

Ric DeVore Comments
Detroit Athletic Club's Executive Club
January 6, 2023

Thank you for the kind words, Tony.

Good afternoon and thank you for having me today. I consider it an honor to have the opportunity to talk with you.

Some of you may be wondering, if you knew me in my previous role with PNC, how I ended up leading the Community Foundation for Southeast Michigan. Well, it's in the name – Community. Community is how I got here and what I want to talk with you about this afternoon.

Late in 2021, I received a call from Jim Nicholson, the Chairman of the Community Foundation. He asked me if I would consider putting my name in the hat for the presidents' role. I don't want to suggest that I may have considered not taking it and easing into retirement BUT, Jim can be influential and after speaking with him, I could not pass on the opportunity to do something to better the lives of those who live in our region.

Little did I know just how little I knew about the Community Foundation. Here's what I've learned since I started my new role:

The Community Foundation funds, supports, and leads on :

Entrepreneurship and small businesses

Public spaces

Maternal health

Early childhood development

Justice Reform

The opioid crisis

Economic development
Arts and Culture
Equity
Housing
Immigration and refugees
Senior caregiving
Youth sports
Adult and youth mental health
Environment
LGBTQ+
Civic engagement
Medical research – from cancer to sleep apnea
Food insecurity
Sustainability
I could go on and on.....

The Community Foundation literally touches every cause and most nonprofits and needs in the seven counties of the region. Over the years, we have granted over \$1.4 billion averaging 5,000 grants a year.

It all began with Joe Hudson who started the Community Foundation nearly 40 years ago. Joe spent some time in Minneapolis during the transition of Hudson's retail to Marshall Fields. While there, he learned about the Minneapolis Foundation, their mission and that Minneapolis nonprofits were endowed way beyond nonprofits in Detroit. He came back home, tapped his community of friends and neighbors, and shared his vision for an endowment for the community and by the community that would help sustain the community's future. And from that little community that surrounded Joe, the Community Foundation was born and has been growing ever since.

Over nearly 40 years, the foundation has had an esteemed group of four chairmen Joe Hudson, Gene Miller, Allan Gilmour and Jim Nicholson.

That group has led a board of trustees that has dedicated time, expertise and influence to guide the Community Foundation to where we are today, and I'd like to acknowledge a few board members who are here. Would you mind standing please? [Name all who are there?]

I'd also like to acknowledge and thank any of the staff of the Community Foundation who are here as well- would you mind standing please?

Now, what I want to do today is to tap you on the shoulder just as Jim did for me and invite you to explore a new connection to your community – one of philanthropy.

Also, stay tuned. As a part of that invitation, before my talk is over, you will have a chance to make that new connection right in this room.

I want to assure you that this isn't the legendary Max Fisher story. There is no plan to lock the doors and ask you to write a check before you leave. I think you'll enjoy it.

I have been a member of the DAC for about 13 years. If we have spent time together, you probably have heard me say, the DAC is at the center of Main Street and Main Street is at the center of the DAC. The members here are dedicated to economic growth, arts and culture, athletics – the A in DAC - [wink], and strong sense of community and a legacy of lasting change.

Look at one of the DAC's founders, Frank Woodman Eddy. He is attributed with changing our nation's favorite pastime from cricket to baseball. The DAC along with its members have a rich history and unique connection to this region.

A region where our nature and public spaces are bringing people together. Entrepreneurs are developing innovative solutions and creating jobs.

Our arts and culture scene is cultivating diverse art, and providing educational opportunities. Theatres are entertaining and making us reflect.

A region where the youth of our community are learning how to lead and shaping the future of their communities.

All of this work, this community building is led by incredible people – civil servants, volunteers, nonprofit leaders, curators, writers, artists – those with vision, grit and determination to bring their inspiration into impact that lasts.

And philanthropy can be found right there at the center of this inspiration and impact with community foundations guiding, collaborating, leading communities' donors and nonprofits to impactful change.

There are 800 community foundations in the country and more than 50 of them are in Michigan. Our – and I'm including all of you here in that "our" - our community foundation is ranked in the top 25 in the country in terms of financial assets which currently sit at over \$1 billion. A phenomenal fact given that we were created much later than many of our peers and had some catching up to do.

This statistic speaks to the unbelievable job of Joe Hudson, my predecessor Mariam Noland, the board, the staff, and the generosity of funders and donors like many of you, who are committed to giving back to our region to make it a better place for future generations.

Those assets, or funds, of the Community Foundation are divided up into different ways we can support the community. Today I'm going to cover three of those

1. Agency Endowment
2. Field of Interest
3. General Endowment

One of the ways we help nonprofits is through what we call agency endowments. More than 230 local nonprofits receive annual grants for much needed general operating support through their endowment with us.

We also have what we call field of interest funds which allow donors to connect and support the spaces that matters to them. I'd like to share 3 of these field of interest funds that I feel are deeply connected to the spirit of the DAC – funds for entrepreneurs, arts and culture, and youth athletics.

The Ann and Carmen Adams Fund was established in 1996 to support entrepreneurs and small businesses. Their fund now serves as our field of interest fund for entrepreneurship in the region and is open for anyone to contribute. Some grants from this fund have supported projects like Venture for America, which creates pipelines at Detroit businesses for young people interested in entrepreneurship.

The founders of Banza Pasta, which won the Accelerate Michigan business competition that the New Economy Initiative of the Community Foundation launched, were a beneficiary of this field of interest fund.

Let's do some math – this fund has had \$6 million contributed to it since 1996. Out of this same fund, some \$6 million has been granted to projects across the region. Today, that fund has a

current balance of a little over \$6 million and ready to continue making an impact for generations to come. This demonstrates the power of endowment coupled with philanthropists wanting to make a difference in their community.

I mentioned supporting arts and culture earlier and while we have many funds that support those organizations, I want to tell you about the Whitney Fund. Established in 1991, the Whitney Fund combined the Katharine Tuck Fund and David M. Whitney Fund and became a fund of the Community Foundation in 2006.

This is the fund we tapped for grant money to keep the art at the DIA following the bankruptcy of the City of Detroit. I'm sure Katherine and David had no idea just how impactful and important their act of philanthropy would be when they set up their original funds.

Another field of interest fund at the community foundation is the Wilson Legacy Fund for Youth Sports, which was created by funds from Ralph Wilson's estate to make grants in perpetuity for local youth sports organizations.

This fund led to a larger partnership we have with the Wilson Foundation called Project Play, which is an initiative focused on providing children in southeast Michigan with access to equitable sports programs and safe spaces for recreation and play.

We believe every child—regardless of location, income, or ability—should have access to fun and fulfilling physical activities so they can live happier, healthier and more successful lives. And recently, the William Davidson Foundation recognized the work we were doing in this space and partnered with us with a \$1M contribution in December to increase the support in this area.

Those are just a small sample of our field of interest funds. In addition to agency endowed funds and field of interest funds we also have what I believe is one of the most important funds - our general endowment fund which we call the Southeast Michigan Forever Fund.

This fund allows us to make interesting and innovative investments in nonprofit ideas that might not fit in a current bucket or that meet an unforeseen need, like those that resulted from the COVID-19 pandemic or flooding in our region. I've made it my mission to grow this endowment so that we can do even more for the residents in Detroit and in our region.

Now, that you have had your Community Foundation Funds 101 training, I promised to talk about trends in philanthropy. Because as a community foundation, we have to be keenly aware of how and why people give back to their communities.

Giving is a mixed bag. On one hand, donations on Giving Tuesday were up 15% nationally this past November but it is spread unevenly. Large nonprofits and large donors – think the Mackenzie Scott's of the world – saw an increase. However, on the other hand, smaller organizations relying on smaller gifts are continuing to see a decline in giving.

One of the things we are working on at the state level to address this decrease in donations is to encourage the return of a tax credit aimed at families who are early in their philanthropic giving.

In addition to addressing the huge loss in revenue smaller nonprofits saw when the tax credit ended in 2012, this credit encourages a culture of giving in young families. We believe there is so much power in cultivating that culture because it will have a direct effect on the future of residents across the state and in our region.

In order to engage those up-and-coming philanthropists, we have to know why and how they would like to give. Today's philanthropists are interested in important, growing issues like social justice, the environment, human services and even animal well-being has become a growing concern of donors as well. At the Community Foundation, we are collaborating with donors and organizations across the state to provide money and support for each of those areas.

And as a local community foundation, we have a couple of advantages over commercial philanthropy funds. For one, we can design tailored giving plans so you can support your community's work in those fields of interest or any other area you'd like to support.

We have first-hand knowledge of most of the ## of nonprofits in southeast Michigan as well as the knowledge of the needs of our local communities. That trust coupled with our regional nonprofit connections is what separates us from commercial funds.

Because of our ability to closely connect donors and causes, I'm proud to say that the Community Foundation has established itself as a trusted partner in philanthropy. The trust that we've earned allows us to guide donors in how to make the most of their giving.

My wife, Donna, and I love our community and believe in the work of the nonprofits changing the region for the better. We considered ourselves philanthropic, gave to educational programming like OTIS at Oakland university – a program near and dear to our hearts - throughout the years and thought we had it down pat.

But, once I became the president, I saw firsthand the power of having a charitable fund with the Community Foundation, so we recently established a Donor Advised Fund with stock that we owned.

That's right, stock. The Community Foundation can accept many different types of assets to establish your fund such as business interests (including LLC interests), appreciated securities, IRA Qualified Charitable Distributions, and more. Let me know if you'd like some more information on that.

Now Donna and I believe that our charitable contributions are having an even bigger impact, going further than we knew possible.

Not that it's the most important piece, but in addition to a powerful tax benefit of setting up a fund, you can make gifts anonymously if you prefer and there is no mandatory annual payout like there is with a private foundation

None of our work would be possible without the help and support of not only donors, but also of our incredible community of volunteers. We have many advisory committees that help us make grant decisions based on a landscape of needs and grant applications. And today, we are going to do a quick exercise and make this group an advisory committee of the Community Foundation.

So welcome to the one and only temporary DAC Executive Club Community Giving Advisory Committee.

We are giving you the opportunity to allocate the funds we had budgeted towards some of the permanently endowed field of interest funds you just heard about. This committee will have \$5000 to allocate to a fund through a vote we will be conducting electronically.

Please use the cameras on your phones to scan the code or visit the url you see on the screen. Then you will be able to select which fund you would like to support.

(Once completed)

Thank you for participating! We will be allocating funds proportionately based on these votes.

If you enjoyed that, see me or one of our staff after the meeting to talk about how to get involved.

The southeast Michigan community is expansive – full of smaller, tight-knit communities that are interconnected and with donors and nonprofit leaders who are making an impact. If there are any donors in this room, and I know there are, thank you. Thank you for your support for this region and trusting us to help you make the permanent positive change you can envision for this little part of Michigan. You are generous visionaries that we are proud to have in our community.

If I can leave you with one thought it's that the philanthropic economy is always in transition with new trends, donors, needs and opportunities. But the Community Foundation continues to be a trusted partner for philanthropy in giving today and in perpetuity.

We know and support the nonprofit landscape with endowment being a top priority as it secures the future of those programs and ideas that will come for the next generation and beyond.

So consider this your tap on the shoulder, your invitation to join our community to support your community. We are here to co-create positive change with you.

You can stay up to date with the latest from the Community Foundation by following us on LinkedIn and subscribing to our news with the information on the screen.

Thank you for your time today. I would be happy to answer any questions.