦ *Michael J. Tylavsky, Jr. Memorial Scholarship Fund* – Established in 2008 in memory of former York County educator, Mike Tylavsky, to provide an annual college scholarship for a student from one of five York County Schools who is pursuing a career related to health and technology.

Agency Endowment Funds

An *agency endowment fund* may be established by a qualified nonprofit organization to help provide a permanent source of revenue that may be used as needed by the organization.

- ♦ *Jr. Achievement of the Virginia Peninsula* – Established to support the programs of the Jr. Achievement on the Virginia Peninsula.
- ♦ *York Foundation for Public Education* – Established in 2007 to enable the YFPE to provide teachers with continuing education grants and support their overall mission, providing long-term sustainability and financial support of York County educational initiatives.
- ♦ *Peninsula Crime Line, Inc.* – Established for the benefit of the Peninsula Crime Line, Inc. to support long-term operational funding.



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