

the Foundation

for Enhancing Communities

THE INSIDER



SPRING 2017

Dream **CREATE** Sustain

INVESTMENT ADVISORY COMMITTEE



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Greetings!

The first quarter of 2017 is completed and the first 100 days of President Trump's term is ending as I write this. The dramatic jump in stock market indices during the fourth quarter of 2016 have held in the large stock space. As the President moves from campaigning to governing, we have experienced many changes but none significant enough to move the market substantially from the values obtained at the end of 2016.

The DJIA began 2017 at 19,819 and as I write this is fluctuating near 20,700. There has been some volatility but nothing extreme. The United States small stock market has not been as fortunate, after a fourth quarter in 2016 that showed increases in the 13% to 15% range, it had a losing first quarter of 2017, being down 3 - 5%. Obviously more volatility in the small stock prices, but that is to be expected.

Western European markets have had a strong quarter. The fears of negative impacts from Brexit have diminished. The outcome of the preliminary French Presidential election has also been positive for the markets.

There are now several unknowns, but there always will be. At our quarterly meetings, your Investment Committee continues to monitor the markets and the funds we use to allocate assets to those market segments using the same disciplined approach that has served us so well for the past 22 years.

Bob

MEETING DATES

- January 17, 2017
- April 18, 2017
- July 18, 2017
- October 17, 2017

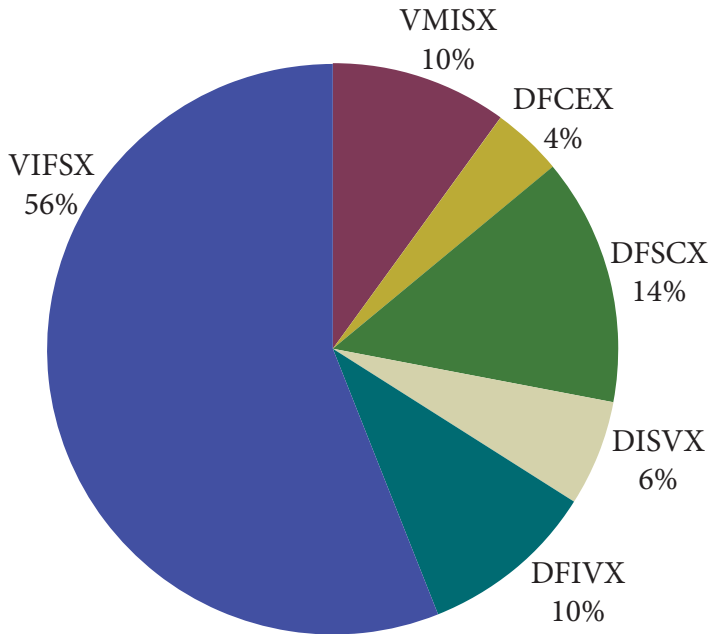
All meetings take place at TFEC's offices located at 200 N. 3rd Street, 8th Floor, Harrisburg, PA 17101 beginning at 9:30am.

INVESTMENT PERFORMANCE

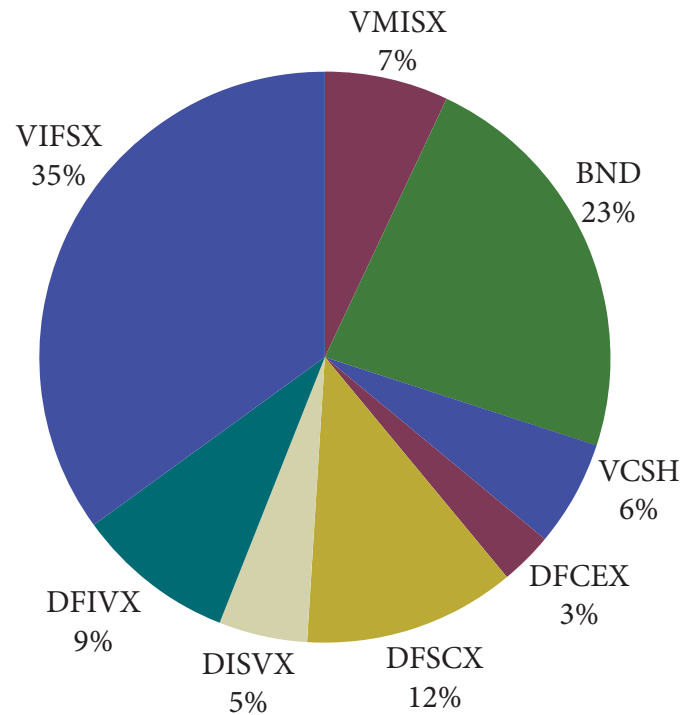
03/31/17 Returns are YTD & 1-3-5-10-13-21 Returns are as of 12/31						
	03/31/17	1 Yr.	3 Yrs.	5 Yrs.	10 Yrs.	21 Yrs.
Since Inception						
Model E	5.4%	13.5%	6.8%	13.4%	6.1%	8.4%
Benchmark*	5.2%	13.0%	6.3%	13.0%	5.8%	8.1%
*55% S&P 500, 25% Russell 2000, 20% MSCI-EAFE						
Model A	4.2%	10.5%	5.0%	9.7%	5.5%	7.6%
Benchmark*	3.8%	9.9%	5.0%	9.6%	5.6%	7.6%
*34% S&P 500, 19% Russell 2000, 17% MSCI-EAFE, 30% BARCAP U.S. Aggregate Bond						
	03/31/17	1 Yr.	3 Yrs.	5 Yrs.	10 Yrs.	13 Yrs.
Since Inception						
Model F	.81%	3.1%	1.8%	1.6%	3.3%	3.1%
Benchmark*	.82%	2.7%	3.0%	2.2%	4.3%	4.2%
*100% BARCAP U.S. Aggregate Bond						

INVESTMENT ADVISORY COMMITTEE

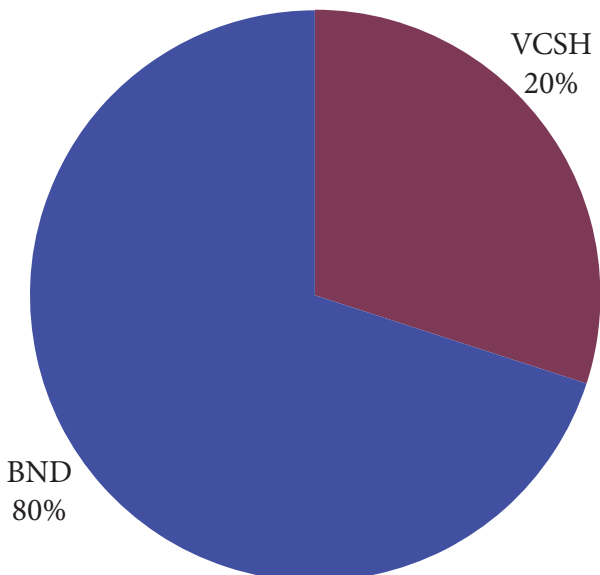
MODEL E PORTFOLIO PERCENTAGE
ASSET VALUE \$38,604,149



MODEL A PORTFOLIO PERCENTAGES
ASSET VALUE \$14,875,428



MODEL F PORTFOLIO PERCENTAGE
MODEL F ASSETS \$1,031,763



FUND LEGEND

DFA Emerging Markets	DFCEX
DFA International Value	DFIVX
DFA Micro Cap	DFSCX
DFA International Small Cap Value	DISVX
Vanguard Index 500	VIFSX
Vanguard Index Mid Capitalization	VMISX
Vanguard Short Term Corporate Bond	VCSH
Vanguard Total Bond Market Fund	BND

DONOR

GIVE NOW, SAVE LATER!

With the April 18, 2017 tax deadline behind us, it's never too early to start thinking about next year. Did you owe taxes this year? Below are some resources that will help you plan ahead to save on next year's bill!



Charity Navigator believes your primary motivation for giving should be altruism, but you should also know about the great tax benefits for those who give! [Click here to read a brief summary of certain federal income tax laws for informational purposes only.](#)

Charity Navigator also has a [Giving Calculator](#) on their website to help you analyze your finances to help determine how to maximize your giving.

Do you need a better way to organize your annual giving and keep track of your deductions? [Click here for a list of 10 apps that can make your taxes easier next year!](#)

WE CAN HELP YOU ACHIEVE YOUR PHILANTHROPIC GOALS

I WANT TO SUPPORT...

Nonprofits that are meaningful to me

Choose a Donor/Committee Advised Fund

You recommend grant recipients and amounts whenever you would like; the fund may be permanent or nonpermanent.

Students pursuing higher education

Choose a Scholarship Fund

Grants in the form of scholarships are made based on the criteria you choose; the fund may be permanent or nonpermanent.

A specific nonprofit that is important to me

Choose a Restricted Fund

You designate one or several nonprofit organizations as permanent grant recipients.

The most pressing issues in Central Pennsylvania today and tomorrow

Choose a Discretionary Fund

You ensure funds will be available, in perpetuity, for the most current community needs. Grant decisions are made by volunteer advisory committees and are distributed through a competitive application process.



SOLUTIONS FOR YOUR CLIENTS

TFEC can partner with you and your valued clients to expand and increase the benefits of their charity.

LEARN HOW TO ASSIST YOUR CLIENTS>>

FRANKLIN COUNTY FOUNDATION

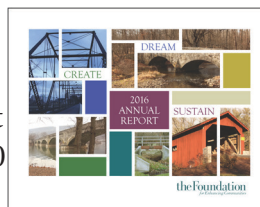
Founded in 1987, FCF will be celebrating 30 years in 2017! [Click here to donate to the FCF Community Fund in honor of their 30th anniversary!](#)

PERRY COUNTY COMMUNITY FOUNDATION

Founded in 1987, PCCF will be celebrating 30 years in 2017! [Click here to donate and/or register to attend the Annual Grantee Luncheon & 30th Anniversary Celebration!](#)

2016 TFEC ANNUAL REPORT

TFEC's 2016 Annual Report was mailed Monday, April 10th! Didn't get your copy? Call TFEC at 717.236.5040 or [click here to view it online.](#)



CLICK HERE TO LEARN HOW TO START A FUND>>

DONOR

WAYS TO GIVE

You can choose to give cash to establish a fund or contribute to an existing fund; however, there may be significant tax advantages to contributing other types of assets such as:

- Marketable securities
- Closely held business stock
- Real estate
- Life insurance policies
- Mutual fund shares
- Nontraditional assets such as collections, art and antiques
- Qualified retirement plan assets such as IRA, 401(k), 403(b), or pensions

If you have any questions about our services or would like more information, please contact Janice R. Black, President and CEO, at jblack@tfec.org or Jennifer Doyle, Vice President of Development & Community Investment, at jdoyle@tfec.org.



DID YOU KNOW...?

The IRA charitable rollover provision, made permanent in 2015 through the PATH Act, allows individuals 70 ½ years old or older to roll over up to \$100,000 from an Individual Retirement Account (IRA) annually to charity without being federally taxed.

How it works:

- Individuals make a qualified charitable distribution of up to \$100,000 by transferring either Roth or traditional IRA assets to TFEC.
- Other retirement assets can also be used, but must first roll into an IRA to be able to participate in the benefits of an IRA charitable rollover without tax implications.
- The distribution is not included in the income of the donor for federal income tax purposes, preserving the full amount of the donor's charitable deductions for other charitable gifts.
- IRA charitable rollovers count against minimum required distributions from an IRA allowing retirement funds to last longer.

This provision makes it possible for donors to establish funds now during their lifetime, rather than through their estate plan, allowing them to see the positive effect on the community. The gift can be placed into a charitable fund in the individual's name, the name of their family, or in honor or memory of someone. It can be endowed and will grow over time, into perpetuity; supporting the nonprofit organizations and causes you care about.

START A SCHOLARSHIP FUND!

YOU CAN HELP STUDENTS ACCESS HIGHER EDUCATION

You can change a person's life forever by establishing a scholarship fund at TFEC, whether it is to honor a loved one, or to support your alma mater. We have the experience to support you as you make choices about the nature and focus of your fund. TFEC currently manages over 120 scholarships, which have been established over the decades by a wide variety of individuals, corporations, and organizations.

There are several types of scholarship funds that you can establish: permanent or nonpermanent and restricted or committee advised.

You determine the criteria for your scholarship such as financial need, class rank, GPA, leadership, etc. You can select scholarship awardees with the assistance of a committee using objective criteria or assign a committee to make decisions based on your criteria. TFEC administers the award process and payment of all awards each semester for you. Scholarships may only be used towards the cost of tuition, fees and/or books.

To learn more about how you can start helping students access higher education today, contact Allison Brubaker at abrubaker@tfec.org or by phone at 717.236.5040.

CLICK HERE TO LEARN HOW TO START A FUND >>

COMMUNITY

PLANNING FOR THE FUTURE

Have you ever considered establishing an endowment fund for your nonprofit agency, but ended up feeling intimidated by the task? Do you struggle with the idea of spending your income and donations on something other than operating costs? These thoughts and feelings are understandable, but consider the main goal of establishing an endowment fund: Creating a permanent source of funding for your organization.

Of course it is tempting to spend all received contributions for current operations, especially when so often it feels like every little bit will make a huge difference. While beginning the process of establishing an endowment fund may seem like you are taking funding away from other areas, consider the benefits. By establishing an endowment fund, you are helping yourself. Since the principal cannot be touched, this fund will generate income for your organization forever! You can depend on this income yearly as either a new funding stream, or a way to continue to grow your endowment.

Endowment funds also send a positive message to your donors: Your nonprofit agency has achieved a key measure of financial stability and intends to carry out its mission for generations to come. Choosing to establish your endowment fund with TFEC adds to that positive message.

There are many benefits to working with us:

- Expertise with complex transactions and deferred planned giving, including gifts made with appreciated securities (including closely-held business stock), tangible personal property, real estate, gifts that provide donors with lifetime incomes (such as Charitable Remainder Unitrusts), and gifts from bequests;
- Accompaniment on calls to endowment fund donors and prospective donors;
- Marketing assistance by ghost-writing, guest authoring, or editing endowment articles for newsletters, endowment brochures, or websites;
- Legal assistance;
- No auditing costs or taxes paid on fund;
- Accounting excellence and single-fund reporting;
- Increased visibility through TFEC's annual report and website; and,
- Credibility of TFEC, established in 1920.

If you've been considering starting an endowment fund for some time, now may be the perfect opportunity to start! Showing donors that you are planning for your future through the establishment of an endowment fund may motivate them to donate to the endowment themselves. Remind donors that by donating to the endowment, they can be part of something bigger. By helping you to establish your endowment fund, they are directly investing in your legacy, and are helping you to better the community... win-win!

[Click here for more information on starting your endowment fund.](#)



[CLICK HERE TO LEARN HOW TO APPLY FOR A GRANT >>](#)

COMMUNITY

HARRISBURG HOOPLA: COMPETING FOR A CAUSE

Attention Nonprofits: Recruit your staff, volunteers, and board members to create a team and compete for your organization to win money!!

The Emerging Philanthropist Program (EPP), a partnership between Harrisburg Young Professionals and TFEC, will host this inaugural event, which combines fun with philanthropy. Harrisburg Hoopla is an adult field day featuring eight competitive team events, live music, food, and beverages. Relive your memorable middle school days and compete in fun events such as a potato sack race, a three-legged race, tug-o-war, and more.

The event will be held on Saturday, June 3, 2017 on City Island and will donate 100% of the revenue raised to local nonprofit organizations. Each competing team of six or more will represent a local nonprofit organization of their choice. The top three teams will donate a portion of the proceeds to their selected charity; the remainder of the proceeds will support EPP.

[Click here for more info or to register for the Harrisburg Hoopla.](#)



MENTAL HEALTH AWARENESS TRAINING

Preparing you to help others experiencing mental distress

This workshop is designed for every member of the community - anyone who encounters other individuals in the work, school, church, family or other community environments.

Wednesday, May 10, 2017

9 am to 1 pm

**Penn State College of Medicine
Academic Support Building, Room 1302
Hershey, PA**

**Provided by Ruth Moore
Pennsylvania Psychiatric Institute
ppimhs.org**

**There is no charge but registration is REQUIRED.
Email PennStatePublicHealth@phs.psu.edu
by 5/1/17 to attend.**

PosterMyWall.com

CENTRAL PENNSYLVANIA YOUTH BALLET

Central Pennsylvania Youth Ballet (CPYB) inspires education and enriches lives through the training in and performance of classical ballet. In 2016, CPYB received a \$3,750 grant for *Teen Night at the Ballet: Building Young Audiences for Today and Tomorrow*.

[Click here to read more and learn about all of TFEC's grant opportunities.](#)



UPCOMING GRANT DEADLINES

August 1, 2017

- Arts for All Partnership
- The Children's Home Foundation Fund
- Franklin County Foundation
- Greater Harrisburg Foundation's Challenge for Giving
- Greater Harrisburg Foundation: The Lenker Fund
- Greater Harrisburg Foundation's Strategic Initiative
- Martin M. Sacks Memorial Fund
- Mechanicsburg Area Foundation
- Women's Fund

Applications now available! [Click here for more information or to apply.](#)



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WOULD YOU LIKE TO BE FEATURED IN THE NEXT EDITION OF THE INSIDER?

Send us your photos of what community means to you and you may be featured in our next issue!