



Our  
Regions  
At Work

# William G. McGowan

*A man of vision, action, and ethics*



William G. McGowan (1927-1992) believed in the power of education, the promise of medical research, and the urgency of community needs. Born of modest means and destined to lead and grow one of America's first telecommunications giants, he also believed in the efficacy of action. The foundation reflects those values.

He is probably best known as the motivating force behind the success of MCI. During his 24 years as the head—and very public face—of MCI, McGowan expanded the company from a struggling local radio service to a \$9.5 billion telecommunications force. He was instrumental in the toppling of the Ma Bell monopoly and, with his dogged efforts and successful antitrust litigation, helped usher the highly regulated telecommunications industry into the modern, competitive era. Those who knew him also know that he championed ethics in business.

He died in 1992, after a six-year battle with heart disease that included two heart attacks and a transplant. Soon after his 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 pillar areas: Education, Human Services, and Healthcare & Medical Research. We give priority to programs that have demonstrated success, have measurable outcomes and plans 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 we look for funding opportunities that share our philosophy and explore the possibility of joint projects with other nonprofit organizations.

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# Letter from the Chair & Executive Director

Dear Friends,

Thank you for sharing your time with us as we reflect on our grant-making and organizational initiatives from 2016.

You may not know that the Fund was established to award grants to nonprofits in the communities where the siblings of William G. McGowan resided. Today, while the first generation is with us only in spirit, we continue to be a place-based grant-maker in these same six geographic regions, as well as a national funder of specific multi-year programs, including the McGowan Fellows Program.

“Our Regions At Work” highlights a few of the initiatives of the year, but at a deeper level speaks to our commitment to continually strive to fortify the lives of residents living in McGowan communities.

Being a place-based grant-maker in regions where trustees reside has provided the opportunity to be deeply engaged in the work of nonprofits. It also helps us to fully understand the needs of communities and the resources available in our grant-making programs.

As we’ve grown, we have learned that we must be malleable and open to different methods of confronting the face of poverty. Challenges are very similar across our regions, while the resources available in each community vary widely. Everywhere we work, we continue to ask, “How can we do better?” and also “How can we do more?”

In addition to being energized by our progress serving low-income children and adults, we are also very proud of the McGowan Fellows Program. The Fellows program selects one second-year MBA student from 10 premier schools in the country who has achieved academic success and demonstrated societal concern. This program, steeped in ethics and leadership, reached our seven-year anniversary, and the community is now 70 strong! During the fellowship year, Fellows engage in a social impact project to strengthen ties with one another and “pay it forward” for a lucky nonprofit. In 2016, Fellows worked on a mental health project for Rush University which resulted in recommendations to reduce repeat emergency room visits. Also throughout the year, Fellows and alumni volunteered for numerous nonprofits. Our belief in the program continues to strengthen. By supporting aspiring leaders who are committed to ethical decision-making, employees, families, and communities will benefit.

We are deeply grateful for and proud of our innovative nonprofit partners who work tirelessly to improve lives, communities, and societal norms within our three pillars of giving: Education, Human Services, and Healthcare & Medical Research. It is an honor to share in this journey. As you read these stories of transformed lives and imaginative solutions, we hope they’ll spark even more great work in the communities we serve, live in, and treasure. It has been a productive year, and we look forward to the work ahead.

Sincerely,



William P. McGowan  
Chair



Diana K. Spencer  
Executive Director



## McGowan Fellows Program

*An exceptional team addresses mental health issues in the ER*

Talented, accomplished, and diverse in their backgrounds and interests, McGowan’s Fellows are among the best students in the nation. Chosen annually, the 10 MBA Fellows are also committed to understanding, embracing, and promulgating ethics in their work. The fellowship provides tuition assistance and a lifelong community.

As part of the fellowship program, each class of Fellows collaborates on a social impact project. During the 2015–16 academic year, the Fellows worked with Rush University Medical Center in Chicago, addressing an issue that faces many medical centers. The question: How could Rush manage patients’ behavioral health issues within the emergency department and ambulatory care practices more effectively? For many in Rush’s catchment area, the emergency room was the first option for behavioral health patients, oftentimes

straining the ER’s capacity. The hospital was particularly concerned about patients participating in a local healthcare plan for Medicaid enrollees.

The McGowan Fellows studied the issue and presented actionable recommendations in spring 2016. The recommendations fell into four categories: acute care, patient segmentation, longitudinal care, and technology. Among their suggestions: embed social service staff in the emergency department, use a more dynamic approach to patient segmentation, initiate stronger patient tracking, develop partnerships with outside community organizations, and supplement care with online tools and virtual therapy.

This strategic map provides recommendations to improve operational efficiency.

# McGowan Fellows Program

## McGowan Fellow Grants

### 2016 University Partners

Scholarship awarded for one second-year MBA student in 2015-2016 academic year

Carnegie Mellon University Tepper School of Business Pittsburgh, PA 2016 McGowan Fellow Katie Tippets	\$59,046
Columbia University Columbia Business School New York City, NY 2016 McGowan Fellow Gabriele Massari	65,988
Dartmouth College Tuck School of Business Hanover, NH 2016 McGowan Fellow Alicia Dagrosa	60,966
Duke University Fuqua School of Business Durham, NC 2016 McGowan Fellow David Cohen	60,600
Georgetown University McDonough School of Business Washington, DC 2016 McGowan Fellow David Crowley	53,850

Massachusetts Institute of Technology Sloan School of Management Cambridge, MA 2016 McGowan Fellow Tory Sheppard	65,750
Northwestern University Kellogg School of Management Evanston, IL 2016 McGowan Fellow Nikola Jakic	64,059
University of Chicago Booth School of Business Chicago, IL 2016 McGowan Fellow Nicole Bell	62,780
University of Michigan Ross School of Business Ann Arbor, MI 2016 McGowan Fellow Jon Erdtsieck	61,590
University of Pennsylvania Wharton School of Business Philadelphia, PA 2016 McGowan Fellow Neil Vangala	64,920

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**Total** **\$619,549**



## Education Initiatives

*Diverse, innovative, and evidence-based*

Education is a force in American society like no other. At its best, it's a panacea for poverty, an invisible agent protecting and promoting health through understanding. When it's accessible, relevant, and effective, it builds economic health, sustainable jobs, and thriving communities.

The McGowan Fund focuses on innovative programs that address achievement gaps, improve teaching and learning, and reduce disparities among students. This includes projects focusing on early childhood education all the way through college success, as well as teacher and leadership training.

In 2016, our grants supported a wide range of diverse and creative programs. Among them: an outdoor education program that reaches 5,000 at-risk youth in the Denver area, an educational resource for boys and young men living in Chicago's disadvantaged Lawndale neighborhood, and a language immersion school in Kansas City. Our education grants totaled nearly \$3 million.

As always, we emphasized evidence-based programs, with an eye to organizations capable of and interested in learning from new information harvested from their own work and the work of others in the field.





**Finger Lakes Community College**

*Teachers team up to beat the transition blues*

In the quandary that is college preparation, with its varying standards, diverse applicants, and underfunded schools, it's tempting to point fingers. According to the Nation's Report Card, just one-third of new students arrive on college campuses prepared for college-level work. In another study of college faculty and students at two-year colleges nationwide, faculty put the number at a dismal 4 percent, and students blamed their high schools.

"The research points fingers at the high schools," admits Jacqueline Tiermini, assistant professor of

humanities at Finger Lakes Community College, where 25 percent of students arrive prepared. "But I was cautious. I thought, wait a minute."

Tiermini is part of a new program designed to ease the transition between high school and college. Spearheaded by FLCC, which is 25 miles southeast of Rochester, New York, the Regional Education Continuum pairs college teachers with their high school peers for the purpose of observing each other's classrooms, sharing insights, and making changes.

The conversations are proving fruitful.

For instance, the college teachers have learned that high school teachers are subject to many mandates and serve multiple constituencies, including the principal and anxious parents. "They noticed that

math teachers had this emphasis on the test, the test, the test, because this test has to be passed by the end of the year," Tiermini says. That structural emphasis could explain why some concepts are overlooked. Meanwhile, high school science teachers learned that college teachers expect students to read textbooks independently and efficiently. Together, the teachers are framing practical, doable solutions.

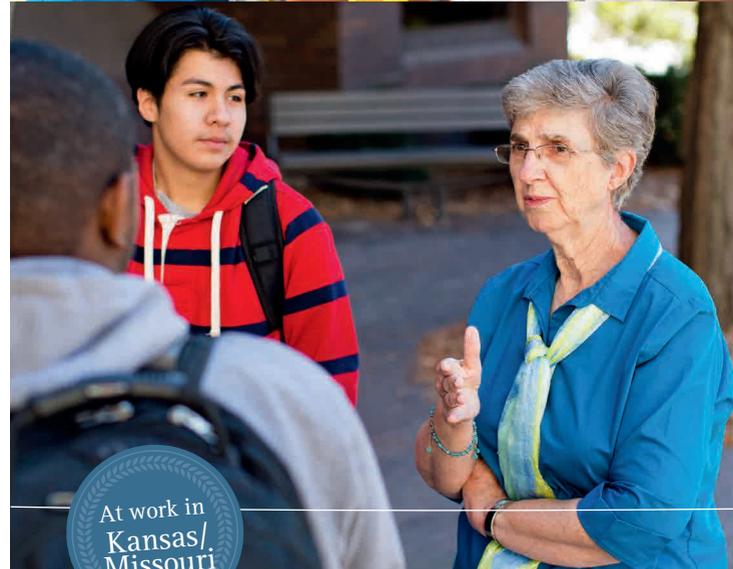
More broadly, high school and college are different cultures, notes Tiermini. High school students are closely directed; in college, they face dozens of choices. This makes the transition difficult, especially for students whose parents didn't go to college. "This has raised everyone's awareness," she says—and no one is pointing fingers.

**Education Grants**

Académie Lafayette Kansas City, MO SMART Board Initiative	\$20,000
Arts for All Nevada formerly VSA Arts of Nevada Reno, NV Start with the Arts to Graduation	20,000
Aurora University Aurora, IL Creating a Better Democracy through Ethical Decision-Making	117,000
Big Brothers Big Sisters of Greater Rochester Rochester, NY Truancy Project: Mentoring Youth for Educational Success	20,000
Big Shoulders Fund Chicago, IL Access Chairmen's Scholarship, Capital Improvements Program, and College Access Support Program	125,000
Bishop Miege High School Shawnee Mission, KS The Helping Hand Tuition Fund	50,000
Boys Hope Girls Hope of Kansas City Overland Park, KS Academic Achievement	35,000
By The Hand Club For Kids Chicago, IL By The Hand Austin Club	150,000
Chicago Education Partnership Wheaton, IL Moving Everest Charter School	25,000
City Year Chicago Chicago, IL Whole School, Whole Child	25,000
Communities In Schools of Nevada Las Vegas, NV Western Affiliate Expansion Program	50,000
Cristo Rey Kansas City Kansas City, MO College Counseling and College Retention	50,000

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DeLaSalle Education Center Kansas City, MO Personalized Education and Post-Secondary Exploration Program	\$25,000
Donnelly College Kansas City, KS Gateway to College at Donnelly College	50,000
E3 Rochester Rochester, NY Charter School Growth Initiative	250,000
El Centro, Inc. Kansas City, KS Academy for Children	35,000
ESL In-home Program of Northern Nevada Carson City, NV General Operations	25,000
Family Learning Center Edwards, CO General Operations	35,000
Finger Lakes Community College Foundation, Inc. Canandaigua, NY Regional Educational Continuum (REC) Program	57,409
Fire Foundation: aka Foundation for Inclusive Religious Education Kansas City, MO FIRE Model Expansion	50,000
Geneva Reads Inc. Geneva, NY General Operations	4,000
Gerard Place Buffalo, NY Gerard Place Community Center	125,000
Girl Scouts of NE Kansas & NW Missouri Kansas City, MO Girl Scouts Urban Core Outreach	25,000
Greater Kansas City Community Foundation Kansas City, MO Early Childhood Collaborative	250,000
Guadalupe Educational System Inc. Kansas City, MO Helping First Generation College Goers	25,000



**Cristo Rey Kansas City**

*An alumni program helps low-income students beat the odds*

If you're a graduate of Cristo Rey in Kansas City, you can be sure Sister Linda Ross has her eye on you. As the alumni director at the high school, she helps low-income students transition to and stay in college. She has a big job: In Cristo Rey's first 10 years, 100 percent of graduates have gone to college, which means Sister Linda is tracking and supporting nearly 400 alumni.

Her flock faces enormous challenges: homelessness, cash shortages for books and

meals, and remedial classes that can stretch a two-year program to a frustrating three-and-a-half years. These problems can derail even the most motivated students, which is why, nationwide, fewer than 20 percent of low-income students who start college actually complete a degree.

Among Sister Linda's current concerns: one girl who suddenly turned down the chance to go to a four-year college. Why? Because she didn't have transportation. She also didn't have a home until her sister took her in. The girl chose a more accessible community college, which can be a hard slog without the social structure typical of four-year institutions. "But she's on my radar," says Sister Linda. "We meet once a month. I think she'll be fine."

Besides advice and support, the alumni program offers emergency cash assistance and help finding and keeping scholarships. It works. Nearly 63 percent of Cristo Rey's alumni have graduated college or are in school now.

One of those college graduates spoke at the 2016 graduation. Mone'kai Shannon-Thornton told Cristo Rey's seniors to always say "yes" to new things, to embrace college as a new beginning, and to avoid comparing oneself to others—wise and inspiring words.

Still, Sister Linda isn't quite satisfied. "Sixty-three percent is not as high as I'd like it to be. We want 100 percent," she says.

## Education Initiatives

Hope Hall Rochester, NY Career Development and Scholarship Program For Students Who Learn Differently	\$50,000	SOS Outreach Avon, CO Continued support of SOS Outreach year-round intensive, University Program	50,000
KIPP Chicago Chicago, IL KIPP Through College	50,000	St. Luke's Hospital Foundation, Inc. Kansas City, MO The Children's SPOT	50,000
LEAP Innovations Chicago, IL Driving Student Achievement Through Innovation	75,000	Starbridge Services, Inc. formerly Learning Disabilities Association of the Genesee Valley, Inc. Rochester, NY Tutoring and Coaching Services	20,000
Literacy Kansas City Kansas City, MO Ticket to Read	33,000	The Artist Outreach Dallas, TX Inspired Living and The STREAMliners	30,000
Literacy Volunteers of Ontario-Yates Canandaigua, NY K Train	30,000	Young Men's Educational Network Chicago, IL YMEN 2015 General Operating Need	40,000
M.K. Gandhi Institute for Nonviolence Rochester, NY Project Think Before Reacting-Continuing Work in Rochester Schools	30,000		
NativityMiguel School of Scranton Scranton, PA General Operations	50,000		
Nevada Museum of Art Reno, NV Steam Education Initiative	50,000		
North Lawndale College Prep Chicago, IL Phoenix Pact Scholarship Program	30,000		
Ozanam Kansas City, MO Education Scholarships for High-Risk Students	25,000		
Phoenix Family Kansas City, MO HIKE (Help Instill the Key to Education)	5,000		
Rockhurst High School Kansas City, MO Hurtado Scholars	50,000		
Sierra Nevada Journeys Reno, NV Classrooms Unleashed	31,703		
		<b>Total</b>	<b>\$2,962,661</b>



## Human Services Initiatives

*Focusing on sustainable self-sufficiency for the homeless*

Poverty limits everything: access to good housing in healthy neighborhoods, grocery stores within easy reach, and ultimately the work that might break the cycle of deprivation. Recognizing the complexity and dependencies of this cycle, the McGowan Fund focuses on projects that promise sustainable change through housing, food distribution, mental health services, and education or job training and job placement.

We're particularly interested in efforts that promote self-sufficiency, and we look for evidence-based programs with measurable results.

What did those efforts look like in 2016? Our grantees included an addiction recovery center in Reno, a job-training program for Chicago's homeless, and the renovation of affordable housing in northeastern Pennsylvania. Our human services initiatives totaled more than \$1.7 million in grants.



**i.c. stars**

*Tech graduates shine in work and community*

When David Williams ran out of money during his first year at Illinois State University, he went home to Chicago’s Austin neighborhood, where the unemployment rate is nearly 23 percent. Living with his mother, he enrolled in community college and worked low-wage jobs, “about anything I could do,” he says.

None of these jobs involved writing computer code or packaging data for a healthcare consultancy, which is what Williams does now at Michael Pine Associates in downtown Chicago.

What accounts for the change? Williams heard about i.c. stars, a technology training program that serves low-income adults. “I didn’t believe it at first,” he says. Plus, it was a sacrifice—12 hours a day, five days a week for four months. “Then I talked with alumni and they were telling about where they were before i.c. stars and I related. I knew it was right for me.”

But it wasn’t a done deal. i.c. stars accepts between 2 and 5 percent of its applicants, according to Co-founder and President Sandee Kastrul. Among the requirements: a GED, at least six months’ work experience, and also some intangible qualities, including resilience, a capacity to solve problems, and a sense of working for something bigger than oneself. “They’ll say, ‘I was up against a wall, and

this is what I did,’” she says. Successful candidates demonstrate grit. “And who better than inner-city kids?”

Job placement runs at 95 percent; the industry retention rate, 81 percent. Other measures: salaries jump exponentially, home ownership rises, and 65 percent of alumni become community leaders, testimony to the similarity between the IT process and community problem-solving, Kastrul says.

As for Williams, he recently spoke to high school students in Austin. His game plan: gain work experience, return to college, and emerge with a great job offer, a victory in a generation that has seen even its privileged students struggle.

**Human Services Grants**

A Safe Haven Foundation Chicago, IL Manufacturing Careers in Welding	\$100,000
After the Harvest Kansas City, MO Produce Procurement Program and The Gleaning Network	20,000
Arapahoe House Thornton, CO Housing and Employment Program	10,000
Assistance League of Reno-Sparks, Reno, NV Food Pantry	20,000
Aurora Area Interfaith Food Pantry Aurora, IL Hunger Relief Through Capacity Building and Food Rescue	30,000
Bayaud Enterprises Denver, CO Pathways to Sustainable Employment	25,471
Bishop Sullivan Center Kansas City, MO Feed the Hungry	22,000
Bright Future Foundation Avon, CO Trauma-Focused Counseling and Psychological Services Program	20,000
Bristlecone Family Resources Reno, NV Foundation for the Future	60,000
Catholic Charities of Northeast Kansas Overland Park, KS Shalom House Shelter for Homeless Men—Supports to Build Self-Sufficiency	45,000
Child Advocacy Services Center, Inc./dba The Children’s Place Kansas City, MO Data and Outcomes Coordinator Stipend	23,000
Compeer Rochester, Inc. Rochester, NY Youth & Family Mentoring Program	30,000
Connections to Success Kansas City, MO Stabilizing the Lives of the Homeless Through Pathways to Success	50,000
Cross-Lines Community Outreach Kansas City, KS Cross-Lines’ Housing Stabilization Program	25,000

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Dimitri-House, Inc. Rochester, NY Essential Assistance, Emergency Food Cupboard, and DASH: Expanding Capacity	\$25,000
EarthLinks, Inc. Denver, CO EarthLinks Workshop	15,000
Food Bank of Northern Nevada, Inc. McCarran, NV Mobile Pantry Program	60,000
Friends of the Poor Scranton, PA General Operations	48,725
Hands of The Carpenter Lakewood, CO Car Repair for Single Mothers	15,000
HappyBottoms Lenexa, KS Diaper Distribution Program	50,000
Hope for Tomorrow, Inc. Aurora, IL Men's & Veterans Recovery Home Program	50,000
Housing Development Corporation Hazleton, PA St. Gabriel House Restoration and Renovation	100,000
inner-city computer stars foundation (i.c. stars) Chicago, IL Technology, Business and Leadership Workforce Training Program	45,000
Jackson County CASA Kansas City, MO Transition Project for Older Foster Youth	30,000
Jeffco Action Center, Inc., Lakewood, CO Providing Low-Income People a Hand-Up!	35,000
Jewish Family Services Overland Park, KS Food & Shelter/Pantry	35,000
Kids TLC, Inc. Olathe, KS Capital Improvement Project	25,000
Lawndale Christian Health Center Chicago, IL Homeless Health Care	20,000
Lazarus Ministries at Grand Avenue Temple Kansas City, MO Emergency Shelter for Women	10,000



## Food Bank of Northern Nevada

*Life-saving food, with a dash of life-changing education*

Even though she's offering samples of freshly prepared food, Melissa Moreno meets some hesitance as she visits with the folks waiting for groceries at the Food Bank of Northern Nevada's mobile unit, called Mobile Harvest. One day it's spaghetti squash that sparks dismay. Another day it's a kale and bulgur salad. What's bulgur? people ask her.

Moreno, a bilingual nutrition educator, is undeterred. "It just takes one person to say it's okay," she laughs. "Then people try it."

The Mobile Harvest program, which received a grant from the McGowan Fund for its work in Reno, brings fresh produce, dairy, and protein to low-income neighborhoods across northern Nevada. As a bilingual nutrition educator, Moreno offers nutrition tips, recipes, and lessons on food labels, portion control, and healthy cooking, as well as the taste tests.

The need is significant. Today, more than one in four children in Washoe County, where Reno is located, misses meals. When the stock market crashed and foreclosures mounted in 2008, the food bank delivered 15 million pounds of food; in 2015, the bank delivered between 13 and 14 million, which is lower, but still worrisome. "This has gone from emergency to chronic," Cherie Jamason, the food bank's CEO, says. Looking back over her 28 years

with the organization, she adds, "Hunger is worse than it used to be."

Hunger is also just one symptom of a larger problem—poverty. In 2014, nearly 15 percent of Reno households brought in less than \$22,020. Parents are working multiple jobs without benefits or wage hikes, and many people aren't aware of services and options. Accordingly, Mobile Harvest often brings along experts and partners, offering Medicaid outreach, information on the SNAP (food stamp) program, back-to-school immunizations, flu shots, and even dental care. "You have to be creative if your goal is to make people's lives better," says Jamason. Plus, she adds, "People have enough lines to stand in."

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# Human Services Initiatives

Lifespan of Greater Rochester, Inc. Rochester, NY Employment Program for Older Adults	\$25,000	The Children's Agenda, Inc. Rochester, NY The Children's Agenda's Interfaith Collaborative	38,000
Mercy Housing Lakefront Chicago, IL Austin Affordable Housing and Family Service Center	20,000	The Delores Project Denver, CO Steps to Stability	30,000
Metropolitan Lutheran Ministry Kansas City, MO Family Empowerment Program	30,000	The Empowerment Center Reno, NV Workforce Development	10,000
Morning Glory Ministries Kansas City, MO Job Empowerment Program	15,000	The Mission Project Mission, KS The Mission Project Wellness Initiative	24,120
Nevada Youth Empowerment Project Reno, NV Community Living Program	25,000	United Community Services of Johnson County Lenexa, KS Planning to Improve Employment Opportunities for Low Income Households	25,000
New Moms Inc. Chicago, IL Workforce Development	25,000	United Neighborhood Centers of Northeastern Pennsylvania Scranton, PA Crisis Intervention Services	25,000
Northern Illinois Food Bank Geneva, IL BackPack Program	25,000	Valley Youth House Committee, Inc. Allentown, PA Supportive Housing for Homeless Luzerne County Youth	25,000
Open Door Ministries Denver, CO Treasure House	25,000	Willow Domestic Violence Center formerly Alternatives for Battered Women Rochester, NY Safe Place Project	25,000
Ridge House, Incorporated Reno, NV Ridge House Josh Montoya Program	10,000	Women's Resource Center Scranton, PA WRC; Barbara J. Hart Justice Center	80,856
Rochester Area Interfaith Hospitality Network, Inc. Rochester, NY Homeless Family Rental Subsidy Program	10,000	Women & Children's Center of the Sierra Reno, NV Closing Gaps, Opening Doors	27,500
Rochester Rotary Charitable Trusts Inc. Rochester, NY Sunshine Campership Program	10,000	Work Options for Women Denver, CO Culinary Job Skills Training Program	40,000
Second Chances Denver, CO Job Training and Life Skills Development	40,000	Year One Inc., dba Mile High Youth Corps Denver, CO Youth Employment and Education Program for Metro Denver	10,000
Seeking Common Ground, Inc. Canandaigua, NY Herb Haven Social Venture	25,000	Zion House Avon, NY Zion Computer Training Center Upgrade and Expansion	25,000
Seton Center Kansas City, MO Empowering through Basic Human Needs	25,000		
Spiritus Christi Prison Outreach Rochester, NY Bridges to Care Project	30,000		
		<b>Total</b>	<b>\$1,769,672</b>



# Healthcare & Medical Research Initiatives

*Focusing on heart health across the life span*

If there's one epidemic that's visible every day in every corner of the country, it's the risk of heart disease—about 17 percent of American adults smoke, less than 50 percent do aerobic exercise, and a visit to any schoolyard, where one in three youths are overweight or obese, tells the story of young people facing heart-breaking risks.

Through our Healthcare & Medical Research Initiatives, the McGowan Fund partners with institutions that strive to reverse metabolic syndrome or cardiac disease through intensive lifestyle management and clinical research, as well as organizations that offer innovative heart-disease prevention programs.

We also support efforts to provide access to healthcare for low-income children and adults, and, as with all of our work, we focus on evidence-based programs and welcome new, actionable discoveries.

In 2016, this work touched every stage of life. In Kansas City, we supported a children's hospital that integrates healthy lifestyles into its childcare training and in the Denver area, a program that teaches everyday citizens to restart hearts. A multiyear grant continued to fund the American Heart Association's Healthy Way to Grow program in all of our six regions. All together, our Healthcare & Medical Research grants totaled more than \$1 million.



**American Heart Association**

*A heart health program reaches new dimensions*

You might say Pam Hoffman threw herself into teaching healthy living to her 3–5 year olds at the Back Mountain Day Care center in Shavertown, Pennsylvania. One day, the kids made ants on a log (celery, peanut butter, and raisins); another day, they danced; for a while, they experimented with red foods (the beets didn't sell, but the apples did). Then one day, Hoffman realized that she was losing weight. "I thought, this might actually work!" she laughs.

What was working was Healthy Way to Grow (HWTG), a multiyear heart health program that aims to change the eating habits and activity levels of very young low-income children. Shavertown is in Luzerne County, where the poverty rate is 15.8 percent and the adult diabetes rate is almost one in 10.

Coordinated by the American Heart Association, HWTG is wracking up impressive results in all six of the McGowan Fund's regions. In its first two years, the program reached 897 early childhood classrooms, many of which began offering nutrition lessons three or more times a week to 15,000 children.

The crisis at hand is childhood obesity. Nationwide, 8.9 percent of kids 2–5 years old are obese. (In Pennsylvania, the number is 12.2 percent—more than one in 10—for low-income kids 2–4 years old.) The trend grows as the children grow; with entrenched habits and problems accessing nutritious food, 17.5 percent of children ages 6–11, are obese; by adulthood more than one-third of Americans are obese. The health risks are significant, including high blood pressure, type 2 diabetes, coronary heart disease, and stroke. Meanwhile, according to Harvard's T.H. Chan School of Public Health, obesity and overweight also affect the economy, the nation's productivity, and even national

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**Healthcare & Medical Research Grants**

American Heart Association Dallas, TX Healthy Way to Grow	\$719,513
CARE Chest of Sierra Nevada Reno, NV Medical Resource Programs	50,000
CommunityHealth Chicago, IL Essential Health Care for the Uninsured	50,000
Duchesne Clinic Kansas City, KS Preventive Cardiac Care for Patients with Metabolic Syndrome	50,000
Family Focus, Inc. Chicago, IL Healthy Hearts and Families (HHF)	20,000
Healthy Schools Campaign Chicago, IL Change for Good	35,000
Mercy Hospital of Buffalo Buffalo, NY Empowering Buffalo: Nurturing a Healthy Neighborhood	37,750
St. Joseph's Neighborhood Center Rochester, NY SSJ AmeriCorps Interns	16,000
Starting Hearts Avon, CO Starting Hearts Program Training and Outreach	17,500
The Children's Mercy Hospitals and Clinics Kansas City, MO Integrating Healthy Lifestyles Initiative into Child Care Training-KC Metro	35,076

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**Total** **\$1,030,839**



defense (30 percent of young people are too heavy to qualify for military service).

The philosophy behind HWTG is basically get 'em while they're young, but that's not the whole picture. As Nancy Herman, the project coordinator in Pennsylvania, explains, HWTG also reaches out to parents and teachers with information, shopping and cooking tips, and teaching strategies.

This approach ensures sustainability by building capacity in the community. "A whole group has been trained, and they'll build community connections," notes Jennifer Weber, the program's national director. "There's already a garden in Kansas City, for instance, and our online resources will go on even after the centers graduate."

Probably the best example of capacity building is in Aurora, Colorado, where the public school system signed on with 30 early childhood centers in 2015-16, the first-ever school system to join HTWG. Aurora has a poverty rate of 14.3 percent; most of the restaurants serve fast food.

Bringing the public schools into the fold involved six months of preparation. There was some hesitation. "But I found it's all in the delivery," recalls Chloe Sundberg, the project coordinator for the region. "A lot of the sites have been used to programs coming in and doing short and intense stints. Staff don't like that. It throws them for a loop," she says. Sundberg demonstrated that teachers didn't have to stray far from established curriculum, "It doesn't have to be a formal lesson plan—think of all the books you read.

Have the kids act out the characters. Be creative." Teachers were also wary about healthy snacks; they thought the kids wouldn't eat them. But experience proved otherwise.

In fact, it was the healthy snacks that first put Pam Hoffman, the Back Mountain teacher, on the road to losing 35 pounds. To be a good role model, she started eating carrots and cucumbers at school. Then she started cutting down on portions at home.

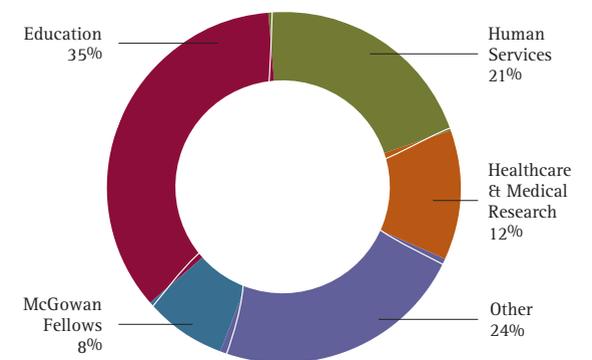
Three years later, her enthusiasm is infectious. After a lunch of ham, watermelon, and scalloped potatoes, most of her kids agree the watermelon was best. But one little boy makes sure his teacher knows he gave the potatoes a chance. "Am I doing great?" he asks. "I tried this, Miss Pam!"

## Other Grants

Greater Kansas City Community Foundation Kansas City, MO Community Foundation Grant	\$184,208
National Archives Foundation Washington, DC William G. McGowan Theater Program and Audience Development	150,000
Parasol Tahoe Community Foundation Incline Village, NV Community Foundation Grant	184,208
Rochester Area Community Foundation Rochester, NY Community Foundation Grant	184,209
The Field Museum Chicago, IL Memorial	750,000
The Luzerne Foundation Luzerne, PA Community Foundation Grant	184,208
The Scranton Area Foundation Scranton, PA Community Foundation Grant	184,209
Western Colorado Community Foundation Grand Junction, CO Community Foundation Grant	184,208

**Total** **\$2,005,250**

## Grant Distribution by Program Area



# Audited Financial Statement

## William G. McGowan Charitable Fund Statement of Financial Position

	June 30, 2016	June 30, 2015
<b>Assets</b>		
Cash	\$ 441,401	\$ 1,325,019
Investments	164,942,401	175,187,634
Accounts receivable	9,954	-
Accrued income	230,059	520,384
Prepaid expenses:		
Prepaid expenses	23,031	9,100
Deposits	30,000	-
Property and equipment - Net	176,860	-
Operating right-of-use asset	361,481	-
<b>Total Assets</b>	<b>\$166,215,187</b>	<b>\$177,082,137</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable	\$ 129,476	\$ 171,136
Grants payable	-	750,000
Operating lease liability	518,358	-
Other accrued expenses	14,592	11,542
<b>Total Liabilities</b>	<b>662,426</b>	<b>932,678</b>
<b>Net Assets - Unrestricted</b>	<b>165,552,761</b>	<b>176,149,459</b>
<b>Total Liabilities and Net Assets</b>	<b>\$166,215,187</b>	<b>\$177,082,137</b>

# Our Grant-Making Philosophy

In all six regions, the McGowan Fund emphasizes evidence-based programs with an eye to organizations capable of and interested in learning from new information harvested from their own work and the work of others in the field. We look for forward-thinking, sustainable projects in our three pillars of giving—Education, Human Services, and Healthcare & Medical Research. We also look for productive collaborations.

We do not support programs in the following areas, except by invitation: arts, capital campaigns, embryonic stem cell research, endowments, grant-making foundations; multiyear grants, national organizations, salary support, and sports programs.

In our planning and in our work, we keep our founder, William G. McGowan, in mind. His vision, innovation, and ethics remain a beacon in our work toward a world of healthy communities and sustainable progress.



# Where We Work

The McGowan Fund makes grants only in these geographic areas:

## Colorado

Greater Denver Metropolitan and Greater Eagle County

## Illinois

Chicago neighborhoods of Austin and North Lawndale

## Kansas/Missouri

Kansas City Metropolitan

## Nevada

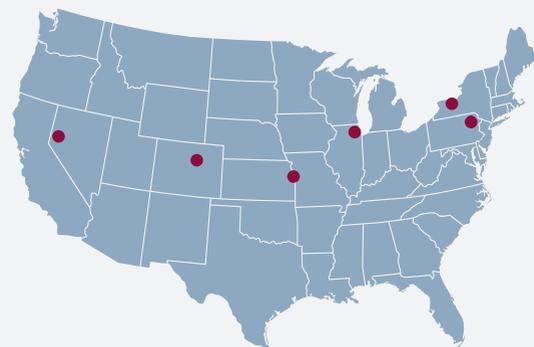
Reno Metropolitan

## New York

Rochester Metropolitan

## Pennsylvania

Lackawanna County and Luzerne County



Members of the board of directors are active in these regional communities and fully engaged in the grant process: They examine requests for funding from their regions, assess the progress of programs they fund, and evaluate those programs. Each brings specific, local understanding and evolving concerns to their work. Following are insights from some of our leaders.

### Joe Rosica • Colorado

“The greatest need in the Denver metro region is in the area of homelessness. Colorado’s strong economy has attracted thousands, putting housing at a premium. By concentrating on homelessness, both in Denver and Greater Eagle County, we hope to improve this situation. We also place emphasis on providing the single parent pathways to employment through education, training, and services with demonstrated success in job placement and retention.”

### Diana Spencer • Illinois

“A major concern in the Chicago neighborhoods of Austin and North Lawndale is the complexity of our work and finding ways to address needs in an integrated, holistic way. Individuals and families need advanced, cohesive support networks to assist them. We are encouraged by organizations that seek collaboration and explore integrated approaches in order to “connect the dots” for sustainable change.”

### Brian McGowan • Kansas

“We would like to see synergies across our three pillars of Education, Human Services, and Healthcare & Medical Research in the Kansas City metro area. We need to continue enhancing the strength of forward-thinking organizations working in our program areas through collaboration. I think the greatest need in the Kansas City region is education and the best collaboration we’ve seen has been in the early education grant-making program led by the Kaufman Foundation.”

### John Worthington • Nevada

“One big concern in Reno, Nevada, is the increase in health problems, particularly people living with diabetes and heart disease. The McGowan Fund is working to extend its support of nonprofits which address these issues through proactive lifestyle management and behavioral change across the life span.”

### Dan Rosica • New York

“One need I see in the area of homelessness: more systemic change in the Rochester, New York metro region. It is our hope that we not only help individuals with immediate needs but that we are making fundamental change in the system so that people can help themselves. In grant-making, we look for collaboration of efforts between grant-makers and among nonprofit organizations.”

### Gert McGowan • Pennsylvania

“I am deeply concerned about the shrinking middle class in Luzerne and Lackawanna Counties in Pennsylvania. The McGowan Fund is pleased to support organizations with proven track records of advancing the long-term circumstances of our underserved, lower income residents. We are excited to partner with organizations that are working in our designated program areas to create lasting improvements in education and heart health, and for those struggling with homelessness.”

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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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