Making Waves

COMMUNITIES FOUNDATION OF OKLAHOMA
Annual Report 2007
Communities Foundation of Oklahoma Leadership

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Vice Chair ~ April Stobbe, Shawnee
Secretary ~ Richard Dixon, Duncan
Treasurer ~ Wes Stucky, Ardmore
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Jenny Hendrick, Oklahoma City
Monica McCasland, Duncan
Jeannine Rainbolt, Oklahoma City
Richard Ratcliffe, Weatherford

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Ron Beer, Stillwater
David Boren, Norman
Lou Christian, Blanchard
Julie Cohen, Norman
Terrence Cooksey, Duncan
Jimmy Cooper, Duncan
Nancy Ford, Shawnee
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State Senator Susan Paddock, Ada
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Larry Roberts, Miami
Jim Rodgers, Blackwell
Pam Treadwell, Muskogee
Bruce Von Tungeln, Weatherford

Management Team
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Foundation Management, Inc.
Susan R. Graves
Executive Director
Katherine Ray, CPA
Chief Financial Officer
Amy Kline
Advancement Director
Amanda Siebert
Administrative Assistant
Ann Hopkins
Financial Assistant

Committee Volunteers
Dwaine Penner ~ Don Sickles ~ Leslie Rainbolt-Forbes ~ Jayna Lawrence-Vaughn ~ Jon Trudgeon
Donor Spotlight ~ Betty & Ed Apple

Ed Apple has known Communities Foundation of Oklahoma before it even existed. Along with Tom McCasland, Steve Beebe and others, Ed started the Duncan Community Foundation in 1992. Just seven years later, their love for rural Oklahoma expanded into the statewide Communities Foundation of Oklahoma.

“We knew that rural Oklahoma needed a place to allow citizens to give back to their communities,” said Ed.

From 1992 through today, Ed Apple has been generous with his time, talents, and treasures. In 2007, in celebration of his wife, Betty’s, 27 years of nursing practice at Duncan Regional Hospital, the Apple family established the Betty Apple Excellence in Nursing Prize. Awarded to nurses at Duncan Regional Hospital, the Prize celebrates and encourages nurses who set high expectations for themselves and work toward excellence.

“As from the early days of Communities Foundation of Oklahoma, we’ve always believed that the pursuit of excellence is the most worthy of goals,” said Ed. “Betty lives that and we believe that there are many other nurses who live that concept as well.”

In Memory ~ Jeannine Rainbolt

Communities Foundation of Oklahoma suffered a great loss with the passing of Jeannine Rainbolt on September 30, 2007. As a member of the Board of Trustees and Grants Committee, Jeannine was a vital part of the growth and success of the organization.

Her enthusiasm for rural Oklahoma was especially reflected as a member of the Grants Committee. During the last granting cycle for the Oklahoma Initiative Fund, Jeannine spoke up on behalf of the band of one small school, Mounds High School. In that one vote, it was clear that her impact was felt by so many in our CFO family from very small communities to the entire state of Oklahoma.

As her obituary read, “hers was a life well lived and from which many will be inspired and from which many will benefit.”
Community Spotlight ~ The Norman Community Foundation

Since 1995, The Norman Community Foundation has been dedicated to connecting donors with the charitable needs of Norman. By helping individuals, families, and organizations create funding vehicles for charitable purposes, the Foundation works to preserve and enhance Norman’s unique quality of life forever.

With assets totaling over $1.6 million, NCF has distributed nearly $500,000 back to the community and its charitable agencies. In 2007, Assistance League of Norman received a grant from the Norman Fund to purchase duffle bags for their Operation School Bell Program. “Before, students in need who went shopping for new clothes and school items at Assistance League of Norman offices would have to carry their new items in a trash bag,” said Suzanne McAuley, NCF Board of Directors member. “With the Norman Fund grant, students were able to pack their items in a brand new duffle bag making them feel extra special and just like every other student going school shopping.”

There are many reasons to love Norman, Oklahoma and The Norman Community Foundation offers the perfect opportunity for residents to give back to the place they call home.
Types of Funds

Communities Foundation of Oklahoma is committed to meeting the charitable needs of all Oklahomans in communities large and small. By offering several types of funds, donors can give back to communities in many different ways.

**Designated Endowment Funds**
Established by individual donor or donor group to provide permanent endowment for a specific nonprofit or charitable activity

**Agency Endowment Funds**
Created by a nonprofit organization to provide permanent endowment for its projects, needs and activities

**Fiscal Sponsorship Funds**
Created for a specific project or purpose as a short-term fund and may be used if no 501(c)(3) exists for an organization

**Donor Advised Funds**
Created when a donor would prefer more input into annual distribution and would like to distribute funds to any number of charitable concerns each year

**Scholarship Funds**
Designated for awarding scholarship dollars to students selected by a committee representing fund advisors or the Communities Foundation of Oklahoma’s Grant Committee

**Field of Interest Funds**
Allows donors to target gifts to causes important to them through grants in their specific interest area

**Unrestricted Funds**
Addresses a broad range of current and future needs across the state as determined by the Foundation

**Escrow Funds**
Established when a donor wishes to place funds with the Foundation without immediately designating a specific charity or purpose

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**Oklahoma Initiative Fund**
In 2007, 26 organizations were awarded a total of $56,000 in grants from the Oklahoma Initiative Fund, CFO’s unrestricted fund benefiting organizations across Oklahoma.

“The success of the Oklahoma Educational Technology Trust will benefit more than just our public schools. These students will matriculate into our CareerTech centers, universities and colleges, enhancing our education system from kindergarten to post-secondary education. OETT is helping create better schools, better communities, and therefore, a better Oklahoma.” ~ Oklahoma Attorney General Drew Edmondson

Creating a better Oklahoma through technology education and professional development is not just a dream, it is a reality through the Oklahoma Educational Technology Trust. Established in 2001 with a $30 million contribution from AT&T Oklahoma as a result of an agreement between Attorney General Drew Edmondson and AT&T Oklahoma, OETT equips Oklahoma public schools with the technology and skills necessary to compete in the global marketplace. This technology, combined with professional development training, students, faculty and staff across the state are integrating technology into the classroom creating widespread waves of change.

“The Trust does not want to make random acts of improvement in Oklahoma classrooms. OETT grant schools have seen many changes in the equipment available to students, teaching methods used by educators, and most of all, the enhancement of the learning process.” ~ Bob Stafford, OETT chairman

~ Since 2003 ~

97 Oklahoma schools awarded grants
$9 million in grants distributed
$1.6 million awarded for professional training and laptops
38,500 students affected by grants
2600 teachers & 1000 superintendents received professional training
217% larger increase in Academic Performance Index scores at OETT schools

Oklahoma Educational Technology Trust Board of Trustees & Appointing Entity
Bob Stafford, Chair, AT&T
Keith Ballard, Oklahoma State School Boards Association
Phil Berkenbile, Oklahoma Department of Career and Technology Education
Lela Odom, Oklahoma Education Association
State Senator Susan Paddack, Oklahoma State Senate
Randall Raburn, Cooperative Council for Oklahoma School Administration
State Representative John Wright, Oklahoma House of Representative
Making a Difference
Oklahoma Educational Technology Trust Grantees in Action

~ Alva Public Schools ~
Awarded an OETT grant in 2005, Alva Public Schools has shown statistically significant growth. In both development of a professional learning community and technology integration, the district created a learning atmosphere that impressed all involved.

Through the $75,000 grant, the district purchased LCD projectors and AlphaSmart Neos allowing the high school teachers to use the Internet as an instructional tool while giving younger students the opportunity to enhance their writing skills. Extensive planning by the district administration ensured that this technology impacted each student at every level.

“The first steps that we took with the technology from the OETT grant made a huge difference,” said one middle school teacher. “We know that technology is going to play an important role in our students’ futures, and we want to be sure that Alva Public Schools prepares them for that future.”

With the success of the new technology, demand for additional technology continued to grow for each building. Superintendent Don Rader utilized all available funds to purchase interactive SmartBoards and upgraded elementary computer labs to give each student the experience of authentic, real-world learning.

The OETT grant in Alva Public Schools served as a catalyst for increasing district collaboration between administrators, faculty, and staff. Though the grant was focused on technology, its benefits are felt in all study areas, in all buildings, and in all those affecting the lives of students in Alva.

2007 Grantees
In 2007, students in 18 Oklahoma public schools received over $1.2 million for new technology and professional development.

Bartlesville Wayside Elementary School; Bixby Central Elementary School; Calvin Elementary School; Cherokee Elementary School; Chickasha Elementary School, Muskogee; Eldorado Elementary School; Hooker Elementary School; Limestone Elementary School, Sand Springs; Mayo Demonstration Elementary School, Tulsa; McKinley Elementary School, Norman; Muldrow Middle School; Nicoma Park Intermediate Elementary School, Choctaw; Perkins-Tryon High School; Pocola Elementary School; Salina Elementary School; Teague Elementary School; Vici Public School District; Westville Upper Elementary School
Donor Spotlight ~ Merle Chambers

Merle Chambers is proof that one woman’s idea can be the catalyst to change the world...or at least Oklahoma. Her family was one of many who profited from the oil and gas industry in Oklahoma, Wyoming, Montana, and North Dakota. In an effort to say thank you to these states who gave her family so much, Merle had a desire to give back. As president of Chambers Family Fund, she is accustomed to giving away money. Her desire, however, was to do more than just give away money, she wanted to make a real change. After understanding the dire situation of women in each of these states, Merle gave back in a big way by founding four women’s foundations.

The Women’s Foundation of Oklahoma, an endowed fund at Communities Foundation of Oklahoma, was established in 2003 with a challenge grant from Chambers Family Fund with a priority to build a permanent resource for women and girls in Oklahoma. To allow people to feel real ownership, Merle challenged the WFO advisory board to raise $500,000 in five years to be matched dollar for dollar. In addition, during the building years, Chambers Family Fund contributed $25,000 for operating expenses and another $50,000 a year to allow for immediate grantmaking. Since 2004, the Women's Foundation of Oklahoma has invested nearly $220,000 through grants to organizations focused on the economic self-sufficiency for women and brighter futures for our state’s girls.

As a child, Merle grew up with strong female role models from her grandmothers to her own mother. She was always taught to believe she could do anything she put her mind to and her dreams were endless. Through her generous gift, she has given women and girls the opportunity to live a better today and dream of a brighter tomorrow.
In 2007, the Women’s Foundation of Oklahoma provided grants to six non-profit organizations across Oklahoma, totaling over $54,000.

Boys & Girls Club of Oklahoma County
New Hope Camp
Oklahoma State Regents for Higher Education on behalf of SMART: Single Mothers Academic Resource Team
Planned Parenthood of Arkansas & Eastern Oklahoma
Planned Parenthood of Central Oklahoma
Rose State College Foundation
Financials ~ Fiscal Year 2007

Statement of Financial Position

**ASSETS**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>Assets in Checking/Money Market</td>
<td>$ 4,493,100</td>
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<td>Prepaid Expenses</td>
<td>$ 3,775</td>
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<td>Investments</td>
<td>$ 20,070,790</td>
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<td>Pledges &amp; Accounts Receivable</td>
<td>$ 1,621,762</td>
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<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$ 26,189,427</strong></td>
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**LIABILITIES & NET ASSETS**

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<tr>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>Grants &amp; Accounts Payable</td>
<td>$ 528,433</td>
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<td>Agency Transfers</td>
<td>$ 8,643,138</td>
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<td>Net Assets</td>
<td>$ 17,017,856</td>
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<td><strong>TOTAL LIABILITIES &amp; NET ASSETS</strong></td>
<td><strong>$ 26,189,427</strong></td>
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Statements have been audited by Cole & Reed, P.C. Complete audit report, form 990 and IRS tax exemption documents may be downloaded at www.cfok.org.

**Grants & Distributions**

Total $6,774,530
(includes interfund grants)
Current Allocations

In the Balanced Pool, the allocation is as follows:
- Cash Equivalents: 16%
- Fixed Income: 41%
- Large-Cap Growth: 16%
- Large-Cap Value: 16%
- Small-Cap Value: 5%
- International Equity: 29%
- Aggressive Pool: 21%
- Growth Pool: 19%

In the Growth Pool, the allocation is as follows:
- Cash Equivalents: 15%
- Fixed Income: 19%
- Large-Cap Growth: 15%
- Large-Cap Value: 15%
- Small-Cap Value: 10%
- International Equity: 10%
- Aggressive Pool: 19%
- Balanced Pool: 20%

In the Aggressive Pool, the allocation is as follows:
- Cash Equivalents: 17%
- Fixed Income: 5%
- Large-Cap Growth: 0%
- Large-Cap Value: 29%
- Small-Cap Value: 21%
- International Equity: 28%
- Balanced Pool: 20%
- Growth Pool: 19%

Performance — Balanced Pool

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<tr>
<th>Portfolio</th>
<th>YTD—June 30, 2007</th>
<th>Trailing 12 Months</th>
<th>3-Year (Annualized)</th>
<th>5-Year (Annualized)</th>
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<tr>
<td>Portfolio</td>
<td>3.9%</td>
<td>10.9%</td>
<td>7.7%</td>
<td>7.7%</td>
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<tr>
<td>Benchmark: S&amp;P 500 Index/LB Int. Agency Index</td>
<td>4.5%</td>
<td>13.7%</td>
<td>8.0%</td>
<td>7.8%</td>
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Additional information on individual investment managers, portfolio performance on individual investment pools, and investment fees are available upon request.