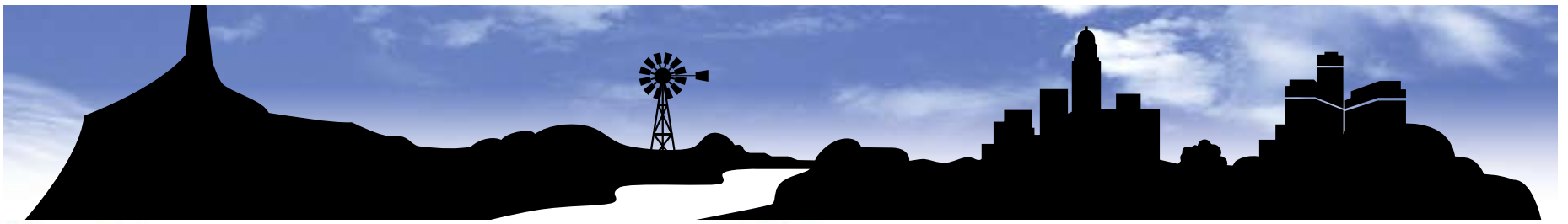


2005 ANNUAL REPORT



NEBRASKA COMMUNITY FOUNDATION

650 J Street, Suite 305 • Lincoln, Nebraska 68508 • (402) 323-7330 • FAX (402) 323-7349 • www.nebcommfound.org



HOMETOWN COMPETITIVENESS to Expand with Kellogg Foundation Grant

Charitable giving is being put to work in Nebraska's communities, to improve the lives of Nebraskans and their home towns.

HomeTown Competitiveness (HTC), a three year old initiative of the Nebraska Community Foundation and its partners, got a big boost this year from a \$2 million grant from the W. K. Kellogg Foundation. The award will help expand the Nebraska work from seven communities and counties to at least 15.



(Photo courtesy of the W.K. Kellogg Foundation)

Youth Entrepreneurship students from Valley County proudly show their products to the W. K. Kellogg Foundation during a photo shoot for the Kellogg Foundation's annual report. Front row, left to right, are: Molly Welniak, pillow cases; Joe Michalski, golf abacus. Back Row, left to right: Seth Smedra, squirrel feeder; Jace McKay and Grady Gydessen, western borseshoe designs.

HTC was chosen as one of six recipients of grants provided through the W. K. Kellogg Foundation's 75th Anniversary Entrepreneurship Development Systems for Rural America. More than 180 applications were received for the grants to develop the national models in rural entrepreneurship.

HomeTown Competitiveness provides a framework for rural communities to help them identify reachable goals and strategies focused on the four pillars of reversing rural decline, including building leadership and community capacity, engaging young people, fostering local philanthropy and supporting entrepreneurship.

The core partners in the Kellogg-funded initiative are the Nebraska Community Foundation, The Heartland Center for Leadership Development, the RUPRI Center for Rural Entrepreneurship and the Center for Rural Affairs.

Other collaborative partners are colleges and programs at the University of Nebraska; the Nebraska Microenterprise Partnership Fund; Northeast Community College at Norfolk; Northern Great Plains, Inc. of Fargo, ND; the Nebraska Lied Main Street Program; the Rural Enterprise Assistance Project; and Consolidated Telephone Company and Great Plains Communications, Inc., which serve the rural HTC communities.

HTC Began in 2002

HTC began as a pilot project in Valley County and Ord in 2002. Other sites for HTC are Stuart and Atkinson; Mullen; Chase and Perkins Counties; Knox County; David City and O'Neill. The expansion to the new sites in Nebraska, including Ho-Chunk Community Development Corporation on the Winnebago Indian reservation and other tribal entities, will begin this fall.

HTC received the 2004 Innovative Program Award from the Community Development Society, whose members come from 32 countries and the United States. HTC has also been featured in a number of recent news stories, including USA Today and an editorial in the Omaha World-Herald. The USA Today article on rural development efforts in the United States headlined the Nebraska initiative: "Hometown competitiveness drives new rural development strategy."

The USA Today article reported, "In three years, Valley County, Neb., (population 4,647) has graduated 70 from a leadership class; set up an endowment with \$1.2 million willed by a local couple; and hired a business development coordinator. Ord, the county seat, has made seven small-business loans from a 1-cent sales-tax fund. The county must attract 27% of its high school's average graduating class of 67 to stabilize the population by 2010."

"A wealthy alum living in Arizona flies in to teach a class on growing entrepreneurs. A graduate came home from Lincoln to start an irrigation-well firm. Another plans a local dental practice."

continued on page 6

New Americans Training in Nebraska City, Norfolk

New Americans integration into Nebraska communities and their entrepreneurial successes were explored at two workshops in September, co-sponsored by the Nebraska Community Foundation, Active Voice (www.activevoice.net) and Grantmakers Concerned with Immigrants and Refugees (GCIR) (www.GCIR.org). The forums were held September 13 in Nebraska City and September 14 in Norfolk.

The workshops focused on helping communities connect New Americans with their HomeTown Competitiveness efforts. Participants toured businesses started by New Americans in each community and met their entrepreneurial owners.

Videos produced by Active Voice for a PBS miniseries last year were shown to provide examples of issues being faced by immigrants and refugees in the Midwest. GCIR presented

its new toolkit for strengthening communities through immigrant integration.

Helping lead the workshops were Alison De Lucca of GCIR and Elaine Shen of Active Voice. Co-sponsoring the workshop were the Nebraska City Community Foundation, an affiliated fund of NCF, Northeast Community College and the Rural Enterprise Assistance Program (REAP).

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David and Maria Rameriz wait on a customer during the New Americans workshop tour of Nebraska City entrepreneurs on Sept. 13. Rameriz told the tour group that it was his wife's idea to open a Mexican grocery store. He is pleased with the success and has doubled the space since opening. The store has customers from a wide trade area, including those who drive 45 miles from Lincoln.



A Message from the Board Chair and President/CEO



*Kathleen Thuman
Board Chair*



*Jeffrey G Yost
President and CEO*



Dear Friends,

The Nebraska Community Foundation is helping make a difference in the future of many, many Nebraska hometowns. By providing both a helping hand and technical expertise, the Foundation is empowering thousands of community leaders and donors to invest their time, talent and treasure in the places they love.

A major milestone was passed this year: \$50 million of total reinvestment since the Foundation was established in 1993. This reinvestment takes many forms, including grant making from endowments, capital campaigns, and public-private partnerships for facilities and programs.

In the past five years, nearly 25,000 gifts have been made to the Foundation and its affiliated funds. More than 1,400 community leaders now serve as advisors to Foundation affiliated funds. Both of these illustrate the power of the partnerships that NCF is building.

A new partnership, EndowNebraska, was critical in supporting the successful passage of LB 28 in the 2005 Nebraska Legislature. Nebraskans now have a new tax credit for gifts to Nebraska-based endowments. Co-chaired by Foundation President Emeritus Maxine Moul, EndowNebraska will soon provide marketing and education on this new tool for donors, their financial advisors and community leaders to use in building and sustaining our hometowns.

This year our HomeTown Competitiveness (HTC) collaboration was awarded one of six \$2 million grants from the W.K. Kellogg Foundation to build an Entrepreneurship Development System throughout Nebraska. HTC is one of seven grantees being featured in the 2005 W.K. Kellogg Foundation annual video and will also be featured in their annual report.

In our rapidly changing world, it has never been more important to think and act in entrepreneurial ways. The entrepreneurial communities HTC is supporting will help build greater economic prosperity and more opportunities for our youth to live and work wherever they wish.

Thank you all for your generosity and dedication in helping Nebraska's hometowns be even better communities for the next generation.

Sincerely,

Kathleen Thuman
Board Chair

Jeffrey G Yost
President and CEO

The Nebraska Community Foundation exists to help concerned individuals mobilize charitable giving in support of the betterment of Nebraska communities and organizations.

This 2005 Annual Report is published by the
Nebraska Community Foundation
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of Plattsmouth
Jim Wolf* of Albion

* Deceased

President and CEO
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Rayna Collins



The staff of the Nebraska Community Foundation stands in the lobby of its new office building at 650 J Street in Lincoln. The Foundation will be moving to Suite 305 of the building later this year. Counter-clockwise from the top are Jana Jensen, Teri Alley-Davis, Maxine Moul, Sberi Hink, Kerry Hagemeyer, Jina Morris, Jeff Yost, Amy Fey, Doug Friedli and Jim Gustafson.

Major Contributions

made to Affiliated Funds July 1, 2004 through June 30, 2005

Name	Purpose	Name	Purpose
\$250,000 to \$499,000		\$15,000 to \$24,999 <i>continued</i>	
Bonnie McManigal Gupta Northwest Area Foundation State of Nebraska/DED	McManigal Family Donor Advised Fund RUPRI Rural Policy Research Institute Fund Nebraska Microenterprise Partnership Fund	Annie E. Casey Foundation Inc. Center For Rural Affairs/REAP Lyons Farmers State Bank/Wallace Loup Valley Machining & Manufacturing, Inc. National Fund for Enterprise Development Doug Hermance/Pea King Produce Inc. South Dakota Community Foundation	RUPRI Rural Policy Research Institute Fund GROW Foundation Fund Wallace Community Foundation Fund Burwell Community Foundation Fund Nebraska Microenterprise Partnership Fund Keith County Community Foundation Fund CAI-Community Assistance Initiative Fund
\$100,000 to \$249,999		\$7,500 to \$14,999	
USDA Rural Development U.S. Dept. of the Interior Bureau of Reclamation Wachiska Audubon Society Nebraska Game and Parks Commission State of Nebraska/DED W.K. Kellogg Foundation	Nebraska Cooperative Development Center Fund Platte River Cooperative Agreement Fund Wachiska Audubon Fund Rainwater Basin Joint Venture Fund Nebraska Lied Main Street Fund Hometown Competitiveness Fund	U.S. Fish & Wildlife Service Behlen Mfg. Co. Stephen and Sheila Epler Dr. Kal and Char Gezi Nebraska Corn Board The Greater New Orleans Foundation Nebraska City Baseball Boosters TeamMates Mentoring Program/ Columbus Area Chapter Dale and Jeanie Tinstman Morris Skinner Foundation Platte County Bryan and Janet Barnard Farmers & Merchants Bank/Bloomfield Nebraska Foundation for Agricultural Awareness Nebraska Microenterprise Partnership Fund John and Sunny Nagengast Delwyn J. Nagengast, M.D. Jeffrey J. Baker Amgen Foundation Marcia Boden Elna J. Johnson James D. Nagengast David J. Nagengast Stephen M. Nagengast, MD Esther E. Wyant Adams Bank & Trust/Ogallala Anonymous H & H Cattle Co. K Cattle Co. Campbell and Eleanor Kropp/Kropp Charitable Foundation Midlands Community Foundation Nebraska Farm Bureau Services Inc. Nebraska Soybean Board Niewohner Cattle Partnership R Lush/Sweet Corn Products LLC UNeMed Corporation Union Pacific Corporation Kay Scott Columbus Area United Way Inc. Mark Tincher/Tincher Auto David Biggs/Westco Frank J. Murphy Callaway Chamber of Commerce Pac N' Save Great Plains Communications Inc./Blair Jerry and Vicki Wojtalewicz Anonymous State of Nebraska/DED ConAgra Foods Foundation Nebraska Soybean Board	Rainwater Basin Joint Venture Fund Anthony F. & Marion J. Raimondo Donor-Advised Fund Hebron Community Foundation Fund Hebron Community Foundation Fund Nebraska Agriculture Industry Partnership Fund CAI-Community Assistance Initiative Fund Nebraska City Community Foundation Fund TeamMates of Columbus Foundation Fund Tinstman Family Donor Advised Fund Brown County Community Foundation Fund Nebraska CASA Connection Fund Diller Community Foundation Fund Bloomfield Area Community Foundation Fund Nebraska Foundation for Agricultural Awareness Fund GROW Foundation Fund Bloomfield Area Community Foundation Fund Bloomfield Area Community Foundation Fund Decatur Community Foundation Fund Decatur Community Foundation Fund Boden Gift Annuity Fund Imperial Community Foundation Fund Bloomfield Area Community Foundation Fund Bloomfield Area Community Foundation Fund Bloomfield Area Community Foundation Fund Nebraska City Community Foundation Fund Keith County Community Foundation Fund Ceresco Community Foundation Fund Bloomfield Area Community Foundation Fund Keith County Community Foundation Fund Nebraska City Community Foundation Fund Nebraska CASA Sarpy County Fund Nebraska Agriculture Industry Partnership Fund Nebraska Agriculture Industry Partnership Fund Boone County Area Foundation Fund Bloomfield Area Community Foundation Fund Nebraska Venture Capital Forum Fund Nebraska Venture Capital Forum Fund Bloomfield Area Community Foundation Fund Nebraska CASA Connection Fund Plattsmouth Community Foundation Fund Box Butte County Community Foundation Fund Stuart Community Foundation Fund Callaway Community Foundation Fund Wayne Community Foundation Fund GROW Foundation Fund St Paul Community Foundation Fund Mullen Area Community Foundation Fund Rainwater Basin Joint Venture Fund Keith County Community Foundation Fund Nebraska LEAD Program Foundation Fund
\$50,000 to \$99,999			
Ducks Unlimited Inc. Lied Foundation Trust/ University of Nebraska Foundation Kermit B. and Lottie Wolf* Karns U.S. Dept. of Justice/OJJDP Nebraska Environmental Trust State of Nebraska Rural Economic Development Center Inc. State of Colorado Al and JoAnn Svajgr Elaine S. Wolf First National Bank of Omaha State of Nebraska/DED	Rainwater Basin Joint Venture Fund Nebraska Lied Main Street Fund Imperial Community Foundation Fund Nebraska City Community Foundation Fund Rainwater Basin Joint Venture Fund Nebraska City Community Foundation Fund CAI-Community Assistance Initiative Fund Platte River Cooperative Agreement Fund Diller Community Foundation Fund Wheeler County Community Foundation Fund Nebraska Venture Capital Forum Fund Nebraska Venture Capital Forum Fund		
\$25,000 to \$49,999			
U.S. Dept. of Treasury Decoria Group Inc. W.K. Kellogg Foundation The Steinhart Foundation Inc Larry and Mary Lynn Callen State of Nebraska/Natural Resources Commission Ron and Judy Parks Ewing M. Kauffman Foundation Minnesota Rural Partners Inc. State of Wyoming U.S. Dept. of Agriculture/Natural Resources Conservation Service Anna Marie White City of David City University of Missouri-RUPRI Wendell and Joyce Kronberg Pinnacle Bank/O'Neill Thomas G. and Concepcion C. Morgan Dean and Marilyn Pierson Lancaster County Farm Bureau The Hemingford Co-Operative Telephone Co.	Nebraska Microenterprise Partnership Fund RUPRI Rural Policy Research Institute Fund RUPRI Rural Policy Research Institute Fund Nebraska City Community Foundation Fund Keith County Community Foundation Fund Platte River Cooperative Agreement Fund Parks Family Donor Advised Fund CAI-Community Assistance Initiative Fund CAI-Community Assistance Initiative Fund Platte River Cooperative Agreement Fund Nebraska Grazing Lands Coalition Fund Nebraska City Community Foundation Fund David City Area Foundation Fund CAI-Community Assistance Initiative Fund Hal E. Kronberg Memorial Scholarship/ Ralston Community Foundation Fund O'Neill Community Foundation Fund David City Area Foundation Fund Wayne Community Foundation Fund Nebraska Foundation for Agricultural Awareness Fund Box Butte County Community Foundation Fund		
\$15,000 to \$24,999			
Harlan County Community Foundation State of Nebraska/DED Karl H. and Wealtha H. Nelson Family Foundation Inc. National Fish and Wildlife Foundation City of Nebraska City Weston and Winifred Furrer State of Nebraska Corporation for Enterprise Development City of Plattsmouth National CASA Association	Harlan County Community Foundation Fund GROW Foundation Fund Nebraska City Community Foundation Fund Rainwater Basin Joint Venture Fund Nebraska City Community Foundation Fund Farmers National Foundation Donor Advised Fund Burwell Community Foundation Fund Nebraska Microenterprise Partnership Fund Plattsmouth Community Foundation Fund Nebraska CASA Saline County Fund		

*Deceased

Contributions to the Nebraska Community Foundation

Many individuals, families and corporations have given direct support to the Nebraska Community Foundation to help fund its community-based development work. Significant donations received during the past year include:

\$100,000:

The Ford Foundation, New York, NY
W.K. Kellogg Foundation, Battle Creek, MI

\$15,000 to 99,999:

Consolidated Telephone Company, Lincoln
John and Carmen Gottschalk, Omaha

\$10,000 to \$14,999

Ron and Judy Parks, Papillion
Ameritas Charitable Foundation, Lincoln

\$5,000 to \$9,999:

McCarthy Group Inc., Omaha
Lehman Brothers, Jersey City, NJ
TierOne Charitable Foundation, Lincoln

\$2,000 to \$4,999:

Kathy Thuman/Farmers State Bank
of Maywood, Maywood
Cornerstone Bank, York
McCook National Bank, McCook

\$1,000 to \$1,999:

Cornhusker Bank, Lincoln
First National Bank of Omaha, Omaha
Great Plains Communications Inc., Blair
Nebraska Investment Finance Authority, Lincoln
Sid and Ruth Salzman, Ainsworth
Janet L. Krotter Chvala, O'Neill
Graff Charitable Foundation Inc., McCook
Robert D. Stowell/Springdale Realty, Ord

\$300 to \$999:

Frank and Shirley Sibert, Valentine
Jack and Beverly Pollock, Ogallala
Pete and Jonnie Peterson, Brule
Steve Buttress, Kearney
Robert Eihusen/Chief Industries, Inc., Grand Island
Graff Family Inc., McCook
Sam and Joyce Baird, Lincoln
Nebraska Rural Electric Association, Lincoln
Jack and Carol Maddux, Wauneta
James Fehringner/Fehringner, Mielak
& Fehringner PC LLO, Columbus

New Tool for Nebraska's Donors, Communities

Mark Graff, Chairman of the McCook Community Foundation, believes this new LB 28 legislation will provide individuals and corporations with a good incentive to help support their local endowment fund. "We live in an area with incredibly generous and caring people. We especially love to contribute to causes that will keep on giving over an extended period of time. Gifts to the McCook Community Foundation's endowment fund will help residents of Southwest Nebraska for years to come. This new law will not only emphasize the importance of building endowments, but financially reward those that so unselfishly give to ensure that the good life in Southwest Nebraska perpetuates."

Nebraska taxpayers have been given a new incentive to give back to their hometowns. Beginning with the 2006 tax year on January 1, 2006, donors to Nebraska's community foundations and other non-profits will be eligible for a state charitable tax credit. The donations must be to permanent endowments. The income from those endowments can only be used for Nebraska charitable purposes.

Nebraska's charitable tax credit for planned gifts by individuals and cash gifts for corporations, LB 28, was introduced by Sen. Matt Connealy, District 16, of Decatur and passed by the Legislature and signed by Governor Dave Heineman in June.

The legislation was supported by EndowNebraska, a consortium of Nebraska based foundations and non-profit organizations, co-chaired by NCF's President Emeritus, Maxine Moul, and by David Catalan of Omaha, executive director of the Nonprofit Association of the Midlands.

Provisions of LB 28 include:

- a maximum annual credit of \$10,000 for individual Nebraska taxpayers and for corporations doing business in Nebraska and paying state corporate taxes.
- a 30 percent credit for the present value of irrevocable planned gifts from individuals.
- a 20 percent credit for outright gifts from corporations.
- a sunset on January 1, 2010.

The types of irrevocable planned gifts that donors can use include charitable gift annuities and deferred gift annuities, life estate agreements, paid-up life insurance policies, pooled income fund trusts, charitable lead unitrusts and annuity trusts, and charitable remainder unitrusts and annuity trusts.

The article below illustrates the benefits and provisions of a charitable gift annuity. Donors are encouraged to consult with their own advisors about the benefits of a Charitable Gift Annuity or other irrevocable planned gifts and the new Nebraska Charitable Income Tax Credit.

Permanent charitable endowments that will qualify for contributions under LB 28 provisions can be established by Nebraska-based non-profit organizations. These endowments, composed of donations of cash from corporations or the remainder interest of irrevocable planned gifts from individuals, are placed in income-producing investments. Also eligible under LB 28 provisions will be the permanent endowments at community foundations for donor-advised funds and funds designated for specific non-profits.

A website for EndowNebraska, with information on the provisions of LB 28 and how to use the new charitable tax credit, will be established later this year, at www.endownebraska.org. For further information, contact Maxine Moul at 402-323-7331 or e-mail: maxinemoul@nebcommfound.org.

TOOLS FOR GIVING

Income for today, a gift for tomorrow Charitable Gift Annuity



Giving through a Charitable Gift Annuity allows you to arrange a generous future gift to your community, while providing yourself a fixed income source that you and a loved one can count on for the rest of your lives.

- I You make a gift to your community foundation – you can give cash or appreciated stocks.
- II The Nebraska Community Foundation sets up a simple contract that combines either immediate or deferred annuity income payments that are partially tax-free, with a future charitable gift.
- III You may receive an immediate charitable income tax deduction for the charitable portion of your gift.
- IV The Nebraska Community Foundation handles all of the administrative details – issuing annuity income payments to you and your loved one during your lifetimes and, afterward, using your gift as you direct.
- V You may designate that your future gift be placed into a permanent endowment fund at the Nebraska Community Foundation to benefit your community and/or favorite Nebraska based non-profit. Such a designation provides two benefits:
 - The satisfaction of helping to do good work forever. Your gift and the future earnings from the fund will be a permanent source of capital.
 - A Nebraska Charitable Income Tax Credit, a dollar for dollar offset against your Nebraska State Income Taxes, for up to 30% of the present value of the future gift made to the endowment fund. The credit is limited to a maximum of \$10,000 in any one year.

For a free, no obligation illustration on Charitable Gift Annuities, contact Jim Gustafson, Gift Planning Director, at the Nebraska Community Foundation. Learn how you can plan for the future of your community today.

jgustafson@nebcommfound.org 402-323-7341 www.nebcommfound.org

A personal connection

A Rock County, Nebraska resident, always active in his community, was generous with both his time and money. As he began to make his estate plans, he contacted his financial advisor and discussed the dreams he had for his hometown.

His advisor suggested the use of a Charitable Gift Annuity through the Nebraska Community Foundation. "This is a good choice for my client," the advisor said. "The Charitable Gift Annuity reduces his current income taxes and provides him with a fixed, lifetime income."

By giving through the Nebraska Community Foundation, the Rock County resident receives a fixed annuity payment that will add to his income for the rest of his life.

Jim Gustafson, Gift Planning Director at the Nebraska Community Foundation, helped the donor and his financial advisor set up the gift annuity, Gustafson said, "The opportunity to increase income and receive a current income tax deduction generated by the charitable gift annuity helped the donor decide to make a gift to satisfy a long-held desire to give back to the Rock County area that has been his lifetime home."

Legacy Society Members Recognized for Their Support of Nebraska's Hometowns

The Nebraska Community Foundation's Legacy Society is a way to celebrate and to say thank you to donors of both current gifts and provisions through estate plans that benefit Nebraska's hometowns.

Members of the Legacy Society are helping insure that future generations will enjoy the benefits that they have received by working and living in Nebraska. Their legacies in support of their hometown or favorite Nebraska non-profit organizations will provide for a better tomorrow.

A Nebraskan who has left a legacy and who illustrates a strong giving ethic is Kermit Karns of Imperial. Kermit was the Imperial Community Foundation's first significant giver in April 2000 when he started a substantial endowment to provide Imperial Manor nursing scholarships in memory of his wife, Lottie Karns. Mrs. Karns was an Imperial Manor resident at the time of her death. Kermit has given a substantial endowment to the Imperial Community Foundation to be used for nursing students willing to come back to Chase County.

This year, for his generosity, the Foundation says thank you and recognizes Kermit and three other new members of the Wolf Club, Ron and Judy Parks of Papillion, Bonnie McManigal Gupta of Omaha and Consolidated Companies, Inc. and the Thompson family. These new members and the previously recognized members of the Legacy Society,

through their charitable gifts, are creating a more prosperous future for Nebraska's communities and organizations. Their generosity is a model for others who are considering giving a portion of their wealth back to the places that nourished and supported them.

Our Legacy Society members illustrate that Nebraskans are a very giving people—volunteering their time to countless community organizations and causes and giving their dollars to those in need and to their hometowns.

There have been more than 20,000 contributions to the Nebraska Community Foundation and its affiliated funds in the last five years. In 2003, on its 10th Anniversary of service to Nebraska and its communities, the Nebraska Community Foundation established its Legacy Society to recognize these special donors.

Some donors are naming their hometowns as the beneficiary of their life insurance policies. Others are using beneficiary designations for IRAs and other retirement funds to provide for the Nebraska Community Foundation's own endowment fund, which will support development work throughout Nebraska. Farmers have given gifts of grain and small

business owners have donated closely held stock.

Others have donated shares of appreciated stock to provide challenge grants to their hometowns, to begin building permanent endowments to provide for the future needs of the community. The willingness of our Legacy Society donors to be recognized for their generosity provides encouragement to others to make provisions for Nebraska's special places.

These are just a few of the many options that are available to make a meaningful gift to your hometown and favorite Nebraska organizations. With the passage of LB 28 (see article on page 4) the benefits of making a gift to your hometown have been increased.

The Foundation invites you to consider the difference your hometown and favorite organizations make to Nebraska. Then arrange a meeting with one of the Foundation's trained staff to learn about the gift options that are available to you. When you have gathered this information, the Foundation encourages you to consult with your own advisors to help you implement a gift plan that fits best into your overall plans. Please join the Foundation as we applaud the following members of Legacy Society for their outstanding acts of generosity and extend to each of them our grateful appreciation.

From these donors, four special groups are honored. The clubs and their members are described below.

The Jim and Elaine Wolf Club recognizes the individuals, families and their private foundations and corporations who have made cumulative, lifetime gifts of \$100,000 or more to the Nebraska Community Foundation and its affiliated funds. The Club is named in honor of the late Jim Wolf and his wife, Elaine, of Albion. Jim served as chair of the Nebraska Community Foundation from 1998 to 2000. He and Elaine initiated the Foundation's endowment fund with a gift of \$100,000 and provided the first Legacy Challenge grant to Boone County and their hometown of Albion, to build a permanent endowment. Jim and Elaine were honored as Nebraska Philanthropists of the year in 2003 by the Association of Fundraising Professionals - Nebraska Chapter.



Name	Purpose of Gift
John and Catherine Angle	Donor Advised Fund
Anonymous	Swimming Pool, Wilber
Anonymous	Library, Wymore
Anonymous	Swimming Pool, Wilber
Wayne and Beverly Buller	Donor Advised Fund
Larry and Mary Lynn Callen	Keith County
Thomas and Arlene Chilvers	Donor Advised Fund
William* and Erma Damme	Donor Advised Fund
Charles and Marge* Durham	Governor's Residence
John and Carmen Gottschalk	Nelson Institute, TeamMates, NCF
Bonnie McManigal Gupta	McManigal Family Scholarships
In memory of Lyndall Harris*	Salvation Army, Red Cloud
Robert Harm*	Knox County
Robert Hunt*	Robert and Jeanette Hunt/Great Plains Communications Fund
Kermit and Lottie Wolf* Karns	Imperial Community Foundation Scholarships
In memory of Vincent J. and Marie V. Kreifels	Vincent J. and Marie V. Kreifels Family Fund, Nebraska City
Kim and Bruce Lauritzen/First National Bank of Omaha	First National Bank of Omaha Donor Advised Fund
Ken Morrison/Morrison Roberts Foundation	Governor's Residence, RAMBO, NCF Endowment, GROW Nebraska
Ron and Judy Parks	Nebraska Community Foundation
Suzanne and Walter Scott Foundation	Governor's Residence, TeamMates
Frank and Shirley Sibert	Donor Advised Fund, Red Cloud
Consolidated Companies, Inc./Thompson Family	NCF/various community funds
Gaylord Wallace	Garfield County Museum
Hugh, Bill, and Cam Wilkins	Shickley
Jim* and Elaine Wolf	Boone County, NCF Endowment
Michael Yanney Family/America First	TeamMates and NCF

* Indicates deceased

How do you become a member of the Legacy Society?

By letting the Foundation know of your inclusion in your estate plans of your hometown's foundation that is an affiliated fund of the Nebraska Community Foundation, we are happy to enroll you in the Legacy Society as a way of thanking you in advance for your considerate and meaningful future gift. In addition, with permission, your name will be honored here in the Foundation's annual report and you will receive an invitation to attend the annual meeting of the Foundation.

If you are interested in investing in your hometown or if you have already made a

future gift intention in your will, through a beneficiary designation, or with a life income arrangement and are interested in becoming a member of the Legacy Society, or wish further information, please contact the Foundation: Jim Gustafson, Gift Planning Director, at 402/323-7341; or jgustafson@nebcommfound.org.

Recognition in the Nebraska Community Foundation Legacy Society is based on information known on or before June 30, 2005. The Foundation apologizes for any errors or omissions.

The Hometown Heritage Club recognizes our friends who have made provisions in their estate plans, with a future gift intention of any amount, for the Nebraska Community Foundation or an affiliated fund.

Name	Purpose of Gift
Anonymous	Arthur County Endowment
Anonymous	Grant and Madrid
Estate of Wyonna Alfs	Shickley
Estate of Merle Atkinson	Plattsmouth
Marcia Boden	Dorchester Area Endowment
William B.* and Rose Marie Brandt	Unadilla
Estate of Joe C. Brewster	Stuart
Janet L. Krotter Chvala	Atkinson, O'Neill, Stuart, and Spencer
Estate of Dale and Irene Fadschild	David City
Douglas A. and Patricia L. Friedli	Nebraska City
Dawn Koehlmoos	Pilger
Wendell and Joyce Kronberg	Hal E. Kronberg Scholarship/Ralston Community Foundation
Chad Lottman	Diller
Ronald Maas	Scholarships
Francis and Maxine Moul	Jenny Fund
Marilyn D. McNabb	Wachiska Audubon
Doris B. Miller	Stuart
Estate of Edward and Eldiva Pavlik	The Salvation Army
Larry and Angie Peirce	David City and Red Cloud
Estate of John B. Petteys	Burwell
Lois and Richard Quimby	Nebraska City Lewis and Clark Visitors Center Endowment
Estate of Russell Troxell	Burwell
Judy Wagoner	Wood River

* Indicates deceased

The Nebraska Community Foundation Endowment Club

honors gifts to the Nebraska Community Foundation Endowment, which will ensure the growth of charitable giving across Nebraska by supporting education, training and technical assistance. The club recognizes those who have designated a gift in their will, through a beneficiary designation or with a life income arrangement of any amount or, who have made cumulative, lifetime gifts of \$10,000 or more designated to the Nebraska Community Foundation Endowment.

Steve Buttress, Kearney	Irv and Wanda Omtvedt, Lincoln
Jay Dunlap, Milford	Ron Parks, Papillion
Douglas A. and Patricia L. Friedli, Nebraska City	Frank and Shirley Sibert, Valentine
Ken Morrison, Hastings	Kathy Thuman and family, Maywood
Maxine and Francis Moul, Lincoln	Jim* and Elaine Wolf, Albion
Beverly and Jack Pollock, Ogallala	Jeffrey G Yost and Cindy Ryman Yost, Lincoln

* Indicates deceased

The Connie Day Club recognizes a special group of friends who have made a future gift intention in their will, through a beneficiary designation or with a life income arrangement of \$500,000 or more to support the Nebraska Community Foundation or one of its affiliated funds.

The memory of Connie Day of Norfolk, and her civic leadership, will live on through the charitable gifts of the Day Club members. A former state senator, Connie served as the secretary of the Nebraska Community Foundation from 1999 to 2001. She provided for the establishment of the Connie Fund with a beneficiary designation of a \$500,000 life insurance policy, for the benefit of children in Northeast Nebraska.

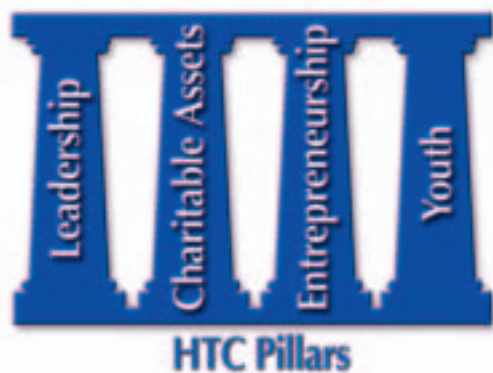


Name	Purpose of Gift
Anonymous	Rock County
Shirley Krutz Bennett	Libraries in Nebraska communities of less than 3,000 people
Bruno and Laverne Boettcher	Spencer
Estate of Connie Day	Connie Fund
John Day	Connie Fund
Estate of James Fisher	Tekamah
Estate of Grace Moller	Nebraska City Public Library
Anonymous	Brown County
Frank and Shirley Sibert	Donor Advised Fund, Red Cloud, Valentine
Estate of John and Alyce Wozab	Valley County
Bernard and Susan Hay	Donor Advised Fund

HOMETOWN COMPETITIVENESS to Expand with Kellogg Foundation Grant *continued from page 1*

Four pillars of HTC Illustrated in Nebraska Communities

Jan Krotter-Chvala, a leader in the Atkinson-Stuart HTC effort, said her communities learned from the successes at Valley County and Ord. "Our communities need help with the basics in community development and sustainability, so that we can learn to do this for ourselves. We need to become self-sustaining and self-sufficient. That's our goal — to learn how to make our communities sustainable."



- 83% of the participants indicated that their charitable giving would increase substantially because of the Institute.
- 76% of the participants felt they had increased their knowledge of entrepreneurship opportunity.
- 81% felt that the Institute has increased their confidence about their community's ability to attract new residents.

Entrepreneurship Works

Entrepreneurial development works in rural Nebraska, according to Chuck Hassebrook, Executive Director of the Center for Rural Affairs. Locally owned small businesses are creating most of the new rural jobs. Non-farm self-employment alone accounts for two-thirds of new jobs in Nebraska's most rural counties, according to Center for Rural Affairs analysis. Nationwide, two-thirds of job creation and business growth comes from entrepreneurial ventures, according to the National Commission on Entrepreneurship.

"Small entrepreneurship is especially important as companies that formerly looked to rural areas are now moving off shore for lower wage labor. Entrepreneurial development keeps local people in control of their community's future. It keeps profits at home and enables local people to build assets and earn middle class incomes," Hassebrook said.

"It has given us a jump start and now all the current HTC communities have a responsibility to help other Nebraska communities get started, too."

—Bob Stowell, Ord attorney and a member of the Nebraska Community Foundation Board of Directors



Two hundred high school students attend the first annual Knox County Youth Entrepreneurship Day last spring. More than 50 signed up for task forces related to the county's HTC initiative.

One of the strengths of the HTC initiative has been the financial commitment made by the participating communities, according to Bob Stowell, an Ord attorney and a member of the Nebraska Community Foundation Board of Directors. The Kellogg grant will give communities access to more comprehensive resources from core and collaborating partners, but still require local community match and substantial volunteer commitment.

Stowell, chair of the Valley County HTC steering committee, said HTC is the first program that has real traction in his community. "It has given us a jump start and now all the current HTC communities have a responsibility to help other Nebraska communities get started, too."

Stuart and Atkinson team up

Stuart and Atkinson are two neighboring communities that are teaming up to employ HTC to build a stronger region. A key element in their HTC game plan is leadership development. Together they have created the Home Town Leadership Institute. This leadership building strategy shows the following results:

- 60% of the participants indicated they plan to increase their volunteer activities as a result of the Institute.
- 57% of the participants shared that they were now interested in seeking public office in the future.



David City Community Foundation advisory committee member Larry Peirce gave a presentation on HomeTown Competitiveness at the HTC celebration in David City in June. Peirce said after he attended NCF leadership summits, it was clear to him that members of foundation boards should lead by example. He recently purchased a life insurance policy and designated two community foundations as beneficiaries: his native Red Cloud, and David City, where he is manager of the newspaper.

"Entrepreneurial development keeps local people in control of their community's future."

Chuck Hassebrook, Executive Director of the Center for Rural Affairs

O'Neill, Valley County Establish Founders Clubs for HomeTown Competitiveness

Founders and Builders Clubs to sustain the ongoing work of community foundations have been used by several affiliated funds of the Nebraska Community Foundation. But O'Neill and Valley County have a target goal for their clubs: the support of their efforts in HomeTown Competitiveness.

The HTC Clubs will support community development efforts focused on leadership, entrepreneurship, charitable giving and youth attraction and engagement. Both O'Neill and Valley County have \$1,000 membership levels, in either cash or pledges over a four year period and automatic cash withdrawals from the member's bank account can be set up.

O'Neill had 55 members in their Builder's Club by mid-September, with \$57,000 in cash or pledges. Members of O'Neill's Unrestricted Endowment Builder's Club help support community development efforts through HTC and give input on how the funds are spent.

In addition to the contributions from the O'Neill Builders, Pinnacle Bank made a \$25,000 challenge grant to be matched by the community. They also pledged another \$25,000 in \$5,000 increments for each additional \$100,000 raised.

In just two months, the Valley County Founders Club for HTC surpassed its goal of 47 contributions of \$1,000. The county license plate number for Valley County is 47. By September, there were 55 club members, representing individuals, couples or businesses. Seven of the founders live outside of Valley County.

Business owner Joe Wadas and his wife, Chris, of Wadas, Inc. in Ord convinced his siblings, the children of the late Bill and Agnes Wadas, to join him as \$1,000 Founders: Steve Wadas of Columbus; Monte and Mary Palu of Escondido, CA; and Michael and Mercy Wadas of North Las Vegas, NV.

The funds for both Valley County and O'Neill are being invested as endowment funds at the Nebraska Community Foundation. Members of the Clubs will determine how the funds will be spent to support their community's HTC program.

Valley County was the first community, in 2002, to participate in the HomeTown Competitiveness initiative. As the pilot community, it now provides advice and learning experiences to the other six communities that are now a part of the Nebraska effort. O'Neill joined HTC in 2004.

To learn more about the Valley County HomeTown Competitiveness Founders Club, contact Bethanne Kunz at the Valley County Economic Development office, (308) 728-7875. Those interested in the O'Neill Builder's Club can contact HTC Coordinator Nicole Sedlacek at (402)-336-1732

Mullen HTC entrepreneurship

Local leaders in Mullen, population 554, located in the Nebraska Sandhills, are using the HomeTown Competitiveness framework to help local entrepreneurs get established and grow their business. Over the past 18 months, two young mechanics have moved to the community and opened a successful new business. Several additional businesses have also opened including a vineyard, coffee shop and a fine linen laundry service.

The Sandhills Resource, Conservation and Development District moved into a new building in 2004, and created two additional new jobs in town. Nebraskaland Bank also saw the

promise of the Mullen area and constructed a brand new bank downtown, creating several additional jobs. Macke's grocery store has been renovated and local youth conducted a consumer preference study to assist businesses in meeting customer needs for goods and services.

Local leaders in Mullen, population 554, located in the Nebraska Sandhills, are using the HomeTown Competitiveness framework to help local entrepreneurs get established and grow their business. Over the past 18 months, two young mechanics have moved to the community and opened a successful new business. Several additional businesses have also opened including a vineyard, coffee shop and a fine linen laundry service.

During the past year, six new businesses and 12 new jobs have been created in Mullen, which just two years ago had "for sale" signs in eight businesses downtown. Several businesses are still available for an enterprising person who would like to live in a progressive small town with a "can do" attitude. There are 25 new jobs currently available as a new golf course is being constructed and there will be 53 permanent and seasonal jobs when the course is opened, according to Brian Thompson, NCF Board member and general manager of Consolidated Telephone Companies, which serves the Mullen area.

Summits Provide Peer Learning for 144 Fund Leaders

Nearly 150 fund advisory committee members from Nebraska Community Foundation affiliates received peer-to-peer learning in the Spring of 2005. The second annual Statewide Fund Advisory Committee Leaders Summit hosted by the Nebraska Community Foundation was held in Kearney January 21-22, 2005.

The 35 leaders from 17 communities at that event encouraged NCF to hold similar regional events. Three more Regional Leaders Summit meetings were held in Imperial (attended by 22 individuals from five communities), O'Neill (attended by 49 individuals from 17 communities), and Nebraska City (attended by 38 individuals from 16 communities) during the spring of 2005. The intensive peer-to-peer learning will help strengthen rural Nebraska through philanthropic giving, said Doug Friedli, NCF Development Director.

A follow-up survey to all individuals that attended at least one of the Summits resulted in 52 completed surveys, a 42% response rate. Survey respondents indicated they benefited from hearing about what is happening in other communities; learning how to create an endowment for their hometown and getting feedback on their ideas from other community leaders.



Nebraska Community Foundation board member Carol Maddux of Waunetta and Dan Reeves, Imperial Community Foundation advisory committee member, were among those attending a Fund Advisory Committee regional summit in Imperial last spring. Nearly 150 community leaders attended the January summit in Kearney and the regional meetings at O'Neill, Imperial and Nebraska City. More are planned in 2006.

Community leaders also learned about the importance of building an endowment for their hometown and about a crucial step in building those endowments – how to make donor

"The Foundation's collaboration with other programs working on rural development and stabilization is having a positive and effective impact on the rural attitude in the state. I commend your cutting edge vision on growing rural issues. I respect the Foundation as a quality, leading resource to empower rural Nebraskans with a sense of control and vision"

– Beth Roelfs, Diller.

Respondents ranked their top "take-a-ways" from the 2004-2005 Leaders Summits as enthusiasm and rejuvenation; hearing best practices from other communities, and creating an action plan to help move their local agenda forward.

They reported they were able to learn several valuable skills in how to make their hometown stronger. Leaders were taught to move their local agendas forward by developing a detailed action plan for their community and to make incremental steps to meet these goals.

"First of all, the enthusiasm and excitement of hearing success stories of others was just contagious and I could hardly wait to go home and share that if I could. Secondly, I realized that if I were to remain a part of this organization, then I needed to get busy and do something. Thirdly, I felt more confident after the Summit about doing something because I now understood the big picture. I also came away from the Summit with the conviction that even with my limited skills I could make a difference in my local group because I truly believed in our purpose"

– Ginger Kollman, Atkinson.

visits. Participants learned how to get started making these important visits and how to go about planning and doing them.



Mullen's welcome sign was just one indication of the hospitality shown to the board members and staff of the Nebraska Community Foundation at their August 11 and 12 quarterly board meeting in the Sandhills. Community leaders from Mullen, Arthur, Whitman, Theftord and Hyannis joined NCF in a community tour of Mullen and a barbecue dinner and awards presentation hosted by Consolidated Companies, Inc. at their new building on August 11. The NCF board meeting was held on August 12 in the Wagonhammer Education Center at the Gudmundsen Research Center of the University of Nebraska north of Whitman. The Wagonhammer Center was a gift of Elaine Wolf and the late Jim Wolf, a former board chair of NCF.

Suggestions for future summits were additional information on donors and how to make donor visits, grant making, youth involvement, board cultivation, and endowment building. Respondents also expressed interest in hearing more from other Nebraskan communities – they felt that the information sharing was a valuable part of the Leaders Summits.

Another statewide summit is planned for January 20 and 21, 2006 at the Holiday Inn in Kearney. The fall schedule for regional summits included meetings in Shickley and Nebraska City in September, Kimball, Ogallala, Pender and Atkinson in October, and McCook and St. Paul in November.

"We seemed to discuss the same things every meeting and made no progress. Now we are working through the tasks, getting the word out and actually ready to present grant money to four projects in July!!"

– Helen Hall,
Wheeler County Foundation.

Ford Foundation President Keynotes 2005 NCF Banquet in Norfolk

Susan V. Berresford, President of the Ford Foundation in New York City, will be the keynote speaker for the Nebraska Community Foundation's annual banquet, November 10, 2005 in Norfolk, Nebraska.

Ms. Berresford frequently speaks on the role of non-profits, and the responsibility of foundations to be accountable for their field. Nonprofit organizations are integral because they engage in people's daily lives, Berresford said in a recent speech in Eureka, CA. "They are part of what makes our democracy ... full of life."

Making sure the public is informed about a foundation's role in a democratic society is also critical, Berresford said last year at a Stanford University Graduate School of Business Philanthropy Discussion Series. In the United States the flourishing non-profit sector is "essential to our lives but few Americans grasp the concept of this third sector," said Berresford. "Even fewer understand how basic freedoms inherent in the third sector ultimately rest in part on philanthropic dollars."

Forbes magazine named her one of the 100 Most Powerful Women in August 2005. The Forbes citation: "As president of the renowned \$10.5 billion Ford Foundation since 1996 as well as the president of its board, Berresford, 62, commands a lofty perch in the philanthropic community. In that role, Berresford fights for funding that targets programs for better education, health care and the economic advancement of women. In 2004 the foundation granted more than \$470 million to projects that focus on such issues as community development, peace and social justice. Berresford also continued writing checks for her record \$280 million International Fellowships Program, which began in 2000."

She joined the Foundation in 1970 and during her career there, served as research assistant and program officer in the national affairs division, officer-in-charge of women's programs, vice president for United States and international affairs program, vice president of the world-wide program division, and executive vice president.

Prior to joining the Foundation, Ms. Berresford worked as a program officer for the Neighborhood Youth Corps and subsequently at Manpower Career Development Agency overseeing the evaluation of training, education and work programs.

Ms. Berresford attended Vassar College and then studied American history at Radcliffe College, where she graduated cum laude in 1965.

Ms. Berresford serves on the boards of the Council on Foundations and the Trinidad, CA Trust Fund and is a member of the American Academy of Arts and Sciences.

The Ford Foundation has provided funding to the Nebraska Community Foundation of \$100,000 annually for the past three years to support the Foundation's development work with affiliated funds. NCF has worked with program officer Linneta Gilbert, who will also attend the banquet.



Susan Berresford
President of the Ford Foundation

NCF Featured in New Report on Growth of Philanthropy in Rural Places Online Resources Available to Rural Residents, Foundations

All across America, rural communities are facing big challenges as economies change, populations shift, and government resources and subsidies dramatically decline. A new report from New Ventures in Philanthropy, an initiative of the Forum of Regional Associations of Grantmakers, describes how burgeoning philanthropic efforts in rural communities are responding to these challenges. Work by the Nebraska Community Foundation and its affiliated funds is featured in the report.

New data in the report from the Aspen Institute Community Strategies Group demonstrate the rapid rise of rural philanthropy, particularly through the growth of community foundation affiliate funds which, in the past six years, have increased their numbers by 132 percent. Nearly three-quarters of these funds serve primarily rural areas and all told they have endowed assets of at least \$2 billion.

Growing numbers of residents in rural areas around the nation are demonstrating that there are philanthropic assets to be harnessed and invested in their communities. "Rural philanthropy differs from traditional forms of philanthropy in that it often engages the entire community, rather than just its wealthiest members," said Paula Shoecraft, communications manager for the Forum and New Ventures.

Community foundations and regional institutions are finding innovative and effective ways to achieve their missions by supporting rural philanthropy. The Nebraska Community Foundation assists a network of 183 affiliate funds to cultivate endowment-

A Chronicle on Philanthropy article on the New Ventures in Philanthropy study was published on September 15, 2005. It reported, "The Nebraska Community Foundation, in Lincoln, has developed an analytical tool that helps people in rural areas estimate the amount of wealth that will transfer between generations over the coming 50 years, down to the county level."

building efforts in rural areas. The affiliates have distributed more than \$50 million in grants in the last five years to address critical community needs.

To assist foundations and rural residents in learning about the opportunities presented by rural philanthropy, New Ventures has created an online Rural Philanthropy Knowledge Center. The center's website, <http://www.givingforum.org/rural> includes "how to" resources about the nuts and bolts of building rural funds; stories of communities that have succeeded in creating these funds; and resources created especially for private and community foundations.

"We are a community development institution using philanthropy as a tool. It's about the psychology of a whole place, not just the money."

Jeff Yost, Nebraska Community Foundation President.

NCF Completes Compliance Documents for National Standards

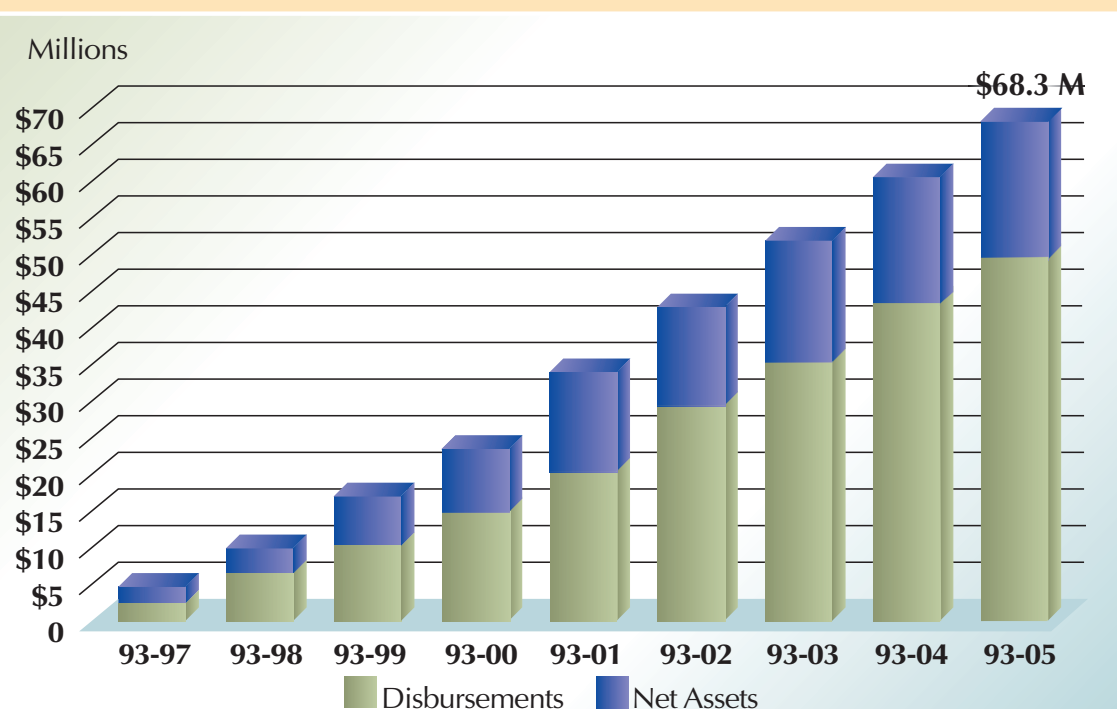
Well in advance of the current cry for standards across the philanthropic field, the Community Foundations Services division of the Council on Foundations brought together a group of community foundation practitioners to develop standards for the field.

The Nebraska Community Foundation has now completed its documentation of compliance with the National Standards, after nearly three years of work by its staff and Board of Directors.

There were 38 required documents, which are reviewed by staff from the Council on Foundations and trained senior community foundation professionals. The review process takes about four months, and the Nebraska Community Foundation should receive notification of its review results in early 2006.

Approximately half of the community foundations in the United States have indicated they intend to comply.

Cumulative Disbursements and Net Assets 1993-2005



Knox County is Nebraska Diplomats Community of the Year

Knox County, one of Nebraska's HTC communities, was honored as "Community of the Year" by the Nebraska Diplomats at their annual banquet in September. The award cited the county's work in identifying future growth possibilities and maintaining a positive attitude, while fostering new economic and community development. The Diplomats are volunteer business people who support the work of the Nebraska Department of Economic Development.

This northern Nebraska county "has veered from the norm and decided to put past differences behind them when helping develop the economies of its nine communities," according to the nomination. "By coming together as a group of individuals representing each community, they've established an economic development approach that is unique to what a lot of areas are doing."

Terry Johnson, director of the Knox County Development Agency, said the communities have all recognized that "they

"We are looking at building from within..."

— Terry Johnson, Director of the Knox County Development Agency

need to work together if they are going to sustain a good economy here."

This unique approach has combined HomeTown Competitiveness with economic development. It focuses on entrepreneurial youth involvement, leadership development, and the establishment of long-term charitable funding to help the area achieve goals without compromising the quality of life.

Johnson said, "We are looking at building from within, looking at what are the resources that we have, building new businesses from people we have—entrepreneurs in the

area, opposed to attracting major industry. We've taken a very much inward approach...we look at the possibility of bringing new companies in, but the nuts and bolts have been to really develop from within."

One way to start from within is to bridge the generation gap of the youth, get them excited about where they live and their potential futures within those communities.

Working together through this unique community competitive approach has generated excitement about their economic future among many of the county's leaders.

Joe Skrivan, chairman of the Knox County Development Agency, said, "We put aside the differences in our communities as much as we can and we started working together. We know it's too hard for each one of us individually to attract business and we need to work together as a group and an area to make things happen."

"We put aside the differences in our communities as much as we can and we started working together."

— Joe Skrivan, Chairman of the Knox County Development Agency



The Thedford Community Foundation received a contribution from Consolidated Companies, at a celebration with the Nebraska Community Foundation board of directors at the Consolidated facilities in Mullen on August 11. Thedford, Mullen, Hyannis and Arthur have all met the telephone company's challenge to match a \$3,000 gift in 2005. Pictured, left to right are Rose Gift, Marcy Andersen, Brad Sawyer, Brian Thompson of Consolidated, Jamie Taylor, Steve Brown and Hap Jones.

Microsoft Employees Challenged to Give Back to Nebraska

In 1997, Microsoft Business Division President Jeff Raikes, a native of Ashland, Nebraska, committed to match, dollar for dollar, any donation made by Microsoft employees to their home state of Nebraska. The employees also had access to matching dollars from the Microsoft Corporation, and to employee discounts for Microsoft products.

Raikes was the keynote speaker at the November 2004 annual banquet of the Nebraska Community Foundation, and invited NCF President and CEO Jeff Yost to the Seattle area last February, to meet again with former Nebraskans who work at Microsoft. At a reception in Seattle, Raikes renewed his challenge to match employee donations to Nebraska causes.

Both times, Todd Apley, a Microsoft employee in Redmond, Washington, has used the Raikes challenge to multiply his personal donation. Apley is a former Nebraskan who believes in giving back to his hometown. And he especially remembers the school that gave him his education and a start in information technology.

"The commitment by former Nebraskans to their hometowns is encouraging and heartwarming for these Nebraska communities."

— Jeff Yost, NCF President and CEO

He remembers his math teacher at Hebron, Jim Fraser, who taught him integers and the quadratic formula and used entertaining methods of imparting his knowledge to his students. Fraser and Apley met by chance at a Hebron basketball game in 1997, and Fraser told Apley of the needs for computers at the school.

Apley's commitment to Hebron and its schools, and to technology, resulted in a computer lab for the school back in 1997. Now he has set up an endowment at the Nebraska Community Foundation that will be available to keep technology resources current for the students' benefit.

Todd's 1997 donation to the Thayer Central High School at Hebron, of \$8,000 in Microsoft company stock, resulted in a total of \$24,000 in cash contributions and another approximately \$16,000 of Microsoft products for the computer lab.

This time, he has donated more appreciated stock, and with the Raikes Family Foundation match and Microsoft company donations, the endowed fund will be approximately \$15,000. The school has also received about \$7,000 worth of Microsoft software.

In 2005, Raikes has also matched donations from three other Microsoft employees who are former Nebraskans. Mike Bernard, a native of Auburn and Johnson County, made a contribution of \$5,000 to the Nemaha County HomeTown Competitiveness Endowment Fund.

The resulting \$10,000 will be available to support the county's participation in the HTC initiative, providing a framework for philanthropic giving, entrepreneurship, leadership and youth engagement and attraction.

"The commitment by former Nebraskans to their hometowns is encouraging and heartwarming for these Nebraska communities," said Yost. "We are especially grateful that Jeff Raikes and Microsoft are providing these matching dollars to expand the impact of their employees' generosity."



Thayer Central High School students Regina Schmidt and Jen Foutch receive instruction at the computer lab supported by Hebron native Todd Apley and his employer, Microsoft, and Microsoft executive and Ashland native Jeff Raikes. Their instructor is Victor Jacobson, who teaches digital photography.

On-line Giving Available for NCF Funds, Donors

A new service for the affiliated funds of the Nebraska Community Foundation was launched in 2005, with on-line contributions to a secure section of the NCF website.

The new service will allow donors to NCF affiliated funds to make contributions to their communities and organizations with charges to their credit cards. The Nebraska City and Keith County affiliated funds were the first to accept contributions in this manner. The on-line giving option is being made available to NCF affiliated funds on a fee basis.

Development of the site was led by Jennifer Johnson, an intern through the Nebraska Rural Initiative of the University of Nebraska. Jennifer was a J.D. Edwards honor student who graduated last December from the University of Nebraska-Lincoln. Also working on the project was Angela Stueckrath, who hosts the NCF website, and NCF staff member Sheri Hink.

Another new feature of the Foundation's website is a search engine, to allow visitors to easily find specific documents on the site. The search feature is on the home page.

For information on how you can make a donation to an NCF affiliated fund, visit our website at www.nebcommfound.org/donate. If you have questions regarding donating to an affiliated fund or if you have an affiliated fund that wishes to participate in the on-line giving service, contact Sheri Hink at 402-323-7340 or sherihink@nebcommfound.org.

Yost Named Chair of National Foundation Network

Nebraska Community Foundation President and CEO Jeff Yost was selected chair of the Council on Foundations' CEO-Network for Community Foundations. The network provides a forum for exchange of best practices and information that is specific to the management and leadership of community foundations.

He served as the CEO-Network representative on planning committee for the 2005 conference in Seattle in September and will serve on next year's conference planning committee.

Grant Making to Improve Economic Opportunity

The Nebraska Community Foundation and its affiliated funds are using charitable giving and endowments to support community and economic development. Here are some examples of grants to increase economic opportunity in your hometown:

■ **Non-Traditional Scholarships** – Helping adults to learn new skills or train for new professions is critically important in our rapidly changing economy. Non-traditional scholarships can help these adults join the middle-class and be significant contributors to our communities. Many affiliated funds including Nebraska City, Brown County and O'Neill are using non-traditional scholarships to help existing residents have a brighter economic future.

■ **Entrepreneurship Programs** – In conjunction with its HomeTown Competitiveness (HTC) efforts, the Valley County affiliated fund is providing annual grants to partially fund a business coach who is helping local entrepreneurs with planning, business transition, market identification and employment opportunities. Similar grant making is occurring in other communities implementing HTC.

■ **Enhance K-12 Education** – Many affiliated funds are using local charitable assets to improve K-12 education in their community. A technology center in Hebron, teacher scholarships in Creighton, and facility projects in McCook, Plattsmouth and Burwell all supplement governmental resources with charitable assets. That's a key value-added measure for local school districts.

■ **High-Quality, Affordable Child Care** – Child care that is both affordable and of high quality is in short supply in many Nebraska com-

munities. Many affiliated funds, including David City through its grant for an after-school program, are supporting and/or subsidizing rates, facility improvements, wage enhancements and continuing education for child care providers.

■ **Leadership with a Purpose** – Building an inclusive and diverse pool of community leadership is a cornerstone of the HTC framework and essential for building an entrepreneurial community. Many affiliated funds implementing HTC are using charitable assets to help underwrite the costs of leadership classes and projects. Outcomes of these leadership classes include more women running for public office, more young people feeling greater ownership in their community and intergenerational dialogue.

■ **Expanding Health Care Access** – Access to quality health care is critical to economic development in many communities. Affiliated funds are using charitable assets to build a better and more sustainable health care system in their community. A new clinic in Wauneta, nursing scholarships in Imperial and better elder care in Stuart illustrate that charitable assets are a key margin-of-excellence to insure high quality, community-based health care.

New Americans Training in Nebraska City, Norfolk *continued from page 1*

NCF board member Susan Ugai of Lincoln, who helped organize the workshops, said, "New Americans bring fresh ideas, energy, and a will to succeed in their new lives and businesses in Nebraska. Much as our grandparents and great grandparents did when they first came to this country, these families come to build new lives and to see that their children will get a good education and have a better life. As our rural communities struggle to survive, we need to realize that New Americans have the same hopes and dreams we all do; and together we can revitalize rural Nebraska."

"Norfolk, Madison County, and the surrounding area are working toward a positive approach to address issues related to immigrants, refugees, and other underserved populations," said Joe Ferguson, director of business, industry and economic development at Northeast Community College. Over 35 agencies, organizations, individuals, and businesses are working together to identify needs and deliver appropriate services and resources. An

area-wide integration task force has aided the creation and staffing of "The New American Center" to function as a clearinghouse for all issues facing immigrants, refugees, and other new arrivals. The task force has addressed issues including language, housing, transportation, child care, employment, immigration and naturalization, and basic civics.

"The New American Workshop was a great experience, and it brought a number of additional players to the table... each of whom is now committed to working jointly for a more unified and diverse community," Ferguson said.

The Nebraska Community Foundation is one of three organizations chosen to work with the San Francisco based Active Voice in this effort. The other organizations are in Indianapolis and Louisville, KY. For further information, contact Foundation board member Susan Ugai at book1456@aol.com or 402-474-2272 or NCF staff member Sheri Hink at sherihink@nebcommfound.org or 402-323-7340.

Norfolk Daily News

September 15, 2005

Immigration integration is process of give, take, workshop leader says

By TRISHA SCHULZ

Integration is a two-way street.

That was the focus behind a day-long "New Americans Workshop" on Wednesday.

"It's more of a give and take," said Elaine Shen of Active Voice, an organization working for personal and institutional change across America.

That means residents shouldn't expect immigrants to assimilate and give up their culture, but yet each cultural group can learn, grow and live together in a successful society, she said.

A group of about 40 people participated in the workshop that began with a PBS miniseries presentation at the Lifelong Learning Center at Northeast Community College. Program consultant Alison DeLucca presented information on how to strengthen communities through integration.

For lunch, participants split into two groups and ate at authentic Mexican restaurants downtown owned by local entrepreneurs.

After lunch, they toured some downtown businesses owned by immigrants, and discussed the experience and ways to continue making strides in effectively integrating immigrants into the community.

Norfolk is already a model in successful integration of immigrants, said Doug Friedli, development director of the Nebraska Community Foundation, a sponsor of the

workshop. "If you want to know how to do it, take a trip to Norfolk," he said. "There's a lot of towns that talk about it, think about it, but they haven't done it. Here, they're doing it."

Friedli points to the recent opening of the New American Center, a one-stop resource for those newcomers to Norfolk, as a significant accomplishment.

The group discussed ways to get the whole community involved in welcoming and supporting immigrants.

Joe Ferguson, director of business, industry and economic development at Northeast, said if everyone could experience what participants experienced Wednesday, it would make a positive impact.

Doug Witte, director of student services at Norfolk Public Schools, said each participant has the task of talking to someone else.

"Each one of us can touch someone else. There's nothing to say that we can't re-create the experience for them," he said.

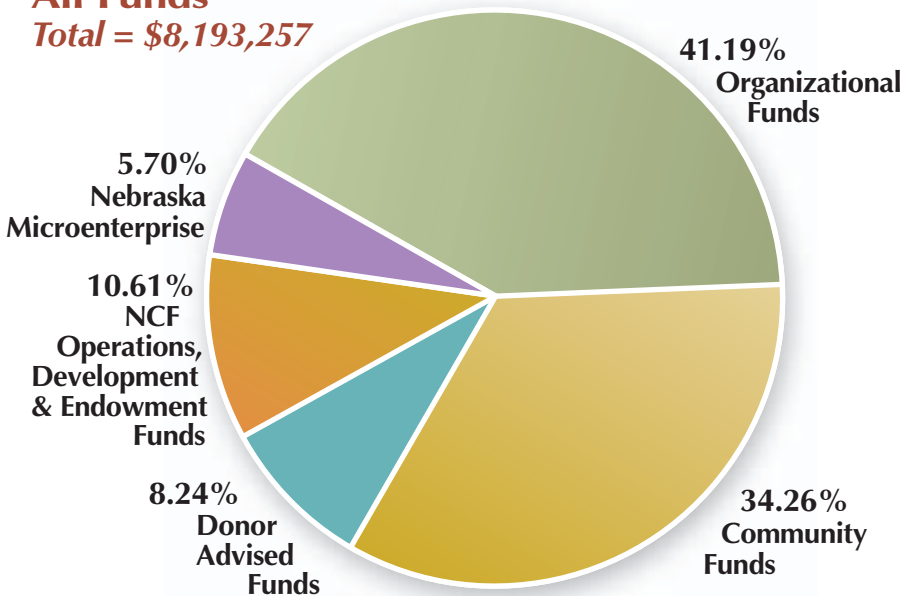
Mayor Gordon Adams said he hopes Norfolk residents realize the importance of immigration from an economic standpoint.

"I think it's important... the labor force that they provide and the amount of economic activity that that generates," he said.

2004-2005 Financial Summary

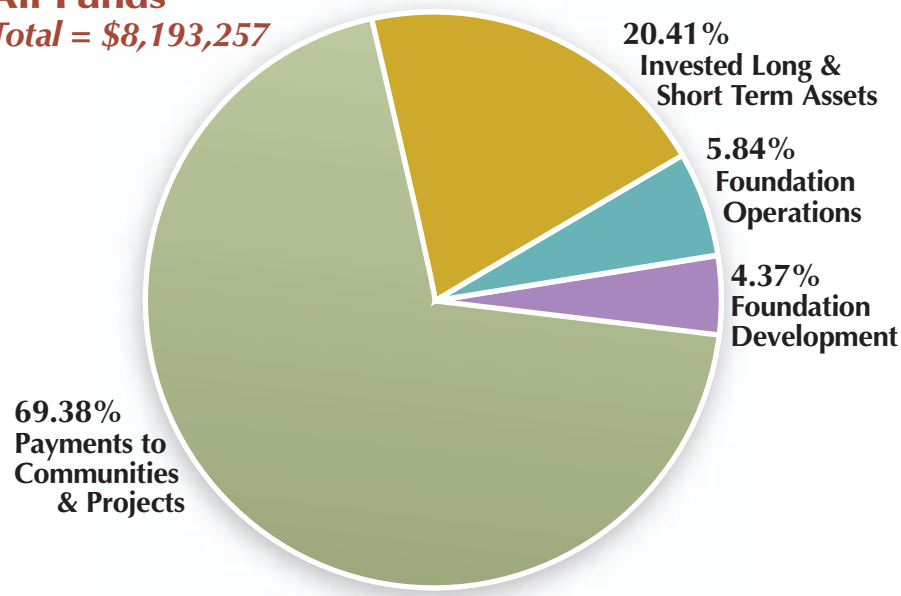
Source of Funds

All Funds
Total = \$8,193,257



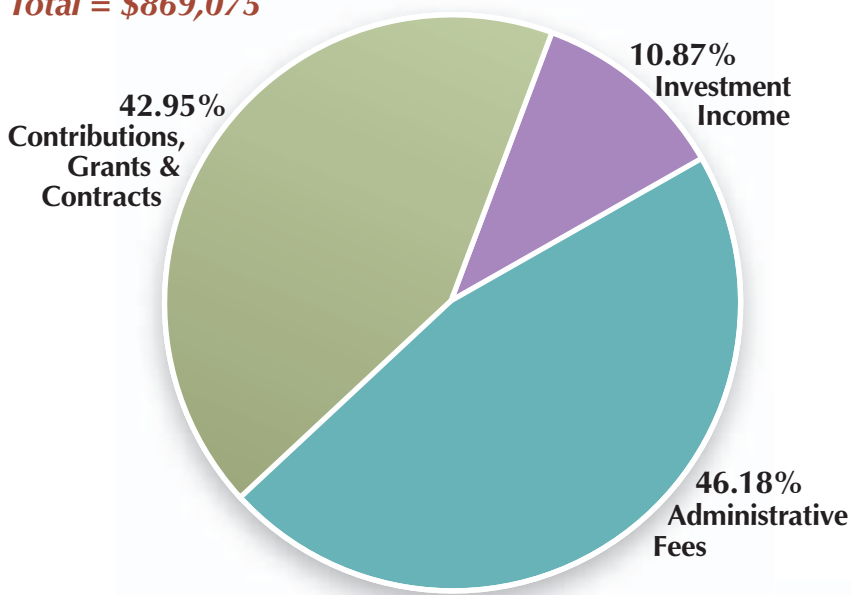
Allocation of Funds

All Funds
Total = \$8,193,257



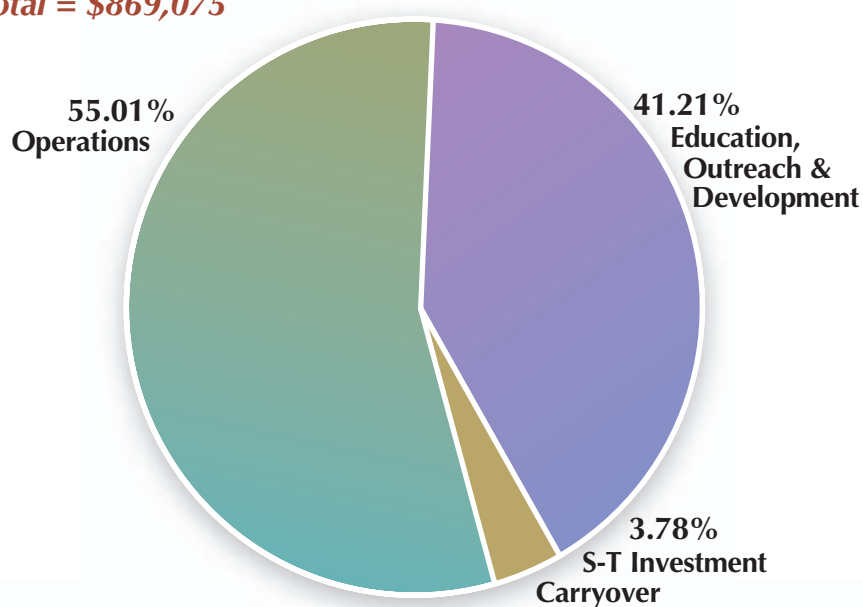
Foundation Operations and Development

Total = \$869,075

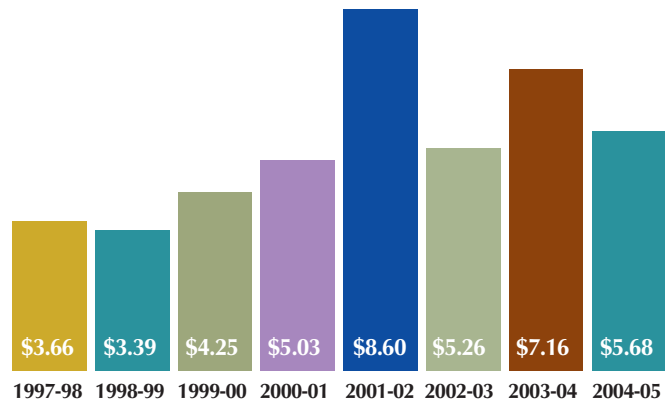


Foundation Operations and Development

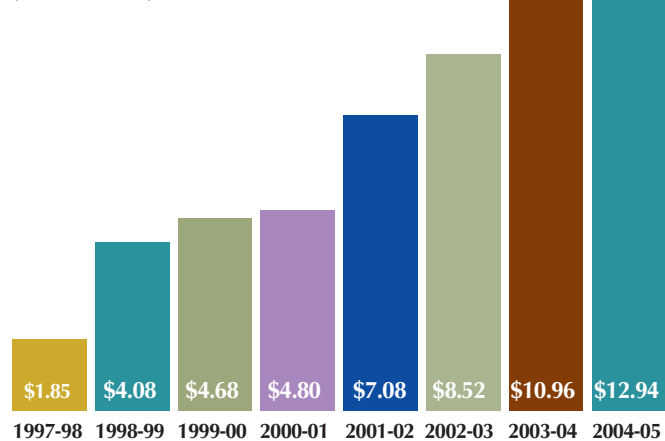
Total = \$869,075



Payment to Communities and Projects (in millions)



Permanent Endowments Under Management (in millions)



Steve A. Beckler, Partner
Stephen K. Burdison, Partner
Ronald J. Ecklund, Partner
John J. Hanigan, Partner
Cynthia E. Lauer, Partner
Patrick A. Meyer, Partner

Alissa E. Beckler
Benjamin L. Child
James D. Johnson
Margie J. Knight
Erin B. Laska
Kevin G. Lee
Ronald J. Pollock

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The Board of Directors
Nebraska Community Foundation
Lincoln, Nebraska

We have audited, in accordance with U.S. generally accepted auditing standards, the consolidated financial statements of Nebraska Community Foundation for the years ended June 30, 2005 and 2004, and have issued our report thereon dated August 15, 2005. We have also audited the accompanying 2004-2005 Financial Summary of Nebraska Community Foundation. This schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on this schedule based on our audit.

We conducted our audit of the schedule in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 2004-2005 Financial Summary is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the schedule. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall schedule presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the 2004-2005 Financial Summary referred to above presents fairly, in all material respects, the financial summary of Nebraska Community Foundation, in conformity with the modified cash basis of accounting.

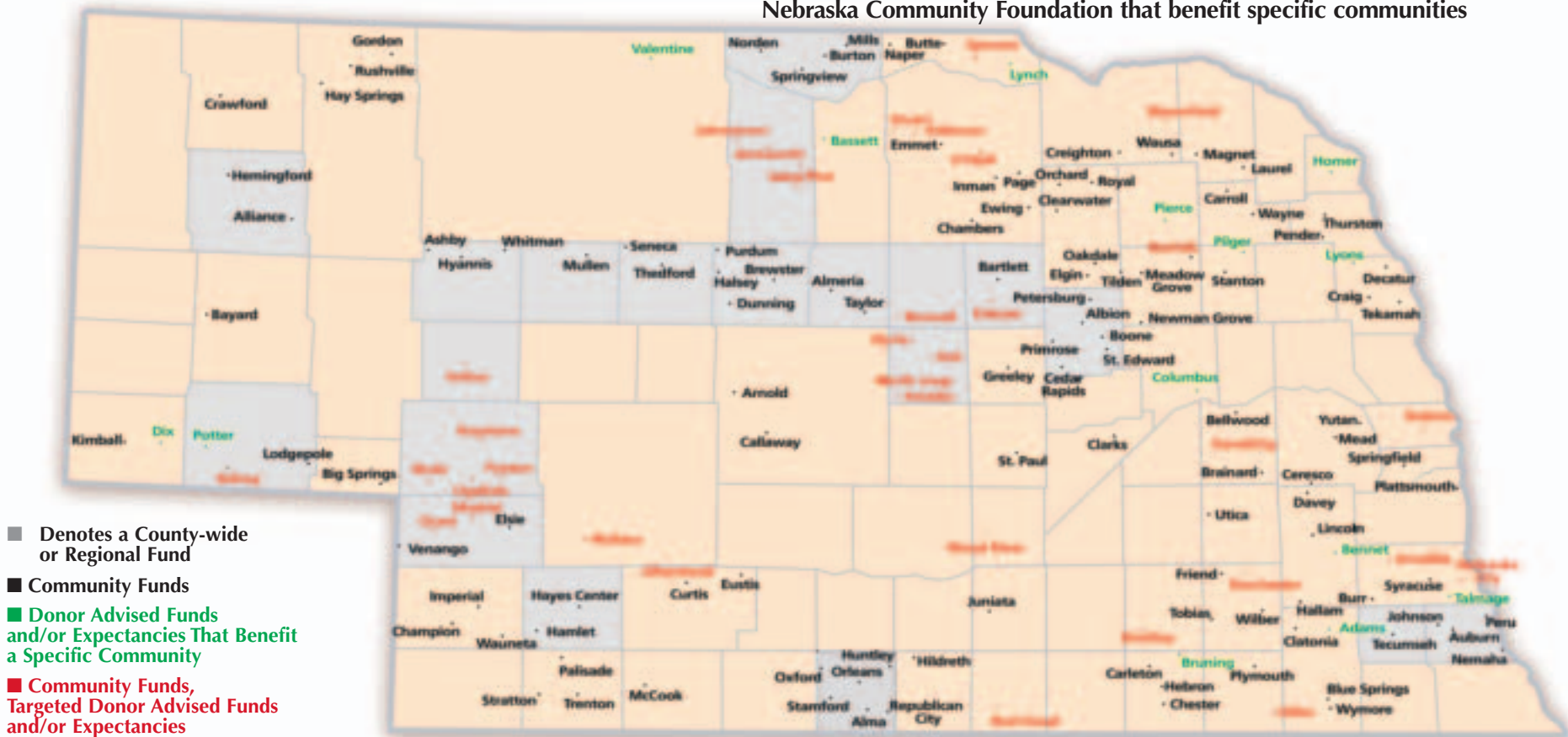
Hanigan Bjorkman Ecklund LLP

September 1, 2005

Funds Affiliated with the Nebraska Community Foundation

162 Communities in 66 of Nebraska's 93 Counties

This map depicts the Donor Advised and Community Funds of the Nebraska Community Foundation that benefit specific communities



102 Community Based Funds

- 1 Arnold Community Foundation Fund
- 2 Arthur Area Community Foundation Fund
- 3 Atkinson Community Foundation Fund
- 4 Banner County Alumni Scholarship Fund
- 5 Bayard Area Community Foundation Fund
- 6 Bellwood Community Foundation Fund
- 7 Big Springs Community Foundation Fund
- 8 Blaine County Foundation Fund
- 9 Bloomfield Area Community Foundation Fund
- 10 Boone County Area Foundation Fund
- 11 Box Butte County Community Foundation Fund
- 12 Brainard Community Foundation Fund
- 13 Brown County Foundation Fund
- 14 Burr Community Foundation Fund
- 15 Burwell Community Foundation Fund
- 16 Butte Community Foundation Fund
- 17 Callaway Community Foundation Fund
- 18 Carleton Community Foundation Fund
- 19 Carroll Community Foundation Fund
- 20 Ceresco Community Foundation Fund
- 21 Chambers Community Improvement Fund
- 22 Cheyenne County Community Foundation Fund
- 23 Clarks Community Foundation Fund
- 24 CORE Development Group Community Fund (includes Clearwater, Royal, Inman, Page and Ewing)
- 25 Craig Community Foundation Fund
- 26 Crawford Community Foundation Fund
- 27 Creighton Community Foundation Fund
- 28 Curtis Community Foundation Fund
- 29 Davey Area Community Foundation Fund
- 30 David City Area Foundation Fund
- 31 Decatur Community Foundation Fund
- 32 Diller Community Foundation Fund
- 33 Dorchester Area Community Foundation Fund
- 34 Elgin Community Foundation Fund
- 35 Emmet Community Foundation Fund
- 36 Eustis Area Community Foundation Fund
- 37 Friend Community Foundation Fund
- 38 Gordon - Ukena Charitable Trust Fund
- 39 Greeley Community Foundation Fund
- 40 H.O.P.E./Oxford Community Foundation Fund
- 41 Harlan County Community Foundation Fund
- 42 Hay Springs Community Foundation Fund
- 43 Hayes County Foundation Fund
- 44 Hebron Community Foundation Fund
- 45 Hildreth Community Foundation Fund
- 46 Hyannis Area Community Foundation Fund
- 47 Imperial Community Foundation Fund
- 48 Johnson County Hospital Foundation Fund
- 49 Juniata Community Foundation Fund
- 50 Keith County Foundation Fund
- 51 Keya Paha County Community Foundation Fund
- 52 Kimball Community Foundation Fund
- 53 Laurel Community Foundation Fund
- 54 Lodgepole/Creek Valley Community Schools Fund
- 55 Magnet Community Foundation Fund
- 56 Maywood Public School Foundation Fund
- 57 McCook Community Foundation Fund
- 58 Mead Community Foundation Fund
- 59 Mullen Area Community Foundation Fund
- 60 Naper Community Foundation Fund
- 61 Nebraska City Community Foundation Fund
- 62 Nemaha County Foundation Fund
- 63 Newman Grove Community Foundation Fund
- 64 Norfolk Community Foundation Fund

- 65 O'Neill Community Foundation Fund
- 66 Oakdale Community Foundation Fund
- 67 Palisade Community Foundation Fund
- 68 Pender Community Foundation Fund
- 69 Perkins County Community Foundation Fund
- 70 Peru Community Foundation Fund
- 71 Petersburg Community Schools Fund
- 72 Plattsmouth Community Foundation Fund
- 73 Plymouth Community Foundation Fund
- 74 Ralston Community Foundation Fund
- 75 Red Cloud Community Foundation Fund
- 76 Rushville Community Foundation Fund
- 77 Shickley Community Foundation Fund
- 78 Spencer Community Foundation Fund
- 79 Springfield Community Foundation Fund
- 80 St. Paul Community Foundation Fund
- 81 Stanton Community Foundation Fund
- 82 Stratton Community Foundation Fund
- 83 Stuart Community Foundation Fund
- 84 Syracuse Development Foundation Fund
- 85 Tecumseh Community Foundation Fund
- 86 Tekamah Community Foundation Fund
- 87 Thedford Community Foundation Fund
- 88 Tilden-Meadow Grove Community Foundation Fund
- 89 Trenton Community Foundation Fund
- 90 Unadilla Area Community Foundation Fund
- 91 Utica Community Foundation Fund
- 92 Valley County Foundation Fund
- 93 Wallace Community Foundation Fund
- 94 Wauneta Community Foundation Fund
- 95 Wausa Community Foundation Fund
- 96 Wayne Community Foundation Fund
- 97 Wheeler County Community Foundation Fund
- 98 Wilber-Clatonia Community Foundation Fund
- 99 Wood River Community Foundation Fund
- 100 Wymore Community Foundation Fund
- 101 Wymore Public Library Foundation Fund
- 102 Yutan Community Foundation Fund

33 Donor Advised Funds

Green denotes funds that benefit specific towns without an existing community fund. Red denotes funds in communities with both affiliated and targeted donor advised funds.

- 1 Anonymous Gift Annuity Fund (Arthur)
- 2 Anonymous Gift Annuity Fund (Bassett)
- 3 Anonymous Gift Annuity Fund (Nebraska City)
- 4 Anonymous Donor-Advised Fund (Valley County)
- 5 Boden Gift Annuity Fund (Dorchester)
- 6 Brandt Family Donor-Advised Fund (Unadilla)
- 7 Bruning State Bankshares Donor-Advised Fund (Bruning)
- 8 Buller Family Donor-Advised Fund (Ericson)
- 9 Casey Family Donor-Advised Fund
- 10 Chilvers Family Donor-Advised Fund (Pierce)
- 11 Connie Fund
- 12 Damme Family Donor-Advised Fund (Talmage)
- 13 Dennis Berens Rural Health Donor-Advised Fund
- 14 Doris Miller Gift Annuity Fund (Stuart)
- 15 Erna R. Badstieber Trust Donor-Advised Fund (Columbus)
- 16 Farmers National Foundation Donor-Advised Fund
- 17 Jenny Donor-Advised Fund
- 18 Jenny Unitrust Fund
- 19 Lyndall Harris Memorial Donor-Advised Fund (Red Cloud)

- 20 Macke and Carver Donor-Advised Fund
- 21 McManigal Family Donor-Advised Fund (Homer)
- 22 Nelson Family Donor-Advised Fund
- 23 Parks Family Donor-Advised Fund
- 24 Parks Family Gift Annuity Fund
- 25 Raimondo Family Donor-Advised Fund
- 26 Robert and Jeanette Hunt Great Plains Communications Donor-Advised Fund
- 27 Robert Harm Donor-Advised Fund (Bloomfield)
- 28 Sibert Family Donor-Advised Fund (Valentine)
- 29 Sprague Scholar. Endow. Donor-Advised Fund
- 30 Thuman Family Donor-Advised Fund (Maywood)
- 31 Tinstman Family Donor-Advised Fund
- 32 W. Dwight Wrich Donor-Advised Fund
- 33 Wilson/Taylor Family Donor-Advised Fund (Valentine)

48 Organizational Funds

- 1 Business Hall of Fame Scholarship Fund
- 2 Community Assistance Initiative Fund
- 3 Country Club Neighborhood Charitable Fund
- 4 Endow Nebraska Fund
- 5 Environmental Quality Incentive Program Fund
- 6 Every Woman Matters Fund
- 7 Financial Planning Assn of Neb Foundation Fund
- 8 Granary Foundation Fund
- 9 GROW Nebraska Foundation Fund
- 10 Heartland Center for Leadership Dev. Fund
- 11 Hometown Competitiveness Fund
- 12 Indian Village Neighborhood Assn. Fund
- 13 Irvingdale Neighborhood Assn. Fund
- 14 Latino Arts and Humanities Council Fund
- 15 Midwest US - Japan Conference Fund
- 16 Natural Nebraska Fund
- 17 Nebr. Agriculture Industry Partnership Fund
- 18 Nebr. CASA Assn. Funds
- 19 Nebr. Cattlemen Research & Ed. Fund
- 20 Nebr. Community Foundation Endowment Fund
- 21 Nebr. Cooperative Development Center Fund
- 22 Nebr. Development Network Fund
- 23 Nebr. Foundation for Agricultural Awareness Fund
- 24 Nebr. Gov. Task Force on Ag. & Nat'l Res. Fund
- 25 Nebr. Grazing Lands Coalition Fund
- 26 Nebr. Independent Bankers Foundation Fund
- 27 Nebr. Jaycees Scholarship Fund
- 28 Nebr. LEAD Program Fund
- 29 Nebr. Lied Main Street Program Fund
- 30 Nebr. Microenterprise Partnership Fund
- 31 Nebr. Nurses Association Foundation Fund
- 32 Nebr. Statewide Arboretum Foundation Fund
- 33 Nebr. Teacher Network Fund
- 34 Nebr. Venture Capital Fund
- 35 John G. Neihardt Center Foundation Fund
- 36 Diane Nelson Gov. Residence Endowment Fund
- 37 Nelson Institute Fund
- 38 Partners for Rural America Fund
- 39 Platte River Cooperative Agreement Fund
- 40 Rainwater Basin Joint Venture Fund
- 41 RUPRI Fund
- 42 Sarp County Chamber Fund
- 43 TeamMates of Columbus Fund
- 44 TechFoundation Fund
- 45 Tri-State Initiative CO-NE-KA Fund
- 46 Turner Community Youth Dev. Initiative Fund
- 47 Wachiska Audubon Fund
- 48 Witherbee Neighborhood Association Fund