



COACHES, ATHLETES PREPARE STUDENTS FOR SUCCESS THROUGH CHARITABLE GIVING

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Professional football player Richard Quinn and local high school educator and coach Ted Ginn both recently established charitable funds at the Cleveland Foundation. Following is an account of how these men combine philanthropy, academics, and sports to improve the lives of urban youth.

Ted Ginn knows what comes immediately to mind when most people hear his name: football.

And rightfully so. The renowned Glenville High School coach has won more than 100 games in his career, and last year his Tarblooders came within two points of winning the Ohio Division I state championship.

But spend just five minutes talking to Ginn one on one, and you'll come to realize that he cares far more about his players' lives than he does about how they perform on the football field.

"People generally don't know who I really am or what I'm trying to do, and it's not based on winning football games," he says.

Ginn is perhaps the most well known – but certainly not the only – example of Cleveland-area coaches and athletes who use sports as a way to give back to their communities. Increasingly, sports are being used as a means to create positive social and educational opportunities for



Ted Ginn says he is motivated by "the success of kids and the challenges of kids."

young people, especially those living in urban settings.

"When kids see that someone else cares about their dreams other than their parents, it gives them the incentive to push harder to achieve their goals," said Richard Quinn, a tight end for the Denver Broncos and a native of Maple Heights.

Sports have given both Ginn and Quinn a platform from which they can provide essential guidance to young athletes. Much of Ginn's effort goes into an initiative known as ASAP, which stands for both "Academics for Student Athletes Program" and "Advocates for Student Awareness and Preparation." Among other things, the program helps young sports stars with the



Dear Friends,

Fall has arrived, bringing with it the familiar sights and sounds of marching bands and cheering students at high school football games. In this issue, we pick up this theme by profiling how two individuals – Cleveland native and Denver Broncos tight end Richard Quinn, and renowned Glenville High School football coach Ted Ginn – use sports as a means for building positive social and educational opportunities for youth. Both have established charitable funds here at the foundation.

We also update you on the foundation's work to help strengthen Cleveland's schools. In that article, you'll learn of our \$4 million investment in the Cleveland Metropolitan School District's 17 innovation schools, reflecting our board's deep commitment to focusing on vital issues like quality education. Although there is much work left to be done, we believe that philanthropy can, and must, play an important role in transforming our region.

Yours in building an even Greater Cleveland,

LOOK FOR CLEVELAND FOUNDATION NEWS IN YOUR INBOX

The Cleveland Foundation has an abundance of exciting news to share as the largest grantmaking organization in Cleveland and the second-largest community foundation in the U.S. The organizations we fund and our innovative programs are having a significant impact on the region.

Every six weeks or so, we would like to send information about these initiatives to you. Each

email will contain synopses of important stories, with relevant links in case you are interested in learning more. You will also have the chance to opt out of receiving future emails.

Look for the first of these emails to arrive soon. If you have any questions, please feel free to contact our Gift Planning and Donor Relations team at 216-861-3810 or GPDRinfo@clevelandn.org.



CLEVELAND FOUNDATION WORKS TO PROMOTE POSITIVE CHANGE IN CLEVELAND SCHOOLS

In 2006, the Cleveland and George Gund

foundations embarked on a mission to help change the way children were educated in Cleveland's schools, with the idea that a stronger public education system in the city would in turn strengthen the entire region.

Four years later, while no one is quite ready to declare "mission accomplished," the fruits of that effort are increasingly apparent.

The most obvious result of the Cleveland Foundation's \$4 million investment has been the establishment of 17 "innovation" schools – including four charter schools – within the Cleveland Metropolitan School District (CMSD). Cleveland Foundation funding has directly supported the creation of four single-gender elementary schools, a school with an international focus, and high schools dedicated to science and medicine, STEM (science, technology, engineering, and math), technology, and design.

These innovation schools have significantly outperformed peer schools within the district in parent and teacher satisfaction, test scores, student attendance, student and teacher retention, safety and discipline, and enrollment demand.

"The innovation schools have been remarkably successful" says Helen Williams, program director for education at the Cleveland Foundation. "Retooling the ways schools are structured holds more promise than simply tinkering with outmoded systems."

With the success of the new schools, the focus turned to broader reform measures within CMSD. The Cleveland Foundation funded a strategic development initiative that eventually gave rise to a district-wide transformation plan with three main goals:



First graders enjoy learning at the Cleveland Girls Leadership Academy at Douglas MacArthur School, one of four single-gender public academies flourishing in Cleveland.

- to graduate all students ready to compete in the 21st-century global economy
- to provide high-quality schools in every Cleveland neighborhood that promote student achievement
- to hold everyone responsible for student success using performance data, including teachers and principals, central-office staff, parents, students, and the community

While the transformation plan has been the center of intense debate – particularly regarding its mandate to close certain schools – its potential to create positive change is enormous.

"To transform our region's economy and strengthen our community, we must transform its largest school district," Williams said.

For more information on the Cleveland Foundation's efforts in public education reform, visit www.clevelandfoundation.org/VitalIssues/PublicEducationReform/.

Refresh

In each issue of Giving Voice, the “Refresh” column provides updates on Cleveland Foundation initiatives or philanthropic trends about which you may have read in this publication or heard described in the media. In this issue, we look at the Cleveland Foundation’s board of directors and the opportunity to use charitable giving to minimize the tax burden of converting a traditional IRA to a Roth IRA.

Cleveland Foundation Board of Directors

Working quietly but tirelessly, the Cleveland Foundation’s board of directors comprises 15 well-respected individuals who govern the foundation, establish policy, set priorities, and make final grant decisions. All members are unpaid volunteers serving staggered five-year terms, for a maximum of 10 years.

The foundation’s appointment process ensures that the board represents a diverse range of views and knowledge. The board is divided into three classes, with five members in each class:

- Local governmental or quasi-governmental appointing authorities choose five members.
- The foundation’s bank trustees committee appoints five.

- The board itself names five.



Inajo Davis Chappell

The board’s newest member is Inajo Davis Chappell, partner at the law firm of Ulmer

& Berne. She joined the board on June 29, 2010, to fill the unexpired

term of Terri Hamilton Brown, who left to pursue elected political office.

Other board members are David Goldberg (chair), Frank C. Sullivan (vice chair), Charles Bolton, Tana Carney, Paul J. Dolan, Joseph P. Keithley, Frederick R. Nance, Sandra Pianalto, Maria Jose Pujana, M.D., James A. Ratner, Alayne Reitman, Rev. Dr. Stephen Rowan, The Rev. Hilton O. Smith, and Ratanjit S. Sondhe.

Converting traditional IRAs to Roth IRAs: How charitable giving can reduce your taxes

If yours is one of the estimated one-third of American households that own a traditional individual retirement account (IRA), you may not know that as of this year, you can convert that traditional IRA to a Roth IRA regardless of your income level. Previously, only those earning less than \$100,000 a year could make the conversion.

There are various factors to consider when deciding on a Roth IRA

conversion (see accompanying box). If you decide that a Roth IRA conversion is in your best interest, strategic charitable giving may actually help offset some of the disadvantages.

For example, if you wish to convert a \$100,000 traditional IRA, you will be taxed on \$100,000 of additional income in the year of the conversion. That, of course, means you will pay higher income taxes and may be pushed into a higher tax bracket.

To counteract that, consider making a charitable gift to the Cleveland Foundation. If, for instance, you create a donor-advised fund with a \$50,000 cash donation, you can deduct the amount of that gift, thereby reducing your tax liability (assuming the \$50,000 gift does not exceed the IRS’ deduction limit of 50 percent of your adjusted gross income).

As always, we recommend that you discuss your specific situation with legal or tax advisors before proceeding.

SPORTS AND CHARITABLE GIVING.

Traditional IRA to Roth IRA conversion

Advantages:

- Once the conversion is complete, the assets in your Roth IRA grow tax-free, permitting you to shift more of your wealth into a tax-free savings vehicle.
- With a Roth IRA, you are not required to take minimum distributions after age 70½, but you can still make contributions.

Disadvantages:

- If you convert in 2010, you must recognize the income and pay taxes on that income either in 2011 or spread the tax liability equally over 2011 and 2012. Because this technique involves a conversion rather than a distribution, your tax liability must be paid from other assets.
- Since you must recognize the income in the year of the conversion, you may be pushed into a higher tax bracket.

*Consult with your tax advisor to understand the impact on your specific financial and tax circumstances.

talent to play in college become better prepared to handle the academic rigors of university life.

Other services provided by ASAP are tutoring, self-esteem workshops, assistance in preparing for the ACT and SAT tests, making college visits, and navigating the financial aid process.

“The success of kids and the challenges of kids are what motivate me,” says Ginn, who recently established the Ginn Foundation Fund of the Cleveland Foundation. “God gave me this mission and I have to complete it.”

Ginn’s passion goes beyond helping athletes. He is also founder and executive director of Ginn Academy, a Cleveland Metropolitan School District institution that gives at-risk boys the guidance and education they need to succeed in life.

“I’m trying to create a situation where everybody’s child can be productive in whatever they do,” he said.

Quinn’s charitable work is similarly multi-faceted, and it includes a summer bus tour for high school football players to attend high-profile college football camps so that their talents may be noticed by recruiters. This year, the tour made stops at the University of North Carolina, North Carolina State University, Duke University, East Carolina University, Wake Forest University, and the University of Pittsburgh.

Just as valuable as being seen by college coaches, Quinn says, is the opportunity for young student-athletes to be exposed to college life.

“They need to experience what college feels like, the real atmosphere,” said Quinn, who established a Cleveland Foundation fund earlier this year as a means of fulfilling his philanthropic vision. “When I was a kid and played football, I would have been lost if I didn’t have coaches and mentors to show, teach, and guide me.”

In much the same way, the Ginn Foundation has conducted an annual summer college scholarship football tour since 1998. The tour visits 15 to 20 colleges and universities to prepare student-athletes for campus life. Collectively, students who take the tour earn about \$1 million each year in college scholarship support.



Denver Broncos tight end and Maple Heights native Richard Quinn helps give young student-athletes a taste of the college experience. Photo by Eric Bake / Denver Broncos

THE GIVING PLEDGE: NOT JUST FOR THE SUPER WEALTHY

The first few names on the list were high profile:

Buffet, Gates, Pickens, Bloomberg. Then came a few more, many of them less recognizable but all willing to step forward and take the “Giving Pledge.”

The pledge, taken recently by several of the wealthiest individuals in the United States, was simply to give the majority of their assets to charitable causes. As of mid-September, 40 billionaires had signed on.

Admirable? Certainly. But is it only the “super rich” who can make a significant impact on their communities through charitable giving?

Not by a long shot.

Despite being hard hit by this recession, it's estimated that residents of Cuyahoga, Lake, and Geauga counties have a combined net worth approaching \$160 billion. What's more, one study projects that over the next 50 years, nearly \$185 billion in wealth in the

three counties will be handed down from the World War II generation to the Baby Boomers, and then from the Baby Boomers to the next generation (see table).

What if just 5 percent of those dollars were pledged to improve the quality of life in Greater Cleveland? What sort of effect would that amount of money – more than \$9 billion – have on our schools, neighborhoods, youth, the arts, job-creation efforts, and other areas of vital interest to the region?

You don't have to be a billionaire – or even a millionaire – to take part in this remarkable investment in our community. It is an historic opportunity for everyone to help Northeast Ohio thrive over the long term.

If you're interested in making your own “Giving Pledge,” we would be glad to discuss it with you. Please give our Gift Planning and Donor Relations Team a call at 216-861-3810, or email us at giftplan@clevefdn.org.

Transfer of Wealth in Cuyahoga, Lake and Geauga Counties

County	Net worth	Estimated transfer of wealth over 50 years
Cuyahoga	\$126.5 billion	\$148.5 billion
Geauga	\$9.8 billion	\$11.6 billion
Lake	\$21.2 billion	\$24.8 billion

SOURCE: RUPRI Center for Rural Entrepreneurship

FINANCIAL UPDATE

As we head into the fall, the markets continue to

be quite volatile. The S&P 500 was down 4.62 percent through the end of August as a result of this bumpy ride, while the Barclay's Aggregate index of fixed income generated a gain of 7.83 percent.

The Cleveland Foundation Pool, which houses most of the foundation's donor-advised funds, reported a return of 2.27 percent for the first quarter and a loss of 4.46 percent in the second, bringing our first-half performance to a loss of about 2 percent. The composite loss for the

foundation in the second quarter was 5.57 percent, marking the year-to-date loss at 2.19 percent.

Our diversified portfolio continues to provide some protection from the volatility in the market. Although we are never happy with a loss, the 5.57 percent decrease in the second quarter compares very favorably with an 11.4 percent decline in the S&P 500. That is due to the diversification of our portfolio and our investments in alternatives, which oftentimes perform better in a declining market.

NEW FUNDS AND DONORS

The foundation appreciates and recognizes the following donors

(July 1, 2010 through August 31, 2010)

New Funds and Planned Gifts

Anonymous
Cleveland's Future Engineers Scholarship Fund
William E. and Mary F. Conway Fund
William T. and Amy J. Conway Fund
Anne C. Juster Fund
Joseph K. Juster Fund
Let's Be Fair Fund
New Avenues to Independence Endowment Fund
TurtleCon Fund
Wilhelm Family Fund
James Wood Williamson and
Angela Bowen Williamson Fund

New Goff Society Members

Members of the Goff Society have established a charitable fund or made cumulative gifts of \$10,000 or more.

Anne C. Juster
Joseph K. Juster
Mr. and Mrs. John W. Wilhelm

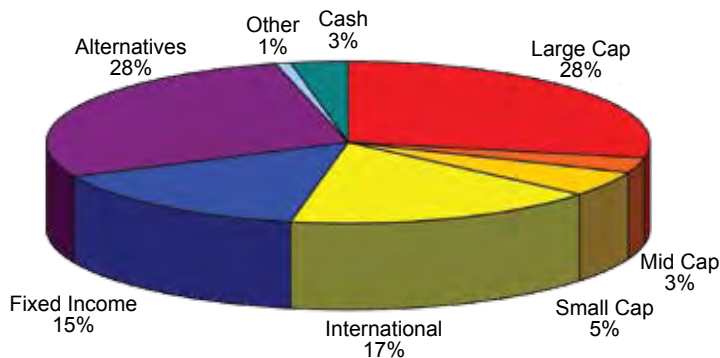
In Memory of

Mary Bill
Al Blau
Anton "Tony" Buffa
Joan Burkett
Grace Chamberlain's 23rd birthday
Alice Hamilton
Henrietta P. Wiedemann

In Honor of

Milestone birthday of Pearl and
Howard Fishman
Diane McDaniel's birthday
The marriage of Cathy Kirkendall and
Reid Morse
40th wedding anniversary of Lee and
Lolita Trotter
Libby Wolf

**The Cleveland Foundation
Asset Allocation
June 30, 2010**



Our asset allocation as of June 30 is shown in the accompanying chart. We continue to believe that a well-diversified portfolio managed by quality asset managers and trust banks is the best way to navigate through market volatility.

Although the markets continue to be difficult, we press on in our mission. We have committed to grants totaling \$69 million through September and expect our total grants for 2010 to be about even with our grants of \$79 million in 2009.



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YEAR-END DATES TO REMEMBER

Gifts

Friday, December 31, 2010

This is the last business day of the year to make a charitable gift. If you are planning to make a gift of publicly traded stock or mutual funds, please start early.

Grants

Wednesday, December 19, 2010

Kindly submit your recommendations for 2010 grants by this date.