





IT WAS OUR THIRTY-SIXTH YEAR IN



Read on to discover which Dekko Foundation myths were found to be:

TRUE, PROBABLE, POSSIBLE, IMPROBABLE OR BUSTED.

We guarantee you'll learn a lot about us. You might even have a chuckle or two!



Over that time, we've taken hundreds of business trips and met countless grantseekers. We've considered thousands of proposals and invested \$215 million in projects that align with our mission. We've said, "No thank you," to others that were not quite a fit.

You just don't cover that much territory without producing a little mythology!

So, as we considered what we wanted to share with you in our annual report, we thought it would be fun to do a little myth busting. You know, get to the bottom of stories we've heard.

Some of these myths we heard from grantseekers. Others came from a Facebook post where we asked people to tell us things they'd heard about us. One, a friend whispered to us.

Regardless of how strange these things seemed, we were not afraid to tackle them.

2017 GRANTS AWARDED

EARLY CHILDHOOD DEVELOPMENT
BIRTH TO AGE 5

ORGANIZATION	CITY/STATE	PROJECT TITLE	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Ada-Borup Public School	Ada, MN	Set Up for Success	\$20,000	Children's increasing pro-social attitudes and behaviors.
Agape Day Care Ministry	Hudson, IN	Operating Support	\$14,000	The school's increasing ability to support its operations.
Agape Day Care Ministry	Hudson, IN	Montessori Training	\$22,000	Teachers' increasing understanding of the importance of children's self-regulation and play.
Church of the Good Shepherd Preschool	Winona Lake, IN	Book Buddies	\$2,000	Children's increasing listening comprehension skills.
Early Childhood Alliance	Fort Wayne, IN	Family Engagement and Support	\$170,000	At least 153 families' increasing ability to meet their children's developmental needs.
Garrett-Keyser-Butler Community School District	Garrett, IN	Principle-Based Classroom Environments	\$9,500	4 teachers' increasing instructional intentionality.
Hope Learning Center	Chariton, IA	Operating Support	\$50,000	The school's increasing ability to support its operations.
Interfaith Mission	Columbia City, IN	Board Retreat Nonprofit Toolbelt Grant	\$3,500	The organization's ability to secure \$90,000 in operating support from organizations and individuals.
Joe's Kids	Warsaw, IN	Improved Facility	\$20,000	The organization's ability to serve an additional 50 children.
New Beginnings Preschool and Child Care	Milford, IN	Program Expansion	\$50,000	The school's increasing enrollment.
Not Easily Broken Ministries	Warsaw, IN	Sensory Play Class	\$5,000	Parents' increasing ability to bond with their young children.
Oak Farm School	Avilla, IN	Operating Support	\$2,000,000	The school's increasing sustainability.
Peace Montessori	New Haven, IN	Scholarship Fund	\$50,000	Families' increasing access to Montessori-based education.
Steuben County Literacy Coalition	Angola, IN	Building Futures, Building Dreams	\$500,000	Families' increasing access to quality early care and education.
United Methodist Church of Columbia City	Columbia City, IN	Playground Expansion	\$8,500	The increasing amount of time children spend on outdoor play.
United Montessori Schools of Indiana	Indianapolis, IN	Operations Manager	\$51,000	The organization's increase in operating revenue by at least 24% over 2016 levels.
YMCA of Greater Fort Wayne	Fort Wayne, IN	Operating Support, Armstrong Early Learning Center	\$48,826	Staff members' increasing sense of being valued and supported in their work.

MEASURING TO BRING ABOUT POSITIVE CHANGE

We're keeping track of whether grantees accomplish their anticipated results. In 2016, 78% told us they met or exceeded their goals. This isn't a compliance thing, it's an improvement thing. We want to help grantees become more effective.

A man dressed as a firefighter, wearing a helmet, jacket, and gloves, stands next to a yellow welding tank. He is holding a welding torch. The background is a dark, industrial-looking wall.

MYTH

Your number one
goal is excellent
child development.



TRUE? BUSTED?

This one is tough. Can we answer both TRUE and BUSTED? You see, the statement IS true—as far as it goes. Many of our investments go to support communities, schools and organizations that advance the healthy development of children. But it's important to understand that we support child development only because, in the long term, it leads to economic freedom.

Our founder, Chester E. Dekko, chose economic freedom as his mission 37 years ago. It remains our mission and number one goal.

MYTH

The Dekko Foundation
was started by
Art Dekko.



BUSTED!

Giggle! We love this one! Mr. Dekko's full name was Chester Eugene Dekko. We DO offer an Art Dekko arts enhancement grant opportunity each winter. It's a chance for teachers and community arts leaders to offer arts experiences for children and young people.

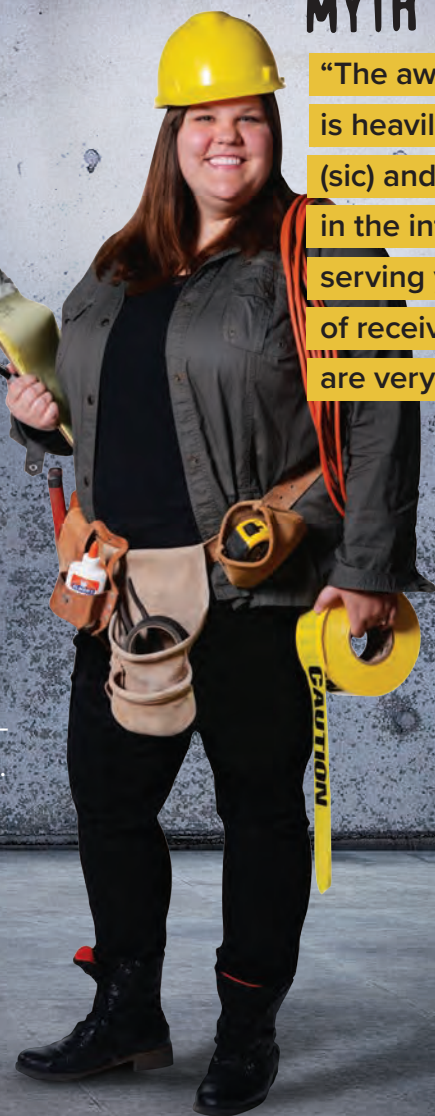


POSSIBLE!

This came to us via Facebook from Cayce Lee. We can certainly see how someone would think this about our grantmaking. We DO have an agenda! We stick to it like glue because we want to help children and young people build a foundation for economic freedom—remember, it's Mr. Dekko's mission. If you've experienced frustration with our grantmaking, Cayce (or anyone), please feel free to contact us. We won't drift away from our priorities, but we will try to explain why we do what we do.

MYTH

"The awarding process is heavily agendized (sic) and very narrow in the interpretation of serving youth. So, odds of receiving an award are very narrow."



MYTH

The driveway to the
Dekko Foundation office
is heated to
melt the snow.



BUSTED!

Our office is in Mr. Dekko's former home on "Baby Mountain." It is as close to a mountain as there is in northern Indiana—so it is NOT a mountain. But it is a good-sized hill, and if you walk up fast, it will make you breathe hard. Baby Mountain is a challenge on snowy days. However, there are NO heating elements under the driveway—just a snow removal company, a bundled-up maintenance guy and plenty of rock salt.

2017 GRANTS AWARDED

MIDDLE CHILDHOOD DEVELOPMENT
AGES 6 - 12

ORGANIZATION	CITY/STATE	PROJECT TITLE	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Angola Kids League	Angola, IN	Football Equipment Replacement	\$15,000	At least 110 participants' increasing perseverance, teamwork and sportsmanship.
Anthony Wayne Area Council of Boy Scouts	Fort Wayne, IN	First Aid/CPR Training	\$1,296	The increasing quality of Boy Scout CPR classes.
Athens City Schools	Athens, AL	Fit, Fun, Fabulous	\$14,500	At least 360 students' increasing understanding of healthy choices.
City of Leon, Iowa	Leon, IA	Swimming Lessons	\$2,000	At least 100 children's increasing ability to swim for recreation and emergency purposes.
Cole Center Family YMCA	Kendallville, IN	Camp Wethonkitha	\$14,000	At least 150 campers' increasing self management, social awareness and relationship skills.
Cole Center Family YMCA	Kendallville, IN	The House After School Program	\$88,000	At least 60 participants' increasing self management, social awareness and relationships skills.
College Mentors for Kids	Indianapolis, IN	Mentoring Kosciusko County Kids	\$22,500	At least 35 children's interaction with a positive college role model.
Community Foundation of Whitley County	Columbia City, IN	Camp Invention	\$2,500	At least 40 campers' increasing collaboration and communication skills.
David's Temple	Tanner, AL	Operation Timothy	\$10,000	At least 10 participants' increasing proficiency in reading.
DeKalb County Central United School District	Waterloo, IN	Active Seating	\$2,600	At least 33 students' increasing understanding of strategies to help them learn best.
DeKalb County Central United School District	Waterloo, IN	Field Trip to Museum of Science/Industry	\$3,000	At least 151 participants' increased understanding of how science impacts the world.
East Noble School Corporation	Kendallville, IN	All Write Next Generation	\$162,500	At least 27 consortium members' retention and increased interaction with classroom teachers.
Feldhacker's Youth and Family Ministries	Creston, IA	West Side Expansion	\$25,000	At least 25 participants' increasing role as contributing members of society.
Fort Wayne Zoological Society	Fort Wayne, IN	ZSI Program	\$57,162	At least 900 participants' increasing skill around data collection, interpretation, observation and critical thinking.
Grace College and Seminary	Winona Lake, IN	Lilly Center for Lakes and Streams Programs	\$25,000	At least 1,375 students' increased engagement in scientific investigation and water stewardship.
Harold McMillen Center for Health Education	Fort Wayne, IN	Operating Support	\$30,000	At least 8,700 students' participation in preventative health programming.
Indiana Newspaper in Education Foundation	Indianapolis, IN	Newspapers for Classrooms	\$15,000	At least 326 classrooms' use of newspapers to teach current events and cement learning across the curriculum.
Junior Achievement of Northern Indiana	Fort Wayne, IN	Nonprofit Toolbelt Grant	\$11,000	The organization's increasing understanding of whether to consolidate services.
Lake City BMX	Warsaw, IN	Construction Project	\$40,000	At least 50 participants' increasing perseverance, responsibility and confidence.
Kosciusko Literacy Services	Warsaw, IN	Plant the Seed, Read!	\$15,000	At least 1,000 peoples' increasing engagement in reading.
LaGrange County Public Library	LaGrange, IN	Books to Schools	\$5,000	Nine schools' increasing ability to meet students' reading interests.
Lakeland School Corporation	LaGrange, IN	Middle School Re-Imagined	\$50,000	At least 11 staff members' training in Project-Based Learning.
Learn to Read Council, Athens-Limestone County	Athens, AL	Youth Literacy	\$20,000	At least 88 students' increasing reading, writing and math abilities.
Lindsay Lane Christian Academy	Athens, AL	Robotics Challenge	\$5,000	At least 30 elementary students' growing engagement in science and math.
Lucas County, Iowa	Chariton, IA	Lucas County Equine Team	\$500	At least 12 members' increasing teamwork and problem-solving skills.
Lutheran Outdoor Ministries	Angola, IN	Operating Support	\$13,500	The increasing ability of male counselors to act as positive role models.
Mormon Trail Community School District	Humeston, IA	Band Instruments	\$10,000	At least 12 students' increased teamwork, leadership and self-responsibility.
Mount Ayr Community Schools	Mount Ayr, IA	Elementary Playground	\$50,000	Students' increasing opportunity for outdoor play.
Noble County 4-H Exhibit Corporation	Albion, IN	4-H Spark Clubs	\$3,200	At least 40 members' increasing skills, knowledge and leadership.
Oak Farm School	Avilla, IN	Campus Expansion	\$600,000	The increasing number of families with access to quality education choices.
The Learning Center of Southwest Iowa	Creston, IA	Fund Development Capacity	\$30,000	The organization's increasing number of donors and increased support from individuals.
Tippecanoe Valley School Corporation	Akron, IN	Robotics for Mentone and Akron Elementary	\$8,212	At least 50 students' exploration of science, computer programming and engineering.
Warsaw Christian School	Warsaw, IN	Raise Up Giving Day	\$25,000	Decrease the gap between the school's revenue and expenses.
West Noble School Corporation	Ligonier, IN	Flexible Classroom Seating	\$4,000	At least 15 students' increasing classroom engagement.
Westview School Corporation	Topeka, IN	Roll-down Maps	\$1,438	At least 50 students' use of maps as reference tools.
Whitko Community School Corporation	Piercetown, IN	Project Lead the Way	\$50,000	At least seven teachers' adoption of Project-Based Learning in their classrooms.

2017 GRANTS AWARDED

ADOLESCENT DEVELOPMENT AGES 13 - 18

ORGANIZATION	CITY/STATE	PROJECT TITLE	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Ada-Borup Public School	Ada, MN	Come Hell and High Water	\$35,000	At least 3,000 people will commemorate the Flood of 1997.
Agaitas	Warsaw, IN	Athletic Camps	\$2,500	Participants' increased confidence and self-esteem.
Athens City Schools	Athens, AL	Growing Gains	\$10,000	Students' increasing number of library visits.
Cahoots Coffee Café	Angola, IN	Share the Love	\$30,000	The organization's increasing financial sustainability.
Community Foundation DeKalb County	Auburn, IN	DeKalb's VOICE Youth Pod	\$20,000	Participants' increasing knowledge of philanthropy, problem solving and community improvement.
Community Foundation DeKalb County	Auburn, IN	DeKalb's VOICE Youth Pod	\$20,000	Operating support.
Community Foundation of Noble County	Ligonier, IN	PULSE Noble County Youth Pod	\$18,000	Participants' increasing knowledge of philanthropy, problem solving and community improvement.
Community Foundation of Noble County	Ligonier, IN	PULSE Noble County Youth Pod	\$20,000	Operating support.
Community Foundation of Whitley County	Columbia City, IN	Hands Foundation Youth Pod	\$22,500	Participants' increasing knowledge of philanthropy, problem solving and community improvement.
Community Foundation of Whitley County	Columbia City, IN	Hands Foundation Youth Pod	\$22,500	Operating support.
Creston Community School District	Creston, IA	Auditorium Upgrade	\$30,000	At least 30 young peoples' increasing self-confidence.
DeKalb County Central United School District	Waterloo, IN	Student Landscaping Study	\$7,500	At least 12 students' increasing awareness of landscaping as a career and gaining landscaping skills.
DeKalb County Central United School District	Waterloo, IN	Band Instruments	\$14,500	At least 45 students developing musical skills and leadership.
East Noble School Corporation	Kendallville, IN	Leadership Development	\$2,500	Six music educators' implementation of new leadership strategies in their classrooms.
East Noble School Corporation	Kendallville, IN	Professional Instrumentalists	\$3,900	Students' increasing interest in post-secondary training and careers in the arts.
Erin's House for Grieving Children	Fort Wayne, IN	Nonprofit Toolbelt Grant	\$5,000	The organization's increased ability to sustain its work and offer quality programming.
Fellowship of Christian Athletes	Fort Wayne, IN	Major Donor Matching Grant	\$90,000	The organization's growing ability to support and expand its programming.
First Church of Christ	Garrett, IN	Oasis Youth Center	\$20,000	At least 23 young peoples' positive attitude shifts.
Fremont Community Schools	Fremont, IN	Courtyard Project	\$10,000	At least 415 students' increasing opportunity to learn in outdoor environments.
Garrett-Keyser-Butler Community School District	Garrett, IN	Inquiry-Based Learning	\$7,396	At least 470 students' increasing access to learning through inquiry-based science.
Graceland University	Lamoni, IA	ROCCS Youth Pod	\$27,000	Participants' increasing knowledge of philanthropy, problem solving and community improvement.
Hershey Montessori School	Painesville, OH	Montessori High School	\$250,000	Students' growth in skills and character strengths that are proven indicators of success in adult roles.
Indiana Troopers Youth Services	Indianapolis, IN	State Police Summer Camp	\$3,000	At least 35 campers' increasing self-discipline, high moral standards and positive self-worth.
Indiana Youth Institute	Indianapolis, IN	Three-Year Operating Support	\$390,000	At least 350 youth workers' increasing capacity to support young peoples' development.
Iowa Association of Business and Industry Foundation	Des Moines, IA	Business Horizons	\$900	Participants' increasing understanding of how to be financially independent.
Kosciusko County Community Foundation	Warsaw, IN	KEYS Youth Pod	\$40,000	Students' access to books both at home and in their classrooms.
Kosciusko County Community Foundation	Warsaw, IN	KEYS Youth Pod	\$20,000	Participants' increasing knowledge of philanthropy and their ability to impact their communities.
LaGrange County Community Foundation	LaGrange, IN	LIFE Youth Pod	\$20,000	Participants' increasing knowledge of philanthropy and their ability to impact their communities.
Limestone Area Community Foundation	Athens, AL	TRAIL's New Deal	\$15,000	The increasing number of volunteer opportunities for teens.
Limestone County Schools	Athens, AL	Alabama: America's Amazon	\$5,000	Students' increasing number of natural resource career role models.
Limestone County Schools	Athens, AL	FFA Greenhouse	\$40,000	Students' increasing skills such as leadership, community involvement and financial soundness.
Limestone County Schools	Athens, AL	Machining and Welding Equipment	\$56,000	At least 70 students' increasing knowledge of machining and welding and awareness of those areas as possible careers.
Limestone County Schools	Athens, AL	Underwater Robotics Competition	\$1,500	Students' increasing teamwork skills and exposure to possible careers.
Limestone County Schools	Athens, AL	Welding Equipment	\$24,980	Students' increasing knowledge of welding workmanship and an increase of five AWS certifications.
Lutheran Outdoor Ministries	Angola, IN	Bathhouse Renovation	\$20,000	The organization's increasing capacity to offer safe conditions to 640 campers.
Lutheran Outdoor Ministries	Angola, IN	Succession Planning	\$2,500	The organization's capacity to undergo a smooth leadership transition.
M.S.D. of Steuben County	Angola, IN	Academic Super Bowl	\$1,070	Twenty participants' increasing teamwork and time management skills.
Otis R. Bowen Center for Human Services	Warsaw, IN	Cooperative Youth Employment	\$10,000	At least 10 participants' increasing employment motivation and persistence.
Prairie Heights Community School Corporation	LaGrange, IN	Nonprofit Toolbelt Grant	\$3,000	The school's increasing capacity to make students feel safe and supported while at school.
Smith-Green Community Schools	Churubusco, IN	Safe Students Project	\$74,880	At least 25 struggling students' increasing academic and life success.

South Central Iowa Community Foundation	Chariton, IA	HELP Youth Pod	\$30,000	Participants' increasing passion for community involvement.
South Central Iowa Community Foundation	Chariton, IA	YACC Youth Pod	\$20,000	Participants' increasing knowledge of philanthropy, problem solving and community improvement.
Steuben County 4-H Horse and Pony	Angola, IN	Arena Improvement and Safety	\$10,000	At least 85 participants' increasing horsemanship skills and ability to mentor younger peers.
Steuben County Community Foundation	Angola, IN	FIST Youth Pod	\$20,000	Participants' increasing knowledge of philanthropy, problem solving and community improvement.
Stone's Trace Historical Society	Ligonier, IN	Living History Education	\$2,000	At least 513 participants' increasing understanding of local history.
Teen Parents Succeeding	Syracuse, IN	Teen and Preschool Education	\$12,000	At least 10 participants' increasing asset development.
The Center for Whitley County Youth	Columbia City, IN	Youth Philanthropy Start Up	\$4,072	Participants' increasing knowledge of philanthropy, problem solving and community improvement.
The Wreck	Kendallville, IN	Nonprofit Toolbelt Grant	\$3,150	The organization's increasing capacity to operate sustainably and meet teens' developmental needs.
The Wreck	Kendallville, IN	Operating Support	\$20,000	The organization's increasing number of community relationships that can support youth development.
Tippecanoe Valley School Corporation	Akron, IN	Above and Beyond Learning Environments	\$20,000	The increasing amount of time the school's libraries are used by students.
TROY Center	Columbia City, IN	Nonprofit Toolbelt Grant	\$8,500	The organization's increasing capacity to sustain its work and maintain its quality.
Warsaw Community Schools	Warsaw, IN	Problem Solving Nao	\$10,000	Students' increasing knowledge of robotics and automation.
Wawasee Community School Corporation	Syracuse, IN	ECO Challenge	\$12,500	Participants' improving attitudes and behavior related to school.
Wawasee Community School Corporation	Syracuse, IN	Gone Boarding	\$40,000	At least 25 students identified as "not likely to graduate" will complete their freshman year of high school.
Wawasee Community School Corporation	Syracuse, IN	Iron Pride Robotics Team	\$10,000	At least four students will improve their robotics skills to the level of top 10% in the state.
Wawasee Community School Corporation	Syracuse, IN	Sensory Room Improvement	\$10,000	Students' increasing positive engagement and behavior.
West Noble School Corporation	Ligonier, IN	Instruments for a Re-emerging Program	\$35,000	At least 10 additional students will join the 45 students who already build life skills through band participation.
Westview School Corporation	Topeka, IN	Pathways Program	\$50,000	At least 97 students will report increased skills career-related areas.
Whitley County Consolidated Schools	Columbia City, IN	FFA Livestock Judging Trip	\$10,000	Participants' increasing skills in the areas of reasoning and logical thought processes.
Windsong Pictures	Fort Wayne, IN	Mobility to Serve Students	\$4,400	The organization's growing ability to attract audiences for its student-generated films.



BUSTED!

To research this, we checked with our grants associate, Nan Meyer. Nan works with each proposal from start to finish.

"B is for BUST. And I'll bust that myth for you," Nan says. "I do whatever I can to help grantseekers. If they're missing anything, I email them to let them know. If they're struggling with our online process, I get into their account and help."

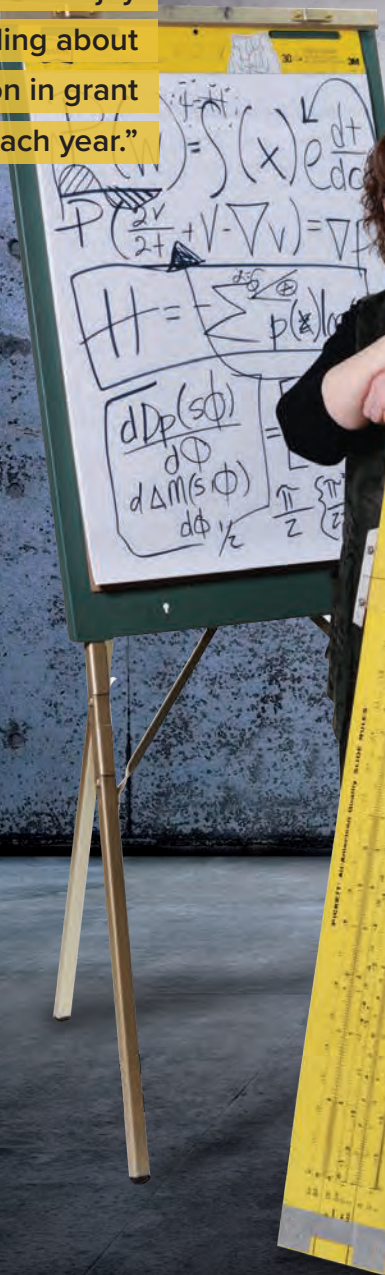
MYTH

If you don't fill out the grant applications perfectly, they're thrown away.



MYTH

"You do not enjoy
fulfilling about
\$10 million in grant
requests each year."



IMPROBABLE!

This myth was brought to us by Heidi Blake. To research this, we sought out our controller, Robin McCormick.

"As a private foundation, we are required by law to pay a one percent tax on the income earned on the entire savings account Mr. Dekko left us," Robin says. "If we don't make enough grants in a year (at least five percent of our fund), the IRS ups that requirement to two percent. That's another \$320,000 in taxes. *Investing in economic freedom, we enjoy. Paying extra taxes? Nope. We don't enjoy THAT.*"

2017 GRANTS AWARDED

COMMUNITY DEVELOPMENT

ORGANIZATION	CITY/STATE	PROJECT TITLE	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Advance Rome City	Rome City, IN	Community Mural	\$3,930	The community's enjoyment of the mural.
Alabama Veterans Museum	Athens, AL	Nonprofit Toolbelt Grant	\$12,500	The organization's ability to secure capital improvement funds.
Athens Arts League	Athens, AL	Scout Music House	\$40,000	At least 10 students' increasing ability in time management, teamwork and problem solving.
Athens-Limestone Public Library	Athens, AL	Education Outside the Box	\$37,500	At least 44 teachers' increasing use of outdoor space to teach science.
Chariton Iowa 4th of July Committee	Chariton, IA	Nonprofit Toolbelt Grant	\$1,500	Board members' increasing knowledge of how to guide and support a nonprofit.
Churubusco Youth Foundation	Churubusco, IN	Oscar's Playland	\$75,000	The community's capacity to provide a stimulating play environment for children.
City of Afton	Afton, IA	Ball Field Improvement	\$15,000	At least 37 additional children's opportunity to learn sportsmanship, teamwork and life skills through athletics.
City of Afton	Afton, IA	Basketball Court Improvement	\$8,000	At least 50 additional children's opportunity for positive leisure time activities.
City of Kendallville	Kendallville, IN	Apple Festival Children's Area	\$7,500	Three years of community event fun for children.
City of Mount Ayr	Mount Ayr, IA	Nonprofit Toolbelt Grant	\$5,000	The growing capacity of the community to support a recreational center.
Common Grace Ministries	Kendallville, IN	Nonprofit Toolbelt Grant	\$5,000	The organization's growing financial reporting capacity.
Community Foundation DeKalb County	Auburn, IN	Nonprofit Toolbelt Grant	\$10,000	Learning Link stakeholders' increasing engagement.
Community Foundation DeKalb County	Auburn, IN	Waterloo Skate Park	\$50,000	The community's increasing capacity to provide positive leisure time activities.
Eckhart Public Library	Auburn, IN	Nonprofit Toolbelt Grant	\$17,000	The organization's increasing capacity to maintain facilities and impactful programming.
Freedom Academy	Kendallville, IN	Operating Support	\$250,000	High school students' increasing knowledge of technical career education.
Humane Society of Noble County	Kendallville, IN	Raise the WOOF	\$25,000	At least 250 children's increasing compassion for animals.
Maumee Valley Antique Steam and Gas Association	New Haven, IN	Facility Expansion	\$40,000	At least 3,780 visitors' increasing understanding of the hard work it took to build the USA.
Michiana Public Broadcasting	Elkhart, IN	Education Counts	\$10,000	At least five partner schools' adoption of best practices in education.
Noble County Saddle Club	Albion, IN	Building for the Future	\$24,000	At least 200 participants' increasing safety.
Professional Animal Retirement Center	Albion, IN	Improved Accessibility	\$33,865	The organization's increasing capacity to welcome people with disabilities and walking challenges.
Syracuse-Wawasee Historical Museum	Syracuse, IN	Hands-On History	\$1,500	At least 900 students' increasing understanding of local history.
Syracuse-Wawasee Park Foundation	Syracuse, IN	Conklin Bay Trail	\$200,000	At least 75 students' ability to walk to school using a trail.
The Spoonful of Imagination Art Studio	Warsaw, IN	Operating Support	\$10,000	At least 120 participants' increasing self-esteem and confidence gained through the arts.
Town of Rome City	Rome City, IN	Accessible Playground Equipment	\$19,500	The community's capacity to offer an accessible playground.
Trine University	Angola, IN	Ice Arena	\$2,500,000	At least 170 young peoples' enhanced relationships through skating and ice activities.
Union County Fair Association	Afton, IA	Building on Tradition	\$500,000	At least 260 participants' increasing independence, generosity and mastery of 4-H projects.
United Methodist Church of Columbia City	Columbia City, IN	Bus Upgrade	\$32,500	At least 600 young peoples' increasing ability to see beyond their community and contribute to the well-being of others.
United Way of DeKalb County	Auburn, IN	Nonprofit Toolbelt Grant	\$2,500	The organization's increasing capacity to achieve its mission.
Wagon Wheel Center for the Arts	Warsaw, IN	Entertain the Future Campaign	\$300,000	At least 750 children's increasing character, social skills, discipline, poise and confidence gained through performance.
YMCA of Steuben County	Angola, IN	Operating Support	\$35,000	The CEO's increasing ability to focus on achieving the Y's mission.

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying modified cash basis financial statements of Dekko Foundation, Inc., (Foundation) which comprise the statements of financial position as of August 31, 2017 and 2016, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conduct-

ed our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Dekko Foundation, Inc. as of August 31, 2017 and 2016, and the changes in its net assets for the years then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than the accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

BKD, LLP

Fort Wayne, Indiana December 5, 2017.

Statements of Financial Position – August 31, 2017 and 2016 Modified Cash Basis

Assets	2017	2016
Cash and cash equivalents	\$2,861,804	\$7,002,531
Investments	\$191,315,340	\$187,830,230
Property and equipment, net	\$128,785	\$140,294
Total assets	\$194,305,929	\$194,973,055
Liabilities		
Payroll tax withholdings	\$6,045	\$2,414
Unrestricted net assets	\$194,299,884	\$194,970,641
Total liabilities and net assets	\$194,305,929	\$194,973,055

Statements of Activities – Years Ended August 31, 2017 and 2016 Modified Cash Basis

Receipts	2017		2016	
	TOTAL	% OF TOTAL	TOTAL	% OF TOTAL
Contributions	\$319,903	2.60%	\$319,903	3.98%
Interest and dividend income	\$5,163,475	41.95%	\$4,957,376	61.63%
Net realized gains on investments	\$6,794,798	55.21%	\$2,765,757	34.39%
Other	\$29,939	0.24%	\$265	0.00%
Total receipts	\$12,308,115	100.00%	\$8,043,301	100.00%
Disbursements and Expenses				
Grants	\$9,857,999	75.93%	\$9,294,488	76.35%
Administrative	\$931,886	7.18%	\$906,560	7.45%
Library	\$786	0.01%	\$1,368	0.01%
Depreciation	\$11,508	0.09%	\$8,004	0.07%
Utilities	\$20,200	0.16%	\$16,714	0.14%
Office Supplies	\$9,816	0.08%	\$7,608	0.06%
Equipment	\$4,638	0.04%	\$13,595	0.11%
Repair and maintenance	\$93,975	0.72%	\$83,941	0.69%
Dues and membership	\$25,920	0.20%	\$20,982	0.17%
Training	\$27,640	0.21%	\$23,894	0.20%
Travel	\$112,498	0.88%	\$148,984	1.22%
Postage	\$7,323	0.06%	\$10,550	0.09%
Insurance	\$25,757	0.20%	\$28,111	0.23%
Professional fees	\$338,015	2.60%	\$333,957	2.74%
Investment management fee	\$1,116,186	8.60%	\$968,422	7.95%
Federal excise tax and unrelated business income tax	\$15,994	0.12%	\$164,386	1.35%
Other	\$378,731	2.92%	\$142,307	1.17%
Total disbursements and expenses	\$12,978,872	100.00%	\$12,173,871	100.00%
Change in unrestricted net assets	(\$670,757)		(\$4,130,570)	
Unrestricted net assets, beginning of year	\$194,970,641		\$199,101,211	
Unrestricted net assets, end of year	\$194,299,884		\$194,970,641	

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Dekko Foundation, Inc. (Foundation) was incorporated as a not-for-profit foundation in 1981, under the laws of the state of Indiana. The mission of the Foundation is to foster economic freedom through education in the areas where its founder, Mr. Chester E. Dekko, had an interest. For that reason, the Foundation focuses its grant making in portions of Alabama, Florida, Indiana, Iowa and Minnesota. Primary sources of revenue for the Foundation are estate contributions and investment income. Mr. Dekko's intent for his foundation was to give young people the opportunity for high quality experiences that would lay the groundwork for the development of financial independence.

To carry out that mission, the Dekko Foundation makes grants to not-for-profit organizations that promote developmentally appropriate experiences. The Foundation also invests in the capacity of youth and community development organizations to sustain and elevate their work.

Use of Estimates

The preparation of financial statements in conformity with the Foundation's modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of receipts and disbursements and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Basis of Accounting

The financial statements have been prepared on

a modified cash basis of accounting which differs from accounting principles generally accepted in the United States of America (GAAP) as follows:

- Cash paid to charitable organizations and vendors is expensed when paid, not when the grant is approved or when the obligation is incurred as required by GAAP.
- Investments are recorded at cost, not fair value, and investment income is recorded when received, not when earned, as required by GAAP. In addition, certain disclosures are not provided regarding the nature of certain investments, as required by GAAP.

Net Asset Classifications

The following class of net assets is maintained:

Unrestricted Net Assets – The unrestricted net asset class includes general assets and liabilities of the Foundation. The unrestricted net assets of the Foundation may be used at the discretion of management to support the Foundation's purposes and operations

Cash and Cash Equivalents

The Foundation considers all liquid investments with original maturities of three months or less to be cash equivalents. At August 31, 2017 and 2016, cash equivalents consisted primarily of money market accounts with brokers.

At August 31, 2017, the Foundation's cash accounts exceeded federally insured limits by approximately \$2,223,000.

Investments

Marketable securities and other investments are recorded at cost or, if donated, at the fair value at

the date of gift. Other investments are comprised of nonmarketable securities, such as private partnerships and limited liability corporations. Investment gains and losses are recognized upon realization using the specific-identification method.

Income Taxes

The Foundation is exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and a similar provision of state law. The Foundation is considered to be a private foundation under Section 509(a) of the Code. The Foundation is subject to excise tax on investment income. In addition, the Internal Revenue Service requires that certain minimum distributions be made in accordance with a specified formula.

The Foundation files tax returns in the U.S. federal jurisdiction. With a few exceptions, the Foundation is no longer subject to U.S. federal examinations by tax authorities for years before 2014.

Property and Equipment

Expenditures for property and equipment and items, which substantially increase the useful lives of existing assets, are capitalized at cost. The Foundation provides for depreciation on the straight line method at rates designed to depreciate the costs of assets over estimated useful lives as follows:

	Years
Furnishings and equipment	5 - 7
Buildings and improvements	15 - 31

Note 2: Investments — The Foundation's investments are as follows:

	2017		2016	
	Cost	Fair Value	Cost	Fair Value
U.S. Government and U.S. Government agency securities	\$16,848,467	\$16,738,792	\$15,456,835	\$15,624,072
Equities	\$121,887,892	\$164,733,481	\$115,583,916	\$144,257,485
Corporate bonds	\$19,183,997	\$19,268,927	\$18,349,343	\$19,614,919
Nonmarketable securities	\$33,394,984	\$39,829,273	\$38,440,136	\$41,503,920
Total	\$191,315,340	\$240,570,473	\$187,830,230	\$221,000,396

The fair value is based on quoted prices in active markets, if available. In the absence of readily determinable fair values, the fair value of alternative investments is based on the net asset value of the fund either provided by the investment's fund manager or general partner or estimated by management based on audited financial statements

received from the respective investment's fund manager or general partner.

Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is

reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the notes to the financial statements.

Note 3: Property and Equipment

The Foundations' property and equipment are as follows:

	2017	2016
Buildings and improvements	\$561,027	\$561,027
Furnishings and equipment	\$202,936	\$202,936
	\$763,963	\$763,963
Accumulated depreciation	(\$635,178)	(\$623,669)
Total	\$128,785	\$140,294

Note 4: Employee Benefits

The Foundation maintains a 403(b) defined-contribution plan for the benefit of substantially all of its employees, which allows for both employee and employer contributions. The Foundation's contribution consists of a discretionary contribution of 10 percent of eligible compensation, and a matching contribution of 100 percent of employee contributions, up to 5 percent of eligible employee compensation. The Foundation's contribution to the plan was \$96,127 and \$87,345 for 2017 and 2016, respectively.

Note 5: Related Party Transactions

During 2017 and 2016, a portion of the Foundation's investments were managed by an investment advisor who is a related party of the Foundation in the amount (cost basis) of \$33,848,240 and \$32,543,070 as of August 31, 2017 and 2016, respectively. The investment advisory fee (which was paid to the brokerage firm, not the related party advisory firm) was \$237,868 and \$210,950 for the years ended August 31, 2017 and 2016, respectively.

Note 6: Subsequent Events

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.



MYTH

**“You will not
invest in buildings
in Iowa.”**



TRUE!

Juli Neas, a frequent grantseeker from southern Iowa, told us she'd heard this myth. Of all the myths we considered, this one is the simplest to solve. TRUE! We don't invest in ANY buildings! Rather, we invest in the child and youth development that happens in the environment buildings provide. Here's a partial list of such investments—all in Iowa.

Clarke County 4-H
Fairgrounds—Osceola, IA
Dragoon Trace
Nature Center—Mount Ayr, IA
East Union Early
Education Center—Afton, IA
Funshine Learning
Center—Lamoni, IA
The Village Early
Childhood Center—Osceola, IA
Union County 4-H
Fairgrounds—Afton, IA



PROBABLE!

Yes, we admit that, on the outside, our grantmaking might seem random. We weigh a lot of different things when we consider an investment. We ask: Does this project build skills, knowledge and character in young people? Will it take young people toward economic freedom? Have the adults involved considered children's needs? How many children will benefit? Is there broad ownership of this project, or is our foundation the only donor? Does the grantseeker have a plan for sustaining this? All these things, and more, go into the discussion. The answers to the questions above make all the difference.



MYTH

The grants that you make (and don't make) and the amounts that you award seem completely random.

MYTH

"You need to be a professional grant writer to even be in the running for a Dekko Foundation grant because the process is so difficult."



BUSTED!

This comes to us from Missy Nix. We worked with Missy on a proposal from Ardmore, Alabama's high school band. So, tell us, Missy, can a non-professional succeed? "After speaking with reps at Dekko and receiving clarification on a few points, the process was very simple and straightforward," Missy says. "It is clear to me that they want to make grants accessible, not difficult to get. If I can write a grant proposal successfully with a little guidance, anyone can!"

MISSION

To foster economic freedom through education.



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ABOUT OUR FOUNDER



Our foundation is the legacy of Mr. Chester E. (Chet) Dekko. Mr. Dekko was born in 1925 in the town of Ada, Minnesota. His development was shaped by the love of a close-knit family and the realities of the Great Depression.

Mr. Dekko's experiences forged in him a dedication to family and a certainty that education, hard work and self-reliance were the keys to a life of independence and choice.

In 1952, Mr. Dekko and a partner (Mr. Lyall Morrill) took on the significant personal and financial risk of starting a manufacturing

business. Employing their similar convictions and work ethic, the partners' risk paid off as their business grew to be one of the largest privately held operations in northeast Indiana.

In 1981, Mr. Dekko used his proceeds from that business venture to start the Dekko Foundation. As he considered how he might leave a legacy, Mr. Dekko consulted friends and family, and studied the wisdom of our country's founding fathers and thought leaders such as Milton and Rose Friedman.

Again, his convictions played a part in his decision making, as Mr. Dekko chose for his foundation the mission of fostering economic freedom through education. Mr. Dekko passed away in 1992, but his passion continues through the Dekko Foundation. Each investment we make is designed to help young people build the skills, knowledge and character that will prepare them for the kind of life to which Mr. Dekko aspired: a life that offers the maximum opportunity for personal independence and choice.

ECONOMIC FREEDOM:

The ultimate liberty to act upon choices regarding one's own life.

Watch a video about Mr. Dekko's life:
<http://www.dekkofoundation.org/our-founder>

ACHIEVING ECONOMIC FREEDOM

Here's how **WE** think it works.



TRUE!

Great things happen when adults step back
and consider what children need
to grow and develop.



TO APPLY FOR A GRANT
Visit DEKKOFOUNDATION.ORG and click on **APPLY NOW**
or discuss your idea with us at 260-347-1278