



Spotlight

JACK SCHRON JR.

“WHO WILL TRAIN THE NEXT GENERATION FOR MANUFACTURING?”

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When asked about the origins of his philanthropic tendencies, Jack Schron Jr. doesn't hesitate to answer.

“It comes from God,” he says. “Having a grandfather [the Rev. Julius Kish] who spent more than 50 years in the ministry, our family has always had a sense of giving. From the time we were small, we were taught by our parents to share with others.”

That feeling of obligation led to the formation of the Schron Family Foundation, which funds a variety of charitable entities in areas of the country in which Schron family members live, including Northeast Ohio, Chicago and Los Angeles. Besides Jack Jr., the Schron Family Foundation is also directed by his parents Jack and Esther Schron, brother Terry Schron and sister Sue Evans.

One focus of the fund is education – and not just education for children.

“We have an interest in education that includes K-12, community colleges, four-year colleges, and lifelong learning,” Schron explains. “I spent 12 years as a board member and officer in the Chagrin Falls School District. Giving to education is a way in which we can give back some of the gifts we have received as a family.”

Among the Schrons' most ambitious projects is Tooling University, an online service focusing on industrial manufacturing education.



“Giving to education is a way in which we can give back some of the gifts we have received as a family.”

Jack Schron Jr.

Jack Schron founded “Tooling U” along with his son, Chad, to combat what he calls a “huge skills gap” in manufacturing today. As president of Jergens Inc., a tooling component manufacturer based in Cleveland, he would know.

“For years I heard my father say, ‘Who will train the next generation for manufacturing?’ We finally said, ‘We will!’” laughs Schron, who sees Tooling U as an especially useful service for “bright young people who would like an alternative to attending college.” He also believes educational initiatives like Tooling U

A LETTER FROM CAPRICE BRAGG



Dear Friends,

For many of us, the fall season signals both a beginning and an end – the official beginning of a new school year and subsequent holiday season and, alas, the end of summer. In the spirit of these “new beginnings,” this issue of *Giving Voice* focuses on the power of education to change and improve lives.

You will read a wonderful article about Jack Schron and his family, who resolved to direct their professional and philanthropic efforts toward education and vocational training for Greater Cleveland youth. You will learn more about the Foundation’s grantmaking work in education and economic development. We have also included a story about a warm reception that we hosted for scholarship fund donors, scholarship recipients and their families.

In addition, you will read about the Charitable IRA Rollover, a recently enacted law that allows philanthropic donations from IRA accounts. As you consider making charitable gifts before year-end, please feel free to contact me or any member of the team if we can assist you.

Warm regards,

A handwritten signature in black ink that reads "Caprice H. Bragg".

Caprice H. Bragg

Vice President for Gift Planning and Donor Relations

DATES TO REMEMBER

Donor Conversations

The Face of Hunger in Northeast Ohio

Panel discussion featuring remarks by representatives of the nonprofit community who are addressing hunger on the front lines. The session will be held at the Cleveland Foodbank and will feature a tour and/or volunteer packing opportunity.

November 2, 2006

Noon to 2 p.m.

Cleveland Foodbank

15500 South Waterloo Road

Cleveland

For Our Organizational Endowment Friends

Making the Case for the Future: Strategic Endowment Fund Growth

Panel discussion on how nonprofit organizations can promote their endowment funds and build planned giving programs.

November 6, 2006

Noon to 1:30 p.m.

Steven A. Minter Conference Center

The Cleveland Foundation

Year-End Reminders

As you consider making year-end gifts, following are dates to remember:

Wednesday, November 15 – Gifts of mutual funds often require additional time to process, so we encourage you to initiate mutual fund transfer instructions in November.

Friday, December 22 – This is the deadline for submitting grant recommendations from donor-advised funds or supporting organizations for processing in 2006.

Friday, December 29 – This is the last business day of the year to transfer stock gifts.

Sunday, December 31 – Gifts must be made and postmarked by this day to be recognized for 2006.

EDUCATIONAL REFORM A LONGSTANDING PRIORITY OF THE FOUNDATION

Ever since the The Cleveland Foundation commissioned its first major study of Cleveland's public schools in 1915, education has been a cornerstone of the Foundation's philanthropic outreach.

Nine decades later, the Foundation's educational grantmaking is being led by Helen Williams, who described the increasingly dire predicament facing urban school districts such as Cleveland's during a "Donor Conversations" session on Aug. 22.

"There is clearly a large achievement gap between 'central city' school districts and those in the suburbs and rural areas," said Williams, the Foundation's program director for education.



Urban school districts face a host of challenges that lead to an 'achievement gap' when compared with suburban or rural schools

Williams outlined the Foundation's strategic approach to improving education:

- **Accelerate reform in the Cleveland Municipal School District:** The key here, Williams said, will be to put into action a shared reform agenda and to champion education innovation within the district.
- **Foster regional collaboration:** Collaboration across school districts in Northeast Ohio is important. Williams and other reformers are also looking for colleges and universities to place more of a focus on urban education.
- **Influence state policy:** State education policy has a direct effect on local school districts, so the Cleveland Foundation is dedicating more resources to making an impact at the state level.

The Cleveland Foundation's efforts to reform public education reform are made possible by the generosity of our donors, whose gifts allow the Foundation the flexibility to address the region's changing educational needs. If you are interested in supporting education through philanthropic giving, please refer to the Summer 2006 edition of *Donor Connections*, or call the Gift Planning and Donor Relations Team at 216-861-3810.

CONTINUED FROM THE COVER... JACK SCHRON JR.

can help bolster national defense as they foster American expertise in the manufacture of airplanes, military equipment and similar items.

Tooling U is being used in a number of different industries and in more than 85 schools, including Max Hayes High School in Cleveland, Polaris Career Center in Middleburg Heights, Cuyahoga Valley Career Center in Brecksville, and Cuyahoga Community College. Tooling U courses provide foundational knowledge in areas such as blueprint reading, shop math and computer numerical control machining, among others. The Schron Family Foundation will help to fund the purchase of laptop computers for students at Max Hayes to use Tooling U.

"I am glad our companies have been sufficiently successful these past few years that we could create the Schron Family Foundation," says Schron.

The Tooling U concept is being piloted in a prison to help inmates learn marketable skills for their return to society. Another pilot program on Cleveland's west side will use Tooling U to teach those same skills to homeless men.

Jack and his wife of 36 years Mary Ellen, agree, "We are glad that a vehicle like The Cleveland Foundation exists to allow people like our family the chance to create a family foundation to help others without the related challenges of monitoring and investing, and selecting charitable recipients."

LEGISLATION ALLOWS DONORS TO ESTABLISH FUNDS FROM IRAs

In August, Congress approved legislation that, for the first time, allows individuals to donate assets held in an individual retirement account (IRA) to charity without penalty. This comes as good news to those looking for new ways to support the community through philanthropic giving.

Donors age 70½ or older can give up to \$100,000 per year from their IRAs. The money must be transferred directly from the IRA to a charitable organization (without ever passing through a donor's hands).

In the past, money withdrawn from an IRA was considered part of an individual's taxable income. Taxpayers could take a deduction if the funds were donated to charity, but only if they itemized their income tax returns.

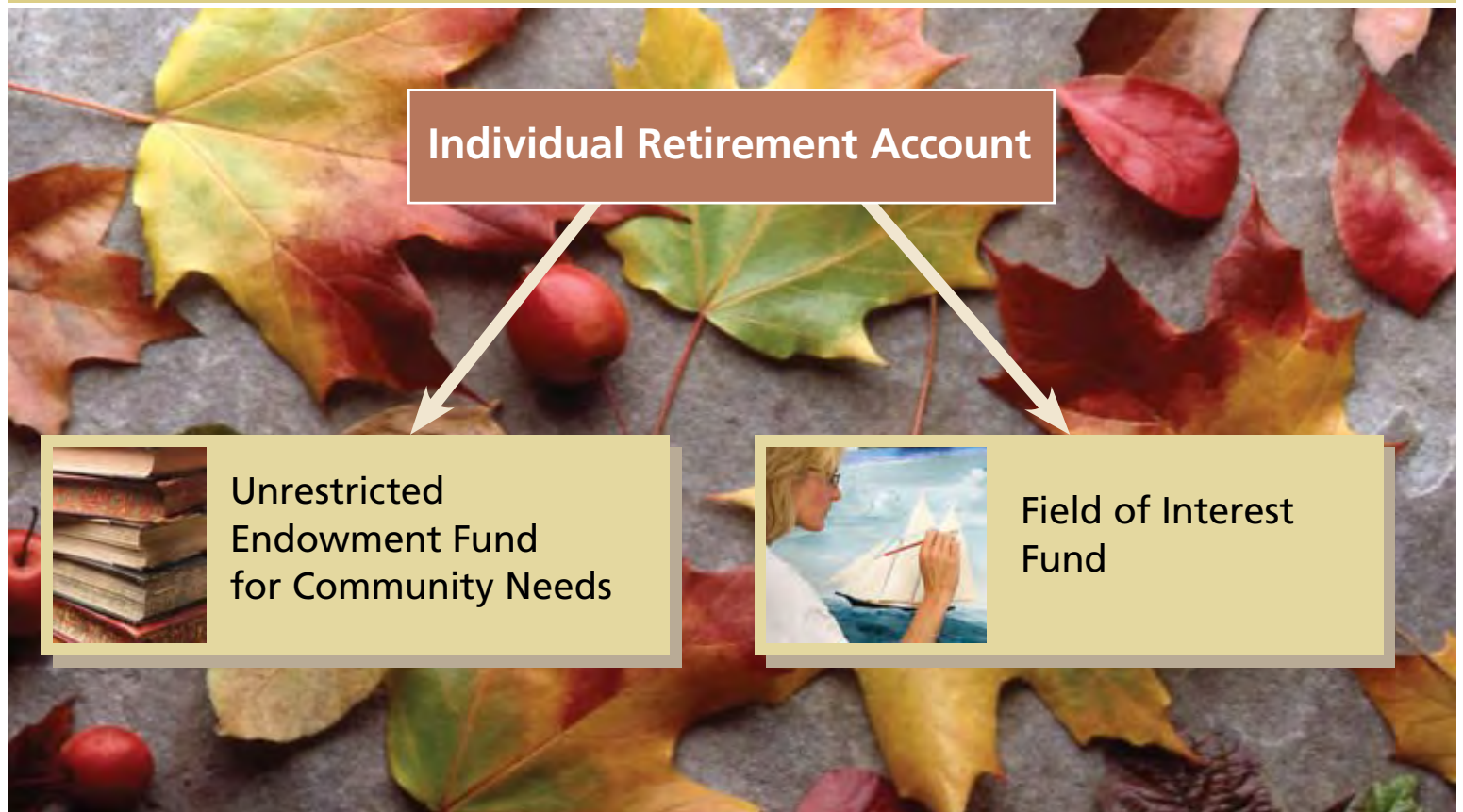
Under the new law, which will remain in effect through 2007, an IRA withdrawal donated directly to charity is

excluded from your taxable income.

The new legislation also allows charitable IRA withdrawals to count against "required minimum distributions." Typically, IRA owners older than 70½ must withdraw a minimum amount every year and pay taxes on it, even if they do not need the cash. But by directing funds to charity, the individual meets the distribution requirement without sustaining negative tax consequences.

The new provisions give donors some flexibility in using IRA assets for philanthropy. Although they cannot be transferred to donor-advised funds, they can create endowment funds for important community needs. For example, donors can create an endowment fund to support specific organizations or to support a specific field of interest, such as the arts or education (see graphic).

You Can Create a Special Endowment Fund to Meet Community Needs





Sparks flew

at The Cleveland Foundation's Scholarship Fund Appreciation Reception on Aug. 8 at the Myers University Club.

"Sparks" was the theme for this year's reception, which honored some of the 350 students who received scholarship grants through the Foundation in 2006. As Foundation President and CEO Ronn Richard explained, the event recognized "sparks of kindness from our donors, sparks that inspire and open the minds of our scholarship recipients, sparks of knowledge and creativity that ignite our region's economy, and sparks of caring that make us a more civil and compassionate community."

Each year, The Cleveland Foundation awards approximately \$2 million to deserving students through more than 90 scholarship funds. Recipients range from high school seniors entering college to adults returning to school to other underserved student populations.

Among the funds administered by the Foundation is the Sullivan Scholars Fund, which this year partnered with the Boys and Girls Clubs to give grants to students in need who attend private, tuition-based high schools.

Receiving special recognition at the Scholarship Reception was the anonymous donor whose generous contribution established the Robin and Metalworks Employee Educational Resource Fund. The fund helps employees of Robin Industries Inc. and Metalworks 95 and their families study at universities or recognized job training programs.

THE CLEVELAND FOUNDATION Scholarship Funds – Facts & Figures

- The Cleveland Foundation administers nearly 100 scholarship funds.
- Over the last decade, the Foundation has awarded an average of \$2 million in scholarships each year.
- Individual scholarship amounts range from \$500 to \$6,000, and average about \$1,500.
- Approximately 350 students benefit from Cleveland Foundation scholarships annually.
- The Foundation's scholarships recognize merit and financial need.
- Scholarships awarded by the Foundation include those that are directly awarded to students and those awarded to educational institutions.

The Robin and Metalworks Fund was created in 1998 with an endowment of almost \$1.5 million. Through careful financial stewardship, the fund's corpus is larger than when it was created, though it has awarded more than \$1 million in scholarships.

Recipients who attended the Sparks reception came from all over Greater Cleveland and represented a range of socioeconomic backgrounds, noted Marvelous Baker, donor relations and scholarship officer for the Foundation.

"Even middle-income students require financial support in today's educational environment," said Baker. "Financial aid comes mostly in the form of loaned aid these days, rather than outright grants, which is what sets these scholarships apart."

INTERDEPENDENCE

KEY TO ECONOMIC DEVELOPMENT

It's perhaps fitting that it was July – a month when we celebrate the birth of our nation – when Brad Whitehead made his call for a “Declaration of Interdependence.”

Speaking to a combined audience of more than 40 Cleveland Foundation donors over two sessions in July, Whitehead cited regional cooperation and interdependence as the cornerstones of any successful economic development plan for Northeast Ohio. Whitehead, the Foundation's program director for economic development, outlined a bold approach to regionalism and economic growth.

The Foundation's economic development strategy is three-pronged, he explained:

- **Building New Industries Regionally** – Whitehead noted that the local economy is “plagued by a preponderance of low-growth, underperforming industry sectors,” many of them manufacturing-based. He pointed out that there are other, high-growth sectors in which Northeast Ohio can readily compete, most notably biosciences. However, such a shift in economic focus will require a more highly educated workforce.
- **Developing Advanced Energy as a “Showcase Industry”** – Wind power, biofuels and “clean coal” all hold promise as clean, efficient sources of energy. Cleveland and the surrounding region have much of the infrastructure already in place to take a leading role in developing and manufacturing them.
- **Creating a Vibrant, Competitive Urban Core** – Whitehead presented data showing that, in most cases, regions thrive only to the extent their large cities thrive. The Cleveland Foundation is dedicated to improving education, housing and business opportunities in University Circle and in Cleveland's neighborhoods, as well as fostering a strong, urban middle class.

“While experience here and elsewhere suggests that fundamental economic transformation will take years to achieve, a plan for change is coming into focus, support is building among key players, and – most



Northeast Ohio could play a leading role in the development and manufacture of advanced energy components.

encouragingly – the early signs of progress are extremely promising,” Whitehead said.

The tactics needed to achieve these goals, he added, include large-scale grantmaking, involvement in public policymaking, education, investing assets, and bringing together the region's diverse organizations and decision-makers.

NEW FUNDS AND DONORS

THE FOUNDATION APPRECIATES & RECOGNIZES THE FOLLOWING DONORS
(JAN. 1 THROUGH AUG. 31, 2006)

NEW FUNDS

Anonymous (2)
Ben Broussard Charitable Foundation
Brown Flynn Fund
Blanche and Kenneth Cooley Donor Advised Fund
Cuyahoga County Foreclosure Prevention Program Fund
Margie K. Davis Fund
Day Family Fund
East Cleveland Township Cemetery Foundation Endowment Fund
William M. and Marjorie L. Fairhurst Fund
Ford Family Fund
Albert W. Geater Memorial Scholarship
Philip H. and Jane G. Geier Donor Advisor Fund
William F. Gerhauser Memorial Fund
Hope for the Future
Samuel and Eva Horwitz Charitable Gift Annuity
Mayor Frank G. Jackson's Youth Initiative Fund
Kanzinger Family Fund
Joe and Julia Nappi Scholarship Fund
Herbert J. Swanson and Faith H. Swanson Charitable Gift Annuity
Tangent Fund
Transitional Housing Inc. Fund
Wendy Park Foundation Fund
Western Reserve Land Conservancy Endowment Fund
Wirtshafter Family Fund
The Women's Civic Club of Cleveland Heights Scholarship Fund

New Goff Society Members

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

Anonymous (2)
Brown, Flynn Communications Ltd.
Kenneth H. and Blanche P. Cooley
Ann Fairhurst
The Grimm Family Foundation
Thomas T. Law Foundation
Samuel H. and Maria Miller Foundation
Michael and Anna Marie Minotti
Oswald Companies
Jane and Jon Outcalt Foundation
Potocsnak Family
Frances P. Taft

New Legacy Society Members

Members of the Legacy Society have planned a future gift to their community through bequest, trust, pooled income fund, life insurance, charitable gift annuity or charitable remainder trust.

Anonymous (2)
Anna Ruth Bussian
Susan and Richard Coyne
David B. and Elizabeth L. Crow
Sandra L. Hoeffler
Samuel J. and Eva H. Horwitz
Patricia Lynn Kalbac
Joel and Donna Kaminsky
Herbert J.* and Faith H. Swanson
*deceased

In Memory of

Billie Altemus
Robert Barnes
Margaret Bell
Ralph Brody
Harriet Decree
Robert E. English
Everlee H. Gamble
Alecia Good
Mrs. Winifred Grant
David G. Hill
Anita L. Janke
Elizabeth "Betty" Jones
Charles Lovell
Ruth Post
Joe Potocsnak
Charles L. Sallee, Jr.
Richard Shatten
Helen M. Skul
Richard G. Small
James Stringer
Joe Vagi
Walter Zdanowicz
Glenn Zellars

In Honor of

Birth of Camille Blaszak
Glenville High School Class of 1962
Sandra Holmes
Marriage of Joel Marx and Rochelle Weinstein
Marthetta McMickle
Steve Morris and Family
Charles and Barbara Patterson's 50th wedding anniversary
Sandra Schwartz

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WE WANT TO HEAR FROM YOU!

The Cleveland Foundation is working to improve our web site to link donors more efficiently to grantmaking opportunities. Please visit our site (www.clevelandfoundation.org) and click on "Current Donors" to complete a short survey about your electronic communication preferences. If you have questions, please contact Beth Darmstadter at 216-615-7187 or bdarmstadter@clevelandfn.org.
Thank You.

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