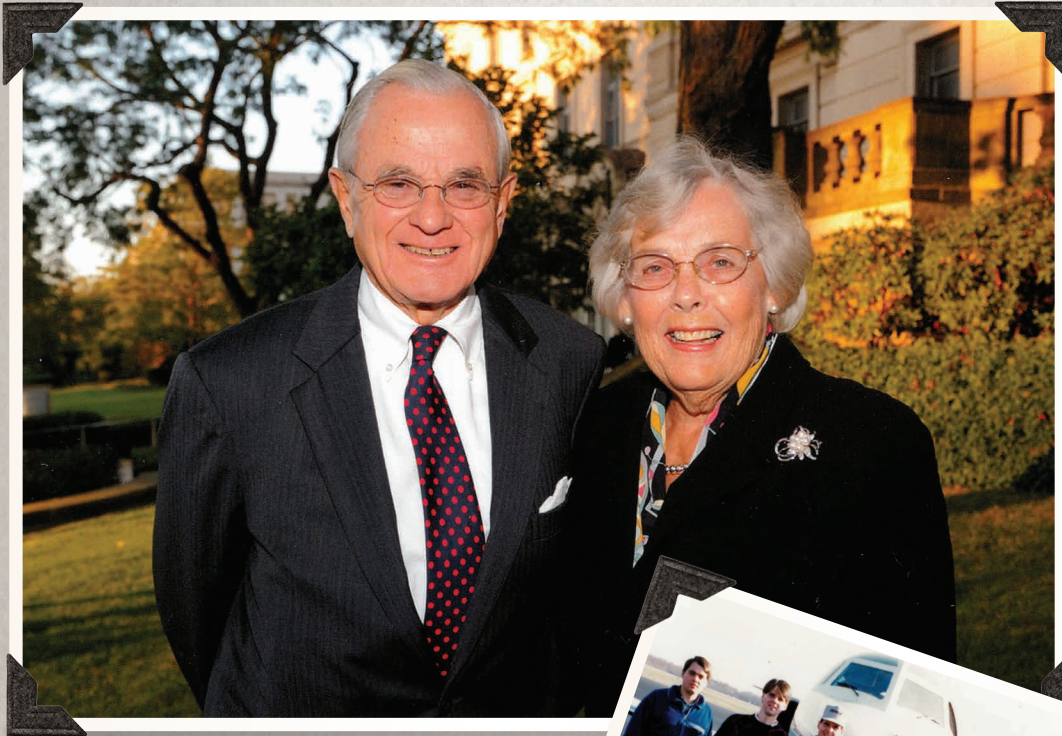


SUMMER 2016

GIFT *of* GIVING

NEWS FOR DONORS AND FRIENDS OF THE CLEVELAND FOUNDATION



+ GIVING ACROSS GENERATIONS

CELEBRATING THE ESTABLISHMENT OF THE
JOHN C. & SALLY S. MORLEY PHILANTHROPIC FUND

INSIDE: *Igniting the Spirit of Philanthropy*





Welcome to the summer issue of *Gift of Giving*, the magazine for donors and friends of the Cleveland Foundation.

Our summer started with tremendous energy as we gathered with our donors, nonprofit partners and friends for the 2016 Cleveland Foundation Annual Meeting presented by KeyBank. The meeting showcased our President and CEO Ronn Richard in conversation with Dee Perry for the State of the Community Conversation followed by the Robert D. Gries Keynote Lecture featuring presidential historian Doris Kearns Goodwin. We also announced the creation of the John C. and Sally S. Morley Philanthropic Fund, which is the cover story for this issue. We hope you will enjoy reading about their unique approach to giving across generations.

We also hosted the biennial African-American Philanthropy Summit presented by Medical Mutual in April with morning featured speaker Jeff Johnson, of Jeff's Nation, and keynote speaker Donna Brazile, the well-known political strategist and commentator. In May, we were pleased to serve as presenting sponsor of the *Crain's Cleveland Business Women of Note Summit & Awards*. This year's event included a very special recognition: the inaugural Cleveland Foundation Women of Note Legacy Award, which was presented to our former board Chair Jacqueline F. Woods.

In other news, two civic projects were completed just in time for the Republican National Convention: the new Public Square featuring Cleveland Foundation Centennial Plaza and the INTER|URBAN, a massive public art installation along the RTA Red Line from the airport into Tower City. Our Anisfield-Wolf Book Awards serve as the source of inspiration for the murals, which confront racism and celebrate the diversity of human cultures. We hope you'll take time to view both projects on your next trip downtown!

Last but not least, we are excited to connect with many of our donors and friends as we present Chautauqua Institution's "The Future of Cities Week" August 1-5 in New York state. It's certain to be a lovely showcase for Cleveland's renaissance as well as a platform to learn from other great cities. As always, we wish you a vibrant fall season and stand ready to serve you.

Warm regards,

Kaye Ridolfi, Senior Vice President, Advancement



▲ Celebrating with Tom Morley, at left, and his father, John Morley, at our Annual Meeting June 8.

Personal Philanthropy: The Story of Donor Advised Funds

Since 1914, the Cleveland Foundation has received more than \$1 billion from generous donors, and through financial stewardship, has maximized the impact of these gifts with more than \$1.8 billion in grantmaking. Today, \$2.1 billion in endowed assets remain for future impact. Although a vast array of individuals and organizations come to the foundation to achieve diverse philanthropic goals, one universally popular charitable vehicle is the donor advised fund. At the foundation, these funds give donors access to an expert grantmaking team, personalized service that's attuned to Greater Cleveland's needs, and opportunities to connect with other donors socially and through giving. Here's a by-the-numbers look at Cleveland Foundation donor advised funds:

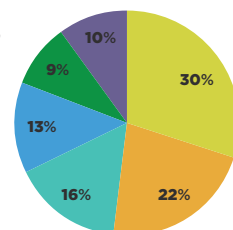
550: THE NUMBER OF DONOR ADVISED FUNDS

\$330,000: THE AVERAGE SIZE OF A DONOR ADVISED FUND

\$17.8 MILLION: THE AMOUNT DIRECTED TO CRITICAL NEEDS IN THE COMMUNITY THROUGH DONOR ADVISED FUNDS IN 2015

2015 DONOR ADVISED FUND ALLOCATIONS =

- Education
- Human Services
- Arts & Culture
- Health
- Environment
- Other



Why We Give: *Igniting the Spirit of Philanthropy*



Why do so many organizations and individuals choose to give through the Cleveland Foundation?

The reasons for giving are as unique as the passions and interests of the donor. That's why each issue of *Gift of Giving* highlights different ways our community gives back.

Douglas and Karen Katz of Cleveland Heights aren't intimidated by startups—they thrive on them. Douglas is the founder, owner and executive chef of fire food and drink, an anchor restaurant in Shaker Square with a mission to serve amazing food, foster community and promote sustainable practices. Karen serves as director of exhibits for The Children's Museum of Cleveland with responsibilities that include designing engaging exhibits for young children and families and fundraising for the new location.

Last year, Douglas and Karen channeled their artistic and entrepreneurial talents by establishing the fire Philanthropic Fund of the Cleveland Foundation. While the restaurant served as a symbolic jumping-off point, their philanthropic goal is to involve their children, twins Abe and Amelia, and give together as a family.

"fire is our family business; it brings people together, and it strengthens the neighborhood," Douglas said. "Our mission at fire is to nurture people and give back. It only makes sense that we would carry on that same approach as our family strives to support the community."

Karen and Douglas believed that establishing a donor advised fund at the Cleveland Foundation would also give their children a voice in where donations were made.

"I think it would be great to find something that felt really good to give to and follow it over the next five years," Karen said. "It would be really cool for my kids to be a part of the growth."

To that end, Karen says she is always listening for areas where the children show interest in a cause—they might mention someone who they heard was sick, see something compelling on a car

ride or hear about a new nonprofit through school or their temple. For the family, it's not necessarily the size of the donation that will matter, but that their children picked the cause on their own and recognized that they could make a difference.

"I've always been attracted to the underdog," Karen said. "I'm attracted to the smaller organizations that are doing such meaningful, powerful things, and it's so hard to raise money for them. I've seen it firsthand. To grassroots organizations, small gifts can make such a difference."

Douglas and Karen can already see that the fund will give them an opportunity for meaningful experiences as a family.

"I don't want my kids to grow up and just write a check and not feel that it mattered," Douglas said. "It's not about recognition; it's about being a part of the change in our community."

It looks like they are already on the right track. When Abe and Amelia celebrated their B'nai Mitzvah in March, they made



▲ Karen and Douglas Katz at the 2016 B'nai Mitzvah of their children, twins Amelia and Abe.

one special request: "no gifts." Instead, the children suggested donations to the fire fund, and guests were thrilled to join with the family in reaffirming this selfless act.

WHAT THE KIDS SAY...

WHAT ARE YOU MOST GRATEFUL FOR?

I'm most grateful for having all of my basic needs for survival provided for me instead of having to miss out on things. —**Abe**

WHAT ARE FIVE WORDS THAT DESCRIBE HOW YOU FEEL ABOUT SAVING YOUR MONEY TO GIVE BACK TO OTHERS?

Helpful, giving, responsible, caring, special. —**Amelia**

HOW MIGHT YOU USE YOUR FUND?

I want to help homeless people in Cleveland who are struggling with their daily lives. —**Abe**

HOW DO YOU PLAN TO CHANGE THE WORLD?

This has been a good starting point, and I hope to continue to help all of the organizations and people in the world. I really enjoy giving and taking my time to help other people. —**Amelia**

◀ John and Sally were married for nearly 60 years. Their life journey took them from the East Coast to Oakland, Calif., Ann Arbor, Mich., Connecticut - while John worked in New York City - Florida, Peru, Greece and Houston, Texas, before moving to Cleveland.

GIVING ACROSS + GENERATIONS

An act of generosity at the right time can change the course of a person's life. A first car, funding for higher education, or assistance with a down payment are wonderful things that parents and grandparents might arrange for successive generations. If you ask John Morley, the retired president & CEO of Cleveland's Reliance Electric, teaching one's children how to give is another gift that can help instill not only social responsibility and family values, but ignite a passion for community and a renewed sense of accomplishment. For his six sons, 16 grandchildren and one great grandchild, this joy of giving is just about to begin.

John was recognized at the Cleveland Foundation's 2016 Annual Meeting presented by KeyBank for the creation of the John C. and Sally S. Morley Philanthropic Fund, which is designed to enable philanthropy across the Morley generations with guidance from his wife, Sally, who passed away

in 2014. The fund was established as a "supporting organization" of the Cleveland Foundation, a designation reserved for principal gifts that are then managed under their own IRS identification as a "nonprofit within a nonprofit." Supporting organizations include their own board members who meet to review and approve grant recommendations.

Many donors prefer the supporting organization structure over establishing family foundations because supporting organizations minimize overhead and other operating expenses like utilities, rent and payroll and thus leave more dollars available for charitable purposes.

"We are particularly grateful and excited about this gift because it demonstrates the possibilities and creativity inherent in philanthropy," said Ronn Richard, Cleveland Foundation President and CEO. "We worked closely with the Morley family, including Sally, to customize the

structure of the gift, providing John and his children the opportunity first to learn best practices from the foundation about how grantmaking can transform communities, and then make an impact as a family and as individuals."

Diving in with corporate savvy honed from years with Reliance and, previously, Exxon, John devised two objectives for the fund. The first objective is to provide philanthropic education. With the Cleveland Foundation, the supporting organization will allow John and each of his sons to experience firsthand the thought process and key considerations when designing impactful grants. The second objective is flexibility. Over time, the supporting organization can be transferred into separate donor advised funds managed by each son. With both of these vehicles, the Morleys can enjoy giving to nonprofits in Cleveland and anywhere in the country.

"John and Sally made it a priority to ensure their children learned the importance of asking, 'What are the needs of the community?' and 'What am I willing to do about it?'" said Kaye Ridolfi, Senior Vice President of Advancement for the Cleveland Foundation. "The family has contributed time, talent and treasure to causes including basic human needs, the arts and education. Now we are thrilled to welcome them to our foundation family as well."

John says his philanthropy evolved from shared interests with Sally—volunteering and fundraising—and her compassionate nature.

"She was very encompassing," John said of his wife of nearly 60 years. "And I always felt she had a great capacity to be inclusive and to think very often about others. She had causes that were fun to get involved in, and I would go along with her."

The Morley family's generosity has benefited the Cleveland Orchestra, Beech Brook and Ursuline College along with University Hospitals and Case Western Reserve University where John served as a trustee of both institutions simultaneously.

"The Morley's commitment to this community sets an example for all of us," said Ridolfi. "We look forward to working with generations of this family as they continue to make a difference in the lives of others."

John and Sally initially grew up on opposite sides of town in Saginaw, Mich., but both arrived on the East Coast as John attended Yale and Sally attended Smith College. They were married four years later in 1954, and after two

Morley family establishes supporting organization as an innovative approach to family giving

years of service in the U.S. Navy, John went on to earn his Master of Business Administration from the University of Michigan. Sally served as an elementary school teacher, and as each of their six sons were born, the Morleys approached parenting with the same energy they had given to their educations and careers.

John held numerous leadership positions with Exxon from 1958 to 1980, including President of Exxon Chemical USA and Senior Vice President of Exxon USA.

John moved to Cleveland in December 1981 after he was asked to serve as President of Reliance Electric Co., an Exxon affiliate. He fell in love with the city and moved his family to Northeast Ohio nine months later.

In retirement, they thought carefully about a legacy and the gift they might establish for their family through a Cleveland Foundation fund. Backed by the staff and expertise of the foundation, having a fund is similar to having a charitable "savings account." It allows individuals to preserve the original principal, make grants to nonprofit organizations based on the earnings, and have a place for tax-deductible donations if they elect to give more in the future. Generations of donor families have partnered with the foundation to make the capacity for philanthropy a gift for their children—and the community.

"I can't imagine there was any other organization that could do this," John said. "How the foundation has worked to put this in place is a wonderful model."

Now the foundation will ensure the Morleys' generosity endures permanently so that others will benefit from their kindness long into the future.



▲ The Morleys in Montana for the wedding of their first grandson. Today, the family includes 16 grandchildren and one great grandchild.



▲ The six Morley sons with their father and the Reliance Electric plane in the 1980s.

Scene & Heard

The spring and summer have been brimming with tremendous, historic moments for the community, and the Cleveland Foundation, in partnership with our donors, has been at the forefront during this exciting time.



Cleveland Foundation 2016 ANNUAL MEETING

PRESENTED BY
KeyBank



▲ How can Cleveland learn from our nation's past leaders to continue our current renaissance? Presidential historian Doris Kearns Goodwin delivers the Robert D. Gries Keynote Lecture to an audience of donors, nonprofit partners and passionate Clevelanders.



▲ The curtain went up with a final surprise: a dance performance by Cleveland School of the Arts and reception space on the State Theatre stage featuring the re-creation of the new Cleveland Foundation Centennial Plaza at Public Square and Cleveland-inspired cuisine.



◀ Former board Chair Jacqueline F. Woods, the retired president of AT&T Ohio, received the inaugural Cleveland Foundation Women of Note Legacy Award for her philanthropic service during the Crain's Cleveland Business Women of Note Summit and Awards presented by the Cleveland Foundation, which attracted more than 800 participants May 25.



◀ The foundation hosted "Donor Conversations: What's Next for Cleveland" on June 1 featuring an exclusive first look at Public Square, including Cleveland Foundation Centennial Plaza. Jeremy Paris, Executive Director of the Group Plan Commission, pictured, guides one such tour of donors and answers questions about the project.

Latest News from the Cleveland Foundation Board

The Cleveland Foundation is pleased to announce the appointment of a new Chairman and three new members to its board of directors.

Current board member Rev. Dr. Stephen Rowan has been named Chairman of the board, replacing retiring board member and former board Chair James Ratner. New board members include Carrie Carpenter, President and Executive Director of Gordon Square Arts District; Robert A. Glick, founder, former CEO and Chairman of Dots, LLC; and Daniel P. Walsh Jr., founder and CEO of Citymark Capital. The new board members fill seats vacated by retiring board Chair James Ratner and retiring board members Fred Nance and Ratanjit Sondhe.



▲ Clockwise: Rev. Dr. Stephen Rowan, Carrie Carpenter, Daniel P. Walsh, Jr., and Robert A. Glick.



▲ Political strategist Donna Brazile headlined the April 23 African-American Philanthropy Summit presented by Medical Mutual. From left: Warren Anderson, Ronald Johnson, Jr., Ellen Burts-Cooper, Ph.D., Antoine Moss, Ph.D., Terri Eason, Ronn Richard, Brazile, morning featured speaker Jeff Johnson, Rev. Dr. Stephen Rowan, Debra Green, Bishara Addison, Connie Hill-Johnson, Melvin Pye, Jr., and Justin Horton.

Stay Connected



Want to learn more about what's happening in our community and at the Cleveland Foundation?

You can find the latest stories and news items in our semiweekly blog and monthly e-newsletter.

BLOG: See the success stories behind our grantmaking, take a deeper dive into key issues, and hear directly from our community partners on the Cleveland Foundation blog. Content is added twice each week, so there's always something new to explore. Visit www.clevelandfoundation.org/blogs.

E-NEWSLETTER: Get highlights from the Cleveland Foundation delivered directly to your inbox! Our monthly e-newsletter keeps you up-to-date on the latest foundation news and events in a highly visual, easy-to-read email. Subscribe by entering your name and email at the bottom of our homepage at www.clevelandfoundation.org.



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