



# Compass Points

Steering the Course for Community Investment

## New Scholarship Geared Toward Trades, Business

Edwin C. Higgins, Jr., found happiness in hard work. Higgins spent most of his career at the former Niantic Lumber Company (now Ring's End Lumber) holding positions from salesman to president, making friends with customers and mentoring those new to the trade.

When he died in 2000 Higgins, 73, had just put in a full day working at the lumber company. Since so much of his life revolved around the construction industry, family, friends, and business colleagues decided to honor him with a scholarship. [The Edwin C. Higgins, Jr. Scholarship](#) will give preference to those who pursue an education in building trades and technologies or business studies. The scholarship will also be available to students who return to school later in life.



▲ *Jean and Edwin Higgins*

respected him—it didn't matter if they were new to the business or had been around for 30 years."

Ed and Jean Higgins, who also passed away in 2000, raised their family of five in East Lyme. Ed took great satisfaction in helping building contractors who were just starting out. "Over the years, many fellows worked at Ring's

The scholarship is a way to remember Higgins while supporting the trades, something he believed in, says Ed Abbiati, an employee of Ring's End who knew Higgins for 40 years.

"Ed was a great guy, very customer oriented, and firm but fair all the way around," says Abbiati. "All the vendors and customers here knew him and

*continued on page 2*

### Inside:

Look How Far We've Come!.....	2
Responsive, Responsible and Inspiring Grants .....	3
Kente and Junior Achievement Programs Target Teens.....	3
Our 2004 Grants.....	4-5
Tax-wise giving through CRTs .....	7

## A Message from the President

The elegant new Crocker House Ballroom provided an uplifting backdrop for The Community Foundation's 21st Annual Meeting on November 20, 2003. The news was good, too: contributions were outpacing the prior year, grants for 2003 would again exceed a million dollars, and the financial performance of the Frank Russell Company, our new investment managers was outstanding.

Our audience of nearly 100 steadfast supporters cheered as the officers gave their glowing reports. We praised the work of departing trustees: Joe Cipparone, Kerry Hertenstein, Mary Jane McGinnis, and Elwin Bressette. We unanimously elected Paul Begin, Julie Olson, Mary Dangremond, Jim English and David Zuckerbraun as new trustees. They have devoted great time and energy to the committees of the Foundation already.

*continued on page 2*

## New Scholarship Geared Toward Trades, Business

*continued from page 1*

End in high school and later went into businesses or the building trades. My father took pride in opportunities to encourage them and help them build their business,” said Ed Higgins III, an attorney in Putnam. “I think the scholarship is something he’d be proud of. He took a lot of pleasure in helping people advance their careers and do the best job they could. And he loved building and doing things right—he was always involved in a project.”

Ed and his sisters, Mary Cormier,

Sarah Nunn, Katherine Wraight, and Nora Monroe chose The Community Foundation to oversee their father’s scholarship not only because of its history of sensible stewardship of gifts but also because of the process through which it awards scholarships. A committee of community volunteers carefully reviews over 200 applications with an eye to selecting the most deserving

“*[Ed] took a lot of pleasure in helping people advance their careers and do the best job they could.*”

candidate who fits the criteria of each individual scholarship. “We wanted to work with someone who had a long-term investment strategy and continuous oversight,” says Higgins III. “We were very impressed with the assistance the Foundation extends to families interested in establishing scholarships and equally important, in assisting area residents in furthering their education.” \*

## A Message from the President

*continued from page 1*

Mally Cox-Chapman, principal of Benefactor, a West Hartford philanthropic consulting firm—and sister of Christopher Cox of Mystic—described how donors could derive Joy and Impact from their giving. She advised simplifying one’s list of supported organizations. She suggested focusing on charities whose mission resonates strongly with your passions and/or those with which you have a personal connection. She highly encouraged stretching A LOT to help those organizations that are changing the world you care about.

Mally discussed the thrill of engaging family members in giving decisions and even letting children choose their own causes to support. She asked the audience to consider how they wanted to be remembered through their generosity. She described how Alfred Nobel redirected his entire life from inventing instruments of destruction (dynamite and TNT) to celebrating the great accomplishments of others through his creation of the Nobel Prize.

This was a night of Joy and Impact. Together, the Foundation and its supporters are experiencing both by making good things happen in the community. \*



## Highlights

Many thanks to the 924 donors who gave \$1,580,340 in 2003, monies which directly benefited the community through grants and scholarships. Special recognition goes to the 193 individuals and organizations who became members of The Community Foundation family of donors with their first-time gifts totaling more than \$223,000.

**Other '03 highlights include:**

- \* \$1,051,666 in grants and scholarships awarded
- \* 10 new funds established
- \* \$100,000 Women & Girls Challenge successfully completed
- \* 100% participation among the Board of Trustees
- \* 17.85% return on invested assets

## Look How Far We've Come!

	1984	2003	% of growth
<b>Assets</b>	\$376,443	\$22,829,898	+6,213%
<b>Gifts</b>	\$366,359	\$1,580,340	+331%
<b>Grants/Scholarships</b>	\$12,014	\$1,051,666	+8,745%

# 2004 Grant Winners

## Responsive, Responsible and Inspiring Grants

Ever wonder how The Community Foundation's grant process works? Its success hinges on twelve volunteers, led this year by grants committee chair Dyanne Rafal.

"Grant giving is a very thorough, time-consuming process," notes Rafal, an Old Lyme resident.

"Between research, site visits to organizations, and committee meetings, each member puts in about 50 hours. But we really do find the process incredibly rewarding."

Rafal, whose volunteer resume includes the Florence Griswold Museum and Lymes' Youth Service Bureau, became a part of The Community Foundation about five years ago.

"When the Foundation's president, Alice Fitzpatrick called and asked me to be on the grants committee, I didn't realize how much the Foundation did. I was so impressed when I started volunteering," she says.

One of the greatest surprises for Rafal was how much training she received. "The amount of material the staff gave me, the amount of hand-holding I received from the more experienced committee members, was really incredible. There's a huge team spirit, so I was able to really learn from those members who had been on the grants committee for several years. They helped equip me with the skills to do this job," says Rafal.

The twelve-member grants committee begins meeting in January to review the 100 plus requests for funding from area nonprofits. "There's never as much money to give out as requested," says Rafal. "And that always pulls at your heartstrings, because all the applicants are very good organizations that need money to do their jobs." In addition to the approximately \$500,000 donor-designated grants and scholarships given out each year, the Foundation awards close to \$500,000 annually through its competitive grants process but requests typically total two to three times that amount.

It's a different side of the grants process for Rafal, and an enlightening one. "In my other volunteer positions I was always the one asking for money. It is amazing to see the other side, to see the respect these applicants receive."

"We each review seven to eight proposals, interviewing all and visiting many. Among other things, we check to see if their goals fit the Foundation's mission, if they are fiscally responsible, and if they have evaluation tools in place to measure success." The committee holds weekly subcommittee meetings and gathers as a full committee once a



month. Each member reports his or her findings, and recommends whether to fund each agency and at what level.

"What I find most special about working for The Community Foundation is that each member's opinion is taken very seriously," say Rafal.

Rafal and her fellow committee members make sure each applicant is evaluated fairly, and that donor dollars go to stable, financially responsible nonprofits. At the same time, committee members must also balance distributions among the Foundation's core giving areas: arts and culture, civic, education, environment, health, and social services. "Our aim is to make grants that are responsive, responsible and inspiring to the community," explains Rafal.

For Rafal, the hardest part of the job isn't the amount of time and commitment required—it's that there's never enough funding to go around. "Since I started volunteering here, I've learned of all these small agencies that are doing fantastic things in this world. If I won the lottery tomorrow, there are at least five that I'd give huge chunks of money to—that's how impressed I am," she said.

"The happiest day for most committee members is when grants are made in April and we know we've done the best we can with what we have," she said. "The saddest day is when it is over. That's why so many people volunteer again—it is just a great experience." \*

---

## Great Grants Making A Difference

Making a difference in the lives of New London youth is the goal of two grants given by the Foundation this year. Although both programs target similar audiences, each takes a unique approach.

[Kente Cultural Center](#), located in downtown New London, started its *Male to Male* program to provide young African American men with positive role models. The teens, ranging in age from 14 to 17, meet monthly as a group (with their mentors) for fun and educational events.

"So many younger males are going astray today. Leadership for them has to come from the men in their community," says Wade Hyslop, a Connecticut state representative and member of Kente's board. "Those in the community have to start giving back to the community."

The group has attended basketball games, visited Sonalyst

*continued on page 5*

# 2004 Grant Winners

## The Community Foundation of Southeastern Connecticut 2004 Grants

### ARTS & CULTURE

Colonial Theatre School <i>Shakespeare in Schools program</i>	\$7,500
Connecticut Early Music <i>Two free concerts in schools</i>	\$1,350
Eastern Connecticut Symphony Orchestra <i>Children's concerts at the Garde</i>	\$12,500
Eugene O'Neill Theater Center <i>"Art of the Set" retrospective exhibit</i>	\$9,000
Lyme Academy College of Fine Arts <i>Art Reach Scholarship program</i>	\$10,000
Mystic Ballet <i>Ballet classes for New London youth</i>	\$3,700
Summer Music <i>Support of Mozart concert</i>	\$7,500

### AFTER-SCHOOL & SUMMER

Boys and Girls Club of Southeastern Connecticut <i>"Project Learn—Summer Clubhouse"</i>	\$10,000
Child & Family Agency of Southeastern Connecticut <i>BP Learned Mission summer program</i>	\$8,500
Children's Museum of Southeastern Connecticut <i>Educational programs on child health and wellness</i>	\$7,500
Drop-In Learning Center <i>Arts programs</i>	\$2,000
Kente Enterprises <i>"Male to Male" mentoring program</i>	\$4,800
New London Community Boating <i>Sailing scholarships</i>	\$3,500
New London Maritime Society, Inc. <i>Development of after school program</i>	\$1,500
Office of Youth Affairs <i>"Teens Off the Hook" field trips</i>	\$4,000
Project Oceanology <i>Scholarships for Ocean Camp</i>	\$4,200
Stonington Community Center <i>After-school program support for at-risk youth</i>	\$5,000
Virtual Voyages <i>Boating program for New London county youth</i>	\$2,500
YMCA of Mystic <i>Boating equipment for summer programs</i>	\$5,000

### CIVIC

Mystic & Noank Library <i>Computer</i>	\$1,911
New London Main Street <i>Software for membership and donor management</i>	\$2,000
Old Lyme/Phoebe Griffin Noyes Library <i>Children's homework center</i>	\$2,000
Rotary Club of New London <i>Fully accessible playground</i>	\$5,000
Sail New London <i>Support of Boats, Books &amp; Brushes festival</i>	\$10,000
Save Ocean Beach <i>Aquatic playground</i>	\$5,000
Stonington Free Library <i>Computers for public use</i>	\$4,000

### EDUCATION

Community Coalition for Children <i>Community lecture and workshops for parents of teens</i>	\$6,000
Connecticut Storytelling Center <i>Storytelling in the New London elementary schools</i>	\$9,500
Eastern Connecticut Ballet <i>Pre-Nutcracker assemblies</i>	\$4,950
Historically Black College Alumni <i>Black College Tour</i>	\$4,000
Interdistrict School for Arts and Communication <i>Support team-teaching classroom to increase school capacity</i>	\$10,000
Junior Achievement of Southwest New England <i>Economics of Staying in School program</i>	\$12,500
Literacy Volunteers of America <i>Development of program partnerships to expand literacy services</i>	\$12,500
Mitchell College <i>Financial aid for local students</i>	\$12,500
Mystic Art Association <i>Visual Thinking Curriculum teacher training for special needs students</i>	\$11,000
Riverfront Children's Center <i>Building renovations</i>	\$3,400

### ENVIRONMENT

Avalonia Land Conservancy <i>Pine Swamp Wildlife Corridor purchase</i>	\$12,500
Denison Pequotsepos Nature Center <i>Display of new collection</i>	\$5,000
Wood-Pawcatuck Watershed Association <i>Shunock River environmental assessment</i>	\$12,000

### HEALTH

Alliance For Living <i>Nutrition and fitness program for clients</i>	\$5,000
American Red Cross <i>CPR/AED training in southeastern Connecticut</i>	\$8,300
Community Partnerships <i>Child passenger safety seat outreach</i>	\$7,500
High Hopes Therapeutic Riding <i>Therapeutic riding program for special needs children</i>	\$6,000

### LEARN

<i>Community-wide initiative to improve childhood health</i>	\$8,650
Ledge Light Health District <i>Program to improve dental health of children</i>	\$8,250
Montville Senior Center <i>Montville seniors health program</i>	\$5,000
Planned Parenthood of Connecticut <i>Health services for uninsured patients</i>	\$5,000

### SOCIAL SERVICES

A Moveable Feast <i>Home-delivered meals to people in crisis</i>	\$3,200
Care and Share Soup Kitchen <i>Food and supplies for free community meals</i>	\$2,000
City of New London—Dept. of Health & Social Services <i>Winter homeless shelter</i>	\$8,136

Connecticut Legal Services <i>Program to aid child victims of domestic violence</i>	\$12,500
First Step <i>Industrial refrigerator</i>	\$1,785
H.O.P.E. <i>Renovations to home on Belden Street</i>	\$7,500
Martin House <i>Supported employment program</i>	\$5,764
New London Community Meal Center <i>Renovations to facility</i>	\$5,000
Opportunities Industrialization Center (OIC) <i>Job training program</i>	\$7,500
United Community & Family Services <i>Parent aide program for low-income families in New London County</i>	\$5,000
United Way of Southeastern Connecticut <i>Project Warm-Up heating oil assistance</i>	\$12,500
W.A.R.M. Shelter <i>Care for homeless in New London County</i>	\$5,000
Waterford Country School <i>Theater arts program</i>	\$7,500
<b>Total Competitive Grants:</b>	<b>\$392,896</b>

## DONOR DESIGNATED GRANTS

American Red Cross	\$500
Child & Family Agency of Southeastern Connecticut	\$500
Children's Museum of Southeastern Connecticut	\$500
Community Foundation of Southeastern Connecticut	\$1,095
Hospice of Southeastern Connecticut	\$1,600
Lawrence & Memorial Hospital	\$1,000
Literacy Volunteers of America	\$430
Lymes' Youth Service Bureau	\$360
Mystic Seaport Museum	\$10,000
Mystic & Noank Library	\$430
New London United Methodist Church	\$1,100
Noank Historical Society	\$430
Old Lyme Day Care	\$360
Pine Point School	\$4,000
Public Library of New London	\$1,486
Salvation Army	\$1,100
St. Pauls Church	\$484
Town of Lyme/Hartman Park	\$1,000
The Visiting Nurse Association of SE CT	\$15,000
Waterford Public Library	\$15,420
West Farms Land Trust	\$500
<b>Total Designated Grants</b>	<b>\$57,295</b>
<b>2004 Grants (through 4/01/04):</b>	<b>\$450,191</b>

*continued from page 3*

Studios in Waterford, discussed career goals, and held drumming sessions. The plan, according to Hyslop, is to expose the teens to positive activities and choices. "We want to help them see life on another level," he says.



▲ Participants in Kente's Male to Male program enjoy some bonding time.

For Junior Achievement of Southwest New England, Inc., the plan is to help high school students see the future. Two of its programs, *Economics of Staying In School* and *JA Success Skills*, aim to show students the high price of not graduating.

The Economics of Staying in School is for 9th graders at New London High School. During the six-class program, volunteers from area businesses walk students through life

as an adult: students choose the car, living quarters, and lifestyle they want, then figure out how to afford it.

"They realize after doing a budget that they really need a good job to pay for what they want, and that education is the key," says JA District Manager Jeremy Race.

Students in their sophomore year receive JA Success Skills, a program that helps them define what it means to achieve. "They get to assess their own skills, think about what they enjoy and define what success means to them. They decide what they need to succeed." says Race.

The course also covers employment skills, such as developing a resume, going on interviews, and communicating well. "Some of these students are entering or are already in the workforce, and can use this knowledge there, and also when looking at colleges," says Race.

Program volunteer Nancy Signor, who works at Pfizer, has taught the freshman course for two years now. "They are very receptive kids," she says, noting that her experiences as a single mom raising two daughters gives her credibility with the class. She also lets them know how important education has been to her own success. "I try to let them know that life goes by so fast, and the choices they make now have a big impact on their future."

Both Kente and Junior Achievement credit The Community Foundation with making these programs possible.

"We reached out to the Foundation to see if they were willing to reach out to young people with us, and they were," notes Hyslop. "Together, we're making a difference." \*

2004 Grant Winners

# Women & Girls Fund Marks 5th Anniversary Approaching \$1 Million.

It's been just five years since the Women & Girls Fund was started, but it's proven to be a magnetic force. From the very beginning the fund has had a powerful attraction to women of all ages and income levels who give in memory or honor of mothers, sisters, friends, and teachers. These gifts have made many good things happen in the lives of women and girls throughout Southeastern Connecticut.

In December, the fund received an extraordinary gift through the offices of Stonington probate court judge Paul Cravinho—a bequest of \$370,000! This enabled us to establish [The Lydia I. Korolkiewicz Fund](#), which will remain under the Women & Girls Fund umbrella to fund programs dedicated to improving the lives of women in Southeastern Connecticut. It will target programs that address the causes, prevention, and treatment of abused women.

This wonderful gift has brought the fund up to \$830,000, and its fundraising team—headed by Julie Olson—has

plans in place to reach \$1,000,000 by the end of this year. Watch for our new Women & Girls Fund recognition society, for donors who include the fund in their wills and/or estate plans!

To maximize each dollar donated, and to ensure that pressing community needs are met, the Women & Girls Fund steering committee is reviewing past grants and researching current needs. In January, committee members met with Gayle Brooks, director of girls services for Connecticut's Department of Children and Families (DCF) to benefit from her knowledge of successful programs. They expect to involve other members of the community in an ongoing dialogue on solution-based grantmaking. Bridget Baird, grants committee chair says, "It's all about connecting people who care to the women and girls who need that care and support." \*



## The Arc of New London County Establishes Endowment

U.S. Representative Rob Simmons and Deputy of Health and Human Services Claude Allen celebrate the 2002 grand opening of The Arc of New London County's new building with Courtney Kelleher and Sidney "Butch" Tillery.

The Arc recently established an endowment at The Community Foundation which will provide support in perpetuity for their mission of improving the quality of life for people with developmental disabilities. If you are interested in making a gift to The Arc's endowment or in learning about bequest provisions directed to the fund, contact Alison Woods at The Community Foundation, 860-442-3572 or [alison@cfsect.org](mailto:alison@cfsect.org). \*



Tech tip just in from Nancy Young, Stonington Library librarian: Tech Soup connects non-profits with donated and discounted software from over 25 providers including Microsoft and Cisco. Visit [www.techsoup.org](http://www.techsoup.org) or contact Nancy at 860-535-0658.

# The Professional Advisory Corner



Laurel A. Butler, Photo: Paul Horton

## The Charitable Remainder Trust

by Laurel A. Butler

If you're like many investors today, you may own appreciated assets, such as stock or real estate, that you are reluctant to sell because of the significant capital gains taxes you would owe. At the same time, you may be looking to increase your cash flow or diversify your holdings. That would mean

selling those valuable assets, paying the applicable taxes and reinvesting at less than the asset's full use. Fortunately, there is a solution to this investment dilemma –the Charitable Remainder Trust (CRT).

### What is a Charitable Remainder Trust (CRT)?

A CRT is an irrevocable trust that is designed to convert an investor's highly appreciated assets into a lifetime income stream without generating estate and immediate capital gains taxes. CRTs have become very popular in recent years because they not only represent a valuable tax-advantaged investment, but also enable you to provide a gift to one or more charities that have special meaning to you. By establishing a CRT, you can:

- eliminate immediate capital gains taxes on the sale of appreciated assets, such as stocks, bonds, real estate and other taxes;
- reduce estate taxes of up to 50% that your heirs might have to pay upon your death;
- reduce current income taxes;
- increase spendable income throughout your lifetime;
- make a significant charitable gift;
- receive the benefits of tax-free compounding;
- avoid probate;
- maximize the assets your family will receive after your death.

### How does a CRT Work?

When you establish a CRT, you or another beneficiary, such as your spouse or another family member, receive income from the trust for life or for a term of up to 20 years.

When the trust ends, the remaining assets pass to the qualified charity or charities of your choice. Here's how it works:

You irrevocably transfer cash, securities, or other property you own into a CRT. As a result of this transfer, you lower the taxable value of your estate and provide significant estate tax savings to your heirs.

You receive an immediate charitable tax deduction based on 1) your age or the ages of those named as income beneficiaries, 2) the distribution rate chosen, and 3) the value of the assets put into the trust. (Any excess deduction may be carried over for up to five additional years.)

If the assets are sold within the CRT, the trust pays no immediate capital gains tax since a CRT is considered a tax-exempt entity.

At the termination of the trust, the trust assets will be distributed to the qualified charity or charities you have selected. You have the ability to change the charity or charities at any time during the life of the trust.

### Types of CRTs

There are two types of CRTs:

**Annuity Trust** — If you choose this option, you will receive annual fixed payments. The amount you receive would be equal to a fixed percentage, which must equal at least 5% of the initial fair market value of the assets in the trust. Once an annuity trust is created, you cannot add to it.

**Unitrust** — If you choose this option, you will receive variable payments. In this case, you would receive lifetime payments based on the value of the assets in the trust. Your payments would be equal to a percentage of the value of the trust as it is revalued each year and must be at least 5% of that value. Unlike the annuity trust, you may make additional contributions to a unitrust after it is created.

Contact your financial advisor about the benefits of adding a CRT to your estate plan. He or she can work with your legal and tax advisors to help you determine how the CRT – and other trust alternatives, including living trusts and irrevocable life insurance trusts – can best meet your wealth preservation planning needs. \*

*The author is vice president for investments at UBS Financial Services in New London and a member of The Community Foundation's Endowment Committee and Professional Advisory Council.*

*For more information on planned giving opportunities, contact Alison Woods, director of development, at 860-442-3572 or [alison@cfsect.org](mailto:alison@cfsect.org).*

THE COMMUNITY FOUNDATION  
of Southeastern Connecticut  
147 State Street, P.O. Box 769  
New London, CT 06320  
www.cfsect.org  
860.442.3572

Non Profit Org.  
U.S. Postage  
PAID  
Permit 101  
New London, CT  
06320

## *Dates to Remember*

### **August 1: Women & Girls Fund grants deadline**

Grants are made for programs and projects that benefit women and girls.

### **November 15: General Grants deadline**

Grants are made to non-profit organizations in the areas of arts and culture, health, education, environment, social services, and community development.

### **Rolling deadline: Collaborative Initiative for Management Assistance (CIMA)**

Grants are made for consultant fees to improve effectiveness of non-profit organizations in the areas of board development, strategic planning and fiscal management.

*Please contact Jennifer O'Brien, program officer at 860-442-3572 or [jennob@cfsect.org](mailto:jennob@cfsect.org), or visit our website [www.cfsect.org](http://www.cfsect.org) to download applications.*

## Board of Trustees

Timothy D. Bates, Esq., Chair

Bridget Baird, Vice Chair

Marc E. Ginsberg, Treasurer

Ruth Saunders, Secretary

Paul B. Begin

Mary S. Dangremond

Anne A. Clement

Anthony T. Enders

James F. English, Jr.

Jane Glover

Royden A. Grimm

Eleanor A. Harvey

Sakina King

Granville R. Morris, Esq.

Julie A. Olson

Dyanne Rafal

David Zuckerbraun

Alice F. Fitzpatrick, President

**\*Mark your calendars for...**

## **The Harvey N. Mallove Memorial Golf Outing**

**Friday, June 4th at Shennecossett Golf Course**

**Call the Foundation at 442-3572 for information.**