

# POTTSTOWN CITIZENS FOR Enlightened LEADERSHIP

## Do we need a community foundation?

In recent weeks, we've discussed sources of funding for worthy projects Pottstown government can't afford.

There are government grants, grants from major foundations like William Penn, and from special purpose foundations such as the Pottstown Area Health and Wellness Foundation, established with \$80 million in proceeds from the sale of Pottstown Memorial Medical Center in 2003.



Commentary by  
Thomas Hylton

On Tuesday we discussed private foundations established by wealthy people.

Many communities have umbrella foundations that raise money from multiple local donors to improve a community's quality of life.

More than 700 of these "community" foundations have been created nationwide since the first one was founded in Cleveland in 1914. Berks, Chester, and Montgomery County all have community foundations, but none extends to Pottstown.

The Berks County Community Foundation is an excellent example of how they work. The Berks foundation was created at the instigation of the Wyomissing Foundation, itself established in 1926 by the founders of Wyomissing Borough and its namesake industries just west of Reading.

The Berks Foundation, rather than being funded by one family or institution, consists of many funds set up by individuals, most with a specific purpose identified by the donor. Foundation staff invest and manage the money and administer grants from each fund according to the donors' wishes.

The Foundation was incorporated in 1994 with \$1 million in seed money from the Wyomissing Foundation. Since then, the Community Foundation has grown to encompass 350 funds with total assets of \$75 million. It has a volunteer board of 14 and a staff of 12.

Some people and organizations donate to the Foundation and let the staff decide where to spend the money. But most donors have a specific cause in mind.

If they do, they need to make

a minimum donation of \$50,000 to set up a fund. Typically, grants from each fund are given annually and total at least 4.5 percent of the fund. But all potential donors are invited to speak with Foundation staff no matter how much they have to give.

The Foundation awards scholarships from about 130 designated funds. The staff manages the applications and grants, although some organizations choose their own scholars and let the foundation handle the administrative work.

Other funds run a huge gamut of causes. Some help with the maintenance of specific buildings or parks or with conservation projects. Some funds benefit specific libraries or churches or non-profits like a YMCA or the Reading Orchestra.

One fund provides mini-grants to teachers; another to support special education students in a specific school district. Another fund provides financial assistance to Berks residents under 30 without insurance who are diagnosed with cancer.

The Foundation emails a monthly newsletter on request that describes available grant funding and the process and timeline for applications. People also call the Foundation staff to see if funding is possible for their specific needs.

By making it easy to set up a fund, the Foundation encourages people to put some of their assets to work helping their community.

Pottstown could benefit greatly from its own community foundation.



BERKS COUNTY  
COMMUNITY FOUNDATION

<b>Founded</b>	<b>1994</b>
<b>Number of funds</b>	<b>350</b>
<b>Assets</b>	<b>\$75 million</b>
<b>Grants distributed since its inception</b>	<b>\$50 million</b>