



Foundations
of East Chicago

2014 Annual Report

Our Mission

Our Mission is to strengthen and improve the quality of life in East Chicago through strategic grant making, providing leadership, and serving as a community resource.

The Foundations of East Chicago are committed to improving the lives of every resident of our city.

Conceived by the citizens of East Chicago to be independent, citizen-run, private foundations, we derive funding from East Chicago's local casino, currently Ameristar East Chicago Casino and Hotel, and use this money to support local nonprofit organizations, churches and schools which know the community best and put the money in action where it can do the most good.

The Foundation Board of Directors

Nadyne Kokot, President

George Weems*, Vice President

Mario Palacios, Treasurer

Peter Smith, Secretary

Cedric Gamble

Sylvia Morrisroe

Joseph Verduzco

The Foundation Grant Committee (9/2014)

Sally Anguiano

Gloria Dosen

Reginald Dotson

Juanita Hill

Robert Hoggs

Rev. James Hunter

Cora Jones

Will Long

Anthony Mrvan

Rev. Moses Paez

Richard Peterson

James Rajchel

Dwayne Rancifer

Maria Vargas

Kathleen Zipko

The Foundation Staff

Russell G. Taylor*, Executive Director

Rosa Peña, Office Administration
Director

Tyrone Spann, Community
Program Director

Tereka Boone, Education
Program Director

Janet Wozniak, Grant Program
Assessment Manager

Evelyn Goins, Office Operation
Grant Support

Raquel Avila, Office Operation
Data Support

Veronica Perez, Office Operation
Scholarship Support

* At publication time, the Foundations of East Chicago was transitioning to replace the retiring, founding Executive Director, Russell G. Taylor. As part of this effort, George Weems stepped down from the Board to join the Foundation staff as Interim Executive Director. This will help the Foundation ensure the transfer of Taylor's intellectual capital and smooth operations until a permanent executive director is recruited.

From the Executive Director

Reflections on Our Journey Together

It's been a pleasure serving the community of East Chicago since 1997 and developing a rich relationship with its residents and organizations along the way.

Our philanthropy began with a community task force addressing gaming concerns and citizen control over gaming dollars. The first gaming license allocated a percent of funds to two private foundations, one focusing on education, the other on community development. Foundation members were citizen and business representatives aligned with local organizations. Together, we forged a path to develop philanthropy in East Chicago, including the establishment of grant procedures and investing gaming dollars for the community's benefit.

Some of our work met with criticism, but we adjusted and improved our relationships and giving processes, enabling nonprofit and governmental agencies to do more for citizens. Our work also met with challenges from the outside, but we adapted to improve. This included a merger and reformation of our two foundations into one. By becoming leaner, we sharpened our focus, which led to developing a strategic plan that addressed community concerns and more strategic funding. During these times, the number of community agencies standing with us grew. Ultimately, a new agreement was created with the Gaming Commission that permitted the Foundations of East Chicago to continue our mission.

Today, we have earned a new respect from the community as we continue to work hard to strengthen local nonprofits to better serve our residents. In recent years, our Board of Directors has adjusted to new practices in philanthropy and we are helping the community increase capacity for fundraising and program measurement. These new ventures demonstrate the Foundation's ability to grow internally. With that understanding I am now comfortable to begin my process of retirement.

In January, the Foundations of East Chicago will be under new management. We are implementing a transition plan, which has been developing over the past year. I am confident of the Foundations' ability to stay the course and meet new challenges in a creative fashion.

Personally, my work with East Chicago has made me a better man! I will stay in touch and provide whatever skills I can to help our citizenry improve their lives and the lives of their children.

It's been an honor and a pleasure to work with you all,



Russell G. Taylor
Executive Director

From the President

Focusing On Youth Even As We Serve the Wider Community

The Foundations of East Chicago is a continuously evolving organization, diversified in nature due to its composition of resident directors, committee members and staff. We are a meld of religions, races and occupations, thus reflecting the city in its entirety.

The Foundations of East Chicago is cognizant of the fact that casino revenues can and sometimes are affected by the weather, economy and the potential of added casinos in the area. It has led us to constantly monitor conditions to ensure we're marshaling resources in a way that ensures sustainable service to our community.

For example, we are working toward encouraging more collaborative grants among agencies to stretch the value of the investments we're making and the public is receiving from their aligned efforts. And we constantly review grantees to ensure positive impact on the community.

This year, we have put the spotlight on youth, given their importance as our future leaders. To that end, we have developed an Education/Scholarship Department to review and encourage innovative practices among grantees and our programs. One of the goals is to "reach down" into the junior high schools to set up programs with the cooperation of the schools, the students and the parents regarding post-high school graduation.

We also have put in place two initiatives that we believe will positively impact our youth. The first is the Greenhouse Fellowship program in collaboration with Insight Labs of Chicago. This will allow high school graduates to work with non-profit organizations for a set number of hours weekly. The fellows will then meet to share gleaned information and develop their own projects.

The second program is entitled American Honors. This is a new, competitive two-year program offered at Ivy Tech. It will allow students who would like to pay less for their continuing education do so by staying in their home community. The curriculum is geared to prepare students to earn an associate degree with honors for transition to a four-year university. It provides for constant monitoring by Ivy Tech staff.

The Foundations of East Chicago continues to evolve and change. We consider it an exciting challenge to plan and adjust for the times ahead. Sometimes, it's not easy, though; the impending retirement of Russ Taylor will leave us without a constant and thoughtful force in shaping our organization since our inception. Our residents and grantees should join us in saying "thanks" and wishing Russ happy journeys in his retirement.



Nadyne Kokot
Board President

Special Programs Take Root to Improve Services and Outcomes

Foundations and non-profits of all sizes, missions and scope are under significant pressure to provide better services and create better outcomes in an era of increasingly tight resources with which to get the job done. The Foundations of East Chicago are responding to these circumstances with exciting initiatives that will help our community of grantees more effectively meet the needs of our community.

Building Communication and Capacity

The Foundation initiated two major professionally driven initiatives in 2013-2014, communication and capacity building. Communication advanced in the areas of marketing materials, with newsletters, flyers, billboards and press releases, and in the revamp of our website, including social media.

Capacity building in our nonprofits was also addressed. We engaged a team to assess 25 nonprofit partners to understand and document deficiencies in our social-service community to identify ways to strengthen their ability to perform better. Work will continue in 2015 to implement initiatives that respond to the findings of this investigative work.

Below, Fellows are interviewed after presenting to a group of teachers on “how to critically examine your surroundings.”

Sharpening the Concept of “Super Collaboration”

Since launching our Collaboration Network Grants in 2008, the Foundation and our grantee partners have been working toward building a city wide “Super Collaboration.” Through deliberate and strategic methods, we have built upon past successful collaborative initiatives to enter into an era of collective impact. Our collaborative initiatives are geared to address such concerns as early childhood development, strengthening young families, joblessness and low-education attainment, as well as general quality of life issues in our community. Among them:

Putting East Chicago Back to Work (or EC Works)

Led by the Holistic Community Coalition, six diverse agencies were assembled into a collaboration aiming to employ East Chicago residents. These collaborators have shifted each year to address employment barriers and target new markets. The most recent year of operation has yielded over 200 new employees (67% above target) and retained 90% of those employed over six months. Employment areas include entry-level workers, CNA nurses, professional truck drivers, and trained carpenters. Barriers overcome by these employees include GED, social and workplace readiness skills.





At left, Greenhouse Fellows Lanika McCambry and Jazmine Freeman engage in dialogue during a seminar.

Bridges of Care

Bridges of Care is an ambitious initiative which builds on the earlier collaboration successes. The Foundation challenged many of our nonprofit partners to work together to address human life-cycle issues from prenatal to the aging senior citizen within partnership workgroups dealing with Education, Health, Public Safety, Community, Family and Economic Opportunity. By building networks with agencies offering dissimilar resources, funds are used with greater efficiency, services are driven by experienced staff and are not reinvented, and greater opportunities for funding are identified to build a collective impact throughout East Chicago. Also unusual, Bridges of Care focuses on the needs of the client as seen through their eyes, not as viewed by the agencies servicing them. This leads to improved care and results in greater success to help families flourish in our community. To date, more than 35 agencies are engaged and connected.

those ideas into action within local nonprofit agencies. Guided by two professional staffers, the Greenhouse Fellowship is also working to build new headquarters where the young leaders can share their teachings with the community. The year will culminate with an initiative designed and implemented by the Fellows to help make East Chicago a better community. The yearlong initiative was conceived and designed in partnership with the Insight Labs and the Foundations of East Chicago, and it is intended to be a model for other communities of need. This year's Greenhouse Fellows include: Asif Wilson, Executive Director; Morghan Wolf, Associate Director; and the Fellows: Kaylah Davis, Juvenal Enriquez, Jazmine Freeman, Joi Gillespie, Alexis Irvin, Lanika McCambry and Adrian Saavedra.

“Dwindling resources make it imperative that our non-profits join forces and collaborate to measurably improve their capacity and fortify the idea of the positive collective impact that results when we band together.”

*—Russell G. Taylor,
Foundation Executive Director*

Below, Greenhouse Fellow Adrian Saavedra teaches the group at the fellowship office.

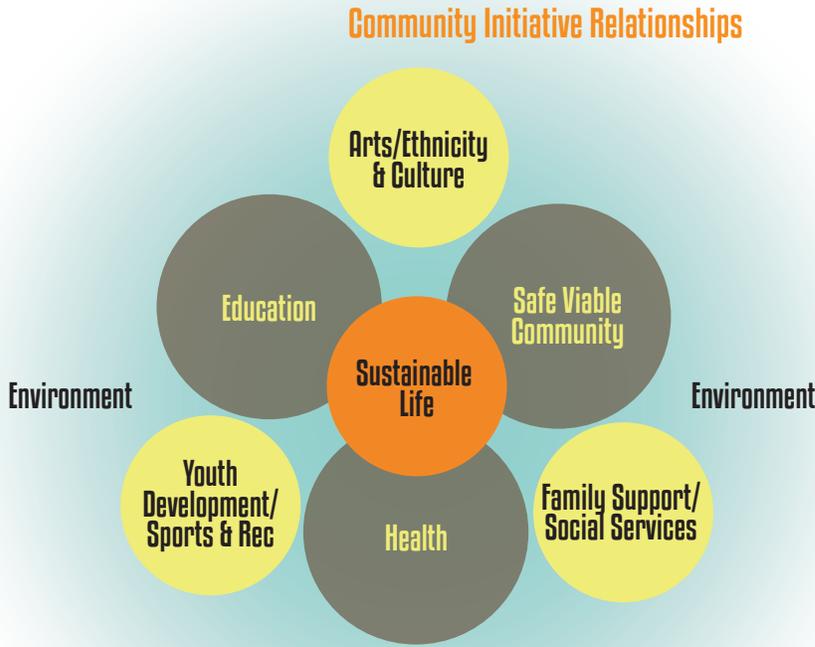
Empowering Young Adults with Greenhouse Fellowship

Recent Central High School graduates applied to be Fellows as part of the inaugural year of the Greenhouse Fellowship. Using their resiliency and their abilities to build networks, the Fellows are exposed to important concepts dealing with understanding how the world works, and advancing



Grant Initiatives

The Foundation operates a variety of grant initiatives and scholarships each year, with rounds that include: General Operating Grants, Program Grants, and Collaboration Grants. All are intended to advance the Foundation’s mission. The graphic below reflects the focus of the mission identifying three Critical Priorities, and six supplemental areas of support.



Funding Distribution for 2013, 2014

Grant Distribution	2013	2014
Total in all areas	\$3,581,395	\$2,973,576
Critical Areas		
Education	\$944,261	\$911,596
Health	\$733,880	\$506,973
Safe & Viable Community	\$946,262	\$648,314
Complementary Areas*	\$956,992	\$906,693

*Complementary areas consist of safety, workforce development youth sports and development, arts and culture, and family and social services.

Program and Collaboration Grants

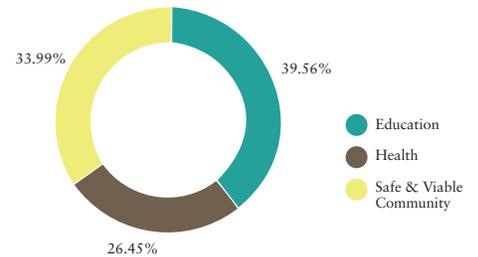
Grants for programs, whether simple or complex, are awarded to nonprofit and governmental agencies to implement initiatives aimed to improve our community.

Supporting Programs that Enrich Lives

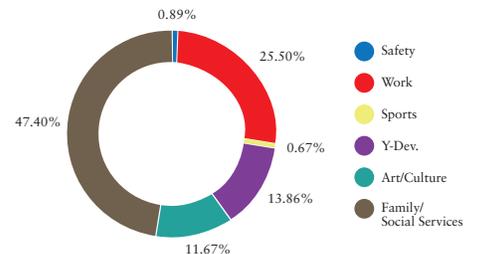
Organizations in East Chicago and the wider Northwest Indiana offer a variety of programs in support of our residents’ health, learning and cultural interests. This year, we were proud to support an exciting array of programs designed to keep our community engaged and growing.

Our 2013 and 2014 Program and Collaboration Grants totaled \$1,265,000 and \$1,076,000 respectively. Those funds supported 56 initiatives. These ranged from a Citizens Police Academy, to nature/conservation education program, to planning virtual trips to Mars, to improving community health and fitness, to senior art activities, to community lead education classes, to youth and family hunger relief, to cyber cafe and training, to organizing residents to engage with education, to parents as teachers, to social service outreach, to in-school arts initiatives. Since 1997, a significant portion of \$35 million awarded in Program and Collaboration Grants have helped area organizations deliver many valuable programs like these to East Chicago residents.

Distribution of Grant Funds into Critical Areas



Distribution of Grant Funds into Complementary Areas



Scholarships Support Students on their Educational Journey

2014 was a record-setting year for the Foundation when it came to our annual scholarship program, including a record number of scholarship winners as well as a record total amount of scholarships awarded.

The 62 East Chicago graduates representing six regional high schools received more than \$190,000 in support for this year's new scholarships, and an additional \$292,000 for continuing scholars to reach their degree goals. The cohort ranged from graduating high school seniors to continuing education students and featured two-year awards for students attending Ivy Tech Community College to four-year renewable scholarships worth as much as \$6,400 annually.

The scholarship winners were recognized at a ceremony at Central High School where they received certificates and enjoyed light snacks. The festivities also featured an inspirational message from Dr. Kathya Valdez Chartre, who received a Foundation academic scholarship in 2000 that helped support her dream of becoming a physician.

This year's performance boosts the number of scholarships we've awarded to East Chicagoans since 1997 to 765, for a total of nearly \$5.4 million.

"We are pleased to report that our ability to provide scholarship opportunities has grown considerably. Not only has the number of scholarships increased but also our dedication to spreading the word about the Foundations of East Chicago, our scholarship program, and supporting students throughout their secondary education."

**—Tereka Boone,
Foundation Education
Program Director**

At right, Dr. Kathya Valdez Chartre



"We were so impressed by the applicants this year that we felt obligated to recognize a record number of students with the largest amount the Foundation has ever awarded in a single year."

**—Russell G. Taylor,
Foundation Executive Director**

Our Partners Help Us Make a Difference

2014 Grantees

Calumet College of St. Joseph
Calumet Council Boy Scouts of America
Catholic Charities
Challenger Learning Center of NWI
Church of the Good Shepherd
City of East Chicago
Communities In Schools of Lake County
Concerned Calumet Citizens Committee, Inc.
Dunes Learning Center
East Chicago Carnegie Performing Arts Center
East Chicago Education Foundation, Inc.
East Chicago Indiana Sports Hall of Fame
East Chicago Lighthouse Charter School
East Chicago Public Library
East Chicago Urban Enterprise Academy
East Chicago Urban Enterprise Association
Enterprise Development & Management Corp.
Faith Temple Church of God in Christ, Inc.
Faithworld Christian Center
Feed My Sheep
First Baptist Church of East Chicago
Food Bank of Northwest Indiana
Grace Beyond Borders NWI, Inc.
Greater Destiny Bible Church
Greater First Baptist Church
Healthy East Chicago, Inc.
Holistic Community Coalition NFP
Holy Trinity Croatian Church
I Too Sing America Organization of NWI
International Community Alliance
ISAAC / HISAC
Junior Achievement of Chicago
Meals on Wheels
Mission of Jesus Christ Church
Nazareth Home
Neighborhoods Incorporated of Hammond
New Horizons Child Care Ministry, Inc.
Northwest Indiana Federation Interfaith Org.
Northwest Indiana Symphony Orchestra
Robertson Child Development Center, Inc.
Salvation Army East Chicago Corps
School City of East Chicago
Sociedad Civica y Cultural La Reforma
South Shore Arts, Inc.
St. Joseph's Carmelite Home
St. Luke African Methodist Episcopal Church
St. Stanislaus School
Teens In Action
Top 20, Inc.
We Care From The Heart
Xel-Ha Escuela de Danza

Our grantee partners help us advance our mission to reach out to as many social support systems as possible to help our community achieve its potential. Working with more than 100 charitable organizations ranging from local and regional food bank networks to national-organization branches such as the Salvation Army, the Foundation is able to expand our presence in the community and focus our efforts in specific channels.

“Working with other partner organizations is our method to support our East Chicago community in diverse ways, thereby accomplishing our mission with the best use of our funds.”

*– Russell G. Taylor,
Foundation Executive Director*

Even Small Amounts Make Big Differences

In addition to our scholarship and grant programs, the Foundation also donates limited funding – \$1,000 or less – for local organizations for one-time special events or projects. Groups are encouraged to submit a Donation Request Form from our website to launch the review process.

For 2013-2014, the Foundation awarded a total of \$100,000 to support social service agency programs and events in East Chicago. We look forward to supporting more of these types of programs through donations throughout 2015.

“While our scholarships and other grants receive a lot of attention, our donations program is also an important part of the millions of dollars we distribute each year.”

*– Rosie Peña, Foundation Office
Administration Director*

Helping Agencies Meet General Operational Needs

One group might need assistance covering costs of a new roof or furnace. Another needs help covering its accountant's fees. Others need a boost to cover staff training fees or developmental services.

The Foundation helps meet such needs through its General Operation Grants, designed to help organizations continue to operate effectively through the year. In 2014, 34 grantees spanning six categories of service to East Chicago were awarded between \$5,000 and \$15,000 in this funding. The 2013 and 2014 total in General Operation Grants was \$317,000 and of \$412,000 respectively, bringing the total in our General Operating assistance since 1997 to \$2.9 million.

“General Operation Grants allow us to help agencies meet basic needs so they can continue to be viable members of the East Chicago community.”

*– K. Tyrone Spann,
Foundation Community
Program Director*

Foundations of East Chicago Milestones

1997:

The Foundations of East Chicago is founded after local citizens called for the establishment of a private foundation – void of politicians – should receive revenue from recently legalized riverboat casinos. Managed by citizens for the benefit of local citizens, the Foundations of East Chicago began the work of addressing years of deep economic hardship, blight and decline of the community. Here are some of the programs funded over the years.

1998:

Central Success Academy; Christmas in April (rehab of abandoned homes); **Peer Partners Pilot Program** (training for high school students to become mentors to younger students); **Catholic Family Service Counseling Extension** (providing counseling services to those in need); **Certified Nurse Assistant Training** (scholarship assistance for East Chicago resident seeking to become Certified Nursing Assistants).

2000:

Engineering and Science summer camp at **Purdue University**; **Community Reinvestment Project of East Chicago**; **East Chicago Parks and Recreation Millennium Games**; **East Chicago Police Dept.'s D.A.R.E.** program; **Haven House** abused women's center; **Healthy East Chicago** programs holding health screening events.

2002:

The Salvation Army's **Heartline Feeding Program**; **East Chicago Urban Emphasis Scouting** for local Boy Scouts; **East Chicago Fire Dept.** program supporting fire safety education; **Heart Outreach Program** supported by the **American Heart Association**; **East Chicago Student Environmental Awareness** for local students.

2004:

Health Visions Midwest to help young mothers; **Self-Empowerment & Impact Works** program to provide workforce training and job placement services; **Summer Sports Camp at Bishop Noll Institute**; **East Chicago Community/Police Partnership** to lead discussions to make neighborhoods safer; **Gym Time for All**, which provided gym equipment to **St. Stanislaus School** for physical education programs; **Bridges to Graduation** to offer resources to help students reach their education goals.

2006:

The **East Chicago Fitness Center** program that brought professional trainers to the facility; **Girl Scouts of the Calumet Council**; **Operation: Fire Safety** to provide fire prevention system at **St. Mary's Church**; **East Chicago Family Stability Project** provided legal advice to residents through **Indiana Legal Services Inc.**; **Elementary Science Olympiad**, a city-wide science fair for East Chicago elementary students.

2007:

Summer Business Camp for high school students conducted at the **University of Chicago**.

2009:

Mexican Folkloric Dancing through **Xel Ha** providing opportunities for local girls to learn and perform traditional **Ballet Folklorico**.

2010:

Moms Taking Charge; **The Institute for Career Development**; **Neighborhoods Inc.: We're Neighbors**; **Summer reading program** at the **East Chicago Public Library**; **Teacher appreciation program** through the **East Chicago Education Foundation**.

2011:

Put East Chicago Back to Work; **Certificate program** through the **Indiana University Northwest**; **Senior homecare and companion services** through the **We Care From the Heart** program; **Do Your Part, East Chicago** through the **Indiana Parenting Institute**.

2012:

Ivy Tech Campus Improvement program, **Education Initiatives for Families in Crisis** through **Catholic Charities**; **Performing Arts Enrichment Program** through the **East Chicago Carnegie Arts Center**.

2013:

Community Gardens; **Scouting Outreach** through the **Calumet Council of Boy Scouts**; **Summer Success program** through **Calumet College of St. Joseph**.

2014:

Bridges of Care; **Youth Empowerment project** through **Twin Cities Ministerial Alliance**; **Police Dept. Outreach** with the **East Chicago Police Dept.**; **East Chicago Food Pantries** with the **FoodBank of Northwest Indiana**.

FOUNDATIONS OF EAST CHICAGO, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>Assets</u>	
	2013	2012
Current assets:		
Cash and cash equivalents (Notes 1 & 14)	\$ 2,138,075	\$ 7,054,683
Accounts and other receivables (Note 3)	14,575	20,150
Gaming receipts receivable (Notes 1 & 3)	263,397	333,067
Prepaid expense (Note 6)	19,964	19,686
Total current assets	2,436,011	7,427,586
Non-current assets:		
Investments (Notes 1 & 2)	21,988,436	16,280,390
Other investments - restricted (Note 17)	-	416,500
Fixed Assets		
Leasehold improvements	28,539	28,539
Equipment and furniture and fixtures	118,491	125,030
Vehicles	32,509	32,509
Total fixed assets	179,539	186,078
Accumulated depreciation	(150,386)	(168,939)
Net fixed assets (Note 4)	29,153	17,139
Real estate held for lease, net (Note 5)	7,826,925	6,249,015
Note Receivable - New Cardinal Terrace (Notes 1 & 16)	150,000	-
Other assets (Note 5)	469,108	255,641
Total non-current assets	30,463,622	23,218,685
TOTAL ASSETS	\$ 32,899,633	\$ 30,646,271
	<u>Liabilities and Net Assets</u>	
Current liabilities:		
Notes payable (Notes 9 & 15)	\$ 193,036	\$ 143,028
Accounts payable (Note 7)	183,922	120,536
Construction payable	40,800	40,800
Grants payables (Note 10) 12,788 14,082		
Other current liabilities and accrued expenses (Note 11)	243,580	159,599
Other current liabilities - CRP (Note 17)	-	416,468
Total current liabilities	674,126	894,513
Non-current liabilities:		
Notes payable (Notes 9 & 15)	3,630,914	2,121,569
Total non-current liabilities	3,630,914	2,121,569
TOTAL LIABILITIES	4,305,040	3,016,082
INTEREST IN SUBSIDIARIES	111,533	420,528
NET ASSETS		
Unrestricted:		
General operating	16,657,109	16,126,519
Designated:		
Capital appreciation	10,250,000	9,000,000
Grants and programs	1,575,951	2,083,142
Total designated	11,825,951	11,083,142
Total net assets	28,483,060	27,209,661
TOTAL LIABILITIES AND NET ASSETS	\$ 32,899,633	\$ 30,646,271

These consolidated financial statements should be read only in connection with the accompanying summary of significant accounting policies and notes to consolidated financial statements.



How Investing in East Chicago Pays Off

In 17 years, the Foundations of East Chicago have invested \$34 million in grants to enhance the quality of life in our community. In the past **five years** our investment in 109 agencies has yielded significant benefits to our residents.

Our professional staff works with community organizations to build more effective programs and agency collaboration. This leadership advances their work to a higher level. This means we touch people on many levels. Look what has happened in the past five years:

Promoting Sustenance



1,000,000+ meals

More than 1,000,000 meals have helped residents sustain themselves via a coordinated pantry system in our City. More than 9,700 meals have been delivered to elderly resident homes.

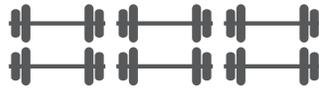


300 scholarships

Promoting Education

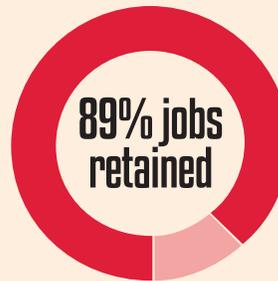
More than 300 youth and adults have received one-year, two-year and four-year scholarships we fund to continue their education and build sustainable lives.

Supporting Fitness



60,000 workouts

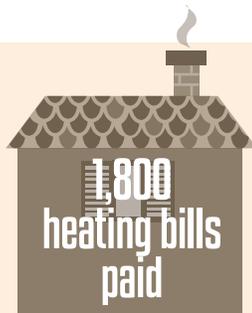
Over 60,000 visits to the Central High School Fitness Center have been facilitated by professional trainers and equipment we fund – building stronger, healthier residents.



Putting People to Work

Over 500 residents have obtained jobs with **89%** jobs retained through programs we supported. These entry level job and career-based employment have resulted in more than \$9 million in new income.

Stabilizing Households



Nearly 1,800 household-assistance grants have provided Heating Bill Payment Assistance. Our funded nonprofit partners work with matching NIPSCO funds to keep families in their homes.

The Foundations of East Chicago: We believe in East Chicago!

Funded by Ameristar East Chicago Casino and Hotel.



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