



imagine the possibilities



THE DEKKO FOUNDATION 2019 ANNUAL REPORT

advancing a vision of economic freedom



Our founder, Mr. Chester E. Dekko, had quite the imagination. He imagined children and young people growing up to achieve economic freedom. He imagined educational opportunities that supported their healthy development and self-sufficiency, so that as adults they're capable of producing more than they consume and are free to make choices about their own lives.



He imagined a foundation with a mission to foster economic freedom through education.

For 38 years, Mr. Dekko's imagination has had an indelible impact on the communities that meant so much to him. But, we should stress, it's all possible because of the organizations in our grantmaking areas that are working hard every day to make great things happen for children and young people on their journey to economic freedom. They are the ones helping to turn Mr. Dekko's imagination into reality.

In this, our 2019 annual report, we wanted to feature stories of collaboration, of people and organizations who joined together to **imagine the possibilities** of what they could achieve if they set their minds to it. Collaboration was a priority in our work in 2019 as we were part of an effort to turn a former school building in Kendallville, Indiana, into a learning center focused on helping individuals of all ages increase their self-sufficiency (which you'll read more about in a bit).

But collaboration also has played a huge role in our proactive initiatives, in particular the growth of youth philanthropy groups over the past 25 years. And we've witnessed the power of collaboration in our responsive grantmaking as communities expanded their child care options, college students gained valuable experience teaching in early learning classrooms, and a school district's innovative program supported the development of highly valued vocational skills.

We hope these stories spur your own imaginations. The possibilities for supporting young people in becoming self-sufficient and capable of achieving economic freedom are endless.



In 1994, the Dekko Foundation launched an initiative aimed at helping young people deepen their understanding of philanthropy and forge stronger bonds to their communities through service. Over the past 25 years, more than 1,000 young people in Indiana, Iowa, Minnesota, and Alabama have seen the impact they can make by giving their time, talent, and treasure. And it wouldn't have been possible without collaboration.





practicing philanthropy in their communities

These young people have been supported in their philanthropic journeys by their respective community foundations and schools through mentorship and being empowered to make a difference.

Through this collaboration, youth philanthropy groups have been formed and have flourished in each of the 13 counties in the Dekko Foundation's grantmaking priority areas. Among the many ways community foundations and schools support these groups is by identifying adults to serve as "navigators" for young people and act as a resource and guide as they learn about — and, more importantly, practice — philanthropy.

Shannon Erb, navigator of the ROCCS (Restoring Our County, Community, and Schools) youth philanthropy group in Decatur County, Iowa, said the middle and high school students in the group develop decision-making, leadership, and communication skills as they learn about nonprofits, grantmaking, and fiscal responsibility.

Likewise, communities benefit from the youth philanthropy groups' efforts. For example, ROCCS members, who hail from three different school districts in Decatur County, have stepped forward to help residents from across the county make healthy choices for themselves and their families through community meals, cooking demonstrations, and health fairs.

"Bringing in youth and actually listening to what they have to say is so important," Erb said. "Kids have a lot of creative ideas."

EMPOWERING YOUNG PEOPLE



Coming up with those creative ideas requires collaboration among the youth philanthropy group members themselves, said Elizabeth Simpson, navigator of CCOPS (Clarke County Organization of Philanthropic Services) in Clarke County, Iowa. Students in the group are charged with choosing what they want to accomplish during the school year and handed the reins to make it happen.

For CCOPS members, that includes creating a food pantry at Murray High School, organizing a financial literacy fair, collecting Christmas toys for families, hosting the annual Hound Huddle run/walk for participants and their pups at the Clarke County Fairgrounds, and partnering with youth agricultural programs to establish community gardens. Members work together and hold themselves accountable for ensuring the success of their efforts.

“We’re giving them the skills so they can become the leaders of tomorrow,” Simpson said.



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SO THEY CAN BECOME THE
LEADERS OF TOMORROW."**

Elizabeth Simpson

**CCOPS (Clarke County Organization
of Philanthropic Services) Navigator**



CREATING YOUTH PHILANTHROPY "CHAMPIONS"

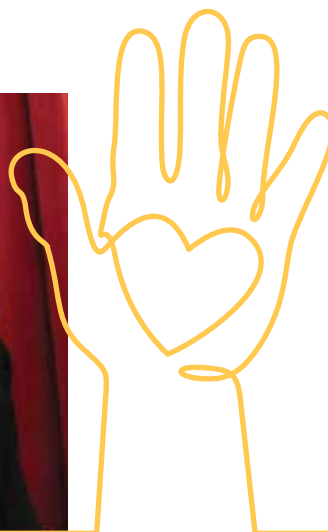
As they explore and practice philanthropy, HANDS (Helping Achieve New Directions through Students) members in Whitley County, Indiana, lead a yearly program for local eighth-grade students in which the students learn about philanthropy and how it connects to nonprofit organizations and the broader community.

Through the program, called Charitable Champions, the eighth-graders research local nonprofits, learn more about the organizations' missions at a nonprofit fair held at the middle school, and write grant proposals for the organizations they want to support. Teachers select eight to ten proposals to be presented to the entire eighth-grade class and HANDS

members. The HANDS members then ask the eighth-grade presenters questions, evaluate the proposals, and select which ones will receive funding.

September McConnell, chief executive of the Community Foundation of Whitley County, said the youth-led collaboration with local nonprofits and the school is just one example of how HANDS members are building skills that will help them be successful now and throughout their lives.

"They're seeing the efforts of their work paying off to help so many in this community," McConnell said.



2019 GRANTS AWARDED

early childhood development: birth to age 5

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Babe of Whitley County, Inc.	Operating Support	Columbia City, IN	\$15,000	Children's increasing participation in Babe programs and services.
Early Childhood Alliance	Parents as Teachers	Fort Wayne, IN	\$85,000	Parents' increasing knowledge and skills.
Fort Wayne Medical Society Foundation, Inc.	Noble County Prenatal Home Visitation Program	Fort Wayne, IN	\$15,000	Expectant mothers' increasing early prenatal care.
Judy A. Morrill Recreation Center	The Garrett Collaborative Preschool	Garrett, IN	\$15,115	Kindergarten teachers' increasing ability to create a curriculum that engages students.
Hamilton Church of Christ	Kingdom Kids Daycare	Hamilton, IN	\$18,000	The organization's increasing financial stability.
Hamilton Church of Christ	Kingdom Kids Daycare Revitalization Project	Hamilton, IN	\$10,000	Classrooms' increasing safety and use of engaging materials.
Kosciusko Literacy Services, Inc.	Read to Grow Children's Book Club	Warsaw, IN	\$25,000	Children's increasing participation in the Read to Grow program.
Lamoni Community Daycare	Intentional Strategic Decision Making for Independence	Lamoni, IA	\$100,000	Leaders' and board members' increasing abilities to make sound financial decisions.
Little Lambs Preschool Daycare Ministry	Healthy Play	Syracuse, IN	\$5,000	Students' increasing opportunities to be outside so they develop physically, socially, and emotionally.

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Penfield Children's Center	Montessori Medical Partnership for Inclusion Training	Milwaukee, WI	\$15,000	Teachers' increasing capacity to serve children with developmental needs in Montessori learning environments.
Shore Church, Inc.	Rainbow Years Learning Ministry/Playground	Shipshewana, IN	\$35,000	Young people's increasing confidence, peer relationships, and problem-solving skills.
St. Mark's Lutheran Church	Preschool Capacity	Auburn, IN	\$35,000	The organization's increasing preschool capacity so more children develop skills needed to be successful.
Stroh Church of Christ	2019 Agape Operational Grant	Stroh, IN	\$7,000	The organization's increasing donations, fundraising, and tuition so quality environments for children can be nurtured and maintained with consistent teachers and leaders.
Stroh Church of Christ	Strengthening Agape	Stroh, IN	\$87,550	The organization's increasing leadership and strategic planning capacity.
YMCA of Greater Fort Wayne	Armstrong Early Learning Center Operating Support	Fort Wayne, IN	\$60,000	The center's growing number of classrooms implementing principle-based learning of order, self-reliance, and intentional interactions.

striving to impact early learning

In Lamoni, Iowa, young people are reaping the benefits of a collaboration among community organizations focusing on early childhood learning. And university students who plan to pursue education-related careers are graduating with a valuable distinction: experience in a classroom.

This partnership, which was established several years ago through discussions between Graceland University, Funshine Learning Center, and Lamoni Community Schools, has expanded to include the local Head Start program.

Jane Hall Chaillie, who helped spearhead the effort through Graceland's school of education, said the organizations were united in their desire to provide all children and their parents with quality early learning options.

"Everybody who came to the table wanted to change things long term for the kids in this community," Chaillie said.



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COMMUNITY."**

Jane Hall Chaillie

Lamoni, Iowa, Early Learning Collaboration Leader



PUTTING LEARNING INTO PRACTICE

One aspect of this unique collaboration features students in the early education program at Graceland, a private university, working alongside teachers in Funshine's classrooms. The early learning center serves children as young as 6 weeks to 5 years old.

University students are mentored by Funshine's teachers, and the students can apply what they're learning about childhood development to their interactions with young people. Likewise, Funshine's staff is supported in their professional development by Graceland faculty.

"We really worked on building our relationships where the college students were learning from the classroom teachers, and they were learning from the kids," Chaillie said.

"They are able to contribute at a whole new level," she said of the Graceland students. "Their level of learning and level of understanding have really shifted."



Funshine's director, Heather Neal, added: "And it also gave the Graceland students really much-needed hands-on experience. You know, you can learn so much in a classroom setting, but when you actually are in the environment with the children, it just presents more educational learning. That's something they can take with them long term rather than just a textbook."

Among the contributions the Graceland students have made is launching a reading program called Literacy Leaders. The students reached out to the local Retired and Senior Volunteer Program to have community members come in and read to the children.

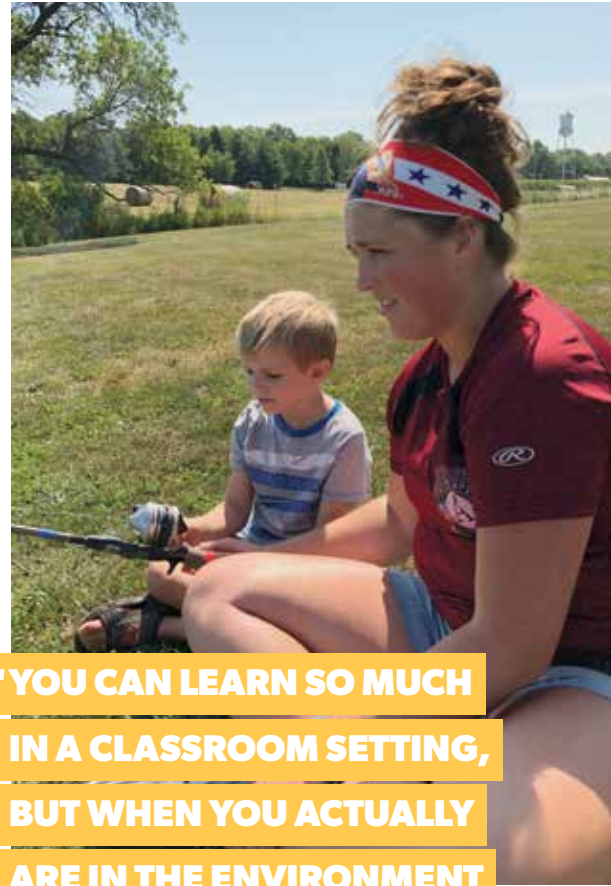
"They trained volunteers in the community," Chaillie said of the Graceland students. "They selected books. They wrote a grant and got money to buy all the books. And now, Heather has a group of trained volunteers."

Michelle Maguire Beck, a consultant who has assisted the early learning collaboration in Lamoni, added the reading program has benefits beyond simply improving children's literacy. "It's that multigenerational connection with the kids that's just so wonderful," she said.

MODELING COLLABORATION

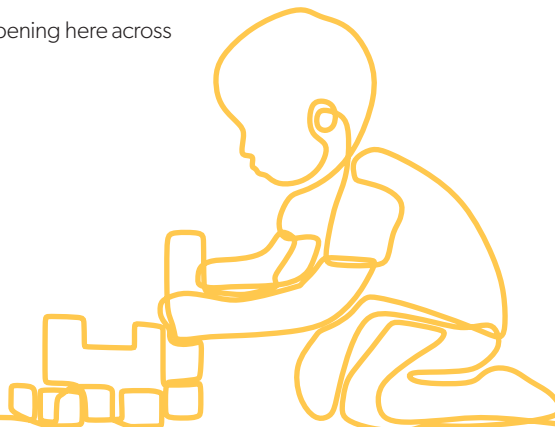
Strengthened by the collaboration in Lamoni, Funshine has achieved the highest rating possible through the state of Iowa's early learning quality rating system. And the organizations involved believe the impact of what they're doing can extend well beyond the community. Once the early education students at Graceland receive their diplomas and begin their education careers, their experiences can spark similar collaborations focused on meeting young people's needs.

"They're spreading the word of what's happening here across the United States," said Chaillie.



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Heather Neal
Funshine Learning Center Director








partnering to provide child care options

They likely didn't know it at the time, but the children going about their day-to-day learning at Agape Child Care Ministry in Hudson, Indiana, were the inspiration for a collaboration with a manufacturer in a nearby town that wanted to provide a child care option for employees.

Lisa Howe, the director at Agape, a Montessori early learning center that serves infants and children from 6 weeks to age 12, recalled that an Agape board member invited her former boss to visit the center. As they walked around the facility and observed young people's interactions in the classrooms, Scott Pflughoeft, chief executive at Ashley Industrial Molding, became excited by what he was seeing.

The classrooms had been carefully prepared by teachers to encourage each child's self-directed learning. And, far from being raucous, the classrooms were quiet and calm as the children focused on their tasks, with teachers standing ready to offer a helpful word when needed.



RESPONDING TO A COMMUNITY'S NEEDS

After the tour was over, Pflughoeft wanted to know if Agape could replicate its Montessori-based program about 10 miles away in Ashley, Indiana. He knew his employees at Ashley Industrial Molding often struggled to find quality child care.

This was also true for others who worked in Ashley, a manufacturing hub in Northeast Indiana. While the town's population is about 900, its local workforce is more than three times that, at about 3,000 employees.

"We are in desperate need for you to collaborate with us and help get this started over there," Howe remembered Pflughoeft telling her.

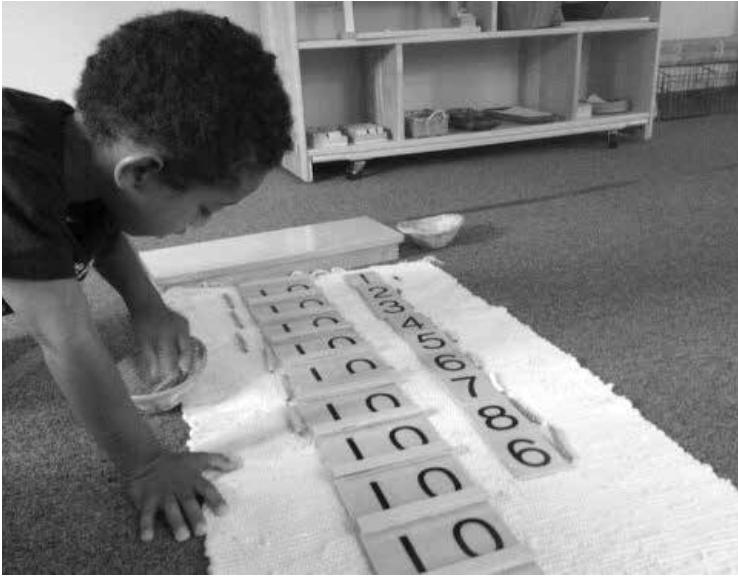
As if hearing his plea, the LaGrange (Indiana) First Church of God stepped forward and said it wanted to work with Agape and Ashley Industrial Molding to start a new learning center in

Ashley as part of the church's ministry. The church's minister knew Agape well because his children were enrolled there.

That marked the birth of Lighthouse Montessori Education Center, which is set to open in fall 2020 in Ashley's community center. It will serve nearly 50 young people from 6 weeks old to 10 years old. Howe will also be the director of Lighthouse, with the two early learning centers collaborating on training and professional development.

Businesses in Ashley can become a Lighthouse sponsor, which reserves child care spots for their employees. A recent study found that employees in the Northeast Indiana region miss an average of 18 days of work a year because of child care, and about 3,000 job openings are caused each year because of a lack of child care. This effort could combat those numbers and help businesses retain their skilled employees.





FOLLOWING THE CHILDREN

Howe said the innovative collaboration behind Lighthouse is gaining attention in the area.

"Collaboration is working. People are wanting to model us," Howe said.

In fact, even as Howe was helping get Lighthouse off the ground, she was working with a group in a community north of Ashley to start another Montessori-based early learning center to help fill the void created when a local child care provider closed.

"I believe both of these new programs, they've come to see who we are at Agape, and that's what they like about us. And they want to be the same model."

She added: "It's all about educating the children and following the children. We want children to have joy in learning."



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WANTING TO MODEL US."**

Lisa Howe
Agape Child Care Ministry Director

2019 GRANTS AWARDED

middle childhood development: ages 6-12

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Ada-Borup School District	Literacy Achievement	Ada, MN	\$20,000	Elementary students' increasing literacy skills.
Alabama 4-H Foundation	The Center of It All	Auburn, AL	\$50,000	The center's increasing participation of young people from Limestone County attending summer camp.
Athens City Schools	Art Supplies	Athens, AL	\$902	Young people's increasing excitement and engagement so they can express themselves through creative projects.
Big Brothers Big Sisters of Northeast Indiana, Inc.	Big Futures Mentoring Program	Fort Wayne, IN	\$40,000	Students' increasing confidence about their choices after high school so they are better prepared for adulthood.
Boy Scouts of America Council	Development Director 3-Year Support	Fort Wayne, IN	\$95,000	The organization's increasing growth and sustainability.
Central Noble Community School Corporation	Project Unschool	Albion, IN	\$42,500	Teachers' increasing training in project-based learning environments.
Central Noble Community School Corporation	2018 Indiana Youth Institute Kids Count Conference	Albion, IN	\$1,600	School leaders' increasing professional development so students are supported in forming positive relationships and have increased chances at academic success.
City of Borup	Borup Park Remodel	Borup, MN	\$35,000	Young people's increasing sense of safety and opportunities to engage in outdoor play.
Cole Center Family YMCA	Camp Wethonkitha Summer Day Camp	Kendallville, IN	\$10,000	Campers' increasing self-awareness, self-management, social awareness, and relationship skills.
Community Foundation of Whitley County	Camp STEAM Ahead	Columbia City, IN	\$3,500	Students' increasing STEM skills, resiliency, and problem solving so they are better prepared to handle adversity.

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
David's Temple Missionary Baptist Church	Operation Timothy Summer Camp	Tanner, AL	\$1,000	Campers' increasing leadership skills so they have a better understanding of mutual respect, teamwork, and Christian values.
David's Temple Missionary Baptist Church	Operation Timothy Program Support	Tanner, AL	\$5,000	Students' increasing literacy so they have the foundational skills to become productive citizens.
DeKalb County Central United School District	Waterloo Elementary Greenhouse	Waterloo, IN	\$3,000	Students' increasing knowledge of plant life and the environment.
DeKalb County Eastern Community School District	Fourth-Grade Wooden Statues	Butler, IN	\$4,200	Students' increasing understanding of the character traits of good leaders.
Diocese of Fort Wayne-South Bend	Principals Institute	Fort Wayne, IN	\$550	Principals' increasing knowledge of educational law as it pertains to their Catholic schools.
East Noble School Corporation	Camp Potawatomi	Kendallville, IN	\$10,590	Students' increasing collaboration, communication, problem-solving, and creative-thinking skills.
Footlights Community Theater	Expressions Summer Camp Scholarship Program	Athens, AL	\$500	Young people's increasing reading fluency through scene work so that they gain confidence and communication skills.
Fort Wayne Ballet, Inc.	Rome City Elementary Ballet Program	Fort Wayne, IN	\$3,500	Young people's increasing confidence in their own bodies and their focus.
Fort Wayne Zoological Society	Zoomobile	Fort Wayne, IN	\$65,758	Students' increasing inquiry and critical-thinking skills, and their connection with the natural world.
Fort Wayne Zoological Society	Zoo Scientific Inquiry, 2019-2021	Fort Wayne, IN	\$99,395	Students' increasing skills in data collection, interpretation, observation, and critical thinking.
Freedom Academy, Inc.	Cougar Academy	Kendallville, IN	\$55,477	Students' increasing ability to function at grade level.

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Garrett-Keyser-Butler Community School District	Just a Hop, Skip, and Jump	Garrett, IN	\$500	Young people's increasing use of local parks so they improve their physical, social, and emotional health.
Grace College & Seminary	Lakes and Streams	Winona Lake, IN	\$25,000	The program's increasing outreach to schools so more young people understand how personal actions affect the health of lakes and streams.
Harold W. McMillen Center for Health Education	Operating Support	Fort Wayne, IN	\$30,000	The organization's increasing financial stability so it can provide preventative health education programs to young people.
Kosciusko Community YMCA, Inc.	Discovery Bins	Warsaw, IN	\$10,000	Young people's increasing engagement in Kids Club so they gain problem-solving and critical-thinking skills, as well as self-confidence.
Learn to Read Council of Athens & Limestone County, Inc.	Youth Literacy	Athens, AL	\$20,000	Young people's increasing reading, writing, and math proficiency.
Lindsay Lane Christian Academy	Still Traveling Safely Together	Athens, AL	\$12,000	The academy's increasing capacity to transport students for field trips, sporting events, off-campus activities, and between-campus trips.
Lucas County Arts Council	Instrument Program	Chariton, IA	\$6,963	Students' increasing ability to participate in band.
Michiana Public Broadcasting Corporation/WNIT	Education Counts Michiana	South Bend, IN	\$10,000	School districts' increasing participation in Education Counts conversations.
Mount Ayr Community Schools	Mount Ayr Elementary Junior Raiders	Mount Ayr, IA	\$112,000	Students' increasing ability to self-regulate and interact in social settings so that they can be successful in future endeavors.
Mount Pleasant Lutheran Church	Apple Tree Center Operating Expenses	Kendallville, IN	\$27,500	Students' increasing personal power, self-esteem, and purpose so that they have a sense of belonging and are a part of the community.
National Inventors Hall of Fame, Inc.	Camp Invention at Whitko Community Schools	North Canton, OH	\$3,500	Students' increasing STEM skills and understanding of how those skills lead to quality careers.
Norman County East Schools	New Playground Project	Twin Valley, MN	\$20,000	Students' increasing ability to engage in physical play.
Oak Farm Montessori School	Michael Brandwein Presentation	Avilla, IN	\$2,000	Parents' and school staff's increasing understanding of child development.

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Oak Farm Montessori School	Operating Grant	Avilla, IN	\$2,325,000	The organization's increasing financial independence.
RespectTeam	RespectTeam Programming 2018	Huntertown, IN	\$3,000	Young people's increasing engagement so they gain developmental assets.
Science Central, Inc.	Planetarium	Fort Wayne, IN	\$300,000	Students' increasing understanding of the planet, solar system, and deep space.
Soarin' Hawk Raptor Rehabilitation	Van for Outreach Education	Fort Wayne, IN	\$5,000	The organization's increasing capacity to offer programs so more young people have an understanding of the natural world and their place in it.
Southwest Montessori Academy	Feasibility Study and Capital Campaign	Fort Wayne, IN	\$70,000	The organization's increasing capacity to strategically plan for its future.
St. Mary of the Assumption	F is for Fun, Freedom, and Fences	Avilla, IN	\$9,240	The school's increasing capacity for students to use the play area so friendships are nurtured and they can exercise.
Stone's Trace Historical Society	Living History Education	Ligonier, IN	\$7,500	Students' increasing understanding of local history and greater appreciation for values such as self-reliance, teamwork, and perseverance.
Syracuse-Wawasee Historical Museum	Hands-On History	Syracuse, IN	\$1,500	Young people's increasing connection to the community by participating in museum programs.
United Montessori Schools of Indiana	Advancing Montessori Education in Indiana	Indianapolis, IN	\$23,000	The organization's increasing capacity to network with educational organizations across the state so more adults advocate for high-quality environments.
Victory Christian Fellowship Assembly of God	Royal Family Kids Camp	Columbia City, IN	\$5,000	Young people's increasing positive relationships with others so they feel hopeful about life and live healthier lives.
West Noble School Corporation	Indiana Youth Institute Conference	Ligonier, IN	\$6,480	School leaders' increasing ability to identify learning goals and school improvement action steps in the areas of emotional and mental well-being of students.
Westview School Corporation	Kindness/Friendship Benches	Topeka, IN	\$800	Students' increasing positive interactions and conversations about friendship and kindness.

2019 GRANTS AWARDED

adolescent development: ages 13–18

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Cahoots Coffee Cafe	Share the Love	Angola, IN	\$15,000	The organization's increasing community partnerships and donor contributions so it becomes more sustainable.
Cardinal Center, Inc.	The Ability Campaign	Warsaw, IN	\$100,000	The organization's increasing capacity to provide programs for young people with disabilities in a setting that is fun, engaging, and developmentally stimulating.
Chariton Community School District	Chariton Middle School Nonfiction Books	Chariton, IA	\$7,500	The school's increasing relevance of the library's nonfiction selection so young people can explore areas of interest and be better prepared for their futures.
Chariton Community School District	Charger Manufacturing Waste Repurposing	Chariton, IA	\$18,500	The school's increasing number of projects produced for consumers by Charger Manufacturing students.
City of Ada	Baseball Field Improvements	Ada, MN	\$56,586	The Ada-Borup High School baseball team's increasing opportunities to give back to their community by assisting with the installation of fencing and bleacher covers.
Community Foundation of DeKalb County	DeKalb's VOICE Youth Philanthropy Operating Support	Auburn, IN	\$20,000	VOICE members' increasing knowledge of local charitable organizations and of philanthropy.
Community Foundation of Noble County	PULSE of Noble County Youth Philanthropy Operating Support	Ligonier, IN	\$22,000	PULSE members' increasing understanding of philanthropy and their increasing partnerships so more young people are aware of community needs.
Community Foundation of Whitley County	HANDS Foundation Youth Philanthropy Operating Support	Columbia City, IN	\$22,500	HANDS members' increasing understanding of philanthropy and their mentoring of eighth-grade students on how they can help the community.
DeKalb County Central United School District	Museum of Science and Industry	Waterloo, IN	\$3,000	Students' increasing understanding of how science influences other subjects so they make connections to skills, interests, or possible careers.

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
DeKalb County Eastern Community School District	Mental Health Program	Butler, IN	\$20,000	Students' increasing self-esteem and coping skills so they feel empowered and supported to succeed in an ever-changing society.
Fremont Community Schools	Personal Finance Materials	Fremont, IN	\$1,224	Students' increasing knowledge of personal finance and capacity to plan for their futures.
Garrett-Keyser-Butler Community School District	Inquiry-Based Learning in Field Research	Garrett, IN	\$5,000	Students' increasing ability to conduct a scientific field study.
Gary Cares	Shock & Awe Youth Philanthropy Operating Support	Gary, MN	\$35,000	Shock & Awe members' increasing understanding of philanthropy and their increasing engagement with nonprofits to address community needs.
Indiana Troopers Youth Services	Indiana State Police Summer Youth Camps	Indianapolis, IN	\$3,000	Campers' increasing rapport with law enforcement officers, and self-motivation and self-discipline to accomplish their personal goals.
Iowa Association of Business & Industry Foundation	Business Horizons	Des Moines, IA	\$4,500	Students' increasing awareness of Iowa workforce opportunities so young talent is retained in Iowa.
Iowa Jobs for America's Graduates (IJAG)	Iowa Jobs for America's Graduates-Creston Program	Des Moines, IA	\$7,500	IJAG graduates' increasing engagement in full-time employment, postsecondary education/training, or both.
Joe's Kids, Inc.	Case Management for Joe's Kids	Warsaw, IN	\$90,000	The organization's increasing capacity to support families with special needs children.
Junior Achievement of Northern Indiana	JA Sustainability and Growth	Fort Wayne, IN	\$240,000	The organization's increasing effectiveness in serving young people in Northeast Indiana through its programs.
Kosciusko County Community Foundation, Inc.	KEYS Youth Philanthropy Operating Support	Warsaw, IN	\$25,000	KEYS members' increasing understanding of philanthropy and their increasing support of innovative, hands-on curriculum opportunities within local schools.

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Lakeland School Corporation	Trauma Informed School Model	LaGrange, IN	\$3,500	The district's increasing capacity to support students so they can focus on classroom learning and have experiences that inspire them to do more.
Limestone Area Community Foundation	TRAIL Youth Philanthropy Operating Support	Athens, AL	\$20,000	TRAIL members' increasing empowerment so they can better share the organization's mission and influence positive change within their community, and their increasing understanding of philanthropy.
Limestone County Schools	Elkmont High School Workforce Training Update	Athens, AL	\$35,000	Ag Department students' increasing technical skills so they are better prepared to enter the workforce or pursue training in a trade after high school.
M.S.D. of Steuben County	Academic Team Competition Expenses	Angola, IN	\$1,140	Students' increasing study, collaboration, and communication skills.
Mount Ayr Community Schools	Rebuilding the MACS Music Program	Mount Ayr, IA	\$18,403	Middle school and high school students' increasing involvement in music.
Norman County East Schools	Career Pathways	Twin Valley, MN	\$75,000	High school students' increasing vocational skills, internship opportunities, and professional certifications so they will be better prepared to enter the workforce.
Orthopedics Capital Foundation	DiscoverME (Manufacturing Experiences)	Warsaw, IN	\$5,000	Eighth-grade students' increasing awareness of the local orthopedics industry, careers, and educational options.
Smith-Green Community Schools	Choir Accompanist/Assistant	Churubusco, IN	\$24,624	The school's increasing capacity to support students through individualized attention designed to increase their confidence so they can step out of their vocal comfort zones.
South Central Iowa Community Foundation	ROCCS Youth Philanthropy Operating Support	Chariton, IA	\$20,000	ROCCS members' increasing ability to address community needs and their understanding of philanthropy.
South Central Iowa Community Foundation	HELP Youth Philanthropy Operating Support	Chariton, IA	\$31,000	HELP members' increasing capacity to mentor younger students, and their understanding of philanthropy and community service.
South Central Iowa Community Foundation	CCOPS Youth Philanthropy Operating Support	Chariton, IA	\$30,000	CCOPS members' increasing capacity to help young people live financially stable lifestyles and their own understanding of philanthropy.

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
South Central Iowa Community Foundation	YACC Youth Philanthropy Operating Support	Chariton, IA	\$25,000	YACC members' increasing engagement with the community and their understanding of philanthropy.
South Central Iowa Community Foundation	SPLASH Youth Philanthropy Operating Support	Chariton, IA	\$30,000	SPLASH members' increasing engagement in community organizations and their understanding of philanthropy.
Teen Parents Succeeding, Inc.	Teen and Preschool Program	Syracuse, IN	\$8,000	Teens' increasing growth in the 40 Developmental Assets.
The Center for Whitley County Youth, Inc.	"Building" Up Youth! Campaign	Columbia City, IN	\$20,000	The center's increasing capacity to address maintenance issues and develop programs for young people.
The Crew	Operating Support	Kendallville, IN	\$20,000	Middle and high school students' increasing participation in the center's after-school program.
Warsaw Community Schools	RealCare Infant Simulators for Warsaw Area Career Center	Warsaw, IN	\$5,000	Students' increasing ability to provide basic infant care and their understanding of child development.
Wawasee Community Schools	ECO Challenge	Syracuse, IN	\$5,000	Students' increasing development of social skills that contribute to their success in school.
Wesleyan Church Corporation	Spring Dinner Theater	Albion, IN	\$750	Students' increasing capacity to stage an annual dinner theater program.
Wesleyan Church Corporation	Foundations in Personal Finance	Albion, IN	\$1,000	Students' increasing knowledge of personal finance and skills that can help them plan for their financial futures.
White's Residential and Family Services, Inc.	Placing a Programmatic Foundation Beneath the Feet of At-Risk Adolescents	Wabash, IN	\$50,000	Young people's increasing employability skills so they return to their home communities with resumes and work experience.
Whitko Community School Corporation	LEAD Conference 2019	Larwill, IN	\$2,500	Students' increasing ability to complete their "passion project" that addresses a community need.
Whitley County Consolidated Schools	New Audio Equipment Project	Columbia City, IN	\$6,067	Students' increasing audio production skills, and their contributions to the school radio station's news and public-affairs programming.
Youth For Christ of Northern Indiana, Inc.	Staff & Volunteer Mobilization	Fort Wayne, IN	\$160,000	The organization's increasing capacity to engage young people through programs that help them gain hope and purpose.

building skills for future careers

Students in Garrett-Keyser-Butler Community School District's Career Development Program are building skills that can help make them self-sufficient and economically free as adults.

But even more impressively, they are actually building and soon will be at work on their biggest project of all: constructing a nine-lot housing addition next to Garrett High School in Garrett, Indiana.

Chad Sutton, the program's director, believes such an audacious endeavor isn't possible without partners stepping up to support the students' learning and skill development.

"It's just mind-boggling to think about how many different people are involved in this program," Sutton said. "This program would not be where it is without collaboration."

The strength of that collaboration, Sutton believes, has helped the Career Development Program garner state and national attention in the few short years since its creation. And like the program's six-acre housing addition, called Brennan Estates, he thinks even bigger things are just around the corner.

"All across the state of Indiana, because of these relationships, things are going to change for high school students," he said.





**"THIS PROGRAM WOULD
NOT BE WHERE IT IS WITHOUT
COLLABORATION."**

Chad Sutton
Garrett High School Career Development
Program Director




EXPLORING THEIR INTERESTS

Founded in 2018, the Career Development Program helps students in grades 5-12 explore the construction and manufacturing fields by integrating academics with vocational skill building. Students take part in hands-on learning and receive career guidance in areas including construction, welding, architecture, engineering, and design.

Enrollment in the program has grown quickly to more than 150 students, with about a third of Garrett High School students

opting to pursue vocational skill building through the program. Sutton said the program offers choices to students to pursue their interests, and it creates educational and career options for them after graduating from high school.

"The goal is to provide an atmosphere where students can learn in a way that brings out the passion that everybody has," Sutton said.

A black and white photograph of a young woman with a ponytail, wearing a dark t-shirt and jeans, kneeling on a concrete surface. She is using a power tool, possibly a sander or grinder, on a metal track or formwork. The background shows other people's legs and feet, suggesting a workshop or construction site.

**"THE GOAL IS TO PROVIDE
AN ATMOSPHERE WHERE
STUDENTS CAN LEARN
IN A WAY THAT BRINGS
OUT THE PASSION THAT
EVERYBODY HAS."**

Chad Sutton

**Garrett High School Career Development
Program Director**





CONNECTING WITH EMPLOYERS

Employers, too, were quick to embrace the program because of its ability to connect them with young people who have in-demand skills. Employers have worked with students on projects, given presentations about their companies and industries, and taken part in a “signing day” in which students announce the businesses they have chosen to work at following high school.

“It’s about keeping things as relevant as possible for students, from learning, to speakers, to academics, to skill development,” Sutton said.

Companies also are partnering with the school district on pre-apprenticeship experiences where students in the Career Development Program can spend a summer working for a local employer.

Because of the depth of learning and skill building that students gain through the program, it has been certified by the state of Indiana’s Department of Workforce Development. And the program has become a model for other schools wanting to expand their vocational offerings for students.

“This is a real option for *all* students,” Sutton said.



collaborating to increase self-sufficiency



Collaboration lies at the heart of the Community Learning Center in Kendallville, Indiana. Collaboration guided the formation of the center, informs its programs, and drives the center's vision of helping individuals of all ages increase their self-sufficiency.

Here at the Dekko Foundation, we saw this spirit of collaboration firsthand. The foundation was among a group of community leaders and organizations that came together to explore a new use for a more than century-old vacant school building in the center of Kendallville.

Over the course of several months, the group developed the concept for the center, put together the organizational structure to make it possible, and partnered with local school district and elected leaders on the transfer of ownership of the nearly 150,000-square-foot facility.



STRENGTHENING LIVES

Programs at the Community Learning Center fall into four main areas: education, skill development and career readiness, artistic expression, and health and well-being. Programs are designed to be collaborative and multigenerational.

The center opened in 2019 and began offering programs and accepting tenants who aligned with its mission of: Connecting Communities. Strengthening Lives. Securing Futures.

"By strengthening lives, the Community Learning Center is helping people have a brighter future, and that helps strengthen our communities as a whole," said Julia Tipton, the center's director.

Because of the ongoing collaboration and the Community Learning Center's programs that allow participants to increase their self-sufficiency, the Dekko Foundation is providing the center with operating and capital support. Tom Leedy, president of the Dekko Foundation, sits on the Community Learning Center's board of directors.

Self-sufficiency is key to the Dekko Foundation's mission of fostering economic freedom through education. We believe when young people build skills, knowledge, and character that support their own self-sufficiency, they're more likely to achieve economic freedom later in life.



**"BY STRENGTHENING LIVES, THE
COMMUNITY LEARNING CENTER
IS HELPING PEOPLE HAVE A
BRIGHTER FUTURE, AND THAT
HELPS STRENGTHEN OUR
COMMUNITIES AS A WHOLE."**

Julia Tipton

Community Learning Center Director



CARRYING ON MR. DEKKO'S VISION

Everyone who collaborated in the creation of the Community Learning Center imagined the possibilities of what it could do for residents of Kendallville, Noble County, and the entire Northeast Indiana region. But the possibilities didn't stop when the doors opened – they continue to this day.

That's why we're moving to the Community Learning Center.

We believe relocating our office will make us a stronger foundation as we work alongside agencies striving to remove barriers to economic freedom. We believe the Community Learning Center supports lifelong learning, which our founder, Mr. Chester E. Dekko, highly valued.

And we believe the Community Learning Center's culture of collaboration will carry Mr. Dekko's vision — and our mission — forward across all of our grantmaking areas.

Just imagine the possibilities.



2019 GRANTS AWARDED

community development

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
City of Creston	McKinley Park Aquatic Center (MPAC)	Creston, IA	\$1,500,000	The pool's increasing number of users whose health and fitness will be supported by the renovation project.
City of Kendallville	Tennis Court Reconstruction	Kendallville, IN	\$37,500	The city's increasing capacity to provide tennis and pickleball programs to residents.
City of Mount Ayr	Terry Howie Memorial Toddler Playground	Mount Ayr, IA	\$6,000	Children's increasing opportunities to engage in recreational play as older siblings play ball nearby in the park.
City of Mount Ayr	Community Needs Survey	Mount Ayr, IA	\$3,000	The city's increasing understanding of residents' wellness needs so it can strategically plan future projects.
City of Osceola	Clay Street Park	Osceola, IA	\$50,000	Young people's increasing opportunities to engage in recreational play so they are more physically active and gain independence.
City of Twin Valley	Twin Valley Splash Park	Twin Valley, MN	\$30,000	Young people's increasing opportunities to use the park to enhance their physical movement while having a fun social experience.
Clarke County Hospital Foundation	Community Trauma Team	Osceola, IA	\$45,000	Adults' increasing skills, education, and resources so they can assist young people who have experienced trauma with developing their inner wealth and resiliency.
Crest Baptist Church	Paved Parking Lot and Activity Area	Creston, IA	\$20,000	Church members' increased safety as a result of facility improvements.
Eckhart Public Library	For Every Citizen: Capital and Endowment Campaign	Auburn, IN	\$500,000	The library's increasing capacity to achieve its vision and mission through proactive and community-driven services.

ORGANIZATION	PROJECT TITLE	CITY	AMOUNT AWARDED	TOGETHER, WE'RE TRACKING:
Fort Wayne Park Foundation	Historic Salomon Farm Homestead Renovation	Fort Wayne, IN	\$75,000	Young people's increasing skills in critical thinking, collaboration, and ingenuity that are gained through the farm's programs.
Freedom Academy, Inc.	2019 Operating Budget	Kendallville, IN	\$250,000	The academy's increasing enrollment and students' increasing certifications so they can advance in their careers and wages.
Graceland University	AmeriCorps Youth Launch	Lamoni, IA	\$433,902	Young people's increasing skills that allow them to overcome barriers.
Kendallville Public Library	Libraries Thrive	Kendallville, IN	\$4,419	Staff members' increasing professional development so they contribute to the organization's programs for patrons.
Kosciusko Literacy Services, Inc.	Childhood Literacy Programs	Warsaw, IN	\$10,000	The organization's increasing financial stability.
Lutheran Outdoor Ministries	Board Development	Angola, IN	\$5,000	Organization leaders' increasing professional development.
Norman County Developmental Activities Center	Sensory Room Addition	Ada, MN	\$7,000	Young people's increasing ability to use the sensory room so they develop greater focus.
North Webster Community Public Library	Building A New Library	North Webster, IN	\$500,000	The organization's increasing annual attendance by having space for patrons to collaborate, mentor, and provide one another with intergenerational support while using library resources.
South Whitley Community Public Library	Library Renovation and Expansion	South Whitley, IN	\$30,000	The library's increasing annual attendance by having space for patrons to collaborate, access resources, and engage in multigenerational programs.
Town of Churubusco	Churubusco Trail Extension	Churubusco, IN	\$13,760	Residents' increasing accessibility to Churubusco Town Park so that they can safely enjoy outdoor activities and park amenities.

making great things happen

The stories of collaboration featured in this annual report — as well as so many others we've learned of through our grantmaking — share one thing in common. They came about as solutions to problems that had been identified in their respective communities.

Problem solving played a key role in shaping our founder's business and management practices as well as his personal philanthropy. In fact, Mr. Dekko actually wrote the manual on how to solve different kinds of problems. To this day, understanding the problem that grantseekers are trying to solve through their projects is central to our grantmaking process.

We believe when people and organizations work together to solve a problem — for example, helping young people practice philanthropy, bringing college students into

early learning classrooms, expanding child care options in a community, connecting students with vocational skill building, and assisting community members of all ages in improving their self-sufficiency — their collective impact can be enormous. Yes, collaboration can be difficult and messy, but anything that's worthwhile is rarely easy.

We've long maintained that **great things happen when adults step back and consider what children and young people need to grow and develop**. Likewise, great things happen when organizations work collaboratively to support children and young people's self-sufficiency and ability to achieve economic freedom later in life.

Thirty-eight years ago, Mr. Dekko imagined the possibilities. Just imagine what you can accomplish today.

Want to learn more about our mission and our grantmaking process?

Just go to dekkofoundation.org.

BOARD OF DIRECTORS

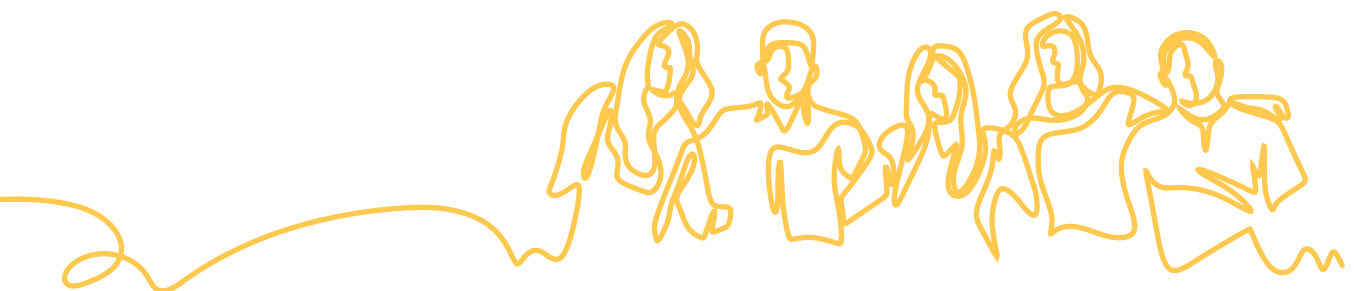
Erica Dekko
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Robin McCormick
Controller
Barry Rochford
Strategic Communication Officer

PROGRAM STAFF

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Vice President of Programs
Kimberly Schroeder
Director of Engagement
Joe Pounds
Director of Adolescent Well-Being
Nanette Meyer
Grants Associate
Abby Lindsey
Program Officer
Sarah Larkin
Program Officer



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, 2019 and 2018, and the related statements of activities and functional expenses 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 Foundation'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 Foundation'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, 2019 and 2018, 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.

EMPHASIS OF MATTER

As described in Note 2 of the financial statements, in 2019, the Foundation adopted ASU 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities. Our opinion is not modified with respect to this matter.

BKD, LLP

Fort Wayne, Indiana | December 10, 2019

STATEMENTS OF FINANCIAL POSITION

August 31, 2019 and 2018 Modified Cash Basis

ASSETS	2019	2018
Cash and cash equivalents	\$5,249,202	\$2,766,265
Investments	\$195,536,456	\$194,759,351
Note receivable, net	\$1,000,000	—
Property and equipment, net	\$105,768	\$117,277
TOTAL ASSETS	\$201,891,426	\$197,642,893
LIABILITIES		
Payroll tax withholdings	\$4,963	\$5,149
UNRESTRICTED NET ASSETS	\$201,886,463	\$197,637,744
TOTAL LIABILITIES AND NET ASSETS	\$201,891,426	\$197,642,893

STATEMENTS OF ACTIVITIES

Years Ended August 31, 2019 and 2018 Modified Cash Basis

RECEIPTS	2019		2018	
	TOTAL	% OF TOTAL	TOTAL	% OF TOTAL
Contributions	\$319,903	1.89%	\$319,903	1.97%
Interest and dividend income	\$4,145,971	24.52%	\$3,386,835	20.89%
Net realized gains on investments	\$12,413,760	73.42%	\$12,500,042	77.11%
Other	\$28,443	0.17%	\$4,122	0.03%
TOTAL RECEIPTS	\$16,908,077	100.00%	\$16,210,902	100.00%
DISBURSEMENTS & EXPENSES				
Grants	\$10,797,904	85.30%	\$10,952,948	85.08%
Administrative	\$809,266	6.39%	\$847,701	6.59%
Library	\$858	0.01%	\$2,342	0.02%
Depreciation	\$11,508	0.09%	\$11,508	0.09%
Utilities	\$18,431	0.15%	\$20,474	0.16%
Office supplies	\$6,867	0.05%	\$7,089	0.06%
Equipment	\$3,052	0.02%	\$22,161	0.17%
Repair and maintenance	\$80,103	0.63%	\$86,852	0.67%
Dues and membership	\$23,909	0.19%	\$25,742	0.20%
Training	\$39,861	0.31%	\$89,607	0.70%
Travel	\$80,748	0.64%	\$74,445	0.58%
Postage	\$6,236	0.05%	\$4,028	0.03%
Insurance	\$24,529	0.19%	\$25,188	0.20%
Professional fees	\$454,378	3.59%	\$437,941	3.40%
Federal excise tax and unrelated business income tax	\$222,500	1.76%	\$109,920	0.85%
Other	\$79,208	0.63%	\$155,096	1.20%
TOTAL DISBURSEMENTS & EXPENSES	\$12,659,358	100.00%	\$12,873,042	100.00%
CHANGE IN UNRESTRICTED NET ASSETS	\$4,248,719		\$3,337,860	
UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	\$197,637,744		\$194,299,884	
UNRESTRICTED NET ASSETS, END OF YEAR	\$201,886,463		\$197,637,744	

STATEMENTS OF FUNCTIONAL EXPENSES

Years Ended August 31, 2019 and 2018 Modified Cash Basis

	2019			2018		
	PROGRAM SERVICES	MANAGEMENT & GENERAL	TOTAL	PROGRAM SERVICES	MANAGEMENT & GENERAL	TOTAL
Grants	\$10,797,904	—	\$10,797,904	\$10,952,948	—	\$10,952,948
Administrative	\$396,540	\$412,726	\$809,266	\$406,896	\$440,805	\$847,701
Library	\$420	\$438	\$858	\$1,124	\$1,218	\$2,342
Depreciation	\$5,639	\$5,869	\$11,508	\$5,524	\$5,984	\$11,508
Utilities	\$9,031	\$9,400	\$18,431	\$9,828	\$10,646	\$20,474
Office supplies	\$2,400	\$4,467	\$6,867	\$1,040	\$6,049	\$7,089
Equipment	\$1,495	\$1,557	\$3,052	\$10,637	\$11,524	\$22,161
Repair and maintenance	\$39,250	\$40,853	\$80,103	\$41,689	\$45,163	\$86,852
Dues and membership	\$11,715	\$12,194	\$23,909	\$12,356	\$13,386	\$25,742
Training	\$33,399	\$6,462	\$39,861	\$68,136	\$21,471	\$89,607
Travel	\$42,293	\$38,455	\$80,748	\$31,659	\$42,786	\$74,445
Postage	\$105	\$6,131	\$6,236	\$706	\$3,322	\$4,028
Insurance	\$12,019	\$12,510	\$24,529	\$12,090	\$13,098	\$25,188
Professional fees	\$422,585	\$31,793	\$454,378	\$389,075	\$48,866	\$437,941
Federal excise tax and unrelated business income tax	—	\$222,500	\$222,500	—	\$109,920	\$109,920
Other	\$27,322	\$51,886	\$79,208	\$59,828	\$95,268	\$155,096
	\$11,802,117	\$857,241	\$12,659,358	\$12,003,536	\$869,506	\$12,873,042

NOTES TO FINANCIAL STATEMENTS

August 31, 2019 and 2018 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:

Net Assets Without Donor Restrictions – The net assets without donor restrictions class includes general assets and liabilities of the Foundation. The net assets without donor restrictions 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, 2019 and 2018, cash equivalents consisted primarily of money market accounts with brokers. At August 31, 2019, the Foundation's cash accounts exceeded federally insured limits by approximately \$6,304,000.

NOTES RECEIVABLE

Notes receivable are stated at the outstanding principal amount, net of allowance for uncollectible notes. The Foundation provides an allowance for uncollectible notes, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions (none at August 31, 2019). Outstanding notes pay interest based on the terms of the respective note agreements. A note receivable is considered delinquent when the debtor has missed three or more payments.

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 2016.

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:

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

NOTE 2: CHANGE IN ACCOUNTING PRINCIPLE

During 2019, the Foundation adopted the provisions of ASU 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities. This change had no impact on the 2018 change in net assets. A summary of the changes by financial statement area is as follows:

STATEMENT OF FINANCIAL POSITION

The statement of financial position distinguishes between two new classes of net assets — those with donor-imposed restrictions and those without. This is a change from the previously required three classes of net assets — unrestricted, temporarily restricted and permanently restricted.

STATEMENT OF ACTIVITIES

The standard requires the Foundation to report expenses by both nature and function, either in the statement of activities, as a separate statement or within the notes.

Investment income is shown net of external and direct internal investment expenses. There is no longer a requirement to include a disclosure of those netted expenses.

NOTES TO THE FINANCIAL STATEMENTS

FASB requires enhanced quantitative and qualitative disclosures to provide additional information useful in assessing

liquidity and cash flows, including a description of the time horizon used to manage its liquidity and near-term availability and demands for cash as of the reporting date.

Provide disclosures on amounts and purposes of governing Board or self-imposed designations and appropriations as of the end of the period.

NOTE 3: INVESTMENTS

The Foundation's investments are as follows:

	2019		2018	
	COST	FAIR VALUE	COST	FAIR VALUE
U.S. Government and U.S. Government agency securities	\$28,176,779	\$29,318,507	\$27,950,080	\$27,274,384
Equities	\$119,998,636	\$159,491,366	\$115,727,904	\$165,676,222
Corporate and municipal bonds	\$17,280,579	\$17,507,205	\$19,085,601	\$18,633,178
Nonmarketable securities	\$30,080,462	\$40,228,478	\$31,995,766	\$41,284,228
TOTAL	\$195,536,456	\$246,545,556	\$194,759,351	\$252,868,012

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 \$9,974,000 and \$4,289,000 at August 31, 2019 and 2018, respectively.

NOTE 4: PROPERTY AND EQUIPMENT

The Foundation's property and equipment are as follows:

	2019	2018
Buildings and improvements	\$561,027	\$561,027
Furnishings and equipment	\$202,936	\$202,936
	\$763,963	\$763,963
Accumulated depreciation	(\$658,195)	(\$646,686)
TOTAL	\$105,768	\$117,277

NOTE 5: 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 \$84,338 and \$85,884 for 2019 and 2018, respectively.

NOTE 6: RELATED PARTY TRANSACTIONS

During 2019 and 2018, 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 \$37,843,259 and \$35,426,681 as of August 31, 2019 and 2018, respectively. The investment advisory fee (which was paid to the brokerage firm, not the related party advisory firm) was \$230,907 and \$267,948 for the years ended August 31, 2019 and 2018, respectively.

NOTE 7: LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of August 31, 2019, comprise the following:

	2019	2018
Cash	\$5,249,202	\$2,766,265
Investments	\$195,536,456	\$194,759,351
Financial assets available to meet cash needs for general expenditures within one year	\$200,785,658	\$197,525,616

NOTE 8: SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 10, 2019, which is the date the financial statements were available to be issued.

While the Organization does not anticipate liquidity concerns, the Organization does have a highly involved Board of Directors who monitors liquidity throughout the year. The entity's primary expenses are grant disbursements that are decided upon by the Board of Directors. If liquidity concerns were to appear, the Board of Directors would be able to limit disbursements on an as needed basis and maintain sufficient levels of liquidity.

Cash is monitored daily and a monthly review is performed at the Management level.



**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**.