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SUBMITTED PHOTO CAPTIONS:

Materials in the Parenting Resource Center in the Port Townsend Library were recently updated with a grant from the Port Townsend Public Library Foundation (PTPLF). Celebrating the fact that an endowment principal of $50,000 was recently shifted from the Library Foundation to the Jefferson County Community Foundation (JCCF) are children's librarian Jean Tarascio (standing) and (seated, left to right) Joanne Tyler, PTPLF vice president; Mary Martin, PTPLF president; Bruce McComas, JCCF president; and Carol McGough, JCCF treasurer.

Northwest Maritime Center & Wooden Boat Foundation former executive director and business consultant Aletia Alvarez and current Executive Director Stan Cummings hand off a check for $10,000 to Jefferson County Community Foundation Vice President Anne Schneider (far right). All three were key players in establishing the new Historic Vessel Sustainability Endowment Fund, which was seeded with $10,000 by Bruce and Virginia Garman. The endowment is invested with the Jefferson County Community Foundation for the benefit of two historic vessels owned by the maritime organization: *Dorjun* and *Martha J*, aboard which the check ceremony was staged.

The 1905 sloop *Dorjun* rests on her trailer next to the Cupola House, the headquarters of the Wooden Boat Foundation & Northwest Maritime Center. *Dorjun* is one of two historic vessels—the other is the lobsterboat *Martha J*—whose annual maintenance will be funded by the newly formed Historic Vessel Sustainability Endowment Fund.

Photos by Shelly Randall

Jeff. Co. Community Fdn to steward new & existing endowments

Northwest Maritime Center & Wooden Boat Foundation and Port Townsend Public Library Foundation move to invest locally

Port Townsend, Wash.—Sailing and reading in perpetuity. That's what the Historic Vessel Sustainability Endowment Fund and the Port Townsend Public Library Foundation General Endowment Fund make possible.

The historic vessels *Dorjun* and *Martha J* and Port Townsend Public Library patrons are the most recent beneficiaries of endowment investment services offered by the Jefferson County Community Foundation (JCCF).

Boards of both the Northwest Maritime Center & Wooden Boat Foundation (NWMC/WBF) and the Port Townsend Public Library Foundation (PTPLF) voted this fall to invest endowment funds with the local philanthropic foundation, which has been ramping up its services since incorporating in 2005.

The Jefferson Land Trust was the first nonprofit in the county to invest its endowment locally with the Jefferson County Community Foundation, it was announced in August. The Library Foundation and the Maritime Center are the latest two nonprofits to do so, in what JCCF organizers hope is becoming a trend.

"Nonprofit leaders have enough on their plates without worrying about managing their endowments," says JCCF Philanthropic Consultant Kristina Mayer. "We're the umbrella to provide solid return on the investment and quality stewardship to the community."

The Community Foundation is guided by board members Bruce McComas, Anne Schneider, Carol McGough, Tim Caldwell, Anne Winegar, Jane Henery, David Goldsmith and Cindy Hill Finnie. It invests under the larger umbrella of The Greater Tacoma Community Foundation, which has a mature track record of solid returns for the $53 million in assets under its management.

The concept of an endowment is that contributions are never used up; they continue working forever to support the designated cause, Mayer explains. Donated funds are invested and the principal remains intact, while a portion of the interest is withdrawn each year to support the cause.

Dorjun donors seed new endowment

The NWMC/WBF endowment is brand new and a first for the 30-year-old maritime educational organization, which has never had an endowment before. The Historic Vessel Sustainability Endowment Fund was launched in October with a goal of $200,000 and an initial gift of $10,000 from Bruce and Virginia Garman of Port Orchard.

The Garmans donated the gaff-rigged sloop *Dorjun* to the NWMC/WBF in 1997, when Aletia Alvarez was executive director. Now a business consultant, she helped reconnect the Garmans with *Dorjun's* Port Townsend revival. The 1905 vessel has been extensively restored, and it was at a relaunching ceremony this August that NWMC/WBF Executive Director Stan Cummings

struck up a conversation with Bruce Garman about the best way to maintain historic vessels and ensure their longevity. An endowment was the answer, both concluded.

"So when you're ready to start an endowment, let us know," Garman said to Cummings. "We'd like to help."

Cummings knew better than to sit on that offer. Within a few months he'd proposed the Historic Vessel Sustainability Endowment Fund to benefit both *Dorjun* and *Martha J*, a classic Maine lobsterboat, and the Garmans made good on their pledge. Conversations with the Jefferson County Community Foundation convinced the board it offered the best local investment option.

With an annual spending rate of 4.7%, a $200,000 endowment should generate enough income to fund upkeep and maintenance of the two wooden vessels for the foreseeable future.

"Instead of being used up each year, the money we donate will be invested," say the Garmans. "And we have the added joy of knowing *Dorjun* will continue her life long after we are gone."

Library Foundation is 'the savings account'

The Port Townsend Public Library Foundation is partnering with the Community Foundation in order to spend less time managing its investments and more time raising the funds needed to continue to enhance library materials and services.

Port Townsend Public Library has had the highest circulation per capita in the state of Washington for the past two years.

Following an extensive research process and due diligence, the Foundation board voted to shift more than $50,000 of its endowed funds from The Vanguard Group, which is headquartered in Pennsylvania, to the Jefferson County Community Foundation.

"We wanted to support the community; we wanted to be a team player," says PTPLF President Mary Martin. "We like the fact that a portion of the money we pay to have our funds managed comes back to support the Community Foundation."

The Port Townsend Public Library Foundation was established in 1995 to strengthen and expand funding sources for the library. It is an independent organization with its own governing board, and it seeks to complement funding from the City of Port Townsend and the Friends of the Port Townsend Library. The Foundation holds all of the library's endowed funds.

"You can think of the Friends of the Library as 'the checkbook' and the Library Foundation as 'the savings account,'" says Library Director Theresa Rini Percy. "Having a foundation that raises money at a higher level is becoming a must-have. A foundation rounds out a public library's sustainable financial picture."

Library Foundation funds are intended to enhance—not replace—traditional tax-based support for the library, organizers note. Through grants, the foundation provides the library with flexible funds to address emerging priorities.

Percy reports that the library's top three funding priorities currently are 1) purchasing new materials, particularly in the areas of audio books, large-print books, and other special format materials; 2) supporting public programs, such as the Community Read and summer reading

events; and 3) upgrading computers and other technology.

Expectations for community foundations

One of the first questions Percy asked when interviewing for Port Townsend's library director position was, "Is there a community foundation here?"

Other libraries she's worked for have benefited from community foundations with active grant programs. So she was thrilled that the Jefferson County Community Foundation was formed shortly after she took the job in December 2003, and has been active in discussions about transferring the Library Foundation's endowed funds to the Community Foundation.

Percy has been impressed by the Community Foundation's commitment to nonprofit capacity-building through the classes and seminars offered by its educational arm, the Jefferson County Nonprofit Alliance. And she appreciates the services it provides to its clients, specifically donor acknowledgement and fund management.

"The Jefferson County Community Foundation provides a system of expertise and support that we don't have to reinvent or staff," Percy says.

In his previous positions, Cummings has also seen the benefits of community foundations and the pitfalls of trying to operate an endowment without their assistance.

Before taking the helm at the Maritime Center in January 2007, Cummings led a similar organization in Dana Point, Calif., that was specified as a beneficiary in several donor-advised funds held by the Orange County Community Foundation. The donors' wishes were carried out by the community foundation and his nonprofit organization received regular checks without having to solicit the funds or petition for renewals.

Cummings also led a Tacoma nonprofit that had a goal of establishing an endowment. Seed money was secured and Cummings advised the board it be invested with The Greater Tacoma Community Foundation. But, he relates, one board member convinced her colleagues they could set up the endowment themselves.

"For a year, we struggled to put the documentation together," Cummings says. "We consumed an entire committee and two full board meetings, and when I left, the money was still sitting in the bank account. I was never able to use it as a fundraising tool."

Doing an endowment right means "giving up control," Cummings notes—a concept board members often struggle with. But there is a compelling reason for setting up an endowment outside of a nonprofit's own structure. Investing with a community foundation puts a "firewall" between the endowment and the nonprofit, he says. An endowment's principal cannot be pilfered or redirected by future leadership, and this is a clear benefit to the donor and to the organization that takes the long view.

Cummings sees another benefit in that a community foundation attracts funding of its own, and if a nonprofit holds a clearly identified fund, it is more likely to be noticed by donors using the community foundation to direct their donations.

Last but not least, says Cummings, community foundations regularly promote their offerings and funds, "so it's free publicity."

Partnering options

The Community Foundation hopes to become known for gaining broader public awareness for the nonprofit organizations it partners with, says President Bruce McComas.

For the donors it partners with, the Community Foundation offers a Jefferson County Community Endowment Fund, designated funds, donor-advised funds, scholarship funds and giving circles. Contact Kristina Mayer for more information at 360-379-3667 or kris@jccfgives.org.

For more information about the organizations in this article, visit the Jefferson County Community Foundation at www.jccfgives.org, the Port Townsend Public Library Foundation at www.cityofpt.us/library/people.asp, and the Northwest Maritime Center & Wooden Boat Foundation at www.woodenboat.org.

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