

The Charitable Organization

Endowment Report

SIMPLE. FLEXIBLE. FOREVER.

 OKLAHOMA CITY COMMUNITY FOUNDATION | SEPTEMBER 2006

Marilyn Myers

Making an impact through building charitable endowments

Marilyn Myers was the “dean” of charitable organization executives in Oklahoma City.

After working at the Oklahoma City Art Center and the Arts Council of Oklahoma City for a number of years, she joined the Kirkpatrick Foundation in 1983 as its executive director. She later became the executive director of the Kirkpatrick Family Fund and was extensively involved in a number of John Kirkpatrick’s charitable interests: Omniplex, Kirkpatrick Center, Harn Gardens, City Art Center, and the Oklahoma City Museum of Art. She even served as the interim director of the Oklahoma City Community Foundation in 1985.

Marilyn gave to many community projects her expertise, leadership and support that far exceeded the requirements of her job. Marilyn always had time to visit, to advise and to encourage many staff and volunteers engaged in a wide variety of charities. She enjoyed learning about their organizations and respected their efforts and contributions to our community. She appreciated the challenges of running a nonprofit organization and was especially good at solving problems and working with boards and volunteers.

Because of the Kirkpatrick family’s interest in developing endowments, Marilyn became one of the greatest advocates for the Charitable Organization Endowment Program at the Oklahoma City Community Foundation. During her tenure at Kirkpatrick Family Fund, she helped develop matching opportunities for more than 130 new organization endowments and a number of new scholarship funds. She encouraged organizations to start endowments and to include endowments as part of capital campaigns and construction projects. She also encouraged donors to give to these endowments and would help develop matching grant opportunities.

Continued on page 2

Marilyn supported many organizations such as the William Fremont Harn Gardens and Homestead and its educational programs for children.





Marilyn is greeted by John E. Kirkpatrick following a dinner in 2000 where she was recognized for her dedicated service to the community and the Oklahoma City Community Foundation. Joining them, left to right, is Anne Morgan, Jackie Jones and Nancy Anthony.

Marilyn Myers

Continued from page 1

Marilyn Myers retired from the Kirkpatrick Family Fund in October 2005 and unfortunately lost a battle with cancer on April 26, 2006. She was an officer of the Oklahoma City Community Foundation for 23 years and

involved in many of our committees and programs. Never one to draw attention to her position or accomplishments, there are many organizations who today may not realize the impact she had on their group 10 or 20 years ago.

While we will miss Marilyn's friendship and expertise, we will always remember the efforts that she made to help build support for charitable organizations in the community.

The Power of Endowment

Providing a lasting source of support

At the Oklahoma City Community Foundation, we talk a lot about endowments but just what is an endowment? In basic terms, an endowment is a permanent fund that is invested and administered to provide annual income to a charitable group.

To us, an endowment represents gifts from thousands of donors who want to remain a source of opportunity and support for an organization for generations to come. Marilyn Myers understood the power of endowment to an organization. Her fingerprints are visible on many endowments we administer today.

To further illustrate the power of these gifts and the endowments they support, the 261 organizations that are part of our Charitable Organization Endowment Program will receive \$4.9 million in distributions in 2006. This income will provide operating support so that organizations can provide the important services that benefit our

community. And an endowment will continue to provide annual income for the life of that organization, serving as a constant source of support. That's the power of endowment.

Since 1969, donors have supported endowments administered at the Oklahoma City Community

Foundation because they know we will provide strong financial oversight and investment management to ensure their gifts and good intentions continue as they desire. They also come to us because they know we make charitable giving simple, flexible and forever.

Charitable Organization Endowments* Represent a Variety of Community Interests

Area	# of Organizations	Total Fund Value as of 6/30/06	'06 Distribution
Cultural	31	\$5.8 million	\$287,784
Education	45	16.6 million	813,211
Health/Medical	28	5.1 million	256,673
Civic	65	8.7 million	418,308
Social Services	67	11.6 million	576,583
Youth	14	3.7 million	185,054
Religious	3	694 thousand	26,027

* Excludes Organizational Affiliated Funds

Charitable Organization Endowments

To find out more about our Charitable Organization Endowments visit www.occf.org and click on Central Oklahoma Charities (located on the left menu bar).

Arts & Cultural Organizations

Ambassadors' Concert Choir
Arts Council of Oklahoma City
Ballet Oklahoma
Canterbury Choral Society
Chamber Music in Oklahoma
Cimarron Circuit Opera Company
City Arts Center
Civic Music Association
Fine Arts Institute of Edmond
Guy Fraser Harrison Academy for the Performing Arts
Individual Artists of Oklahoma/
Linda Jaeger Memorial Fund
International Photography Hall of Fame & Museum
Jacobson Foundation
Ladies Music Club of Oklahoma City
Lyric Theatre of Oklahoma Fund
Melton Art Reference Library
Jasmine Moran Children's Museum
National Cowboy & Western Heritage Museum/
Docent Council
Oklahoma Arts Institute
Oklahoma Children's Theatre
OK Chorale
Oklahoma City Orchestra League
Oklahoma Community Theatre Association Fund
Oklahoma Museums Association
Oklahoma Shakespeare in the Park
Oklahoma Visual Arts Coalition
Oklahoma Youth Symphony
Paseo Artists Association
Prairie Dance Theatre
Red Earth

Community Development Organizations

Association of Fundraising Professionals
Cimarron Alliance Foundation
Executive Women International
Jewish Federation of Greater Oklahoma City
Junior Hospitality Club
Junior League of Oklahoma City
Kiwanis Club Special Activities Fund
League of Women Voters of Oklahoma
Legal Aid Services of Oklahoma/
Judge Eugene Matthews Fund
National Society of Colonial Dames
of America in Oklahoma
Navy League for USS Oklahoma City
The Ninety-Nines
Ninety-Nines Museum of Women Pilots
Oklahoma Center for Nonprofits
Oklahoma City All Sports/Scholarship Relief Fund
Oklahoma City Crimestoppers

Oklahoma County Bar Foundation
Oklahoma Lions Service Foundation
Oklahoma River Foundation
Redbud Foundation
Rotary Club 29 Foundation
Women of the South
U.S. Navy E-6-A Squadron
U.S.S. Oklahoma City

Education: Community Organizations

Friends of the Metropolitan Library System
Friends of the Mustang Public Library
Friends of the Norman Public Library
Humanities in Oklahoma
Institute of International Education
Library Endowment Trust
Oklahomans for Special Library Services
Oklahoma City Literacy Council
Payne Education Center

Education: Preschool-12th Grade

Calumet School Foundation Fund
Casady School
Celebrations Preschool
Christ the King Catholic School
Edmond Public Schools Foundation
El Reno Public School Foundation
Erna Krouch Preschool
Bishop McGuinness Catholic High School
Midwest-City-Del City Public Schools Foundation
Moore Public Schools Foundation
for Academic Excellence
Mount Saint Mary High School
Oklahoma FFA Foundation
Oklahoma Foundation for Excellence
Oklahoma School of Science and Mathematics
Oklahoma City Public Schools Foundation
Positive Tomorrows
Putnam City Public Schools Foundation
Rosary Catholic School
Sacred Heart Catholic School-El Reno
Special Care
St. Charles Borromeo Catholic School
St. Elizabeth Ann Seton Catholic School
St. James Catholic School
St. John Christian Heritage Academy/
Waltine Lynette Jackson Fund
St. John's Episcopal School
St. Mary's Episcopal School of Edmond
Trinity School
Villa Teresa School
Westminster School

Education: Colleges/Universities & Vocational Schools

Hillel Foundation/University of Oklahoma
Langston University Development
Oklahoma Baptist University
Oklahoma Christian University
Oklahoma City Community College
Oklahoma City University
Oklahoma City University Film Institute
Oklahoma City University Law School
Oklahoma State University-Oklahoma City
Oklahoma State University/
School of Civil & Environmental Engineering
Opportunities Industrialization Center
Redlands Community College/
Tommy Pinkston Family Memorial Scholarship
Southern Nazarene University Scholarship
St. Gregory's University
Francis Tuttle Vo-Tech Foundation Fund
U.S. Air Force Academy-John E. Kirkpatrick Fund
U.S. Military Academy-John E. Kirkpatrick Fund
U.S. Naval Academy-John E. Kirkpatrick Fund
University of Central Oklahoma
Melton Legacy Collection Fund
University of Central Oklahoma/
Department of History and Geography Fund
University of Oklahoma /
Medical College Alumni Association
University of Oklahoma Norman Campus/
Bizzell Memorial Library
University of Oklahoma/
Jerry Cooper Marching Band Scholarship
University of Oklahoma/
Fred Jones Jr. Museum of Art
University of Oklahoma/Naval ROTC

Environment & Animal Organizations

Best Friends of Shelter Pets
Free to Live
Friends of Martin Park Nature Center
Morris Animal Foundation
Myriad Gardens Foundation
The Nature Conservancy/Oklahoma Chapter
Oklahoma City Beautiful
Oklahoma City Geological Foundation
Oklahoma Horticultural Society
Oklahoma Zoological Society
The Tree Bank

Health-Related Organizations

Alzheimers Association/Oklahoma & Arkansas Chapter
American Cancer Society
American Diabetes Association
American Lung Association of Oklahoma
Arthritis Foundation/Oklahoma Chapter
The Children's Center
Children's Medical Research Institute
Community Health Center/
Mary Mahoney Memorial Health Center
Deaconess Home -Pregnancy and Adoption Services
Epilepsy Association of Oklahoma
Integrus Baptist Medical Center of Oklahoma
Integrus - James L. Hall Jr. Center
for Mind, Body & Spirit
Integrus Southwest Medical Center
The Leukemia & Lymphoma Society
Lupus Foundation of America
Dean A. McGee Eye Institute
Mercy Health Center
National Multiple Sclerosis/Oklahoma Chapter
Oklahoma Brain Tumor Foundation
Oklahaven Children's Chiropractic Center
Oklahoma Children's Health Foundation/Camp Cavett
Oklahoma Community Health Services
Oklahoma Medical Research Foundation
Oklahoma Physical Therapy Foundation
Oklahoma Safe Kids Coalition
Planned Parenthood of Central Oklahoma
Prevent Blindness Oklahoma
Referral Center for Alcohol and
Drug Services of Central Oklahoma
Russell-Murray Hospice
St. Anthony Hospital
United Cerebral Palsy
Variety Health Center

History & Preservation Organizations

45th Infantry Division Museum
95th Division Foundation
Arcadia Historical & Preservation Society
Cleveland County Historical Society
Edmond Historical Society
Friends of Oklahoma Historical Society Archives
William Fremont Harn Gardens and Homestead
Oklahoma Archeological Survey
Oklahoma City/County Historical Society
Oklahoma Heritage Association
Oklahoma Historical Society
Oklahoma Railway Museum
Oklahoma State Firefighter's Museum-OSFA
Overholser Mansion
Preservation Oklahoma
Stillwater Museum Association-Sheerar Museum Fund
Westerners International

Neighborhood Associations

Capitol View Neighborhood Association
Crown Heights-Edgemere Heights
Neighborhood Association
Edgemere Park Preservation Area
Historic Brookhaven Neighborhood Association
Mesta Park Neighborhood Association
Neighborhood Alliance of Oklahoma City
Oklahoma City Housing Services
Redevelopment Corporation/Positively Paseo
Putnam Heights Preservation Area/
Anderson Family Endowment
Shartel Boulevard Development Authority

Religious Organizations

All Souls Episcopal Church
LifeChurch.tv
Sisters of Benedict Endowment
Sisterhood of Temple B'nai Israel
Temple B'nai Israel Centennial Fund

Senior Adult Services Organizations

Areawide Aging Agency
Baptist Retirement Center
Daily Living Centers
Edmond Senior Community Foundation
Foundation for Senior Citizens
Oklahoma County Senior Nutrition Program
Retired & Senior Volunteer Program
of Central Oklahoma - RSVP

Social Services Organizations

Aid for Individual Development
American Red Cross of Central Oklahoma
Catholic Charities of the Archdiocese of Oklahoma City
Central Oklahoma Association
for the Deaf & Hard of Hearing
A Chance to Change
Child Abuse Response and Evaluation Center - CARE
Citizens Caring for Children
Citizens Caring for Children Scholarship Program
City Rescue Mission
Coffee Creek Riding Center
Consumer Credit Counseling Service
of Central Oklahoma
Drug Recovery, Inc.
Easter Seals of Oklahoma
The Education and Employment Ministry - TEEM
Employment & Residential Centers - EARC
Exchange Club Center
for the Prevention of Child Abuse
Firststep-OKC Metro Alliance
Genesis Project
Heartline
Hope Center of Edmond
Infant Crisis Services
Jesus House

Make-A-Wish Foundation of Oklahoma
Make Promises Happen/
Central Oklahoma Christian Camp
McCall's Communities
Meadows Center for Opportunity
Mental Health Association of Central Oklahoma
Neighbor For Neighbor of Oklahoma City
Neighborhood Services Organization
Oklahoma Foundation for the Disabled
Oklahoma Foundation
for the Education of Blind Children & Youth
Oklahoma Goodwill Industries
Oklahoma Halfway House
Oklahoma Lawyers for Children
Oklahoma League for the Blind
Presbyterian Urban Mission
Rainbow Fleet
Rebuilding Together
Regional Food Bank of Oklahoma
Reliant Living Centers of Oklahoma
Dale Rogers Training Center
The Salvation Army
The Salvation Army/Ed Leslie Fund
Scope Ministries International
Skyline Urban Ministry
Special Olympics Oklahoma
Speck Homes
Sunbeam Family Services
Traveler's Aid Society
United Methodist Boys Ranch
United Way of Central Oklahoma
Urban League of Greater Oklahoma City
Willow Springs Boys Ranch
Work Activity Center
World Neighbors
Youth Services for Oklahoma County
YWCA of Oklahoma City

Youth-Serving Organizations

Big Brothers Big Sisters of Greater Oklahoma City
Boy Scouts of America - Last Frontier Council
Boys & Girls Club of Oklahoma County
Camp Fire USA - Heart of Oklahoma Council
Fellowship of Christian Athletes
Girl Scouts - Red Lands Council
Junior Achievement of Greater Oklahoma City
Kerr-McGee Swim Club
Oklahoma City Police Athletic League
Salvation Army Boys and Girls Club of Oklahoma City
YMCA of Greater Oklahoma City
YMCA - Enid Denny Price Family
Youth Leadership Exchange

Lawton Community Foundation Charitable Organization Endowments

The Lawton Community Foundation was established in 1999 to support the charitable interests and concerns of the people of the Lawton community and surrounding areas. Through the Lawton Community Foundation, which is affiliated with the Oklahoma City Community Foundation, the following 19 Lawton-based organizations have created charitable organization endowments. All investment and distribution policies that govern the Oklahoma City Community Foundation Charitable Organization Endowment Program also govern the Lawton funds. For more information on the Lawton Community Foundation, please visit www.LawtonCF.org.

Arts for All, Inc.
Boulevard of Lights
Cache School Education Foundation
Field Artillery OCS Alumni Chapter
Giddy Up 'N Go
Great Plains AMBUCS/Kid's Zone Project
Hackberry Flat Foundation
Lawton Community Theatre
Lawton Family YMCA
Lawton Philharmonic Society
Lawton Public School Foundation
Lawton-Fort Sill Armed Services YMCA -
Gene Love Endowment
Museum of the Great Plains
On the Chisholm Trail Association Heritage Center
Percussive Arts Society
Robert E. Greiner School for the Handicapped
of Comanche County
Southwest Oklahoma Genealogical Society
United States Field Artillery Association
United Way of Lawton/Fort Sill

Services for Charitable Organization Endowments

Through our Charitable Organization Endowment Program, the Oklahoma City Community Foundation provides the following key services to the participants.

Development and Communications

All charitable organization endowments are promoted to current and potential donors and the community as a whole through a variety of publications and the web site. In addition, our staff provides information and resources to organizations and their volunteer leaders to encourage endowment building.

In partnership with Cole & Reed, P.C., we host workshops for certified public accountants who work for or with the organizations. The workshops are free and cover topics related to charitable tax issues as well as provide two hours of continuing education credit for the attendees.

Administrative and Support Services

We provide all accounting and reporting services for each endowment and for each major donor. All contributions are acknowledged and we help facilitate non-cash gifts such as stocks or other securities. Due to careful management, economies of scale and support from an administrative endowment, the annual fees for these services are a low 0.4 percent (40 basis points) with fees scaling down for larger funds.

Online Services at www.occf.org

Central Oklahoma Charities is the region's most up-to-date searchable online directory of charitable organizations. Each organization is included in the directory in both an alphabetical listing and a categorical index. Each organization's web page includes contact information, a description of services and a link to both the organization's web site and an e-mail link. A link to a secure online giving service is also provided and offers donors the ease of making a gift to an endowment using a major credit card.



Gayle Farley

g.farley@occf.org

Contact Gayle for more information on our Charitable Organization Endowment Program.

Through DonorCentral, an online fund reporting service, organizations have access to a secure site that provides fund balances, financial statements and gift history of their specific endowment.

Community Programs and Grants

The Capacity Building Grant Program provides the organizations assistance with long-range planning, staff and board training, technology needs, development and audits. Over the past five years, the Trustees have awarded nearly \$350,000 in grants through this program.

Networking Roundtables are held throughout the year. These free training opportunities serve as an avenue to discuss common charitable organization issues. Topics deal with current issues impacting charitable organizations.

Notebooks

Each organization is provided with a Charitable Organization Endowment Notebook. These customized notebooks contain historical information on gifts and grants, policies governing the fund and details about services available to organizations. The notebook serves as an organization's historical reference and staff are encouraged to make it accessible to board members and to update it with the fund reports provided to them each year.



Jennifer Stewart
Donor Services
j.stewart@occf.org



Joe Carter
Development
j.carter@occf.org

Please contact us for more information on charitable giving.

Supporting a charitable organization endowment is simple, flexible and forever

Providing simple and flexible giving options for donors is an important service we provide through the Charitable Organization Endowment Program. While benefiting an organization, charitable gifts can also provide donors with tax benefits and even annual income. Our professional staff is experienced and knowledgeable about the available giving vehicles and can work with donors and their professional advisors to develop a gift planning process that meets the donor's charitable and financial goals. And, because the Oklahoma City Community Foundation is a public charity, the tax benefits are the maximum allowed by law for gifts made to endowments we administer. Below is a summary of the gift options and services we provide:

Charitable Gift Annuities and Charitable Trusts

Charitable gift annuities and charitable remainder trusts are giving vehicles that provide income to the donor or a loved one while also making a charitable gift. After a term of years or the death of the income beneficiary, the remainder value can go to one or several endowments. The Oklahoma City Community Foundation has the expertise and capability to issue gift annuity contracts and administer charitable trusts. Sample trust and annuity agreements are available for review at www.occf.org.

Possible Annual Annuity Payments for a \$20,000 Gift

Age	Annuity Rate	Annual Income	Income Tax Deduction
60	5.7%	\$1,140	\$7,382
65	6.0%	\$1,200	\$8,083
70	6.5%	\$1,300	\$8,706
75	7.1%	\$1,420	\$9,498
80	8.0%	\$1,600	\$10,295

Based on September 2006 rates, this chart is for illustrative purposes only. Contact us so we can prepare a chart specifically for you.

Bequests

Continuing to make a difference in the community after your lifetime is easy through a charitable bequest. A charitable bequest is language included within a will or trust that designates a specific asset, a dollar amount or a percentage of your estate to a specified charitable organization. For your convenience, we provide sample language for charitable bequests on our web site at www.occf.org.

Non-Cash Assets

We also make it easy for those donors who make charitable gifts using non-cash assets. We are able to accept oil and gas interests, insurance policies, marketable securities, retirement plan assets and real estate.

One Gift To Benefit More Than One Organization

For donors who want to make one gift and divide it among several charitable organizations, the Oklahoma City Community Foundation makes the process easy.

The PGDC Makes Charitable Planning Easy

The Planned Giving Design Center (PGDC) is a comprehensive online resource available at www.occf.org. A simple and free registration gives donors and professional advisors alike access to the latest information on charitable giving and estate planning. Highlights of the PGDC include sample documents for charitable gift annuities, bequests and charitable trusts; estate plan case studies; optional email news alerts on the latest regulatory developments; and an online calculator to compute tax and income implications.

Charitable Giving Available 24/7

For donors who prefer the convenience of making charitable gifts with a major credit card, we offer a secure online giving service at www.occf.org. Through this service, donors can make a charitable gift to any fund at any time. Online giving is just another way the Oklahoma City Community Foundation makes charitable giving simple and flexible.

Investment and Distribution Policies

Providing Long-term Support for Charitable Endowments

Charitable organization endowments are created to exist in perpetuity and provide support for the organization's current and future needs. The balance between generating current income and ensuring growth to protect future income against inflation requires that investment and distribution policies are well coordinated and that a long-term perspective is maintained.

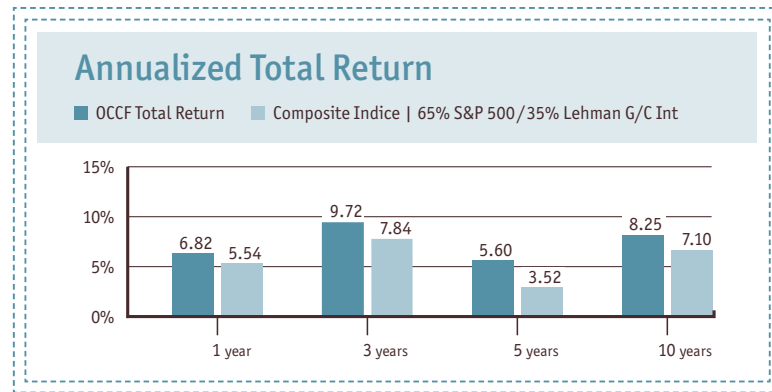
The Oklahoma City Community Foundation Trustees monitor the investment process so that every charitable organization endowment receives high quality professional investment management.

In addition, the distribution policies utilized by the Charitable Organization Endowment Program are modeled after the nation's largest and most successful endowment programs.

How are the charitable organization endowment funds invested?

All charitable organization endowments are pooled with other Oklahoma City Community Foundation funds and invested by a team of professional investment managers. Our investment policy calls for a portfolio of stocks and bonds that is highly diversified and of high quality. Capital preservation and growth necessary to protect against inflation are the policy's fundamental objectives.

Our Investment Committee monitors the performance of these managers and devotes significant time to consideration of issues of asset allocation and appropriate diversification. The Investment Committee is comprised of Trustees and community leaders with strong investment expertise and is led by Investment Counsel,



James K. Hotchkiss of Hotchkiss and Associates of Chicago, Ill. This proven investment process has resulted in investment performance that has outperformed the market benchmark indices for the past 10 years.

Total investments return for the Oklahoma City Community Foundation's general investment pool was 6.82 percent for the fiscal year ending June 30, 2006.

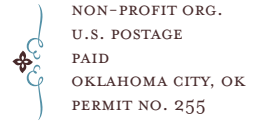
How are the annual distribution amounts determined?

Cash distributions from charitable organization endowments are based on a spending rule that calls for distributing 5 percent of the market value of the fund, averaged over the previous 8 quarters. Any remaining investment return over the 5 percent is left in the fund to increase the fund value and to protect the future income stream against inflation.

Historical trends in the marketplace indicate that 5 percent is an appropriate amount to distribute while still maintaining the purchasing power of the fund. This is based on the assumptions that total investment return for a balanced

portfolio can reasonably be expected to average at least 8 percent and inflation over time will average 3 percent. A majority of large endowment funds for colleges and foundations use the 5 percent spending rule because the annual distribution from the fund is predictable and is not tied to current interest rates, asset allocation, or shifts in market conditions in any one year. This spending policy allows investment managers to focus on achieving the best total return for the portfolio that enhances the fund over time.

For more information about our investment and distribution policies, please contact Carla Pickrell at 405/235-5603 or c.pickrell@occf.org.



New IRA provision benefits donors, charities

A new law regarding gifts to charity from Individual Retirement Accounts (IRA) can benefit both a donor and a charitable organization endowment.

A provision of the Pension Protection Act of 2006 permits people who have reached age 70 1/2 to exclude from income up to \$100,000 per year in qualified IRA assets if the assets are contributed to a qualifying charity. The IRA charitable rollovers will only be allowed in the 2006 and 2007 tax years.

Qualified charities under the law include designated beneficiary funds such as the 260 charitable organization endowments administered by the Oklahoma City Community Foundation. Please note that the new law makes no change to the rules that govern charitable bequests of IRA assets, either outright to charities or to deferred giving arrangements. Such transactions have qualified for favorable income tax consequences in the past and will continue to be an attractive planning strategy in the future. The new law only changes the rules for lifetime charitable gifts from IRAs.

Our staff can assist you and your professional advisor with the transfer of IRA assets to one or more of the Oklahoma City Community Foundation funds that benefit charitable organizations. Please contact Carla Pickrell at 405/235-5603 for further information on how the new IRA provision can benefit you and the community.

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