

the Foundation

for Enhancing Communities

THE INSIDER



SUMMER 2016

Dream **CREATE** Sustain

INVESTMENT ADVISORY COMMITTEE

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Conrad Siegel Actuaries

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River Wealth Advisors

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Glenn P. Heisey
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Conrad Siegel Actuaries

Jonathan Vipond, III, Esq.
Buchanan, Ingersoll & Rooney, P.C.

Jonathan Williams, CFA, CFP
PNC Wealth Management

MEETING DATES

January 26, 2016
April 19, 2016
July 19, 2016
October 18, 2016

All meetings take place at TFEC's offices located at 200 N. 3rd Street, 8th Floor, Harrisburg, PA 17101 beginning at 9:30am.

Greetings,

We hope you are enjoying a wonderful and relaxing summer. This report on the investments of TFEC will give you an update on the first half of the year.

The Investment Advisory Committee continues to monitor and improve the discipline that we have employed for more than 20 years. The Model E (100% Equity) return for the first six months was 2.79%. This was a number with lots of volatility in these first six months; however, as you can see most of that volatility turned out to be just "market noise" we moved up slightly from where we were at the end of 2015. On the fixed income side, the first six months were very good. Model F (100% Fixed Income) returned 5.47%. As you recall, early in 2015 we made a change on the fixed income side, by going higher quality and longer duration. This change was effectuated by transferring a large portion of Model F into the Vanguard Total Bond Market ETF (BND). This ETF has an average duration of 5.7 years, with 85% of the Bonds rated A and above (62% US Government) and an expense ratio of only .06%! This was not a change to our philosophy as much as it was a return to our original standards. It has worked well for us in the short term.



We continue to follow our strict disciplined approach to investing; however, the Investment Advisory Committee is always measuring and watching for ways to improve the results.

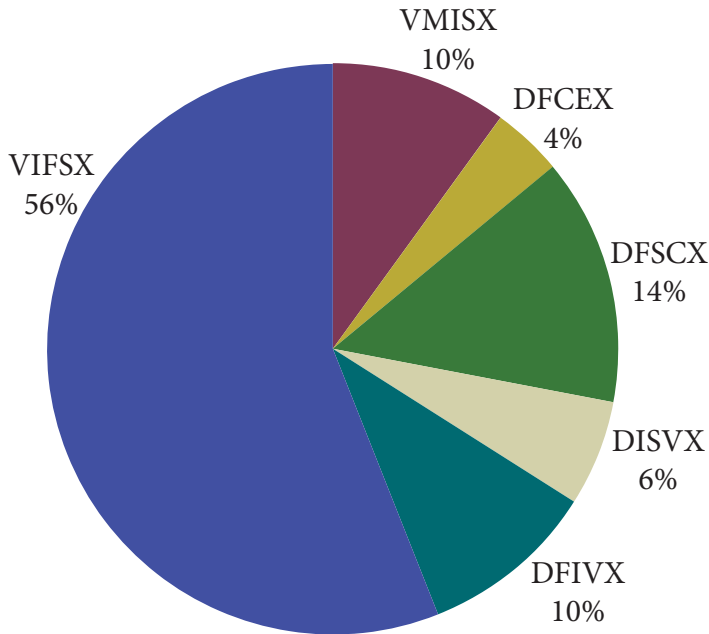
Have a great Summer!
Bob

INVESTMENT PERFORMANCE

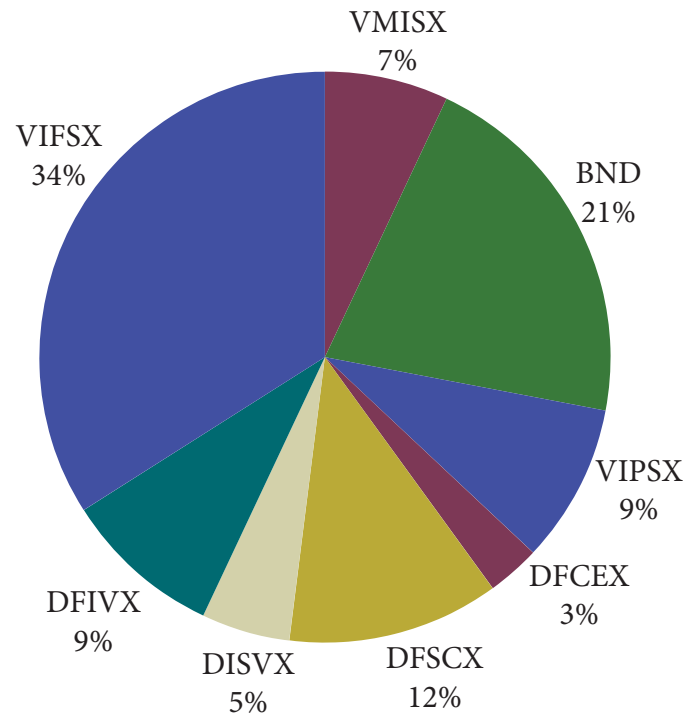
6/30/16 Returns are YTD & 1-3-5-10-20 Returns are as of 12/31						
	6/30/16	1 Yr+.	3 Yrs.	5 Yrs.	10 Yrs.	20 Yrs.
Model E	2.70%	-0.9%	12.3%	9.9%	6.6%	8.1%
Benchmark*	1.19%	-0.7%	11.9%	9.7%	6.2%	7.8%
*55% S&P 500, 25% Russell 2000, 20% MSCI-EAFE						
Model A	3.29%	-1.0%	8.2%	7.1%	5.9%	7.4%
Benchmark*	2.06%	-0.5%	8.6%	7.6%	6.1%	7.4%
*34% S&P 500, 19% Russell 2000, 17% MSCI-EAFE, 30% BARCAP U.S. Aggregate Bond						
Model F	5.45%	-0.6%	-0.2%	1.7%	3.4%	NA
Benchmark*	5.31%	0.6%	1.4%	3.2%	4.5%	NA
*100% BARCAP U.S. Aggregate Bond						

INVESTMENT ADVISORY COMMITTEE

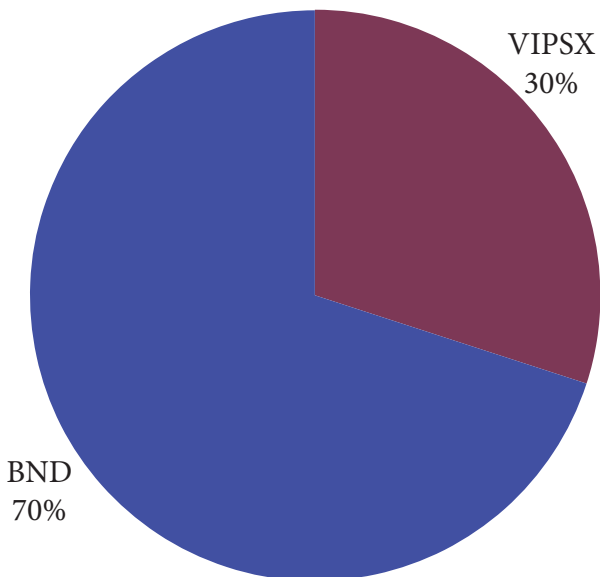
MODEL E PORTFOLIO PERCENTAGE
ASSET VALUE \$34,159,027



MODEL A PORTFOLIO PERCENTAGES
ASSET VALUE \$12,258,352



MODEL F PORTFOLIO PERCENTAGE
MODEL F ASSETS \$696,644



FUND LEGEND

DFA Emerging Markets	DFCEX
DFA International Value	DFIVX
DFA Micro Cap	DFSCX
DFA International Small Cap Value	DISVX
Vanguard Index 500	VIFSX
Vanguard Index Mid Capitalization	VMISX
Vanguard Inflation Protected Securities	VIPSX
Vanguard Total Bond Market Fund	BND

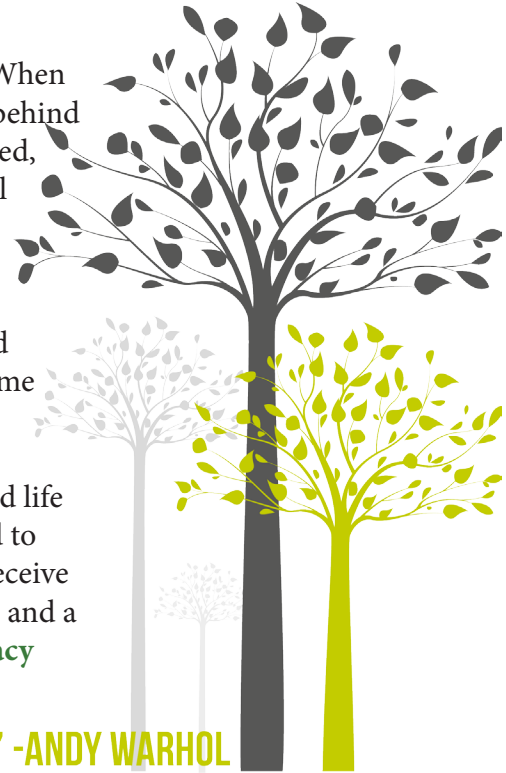
DONOR

WHAT WILL YOUR LEGACY BE?

While he was alive, the rock star Prince gave generously to charities he cared about. When he unexpectedly passed away earlier this year, news reports stated that he hadn't left behind a will. Without this legal document with instructions on how his estate is to be handled, there is no guarantee that Prince's charitable legacy will live on. Instead, his estate will be distributed to his heirs according to a court's determination. Those heirs may or may not make the charitable gifts he would have wanted.

In addition to accepting direct contributions, TFEC assists donors in making planned gifts. Often these gifts are deferred based upon personal estate planning and the income needs of the donor. Even though gifts might be deferred, the gifts could have immediate tax benefits. Deferred gifts include bequests, charitable remainder trusts, charitable annuity remainder trusts, charitable lead trusts and real estate with retained life interest. Donors who make a planned gift or remember TFEC in their will are invited to become members of our 1920 Legacy Society. Members of the 1920 Legacy Society receive recognition in our Annual Report and on our website, invitations to all TFEC events, and a special luncheon and gift as gratitude for their planned gift. **Start planning your legacy today by calling Janice Black or Jennifer Doyle at 717.236.5040.**

"THE IDEA IS NOT TO LIVE FOREVER, IT IS TO CREATE SOMETHING THAT WILL." -ANDY WARHOL



ONE PERSON CAN MAKE A DIFFERENCE!

Establishing a fund at TFEC is an easy way to invest in your charitable interests. A donor advised fund offers the greatest flexibility of all the fund types and allows donors the opportunity to recommend grants to nonprofit organizations worldwide. Your fund can be permanent (only income is granted and principal grows in perpetuity) or nonpermanent (both income and principal can be granted during your lifetime).

A donor advised fund offers the ability to name successor advisors; teach your children and grandchildren about the power of philanthropy! If you have no named successors, you can designate permanent charitable beneficiaries.

ESTABLISHING A FUND IS SIMPLE.

Anyone can give! Donors can use cash, marketable securities, closely held business stock, mutual funds, real estate, tangible personal property (such as art, collections, antiques), life insurance policies, or qualified retirement plan assets (IRA, 401(k), 403(b), pensions). The minimum contribution to start a donor advised fund is \$10,000, and donors have five years to reach that level. **Click here to learn how you can make an impact on your community, for good, forever.**

SOLUTIONS FOR YOUR CLIENTS



TFEC can partner with you and your valued clients to expand and increase the benefits of their charity.

LEARN HOW TO ASSIST YOUR CLIENTS>>

SKYLER JAMES WENGER SCHOLARSHIP

Created in loving memory of Skyler, who was hit and killed on his way home from trick-or-treating in October 2011, this scholarship will continue his legacy by helping students, like Skyler, realize the dream of continuing their education.

Established in 2012, the Skyler James Wenger scholarship assists graduating seniors from Cedar Cliff High School and has been able to award \$7,000 to students in the first three years. **Click here to read more and learn how to start your own scholarship fund & give the gift of education!**

CLICK HERE TO LEARN HOW TO START A FUND>>

COMMUNITY

FUNDRAISING WORKSHOPS WITH LEE DANNEY!

As part of the Greater Harrisburg Foundation's (GHF) Challenge for Giving, two fundraising workshops will be offered. Each learning opportunity will explore the nuts and bolts of running a successful challenge campaign.

Any nonprofit organization may attend and benefit from this workshop; however, applicants who received a Greater Harrisburg Foundation (GHF) Challenge Grant award in the immediately prior year are not eligible to apply for the GHF Challenge until the following year; 2015 grantees may apply for the Challenge opportunity in 2017, but will be ineligible for the 2016 grant cycle.

Attendance at a workshop is optional for Challenge Grant applicants, but strongly recommended. Workshop attendees will have access to the trainer after the workshop for questions and assistance via phone and/or e-mail.



[Click here for more information and to register.](#)

CHARITABLE PROJECTS

You have seen a problem in your community that you want to address; you might even want to start a nonprofit organization to tackle the problem. There is an easier option for you to consider: TFEC can help you achieve your mission! By establishing a project at TFEC, you can operate as a 501(c)(3) nonprofit organization through a fiscal sponsorship agreement.

Charitable projects allow groups to access the reputation, credibility, and fiscal expertise of TFEC; fundraise to support their charitable mission; give donors tax-deductibility for their gifts; and create good records of fiscal activity.

TFEC has expertise in managing a wide range of charitable projects, from community health initiatives, to corporate and foundation grantmaking programs, to urban beautification initiatives.

CAPITAL CAMPAIGNS

TFEC can also help your nonprofit organization execute a successful capital campaign through a project services agreement allowing you to focus on your mission by upgrading infrastructure, renovating buildings or growing your endowment fund.



[Click here for more information about charitable projects.](#)

BUILDING FAMILIES TOGETHER

A 2015 Marty Sacks Fund grantee, Healthy Steps Diaper Bank collects, stores, and helps distribute free diapers through partner agencies to families in need.



[Click here to read more and learn about all of TFEC's grant opportunities.](#)

UPCOMING GRANT DEADLINES

Emerging Philanthropist Program | August 12
Franklin County Foundation | August 29
Mechanicsburg Area Foundation | August 29
Martin M. Sacks Memorial Fund | September 2
Women's Fund | October 7
Greater Harrisburg Foundation | October 28
[Click here for more information on these funding opportunities.](#)



FRANKLIN COUNTY FOUNDATION

Save the Date: Inaugural Grantee Recognition Luncheon | November 9, 2016

MECHANICSBURG AREA FOUNDATION

Save the Date: Grant Presentation and Celebration of MAF's 30th Anniversary | November 17, 2016

PERRY COUNTY COMMUNITY FOUNDATION

Save the Date: Perry County Chamber of Commerce Networking Event, featuring PCCF | October 20, 2016

[CLICK HERE TO LEARN HOW TO APPLY FOR A GRANT >>](#)



WOULD YOU LIKE TO BE FEATURED IN THE NEXT EDITION OF THE INSIDER?

Send us your photos of what community means to you and you may be featured in our next issue!