

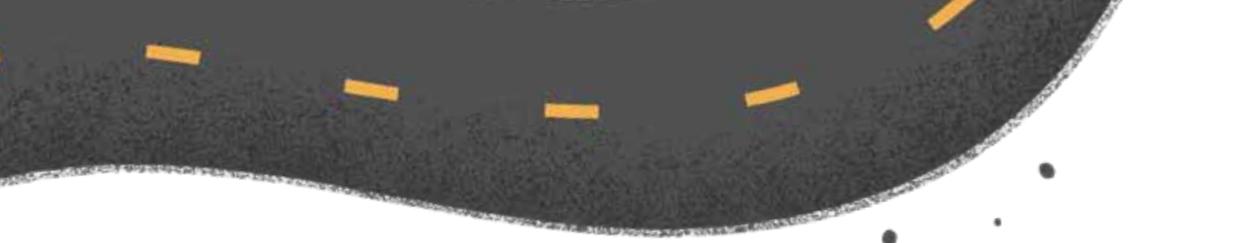


2018 ANNUAL REPORT

Choose your Adventure!



Take an
Awesome
JOURNEY
to economic
Freedom!



the ADVENTURE BEGINS

Choices. We face them every day.

Should I hit the snooze button again? Do I need to wear a tie today for work? Which route should I take to bypass that construction zone on the way to the office? Should I stop what I'm doing and respond to that email right now? Will I have enough time to swing by the grocery store after picking up my daughter from practice? How best can I help my son with his math homework tonight? Who will give the baby her bath? What time should I set my morning alarm for?

Choices aren't just for adults. They're for young people, too. In fact, we think the more choices young people have, the more chances are that they will grow up to achieve economic freedom and be self-sufficient.

What's economic freedom? We're glad you asked. Fostering economic freedom through education is our mission at the Dekko Foundation. We do that by investing in projects that build skills, knowledge, and character in young people from birth through age 18, helping them blossom into independent, self-reliant adults who are capable of producing more than they consume.

Choice goes a long way toward helping build skills, knowledge, and character in young people.

Based on our research in youth development, we think choice goes a long way toward helping build skills, knowledge, and character in young people. If learning environments don't allow them to practice making their own choices, how can they be expected to do so successfully as adults?



“ Our mission is to foster economic freedom through education.

— Mr. Chester E. Dekko, our founder —

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Plus, choice helps them feel invested in their own education. Young people aren't just empty vessels into which information is poured from their birth until the time they graduate from high school. They're human beings just like you. How would you feel if you worked in an environment that wasn't engaging or rewarding? Bored, that's how!

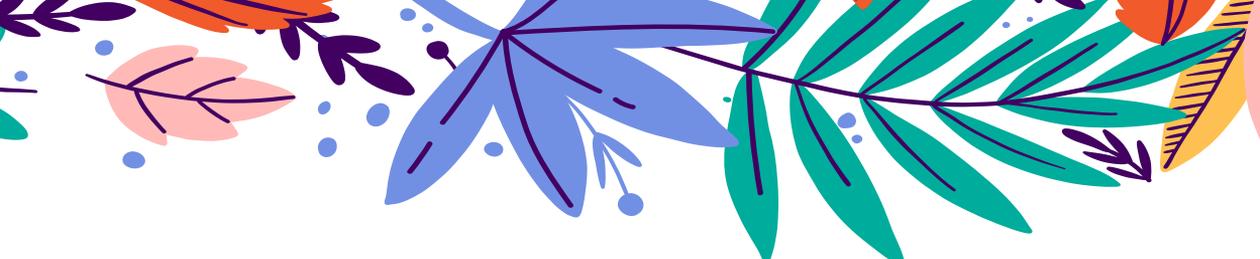
When it comes to their education, we think young people are volunteers. They volunteer their time and attention to learn from a caring adult who has intentionally thought of ways to connect them with a subject. When that adult incorporates choice in the learning environment, it can spark their curiosity and serve as a springboard for a deeper dive into the subject.

Achieving economic freedom is a lot like completing a choose your adventure-style story. You will face many choices along the way. Which choices will carry you forward on your quest so that you can one day plant your flag at the summit of economic freedom?

In this, our 2018 annual report, we present some of our own choose your adventure stories. No, there aren't any ravenous sea creatures to escape, there's no mystery to solve, and there's no buried treasure to find. But there are a lot of young people on the exciting journey to economic freedom. We encourage you to choose to follow along!

Curiosity
is the
Key





the WOODS of DISCOVERY

One day each month during the school year, kindergartners at Central Noble Primary School in Wolf Lake, Indiana, can be found outside tromping through the mud, balancing on logs, and sitting by themselves, watching the trees sway in the whistling wind.

To an observer, that might seem normal. It's just kids playing in the woods. That's kids being kids, right? But it's not normal. In fact, it's far from it. For those students, their curiosity is being stoked, they're making connections between ideas and concepts they're learning in school, and they're gaining self-confidence in a way they likely wouldn't inside a classroom.

The program is called KinderForest, and Principal Robby Morgan first heard about it a few years ago during a presentation about how young people learn through play. Through a partnership with Goshen College, four kindergarten classes spend most of a school day outside at the nearby Merry Lea Environmental Learning Center.

One of the main things that sets the program apart is how it provides opportunities for students to make their own choices and discover their interests as they explore the natural world around them.

If you'd like to learn more about KinderForest, [turn to the next page.](#)

If you're curious about why choice is important in early and middle childhood, [turn to page 8.](#)





the WOODS of DISCOVERY *continued*

In KinderForest, nature nurtures learning. When students spot a plant they can't identify, they're learning a new word. When they follow a deer's hoof prints along the ground, they're learning about shapes and patterns. When they watch the leaves fall from trees, they're learning about colors and gravity. When they combine water and earth to make mud, they're learning how one transforms the other — and that getting messy in the pursuit of knowledge is FUN!

At the heart of KinderForest is the idea that young people have an innate desire to explore. You might think a bunch of kindergartners unleashed in a nature center would be a recipe for chaos, but it's not. That's because their teachers intentionally plan and prepare them for KinderForest days, then step back to offer support and guidance when needed.

During each visit to the nature center, the students take part in group activities, but there also are opportunities for individual learning and self-reflection. An example of that is when students



“ We want to provide the students with choice so that they have the option to engage in the way they want. That increases the sense of agency they have.

— Marcos Stoltzfus, Director of Environmental Education and Outreach,
Merry Lea Environmental Learning Center —

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stake out their own “sit spot” where they spend a half an hour or more just listening and watching what’s happening in the woods around them. Their observations are documented in their personal journals.

And every KinderForest day includes a significant amount of time set aside for free exploration, in which groups of students, under the watchful eyes of a teacher or volunteer, can set off on their own adventures in the nature center. Morgan says such self-directed play and learning encourages students to use their imaginations, boosts their self-confidence by allowing them to take initiative and overcome fears they might have, and promotes teamwork.

Says Marcos Stoltzfus, director of environmental education outreach at Merry Lea Environmental Learning Center: “We want to provide the students with choice so that they have the option to engage in the way they want. That increases the sense of agency they have.”

If you'd like to continue to our next adventure, [turn to page 12.](#)

Stay on the path to economic freedom, [turn to page 34.](#)



the CHOICE IS YOURS, baby!

Babies arrive in the world already wired to learn. You can sense it when you stare into their eyes. They seem to be absorbing everything happening around them, like a sponge!

When infants and toddlers play and explore, they're expanding their intellectual development. Like you, they want to do things by themselves; they don't want others helping them. You can encourage this by giving them a choice and teaching them to be independent, but also helping them recognize when they need to ask for assistance.

A learning environment that encourages choice is not unstructured or chaotic. Far from it. Instead, it's a calm, well-thought-out space that promotes a sense of order while also providing the freedom for young people to move about on their own. It offers positive options for children to pursue their interests. Within such an environment, a young person is primed to make better choices.

There's science to back this up. Studies have tied higher emotional well-being and levels of performance to children's ability to act on their own accord.



We've created resources featuring the "whys" that underlie our thinking about the principles of child development. We call them "conversation starters" because they can be used to kick off a discussion about stepping back and considering how best to help a child grow and develop, such as our *Owner's Manual for parents of children from birth to age five* and our *7 Simple Ideas to Make Your Classroom Bloom!* for early educators. These conversation starters can be found on our website, dekkofoundation.org.





2018 GRANTS AWARDED

Early childhood development:
Birth to Age 5

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Albion Fire Auxiliary	Fire Safety House	Albion, IN	\$8,600	Children's increasing knowledge of fire safety.
BABE of Whitley County Inc.	Restructuring BABE	Columbia City, IN	\$20,000	Parents' increasing information about child development.
Cole Center Family YMCA	Cole YMCA/Albion Preschool Director Position	Kendallville, IN	\$58,000	Preschool staff's increasing retention and professional experience.
Early Childhood Alliance	Parents as Teachers	Fort Wayne, IN	\$45,000	Families' increasing parenting knowledge and skill development.
East Noble School Corporation	Community Preschool	Kendallville, IN	\$60,000	The community's increasing opportunity to enroll children in preschool.
East Union Community Schools	Infant Toddler House	Afton, IA	\$50,000	Improved care for infants and toddlers.
Friendship United Methodist Church	Friendship Learning Center/ Learning Through Play	Athens, AL	\$3,000	Students' increasing engagement in enriching educational activities.
Garrett Community Center DBA Judy A. Morrill Recreation Center	3-Year JAM Center Operating Support for Technical Assistance and Requests for Proposals	Garrett, IN	\$230,032	The center's increasing long-term financial sustainability.
Garrett Community Center DBA Judy A. Morrill Recreation Center	Asset Replacement and Maintenance Plan (ARM)	Garrett, IN	\$1,000,000	The center's increasing ability to complete capital repairs on a strategic schedule.
Joe's Kids, Inc.	Matching Funds for Operating Support	Warsaw, IN	\$25,000	The organization's increasing ability to serve families.
Lamoni Community Daycare (Funshine)	SHINE for the Future	Lamoni, IA	\$100,000	Staff members' increasing professional development and positive interactions with young people.

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Ligonier Presbyterian Church	Operating Support for Lighthouse Childcare and Learning Services	Ligonier, IN	\$10,000	Staff members' increasing retention and professional experience.
North Webster Day Care DBA Milestones Early Education Center	School Age Summer Program 2018	North Webster, IN	\$3,279	The center's increasing number of summer program participants.
Oak Farm Montessori School	2017-2018 Operating Support	Avilla, IN	\$2,000,000	The organization's increasing financial independence.
Southwest Montessori Academy	Strategic Planning	Fort Wayne, IN	\$5,000	The organization's increasing ability to identify opportunities for future growth.
St. Malachy School	St. Malachy School Expansion	Creston, IA	\$350,000	The school's increasing pre-K and kindergarten enrollment.
St. Mark's Lutheran Church	Supporting All Learners	Auburn, IN	\$20,000	The Montessori environment's increasing enrollment.
Stroh Church of Christ, Inc.	2018 American Montessori Society Conference	Hudson, IN	\$9,000	Teachers' increasing knowledge of Montessori principles that can be put into practice.
YMCA of DeKalb County	SACC Expansion & Preschool Aftercare	Auburn, IN	\$85,000	The Y's increasing enrollment in its after-school program.



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Robotics has helped teach me work ethic and decision making.

— Andy Cook, robotics program member,
Lindsay Lane Christian Academy —

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HELPFUL ROBOT

At Lindsay Lane Christian Academy in Athens, Alabama, the after-school robotics program is more than gears and servos. There are those, to be sure, but before they can even start designing and building a robot, students must decide which part of the “company” they want to join. And in some cases, they have to interview for the job they’re seeking.

Lindsay Lane teacher Kathryn DeWitt believes the students in grades seven through twelve who take part in the program will gain a better understanding of robotics if they experience some of the decision making, challenges, and responsibilities that adults often grapple with in the real world.

“The whole real-world aspect of it all is wonderful because there’s failure,” she says. “They have to take charge, fix it, keep their cool, and not give up.”

“Robotics has helped teach me work ethic and decision making,” says Andy Cook, 18, who’s been a member of the program for six years. “Even if you make a mistake, you can always go back and repair.”

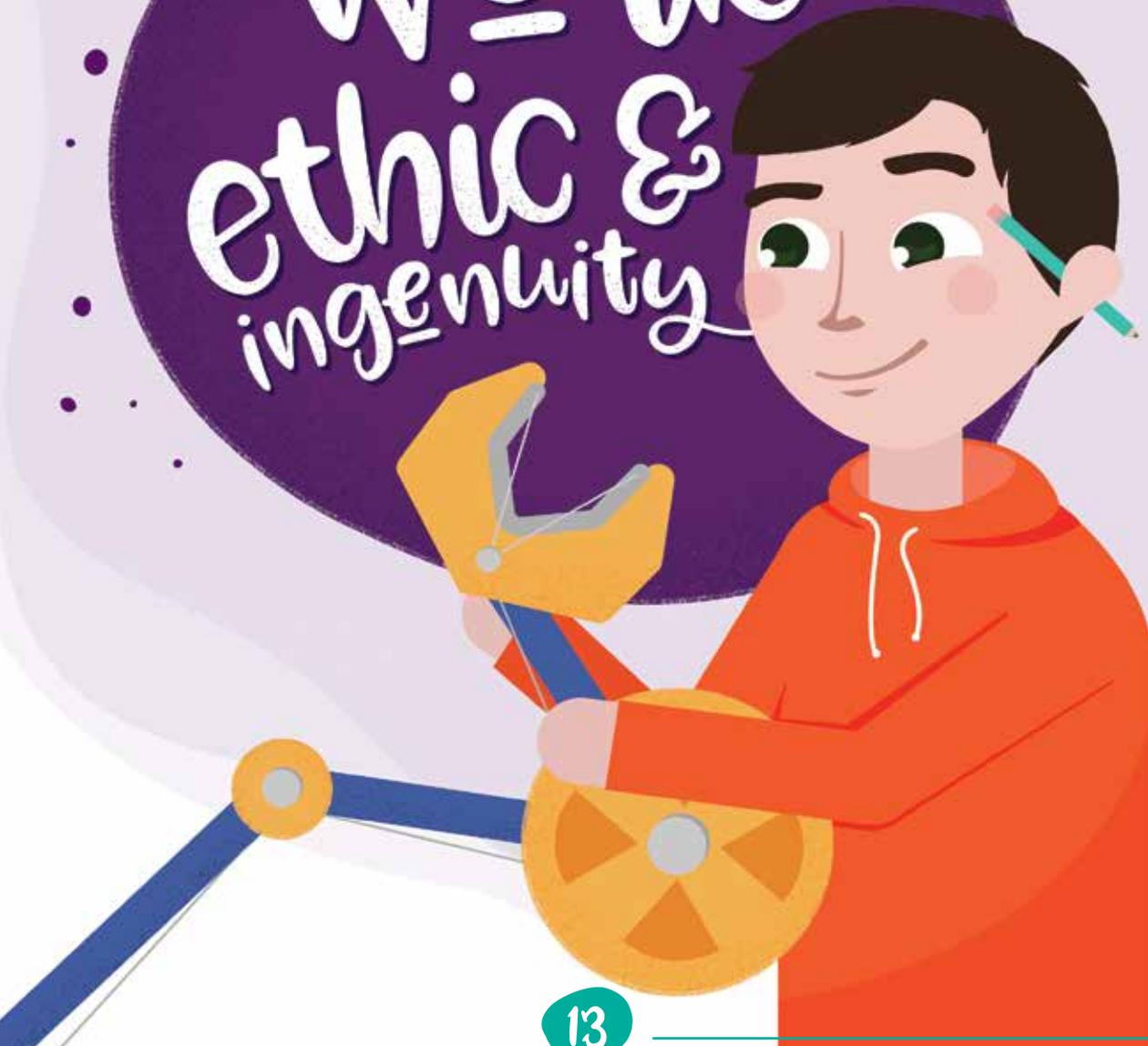
The successes and failures the students face are rooted in the choices they themselves made as employees within the robotics “company.”

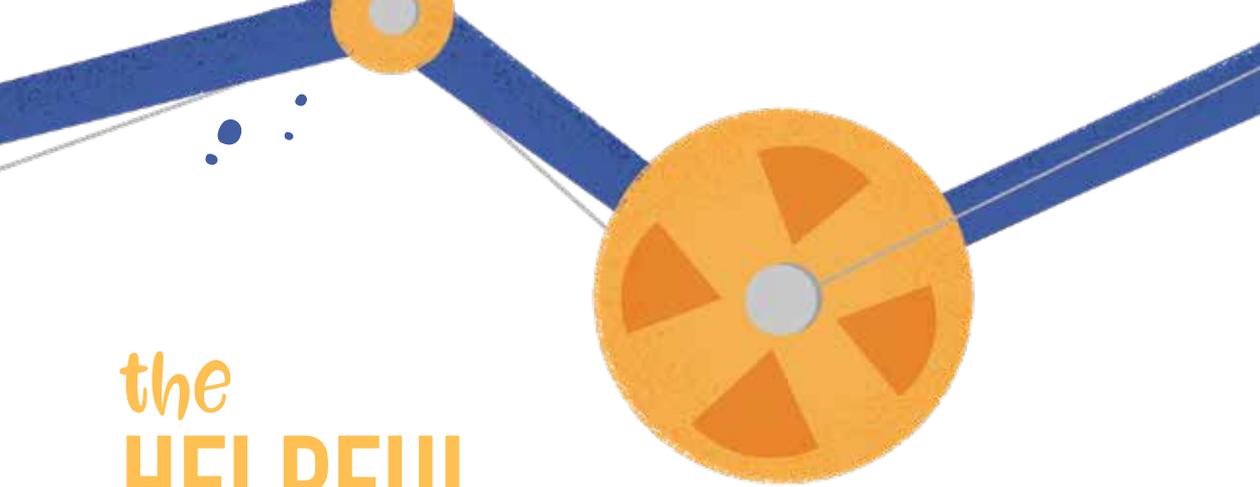
Many of these same students also choose to teach fourth- through seventh-graders at an annual summer robotics camp.

If you’d like to learn more about Lindsay Lane’s robotics program, [turn to page 14.](#)

If you’d like to understand more about why choice is important in middle childhood and adolescence, [turn to page 17.](#)

work
ethic &
ingenuity





the HELPFUL ROBOT *continued*

Each fall, Lindsay Lane students decide which division within the “company” they want to be a part of: engineering, technology, and marketing. They can also choose to interview for the four key leadership roles of chief executive officer, director of engineering, director of technology, and director of marketing.

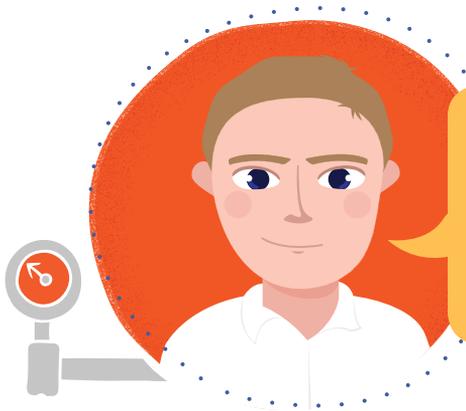
The students compete as a team in Boosting Engineering, Science & Technology (BEST) events, for which they must design and build a robot that performs a specific task. During the most recent BEST competition season, Lindsay Lane students were tasked with creating a robot that could remove trash from the ocean — and rescue the occasional turtle and duck. The robot had to ride along a wooden rail 15 feet long, and it needed to have an articulated arm that could reach over and fish out the trash.

The “company’s” engineering division designed and built the robot, while the technology division sorted out how to control the robot so it performed its assigned task. The marketing division, meanwhile, helped create informational material, including a 32-slide PowerPoint presentation that the company’s CEO, Daine Finley, 15, gave to judges at competitions.

“It took a lot of time. It took a lot of effort,” Finley, a third-year member of the program, says of the presentation.



2018
Dekko Foundation
investment:
\$5,000



“

I got to do a lot of hands-on things that I couldn't have done with other programs.

— Daine Finley, robotics program member,
Lindsay Lane Christian Academy —

”

Should the robot break down at a competition, the students had to figure out how to fix it and get it running again.

Building the robot sometimes required long hours, including a night before a competition where students worked until 2 a.m. to get the robot below its maximum weight of 24 pounds.

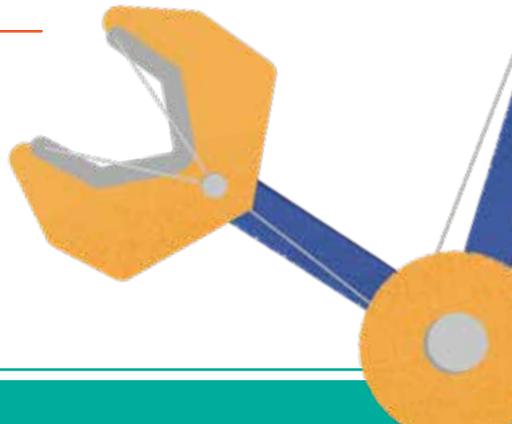
“You’ve got to learn to think outside the box sometimes and consider all your options,” Cook says.

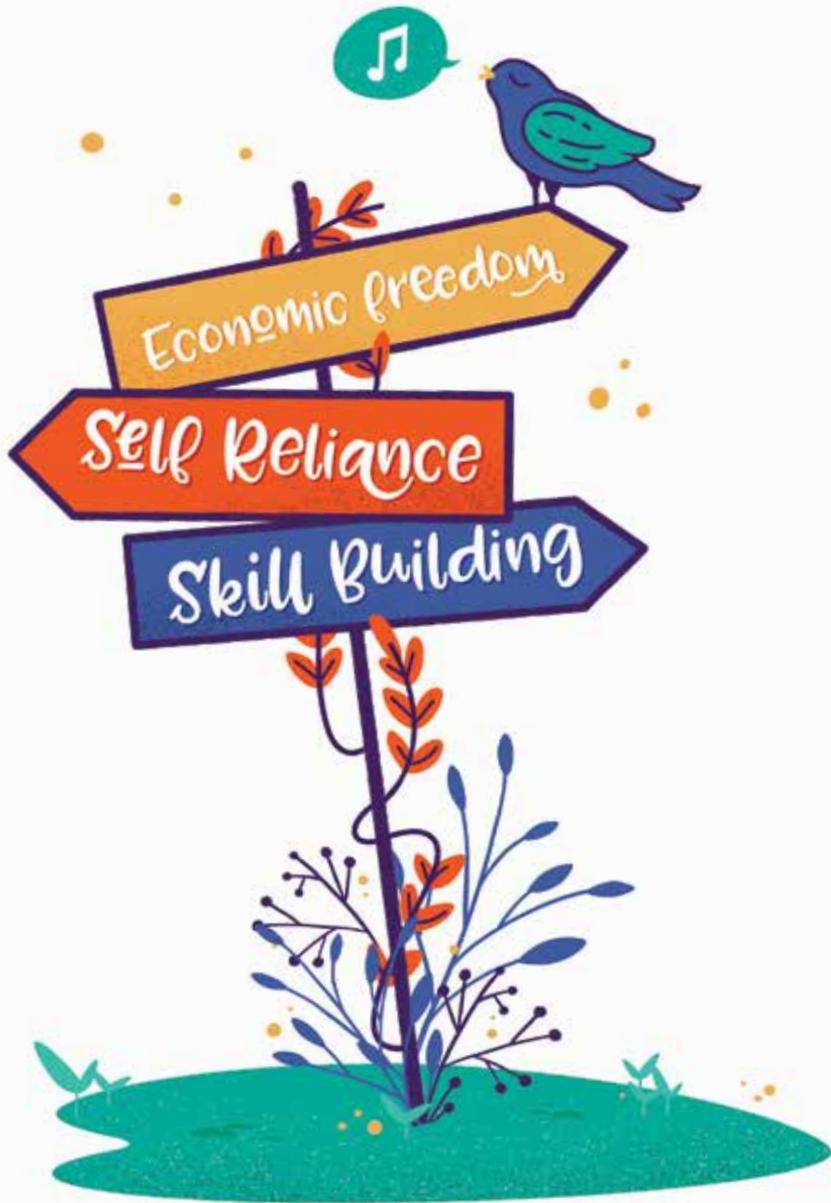
Participants in the robotics program also volunteer to teach younger students at Lindsay Lane’s annual Science, Technology, and Robotics (STAR) Camp held each summer at the school. At the camp, fourth-through seventh-graders learn science concepts and build simple devices, such as a pulley system that can lift a student. They can also choose to make their own video game or Lego robot, among other activities. Finley believes his experiences in the robotics program will serve him well later in life.

“I got to do a lot of hands-on things that I couldn't have done with other programs,” Finley says.

If you'd like to continue to our next adventure,
turn to page 26.

Stay on the path to economic freedom,
turn to page 34.







PRACTICE makes PERFECT!

During the middle childhood years, ages six to twelve, young people are seeking to establish their own intellectual independence. More often than not, they'd rather discover how the world works themselves than be told.

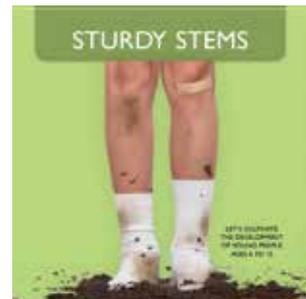
The more they can practice their decision making and experience the cause and effect of their actions, the better able they'll be to make good decisions in the future. In addition, their confidence and self-esteem will grow as they see the positive outcomes of their decision making. But be careful. The freedom to make their own decisions should come with a healthy dose of responsibility.

Learning environments that encourage choice could, for example, provide different seating options for students — at a desk, a low table, on the floor, or standing at a counter. They also might allow students to work by themselves or with their peers, which has the added bonus of boosting socialization skills.

Consider this: You know the anxious feeling you get when you feel like you don't have any control over a situation? Young people feel that way, too! When they're able to make choices for themselves, research has found that it improves their mental and emotional well-being.

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Our conversation starter on how to cultivate the development of young people ages six to twelve, called *Sturdy Stems*, has more of the "whys" behind the principles of child development. If you'd like to read this conversation starter, it is available on our website, dekkofoundation.org.



2018 GRANTS AWARDED

Middle childhood development:
Age 6-12

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Ada-Borup School District	Virtual Assistant for Band Students	Ada, MN	\$1,800	Students' increasing knowledge of basic skills needed to play a song.
Athens Arts League	AAL Hands On Art For Youth	Athens, AL	\$2,900	Students' increasing independence and ability to create their own art.
Athens City Schools	Winter Guard	Athens, AL	\$3,000	Winter Guard members' increasing self-confidence and mastery of skills.
Athens City Schools	Project-Based Learning Professional Development	Athens, AL	\$83,250	Teachers' and administrators' increasing training in project-based learning.
Athens City Schools	Brookhill Elementary and Fantasy Playhouse - "Play"ing with a Purpose	Athens, AL	\$7,500	Students' increasing opportunity to explore the theater arts.
Baker Boys Club DBA Baker Youth Club	Program Enhancements	Warsaw, IN	\$75,000	Young people's increasing self-confidence and stronger relationships with others.
Bear Lake Camp, Inc.	Facility Upgrade	Albion, IN	\$25,000	The facility's increasing seating capacity, which will allow it to serve more individuals.
Camp Lutherhaven	Camperships for Summer 2018	Albion, IN	\$5,000	Campers' increasing self-esteem, independence, and relationship with Christ.
Central Decatur Community School District	Metro Opera Workshops	Leon, IA	\$500	Students' increasing exposure to, and performance of, theater and opera.
Central Noble Community School Corporation	Exploring Band	Albion, IN	\$4,000	Students' increasing understanding of playing instruments and working together.
Central Noble Community School Corporation	Project UnSchool	Albion, IN	\$20,000	The school's increasing individual-learning-needs classrooms.
City of Gary	Excel Tumbling and Cheer	Gary, MN	\$15,000	Participants' increasing confidence and physical activity.
City of Kendallville	East Noble SRO IYI Conference	Kendallville, IN	\$642	Student resource officers' increasing skills, collaboration, and networking.

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Cole Center Family YMCA	Camp Wethonkitha Summer Daycamp	Kendallville, IN	\$7,000	Campers' increasing self-awareness, self-management, social awareness, and relationship skills.
Community Foundation of Whitley County	Camp STEAM Ahead	Columbia City, IN	\$10,000	Campers' increasing STEAM skills and desire to learn more.
David's Temple Missionary Baptist Church	Operation Timothy I	Tanner, AL	\$8,000	Students' increasing reading abilities.
David's Temple Missionary Baptist Church	Operation Timothy II-Summer Program	Tanner, AL	\$1,000	Students' increasing character building.
DeKalb County Central United School District	Field Trip to the Museum of Science and Industry	Waterloo, IN	\$3,300	Students' increasing understanding of how science impacts the world.
DeKalb County Eastern Community School District	Elementary Book Study with A Guide to the Reading Workshop	Waterloo, IN	\$1,677	Teachers', principals', and support staff's increasing use of Reading Workshop best practices.
DeKalb County Eastern Community School District	Hoosier Wooden Statues	Butler, IN	\$4,200	Students' increasing awareness of the character traits of positive adult role models.
Fort Wayne Zoological Society	ZSI: Zoo Scientific Inquiry	Fort Wayne, IN	\$46,360	Students' increasing skills in data collection, interpretation, observation, and critical thinking.
Fort Wayne Zoological Society	Zoomobile Outreach for 2017-2018	Fort Wayne, IN	\$44,384	Students' increasing inquiry skills and positive connections with the natural world.
Friendship United Methodist Church	Friendship Learning Center/ Learning Through Play	Athens, AL	\$3,000	The center's increasing ability to engage young people in enriching educational activities.
Garrett-Keyser-Butler Community School District	GKB Science Integration for Teaching Excellence (S.I.T.E.)	Garrett, IN	\$94,104	Students' increasing problem-solving resiliency.
Garrett-Keyser-Butler Community School District	Garrett Community Bloom Initiative	Garrett, IN	\$63,000	Parents' increasing knowledge of the developmental needs of young people.
Goshen College	KinderForest	Goshen, IN	\$5,000	Students' increasing participation in nature-based education.
Hamilton Community School	Hamilton Helping Hands Art Club	Hamilton, IN	\$1,500	Students' increasing self-confidence and ability to teach others.

continued 2018 GRANTS AWARDED

Middle childhood development:
Age 6-12

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Harold W. McMillen Center for Health Education	Operating Support	Fort Wayne, IN	\$30,000	Young people's increasing participation in preventive health programming.
Lakeland School Corporation	Land of Lakes Community Players Summer Arts Co-op	LaGrange, IN	\$5,000	Young peoples' increasing appreciation of the theater arts.
Lamoni Community Daycare (Funshine)	Shine Dinner Theater	Lamoni, IA	\$1,300	Participants' increasing interests and skills related to drama, music, costume/stage design, community planning, and leading.
Lamoni Community Schools	Notable Artists	Lamoni, IA	\$1,200	Students' increasing ability to generate and conceptualize artistic ideas and the work of numerous famous artists.
Limestone County Schools	Ceramics Program	Athens, AL	\$3,905.25	Students' increasing appreciation of different cultures through using clay.
Limestone County Schools	Limestone County FFA Safety Day	Athens, AL	\$3,000	The FFA's increasing outreach to third-grade students on their personal safety.
Lindsay Lane Christian Academy	Traveling Safely Together	Athens, AL	\$42,500	Students' increasing ability to participate in field trips and camps.
Lindsay Lane Christian Academy	The Zacchaeus Project	Athens, AL	\$38,500	The academy's increasing development of renewable financial resources.
Lucas County Fair Association	Project Undercover	Chariton, IA	\$100,000	The association's increasing number of events and spectators.
Lutheran Outdoor Ministries	Swimming Dock Replacement	Angola, IN	\$17,000	Campers' increasing engagement in, and skill development of, waterfront activities.
Mormon Trail Community School District	Physical Education Equipment	Humeston, IA	\$3,775	The school's increasing physical education course offerings.
Murray Community School Corporation	Summer Class Start-Up Needs	Murray, IA	\$1,700	Students' increasing basic knowledge and skills.

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Norman County East Schools	Healthy Hearts	Twin Valley, MN	\$4,818	Students' increasing understanding of the value of fitness in their life.
Oak Farm Montessori School	Upper Elementary and Arts & Wellness Center	Avilla, IN	\$10,000,000	The campus' increasing connection with a Montessori high school, a centralized elementary program, and Arts & Wellness Center.
Ryan's Place, Inc.	Grief Support in Kosciusko and LaGrange Counties	Goshen, IN	\$8,000	Students' increasing participation in a program that aids with coping with the loss of a loved one.
Science Central, Inc.	Outreach Vehicle	Fort Wayne, IN	\$25,000	An increasing number of Dekko Foundation priority-area children participating in the outreach program.
Smith-Green Community Schools	Licensed Mental Health Therapist	Churubusco, IN	\$30,000	An increasing number of young people who will receive counseling services so that they gain confidence and coping skills.
St. John Lutheran Church	Music Theory and Ear Training	Kendallville, IN	\$2,500	Students' increasing knowledge of music theory.
St. John Lutheran Church	Operating Support	Kendallville, IN	\$100,000	An improved financial outlook for the school.
Warsaw Community Schools	Working with Local Artist	Warsaw, IN	\$8,000	Students' increasing interpersonal and intrapersonal skills through exposure to art.
Warsaw Community Schools	Summer Reading Program	Warsaw, IN	\$3,900	Students' increasing fluency and reading comprehension.
Wesleyan Church Corporation	Technology Upgrade	Albion, IN	\$8,000	Teachers' increasing time to devote to student learning.
Westview School Corporation	Kindness is Cooler	Topeka, IN	\$2,165	The school's decreasing number of student-reported interpersonal conflicts.

2018 GRANTS AWARDED

Adolescent development:
Age 13-18

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Athens City Schools	Kiln'in It; Exploring Ceramics	Athens, AL	\$6,500	Students' increasing skills in ceramics and leadership skills by passing on to students what they have learned.
Boys & Girls Club of Athens/Limestone County	STEM Lab Expansion for Athens and Ardmore BGC Sites	Athens, AL	\$20,000	Students' increasing STEM skill development.
Central Noble Community School Corporation	Suspension School	Albion, IN	\$115,000	The school's decreasing number of students with infractions and suspensions.
Chariton Community School District	Digital Arts Lab	Chariton, IA	\$17,486	Students' increasing proficiency in employability skills and collaborative experiences.
Community Foundation of Noble County	P.U.L.S.E. of Noble County	Ligonier, IN	\$20,000	Students' increasing participation in P.U.L.S.E. philanthropy events and engagement in community service projects.
Community Foundation of Whitley County	Whitko Community Schools Camp Invention STEM Program	Columbia City, IN	\$3,500	Students' increasing excitement in their own experiences and education, and eagerness to learn.
Community Foundation of Whitley County	Camp Lend A Hand	Columbia City, IN	\$2,500	Students' increasing knowledge of nonprofits, service learning projects, and grantmaking opportunities.
DeKalb County Eastern Community School District	Skill UP Program	Butler, IN	\$150,000	Students' increasing participation in manufacturing and/or construction field classes.
East Limestone Community Band Booster's Association Inc.	Save the Tubas	Capshaw, AL	\$50,000	Students' increasing musical proficiency by using functional, reliable instruments.
East Noble School Corporation	Tools for Theatre Workshop	Kendallville, IN	\$4,000	Students' increasing experience in theater design and construction.
Garrett-Keyser-Butler Community School District	Garrett Career Development Program	Garrett, IN	\$351,750	Students' increasing development of vocational skills and participation in intern programs.
Gary Cares	Shock & Awe Youth Philanthropy	Gary, MN	\$40,000	An increasing number of meaningful ASTEM projects in the community so that young people gain more experiences and understand they don't have to pursue a four-year degree.

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Gary Cares	Shock & Awe Annual Operating 2017-2018	Gary, MN	\$60,000	Norman County's increasing quality of life through Shock & Awe projects that beautify communities.
Graceland University	AmeriCorps Youth Launch (AYL)	Lamoni, IA	\$206,050	An increasing number of high-barrier youths served by tailored programs in schools.
Indiana Policy Review Foundation	The Role of Voluntary Organizations in Remedial Civic Education	Fort Wayne, IN	\$5,000	The foundation's increasing ability to research and write articles on the topic of civic illiteracy.
Indiana Troopers Youth Services	Indiana State Police Summer Youth Camps	Indianapolis, IN	\$3,000	Students' increasing development of skills needed to pursue a potential career in law enforcement.
Iowa Jobs for America's Graduates (iJAG)	Graduating Future-Ready Students	Des Moines, IA	\$5,000	iJAG graduates' increasing full-time employment, post-secondary education/training, military/national service, or a combination.
Lakeland School Corporation	Lakeland Middle School Revitalized	LaGrange, IN	\$100,000	Teachers' increasing collaboration and development to create environments that emphasize critical thinking, interpersonal communication, and self-direction.
Lifeline Youth and Family Services	PWA Vocational Education Expansion	Fort Wayne, IN	\$127,600	Students' increasing vocational skills training.
Limestone Area Community Foundation	TRAIL 2017-2018 Operating Support	Athens, AL	\$20,000	The Youth Pod's increasing ability to engage in philanthropic work.
Limestone County Schools	Tanner FFA Greenhouse	Athens, AL	\$30,000	Students' increasing knowledge of botany and agriculture.
Limestone County Schools	Vision 2020	Athens, AL	\$25,000	A decreasing number of band fundraisers, allowing students dedicate time to skill development and performing.
Limestone County Schools	Ardmore High School Shop Equipment Update	Athens, AL	\$40,000	The school's increasing number of agriculture-related programs.
Lindsay Lane Christian Academy	LLCA Robotics Improvement Challenge	Athens, AL	\$5,000	Students' increasing knowledge of robotics and other STEM-related subjects.
Mount Ayr Community Schools	Raider Camp	Mount Ayr, IA	\$5,000	Campers' increasing confidence in post-high school plans and understanding of the skills needed for success in the field of their choice.

continued 2018 GRANTS AWARDED

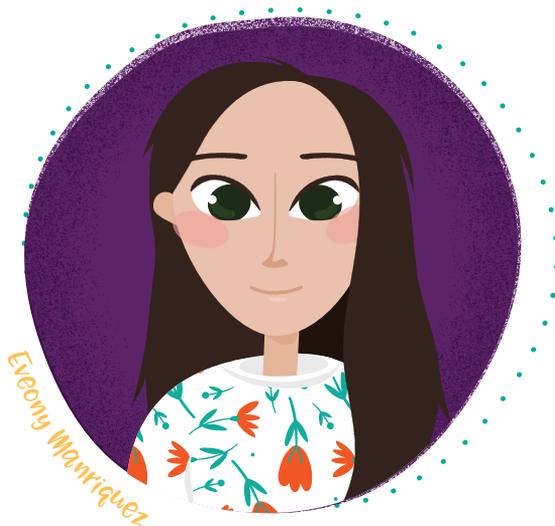
Adolescent development:
Age 13-18

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Mount Ayr Community Schools	21st Century Learning Classroom	Mount Ayr, IA	\$35,000	Teachers' increasing use of 21st-century classrooms that promote engagement and cultivate a higher level of student thinking.
South Central Iowa Community Foundation	CCOPS 2017-2018 Operating Support	Chariton, IA	\$20,000	The Youth Pod's increasing ability to be engaged in philanthropic work.
South Central Iowa Community Foundation	ROCCS Operating Budget 2017-2018	Chariton, IA	\$20,000	The Youth Pod's increasing ability to be engaged in philanthropic work.
South Central Iowa Community Foundation	SPLASH Operating Budget 2017-2018	Chariton, IA	\$20,000	The Youth Pod's increasing ability to be engaged in philanthropic work.
The Center for Whitley County Youth Inc.	Growing Assets in Youth and Motivating Board Fundraising Through Matching Funds	Columbia City, IN	\$130,000	The center's increasing contributions from new and existing donors.
TROY Center	Community Engagement Program	Columbia City, IN	\$80,000	An increasing number of confident, comfortable students with a post-high school plan for their place in the world.
Wawasee Community School Corporation	New York City Study Trip	Syracuse, IN	\$6,000	Young people's increasing knowledge of theater-related careers and skill development.
Wawasee Community School Corporation	ECO Challenge	Syracuse, IN	\$10,000	Students' increasing social skills that will promote their success in school.
Wawasee Community School Corporation	Leadership Education	Syracuse, IN	\$1,500	Students' increasing awareness of their own individual leadership potential.
Wesleyan Church Coporation	Dinner Theatre	Albion, IN	\$1,000	Students' increasing knowledge of the theater arts and related skills.
Westview School Corporation	Westview Comedy Day & Night	Topeka, IN	\$1,500	Students' increasing confidence in presenting themselves before an audience.
Whitko Community School Corporation	National Honor Society (High School)/LEAD Conference	Larwill, IN	\$2,000	Students' increasing leadership skills to better serve their chapter and community.
Youth For Christ of Northern Indiana Inc.	Operating Support - DeKalb, Noble and Whitley Counties	Fort Wayne, IN	\$60,000	An increasing number of teens who will experience high-quality mentoring relationships with adults and peers.

3 cheers for
Learning
new
Skills!



CALLED to SERVE



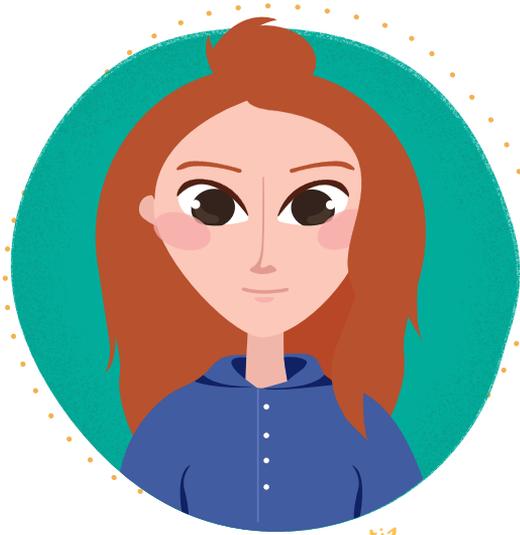
High school students Alexis Ortiz, Maggie Frank, and Eveony Manriquez have chosen to contribute to their communities, and the experiences they've had doing so are setting the stage for the next chapter in their lives.

All three young women have been members of their respective philanthropic youth groups for the past several years, and in 2018, they began a two-year stint serving on the Dekko Foundation's Grant Review Committee.

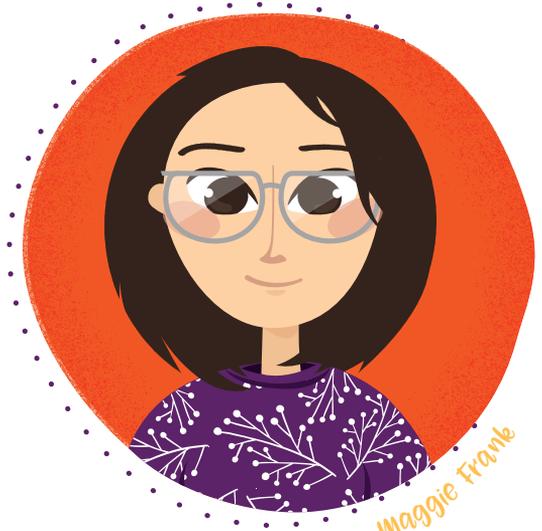
The Dekko Foundation supports 13 philanthropic youth groups in its grantmaking areas. In each group, members get to practice real-life philanthropy by investing in projects, raising funds for their communities, and organizing and hosting events.

*In each group, members get to practice
real-life philanthropy by investing in projects...*

With a smile, Ortiz says while she may not have known the word “philanthropy” — especially how to say it — when she signed up to join P.U.L.S.E. of Noble County in northeast Indiana, in the years since then it has had a profound impact on her.



Alexis Ortiz



Maggie Frank

“I feel like I’ve gained a lot of skills from being in this group,” the 17-year-old high school junior says.

That includes time management, personal finance and money management, communicating with others, and having the dedication and drive to follow through on efforts to better her community.

It’s also fueled her desire to study philanthropy in college and go to work for a philanthropic organization after she graduates.

“This is a huge calling,” Ortiz says.

If you’d like to read more about teens making a difference, *turn to the next page.*

If you’d like to understand more about why choice is important in teen development, *turn to page 31.*

CALLED to SERVE *continued*

The same is true for Maggie Frank, a 17-year-old high school junior and member of Decatur County R.O.C.C.S. in south-central Iowa.

She likes being able to see the tangible, positive results that the philanthropic youth group has in Iowa through efforts such as its Random Acts of Kindness Day, and from members educating others about philanthropy.

“One really big thing that I have experienced in philanthropy is that you grow what you give,” she says. “With grantmaking as a whole, you are able to do so much more if you’re able to allow other people to fulfill their projects.”

“It allows me to have a better perspective on leadership and relationships with people, and how they operate.”

Being a member of R.O.C.C.S. and the Grant Review Committee has inspired Frank to pursue a career that allows her to help others. She says she’s thinking about becoming a pediatrician, and she believes she’ll be better prepared for it because of her experiences in philanthropy.

“It allows me to have a better perspective on leadership and relationships with people, and how they operate,” she says.

Volunteering has been a passion of Eveony Manriquez since she was in elementary school. Her parents helped instill in her a desire to assist others.

That’s why, as a member of Shock & Awe in Norman County, Minnesota, she appreciates the different ways she can contribute, for example, like when the youth group awards grants



to local agencies, takes part in community beautification efforts, and sings carols around town at Christmastime.

“It’s just getting together and seeing that a young group of people can make a difference,” the 16-year-old high school junior says. “We try and look for needs in the community that we can make better.”

She, along with her two peers on the foundation’s Grant Review Committee, were selected in large part because of what they’ve helped accomplish through their philanthropic work. Comparing Shock & Awe to the Grant Review Committee, Manriquez says, “I think we have a lot of things in common. We both want to see change for the better, and we both want to change this world.”

She credits her experiences in philanthropy with helping her open up, improve her communication skills, and have a greater understanding and appreciation of others. And it’s galvanized her to study philanthropy in college.

“I want to go into something I know I’ll enjoy,” she says. “And if you enjoy what you do, you’ll never work a day in your life.”

- *If you would like to learn more about philanthropic youth groups in the Dekko Foundation’s grantmaking priority areas, contact your local community foundation.*

Stay on the path to economic freedom, *turn to page 34.*

Encourage
Teens to
dream &
explore!





EXCITED for their NEXT STEP

How can adults encourage teens to make positive choices? Based on our research and grantmaking experience, we think it starts with this: Mutual respect underlies EVERYTHING.

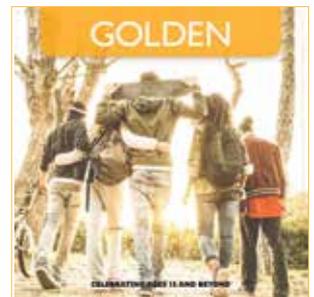
If caring adults recognize teens as equals and strive to build relationships based on mutual respect, teens will feel supported as they begin to carve out their own path in life, and they'll have a model for healthy interactions to follow in all their future relationships.

There are so many opportunities available for teens to explore their interests. Maybe it's a field of study that excites them. Maybe they find inspiration in the arts, or they value the sense of accomplishment they get from sports. Maybe they feel compelled to make a difference in their community. And maybe it's just giving them the space to dream big.

All those choices will help inform the big choice that most teens are confronted with: what to do after graduating from high school. At the Dekko Foundation, it's our hope that teens know what that next step is and are excited about it, whether that's pursuing vocational education, entering the workforce, or going to college. That's why we invest in projects that build skills, knowledge, and character in young people so they'll be prepared to take that next step — and the next step, and the next step after that to a life of economic freedom!



Our latest conversation starter, *Golden*, celebrates ages 13 and beyond and all the wonderful things teens have to offer. It's available on our website, dekkofoundation.org.



2018 GRANTS AWARDED

Community Investments

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
City of Ada	Ada Area Convention Center	Ada, MN	\$50,000	The community's increasing involvement of youth through the school business class programming and networking and mentorship opportunities.
City of Halstad	LRC Peterson Park Community Upgrade	Halstad, MN	\$12,350	The increasing number of community members who use the park.
City of Kendallville	KidCity	Kendallville, IN	\$15,000	Families' increasing awareness of community resources to engage children's interests.
City of Murray	Murray Recreational Complex	Murray, IA	\$500,000	The community's increasing number of opportunities for young people to improve character, personal fitness, and community connection.
Fort Wayne Philharmonic Orchestra, Inc.	Operating Support	Fort Wayne, IN	\$85,000	Community members' increasing exposure to arts programs.
Graceland University	Community Bike Share Project	Lamoni, IA	\$20,000	Young people's increasing ability to attend more community events and experience greater outdoor socialization among peers.
Historic Forks of the Wabash	Growing to Meet Our Future Needs	Huntington, IN	\$20,000	The organization's increasing building rental income.
Iowa Association of Business & Industry Foundation	2018 Business Horizons	Des Moines, IA	\$2,100	Young people's increasing confidence and understanding of how to be financially independent.
Junior Achievement of Northern Indiana	Casting the JA Vision	Fort Wayne, IN	\$200,000	Young people's increasing knowledge about entrepreneurship and development of entrepreneurial skill sets.
Matilda J. Gibson Memorial Library	Building on Our Legacy	Creston, IA	\$500,000	The library's increasing number of visitors, leading to a stronger community and a higher quality of life.
Michiana Public Broadcasting Corporation/WNIT	Education Counts	South Bend, IN	\$10,000	An increasing number of school systems that actively participate in Education Counts conversations.

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Noble County Saddle Club	Saddle Club Building Project: Looking Forward. Looking Back.	Albion, IN	\$65,000	The club's increasing number of programs offered to youth.
Norman County Historical & Genealogy Society	Funds for Pioneer Cabin Refurbishment	Ada, MN	\$10,000	The cabin's increasing number of visitors so that families have an understanding of Norman County history.
South Central Iowa Community Foundation	HELP Budget 2017-2018 Operation Inspiration	Chariton, IA	\$31,000	An increasing number of students recognized with Gold Start Service Awards.
Steuben County Community Foundation, Inc.	Angola Balloons Aloft	Angola, IN	\$10,500	The festival's increasing opportunity for young people to volunteer and participate.
Stone's Trace Historical Society	Living History Education	Ligonier, IN	\$2,500	Students' increasing participation in Living History Days.
The Honeywell Foundation Inc.	Eagles Renovation Project	Wabash, IN	\$100,000	Families' increasing ability to enjoy an enriching entertainment experience.





the PATH to ECONOMIC FREEDOM

As parents, we want our children to grow up to be independent, self-sufficient adults. We also want them in a career or vocation they love that allows them to support themselves and their families.

Our founder, Mr. Chester E. Dekko, had a vision of such a future for young people. He called it economic freedom. Economic freedom occurs when people are producing more than they consume. Or viewed another way, it's the ability to earn, build, use, and share wealth in the manner an individual chooses — the ultimate liberty to make choices about one's own life!

Mr. Dekko grew up during the Great Depression, and his philanthropy was informed by what he and his family experienced during that time. To him, education, coupled with a strong work ethic, was what propelled him to become a successful businessman, eventually building one of the largest privately owned manufacturing companies in Indiana. He believed education is the path to economic freedom, and he set that as the mission for the foundation that bears his name to this day.

That's why the foundation invests in KinderForest, Lindsay Lane Christian Academy's robotics program, and many other programs for young people from birth through age 18 in its grantmaking priority areas. It's also why the foundation supports young people in learning about and practicing philanthropy. These educational opportunities build skills, knowledge, and character in young people in part by providing developmentally appropriate ways for them to make their own choices. Like when they blaze their own trail through the woods, or come up with their own fix for a temperamental robot, or shoulder the responsibility that comes with distributing philanthropic dollars. The choices these young people make can have a huge impact now and for the rest of their lives.

Mr. Dekko's life hinged on a fateful choice of his own. After he graduated from college, he went to work for a major aluminum manufacturing company and eventually was transferred to Fort Wayne, Indiana.

He could have remained in that role, safe and secure. But he harbored a lifelong dream to be his own boss, and upon meeting a like-minded friend and collaborator in Lyall Morrill, the two decided to go into business for themselves in 1953.

Like all great business ideas, theirs was simple. Up until that time, every inch of wiring that went into a refrigerator was placed there by hand. Mr. Dekko and Mr. Morrill realized a ready-made wiring assembly would streamline the production process and reduce the cost of refrigerators. That singular idea was the foundation of a business that grew to have more than 2,500 employees and operations in four states and Canada.

Mr. Dekko chose his adventure. He chose to start and grow a business. He chose to be a leader and mentor. He chose to help the communities that helped his business. He chose to start a foundation so his vision could outlive him. And over the past 37 years, numerous organizations have helped carry on his legacy, giving young people the skills, knowledge, and character that lead to a life of economic freedom!

Your own adventure awaits. How will you choose to proceed?

The DEKKO FOUNDATION

Board of Directors

Erica Dekko

Tad Dekko

Phil Salsbery

Staff

Tom Leedy, *President*

Ashlee Guthrie, *Manager of Investment Impact*

Sarah Larkin, *Program Officer*

Robin McCormick, *Controller*

Nan Meyer,
Grants Associate

Joe Pounds, *Director of Adolescent Well-Being*

Barry Rochford, *Strategic Communication Officer*

Kimberly Schroeder,
Program Officer

Grant Review Committee

Mike Axel

Mark Cockroft

Maggie Frank

Dawn Ganje

Shannon Harris

Eveony Manriquez

Alexis Ortiz

Jeff Thornburgh

Gary Van Wagnen

Investment Committee

Scott Frick, *Kendallville, IN*

Dave Hunter, *Kendallville, IN*

Chuck Schrimper, *Leo, IN*

the DEKKO FOUNDATION in 2018

Choice often can result in changes, and the Dekko Foundation experienced some of those in 2018.

Sarah Larkin joined the foundation as a program officer after serving in leadership roles in the YMCA. Barry Rochford joined the foundation as its strategic communication officer after working as an editor at different media outlets.

The foundation's Grant Review Committee added five new members: Dawn Ganje from Ada, Minnesota; Gary Van Wagnen from Athens, Alabama; Maggie Frank from Davis City, Iowa; Eveony Manriquez from Ada, Minnesota; and Alexis Ortiz from Kendallville, Indiana. Welcome aboard, and thank you to all of our Grant Review Committee members for your service!

During the 2018 fiscal year, the foundation's board approved more than 200 investments that totaled more than \$17 million. Thank you to all of our grant recipients for choosing to help young people on their journey to economic freedom!



The Dekko Foundation Team (from left to right) Back Row: Barry Rochford, Kimberly Schroeder
Middle Row: Ashlee Guthrie, Robin McCormick, Joe Pounds Front Row: Tom Leedy, Sarah Larkin, Nan Meyer

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, 2018 and 2017, and the related statements of activities 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 conducted 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, 2018 and 2017, 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.

Fort Wayne, Indiana November 27, 2018.

BKD, LLP

STATEMENTS OF FINANCIAL POSITION — August 31, 2018 and 2017 Modified Cash Basis

ASSETS	2018	2017
Cash and cash equivalents	\$2,766,265	\$2,861,804
Investments	\$194,759,351	\$191,315,340
Property and equipment, net	\$117,277	\$128,785
TOTAL ASSETS	\$197,642,893	\$194,305,929
LIABILITIES		
Payroll tax withholdings	\$5,149	\$6,045
UNRESTRICTED NET ASSETS	\$197,637,744	\$194,299,884
TOTAL LIABILITIES AND NET ASSETS	\$197,642,893	\$194,305,929

Statements of Activities — Years Ended August 31, 2018 and 2017 Modified Cash Basis

RECEIPTS	2018		2017	
	TOTAL	% OF TOTAL	TOTAL	% OF TOTAL
Contributions	\$319,903	1.84%	\$319,903	2.60%
Interest and dividend income	\$4,548,988	26.18%	\$5,163,475	41.95%
Net realized gains on investments	\$12,500,042	71.95%	\$6,794,798	55.21%
Other	\$4,122	0.03%	\$29,939	0.24%
TOTAL RECEIPTS	\$17,373,055	100.00%	\$12,308,115	100.00%
DISBURSEMENTS AND EXPENSES				
Grants	\$10,952,948	78.02%	\$9,857,999	75.93%
Administrative	\$847,701	6.04%	\$931,886	7.18%
Library	\$2,342	0.02%	\$786	0.01%
Depreciation	\$11,508	0.08%	\$11,508	0.09%

CONTINUED Statements of Activities — Years Ended August 31, 2018 and 2017 Modified Cash Basis

Utilities	\$20,474	0.15%	\$20,200	0.16%
Office Supplies	\$7,089	0.05%	\$9,816	0.08%
Equipment	\$22,161	0.16%	\$4,638	0.04%
Repair and maintenance	\$86,852	0.62%	\$93,975	0.72%
Dues and membership	\$25,742	0.18%	\$ 25,920	0.20%
Training	\$89,607	0.64%	\$27,640	0.21%
Travel	\$74,445	0.54%	\$112,498	0.88%
Postage	\$4,028	0.03%	\$7,323	0.06%
Insurance	\$25,188	0.18%	\$25,757	0.20%
Professional fees	\$437,941	3.12%	\$338,015	2.60%
Investment management fee	\$1,162,153	8.28%	\$1,116,186	8.60%
Federal excise tax and unrelated business income tax	\$109,920	0.78%	\$15,994	0.12%
Other	\$155,096	1.11%	\$378,731	2.92%
TOTAL DISBURSEMENTS AND EXPENSES	\$14,035,195	100.00%	\$12,978,872	100.00%
CHANGE IN UNRESTRICTED NET ASSETS	\$3,337,860		(\$670,757)	
UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	\$194,299,884		\$194,970,641	
UNRESTRICTED NET ASSETS, END OF YEAR	\$197,637,744		\$194,299,884	

Notes to Financial Statements — August 31, 2018 and 2017 Modified Cash Basis

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, 2018 and 2017, cash equivalents consisted primarily of money market accounts with brokers. At August 31, 2018, the Foundation's cash accounts ex-

ceeded federally insured limits by approximately \$4,635,000.

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 2015.

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:

	2018		2017	
	Cost	Fair Value	Cost	Fair Value
U.S. Government and U.S. Government agency securities	\$27,950,080	\$27,274,384	\$16,848,467	\$16,738,792
Equities	\$115,727,904	\$165,676,222	\$121,887,892	\$164,733,481
Corporate and municipal bonds	\$19,085,601	\$18,633,178	\$19,183,997	\$19,268,927
Nonmarketable securities	\$31,995,766	\$41,284,228	\$33,394,984	\$39,829,273
Total	\$194,759,351	\$252,868,012	\$191,315,340	\$240,570,473

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.

Nonmarketable Investments

The fair value of nonmarketable investments have been estimated using the net asset value per share (or its equivalent) as a practical expedient.

This category includes investments in private equity funds that pursue multiple strategies and investment options to maximize return while diversifying risks and reducing volatility. The nature of these investments is that distributions are received through liquidation of the underlying assets of the fund in accordance with the planned life cycle of the fund and its investment strategy. The amount of unfunded capital commitments is approximately \$4,289,000 and \$4,709,000 at August 31, 2018 and 2017, respectively.

Note 3: Property and Equipment

The Foundations' property and equipment are as follows:

	2018	2017
Buildings and improvements	\$561,027	\$561,027
Furnishings and equipment	\$202,936	\$202,936
	\$763,963	\$763,963
Accumulated depreciation	(\$646,686)	(\$635,178)
Total	\$117,277	\$128,785

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 \$85,884 and \$96,127 for 2018 and 2017, respectively.

Note 5: Related Party Transactions

During 2018 and 2017, 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 \$35,426,681 and \$33,848,240 as of August 31, 2018 and 2017, respectively. The investment advisory fee (which was paid to the brokerage firm, not the related party advisory firm) was \$267,948 and \$237,868 for the years ended August 31, 2018 and 2017, respectively.

Note 6: Subsequent Events

Subsequent events have been evaluated through November 27, 2018, which is the date the financial statements were available to be issued.



achieving ECONOMIC FREEDOM

Here's how WE think it works.



We'd **love** to hear your ideas for helping young people grow up to be economically free! You can send us your proposal by going to dekkofoundation.org and clicking on "Apply Now" or discuss your idea with us by calling **260-347-1278**.