

Madison Gives

Spring 2023



IN THIS ISSUE

A memorial fund honors a fallen soldier

Page 3

Grants made possible by people like you

Page 4

Riding out the stock market's ups and downs

Page 6



Madison
COMMUNITY FOUNDATION



Mission

The mission of Madison Community Foundation is to enhance the common good through philanthropy. Join us.



Board of Governors

Christine Rew Barden,
Chair
Anne Lucke, *Vice Chair*
Jeff Bartell
Shiva Bidar
Anna Burish
Natalie Erdman
Roberta Gassman
Therese Gulbrandsen
Gloria Ladson-Billings
Gary A. Mecklenburg
Ron Mensink
Eugenia Podestá
E.G. Schramka
Tripp Widder
Noble Wray

Design/Printing

designCraft Advertising
Heritage Printing

During the winter, I take advantage of the dark, cold months to pause and reflect on the past year. At Madison Community Foundation (MCF), it's a particularly gratifying time because our Board of Governors has just approved Community Impact grants at its December meeting, and those grants enact our mission, vision and values. In 2022, grants included funding for the Urban League, Prairie Music & Arts, Madison Public Market and many more. More than 70% of the grants support projects that directly address disparities in our community.



Of course none of this would be possible without the incredible generosity of our community — which entrusted \$29 million to MCF in 2022. Those gifts support a wide variety of causes, and gifts to MCF's Community Impact and Priority funds support the grants noted above.

Many donors have made gifts to these funds over the years. These gifts underscore our role as the community's foundation, and remind us of what's possible when people come together for good.

This newsletter is filled with stories of people who have chosen to look beyond their personal interests to create a better world. There's Rosa Thompson, creating Black girl magic each day; there's Joe Herr, ensuring that kids with physical disabilities have modified homes to thrive in; and there are committed community leaders who we welcome and thank for their volunteer service on the MCF Board. There are those building the public market; those protecting the community's assets; and those building a new career focused on serving others.

You will also read about Hans Kurth — a soldier who gave his life in combat on behalf of this country. It was the ultimate sacrifice — and an act of generosity beyond measure. His family has responded with its own act of generosity — developing a fund in his memory to support veterans in need. We are honored to steward this fund, and grateful for their trust in MCF.

People of varying capacities and interests come together under the community foundation's umbrella. We are honored by the faith you have in MCF to steward your legacies — whatever they may be. On behalf of the MCF Board and Staff, thank you for your generosity. Thank you for your hope for the future. And thank you for making greater Madison a better place for all.

Bob Sorge
President & CEO
Fundholder, Legacy Society Member

A FUND FOR HEALING

A family honors a fallen soldier by helping others in his name

John “Hans” Kurth was a native of Columbus, WI, where he was known for his sense of humor and his love of fishing, hunting, wrestling and football. But his true calling, since he was six years old, was to be a soldier. And after graduating from Columbus High School, Hans set out to make his dream a reality.

Hans was accepted at the U.S. Military Academy at West Point, NY, and earned a Bachelor of Science in International Relations. After graduation, he entered the 82nd Airborne Division. Hans earned many decorations during his career, and ultimately was awarded his most coveted assignment — serving as Bravo Company Commander (The Bushmasters), 1st Infantry Division.

In March 2004, less than a month after arriving in Tikrit, Iraq, the Humvee Hans was in was hit by an improvised explosive device (IED). His mission was completed that day, as he and a brother soldier lost their lives. The beloved son, brother, father, nephew, cousin, friend and soldier was gone.



Creating a Fund to Honor His Memory

To ensure Hans' memory lives on, his aunt Barbara Schley decided to establish a memorial fund in his honor using funds received through the estate of Hans' grandfather, Emerson Schley. Together with Hans' mother, Retta Kurth, she began a search to find a fitting cause to support. They wanted something that was near and dear to Hans' heart.

The search led to a meeting with Alan Strohschein, an attorney in Columbus who also serves on the Columbus Area Endowment's advisory committee. Alan suggested they connect with MCF. After several meetings with MCF staff, the fund became a reality in March 2022.

The Captain John “Hans” F. Kurth Memorial Fund will honor his commitment to his military “brothers and sisters” by providing support to those who have returned home as veterans needing assistance in readjusting to civilian life.

This support may entail everything from providing individual or family mental health treatment; assessing employment needs and providing retraining and vocational counseling; helping with housing needs; and assistance with reintroduction to the community, including socialization skills.

Lifting the Spirits of Others

At Hans' memorial service, one of his fellow soldiers remembered his friend, saying, “There was never a time when he didn't lift the spirits of all those around him.” Through the Captain John “Hans” F. Kurth Memorial Fund, that legacy will continue.

Creating a Memorial Fund

Creating a memorial fund to commemorate a loved one or someone who had an impact on your life can be a meaningful way to honor their memory and ensure their legacy by supporting organizations or causes that mattered to them.

Memorial options include named scholarships and funds designated to support one or more nonprofit organizations or fields of interest, as well as donor advised funds that provide support to organizations you or someone you designate select each year.

You can learn more about starting a fund at madisongives.org/startafund.



HELPING MAKE THE MADISON AREA EXTRAORDINARY

In December, MCF announced \$697,500 in Community Impact grants to 12 nonprofits throughout the Madison area. These grants bring the total MCF has invested in the community in 2022 to more than \$2 million.

“These organizations are building — new programs, new staff, new facilities,” said Tom Linfield, Vice President of Community Impact. “The community is enriched by each new development, from funding business entrepreneurship, to providing arts education in the schools, to strengthening the county’s parks. MCF is proud to invest in these key organizations.”

Here’s a closer look at three of the organizations that are helping make the Madison area extraordinary.

Black Girl Magic Educational Services

Since 2018, Black Girl Magic Educational Services has provided a variety of programs to build confidence, creativity and uplift the magic in Black girls across Madison. Founder Rosa Thompson has grown a conference with great impact into a multi-faceted organization, “forming a safe and affirming community where girls can authentically and unapologetically be themselves,” explained Thompson.

These programs include consulting from Black professionals; free enrichment activities in dance, STEM, art and sports led by local organizations; and the organization’s signature event, The Black Girl Magic Conference, which now hosts more 1,000 attendees each year.

The grant from MCF will help Black Girl Magic expand its programming to offer mentor groups in Madison elementary and middle schools.

“It is extremely important to us to have consistent support and programs for our girls,” said Thompson. Black Girl Magic plans to train Black women to lead girls’ groups to build positive relationships between schools and communities. The organization is hoping to involve 150 girls from four schools in these groups, which will focus on positive identity development, leadership skills, mental health, cultural representation, navigating relationships and more.

Fostering the connection between Black girls and professional Black women mentors furthers the Black Girl Magic mission “to provide opportunities for Black girls by empowering them to let their natural gifts shine,” stated Thompson.



Madison Public Market Foundation

The Madison Public Market is slated to open early 2025. Transforming the former Fleet Building at the corner of First Street and East Johnson Street, the Public Market “promises to be an iconic and beloved multicultural gathering place for every member of the Madison community,” explained James Shulkin, Artist and Chief Brand Officer of the Madison Public Market Foundation.

The Foundation estimates that the Public Market will attract more than 500,000 visitors every year, support 100 new and existing local businesses, and generate \$16 million annually.

While the Public Market will showcase a wide variety of foods and agricultural products, its goals go beyond just the vendors. The Market wants to become a cultural center as well — and MCF’s grant to support art at the Market is part of that plan.

“Artwork will make the Market a welcoming space filled with interactive, dynamic artwork that celebrates the people, cultures and ecology of Madison’s past, present and future,” Shulkin explained. The Market will showcase local and regional artists in six exterior installations and eight interior installations with the goal of uplifting Indigenous, Black, Hmong and Latinx artists.

“Artwork and paid work for a dozen artists will support the important equity and inclusivity goals of the market,” Shulkin said. “It is our intention to increase community pride and cultural expression.”



Logan’s Heart and Smiles

For 20 years, Logan’s Heart and Smiles has carried out the legacy of Logan Herr by spreading smiles to families across Dane County with children who have disabilities. Logan was born with cerebral palsy, so his father, Joe Herr, understood the financial strain families experience. He founded the organization because he believed that being able to easily get a child in and out of the home should not be a luxury.

Logan’s has helped more than 200 families with custom home modifications including ramps, fences, handrails, bathroom renovations and accessible walkways.

Logan’s always has been a completely volunteer-based organization. However, with the grant from MCF, it hired its first full-time Executive Director, Angela Wallace. Wallace has been an active volunteer with Logan’s for many years and is deeply invested in the organization.

“I am honored to be the first paid employee to help set the organization up for the next 20 years,” shared Wallace. She is excited to establish “a roadmap of how the organization runs from how an application is received to how we raise funds.” Wallace continued, “Having documented policies and procedures in place will set Logan’s on the path to long-term sustainability.”

Grants Made Possible by People Like You

MCF’s Community Impact grants are made possible by the thousands of donors who have contributed to the Community Impact Endowment Fund. These gifts, large and small, collectively provide MCF the capacity of make meaningful grants each year to organizations working in our community. To see the complete list of 2022 Community Impact grants, visit our website at www.madisongives.org/CI-grants.

RIDING OUT THE MARKET'S UPS AND DOWNS

For investors, 2022 was a rough year. Stocks had entered bear market territory by June, and the current state of the world didn't seem to foreshadow an end to volatility any time soon. The ongoing war in Ukraine, the debt ceiling battle in the United States, widespread tech industry layoffs — there's plenty to keep investors up at night.

But not MCF. Several things keep us calm when the markets are anything but.

Our investment focus is long, long-term

Unlike a personal portfolio, which might have an investment horizon of, say, 40 years, MCF is investing for perpetuity. We're looking at a horizon that spans decades, at a minimum, and could easily last a century or more.

Like all investors, MCF's portfolio has weathered numerous market and bear markets corrections over the years, and we expect to survive many more. And we know that for every down market we've experienced, our portfolio has benefited afterward from a period of higher growth. In fact, the typical bull market lasts more than three times longer than the typical bear market (991 days vs. 289 days)*.

Because of that, market ups and downs don't cause us to panic. History and past experience have shown us that if we stay the course, our portfolio eventually will gain back any losses we sustain and continue to grow.

Our strategic asset allocation moderates volatility

A portfolio's long-term performance is based on compound returns, which can be significantly affected by volatility. How does this work? In a nutshell, the further spread out a portfolio's returns are from the average return (or, the more volatile they are), the more the portfolio's compound returns are affected. If you could ensure that all of this volatility was above the average (like in a bull market), your returns would be above the average.

But in reality, a portfolio will experience returns below the average too. The further from average those returns fall, the more impact they have on the compound return. This is why asset allocation is so important.

Diversification, spreading your investments across multiple asset classes, is one of the most consistent ways to minimize volatility. Why? Because different asset classes respond differently to economic and market conditions, and therefore balance each other out.

We've broadened these benefits in the diversified portfolio by expanding our allocation into private markets like real assets, natural resources and private equity. These provide returns that generally are independent of stock market performance and therefore balance out the markets ups and downs. This is why, despite the S&P closing 2022 with a loss of roughly 20%, MCF's diversified portfolio ended the year with a loss of less than 9%.

Our thoughtful spending policy stabilizes distributions

For organizations (including MCF) that depend on income from their endowments with MCF, what really matters is not the size of our portfolio, but the amount they can count on receiving from it each year.

Because MCF's spending policy is calculated over five years of returns, it helps reduce the volatility of distributions from the portfolio. The less volatility there is in the amount distributed each year, the less effect a significant market decline will have on the annual distribution.

If you would like to learn more about MCF's asset allocation or investment policies please reach out. You also can find information at madisongives.org/about/financials-investments.

What is a ...

Compound return:

The cumulative effect of a series of returns, such as an investment's daily earnings (or losses), that are then reinvested and generate their own earnings (or losses).

Market correction: A 10% drop in the market's value.

Bear market: A 20% drop in the market's value.

Bull market: A 20% increase in stock prices.



MCF BOARD OF GOVERNORS CHANGES

MCF's Board of Governors is a dedicated and accomplished group of people who help MCF flourish. Each year in February, we say goodbye to our departing Board members and welcome new people to the group.

Extending a warm welcome

We are happy to welcome **Natalie Erdman** to the Board. Natalie retired in 2019 as Director of Madison's Planning and Community and Economic Development Department. A Madison native and avid community volunteer, Natalie is the current Chair of the Bayview Rising capital campaign to redevelop the Bayview community, and also serves on the board of the Goodman Community Center.

Saying thank you and goodbye

We would like to thank our outgoing Board members, who shared their knowledge and insight and helped guide MCF during their time on the Board.



Dr. Jack E. Daniels III is President of Madison College and has served on MCF's Board of Governors since 2015. Jack's passion for collaboration, equity and inclusion drove him to become a donor for 100 Black Men of Madison and become the Chair of MCF's Grantmaking Committee.



Al Friedman has more than 40 years of experience in corporate communications, including 30 years at UW-Madison. Al is both a fundholder and Legacy Society member and has served on MCF's Board of Governors since 2015. He guided MCF in enriching the communications strategy and developing a strong communications plan.

Handing over the baton of leadership

We would like to thank **Roberta Gassman**, who is ending her term as Board Chair, a position she's held since 2021. Roberta has served in leadership roles in all levels of government, and most recently served as the Deputy Assistant Secretary for Employment & Training in the administration of President Barack Obama. She is an Honorary Fellow at the UW-Madison School of Social Work, and serves on the Board of the United Way of Dane County.



Christine Rew Barden is taking up the baton as the new Board Chair. Christine is a shareholder in Reinhart's Trusts and Estates Practice and founder and chair of the firm's Family Office Services Group. Her deep knowledge of the legal and emotional aspects of estate planning is invaluable to MCF.

Christine also serves on the boards of the Kids Forward Foundation and Wisconsin Youth Symphony Orchestras and is an active member of Covenant Presbyterian Church.



We appreciate the guidance Roberta provided MCF, especially through the pandemic.

SAVE THE DATE

Madison Gives

May 18 | 5 p.m.

Monona Terrace

We hope you'll join us as we celebrate the impact of philanthropy in our community.

Registration information is coming soon!



111 N. Fairchild Street, Suite 260
Madison, WI 53703

NONPROFIT
ORGANIZATION
U.S. POSTAGE
PAID
MADISON WI
PERMIT NO. 1742

GETTING TO KNOW JULIA CARABELLI

In December, we welcomed Julia Carabelli as our Digital Content Specialist. Julia will primarily be designing and scheduling social media posts to highlight nonprofits, donors, awarded grants, events, MCF staff and board accomplishments, new blog posts and much more. She will also be writing and editing blog posts, updating the MCF website, assisting with publications and collaborating with each department on new ideas to strengthen the MCF brand.

"My goal was to find a position in the nonprofit industry because I wanted my career to make a difference," Julia commented. "MCF's team comes to work every day with making a difference in the Madison community in mind. I am excited to get the chance to bring that hard work to light by telling the stories of the donors and nonprofits that make this all possible."

Julia recently graduated from the University of Wisconsin-La Crosse (UWL), where she studied Marketing and Sociology with a minor in Sustainable Business. "I developed a passion for nonprofit work and environmental and food justice in my time at UWL and feel this position blends my educational background perfectly," Julia explained.

Julia worked for the La Crosse County Visitor's Bureau – Explore La Crosse – as their Marketing Engagement Intern as her first taste of working for a nonprofit. While there, she developed the 2022 La Crosse County Visitors Guide and went on many adventures, from exploring caves and megalithic gardens to photographing national fishing tournaments.

