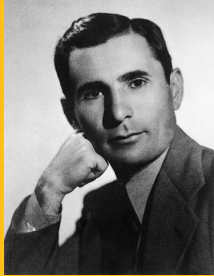


Goldseker
FOUNDATION

2011 ANNUAL REPORT



The Goldseker Foundation was created through the generosity and foresight of Morris Goldseker (1898-1973). Mr. Goldseker directed in his will that the Foundation be formed to support programs that directly benefit the people of the metropolitan area of Baltimore.

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CHAIRMAN'S MESSAGE

Among the challenges private foundations face, perhaps the most important is balancing the tension between present and future. Especially in volatile economic times, foundation staffs and governing boards are naturally drawn to the struggles of the communities they serve, so even if asset values and income shrink, we are always tempted to increase our charitable spending. And nonprofit organizations accustomed to annual grant support, and elected officials as well, often advocate for greater, not less, foundation spending during a down economy. In fact, during difficult economic times, the Foundation has borrowed modest amounts from future required payouts, rather than drastically diminish its grant budget.

Among the challenges private foundations face, perhaps the most important is balancing the tension between present and future.

As appealing as stepped-up spending appears on the surface, it neglects to take into account the governing board's responsibility to manage the Foundation's assets in a sufficiently prudent way to assure its ability to persist over time. An important part of our institutional mission is to carry out the donor's intent in perpetuity and help improve the lives of generations of Baltimore area residents and the organizations that serve them. This argues for spending discipline in both good economic times and bad, however compelling short-term needs may be.

During the current economic slowdown, we have sought to make certain that the Foundation's most significant initiatives are adequately funded and supported by active staff engagement, while recognizing that a diminished program budget necessarily requires us to take on fewer new things. As we have also pointed out from time to time during the past four years, this explains our reluctance to encourage ambitious multiyear commitments.

Relying on a program budget defined solely as a percentage of annual net income, however, ignores the potential for investment—and leverage of much larger investments by others—of the vastly greater financial tool at a foundation's disposal: its assets. Though they still represent a small proportion of annual

CHAIRMAN'S MESSAGE

foundation spending nationally, mission-related investments of foundation assets, in the form of loans, loan guarantees, limited partnerships, and equity that combine anticipated financial returns with a complementary social purpose, are rapidly gaining adherents within private philanthropy.

For a moderately sized foundation like ours that operates exclusively in Baltimore, these kinds of investments are both hard to find and, in terms of potential impact, typically require a scale of investment that exceeds both our financial capacity and risk tolerance. Some years ago, the Foundation's directors approved a policy that permits up to 1 percent of our assets to be invested in these types of projects (sometimes called "socially responsible"). To date, we are involved in three, which take us to the current allowable limit of such investments:

Baltimore Fund

The Baltimore Fund is a collaboration formed by 15 private funders, led by the Annie E. Casey Foundation and Open Society Institute, which each made \$5 million commitments, to match a \$15 million commitment from international financier and philanthropist George Soros. The Fund, created in September 2002 and opened for business in early 2003, is scheduled to close in September 2013. It was created to provide equity

and debt to growing companies, to train and hire residents of the region's poorer communities, and to produce a positive financial return to its investors. The Goldseker Foundation invested \$500,000 of its assets in the Fund and provided an additional \$250,000 in grants over three years toward initial staffing and administrative costs.

The Fund is a limited partner in Urban Growth Partners, a \$45 million social investment pool created and managed by its general partner, The Reinvestment Fund, based in Philadelphia. TRF currently manages nearly \$700 million of capital in the Mid-Atlantic region, including an additional \$27 million in Baltimore City.

As of December 31, 2010, \$8.6 million of the Baltimore Fund's \$15 million commitment had been called and invested, along with Urban Growth Partners' other investors, in eight portfolio companies, three of which have been profitably exited and two written off. The 2007 recession and its aftermath have made it extremely difficult for TRF to identify promising deals, not surprising when considering the additional social purpose that prospective firms must also embrace. In response, this past June the Baltimore Fund's overall capital commitment was reduced—for a second time—to \$9,750,000.

The current plan is to exit the remaining three portfolio companies, ideally by September 2013, and provide a final financial and program accounting soon thereafter. The Goldseker Foundation entered the Fund to help meet the Soros challenge and as an unusual opportunity for mission-driven investment. While we may yet realize a positive financial return at the Fund's close or at least break even, we also recognize the importance of its social mission, in this case employment opportunity, and the inherent difficulty of combining both into what is termed a "double bottom line" return.

Enterprise Community Partners

Since its founding almost 30 years ago, Enterprise Community Partners (formerly The Enterprise Foundation) has made \$10.6 billion of investments in housing, employment access, and a variety of social and educational programs in poor communities nationwide.

In 1985, a subsidiary, Enterprise Community Loan Fund, Inc., was created as a vehicle for companies, foundations, and individuals to invest directly in the construction and renovation of homes in low-income communities. To date, it has invested \$1.2 billion through partnerships with 1,000 community groups in 46 states, producing more than 100,000 homes.



CHAIRMAN'S MESSAGE

The Fund (ELF) launched in Baltimore that same year, and the Goldseker Foundation was its first investor, at a \$150,000 level. This was the first of our mission-related investments. Between 1985 and 1987 our investments in ELF totaled well over \$600,000. With the Fund successfully launched, our next financial support did not occur until 2004, with a \$100,000 grant to support Enterprise's core operations in Baltimore.

In late spring 2011, it introduced a new product, the Enterprise Community Impact Note, to expand its ability to raise and lend funds to local nonprofit housing organizations across the country. Its goals are to provide an investment vehicle that aligns its social mission with investor values and, as a product of Enterprise Community Partners, provides the safety of a parent organization with a strong financial record. Nationally, nearing year's end, \$5.25 million had been invested in the Impact Note program, which intends to raise at least \$50 million by the end of 2015. Its 2012 target is a minimum of \$7 million.

The Goldseker Foundation had been actively seeking an additional mission-related investment for some time, one that would match our program interests in the Baltimore region

with our financial capacity. Accordingly, at the end of November, our Investment Committee authorized a three-year \$500,000 investment at 2 percent annually from the Foundation's assets in the Impact Note program, with lending locally restricted.

Healthy Neighborhoods, Inc.

At the close of 2011, Healthy Neighborhoods was active in 35 Baltimore communities. Of its original \$40 million mortgage and housing rehab loan pool, more than \$38 million was committed, representing 229 loans, to improve housing conditions and values in those city neighborhoods. The \$1.9 million remaining is expected to be committed in the first six months of 2012. To date, there have been two foreclosures and one short sale.

The loan funds were provided by a consortium of local banks and savings institutions, backed by \$4 million of loan guarantees from the Abell, Weinberg, and Goldseker foundations and the Maryland Housing Fund. Our share of the guarantee pool is \$400,000, added to the \$1,970,000 of startup, special project, and sustaining support the Foundation has provided HNI from its grant budget since co-founding the organization nearly 10 years ago.

The sustained success of the Healthy Neighborhoods initiative led to the creation in 2011 of a second \$23 million loan pool, to which the Goldseker Foundation has committed an additional \$200,000 guarantee, again in partnership with the Abell Foundation and Maryland Housing Fund, and the Annie E. Casey Foundation. To date, \$21.5 million has been raised from five local financial institutions to capitalize this second pool.

As the Foundation's asset values continue to rebound, so too will our ability to entertain other mission-related investment opportunities, in continued partnership with our foundation colleagues and grant recipients in Baltimore City and the region.

As always, I am very grateful for the effort and counsel of our Board of Directors, Investment Committee, advisors, and staff during 2011. As you read through this annual report, I hope you will appreciate as much as I do the thoughtfulness and care that this past year's work represents.



Sheldon Goldseker
Chairman
December 2011

PRESIDENT'S MESSAGE

Over the course of the Foundation's life, we have invested in just under 500 locally based organizations and institutions.

It has now been nearly three full years since the bottom began falling out of the economy, accompanied inevitably by a marked decrease in the program budgets of both private nonprofit organizations and their funders. The downturn produced countless articles and concern about the sector's ability to sustain its work, and the frustratingly slow and fragile recovery has done little to allay the anxiety.

But through it all, life goes on, institutions persist, and remarkably able and committed leaders across Baltimore energetically keep on working to improve the lives of those of us who live and work in this city and region. They are, and in some cases for many years have been, the Foundation's partners in a variety of initiatives designed to make this area more attractive, vital, wealthy, safe, competitive, and fair.

Over the course of the Foundation's life, we have invested in just under 500 locally based organizations and institutions. There are practical reasons—both of space and of our readers' patience—that limit how many I can recognize here. But I thought in this year's Annual Report I would make special mention of a few in whom we have invested, and whose work illustrates the importance of attracting and retaining talented, entrepreneurial civic leadership to the ongoing task of creating a stronger, better community.

- I first met Diane Bell-McKoy 15 years ago, when I served as co-chair of the search committee for a CEO for Empower Baltimore, the city's empowerment zone initiative. We have been friends and colleagues ever since. She is currently head of [Associated Black Charities](#), which she has reorganized and greatly expanded during her tenure, making it an important civic and philanthropic partner in the broader community. We have been supporting her work to strengthen and expand the African American middle class and recruit and place young African American professionals on nonprofit governing boards.
- There also has been a noticeable increase in the number of younger families who over the past four or five years made a commitment to living in Baltimore City, raising and educating their children there, and making it a more welcoming and friendly place for families. The Foundation provided the organization they formed, [Downtown Baltimore Family Alliance](#), with its initial funding and has encouraged expansion of its advocacy and marketing roles, particularly with respect to neighborhood public schools. Its current president, Judy Chung, a charter member of the organization, and a very energetic board are making DBFA an increasingly important civic asset.

PRESIDENT'S MESSAGE

- Three years ago, we became acquainted with Karen DeCamp, a Charles Village resident and school improvement activist working for [Greater Homewood Community Corporation](#), a longtime Foundation ally. In this instance, two public schools in Charles Village, Barclay and Margaret Brent, are among the eight schools in five neighborhoods we selected to pioneer our Neighborhood-School Partnership Initiative, encouraging schools and neighborhood organizations to work together to improve and market as assets the successful schools in their communities. Karen and her neighbors are working to make the local schools a more popular choice for parents of younger children.
- For nearly 30 years, we have supported the work of [Comprehensive Housing Assistance, Inc. \(CHAI\)](#), created to stabilize and improve housing, education, and public infrastructure in Baltimore's northwest quadrant. Its founding chief executive, Ken Gelula, has expanded the organization's reach and, with the help of an especially strong governing board, its sophistication in working in the increasingly diverse Upper Park Heights community.

- Recognizing the economic, social, and environmental benefits of active, well-maintained green space, we have supported the leadership of [Friends of Patterson Park](#) for well over a decade, as a small cadre of volunteers turned this undercapitalized and, frankly, dangerous real estate into an enormous asset in the renaissance of the adjoining neighborhoods. We also assisted in the recruitment of its new chief executive, Kathy Harget, who brings an extensive background in program development and fundraising to the task of sustaining the park, now recognized in national publications as one of the "greatest" and "coolest" urban spaces in the United States.
- Baltimore has been fortunate for nearly 40 years to have been the home of Joe McNeely,

a colleague and for many years my neighbor, who is one of the preeminent community development experts in the country. Among our collaborations is his current post as chief executive of [Central Baltimore Partnership](#), a five-year-old coalition of universities, community organizations, property owners, city agencies, and residents that I have frequently written and spoken about. Its goal is to improve the economic and social environments of the diverse and increasingly arts-centered part of the city immediately north of Penn Station. We have identified more than \$200 million of largely private investment in the area in that time, and an additional \$230 million currently under way, with a complementary focus on creating job opportunities for area residents.

It has now been nearly three full years since the bottom began falling out of the economy... But through it all, life goes on, institutions persist, and remarkably able and committed leaders across Baltimore energetically keep on working to improve the lives of those of us who live and work in this city and region.

PRESIDENT'S MESSAGE

- When I first visited Belair-Edison Neighborhoods, Inc (BENI) 20 years ago, it had one full-time employee and a tiny office in the basement of a row house on Harford Road. In the years since, it has become an example of how to organize, advocate for, and develop strong resident leadership in a large neighborhood undergoing rapid economic and racial change and, more recently, afflicted heavily by mortgage foreclosures and housing speculation. BENI's board and its very capable chief executive, Johnette Richardson, have made it a strong and visible force in a challenging community. Incidentally, Belair-Edison was one of the initial six communities chosen to participate in Healthy Neighborhoods, one of the Foundation's signature programs. One of Healthy Neighborhoods' senior staff, Barbara Aylesworth, was the employee of BENI whom I first met in that basement office.

- An abiding challenge for the Baltimore region is the absence of a well-planned, coordinated transportation network, serving employers, workers, families, and visitors to the region. Its absence has very real economic and social costs. Hoping to develop an effective private sector constituency for greatly improved transportation investment and access, the Foundation was a founder of Central Maryland Transportation Alliance and remains one of its principal financial supporters. Its executive director, Michele Whelley, brings to the position extensive public and private sector development experience and great energy. She and her colleague, Brian O'Malley, staff an initiative with clearly articulated goals, chief among them dramatic improvement in the MARC system, the key to connecting Baltimore to both Washington and the greatly expanded federal presence in the Fort Meade-Aberdeen corridor.

And so, while a strong, expanding economy obviously would help, the diminished resources of the past several years have clearly not deterred either private philanthropy or its most able clients from the important tasks at hand. This being the case, and since there is never enough money for everything anyway, we might do well to forgo the excessive hand-wringing and focus instead on what is actually being accomplished.

Taken together, the many aspects of the Foundation's work may be described simply as investing in a future for Baltimore that makes us economically competitive, able to retain and attract talented residents from all over the world, and home to a growing and diverse middle class.

None of these goals is easy, but they are all worth the fight because they are essential to a successful regional future. That benefits us all.



Timothy D. Armbruster
President and Chief Executive Officer
December 2011

PROGRAM AREAS

The Goldseker Foundation maintains a two-track grantmaking program that designates three *priority grant areas*—community development, regional initiatives, and nonprofit sector effectiveness—but retains the ability to initiate and respond to new ideas and opportunities within our other *established program areas*—community affairs, education, and human services. In each of the priority grant areas, the Foundation is a directly engaged and active partner. Grants include a mix of Foundation initiatives and projects submitted independently by potential grantees.

In all funding decisions, higher priority is given to programs that

- strengthen institutions and systems of delivery
- address long-term solutions
- strengthen the private nonprofit sector
- attract other funds
- improve efficiency of operations
- increase access and opportunity
- promote independence and personal achievement

For periodic updates, please check www.goldsekerfoundation.org.

While a strong, expanding economy obviously would help, the diminished resources of the past several years have clearly not deterred either private philanthropy or its most able clients from the important tasks at hand.

GRANTMAKING POLICIES

The Foundation's grantmaking policies reflect the donor's wishes, the legal requirements governing private philanthropy, and the inherent limitations in the Foundation's ability to respond favorably to the many grant requests we receive each year.

To be considered for funding, an organization must meet several requirements:

- Applicants must be nonprofit organizations as defined in Section 501(c)(3) and Section 509(a) of the Internal Revenue Code.
- Applicants must carry on their work principally in metropolitan Baltimore.
- Applicants may not discriminate on the basis of race, creed, color, physical disability, or gender.

The Foundation does not provide funds for the following:

- endowments
- individuals
- building campaigns
- deficit financing
- annual giving
- publications
- arts and culture
- religious programs or purposes
- political action groups
- specific disabilities or diseases
- projects normally financed by government

In accordance with the donor's instruction, the Foundation awards no more than 5 percent of its charitable distributions in any calendar year to any single recipient. Because the Foundation is not normally a long-term source of funds, applicants are encouraged to demonstrate how proposed activities will be sustained. Applicants are expected to demonstrate adequate administrative capacity and financial stability and to describe evaluation criteria and methods in their requests.

Taken together, the many aspects of the Foundation's work may be described simply as investing in a future for Baltimore that makes us economically competitive, able to retain and attract talented residents from all over the world, and home to a growing and diverse middle class.

APPLYING TO THE FOUNDATION

Before applying, please consider whether your proposal agrees not only with the basic eligibility criteria but also with the Foundation's program interests and grantmaking policies.

If you conclude that your organization is eligible for consideration and that the proposed project falls within the stated objectives and interests of the Foundation, please submit a brief letter describing the project. It should include:

- evidence of 501(c)(3) and 509(a) tax-exempt status
- background information about the applicant
- objectives of the proposed project
- methods for accomplishing objectives
- projected program budget and amount sought from the Goldseker Foundation

Foundation staff will review the materials and will notify you promptly about whether a fully developed proposal is in order. Foundation staff also will be happy to answer any questions throughout the application process and provide whatever other assistance seems appropriate.

We welcome telephone and email inquiries about funding, preliminary letters, and grant proposals at any time. To ensure that your funding requests receive formal consideration at one of the three meetings of the Board of Directors and the Advisory Selection Committee held annually, fully developed proposals should be submitted by the following dates:

- February 1 for consideration at the spring meeting
- May 1 for consideration at the summer meeting
- September 1 for consideration at the autumn meeting

Applicants are notified in writing of the outcome of their requests immediately after each meeting.

Correspondence and requests for information should be directed to

Program Officer
The Goldseker Foundation
Symphony Center
1040 Park Avenue, Suite 310
Baltimore, MD 21201
Telephone 410-837-5100
Fax 410-837-7927
www.goldsekerfoundation.org



GRANT AWARDS

For the Fiscal Year Ending December 31, 2011

PRIORITY GRANT AREAS

Community Development

During 2011, the Foundation authorized 10 community development grants and related program expenses totaling \$1,049,840.

Direct Program Expenses \$149,840

This funding supported consulting assistance both to organizations in the Foundation's priority neighborhoods and to citywide projects focused on creating stronger communities.

Baltimore Neighborhood Collaborative \$50,000

The [Baltimore Neighborhood Collaborative](#) brings together local and national funders, public sector agencies, and business and civic organizations to coordinate and increase investment in Baltimore's neighborhoods. This grant supports BNC's personnel and overhead costs and contributes to the pooled fund for Neighborhood Revitalization grants to organizations providing housing counseling services for foreclosure prevention.

Baltimore Homeownership Preservation Coalition \$10,000

In recent years, the Foundation has been providing resources to the [Baltimore Homeownership Preservation Coalition](#) and the [Maryland Housing Counselors Network](#) to help housing counseling agencies operate more efficiently in the face of unprecedented

numbers of delinquent mortgages and families at risk of losing their homes. This grant, made through BHPC, will allow MHCN to design a pilot program with a select group of agencies to close old case files, scrub and organize data, and improve outcome tracking in order to better understand the impact of housing counseling.

Belair-Edison Neighborhoods, Inc. \$80,000

In 2011, more than 100 Belair-Edison residents, local business owners, elected officials, and nonprofit leaders gathered to celebrate the 20th anniversary of [Belair-Edison Neighborhoods, Inc.](#) and to honor a diverse group of community leaders who have kept the neighborhood a vibrant place in which to live and raise a family. This grant provides core operating support to allow BENI to continue its well-respected housing counseling and foreclosure prevention outreach, its Healthy Neighborhoods market-building activities, and its commercial revitalization along Belair Road.

Comprehensive Housing

Assistance, Inc. \$130,000

[Comprehensive Housing Assistance, Inc.](#) serves five communities with 30,000 residents west of the Jones Falls Expressway and north of Northern Parkway, and also supports the work of the Park Heights Renaissance Corporation south of Northern Parkway. This grant provides core operating support for CHAI's homeownership services and community engagement programs.

Friends of Patterson Park \$50,000

The 140-acre Patterson Park is within walking distance of 10 Southeast Baltimore neighborhoods that are home to 50,000 residents. The [Friends of Patterson Park](#) hired a new executive director in 2011, and as a regular supporter of the organization since its inception, the Foundation increased its support to give the new leadership the resources needed for a successful transition and an auspicious beginning as she implements new plans for programming and fundraising.



PRIORITY GRANT AREAS

Greater Homewood

Community Corporation \$175,000

Greater Homewood Community Corporation is the principal community-based organization in the Charles Street corridor and the adjoining neighborhoods north of North Avenue whose revitalization is key to the continued success of the Central Baltimore Partnership, a Foundation priority initiative. This grant is for senior management salaries, housing code enforcement activities, and neighborhood and economic revitalization programs.

Healthy Neighborhoods, Inc. \$160,000

Begun in six neighborhoods 11 years ago with \$1 million in funding, Healthy Neighborhoods now provides mortgage financing and program services to 35 Baltimore City neighborhoods. The original \$40 million private loan pool has been fully committed, and a second \$23 million loan pool created by its private lending partners will enable Healthy Neighborhoods to continue to help strong but undervalued Baltimore neighborhoods increase home values, market their communities, create high standards for property improvements, and forge strong connections among neighbors. This grant is for core operating expenses.

Jubilee Baltimore \$125,000

Jubilee Baltimore develops both affordable and market-rate housing, from small houses to multimillion dollar projects, with special expertise in historic renovation and community planning. Over the last five years, Jubilee has played a growing role as a developer of mixed income housing in Central Baltimore, partnering with a number of the Foundation's other grantees. This grant is for core operating expenses.

Southeast Community

Development Corporation \$70,000

Southeast CDC operates the Healthy Neighborhoods program in the neighborhoods of Greektown and Bayview; the Highlandtown Main Street program; and an Arts and Entertainment District in the Highlandtown and Patterson Park neighborhoods to stimulate investment, homeownership, and the quality of life in Southeast Baltimore. The CDC also offers one of the region's only bilingual housing counseling services. This grant is for core operating support.

There has been a noticeable increase in the number of younger families who made a commitment to living in Baltimore City, raising and educating their children there, and making it a more welcoming and friendly place for families.

Waterfront Partnership of Baltimore, Inc. \$50,000

The Waterfront Partnership is serving as fiscal agent and providing technical assistance for a group of South Baltimore residents, calling itself South Harbor Renaissance, who are organizing community support and a fundraising plan to restore Federal Hill Park, its playground, and its historic monuments, to make the park a family-centered community destination and sustainable asset for the wider community. This grant is for Waterfront Partnership staff time, consulting costs, and marketing material for the project, with half the grant contingent upon the group's raising the funds needed for Phase One design and engineering.

PRIORITY GRANT AREAS

Nonprofit Sector

In 2011, the Foundation awarded 18 grants totaling \$160,435 in the nonprofit sector. These grants were made in two categories: grants to organizations that strengthen the leadership

and management of nonprofits throughout the region and Management Assistance Grants to individual nonprofit groups for organizational development.

Maryland Association of Nonprofit Organizations \$15,000

Maryland Nonprofits offers a comprehensive set of programs and services to help nonprofit organizations—their boards, staffs, and volunteers—better manage their organizations, leverage their resources, and increase their impact. This grant provides core operating support.

Management Assistance Grants \$145,435

The Foundation awarded 17 Management Assistance Grants totaling \$145,435 in 2011. These grants allow nonprofit organizations to engage consulting expertise to help improve their board governance, staffing, and financial performance, and conduct strategic planning and program evaluation.

Management Assistance Grants were awarded in the following categories:

Fund Development and Financial Sustainability Grants to develop multiyear plans to diversify and expand income and to improve the financial management of organizations.

Baltimore Talent Education Center \$3,135

The Baltimore Talent Education Center partners with schools to provide after-school, community-based music instruction using the Suzuki method for students, many on scholarship, along with community members who pay sliding fees. Created three decades ago as a program within the school system, BTEC became an independent organization in 2009. This grant is for consulting costs to assess the organization's current financial management tools, recommend new software, and help the relatively new board construct revenue-forecasting tools for use in contracting with individual schools.

Community Assistance Network \$10,000

The Community Assistance Network combats poverty by offering outreach services to low-income residents of Baltimore County, with the goal of increasing economic stability and reducing the risk of homelessness. Program services include housing assistance and eviction prevention, employment counseling and training, after-school and summer youth programs, and weatherization and energy efficiency assistance. This grant is to develop a plan for diversifying revenue.

Incentive Mentoring Program \$7,000

The Incentive Mentoring Program uses a “family-style” mentoring approach to support high school students who are not meeting minimum academic requirements and are facing significant psychosocial challenges, matching each student with a “family” or team of volunteers drawn from more than 400 Johns Hopkins University undergraduate and graduate students and community members. This grant is for a financial consultant to examine the program's expense tracking and reimbursement process, establish a more advanced and reliable tracking system, and integrate a Web-based reimbursement system for volunteers with the organization's accounting software.



PRIORITY GRANT AREAS

Maryland Campus Compact \$10,000

The Maryland Campus Compact is a membership association of college and university presidents and their institutions committed to promoting engaged citizenship as an aim of higher education through service learning opportunities. In less than three years, the Compact has grown to include 25 member institutions statewide, 13 of which are based in the Baltimore area, and 22 have established anti-poverty programs as a direct result of the Compact's AmeriCorps VISTA program. This grant is to develop a plan for financial stability and fund development.

United Ministries \$5,900

United Ministries provides transitional housing for men who are homeless at Earl's Place. In 2008, the Foundation awarded a Management Assistance Grant to help United Ministries develop a fundraising plan. Several board members subsequently requested training to develop their skills to play a more active role in implementing the plan. This grant is for a consultant to provide fundraising implementation training and follow-up coaching to the board.

Program Evaluation

Grants to evaluate program reach and impact and to design systems for ongoing program review and improvement.

Baltimore Community Lending \$10,000

Baltimore Community Lending is a nonprofit community development financial institution with a mission to support the strengthening of Baltimore City neighborhoods through innovative and flexible financial assistance. Originally capitalized in 1989 with \$38 million, BCL has invested in the production of 1,700 new homeownership units, 1,500 multifamily units, and 450,000 square feet of commercial and community facility space. This grant provides consulting assistance to help BCL, now in the process of developing a new capitalization plan, identify the key indicators that measure neighborhood health and develop a system to use those indicators to determine where to target resources and how to measure the impact of its lending over time.

Strategic Planning

Grants to review factors that can affect an organization's future success, establish program priorities, and set measurable goals.

Moveable Feast, Inc. \$10,000

Moveable Feast delivers meals and nutritional counseling to homebound people with serious illnesses, including HIV/AIDS, cancer, and other life-threatening conditions. It also provides employment training opportunities in Baltimore City, its surrounding five counties, and Maryland's Eastern Shore. This grant is for a consultant to help the organization prepare a strategic plan.

1000 Friends of Maryland \$10,000

1000 Friends of Maryland supports growth and development that uses land efficiently, revitalizes older communities, provides more transportation choices, protects natural areas from development, and keeps farmers farming. Over the 16 years that 1000 Friends has been operating, the value of smart growth policies has become more broadly accepted. This grant will help the board and staff create a strategic plan to guide the future direction of the organization.

PRIORITY GRANT AREAS

Cylburn Arboretum Association \$10,000

[Cylburn Arboretum Association](#) exists to protect the 207-acre Northwest Baltimore arboretum as a place of open space, beauty, and learning; and to preserve and enhance the site's gardens, woodland trails, and historic buildings as educational, environmental, and recreational assets for the benefit of the public. The association hired a new executive director in 2011, and applied for this grant to develop a strategic plan to prioritize goals, agree upon programs and resource needs, and develop a staffing plan for the next one to three years.

Education Based Latino Outreach \$8,400

[Education Based Latino Outreach](#) offers an array of community services, including after-school programs at three Baltimore City public schools, Even Start family literacy programs, English and computer classes for several thousand adults in partnership with Baltimore City Community College, and Saturday school for Latino children. EBLO also organizes the annual LatinoFest at Patterson Park. This grant is for a management consultant to work with board and staff on clarifying EBLO's mission and the alignment of programs with that mission; evaluating organizational infrastructure; and developing a strategic plan for programs and services for the next three to five years.

Board and Leadership Development

Grants to clarify leadership and management roles and responsibilities, recruit and train board members, and manage executive transitions.

Afya Baltimore \$10,000

[Afya Baltimore](#) leads two charter schools in Baltimore: a middle school called Afya and a kindergarten-through-eighth-grade school called Tunbridge. Most charter organizations that manage more than one school have an executive director to run the business side of the operation, leaving principals free to focus on academics and instructional leadership. Thus far, the founding principal of Afya has played both roles. This grant will help the board plan for the hiring of its first executive director and define the roles and responsibilities of principals, the director, and board leaders for the long-term success of the two schools.

Alternative Directions \$10,000

[Alternative Directions](#) works with women and men in prison, and women returning to their communities after incarceration, to enable them to take their lives in a positive direction and contribute to the well-being of their families and communities. The organization recently transitioned from a founding director to a new executive director promoted from within. This

grant is for executive and board coaching to navigate the challenges and make the most of the opportunities that come from transitions after the departure of longtime leaders.

Friends of Patterson Park \$10,000

After a decade with the organization, the [Friends of Patterson Park's](#) longtime executive director left in June to take a position with another area nonprofit, extending citywide the work he had started in Patterson Park to develop youth recreational programming. This grant provided a transition consultant to work with the Friends board to identify the needs of the organization for a new leader, and to recruit an outstanding one. A new executive director was hired in August.

Neighborhood Housing Services of Baltimore, Inc. \$10,000

The mission of [Neighborhood Housing Services of Baltimore](#) is to create and sustain homeownership opportunities through customized lending and consumer education in the Baltimore region. The executive director resigned in May to move closer to family out of state. This grant provided funds for executive search services to identify a new executive director, who was hired in August.



PRIORITY GRANT AREAS

Patterson Park Public Charter School \$6,000

Patterson Park Public Charter School's mission is to provide a high-quality education to all neighborhood children, and in doing so to offer middle class residents a reason to stay in the city rather than move to the suburbs when their children reach school age. Eighty percent of students are eligible for free or reduced price meals, suggesting that the school is succeeding in attracting an economically diverse population. This grant is for a consultant to help the board make the transition from a hands-on group of neighborhood members to a policy-setting board that can hold school leadership more accountable for performance.

St. Ambrose Housing Aid Center \$10,000

St. Ambrose Housing Aid Center's programs help 3,000 low- and moderate-income families each year buy their first home, find roommates through homesharing, obtain quality affordable rental housing, and avoid the loss of their homes to foreclosure. After 42 years, the organization's founder decided to step down at the end of 2011. This grant supported a transition consultant to facilitate the process of leadership change at St. Ambrose. A new executive director was hired in December.

Southwest Baltimore Charter School \$5,000

Southwest Baltimore Charter School was one of the early charter schools serving grades K-5 after the state law authorizing charter schools passed in 2003. In 2010, the Baltimore City Public School System requested that SBCS expand to add grades 6-8 to serve 108 students from a failing middle school slated for closure. The school added the new students at the beginning of the 2011-12 academic year, and grew from a K-5 school serving 300 students with 30 staff to a K-8 school serving 400 students with 60 staff. This grant provides for an executive coach to work with the executive director, the elementary grades director, and the new middle grades director, to manage the challenges of rapid growth.

Regional Initiatives

During 2011, the Foundation authorized one regional grant totaling **\$50,000**.

Central Maryland

Transportation Alliance \$50,000

The Central Maryland Transportation Alliance acts through a board of prominent area business and civic leaders to improve travel efficiency within the region by advocating for creation of a rapid, reliable, regional transportation network. The Foundation was a founder of the Alliance in 2006 and has provided consistent operating support ever since. This grant provides core operating support.

An abiding challenge for the Baltimore region is the absence of a well-planned, coordinated transportation network, serving employers, workers, families, and visitors to the region.



ESTABLISHED PROGRAM AREAS

In its established program areas, the Foundation awarded 30 grants during 2011, totaling \$1,604,650.

Community Affairs

Associated Black Charities \$25,000

Associated Black Charities' More in the Middle is a wealth-building initiative designed to retain, increase, and attract a larger African American middle class in Maryland. One component of More in the Middle is the Talent Connector Initiative, launched in 2011 to identify and connect leaders of color to nonprofit organizations, and to prepare nonprofits and their leaders to attract and retain more diverse board and executive talent. This grant supports staff and consultant costs associated with the initiative.

Audubon Maryland-DC \$25,000

The Patterson Park Audubon Center, now the headquarters for Audubon Maryland-DC, develops environmental and stewardship activities and promotes community engagement in the park and the neighborhoods surrounding it. The center is the only provider of environmental education in the park, the vibrancy of which continues to be an anchor of the quality of life in Southeast Baltimore. This grant is for core operating support.

Baltimore Community Foundation \$175,000

In 2008 the Goldseker Foundation awarded a \$1 million five-year challenge grant to increase the permanent endowment of the Baltimore Community Foundation and thereby enhance its discretionary grantmaking ability. In 2011, BCF raised sufficient additional unrestricted endowment to qualify for the third installment of the Foundation's matching grant.

Business Volunteers Unlimited \$30,000

Business Volunteers Unlimited is the only organization in the region that consults with businesses on community involvement strategies and provides volunteer leadership training and board-matching services to them. BVU also runs several programs designed to increase civic engagement, volunteering, and giving, such as GIVE, a civic leadership training program that develops young professionals' awareness about volunteerism and community issues. This grant is for project costs associated with those civic engagement programs.

Creative Alliance \$25,000

Operating out of a renovated theater in the heart of the Highlandtown Arts & Entertainment District, the Creative Alliance serves as a model of arts-driven commercial revitalization. The Alliance's community festivals draw thousands of people every year to Patterson Park and Eastern Avenue in Southeast Baltimore, and its partnerships with Southeast CDC reinforce the residential neighborhood revitalization taking place through the Healthy Neighborhoods program. This grant supports the Alliance's community outreach programs.

Downtown Baltimore

Family Alliance \$48,000

Recognizing the critical role that downtown families play in the ongoing renaissance of the city, local parents formed the Downtown Baltimore Family Alliance in 2008 to support family life in the heart of the city. This grant provides \$35,000 for program and core operating expenses, with up to \$13,000 in additional funds to match board contributions to the organization, which embarked in 2011 on its first organized effort to diversify funding.



ESTABLISHED PROGRAM AREAS

Live Baltimore \$100,000

Live Baltimore, an aggressive and creative marketer of Baltimore's residential neighborhoods specifically and urban living generally, has been a valuable partner of city government, community organizations, realtors, renters, and homebuyers in the goal to repopulate the city. In addition to an executive transition in 2011, Live Baltimore faces the challenges that all organizations working with the real estate industry face in this uncertain economy. This grant provides core operating support for two years, giving the new leadership a measure of financial security.

Parks and People Foundation \$50,000

Parks and People Foundation is serving as fiscal agent for a collaborative effort of city and state governments, area residents, park advocates, and private sector investors to begin creating a programmatic, governance, and financial plan to renew and sustain two of Baltimore's great natural assets: Druid Hill Park and the Baltimore Zoo. The Foundation authorized a grant of \$50,000 for partial support of Phase I planning with a national park expert, provided the City of Baltimore commits to contributing \$125,000 (half the cost) to the project.

Station North Arts &

Entertainment, Inc. \$50,000

Station North Arts & Entertainment was founded in 2003 to organize and promote the area's attractions and events, and is an important complement to the Foundation's work in Central Baltimore. A new executive director in 2011 and the award of a National Endowment for the Arts New Town challenge grant have helped to accelerate the momentum that has been generated in recent years by the burgeoning arts district, which is quickly becoming known as a regional arts and culture destination. This grant provides core operating support.

Education

Baltimore Montessori

Public Charter School \$40,000

The Baltimore Montessori Public Charter School opened in Central Baltimore in August 2008. In 2011, the school expanded to establish a middle school in previously unused space in an adjacent building, which will also serve as a community center for the New Greenmount West Community Association. This grant is for staffing costs associated with developing the community partnership in the new building.

Especially in volatile economic times, foundation staffs and governing boards are naturally drawn to the struggles of the communities they serve, so even if asset values and income shrink, we are always tempted to increase our charitable spending.



ESTABLISHED PROGRAM AREAS

Fund for Educational Excellence \$15,000

With new leadership in 2010, the [Fund for Educational Excellence](#) has developed a vision for education reform in Baltimore that focuses on three key elements: supporting innovation in the school district, fundraising in support of district effectiveness efforts, and developing knowledge about and advocating for policies and practices to serve city students better. This grant, the first the Foundation has made to the Fund since 1997, is for core operating support.

Johns Hopkins University \$175,000

This grant, applied at the discretion of the University's president, supports the Baltimore Scholars Program, which last year provided financial aid to 35 undergraduates at [Johns Hopkins University](#), all of whom were graduates of Baltimore City Public Schools.

Morgan State University \$175,000

At the discretion of the University's president, this grant supports the Goldseker Fellows Program, which provided graduate fellowships to 54 students from the Baltimore metropolitan area to attend [Morgan State University](#) in the 2010–11 academic year.

The SEED Foundation \$90,000

The [SEED School of Maryland](#) is a public, college-preparatory boarding school that educates students from across the state who are at risk of dropping out, preparing them for college and beyond. The Foundation has supported the SEED School since its inception in Maryland. This two-year grant will subsidize operating costs until the school reaches full capacity, at which time public per-pupil funding should enable the school to operate well-rounded academic and extracurricular programs without private subsidy.

Supporting Public Schools of Choice \$120,000

Since a group of education funders created [Supporting Public Schools of Choice](#) as a project of the Association of Baltimore Area Grantmakers in 2006, SPSC has succeeded in playing the role of critical friend to the Baltimore City Public School System with respect to charter, transformation, and other schools operated independently under contract with the district. SPSC provides technical assistance to these “schools of choice” in such areas as special education, food service, assessment, and fundraising. The project staff also advocates with the school system to preserve autonomy for the schools in exchange for high standards of accountability. This two-year grant is for the project's staff salaries and contracted technical assistance for the schools.

During the current economic slowdown, we have sought to make certain that the Foundation's most significant initiatives are adequately funded and supported by active staff engagement, while recognizing that a diminished program budget necessarily requires us to take on fewer new things.



ESTABLISHED PROGRAM AREAS

University of Maryland — School of Social Work \$50,000

The Neighborhood Fellows Program at the [University of Maryland's School of Social Work Community Outreach Service \(SWCOS\)](#) places graduate-level social work students in internships at community development organizations, to increase the capacity of the organizations and to introduce the next generation of nonprofit talent to the community development field. This grant supports stipends for students as well as the field director's salary and related operating costs.

Neighborhood-School Partnership Initiative \$236,650

The Goldseker Foundation's Neighborhood-School Partnership grants align our education and community development grantmaking in Baltimore's [Healthy Neighborhoods](#). The objectives of the grant program are (1) to recruit and retain families with school-age children to choose to live in Healthy Neighborhoods; and (2) to increase enrollment of middle-class families from Healthy Neighborhoods in high-performing local neighborhood schools (public, private, or parochial). Grant awards are shared by the schools and neighborhood organizations,

with the schools focused on academic and program enrichment and the neighborhood organizations focused on community engagement and marketing. These partnerships are in neighborhoods that have amenities with the potential to make them regional destinations for families: attractive and affordable housing, great parks, strong community connections, and quality education options for children. The work of the partnerships is to tell that story to a local and regional audience, and to leverage the strengths of each partner for the benefit of the other. The Foundation provided two full years of funding to five partnerships across the city from 2009 to 2011.

In the autumn of 2011, the Foundation provided seven-month continuation grants to those five partnerships, in order to move to a summer grant cycle in 2012. We hope this change will make life a little easier for the principals to plan for and budget grant funds received. Our 2011 grants to public schools also went to a new fiscal agent. The [Fund for Educational Excellence](#) now manages our grants on behalf of those traditional public schools that do not have their own 501(c)3 status. We will benefit from the expertise of the Fund's new leadership as we consider how the Neighborhood-School Partnership Initiative should develop in the future.

Grants were awarded to the following partnerships in 2011:

[Comprehensive Housing Assistance Inc.](#) in partnership with [Cross Country Elementary/Middle School](#) - \$47,000

[Garwyn Oaks Northwest Housing Resource Center](#) in partnership with [Calvin M. Rodwell Elementary School](#) - \$14,650

[Greater Homewood Community Corporation](#) in partnership with [Barclay Elementary/Middle](#) and [Margaret Brent Elementary/Middle](#) schools - \$65,300

[Greater Mondawmin Coordinating Council](#) in partnership with [Gwynns Falls Elementary School](#) - \$27,900

[City Neighbors Charter School](#) \$23,900 in partnership with [Hamilton Elementary/Middle School](#) \$23,100 and [St. Francis of Assisi School](#) \$22,300

The [Fund for Educational Excellence](#) serves as a comprehensive fiscal sponsor for the initiative, with a grant of \$12,500 to cover administrative costs.

ESTABLISHED PROGRAM AREAS

As the Foundation's asset values continue to rebound, so too will our ability to entertain other mission-related investment opportunities, in continued partnership with our foundation colleagues and grant recipients in Baltimore City and the region.

Human Services

THE ASSOCIATED: Jewish Community Federation of Baltimore \$175,000

The ASSOCIATED's Jewish Community Services provides emergency assistance to households in economic distress, providing for basic needs such as food, shelter, utilities, out-of-pocket prescription and extraordinary medical supplies, home care, and child care that enables parents to work outside the home. The Jewish Community Center provides early childhood education, day camps, and after-school child care. This grant supports both organizations to serve families facing financial difficulties.

Discretionary and Matching

In addition to our regular grantmaking, the Goldseker Foundation contributed an additional \$55,732 to Baltimore nonprofits through discretionary grantmaking and our board and staff matching gifts program.

An important part of our institutional mission is to carry out the donor's intent in perpetuity and help improve the lives of generations of Baltimore area residents and the organizations that serve them.

STATEMENTS OF FINANCIAL POSITION

December 31, 2011 (Unaudited) and 2010 (Audited)

	12/31/2011 <u>(Unaudited)</u>	12/31/2010 <u>(Audited)</u>
ASSETS		
Cash and Cash Equivalents	\$ 138,304	\$ 201,862
Investments, at Fair Value	83,804,879	80,059,412
Other Assets	<u>83,045</u>	<u>43,285</u>
Total Assets	<u>\$ 84,026,228</u>	<u>\$ 87,304,559</u>
LIABILITIES & NET ASSETS		
Federal Excise Tax Payable		\$ 36,647
Deferred Federal Excise Tax	\$ 118,587	\$ 156,177
Net Assets, Unrestricted	<u>83,907,641</u>	<u>87,111,735</u>
Total Liabilities and Net Assets	<u>\$ 84,026,228</u>	<u>\$ 87,304,559</u>

* The inability of external financial managers to certify year-end asset valuations in time for inclusion in this report, for reasons beyond the Foundation's control, will delay presentation of audited 2011 financial statements until later in 2012. In the meantime, we have included an unaudited Statement of Financial Position for your review.

Certain investments are valued as of September 30, 2011 and do not reflect results for the fourth quarter of 2011. The values of these investments at December 31, 2011 could be lower than presented above. As soon as certified 2011 financial statements are available, they will be posted on the Foundation's website, www.goldsekerfoundation.org, where statements for 2010 and prior years may currently be found.

STATEMENTS OF ACTIVITIES

December 31, 2011 (Unaudited) and 2010 (Audited)

	12/31/2011 <u>(Unaudited)</u>	12/31/2010 <u>(Audited)</u>
UNRESTRICTED NET ASSETS		
Revenue		
Investment Income	\$ 1,083,443	\$ 1,126,695
Net Gain on Investments	<u>74,178</u>	<u>9,394,875</u>
Total Revenue	<u>1,157,621</u>	<u>10,521,570</u>
Expenses:		
Program Services:		
Grants	2,885,760	3,093,819
Foundation Administrative Expenses Related to Grant-Making	<u>951,808</u>	<u>889,465</u>
Total Program Services	<u>3,837,568</u>	<u>3,983,284</u>
Supporting Services:		
General and Administrative Expenses Related to Revenue Activity	442,656	426,511
Provision for Federal Excise Tax	<u>81,491</u>	<u>143,337</u>
Total Supporting Services	<u>524,147</u>	<u>569,848</u>
Total Expenses	<u>4,361,715</u>	<u>4,553,132</u>
Change in Net Assets	(3,204,094)	5,968,438
Net Assets - Beginning of Year	<u>87,111,735</u>	<u>81,143,297</u>
Net Assets - End of Year	<u>\$ 83,907,641</u>	<u>\$ 87,111,735</u>

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Goldseker

FOUNDATION ● N

Symphony Center
1040 Park Avenue, Suite 310
Baltimore, MD 21201
Telephone: 410-837-5100
Fax: 410-837-7927
www.goldsekerfoundation.org

