



### Executive Summary

Our Community Foundation (“OCF”) is a new and traditional community foundation created to serve approximately 50 small, local non-profit organizations working in Eagle County. OCF is focused on increasing philanthropic support of needs-oriented charities that improve the health and well-being of Eagle County residents, increasing the reach and impact of these charitable organizations, and maximizing the efficiency of local charitable giving. OCF was established as a 501c3 charitable organization in 2015 with the goal of driving \$1 million of annual impact by 2018.

### Community Foundations

Community foundations help build and strengthen communities. They bring together people and non-profit organizations that want to improve the quality of life for all members of their local community. They are tax-exempt public charities that develop and guide philanthropy to address the most critical issues and serve the diverse members of their community.

### Mission

- **Knowledge:** Develop a deep understanding of the unmet needs of the local, under-served population;
- **Resources:** Attract and direct new financial resources to help families thrive including especially in the areas of food security, health, and education; and
- **Impact:** Establish a sustained source of community funding that improves the lives of local residents now, and over future generations.

### History

Our Community Foundation (“OCF”) was developed as a concept beginning in 2013. Local residents involved in philanthropy, economic development and non-profit organization management led community engagement and discussion.

In 2014, OCF was capitalized with \$25,000 to fund early legal expenses and build awareness of the idea. In the summer of 2015, OCF received the letter of determination qualifying the organization as a 501c3 charitable organization. Local residents interested in developing local, smaller, needs-oriented non-profit organizations quickly embraced the idea as members of the Advisory Board and as significant financial sponsors.

In September 2015, OCF was invited to partner with Advisory Board member Beth Slifer to sponsor a bi-annual gathering of Eagle County non-profit leaders. That gathering now includes over 100 community leaders and facilitates awareness and collaboration across organizations and people.

In December 2015, OCF was awarded a grant by Americorps/VISTA to hire and manage a team of up to ten new staff to work locally on issues of community poverty. OCF engaged Susie Davis as Director of Programming to develop and manage this program. The OCF VISTA program is now engaged in addressing several areas of need including hunger, access to higher education, non-profit collaboration, healthy lifestyles for children and funding of emergency resources including food and shelter.

The original members of the Board of Directors include Mike Rushmore (Chairman), Bill Jensen, Seth Ehrlich and Jeremy Reitman. In July 2016, the Board of Directors was expanded from four members



to six members with the addition of Ron Davis and Chris Moffet. It is anticipated that the Board will continue to grow and evolve with the scale of the organization.

In August 2016, OCF and the Western Colorado Community Foundation (“WCCF”) entered into a strategic partnership designed to increase local Eagle County philanthropy and generate financial resources for the OCF General Fund. The partnership allows local families to establish donor advised funds (“DAFs”) that are managed by WCCF for the purpose of investing in non-profit organizations. OCF receives 50% of the DAF management fees under this program. Currently, there are approximately \$250,000 in assets under management.

As of September 2016, a total of sixteen local families, non-profits, and local businesses have committed in excess of \$500,000 to the community as Founders of OCF. With this increased financial support, OCF leased the organization’s first office space to accommodate a desk and access a shared conference room in Edwards Colorado.

### Regional Service Area

OCF seeks to serve approximately 42,000 people that reside in communities primarily within Eagle County. These communities include Red Cliff (263), Minturn (1,029), Vail (5,311), Eagle-Vail (2,887), Avon (6,410), Edwards (10,266), Eagle (6,522), Gypsum (6,672), Dotsero (705) and to a lesser extent Leadville (2,580). While Leadville is located outside of Eagle County, much of the population of Leadville serves businesses and residents of Eagle County and uses the services of Eagle County organizations.

Our local communities include residents representing highly diversified social and economic characteristics. While the average income of a local family living in Eagle County is \$58,000, this statistic can be misleading as it is the center of the barbell, with high earners on one side and families living in poverty on the other.

Key statistics describing residents of Eagle County include:

- **Hunger:** 44% of students attending public schools qualify under national poverty guidelines for free and reduce fee lunch; In one local community, 26 of 29 local children live in poverty as defined by national guidelines. Hunger in the community is exacerbated by the high cost of housing and the prevalence of low-paying service industry employment. Eagle County is ranked the worst-performing community of its size (23 of 23) in Colorado for effective distribution of the federal supplemental food program for families (SNAP), with only 15% of eligible families being registered.
- **Education:** As first-generation Americans who may have grown up in a culture that places a low value on higher education (especially with girls), a significant population of local high school students fail to appreciate the value of college as a path out of poverty. A college education that would change the lives of students for generations is often beyond the aspiration and financial capacity of local public school students.
- **Health:** Impoverished local populations may have limited awareness of or access to basic healthcare, creating a wall between their current condition and opportunities to succeed in school or work.

### Community Needs and Related OCF Strategy

In the near term, OCF seeks to address three local issues:



1. **Fragmented Non-Profit Services:** Eagle County is served by nearly 300 non-profit organizations, of which about 50 have the professionalism and scale that maximizes their impact. These organizations are qualified 501c3 charities with clear missions and a history of community impact. However, these organizations are generally focused on their specific and independent mission and do not collaborate or coordinate with related organizations. The result is less impact than would otherwise be achieved, less efficiency due to redundant and smaller scale operations, and a less compelling message to the donor community.

*OCF has launched a non-profit leadership gathering that meets twice per year to introduce Executive Directors and board members to each other, and to build relationships that support collaboration rather than competition. Over 70 non-profit leaders generally attend this meeting.*

*OCF has launched and is managing the VISTA program with a current staff of 5 people to identify local issues that can be best addressed by bringing together multiple organizations that create a single effective program. For example, the OCF VISTA program to study and address hunger in the community is a collaboration of seven local non-profit organizations and three local community volunteers.*

2. **Concentrated Philanthropy:** Eagle County benefits from a significant and generous philanthropic community that most easily connects with the largest local non-profits. By increasing awareness of local issues and the smaller non-profits that are addressing those issues, OCF seeks to develop new financial resources to improve the quality of life for those that need the assistance of smaller non-profit organizations, and especially organizations operating outside the well-funded areas of art, music, culture and event production.

*OCF seeks to raise awareness of organizations that are focused on addressing the basic needs of local residents including hunger, healthcare, education and housing. OCF also seeks to match donor interests to local needs.*

*By way of example, the local Salvation Army food pantry was unexpectedly de-funded by a government organization creating a budget deficit. OCF coordinated with the Western Colorado Community Foundation to bring \$25,000 in new funding from outside of Eagle County to this critical service.*

*In another example, a new donor interested in the mental health of local military veterans approached OCF. OCF has requested a program proposal from a local organization that is designing and will manage services to reduce local mental health issues for veterans, and to address crisis situations when they arise. The new donor within the Eagle County community will fund this collaborative program.*

*The partnership between OCF and the WCCF is allowing local residents to increase their philanthropic activity through the creation of new donor advised funds. This new source of local funding allows donors to tap into OCF as a trusted advisor when determining how these funds are deployed in the community.*

3. **Increase the Capacity of Local Non-Profits:** Smaller non-profit organizations often struggle with resources and effective pursuit of their mission. By developing additional local resources to be used in a coordinated fashion by these smaller organizations, OCF intends to increase the capacity of those organizations.



*Local OCF donors have funded both direct investments in charitable organizations that are under financial stress, and the hiring of VISTA staff to be a resource to charitable organizations in need of people to execute their mission.*

### Organization Culture

OCF was founded and is governed by people with deep experience in both the local non-profit community and high-performing businesses. This combination drives a professional, impactful and sustainable organization model and culture.

The staff, Board of Directors, and Advisory Board define the priorities of the organization and its culture.

OCF is unique in Eagle County in that it has drawn together the involvement and support of the most innovative and experienced non-profit professionals, community development professionals, and business professionals. This complementary mix of for-profit and not-for-profit talent, as well as local and national experience, allows the organization to move in an informed and impactful fashion to drive improvement in Eagle County.

There is no other local organization that has the combination of focus on community issues, focus on collaborative solutions to maximize impact and business leader support. The value of this combination is reflected by:

- **People:** The VISTA staff are passionate and engaged professionals who are only modestly compensated as they commit to a year of service to the community. Susie Davis, who has 28 years experience managing local non-profit activities including as the past Executive Director of The Youth Foundation, manages these OCF employees. The value of the mission and the team is reflected by the quality and number of Founders who are financing OCF, the board members who are driving strategy, and the advisory board members who are contributing their own local knowledge.
- **Programs:** OCF attracted the support of the Americorps/VISTA organization and has been entrusted with developing community solutions to our most critical issues. The value of this program to the community is estimated to exceed \$500,000 per year and generate a return on local investment that exceeds 400%.
- **Partnerships:** The Western Colorado Community Foundation ("WCCF") has selected OCF as its partner to increase both the value of donor advised funds serving Eagle County, and WCCF's local grant-making activity. 45 local non-profit organizations rely on OCF to help organize fund-raising (Eagle County Gives) collaboration through the OCF leadership gatherings. Finally, numerous examples of non-profit collaboration are the direct result of OCF's non-profit leadership gatherings and VISTA programs.

### Organization

#### Board of Directors

The OCF Board of Directors includes the original three people who led the creation of the organization, and three community representatives.

Mike Rushmore (Chairman) - Entrepreneur  
Seth Ehrlich - Executive Director, SOS Outreach  
Jeremy Reitman - Economic Development Officer, Gypsum, CO  
Bill Jensen - CEO, Telluride Ski Company



Ron Davis - Entrepreneur  
Chris Moffet - Independent Consultant

#### Advisory Board

The OCF Advisory Board includes people who have positions of significant influence and importance in Eagle County and support the creation of a traditional community foundation.

Jason Glass - Superintendent of Eagle County Schools  
Jennifer Ludwig - Public Health Director, Eagle County  
Kathryn Reggio - President of Colorado Mountain College  
Chris Romer - President and CEO, Vail Valley Partnership  
Dick Rothkopf - Community representative  
Beth Slifer - Business leader  
Les Stern - Community representative  
Robin Thompson - Former VP of Development, Vail Valley Foundation

#### Programming Staff

Susie Davis - Director of Programming and OCF Development  
Laura Hartman - Food security  
Nick Hathaway - Access to education  
Bridget Bradford - Community needs assessment and development  
Emma Sloan - Healthy living collaboration of three local non-profits  
To be named - Salvation Army development

#### Planning, Launch, and Management

Following about 18 months of community study, OCF was established and the mission defined by a group of people who have deep experience in Eagle County. Members of the original board of directors met extensively with local non-profit leaders, potential donors, local government representatives and other Colorado community foundations.

Importantly, the founding team felt strongly that we should establish OCF as a sustainable organization on the best possible footing so as to ensure that it did not fail. There was concern that having gone over 50 years without a community foundation, if OCF failed, then it would be a long time before another team worked to create another one.

With that in mind, the founders hired the Colorado attorney with the deepest experience in forming new community foundations (Heidi Glance) to establish the organization, hired the most experienced program manager in Eagle County (Susie Davis) to manage our first program, and are continuously seeking to expand our Board of Directors with the most qualified individuals.

While the members of the advisory and governance board often meet informally, the Board of Directors meets formally not less than four times per year as required by the articles of incorporation. Each board member is required to be actively and continuously engaged in the management of the OCF and its programs.

Community members and staff are encouraged to attend and contribute to board meetings. The August 2016 board meeting had 11 people present and contributing. The meetings are run professionally with a detailed agenda circulated several days before the meeting, and minutes shared after the meeting.

#### Future Financial Goals



One of our goals for OCF is for the organization to have the same or greater impact as community foundations in other communities. This impact can be measured in many ways, but here are a few insights:

- **Financial Impact:** On average, community foundations attract and invest about 10% of total charitable giving in a region served. In the case of Eagle County, charitable giving exceeds \$40 million per year, so an established community foundation might be expected to raise and invest about \$4 million annually.
- **New Funds:** Studies suggest that creating a new community foundation increases the total amount of philanthropy in the community served. OCF intends to develop and raise awareness of new investment opportunities that will attract the support of new donors who might want to **complement** their giving to culture and event organizations with giving to support smaller organizations dealing with local challenges.
- **Peer Groups:** It is interesting to consider communities that are similar to Eagle County and have established community foundations as a way to set goals for the future impact of OCF. Other resort communities such as Aspen, Steamboat Springs, Telluride, Summit County and Park City all have established community foundations that develop and invest \$1 million to \$3 million in local programs. OCF should be capable of achieving that goal.

#### Use of Donor Funds

OCF currently has three sources of funding, each with different uses:

- **Unrestricted Gifts:** The “Founders” have generally contributed these funds and they pay for our general obligations as defined and approved by the Board of Directors. These funds are currently used to pay the OCF portion of the VISTA Program Manager, office rent, VISTA subsidized housing rent and miscellaneous expenses totaling about \$70,000/year;
- **Restricted Gifts:** These are gifts that are contributed to OCF by Founders or donors with a specific area of interest. For example, one Founding Family requests that their \$10,000/YR donation be used to address issues of mental health for local military veterans. There is currently no such program so OCF is developing a program with local veterans organizations and doctors. Another Founding Family asks that their donation be made to local non-profit childcare organizations that qualify for certain tax benefits; Western Colorado Community Foundation works with OCF to identify funding needs that match donor advised fund investment parameters; and
- **In-Kind Gifts:** This form of gift has high value to OCF and can be substantial in scale. One such Founding Family gift provides deeply discounted housing for VISTA staff that cannot afford to live in Eagle County and pay market rents.

OCF does not currently have a campaign to develop an endowment or to fund a community grant program. However, these are typical of community foundations and are expected in the future.

#### Donor Engagement

The general philosophy of OCF donor development in 2015/16 has been to engage local philanthropists that share the vision for developing a traditional community foundation for Eagle County. This strategy is built on the concept of attracting “Founding Families” who are able to pledge \$10,000 per year for three years, or \$25,000 one time. As of August 2016, 14 families or organizations have become Founders of OCF. The organization goal is to attract 20 Founders by 2016 year-end. OCF works with the donor to involve them to the degree that they would like to be



involved. This spectrum of involvement varies from relatively uninvolved, to very involved in the core operations. There are currently no organized social or other benefits to becoming a Founder.

#### Founding Families (\$25,000 to \$55,000)

Mike and Sue Rushmore (Vail)  
Doe Browning (Vail)  
Chris and John Bakalar (Chicago/Vail)  
Lucy and Ron Davis (Edwards)  
Beverly and Phil Freedman (Edwards)  
Kevin and Amy Gould (Singapore/Vail)  
Carla Guarascio (Vail)  
Cynthia and Dan Helle (Chicago/Edwards)  
Alison Mass and Sal Bommarito (New York/Vail)  
Jeanne and Harry McQueeney (Edwards)  
Michele and Dave Mittelman (Boston/Edwards)  
Madeline and Les Stern (NY/Edwards)

#### Organization Support (\$10,000/year and above)

Gallegos Corporation  
Kaiser Permanente  
Western Colorado Community Foundation

#### Next Steps

OCF is being carefully managed in proportion to the limited current resources. As additional resources are developed, additional investments will be evaluated and prioritized.

Currently, our primary source of funding and related opportunity is the VISTA program that provides for partial funding for up to 10 VISTA staff working for OCF in the region. Our estimated return on that OCF investment is about 4X per years (400% ROI). This is achieved through a combination of grants and staff members that work for only nominal wages. The OCF annual run rate of investment to manage the VISTA program in Eagle County is about \$70,000.

In the future, OCF will evolve into a more mature community foundation with typical resources and programs. We would expect the organization to hire an Executive Director who would develop a grants program for local non-profits, and be responsible for organization development including fundraising.