

COMMUNITY FOUNDATION

OF WESTERN MASSACHUSETTS

Report to the
Community 2019



A Letter to Our Community

Our responsibility to you—to our region—is to use our assets wisely in support of your deep commitment to the vital work which ensures a vibrant, just, and thriving community for every citizen. And we are continuously empowered to serve the community because of your efforts.

Your gifts fueled our work this past year (“Who Gave?”, page 8). Your nonprofit’s story taught us about the critical issues in our region (“What Did We Support?”, page 8). Your college experience underscored the true impact of our awards (“Western Mass Completes”, pages 4-5). You helped us understand the complex challenges that stand in the way of a diverse and flourishing arts community (“ValleyCreates”, opposite).

As we look with hope to the future of our community, we look to you. We have so much to learn, build, protect, and create for our Valley—together. Thank you for your ongoing wisdom, generosity, connection, and for joining us in this endeavor.

Sincerely,

KATIE ALLAN ZOBEL
President and CEO

ELIZABETH H. SILLIN
Trustee Chair

PAUL MURPHY
Trustee Vice Chair



Remembering David Starr: CFWM Charter Trustee

This past June we were deeply saddened by the passing of David Starr, founding member and Charter Trustee of CFWM. His focused devotion profoundly benefitted the many people, organizations, and causes he supported in and around the Springfield community for over 40 years.

David’s early vision of the vital role that CFWM could play in our region served as a beacon for our first decade and beyond. David promoted donor advised funds (DAFs) to local philanthropists, emphasizing their authentic local connection and unique ability to support our region for the long term. He invested many hours in deep discussions with area nonprofits, creating trust and building excitement around this new funding model for the region. David made the early and significant growth of CFWM possible through his perseverance and tireless work.

David served on our first Distribution Committee for nine years and chaired the Marketing Committee for many more. During his years of active service to CFWM, David demonstrated, year in and year out, that even with a demanding career, making time for the community was an obligation he enjoyed.

We are enormously grateful for the legacy that will endure because of David’s extraordinary dedication, generosity of spirit, and outstanding service.



1922-2019

ValleyCreates

Strengthening and connecting our diverse arts and creativity community

Our Valley boasts a rich artistic community that deeply enhances the cultural fabric of our region. However, deep gaps and inequalities abound across our arts and creativity sector. **ValleyCreates aims to change this.**

3 Challenges Facing Our Arts and Creativity Sector

1 DIVERSITY: A lack of diversity exists in organizations’ staff, board, and audiences.

CAPACITY: Many organizations need additional experience, knowledge, and funding to grow.

3 CONNECTION: Whether separated by race, class, or geography, organizations often experience alienation and disconnection from others in our artistic community.



This understanding prompted us to develop the following core strategies to begin addressing these challenges—and to support both arts organizations and individual artists from every part of our community.

CREATIVE COMMONWEALTH PARTNERSHIP

In 2017, the Barr Foundation (Boston, MA) tapped and funded CFWM and four other Massachusetts community foundations to join the Creative Commonwealth. Creative Commonwealth is rooted in the belief that artists and arts organizations inspire, challenge, and bring communities together. Similarly, Barr brought together these five community foundations to learn from and share our different approaches to promoting and sustaining our regions’ arts sector.

We are pleased to announce that in September of 2019, the Barr Foundation awarded an additional \$1M of funding to CFWM to support this work over the next three years.



ValleyCreates: Strategies to Date

We launched ValleyCreates to help strengthen and connect the arts ecosystem in the Valley through funding, trainings, and opportunities to come together—all focused on creating meaningful change through the arts.

From 2018-2019, we developed three core strategies to begin addressing these challenges:

*** CAPACITY BUILDING FOR ORGANIZATIONAL EFFECTIVENESS**
In late 2018, we directed a six-part training series to help strengthen arts and creativity organizations from the inside out. Topics included Innovation, Diversity, Equity and Inclusion, Branding and Marketing, Financial Management, Fundraising, and Board Development. Each participating organization received a mini-grant (\$3,000 each) at the end of the series to implement their learning.

*** COLLABORATIVE PLANNING AND IMPLEMENTATION GRANTS**
In January 2019, we hosted an interactive, day-long “Co-Creator” event, connecting over 70 arts organizations to brainstorm and engage with each other, and introduced our collaborative planning grant opportunity. We funded a total of \$80,250 for nine projects and most, if not all, will be seeking funding for the next step—Implementation Grants—in early 2020.

*** ONLINE REGIONAL ARTS HUB**
Our third strategy is to invest \$56,000 in planning grants for the creation of an Online Regional Arts Hub to enhance connectivity and visibility in our creative sector. We envision the Hub as a sustainable resource for both arts organizations and arts consumers. Through 2019, several groups used their planning grants to build out concepts that include deep community engagement, and in 2020 the Hub will go live for our region.

Western Mass Completes: Can We Do Better for Our Region's Students?

Access to higher education is vital to creating thriving, equitable communities. Since 1992, CFWM has grown our now robust Scholarship and Interest Free Loan program, connecting generous donors with thousands of local college-bound students. Year after year, we're invigorated and inspired by these students' positivity, drive and personal stories—and we're immensely honored to have played a part in getting them to college.

But what we haven't known is how our scholars are faring in the long run. Are they graduating? If so, how long does it take? If not, why are they leaving school? Our questions about college completion for our students were galvanized by these parallel national trends:



\$43 Million
CFWM SCHOLARSHIPS &
INTEREST-FREE LOANS
(AWARDED TO OUR REGION'S
COLLEGE-BOUND STUDENTS)
2000-2018



These trends spurred us to take a deeper look at our past scholarship recipients and their college completion rates. In the summer of 2018, we commissioned a study, **Western Mass Completes**, with the expertise of Dr. Becky Packard (right).

What happened in Phase 1?

We Convened:

Ten local colleges and universities enthusiastically joined us in this endeavor, delving into the last eight years of their student data on CFWM scholarship awardees. We gathered information on the resources and systems in place at these schools, and collected findings from national research and articles.



We Discovered:

- 1 Most of our students rely heavily on scholarships and aid to make college possible.
- 2 Our students are doing better compared to peers with similar financial need and race / ethnicity, as judged by first-second year retention, four-or-six-year graduation rate, or GPA.

We Learned:

- 1 **More than ever, students need more time to complete degrees.** More students are working full time while in school and taking a reduced course load. Many are balancing school, work, and family responsibilities.
- 2 **Financial roadblocks are complex and range from systemic to administrative.** From annual tuition hikes to \$20 unpaid fines, finances create barriers that result in "stopping out", especially for high-need, first-generation students.
- 3 **Schools are working hard to keep students enrolled.** Every institution in the Western Mass Completes initiative has recognized this need, and is dedicated to improving retention and completion.

Becky Packard, PhD, is a CFWM Trustee and Professor of Psychology and Education at Mount Holyoke College. A national leading expert in research on factors that contribute to higher education persistence, Dr. Packard led the Western Mass Completes study. As a first-generation college graduate herself, Packard is especially appreciative of how the numerous contexts of home, school, community, and work need to come together to support the educational progress of students. Dr. Packard has held multiple leadership roles at Mount Holyoke, including Associate Dean of Faculty, and she has provided consultation to dozens of colleges and universities working toward improving student success.



"The issue of college completion matters here in this region. Despite the many large structural challenges, we also learned more about a range of seemingly small barriers that face students every day. We were encouraged to learn about the multiple strategies colleges and universities in Western Mass were using to improve student success and help students reach the finish line."

What will happen in Phase 2?

Learning in Action

Early in 2020, we'll continue to work with all college partners and delve deeper into why our awardees are flourishing. We want to uncover what makes the difference in their outcomes, and how we and our partner colleges can replicate those factors to help others access and attain their educational goals, which can help create a more skilled and educated workforce for our community.



Next Steps / 2020 Phase 2 Elements

- Gather and analyze additional data
- Develop joint strategies with college partners
- Listen and learn directly from students

For data citations and to follow our work with Western Mass Completes, please visit westernmasscompletes.org

FACT: 2/3 of all new jobs will require a 4-year degree.

However, **only 1/3 of adults** in our region have attained this educational goal. We need to build a more educated and skilled workforce for our region's long-term economic growth and viability.



FACT: Shifting US demographics has created complex needs for college students.

The overall student population now hails from more diverse socioeconomic backgrounds, raising new considerations for ensuring accessibility and completion.



FACT: College completion has become a critical issue.

Higher enrollment isn't creating more college graduates, as many leave school with the intention to return, but never do. This trend, known as "stopping out", has become even more common at community colleges.

33% AVERAGE RATE OF STOPPING OUT AFTER ONE YEAR
60% AVERAGE GRADUATION RATES FOR 4-YEAR INSTITUTIONS
25% AVERAGE GRADUATION RATE FOR 2-YEAR INSTITUTIONS

FACT: When students don't finish college, they're more apt to struggle financially, and less likely to thrive and contribute to their communities.

Students who stop out or drop out of college see **25% of their paychecks** go to college loan repayment, yet they don't have the economic benefit that comes with the credential. In fact, they're paying for a credential that they may never receive.



FACT: More and more students are enrolling in college.

Many young people recognize that new job opportunities require a bachelor's degree. They understand that a college degree is key to an economically stable life.

1970s College enrollments have **doubled since the 1970s**
2019

FACT: The cost of college has increased alarmingly over the last few decades.

When it comes to paying for college, the playing field isn't the same as it was years ago. In addition, the purchasing power of Federal Pell Grants has plummeted, further reducing financial aid for the students who need it most.

1990 College expenses are **400% higher in 2019 than in 1990.**
2019

TOTAL ASSETS
\$153.2 Million

SCHOLARSHIPS & INTEREST-FREE LOANS AWARDED
\$2.2 Million

+
\$7.3 Million

GRANTS AWARDED
\$7.3 Million

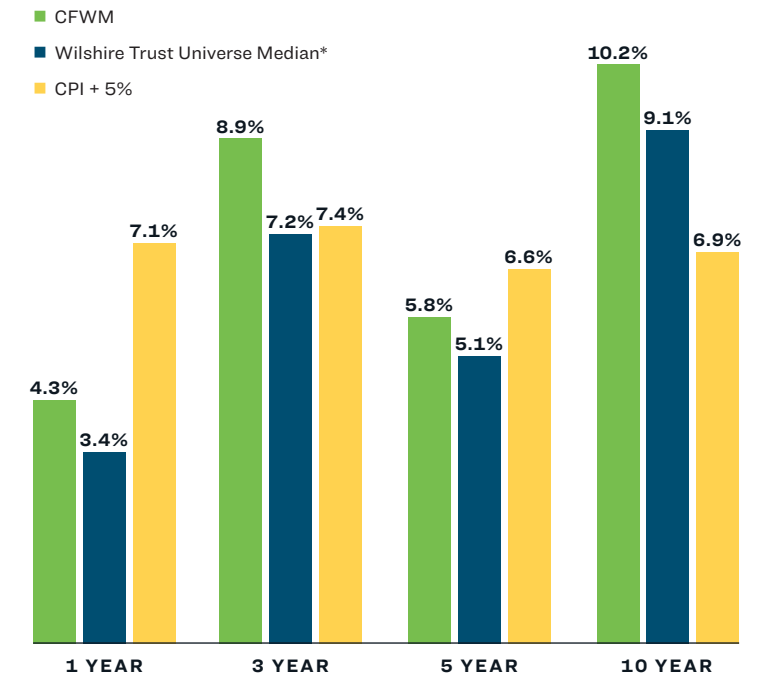
=
\$9.5 Million

GROSS CONTRIBUTION RECEIVED
\$12.7 Million

Investment Commentary

CFWM's Global Growth Portfolio generated a 4.3% return net of investment-related fees in fiscal year 2019. Over the past 10 years, the Global Growth Portfolio has grown from roughly \$36.0 million to \$95.0 million. This investment pool has been developed by CFWM's Investment Committee as the primary investment vehicle for funds invested for the long-term. Its objective is the generation of maximum long-term total returns within levels of risk determined to be prudent by the Foundation Trustees. CFWM believes that a multi-asset class portfolio, consisting of many different types of investments from around the world, best fulfills that objective. We invest in publicly traded US and International equities and US bonds almost exclusively using low-cost indexed mutual funds. The Global Growth Portfolio's investment management fees exceeded the Wilshire Trust Universe Comparison Service (Wilshire TUCS) median - a compilation of large institutional investors' investment returns net of all fees, conducted by Wilshire Associates. The investment results relative to competing portfolios have been favorable for all periods measured over the past 10 years. CFWM's 10-year return of 10.1% ranked comfortably in the top half (1.0% annualized above the median net of fees) of the Wilshire TUCS. Assets at fiscal year-end were invested in 45% US Equity, 24% Non US Equity and Emerging Markets, 29% Fixed Income, and 2% Alternative Investments.

COMPARISON OF RETURNS FOR GLOBAL GROWTH PORTFOLIO



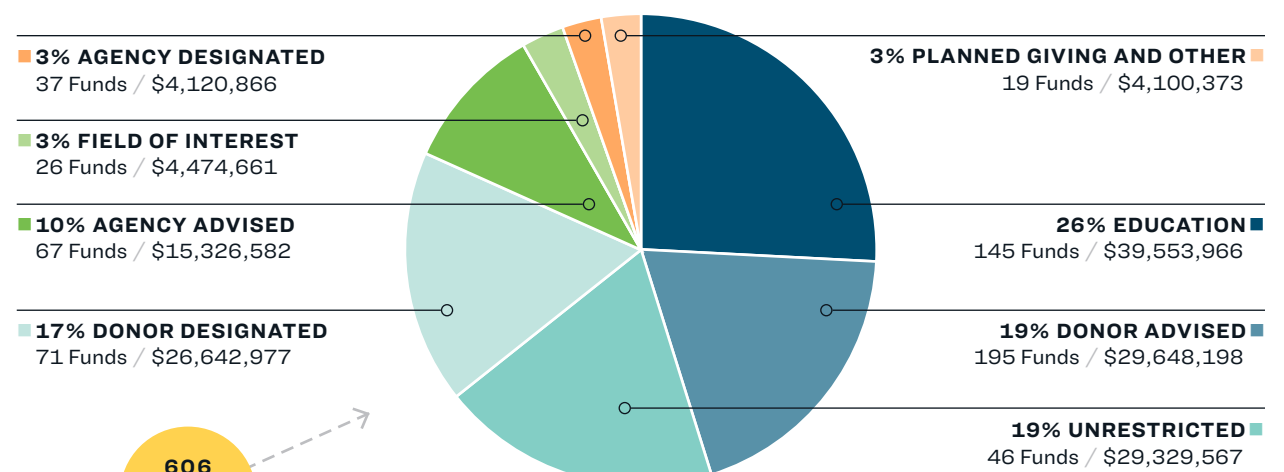
*Net of fees

FY19: APRIL 1 - MARCH 31

FY19: APRIL 1 - MARCH 31

ASSETS BY FUND TYPE

AS OF 3/31/19



606 TOTAL FUNDS

*PLUS BANK OF AMERICA TRUST ASSETS (3 FUNDS)

\$153,197,188 + **\$23,616,595** = **\$176,813,783**

Trust assets owned by Bank of America for which CFWM provides grantmaking services

TOTAL (609 FUNDS)

Total

FINANCIAL HIGHLIGHTS

	2019	2018
Total Assets¹	\$176,813,783	\$172,755,033
Operating Expenses²	\$2,861,820	\$2,588,706
Operating Expenses as a Percentage of Total Assets	1.6%	1.5%
Gross Contributions	\$12,732,888	\$11,767,540
Distributions³	\$9,479,746	\$9,765,752

¹ Includes trust assets owned by Bank of America for which the Community Foundation provides grantmaking services.

² Does not include investment management fees.

³ Includes grants from trust assets owned by Bank of America for which the Community Foundation provides grantmaking services.

STATEMENTS OF FINANCIAL POSITION

ASSETS	2019	2018
Cash and money market funds	\$5,383,763	\$4,829,928
Investments	\$140,990,956	\$134,077,529
Assets held under charitable trusts	\$3,460,507	\$3,269,077
All other assets	\$3,361,962	\$3,951,293
Total Assets	\$153,197,188	\$146,127,827

LIABILITIES	2019	2018
Accounts payable and accrued expenses	\$172,399	\$233,306
Liability under unitrust agreements	\$1,783,449	\$1,738,675
Agency funds	\$15,879,797	\$10,095,315
Total Liabilities	\$17,835,645	\$12,067,296

NET ASSETS	2019	2018
Without donor restrictions- undesignated	\$36,380,933	\$35,775,917
Without donor restrictions- Board designated	\$1,354,253	\$1,456,446
With donor restrictions	\$97,626,357	\$96,828,168
Total Net Assets	\$135,361,543	\$134,060,531

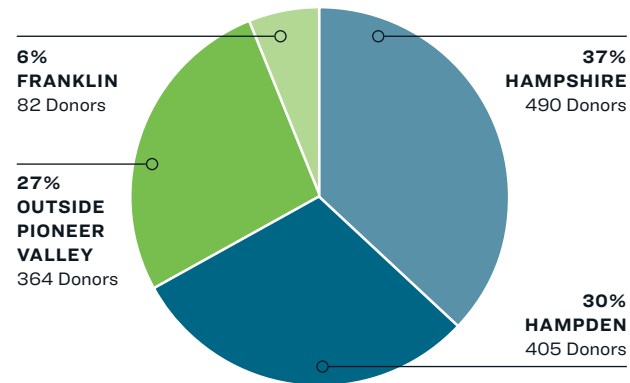
Total Liabilities and Net Assets \$153,197,188 \$146,127,827

A complete set of audited financial statements is available on our website.

Who Gave?

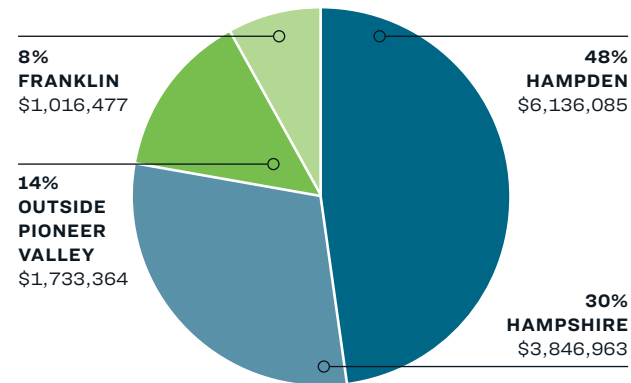
Our contributors hail from a wide variety of places in and outside our region and align in their philanthropic mission: to support the Pioneer Valley.

TOTAL INDIVIDUAL DONORS BY COUNTY



TOTAL DONORS
1,341

TOTAL CONTRIBUTIONS BY COUNTY

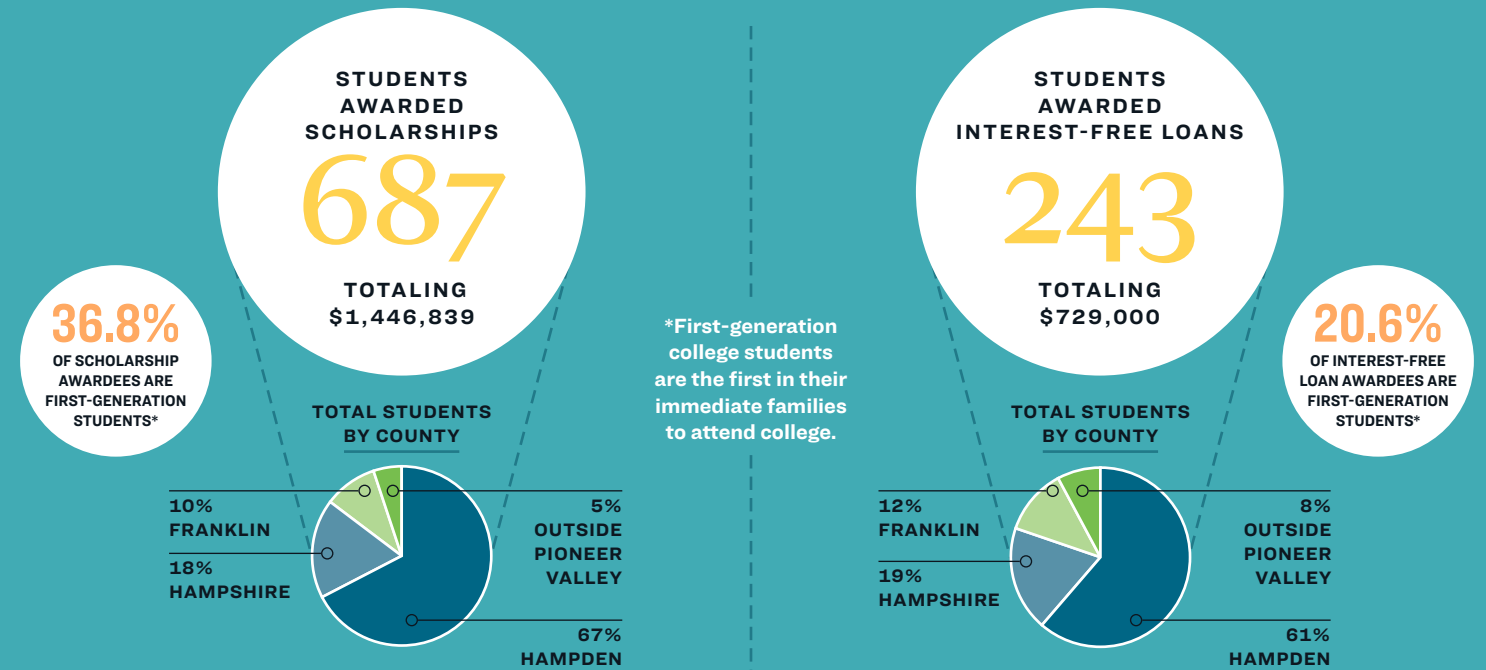


GROSS CONTRIBUTIONS
\$12.7 Million

Please visit communityfoundation.org/2019 for complete lists of our contributors.

How Many Students Did We Help?

For over two decades, we've helped thousands of Pioneer Valley students reach their educational goals with scholarships and interest-free loans from over 146 scholarship funds.

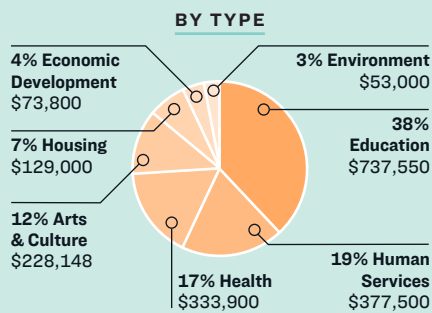


FY19: APRIL 1 - MARCH 31

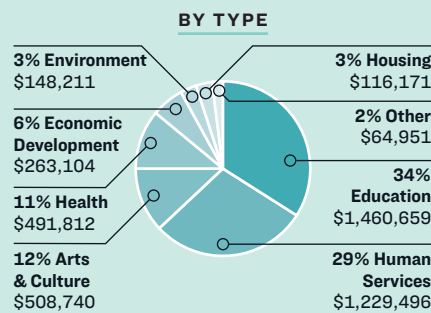
What Did We Support?

Donor generosity is directed to support nonprofits and other initiatives that enrich and sustain our region.

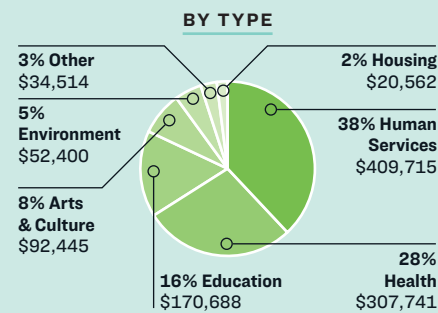
COMPETITIVE GRANTS \$1,932,898



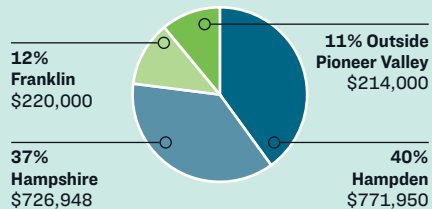
ADVISED GRANTS \$4,283,144



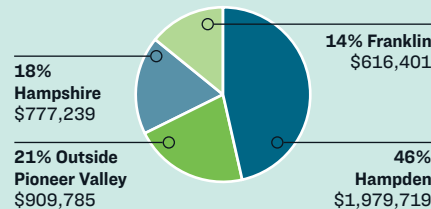
DESIGNATED GRANTS \$1,088,065



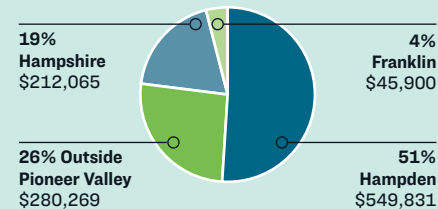
NONPROFITS BY COUNTY



NONPROFITS BY COUNTY

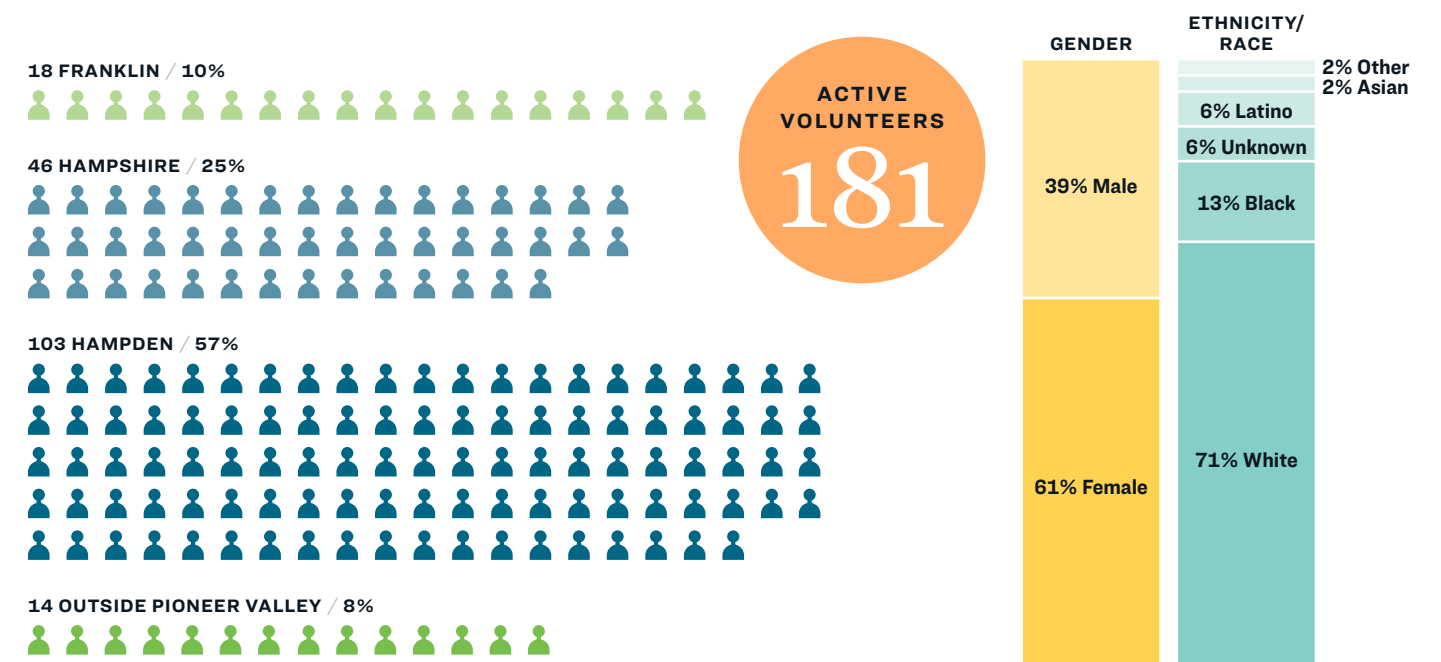


NONPROFITS BY COUNTY



How Did We Get It Done?

Giving time and expertise, our dedicated volunteers are the eyes, ears and heart of CFWM, and are essential to our decision-making.



FY19: APRIL 1 - MARCH 31

Trustees As of September 1, 2019



Elizabeth H. Sillin
Chair
FRANKLIN COUNTY



Paul R. Murphy
Vice Chair
HAMPSHIRE COUNTY



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HAMPSDEN COUNTY



Kamari Collins
HAMPSDEN COUNTY



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Linda Dunlavy
HAMPSHIRE COUNTY



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Becky Packard
HAMPSHIRE COUNTY



Anne Paradis
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Robert L. Pura
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Mary Ann Spencer
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Douglas A. Theobald
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Ramon S. Torrecilha
HAMPSDEN COUNTY

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Orlando Isaza
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Irene Rodriguez-Martin

Elizabeth D. Scheibel

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Richard B. Steele Jr.
Ralph S. Tate
Peggy Woods
Angela Wright

CHARTER TRUSTEES

John G. Gallup
David Starr (deceased)

Legal Counsel /
Ronald Weiss

Committees As of September 1, 2019

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John G. Gallup
David E. Pinsky, *Chair*
Mary-Anne S. Stearns
Douglas A. Theobald
William Trudeau

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Willie L. Hill Jr.
Paul R. Murphy
Elizabeth H. Sillin
Ralph S. Tate
Douglas A. Theobald

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Linda Dunlavy
Christopher Fager
Norma Friedman
Marian Johnsen
Kathleen P. Mullin
Paul R. Murphy, *Chair*

Robyn A. Newhouse
Mary Ann Spencer
John Thorpe

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Sergio Dias
Kerry L. Dietz
Katharine Fretwell
Karin L. George, *Chair*
Erica Greene
Shane Hammond
Gillian U. Hinkson
Thea E. Katsounakis, *Emerita*
Matt Mourovic
Becky Packard
Craig Reed
Momodou Sarr
Briana M. Wales

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Mary Ann Spencer
Ralph S. Tate

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Mauricia A. Geissler
Mary Jo Maydew
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Mary Ann Spencer, *Chair*
Richard B. Steele Jr.
Ralph S. Tate

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George E. Arwady, *Chair*
Kelly DeRose
Yindra T. Dixon
Dianne Fuller Doherty
Amy Jamrog
Jeremy D. Leap
Ellen Brout Lindsey
Debra L. Purrington, Esq.
Paul Robbins
Eva Schocken
Michael J. Simolo
David Starr, *Emeritus*
Nicole Young

Foundation Staff As of December 1, 2019

Katie Allan Zobel
PRESIDENT/CEO

Jim Ayres
VICE PRESIDENT FOR PROGRAMS
AND STRATEGY

Nicole Bourdon
PROGRAM OFFICER

Michael DeChiara
SENIOR PROGRAM OFFICER

Margaret Everett
GRANTS ADMINISTRATOR ASSOCIATE

Nikai Fondon
SCHOLARSHIP PROGRAM ASSOCIATE

Jacob Gardner
IT MANAGER

Bruce Hiltunen
VICE PRESIDENT FOR FINANCE
AND OPERATIONS

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Colleen Kucinski
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SCHOLARSHIPS

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VICE PRESIDENT FOR PHILANTHROPIC
SERVICES

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ACCOUNTING MANAGER

Robin O'Farrell
EXECUTIVE ASSISTANT TO THE
PRESIDENT AND CEO & PHILANTHROPIC
SERVICES PROJECT COORDINATOR

Jenny Papageorge
DIRECTOR OF DEVELOPMENT

Andy Price
BUSINESS / SYSTEMS ANALYST

MC Silver
ADMINISTRATIVE ASSISTANT

Sara Talcott
MARKETING AND COMMUNICATIONS
DIRECTOR

Kerry Tichy
DONOR SERVICES ASSISTANT

Sheila Toto
SENIOR PROGRAM OFFICER

Principle photography by Erin Long

Cover: CFWM volunteers and artist Colectivo Morivivi work on community murals for Fresh Paint Springfield, June 2019.

OUR MISSION

The Community Foundation of Western Massachusetts seeks to enrich the quality of life of the people of our region by:

- Encouraging philanthropy
- Developing a permanent, flexible endowment
- Assessing and responding to emerging and changing needs
- Serving as a resource, catalyst and coordinator for charitable activities
- Promoting efficiency in the management of charitable funds



**COMMUNITY
FOUNDATION**
OF WESTERN MASSACHUSETTS

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SPRINGFIELD, MA 01103

413-732-2858

COMMUNITYFOUNDATION.ORG

 ON FACEBOOK: @CommunityFoundationWMass
 ON TWITTER: @CFWM413 AND @cfwm_katie

Please visit communityfoundation.org/2019 for complete lists of our volunteers, legacy society, contributors and funds.