

BOLD STEPS

*Strengthening lives
and communities*





William G. McGowan

William G. McGowan (1927-1992) was a pioneering entrepreneur and the motivating force behind the success of MCI. During his 24 years as the head—and very public face—of MCI, William McGowan expanded the company from a struggling local radio service to a \$9.5 billion telecommunications giant. He was instrumental in the toppling of the Ma Bell monopoly, and thanks to his dogged efforts and successful antitrust litigation, the previously regulated telecommunications industry was transformed into a business open to competition.

A man born of modest means, William McGowan’s business achievements were remarkable. He recognized, though, that with his success came great responsibility, and so was committed to providing others hope through opportunity. He believed in the power of education, the promise of medical research and the urgency of community need. He died in 1992 after a six-year battle with heart disease that included two heart attacks and a heart transplant. Soon after William McGowan’s death, the McGowan Fund was established to provide financial support to organizations that reflect the visions, concerns and life experiences of its benefactor, and have proven success in changing and improving societal conditions.

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Vision

To impact lives today, create sustainable change and empower future generations to achieve their greatest potential.

Mission

The William G. McGowan Charitable Fund brings our vision to life through grant-making efforts in three program areas: Healthcare and Medical Research, Education and Community Initiatives for Those Most Vulnerable. We give priority to programs that have demonstrated success, have measurable outcomes and a plan for sustainability, and aim to end cycles of poverty and suffering.

Resolute in our belief in the power of partnerships or collaborative efforts to maximize impact, we embrace opportunities to work with other funders in our program areas, and look for funding opportunities that share our philosophy and explore the possibility of joint projects with other non-profit organizations.

Letter from the President

Dear Friends,

I am proud that over the past two years, the McGowan Fund has generated exceptional momentum and extended its reach and efficacy. Through careful, focused grant making, we continue to seed and nurture worthy grantees. Via the McGowan Fellows Program, we are also building an effective community of future ethical leaders.

In all that we do, we are inspired by the life and work of my late husband, Bill McGowan. Bill forcefully demonstrated that human-centric vision, bolstered by effective tools and key resources, generates world-changing results. His decade-long legal and regulatory campaign that freed America's phone system for healthy competition meant consumers finally had choices. Bill's victory on behalf of MCI also opened the pathway to progress in communications technology.

As president of the Board of the McGowan Fund, I can confirm that we are responsible stewards of Bill's legacy. Our \$170 million family foundation benefits from the talent of 15 deeply engaged board members. We share a comprehensive vision for the Fund and have developed the skills to make it real, selectively awarding \$7 million to \$8 million in grants annually, in the six communities where our trustees reside. Throughout this report, you will read a sampling of our grant recipients, high-performing non-profits achieving measurable results in three key areas: education for under served youth, health/medical research with a focus on cardiac care, and addressing immediate human needs.

Our McGowan Fellows Program, established in 2010, differs from these other initiatives: Fellows are not an at-risk population. But by enlisting top second-year year MBA students who demonstrate societal concerns, we increase the possibility that a wide range of people will obtain good jobs and wages and be self-sustaining in a more humane society.

The Fellows' community expands by 10 each year; by 2014 they will be 50 strong. Each year, members of prior classes demonstrate their ongoing commitment and support by signing on to Fellows' projects. We also work closely with our 10 academic partners—America's top-ranked business schools—and with other exceptional leaders and groups to move this program to ever higher levels.

In each of our chosen areas of concentration, the Board of the William G. McGowan Charitable Fund continues moving forward at a measured and forceful pace. Our efforts continue to be rewarded by excellent near-term outcomes, and future promise.

Please enjoy this 2012-2013 Annual Report. I believe you will share our enthusiasm for the worthwhile projects that have merited our support.



Sue Gin-McGowan
President

Letter from the Executive Director

Dear Friends,

The past two years were a time of transition and growth for the Fund, and we are excited to share our news with you. Since our last Report, the Fund's board of directors made the decision to increase our grant-making focus in organizations and programs that produce long-term, sustainable results. The Fund will continue supporting organizations that provide support for immediate needs, but with the intent of transitioning recipients to a stabilized, maintainable environment.

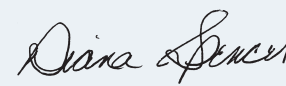
We have always been a mindful grant-making body, performing thorough due diligence on all grantees and requiring that all community partners produce measurable, quantifiable results. As such, the transition achieved over the past two years is a natural evolution of our existing activity. It is also a powerful show of the Fund's commitment to the individuals and communities we serve. We chose BOLD STEPS as the theme for this Annual Report because it reflects both the board's accomplishments of the past two years and our vision for the coming years.

You can read about the most significant example of our new focus on page 20, where we highlight an exciting collaboration with the American Heart Association. The Fund will serve as the inaugural funder of Healthy Way to Grow, an innovative initiative that will provide technical assistance to child care centers across the country with the goal of decreasing obesity among children ages birth to 5 years old.

Healthy Way to Grow also represents the Fund's continued commitment to collaborative philanthropy. Recognizing that the scope of most social problems is beyond the realm of any single organization, we are increasingly looking to be strategic with our grants, allowing grantees to leverage our support for additional funding. With the American Heart initiative, the board's hope is that other funders will see the evaluative component and research that has gone into this data-and results-driven program and expand the program beyond the boundaries of the six pilot communities.

All of the progress of the past two years occurred in conjunction with the celebration of our 20-year anniversary. It was inspiring to reflect on all that the Fund—under the direction and careful management of the board of directors—has achieved since our founding. Our accomplishments include more than \$115 million to hundreds of organizations in our six geographic regions.

The anniversary also provided an opportunity to renew our commitment to the legacy of our benefactor, William G. McGowan. Mr. McGowan was a powerful force in the business world, best known for his unrelenting determination to disband the telecommunications monopoly. His success was propelled by his ability to envision possibility; and the Fund, in that spirit, is now committed to enabling possibility through long-term and sustainable positive change in the communities we serve.



Diana Spencer
Executive Director

McGOWAN FELLOWS PROGRAM



In 2010, the William McGowan Fund board of directors launched the McGowan Fellows program to support the achievements of business students and next-generation leaders committed to the furthering of ethical business practices. With the induction of the Class of 2012 and Class of 2013, the McGowan Fellows community grew to 30 and the program expanded to accommodate the growing alumni community.

In 2012, the Fund launched a Fellows newsletter to foster community and dialogue among the Fellows. Also in 2012, the Fund dedicated a full-time staff person to manage the program and sustain the community as it grows. Under the management of the new staff person, the Fund is focusing on creating spaces and opportunities for ongoing conversations among Fellows and alumni, with the goal of sustainable, long-term inclusion and participation of alumni.

As part of the fellowship experience, each class of Fellows collaborates on a year-long group project. The Fellows project provides an opportunity to work collaboratively with like-minded peers on a program of meaningful social impact. Throughout the year, the Fellows meet weekly via conference call and wrap-up the project with a face-to-face weekend working session. The year-long experience strengthens Fellows' relationships and spurs additional conversation and engagement. The Classes of 2012 and 2013 completed work initiated by the Class of 2011, finalizing a modular ethics curriculum for high school students. The Class of 2013 made the final recommendation to the McGowan board of directors, offering three scenarios for distribution and delivery of the curriculum.

McGowan Fellows Program



McGowan Fellow Grants

2012 University Partners

Scholarship awarded for one second-year MBA student in 2011-2012 academic year

Carnegie Mellon University Tepper School of Business Pittsburgh, PA	\$52,500
Columbia University Columbia Business School New York, NY	55,868
Dartmouth College Tuck School of Business Hanover, NH	53,490
Duke University Fuqua School of Business Durham, NC	50,300
Georgetown University McDonough School of Business Washington, DC	47,544
Massachusetts Institute of Technology Sloan School of Management Cambridge, MA	52,628
Northwestern University Kellogg School of Management Evanston, IL	54,000
University of Chicago Booth School of Business Chicago, IL	51,920
University of Michigan Ross School of Business Ann Arbor, MI	52,750
University of Pennsylvania Wharton School of Business Philadelphia, PA	52,396

Total **\$ 523,396**

2013 University Partners

Scholarship awarded for one second-year MBA student in 2012-2013 academic year

Carnegie Mellon University Tepper School of Business Pittsburgh, PA	\$54,800
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GRANTS AWARDED TO MCGOWAN FELLOWS

Columbia University Columbia Business School New York, NY	\$58,384
Dartmouth College Tuck School of Business Hanover, NH	56,160
Duke University Fuqua School of Business Durham, NC	52,900
Georgetown University McDonough School of Business Washington, DC	49,440
Massachusetts Institute of Technology Sloan School of Management Cambridge, MA	58,200
Northwestern University Kellogg School of Management Evanston, IL	56,550
University of Chicago Booth School of Business Chicago, IL	56,000
University of Michigan Ross School of Business Ann Arbor, MI	55,194
University of Pennsylvania Wharton School of Business Philadelphia, PA	56,658

Total **\$ 554,286**



Class of 2012

Scholarship awarded in 2011 for 2011-2012 academic year

Kaitlyn Caughlin
Massachusetts Institute of Technology
Sloan School of Management

Constantinos G. V. Coutifaris
University of Pennsylvania
The Wharton School

Kyle Davidson Estep
Northwestern University
Kellogg School of Management

Brendan P. Hickey
University of Chicago
Booth School of Business

Alison Poole
Duke University
Fuqua School of Business

Tamar Rimmon
Columbia University
School of Business

Robert W. Spies
Dartmouth College
Tuck School of Business

Ryan M. Stenson
University of Michigan
Stephen M. Ross School of Business

Jennifer Tindle
Georgetown University
McDonough School of Business

Thomas Woodard
Carnegie Mellon University
Tepper School of Business

Class of 2013

Scholarship awarded in 2012 for 2012-2013 academic year

Thomas Arnett
Carnegie Mellon University
Tepper School of Business

Joseph D. Brannock
University of Michigan
Stephen M. Ross School of Business

Dwight G. Hutchinson IV
University of Chicago
Booth School of Business

Eva Liu
University of Pennsylvania
The Wharton School

Karen E. Olson
Dartmouth College
Tuck School of Business

Danielle Sewell
Massachusetts Institute of Technology
Sloan School of Management

Kilkil Shah
Georgetown University
McDonough School of Business

Nikolaos Socratous
Columbia University
School of Business

Nikki L. Taylor
Northwestern University
Kellogg School of Management

Molly White
Duke University
Fuqua School of Business

INITIATIVES IN EDUCATION



For many, including William McGowan, education is the gateway to opportunity, and academic achievement is the path to long-term success. Yet students who live in poverty and disadvantaged neighborhoods face many barriers to academic success, and wide achievement disparities persist for economically challenged students. Through our Initiatives in Education programming, the Fund has long worked to address those achievement gaps, and reduce disproportions in graduation rates and college success.

During the 2012-2013 grant-making period, the Fund continued its focus on academic achievement, honing in on partners with evidence-based programs and demonstrated success in meeting achievement standards, graduating students, and equipping students for college success. With research showing that poverty-stricken children who read below grade level in third grade are three times as likely to drop out of high school as students who have never been poor, the need for academic-achievement programs among the underserved is urgent. Our renewed focus on academic success and grade-level achievement reflects the Fund's belief in the importance of a continuum-of-care process that supports youth through each stage of education and into post-secondary achievement.

McGowan Symposium on Business Leadership and Ethics

In November 2012 and November 2013, the McGowan Fellows gathered with the Fund's board of directors, faculty from the Fellows University partners, and leaders from business and academia for the annual McGowan Symposium on Business Leadership and Ethics. The symposium provides Fellows the opportunity to engage in meaningful, sometimes challenging conversations with their peers, past Fellows, and influential thought leaders.

The 2012 symposium, which was co-hosted by Northwestern University Kellogg School of Management and held in Evanston, IL, explored values-based leadership. The 2013 symposium, which was co-hosted by the Tuck School of Business at Dartmouth in Hanover, NH, turned its attention to the future, exploring the challenges ethical leaders will face in a business culture shaped by rapidly evolving technology and societal expectations.



Grantee Spotlight
By the Hand Club For Kids

By the Hand Club For Kids is a Chicago-based after-school program that provides tutoring and support to children and teens in the city’s most under-resourced neighborhoods, including the Austin community. By the Hand Club emphasizes academic excellence, with a focus on raising grades and standardized-test performance, while nurturing mind, body, and spirit. “Our mission is to take kids by the hand in first grade and walk with them all the way through high school, supporting them until they can walk independently,” said Donnita Travis, founder and executive director.

Since 2009, the McGowan Fund has walked along with By the Hand Club, helping to expand services and grow the Austin program. When the Fund first started supporting By the Hand Club, Austin served 176 children in first through eighth grades. In 2013, Austin served 264 first through 12th graders in a newly constructed, 26,000-square-foot building. “They’ve helped us grow with our kids. We now have a college prep program and our first class of Austin high school graduates, 88 percent of whom are in college this fall,” Travis said.

Because literacy is closely linked to academic success, By the Hand Club recently launched a comprehensive literacy program with the McGowan Fund’s support. Each site now has a reading specialist who works one-on-one with kids to improve their vocabulary, grammar, sentence formation, and comprehension. As a result, 34 percent of all Austin kids and 96 percent of kids who have been with the Austin club for four consecutive years experienced an increase in their ISAT Reading performance.

“Our culture is people focused, but we are results driven,” Travis said. “We hold each other accountable in everything we do, and appreciate that the Fund expects similar accountability. We think that accountability is the best way to serve our kids.”

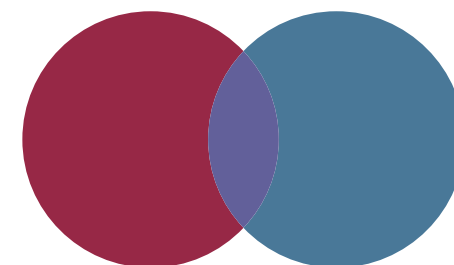


Education Grants

2012	
Academy of Scholastic Achievement Chicago, IL ASA Reads	\$25,000
Anchor Center for Blind Children Denver, CO Preschool Program	10,000
Better Boys Foundation Chicago, IL BikeLAB	20,000
Big Shoulders Fund Chicago, IL Capital Improvements Program, Chairman’s Emergency Scholarship Fund & 21st Century Classrooms	125,000
Bishop Miege High School Shawnee Mission, KS The Helping Hand Tuition Fund	50,000
Boys & Girls Club of Truckee Meadows Reno, NV Power Hour	15,000
By The Hand Club For Kids Chicago, IL By The Hand Literacy Initiative - Austin Site	120,000
Carole Robertson Center for Learning Chicago, IL Youth Alternatives Program	25,000
Catalyst Schools Chicago, IL General operating support	20,000
Center for Youth Services Rochester, NY College Prep Program	45,000
Children’s Home + Aid Chicago, IL Austin Community Schools Initiative	40,000
Circle Urban Ministries Chicago, IL College Readiness Program	25,000
City Year Chicago Chicago, IL Whole School Whole Child	20,000



Cluster Tutoring Chicago, IL Cluster Tutoring Program	\$7,500	Donnelly College Kansas City, KS Donnelly ACTS (And Community Together in Service)	\$30,000
Colorado Mountain Club Golden, CO Youth Education Program (YEP!)	15,000	El Centro, Inc. Kansas City, KS Academy for Children	25,000
Colorado UpLift Denver, CO Evaluation project	25,000	Foundation for Inclusive Religious Education Kansas City, MO Growth by Schools, Teachers and Technology	30,000
Colorado Youth at Risk Denver, CO Steps Ahead For Youth/Touchstone Programs	25,000	Hope Hall Rochester, NY High school scholarships and Career Development/Occupational Studies Program	25,000
Communities In Schools of Aurora Aurora, IL CIS Accreditation/Comprehensive Services for East High School	40,000	Illinois Institute of Technology Chicago, IL IIT Food Safety and Sustainable Architecture Graduate Fellowships	20,000
Congregation of the Sisters, Servants of the Immaculate Heart of Mary Scranton, PA “We Believe That You Are Smart”	30,000	Junior Achievement of Northern Nevada Reno, NV Low Socio-Economic Financial Literacy Program	10,000
Cristo Rey Kansas City Kansas City, MO College counseling program, capacity building	40,000	Kids R First Reston, VA Kids R First Organization	35,000
		KIPP Chicago Chicago, IL KIPP Through College	30,000
		Lawndale Christian Development Corporation Chicago, IL Academic Enrichment and Technology Training Program	15,000
		Learning Disabilities Association of the Genesee Valley, Inc. Rochester, NY Educational consulting services	15,000
		Literacy Volunteers of Ontario-Yates Canandaigua, NY “Pathway to Success”	48,835
		Merit School of Music Chicago, IL Marketing initiative	15,000
		Mission of Our Lady of Mercy Chicago, IL The Academy	25,000



**SHARING
CORE VALUES**

IN LINE WITH OUR CORE VALUE OF MISSION SPENDING,
THE FUND CONTRACTS ONLY WITH ORGANIZATIONS
THAT SHARE THE SAME CORE VALUE OF GIVING BACK
TO THEIR COMMUNITIES.



IN 2013, THE WILLIAM G. MCGOWAN FUND CELEBRATED 20 YEARS OF SUPPORT TO PEOPLE IN NEED.

Nevada Museum of Art, Inc. Reno, NV Teacher Training Program	\$30,000
North Lawndale College Preparatory Charter High School (NLCP) Chicago, IL AIM High	27,000
NTID Rochester, NY Sebastian and Lenore Rosica Hall	750,000
Our Lady of Unity Kansas City, KS Five to Win Program	50,000
St. James Academy Lenexa, KS Partners In Faith	80,000
St. John the Apostle Catholic School Virginia Beach, VA "Ray" of Hope Scholarship	10,000
St. Peter's School Kansas City, MO Imagine It! and Treasures	25,000
The Chicago High School for the Arts Chicago, IL The Chicago High School for the Arts	35,000

The Scranton School for Deaf & Hard of Hearing Children Pittsburgh, PA Synergistics Laboratory	\$40,887
The University of Scranton Scranton, PA The University of Success	15,000
The Washington Middle School for Girls Washington, DC Graduate Support Program	15,000
The Youth Foundation Edwards, CO PwrHrs Afterschool Program	50,000
UCAN Chicago, IL UCAN 360° Model	20,000
Umoja Student Development Corporation Chicago, IL Umoja University – Best Practice Program	50,000
University of Chicago Charter School Chicago, IL Woodlawn Campus	50,000
University Preparatory School Denver, CO General operating support	20,000
Washington Jesuit Academy Washington, DC Out-of-school programming	20,000
Total	\$ 2,334,222
2013	
Academy of Scholastic Achievement Chicago, IL ASA Reads	\$27,500
Big Shoulders Fund Chicago, IL Capital Improvements Program, Chairman's Emergency Scholarship Fund & Secondary School College Prep	125,000
Bishop Miege High School Shawnee Mission, KS The Helping Hand Tuition Fund	50,000



Bishop Ward High School Kansas City, KS STEM+	\$80,000
Boys & Girls Club of Truckee Meadows Reno, NV Bridging the Gap: Youth Technology Programming	15,000
By The Hand Club For Kids Chicago, IL Support services and materials toward academic achievement	125,000
Carole Robertson Center for Learning Chicago, IL Youth Alternatives Program	25,000
Catalyst Schools Chicago, IL General operating support	25,000
Catholic Education Foundation Kansas City, KS Scholarships for Wyandotte County under-resourced youth	40,000
Center for Labor & Community Research Chicago, IL Out-of-School Polytechnical Career Program	25,000
Center for Inspired Teaching Washington, DC Inspired Teaching Institute	150,000
Center for Youth Services Rochester, NY College Prep Program	25,000
Chicago Youth Centers Chicago, IL Teen Leadership Development	20,000
Circle Urban Ministries Chicago, IL College Readiness	25,000
City Year Chicago Chicago, IL Whole School Whole Child	20,000
Cluster Tutoring Chicago, IL Cluster Tutoring Program	7,500
Colorado Mountain Club Golden, CO Youth Education Program (YEP!)	15,000

Community Christian Alternative (CCA) Academy Chicago, IL CCA Academy's Advisory and Seminar Program	\$25,000
DePaul University, Office of Advancement Chicago, IL DePaul CPS Partnership: Improving Access to College through International Baccalaureate Education	99,690
Economic Opportunity Foundation Kansas City, KS HeadStart Curriculum & Assessment	13,600



SUSTAINABLE CHANGE

IN 2012, THE FUND BEGAN EXPLORING PATHS TO SHIFT OUR PRIMARY FOCUS TO SUSTAINABLE CHANGE, WHILE STILL SUPPORTING THE IMMEDIATE NEEDS WITHIN OUR COMMUNITIES. THROUGH THESE STRATEGIC EXPLORATIONS, WE ARE ENSURING THAT OUR GRANT MAKING GENERATES THE GREATEST POSITIVE SOCIAL IMPACT FOR THOSE IN NEED.



**\$115
MILLION**

IN 2013, THE MCGOWAN FUND REACHED THE SIGNIFICANT MILESTONE OF \$115 MILLION IN GRANTS TO NON-PROFITS SERVING INDIVIDUALS IN THE AREAS OF HEALTHCARE AND MEDICAL RESEARCH; EDUCATION; AND COMMUNITY NEEDS.

El Centro, Inc. Kansas City, KS Academy for Children	\$25,000
Hope Hall Rochester, NY Hope Hall Career Development and Scholarship Program for Students Who Learn Differently	45,000
IMSA Fund for Advancement of Education Aurora, IL IMSA FUSION	45,960
KIPP Chicago Chicago, IL KIPP Through College	30,000
LEARN Charter School Network Chicago, IL STEM at LEARN (Science, Technology, Engineering, and Math)	20,000
Marywood University Scranton, PA Student Academic Success and Inspiring Excellence (SASIE) Program	297,488

Mission of Our Lady of Mercy Chicago, IL The Academy	\$30,000
New Leaders Chicago, IL New Leaders Principal Development and Support in North Lawndale and Austin	25,000
Noble Network of Charter Schools Chicago, IL Rowe-Clark School's blended-learning model	50,000
NTID Rochester, NY Sebastian and Lenore Rosica Hall	250,000
Rockhurst High School Kansas City, MO Arrupe Scholars	30,000
Save Our Youth Denver, CO Save Our Youth Educational Support for At-Risk Youth	20,000
St. John the Apostle Catholic School Virginia Beach, VA Ray of Hope Scholarship	35,000
Strategic Learning Initiatives Chicago, IL Family Engagement Program	25,000
Teach For America-Chicago Chicago, IL Increasing the impact of Teach For America-Chicago	25,000
The Chicago High School for the Arts Chicago, IL The Chicago High School for the Arts	40,000
The Children's Cabinet Reno, NV The Nell J. Redfield School of Life	25,000
The Youth Foundation Edwards, CO PwrHrs Afterschool & Summer Program	37,500
UCAN Chicago, IL 360° Model	20,000

Total **\$2,014,238**

COMMUNITY INITIATIVES FOR THOSE MOST VULNERABLE



Since its inception, the Fund has been a strong supporter of programs that serve the most vulnerable members of our communities, including the elderly, disabled, homeless, and those suffering from poverty. Following the economic downturn of 2008—when many found themselves out of work just when state and federal funding for social services was being slashed—our community partners experienced increased demand for assistance. The Fund responded proactively, increasing grants for community initiatives that provided food, shelter, clothing, and crisis support to individuals and families in need.

Over the past two years, the Fund made a mindful shift to support more organizations that focus on sustainable change for program participants. Our board recognized that in order to end the cycle of poverty and homelessness, individuals must have basic needs met and be provided pathways to advancement. Without abandoning our mission of meeting the immediate needs of at-risk community members, the Fund increasingly looked to programs that focus on job training, education, wellness, and community-building. Together with these partners, we are working to improve the self-sufficiency and long-term success of individuals and families in our communities.



Grantee Spotlight
Community LINC

For 25 years, Community LINC has been helping families in Kansas City, MO, escape homelessness and poverty. In 2012, with support from the McGowan Fund, Community LINC launched the Interim Housing and Aftercare Program, which provides families transitional housing and supportive services for 120 days with intensive follow-up services for an additional nine months. Aftercare services help participants regain self-sufficiency with mental health counseling and customized employment plans as well as coaching in life skills, healthy lifestyles, and budgeting.

With the new program, Community LINC will be able to serve twice as many families—up to 135 families per year—while increasing participants’ likelihood of success and self-sufficiency, according to Jeannine Short, senior director of programs and services. “We help them realize if they are proactive and problem-solve. When they know where to turn for help, they can prevent the cycle of homelessness,” she said.

This focus on long-term success, as well as the non-profit’s long commitment to results measurement, made the program a natural fit for the McGowan Fund, said Teresa McClain, Community LINC’s associate executive director. “We view the Fund as a very analytical funder and very serious stewards of their resource. They want to invest in something that works and they want to see the results to back that up,” she explained.

The program is proving successful, with 80 percent of participating families moved to permanent housing and 88 percent of adults employed by the program’s end. “The McGowan Fund’s grant was the seed money that allowed this to get off the ground,” McClain said. “It was a show of faith that we were able to leverage for additional funding. Now, we’re seeing tremendous success.”



Community Grants

2012

ACS Community LIFT Denver, CO FamilyCare Program	\$15,000
Aspen Camp for the Deaf and Hard of Hearing Snowmass, CO Outdoor adventures, retreats and classes for youth, adults, and families	25,000
Assistance League of Reno-Sparks Reno, NV Food Pantry	20,000
Bread for the City Washington, DC Pre-Employment Program (PEP)	20,000
Bright Future Foundation Avon, CO Family Counseling and Psychological Services Program	15,000
CARE Chest of Sierra Nevada Reno, NV CARE Chest Medical Resource Programs	30,000
Casa de Vida Reno, NV Pathways to Success	20,000
CASA of the Continental Divide Dillon, CO CASA of the Continental Divide	14,000
Catholic Charities of Northeast Kansas Overland Park, KS Shalom House Shelter for Homeless Men	30,000
CeaseFire/Chicago Project for Violence Prevention Chicago, IL CeaseFire in Austin and North Lawndale	25,000
Children’s Dyslexia Center Rochester, NY Tutoring program for children with dyslexia	25,000
CitiCare Reno, NV New Freedom Initiative	25,000



Commission on Economic Opportunity Wilkes-Barre, PA McGowan Center for Healthy Living - Phase 2	\$1,030,000	Hope of Buffalo Inc Buffalo, NY Support of a Case Manager	\$12,500
Communities In Schools of Chicago Chicago, IL Connecting underserved students to programs in North Lawndale	25,000	Make-A-Wish Foundation of the Mid-Atlantic Bethesda, MD Wish Granting Program	26,200
Compeer Rochester, Inc. Rochester, NY Youth and family mentoring	20,000	Mercy Housing Lakefront Chicago, IL Austin Multi-Family Service Program	15,000
Dress for Success Lackawanna Scranton, PA Dress for Success Lackawanna Career Services	15,000	Miriam’s Kitchen Washington, DC Nutritious Meals and Case Management Program	25,000
East House Corporation Rochester, NY Home to Stay	5,000	Near West Side Community Development Corporation Chicago, IL Doors to Opportunity	20,000
FACES (Family Advocacy, Care, Education, Support) Denver, CO Home Visitation Program	10,000	North Lawndale Employment Network Chicago, IL U-Turn Permitted & Sweet Beginnings Program Track	25,000
Family Learning Center Edwards, CO Tuition scholarships	30,000	Northern Illinois Food Bank Geneva, IL BackPack Program	20,000
Final Salute Haymarket, VA Final Salute Inc.	25,000	Northern Nevada Children’s Cancer Foundation Reno, NV Family Assistance Fund	35,000
Food Bank of Northern Nevada, Inc. McCarran, NV Rural bundled services	35,000	Rochester Hearing and Speech Center Rochester, NY Summer Speech Outreach (SSO) project	10,000
Food Desert Action Chicago, IL Fresh Moves Mobile Produce Market	25,000	Saint Anthony Hospital Foundation Chicago, IL Safe Kids, Healthy Families for North Lawndale	15,000
FoodWorks Colorado Denver, CO Vocational training and food distribution	10,000	Seeking Common Ground, Inc Canandaigua, NY Herb Haven	15,000
Gilda’s Club Rochester/Cancer Action Inc. Rochester, NY Healthy Lifestyles Program	20,000	Sisterhouse Chicago, IL Recovery Is Possible	15,000
Heritage Christian Services East Rochester, NY Employment Alliance	25,000	Skating Association For The Blind and Handicapped, Inc. Buffalo, NY Adults Fit and Fun	10,000
Hochstein School of Music & Dance Rochester, NY Tuition Assistance Program	30,000		

Community Initiatives for Those Most Vulnerable



SOS Outreach Avon, CO Seven-day wilderness trip	\$50,000	Women's Resource Center Scranton, PA The Safe House Program for homeless domestic violence victims	\$40,000
St Agatha Family Empowerment Chicago, IL Teen Alternative Network	20,000	Women & Children's Center of the Sierra Reno, NV Women & Children's Center of the Sierra	15,189
Sunflower House Shawnee, KS Child Assessment Program	10,000	Young Men's Educational Network Chicago, IL General operating report	40,000
The Center of Teen Empowerment Rochester, NY Southwest Youth Organizing Project	15,000	YouthFriends Kansas City, MO Learning Across Languages	18,000
The Denver Hospice Denver, CO General operating support for the Patient Care Fund	10,000	Total	\$2,271,589
2013			
The Peace Corner Chicago, IL The Peace Corner Youth Program	15,000	ACS Community LIFT Denver, CO Basic needs for families in crisis	25,000
The Solace Tree Reno, NV Good Grief Net	35,000	Bessie's Hope Denver, CO Bessie's Hope Intergenerational Programs	10,000
The Yellow Umbrella Organization Salem, MA Paint It Yellow	24,700	Black Bear Project Reno, NV Black Bear Project	5,000
Tru Vista Foundation Inc. Reno, NV Judge's Scholarship	10,000	Breaking Ground Chicago, IL Urban Agriculture Horticulture Job Preparedness	12,500
United Neighborhood Centers of Northeastern Pennsylvania Scranton, PA McGowan Community Literacy Partnership	16,000	Bright Future Foundation Avon, CO Family Counseling and Psychological Services Program	15,000
University of Rochester Rochester, NY Accessing Healthcare for Women in the Court Setting	90,000	Bristlecone Family Resources Reno, NV Recovering Together Through Group Counseling	24,180
Urban Peak Denver, CO Shelter and supportive services for homeless youth	30,000	CARE Chest of Sierra Nevada Reno, NV Medical Resource Programs	40,000
VSA Arts of Nevada Reno, NV Arts for ALL	20,000	Casa de Vida Reno, NV Pathways to Success	25,000

Community Initiatives for Those Most Vulnerable



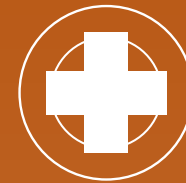
CASA of the Continental Divide Dillon, CO CASA of the Continental Divide (CASACD)	\$15,000	Hope for Tomorrow, Inc. Aurora, IL U.S. VETCARE Recovery Home Program (RHP)	\$25,000
Catholic Charities of Northeast Kansas Overland Park, KS Emergency Assistance and Transitional Housing—Kansas City Metropolitan	35,000	Jeffco Action Center, Inc., Lakewood, CO General operations support	25,000
Chicago Public Library Foundation Chicago, IL Chicago Public Library's Teen Volume Program	15,000	Juvenile Protective Association Chicago, IL Building Bridges to North Lawndale	50,000
Communities In Schools of Chicago Chicago, IL Connecting services to underserved students in North Lawndale	35,000	Keystone Junior College La Plume, PA School-Age Adventurers and Explorers Program	30,000
Community LINC Kansas City, MO Interim Housing and Aftercare	50,000	Literacy Volunteers of Ontario-Yates Canandaigua, NY Pathways to Success	49,281
East House Corporation Rochester, NY Home to Stay	15,000	Marley's Mission Incorporated Scranton, PA Marley's Mission Hope Scholarship Program	15,000
Employment Opportunity & Training Center—EOTC—of Northeastern Pennsylvania Scranton, PA The Incredible Years Parent-Training Program	42,000	Mental Health America of Colorado Denver, CO Check Your Head	10,000
FACES (Family Advocacy, Care, Education, Support) Denver, CO Home Visitation Program	15,000	Mile High Montessori Early Learning Centers Denver, CO General operations support	20,000
Family Learning Center Edwards, CO Tuition scholarships	30,000	North Lawndale Employment Network Chicago, IL U-Turn Permitted & Sweet Beginnings Program Track	25,000
Food Bank of Northern Nevada, Inc. McCarran, NV Mobile Pantry	35,000	Northern Nevada Children's Cancer Foundation Reno, NV Family Assistance Fund	35,000
Food Desert Action Chicago, IL Fresh Moves Mobile Market	25,000	Project PAVE, Inc. Denver, CO Counseling Program	10,000
Gerard Place Buffalo, NY Community Center general operating support	125,000	Rape Assistance and Awareness Program Denver, CO Prevention Education	25,000
Gilda's Club Rochester/Cancer Action Inc. Rochester, NY Healthy Lifestyles Program	10,000	Rochester Hearing and Speech Center Rochester, NY Summer Services Outreach (SSO) Project	5,000

Community Initiatives for Those Most Vulnerable



Rochester Rotary Charitable Trusts, Inc. Rochester, NY Sunshine Camp	\$10,000	The Finger Lakes Museum Keuka Park, NY The Finger Lakes Museum's Earth to Table Program	\$50,000
Rocky Mountain Multiple Sclerosis Center Westminster, CO King Adult Day Enrichment Program (KADEP)	20,000	The Mission Project Mission, KS The Mission Project	12,000
Ruth's Place: House of Hope, Inc. Wilkes-Barre, PA House of Hope Inc.	14,000	The Note-Ables Sparks, NV Music therapy for low-income children and adults with disabilities	15,000
SafeHouse Denver Denver, CO Comprehensive programs assisting survivors of domestic violence	10,000	The Senior Hub Federal Heights, CO Respite and in-home supportive services	10,000
Second Chances Denver, CO Job training & life skills development	10,000	The Yellow Umbrella Organization Salem, MA Paint It Yellow	24,700
Senior Assistance Center Denver, CO Emergency Assistance	5,000	United Neighborhood Centers of Northeastern Pennsylvania Scranton, PA Angel's Attic	30,000
St. Ann's Infant and Maternity Home Hyattsville, MD Employment Opportunity Program	50,000	Uplift Inc. Kansas City, MO Uplift Organization, Inc.	20,000
St. Francis Center Denver, CO Homeless shelter services	10,000	Volunteers of America Colorado Branch Denver, CO Meals on Wheels Program	25,000
St. John the Evangelist Church Pittston, PA Support for diagnostic testing services at The Care and Concern Free Health Clinic	25,000	Wilson Commencement Park Rochester, NY Family Support Services	10,000
The Advertising Council of Rochester Rochester, NY The McGowan Program & Training Fund for Yates County Nonprofits	15,000	Work Options for Women Denver, CO Culinary Job Training	12,000
The Center of Teen Empowerment Rochester, NY Neighborhood Youth Organizing Project	20,000	Yates Cultural & Recreational Resources, Inc. Penn Yan, NY Yates Community Center	50,000
The Children's Agenda, Inc. Rochester, NY Children's Sabbath & Faith Advocacy Partnership	25,000	Young Men's Educational Network Chicago, IL General operating support	40,000
The Delores Project Denver, CO The Delores Project	20,000		
		Total	\$1,460,661

HEALTHCARE & MEDICAL RESEARCH INITIATIVES



The years 2012 and 2013 marked a time of exciting progress for the McGowan Fund Healthcare and Medical Research program area. We continued our support of cardiac research, funding pioneering approaches to heart disease treatment. Also, after several years of collaborative planning, the Fund entered into a large-scale childhood obesity/heart disease prevention program with the American Heart Association. The five-year grant to the new Healthy Way to Grow program represents the largest award given to healthcare prevention in the Fund's history, and the groundbreaking initiative heralds a new direction in large-scale, health-promotion programming.

The Fund continued support of preventive approaches through Rush University Medical Center's ELM program. This lifestyle-change program is a research study of patients with metabolic syndrome, a collection of risk factors that lead to diabetes and heart disease. ELM helps participants adopt healthy habits through education, coaching, and peer support. After a successful, multi-year trial, ELM moved into the sustainability component of the program with McGowan support.

Finally, throughout 2012-2013, we continued to support community partners that serve the uninsured and underinsured, helping to fill gaps in the available healthcare safety net.





Grantee Spotlight

American Heart Association

One in three U.S. children is now overweight or obese, and one-quarter of preschool children are obese or overweight. Obese children as young as 3 years show indicators for developing heart disease later in life. Recognizing that early intervention is the key to reversing these statistics, in 2013 the McGowan Fund provided inaugural funding for a major initiative aimed at decreasing obesity among young children. Healthy Way to Grow is a joint program of the American Heart Association and Nemours, a non-profit children’s health system, that will provide resources, training, and support to child care centers across the country.

“Healthy Way to Grow is built on the fundamental premise that consistent, lifelong healthy habits are the most prudent and effective way to achieve and maintain ideal cardiovascular health,” said Nancy Brown, CEO, American Heart Association. “Children who adopt these habits at the earliest ages stand a much better chance of becoming healthy adults.”

The program will launch in the McGowan Fund’s six communities in 2013 with the goal of expanding to more communities over the coming years. It will help child care centers improve physical activity, nutrition and screen time practices, resulting in healthier children, better-informed parents and caregivers, and ultimately, a reduction of childhood obesity in those communities.

“While organizations like the American Heart Association and Nemours have the knowledge and expertise to develop impactful programs that can help reverse this epidemic, we do not always have the financial resources to implement them,” said Jennifer Weber, director of Healthy Way to Grow for the American Heart Association. “Thanks to the McGowan Fund, we are now able to launch a program that will confront the problem at its earliest stages.”



Healthcare Grants

2012

CommunityHealth Chicago, IL Expanded Nurse Case Management Program	\$50,000
Finger Lakes Health Foundation Geneva, NY From Rehab to PRE-hab	49,844
The Rocky Mountain Youth Clinics Thornton, CO Mobile Health Program	25,000
Roundup River Ranch Avon, CO Roundup River Ranch	25,000

Total \$149,844

2013

Access to Healthcare Network Reno, NV Access to Healthcare Network Patient Care Fund	\$27,500
American Heart Association Dallas, TX Healthy Way to Grow child care technical assistance program	1,279,410
CommunityHealth Chicago, IL Families First: Health Promotion for Vulnerable Populations	25,000
Volunteers in Medicine Wilkes-Barre, PA Support of free medical care and expanding services to low income uninsured families	200,000

Total \$1,531,910



Medical Research Grants

2012

Rush University Medical Center Chicago, IL The ELM Sustainability Study	\$134,874
McGowan Institute for Regenerative Medicine Pittsburgh, PA McGowan Institute for Regenerative Medicine	750,000

Total \$884,874

2013

McGowan Institute for Regenerative Medicine Pittsburgh, PA McGowan Institute of Regenerative Medicine	\$750,000
McGowan Institute for Regenerative Medicine Pittsburgh, PA McGowan Institute of Regenerative Medicine	441,536
Rush University Medical Center Chicago, IL The ELM Sustainability Study	134,772

Total \$1,326,308

Other Grants

2013

Foundation for the National Archives Washington, DC William G. McGowan Theater Program and Audience Development	\$150,000
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Total \$150,000

Board Discretionary & Matching Grants

2012

Board & Staff Matching Grants	\$ 166,829
Discretionary Grants	388,815

Total \$555,644

2013

Board and Staff Matching Grants	\$ 186,796
Discretionary Grants	325,800

Total \$512,596

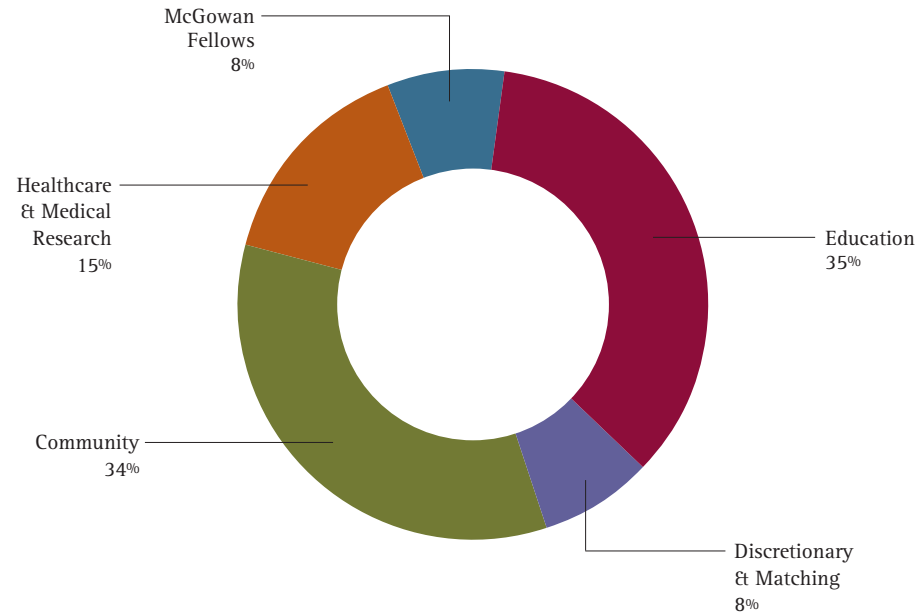


VOLUNTEER HOURS

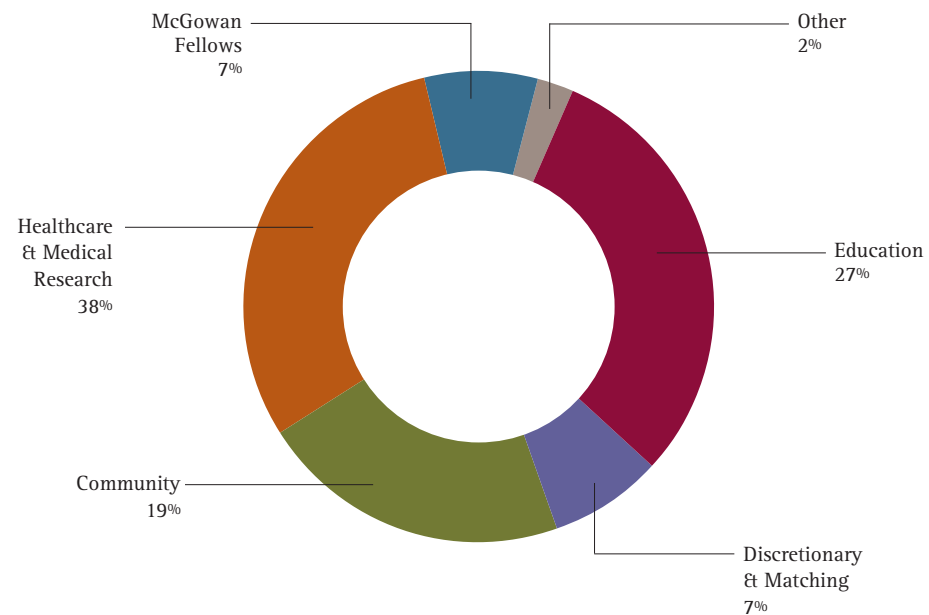
THROUGHOUT OUR 20-YEAR HISTORY, THE FUND HAS MAINTAINED A COMMITMENT TO BE AGENTS OF CHANGE IN OUR OWN COMMUNITIES. THE MCGOWAN FUND BOARD OF DIRECTORS HAS VOLUNTEERED OVER 40,000 HOURS OF SERVICE, INCLUDING BOARD MEETINGS, SITE VISITS TO GRANTEEES AND PROSPECTIVE GRANTEEES, AND COMMUNITY-SERVICE INITIATIVES SUPPORTED BY THE FUND.

Grant Distribution by Program Area

2012



2013



Financial Statement

William G. McGowan Charitable Fund Statement of Financial Position (Pre-Tax) Period Ended June 30, 2013

2012

2013

Assets

Cash and cash equivalents	\$		
- Checking and saving account		12,910	448,816
- Money market/cash		1,597,242	4,095,972
Fixed income		61,815,303	62,718,129
US equities		60,864,341	52,555,752
Real assets		477,211	6,494,433
Alternative investment - private equity		-1,085,184	-1,085,133
International equities		21,605,688	21,211,636
Other		155,064	160,228

TOTAL

\$145,422,575

146,559,833

Liabilities/Net Capital

Accounts payable	\$	-	-
Other liabilities		-	-
Initial capital fund upon inception	\$	126,298,054	126,298,054
Subsequent fund increase/(decline) since inception			
Accumulated fund balances at beginning of fiscal year, as previously reported		22,089,335	19,144,521
- Prior period tax cost adjustments		1,091	-762,503
Accumulated fund balances at beginning of fiscal year, restated		22,090,426	18,382,018
Current period net earning/(loss)		(2,945,905)	1,919,761
Accumulated fund balances at end of fiscal year		19,144,521	20,301,779

TOTAL

\$145,422,575

146,559,833

Grant-Making & Geographic Guidelines

The McGowan Charitable Fund awards grants within the following parameters:

Education

Because William McGowan was a recipient of support to complete his final year of education, and because he deeply believed in the power of education to transform lives:

We support exceptional business students through the McGowan Fellows Program, and support exceptional Pre-K through 12 programs that creatively address the current challenges in our educational system for the purposes of promoting retention and graduation rates in underserved or underachieving populations.

We do not support programs in the following areas, except by invitation: Arts; Capital Campaigns; Embryonic Stem Cell Research; Endowments; Grant-making Foundations; Multi-year Grants; National Organizations; Salary Support; Sports Programs.

Community Initiatives for Those Most Vulnerable

Because of William McGowan's belief in the power of community, and because of his actions in building community:

We support programs in our communities that address quality-of-life challenges for the elderly, for those who are victims of abuse, those who are disabled, and those who suffer from hunger, homelessness, unemployment or illness.

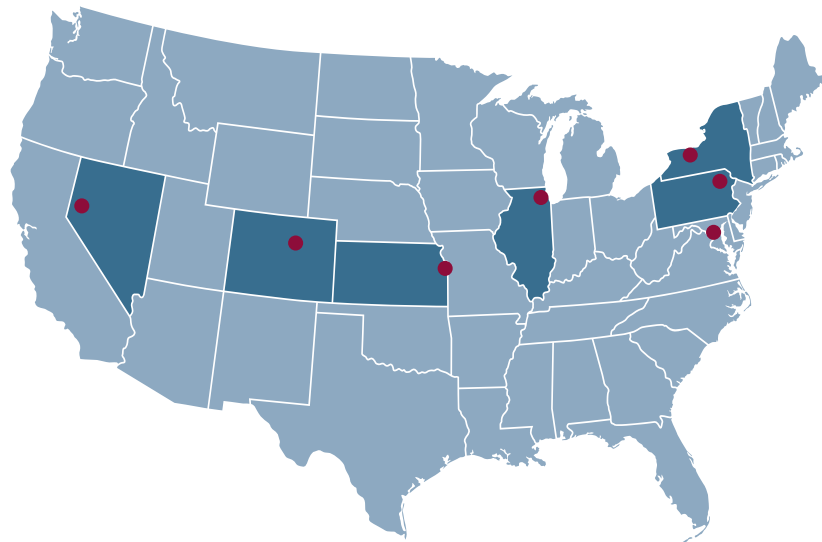
Healthcare & Medical Research

Because of William McGowan's cardiac condition and heart transplant:

We support programs and research projects that address the challenges and needs in cardiac healthcare.

Geographic Guidelines

The McGowan Charitable Fund restricts its grants to the following areas:



The Board of Directors of the McGowan Charitable Fund play an active role in examining requests for funding from their areas of the country, as well as in assessing the progress of programs that they fund, and in evaluating those programs.

Colorado

Including Greater Denver Metropolitan area, Eagle and Lake Counties

Illinois

The city of Aurora and the Chicago neighborhoods of Austin and North Lawndale

Kansas

Including Kansas City Metropolitan area

Nevada

Including Reno Metropolitan area

Western and Upstate New York

Including Rochester; and surrounding areas; Buffalo by invitation only

Northeast Pennsylvania

Lackawanna and Luzerne Counties only

Washington DC

By invitation only

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Thanks!

The William G. McGowan Charitable Fund would like to recognize the contributions from our many partners/grantees. Without their assistance our story would not be fully told.

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