

the Foundation

for Enhancing Communities

THE INSIDER

QUARTERLY UPDATE FROM THE INVESTMENT ADVISORY COMMITTEE (IAC)

List of Committee Members	2
Meeting Dates	2
Message from Robert Dolan, IAC Chair	2
Investment Performance	2
Chart of Portfolio Percentages	3

DONOR INSIDER

Scholarships Available	4
Save the Date: Women's Fund Breakfast	4
Solutions for Your Clients	4
Pay it Forward	4
Franklin County Foundation Update	4
Mechanicsburg Area Foundation Update	4
Perry County Community Foundation Update	4
Support TFEC through Amazon Smile	4

COMMUNITY INSIDER

2018-2019 Grant Opportunities	5
Save the Date: Harrisburg Hoopla	6
Agency Fund Corner: Ready, Set, Fundraise!	6

TFEC'S EARLY EDUCATION INITIATIVE

Early Education Advisory Committee Sets Goals	7
Free Training: Mathematical Practices	7

WINTER 2018

Dream **CREATE** Sustain

INVESTMENT ADVISORY COMMITTEE

COMMITTEE MEMBERS

Robert J. Dolan, Chair
Conrad Siegel Actuaries

Robert E. Caplan, CFA
River Wealth Advisors

Frederick D. Fischer
Fischer Financial Services, Inc.

Howard Hamann
Hershey Corporation (Retired)

Kenneth E. Lehman
Lehman Volvo (Retired)

William Lehr, Jr.
Capital Blue Cross (Retired)

Conrad M. Siegel
Conrad Siegel Actuaries

Richard D. Spiegelman
Community Volunteer

Jonathan Vipond, III, Esq.
Buchanan, Ingersoll & Rooney, P.C.

MEETING DATES

January 16, 2018

April 17, 2018

July 17, 2018

October 16, 2018

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

The past year has been a wonderful year for the financial markets. Stock prices are not only up in the United States, but stock prices are up in the vast majority of developed and emerging markets. Asia is the area with the biggest returns.

Domestic equity returns have been strong and coupled with the low inflation environment, bond prices and returns have remained relatively stable. This has allowed the Federal Reserve to raise the fed fund rate without harming economic growth. Equity returns domestically were positive in each month of the year, that has not happened since 1958. Just before the Presidential election at the end of October 2016 the DJIA closed at 18,142, by the end of 2017 it reached 24,719 an increase in the value of the index in excess of 36%. This is an historic bull market.

On top of all that good news is the Tax Act passed in late December on a very accelerated time table. Economists are still struggling to predict the impact; however, US Corporations appear to be among the largest beneficiaries. The decreased corporate tax rates will benefit many corporations and if the change is successful in bringing cash that is currently being held overseas back into the US that will have a positive impact on economic growth. While many public stories exist about corporations sharing that windfall with their employees, there still will be a large portion of that profit that finds its way to the bottom line.

The economic trends look good for 2018. As always there are political issues out there that could erupt at any time to undermine this good news. But that risk, to some degree, always exists. No one knows what 2018 will bring to the stock market, there seems to be more growth to be achieved. The profit picture looks strong, inflation has ticked up slightly but nowhere near problem levels and GDP growth has been very good and signals are that will continue. Recently, while the Dow experienced its first 2 "thousand" point daily declines ever, neither rank near the Top 20 all-time daily declines in terms of % drops. Of course, the Dow is not the best gauge of the market but the most reported.

We have seen consistently rising equity markets for a long stretch. In fact, 2017 was the first year that all 12 months in the S&P 500 index were positive in history. Likewise, it is also the first time the global MSCI All-Country World Index has risen every month of a calendar year. With the downward movement last week, many equity indices hit "correction" territory (i.e. - a 10% drop from the previous high point). Corrections are common, expected and often healthy when investing in equity markets.

Of course it's natural to feel anxious in times like these but as you've heard us say before, this is when being disciplined pays off the most and to stay the course and not make short-term moves with long-term money.

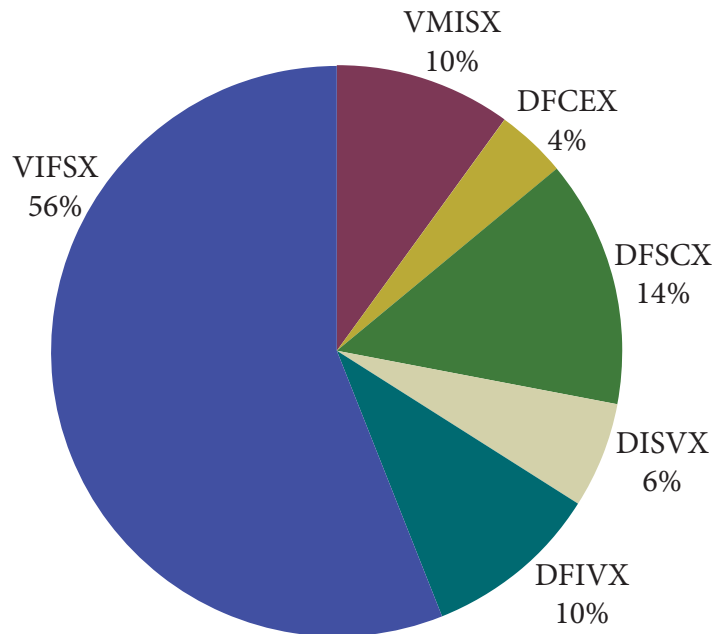
As always your Investment Advisory Committee continues to review asset allocation and the funds used to execute that allocation with a strong discipline to long term returns. The short term "noise" is to be avoided. The nature of the Foundation money is long term so our investment horizon is always long term. We remain committed to that philosophy.

INVESTMENT PERFORMANCE

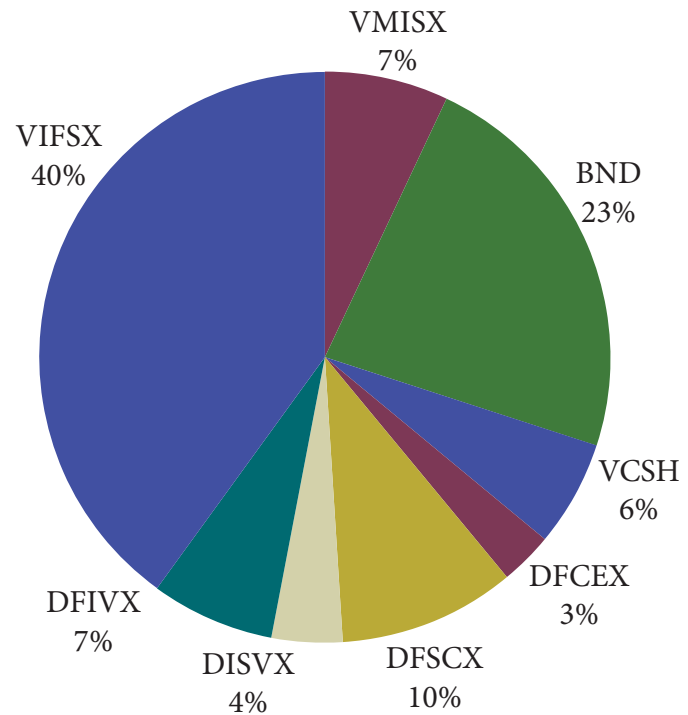
12/31/17 Returns are YTD & 1-3-5-10-13-22 Returns are as of 12/31						
	12/31/17	1 Yr.	3 Yrs.	5 Yrs.	10 Yrs.	22 Yrs.
Model E	21.1%	21.1%	10.8%	11.5%	7.7%	8.9%
Benchmark*	20.1%	20.1%	10.5%	10.9%	7.2%	8.6%
*55% S&P 500, 25% Russell 2000, 20% MSCI-EAFE						
Model A	15.6%	15.6%	8.1%	8.7%	6.6%	7.9%
Benchmark*	15.0%	15.0%	7.9%	8.5%	6.6%	7.9%
*34% S&P 500, 19% Russell 2000, 17% MSCI-EAFE, 30% BARCAP U.S. Aggregate Bond						
	12/31/17	1 Yr.	3 Yrs.	5 Yrs.	10 Yrs.	14 Yrs.
Model F	3.2%	3.2%	1.9%	2.8%	3.0%	3.1%
Benchmark*	3.5%	3.5%	2.2%	3.4%	4.0%	4.1%
*100% BARCAP U.S. Aggregate Bond						

INVESTMENT ADVISORY COMMITTEE

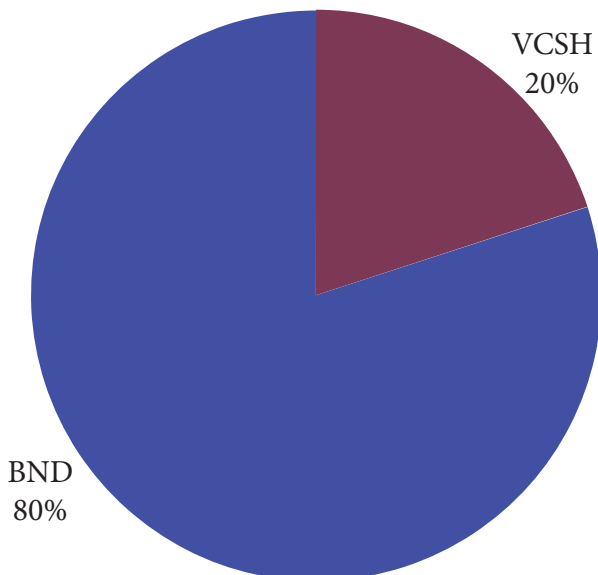
MODEL E PORTFOLIO PERCENTAGE
ASSET VALUE \$44,684,539



MODEL A PORTFOLIO PERCENTAGES
ASSET VALUE \$19,101,585



MODEL F PORTFOLIO PERCENTAGE
MODEL F ASSETS \$1,028,596



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 INSIDER

SCHOLARSHIPS AVAILABLE FOR PENNSYLVANIA STUDENTS

The Foundation for Enhancing Communities (TFEC) is pleased to announce the availability of scholarships for the 2018-2019 academic year for students who reside in Pennsylvania.

There are currently more than 120 scholarship funds administered by TFEC and through a management agreement with the Samuel L. Abrams Foundation, and the Leon Lowengard and Ray S. Shoemaker scholarships of BNY Mellon, N.A. In 2017, more than \$1.37 million in scholarships was awarded to 479 students.

[Click here to learn more or to apply!](#)



SAVE-THE-DATE: APRIL 26, 2018

2018 Women's Fund Annual Grantee Recognition Breakfast

[Click here for more information.](#)

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>>](#)

PAY IT FORWARD.

Do you ever wonder what to buy the person who has everything? We have the perfect solution!

A Charitable Gift Certificate!

By giving one to a friend or loved one, you are:

- Giving the gift of charity, and
- Allowing the recipient to choose which nonprofit will benefit from the donation.



[LEARN HOW TO GIVE A CHARITABLE GIFT CERTIFICATE>>](#)

FRANKLIN COUNTY FOUNDATION (FCF)

In 2018, three new members will be joining the Franklin County Foundation Advisory Committee: Robert Correll, Daniel Fisher, and Mary Beth Shank.

[Click here for more information on FCF.](#)

PERRY COUNTY COMMUNITY FOUNDATION (PCCF)

Save the Date: On the evening of May 17th PCCF will be hosting their Annual Grantee Reception at River Bend Hop Farm and Brewery in Newport, PA. Details coming soon!

[Click here for more information on PCCF.](#)

MECHANICSBURG AREA FOUNDATION (MAF)

In 2018, three new members will be joining the Mechanicsburg Area Foundation Advisory Committee: Holly J. Laufer, Anna May Nauss, and John Petrie. [Click here for more information on MAF.](#)

SUPPORT TFEC

When you shop at smile.amazon.com, Amazon donates.



[CLICK HERE TO LEARN HOW TO START A FUND>>](#)

COMMUNITY INSIDER

2018-2019 GRANT OPPORTUNITIES

TFEC is pleased to offer a range of opportunities to meet area needs. Our grant opportunities are available annually through two grant cycles with deadlines of February 1 and August 1. We invite you to explore the grant opportunities, project dates, and deadlines below. To begin a grant application or to learn more, visit www.tfec.org, and click on “Learn How to Apply for a Grant”. Questions? Jennifer Strechay, Program Officer for Community Investment, welcomes your questions and may be reached at jstrechay@tfec.org or 717.236.5040.

APPLICATIONS AVAILABLE APRIL 1, 2018; DEADLINE AUGUST 1, 2018

- Arts for All Partnership, Children’s Home Foundation Fund, Franklin County Foundation, Mechanicsburg Area Foundation, Greater Harrisburg Foundation: Upstream (New in 2018!), Martin M. Sacks Memorial Fund, and the Women’s Fund
- Applicants will be notified of their status on or before December 1, 2018
- Proposed projects may take place at any time between January 1, 2019-December 31, 2019

APPLICATIONS AVAILABLE OCTOBER 1, 2018;

DEADLINE FEBRUARY 1, 2019

- Camp Hill Area Community Foundation, Children’s Home Foundation Fund, Family & Children’s Services of Lebanon County Fund, The Kids Trust Fund, and the Perry County Community Foundation
- Applicants will be notified of their status on or before June 1, 2019
- Proposed projects may take place at any time between July 1, 2019-June 30, 2020

ADDITIONAL GRANT OPPORTUNITIES!

- Emerging Philanthropist Program—Will be offered in Spring 2018

Eligible applicants must have 501c3 status, utilize a fiscal sponsor with 501c3 status, or demonstrate nonprofit status as a church or school. Applicants may apply to multiple grant opportunities, but may not submit more than one grant to each opportunity. Application may begin at any time during the open application period. TFEC grantmaking does not fund individuals, capital campaigns, religious organizations for the propagation of religious doctrine, advertising, direct lobbying to influence legislation, or retroactive projects. TFEC believes that all voices are vital for our region’s future. We promote equity and embrace the diversity of individuals, ideas, and expressions.



SAVE THE DATE

March 28: 9:00am-10:00am
Camp Hill Giant

March 29: 8:30am-9:30am
Brethren Fellowship Church

April 5: 9am-10am
Lebanon Valley College

New in 2018, the GHF Upstream Grant Opportunity will support “upstream” projects and programs that utilize preventative strategies to address a stated area(s) of interest. Because this opportunity is new to the community, we are holding three information sessions. Stay tuned for further details!

\$785K+

In 2017, TFEC awarded \$785,935.11 in grant funds through our discretionary grantmaking.

136

In 2017, TFEC awarded 136 competitive grants through our discretionary grantmaking.

CLICK HERE TO LEARN HOW TO APPLY FOR A GRANT>>

COMMUNITY INSIDER

SAVE THE DATE: JUNE 2, 2018

HARRISBURG HOOPLA COMPETING FOR A CAUSE

Join us for an adult field day filled with food, drinks, and fun! All proceeds benefit local nonprofit organizations. [Click here for more information!](#)



AGENCY FUND CORNER

READY, SET, FUNDRAISE!

It's a new year and your nonprofit agency is ready to take the leap – you're ready to show the community that your organization is stable and planning long-term by starting an endowment fund. This is exciting but before you make the commitment, make sure your organization is fully ready.

There are three phases for developing an agency fund effort and throughout these three phases, there are three qualities for success to maintain.

PHASE 1: ASSESSMENT

Does your nonprofit agency have a clear mission and effective programming? Does your agency have a strong annual program with consistent donors? Do you have a pool of potential endowment donors? Donors like choice. Establishing an agency fund will not deter your annual donors from giving, you may find they increase their gift by continuing their annual donation, and giving to your endowment!

PHASE 2: EDUCATION

Why does your agency need an endowment fund? Make sure this case statement is at the center of all your educational materials, and have strong answers to support this ready to go. Create simple graphics to inform your stakeholders of your funding streams, and don't forget to remind your donors of the various **ways they can give to your fund!**

PHASE 3: MARKETING

Make sure that every newsletter, pamphlet, and flier has information about your nonprofit agency fund. The more you publicize this fund, the more potential donors will see it. Use these materials to ask potential endowment donors to self-identify, and be sure to follow-up quickly with those who do.

QUALITIES FOR SUCCESS: REPETITION, RESPONSIVENESS, PATIENCE.

Building an endowment fund is no small task! Remember, people will need to hear your story several times before it is internalized. Once they know and understand you, you still may not see any movement until a will is rewritten, a financial plan is revamped, or another life event occurs. It can take several years for an agency fund development effort to bear fruit, but keep your sights on the end goal. Repeat your story, respond to those who react to it, and be patient. Don't forget, TFEC is here to help you along the way! We can work together to make sure you reach your goal.

CLICK HERE TO LEARN HOW TO APPLY FOR A GRANT>>

TFEC'S EARLY EDUCATION INITIATIVE

COMMITTEE MEMBERS

David Volkman, Chair
Department of Education

Kathleen Bentley
Perry County Literacy Council

Eric Bostick
Capital Area Intermediate Unit

Tia Bruner
Early Education Center of Perry County

Carolyn Dumaesq
Immaculata University

Denise Feeser
Waynesboro Day Care Center

Amber Fields
United Way of the Capital Region

Lisette Gonzalez
Family Promise of Hbg Capital Region

Karen Grimm-Thomas
Office of Child Devel & Early Learning

Brenda Hanthorn
Lancaster-Lebanon IU 13

Hannah Killian
Dauphin County Library

Andrea Lown
HACC Lancaster Campus

Norma Miranda-LaBoy
Hamilton Health Center

Judy Maietta
CCIS of Cumberland, Dauphin, & Perry

Lynda Morris
Cap Region Partnership for Career Devel

Stacy Ott
Shippensburg Head Start

Kathleen Pavelko
WTF

Jo Pepper
Capital Area Head Start

Amy Reed
Cumberland/Perry MH/IDD Program

Christy Renjilian
Child Care Consultants, Inc.

Annette Searfoss
Franklin County Head Start, Inc.

Tamara Willis
Susquehanna Township School District

Lucy Zander
United Way of Carlisle & Cumberland Cty



EARLY EDUCATION ADVISORY COMMITTEE SETS 2018 GOALS

TFEC's Early Education Advisory Committee met most recently on January 9, 2018. The meeting focused on establishing overarching goals for 2018 in alignment with TFEC's Strategic Plan. The defined areas of need include school readiness and transition, workforce development, and a trauma informed community. The two proposed areas of focus by the group include the following:

1. Workforce Development: Tomorrow's workforce requires investing in young children and families today. An investment in early childhood education will establish a foundation for sustained economic growth because quality early learning is key to ensuring that future employees have the skills Pennsylvania businesses need in a highly competitive global market. The developing goal is for a more educated and engaged local business community around early education.

2. School Readiness: Children go through many transitions throughout their lives. One of the most important transitions is the one from home or a preschool program to kindergarten as they enter formal schooling for the first time. An increase in school readiness, early literacy, and family engagement by collaborating with school districts, child care centers, shelters, and agencies serving families within the TFEC footprint will help to close the school readiness gap. The developing goal is to raise awareness of the impact of successful transitions through a regional expansion of our full-day transition conference.

The committee will meet again on April 19, 2018 in Lebanon County.



FREE TRAINING: MATHEMATICAL PRACTICES

FOR EARLY LEARNING PROVIDERS SERVING CUMBERLAND & DAUPHIN COUNTIES

TFEC, in partnership with South Middleton School District, is hosting a free training for early learning providers to help expand their comfort level with math topics and learn innovative ideas to better interest and engage young children! Featured presenter, Kevin Mauro, Department of Education Mathematics Advisor, will discuss practical tools to incorporate into lesson plans and daily routines. This training is provided by The Foundation for Enhancing Communities and through The Race to the Top Early Learning

Community Innovation Zone Grant in Cumberland County through the work of South Middleton School District.

For more information or to register, visit www.tfec.org/math.





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!