



The Immortal

The Newsletter of the Associated Black Charities • Winter 2004

Lincoln Square Neighborhood Center's Children YES! Program

Located in the Lincoln Center area of Manhattan in the shadow of the colossal new Time Warner Center, the Lincoln Square Neighborhood Center (LSNC) is the only agency serving low-income families in the immediate Amsterdam Houses community.

LSNC grew out of the actions of six grassroots groups committed to improving the economic, educational, and social quality of life for low-income residents. Its community-building efforts are driven by approaches that aim to build fellowship and bridges within and between communities of neighbors, whose economic, ethnic, cultural, language and class differences caused mistrust, tension and conflict.

Through the support of Associated Black Charities, LSNC offers after-school activities, daycare services, senior citizen services, case management, counseling, employment & training, food services, home based services, mental health services, medical care, and pregnancy prevention.

Among the highlights of LSNC's work is its year-round Children YES! Program, which last year engaged 115 children ages 6-through-13. The program offers residential camping opportunities during the summer, after-school and special half-day public school holiday, and vacation programs.

The primary goals of the Children YES! Program are to strengthen the mental health of children and families to enhance literacy, and instill a love for reading through exposure to a range of different reading material.

LSNC developed a broad range of initiatives under the Children YES! Program including a book club, a Literacy Through the Arts Program facilitated by the Partners In Reading Program, storytelling sessions facilitated by the Council of Jewish Women, individual tutoring, and the use of educational websites to strengthen thinking and problem-solving skills.

"The Children YES! program supports our mission as it provides a vehicle for us to assess, address and strengthen the educational, social and cultural competencies of our children," said Stephanie Pinder, LSNC executive director. "It also provides us with a way to further develop the thinking, listening and speaking abilities of our children, as well as enhance their overall knowledge and capacity to learn."

(cont. on pg. 5)

Tax Benefits from Gifts of Appreciated Stock

Looking for ways to lock in tax savings by the December 31, 2004 deadline? Gifts of common stock or mutual fund shares (also tangible assets, i.e. property) whose value have appreciated are a valuable way to contribute to charities such as Associated Black Charities and to achieve substantial tax benefits. Contributions of common stock or mutual fund shares offer the following advantages:

- Reduction in the cost of giving, while increasing the amount one can afford to give;
- Avoidance of taxes on the gains from the appreciation in value;
- Deduction of the current value of the appreciated shares whose value is substantially above the original cost of the shares; and
- Opportunity to direct the use of contributions to achieve specific purposes, such as scholarships for education, and/or to influence their deployment through such planned giving vehicles as donor advised funds and private foundations.

For example, assume that several years ago Ms. Charitable Concern purchased or inherited 300 shares of Google shares at \$25.00 per share for a total cost of \$7,500.00 (300 shares x \$25.00). Since its initial public offering, Google's shares have traded up to \$180.00 per share (as of this writing) for total current value of \$54,000 (300 shares x \$180.00) or a gain of \$46,500 (\$54,000 less \$7,500).

(cont. on pg. 4)



Willie Cager

Harry Flournoy

David Lattin

Nevil Shed

1966 TEXAS WESTERN MINERS

"And the Walls Came Tumbling Down"

19th Annual Black History Makers Awards Dinner and Its Honorees

March 19, 2005 will represent the 39th anniversary of the 28th basketball championship game of the National Collegiate Athletic Association ("NCAA") in which Texas Western University's (now the University of Texas at El Paso) basketball team won the NCAA championship. Willie Cager, Harry Flournoy, David Lattin and Nevil Shed, along with their teammates, stunned the University of Kentucky 72-65 and changed the course of intercollegiate athletics. In "the game that changed American sports," for the first time in a national championship event, an all-black team opposed an all-white team. Texas Western's victory ended segregation in intercollegiate sports. *(cont. on pg. 4)*



Angela K. Mwanza
vice president, Lehman Brothers

Charitable Giving: Formulating Gifting Strategies

The achievement of personal financial wealth brings with it the responsibility to give back to one's community in order to foster overall social and economic progress. As is the case in realizing personal success, you should have a philanthropic plan to be effective. Below are some of the considerations in formulating strategies or plans for charitable giving.

Step 1: What causes or interests are most meaningful to you?

Find a cause or causes that you are passionate about—don't spread yourself too thin.

Step 2: How much should you give?

Charitable giving must be integrated with your overall financial, tax and estate planning in order to have a consistent, sustainable impact. Consider your budget carefully. Work with a financial advisor to help you develop a personal cash flow statement based on a conservative estimate of annual earnings.

Step 3: What structure to use: private foundation or donor advised fund?

American tax provisions offer many options to promote charitable giving. The best option for you will depend on your goals and personal circumstances. Two such options are donor advised funds or private foundations:

Donor Advised Funds (DAFs):

A donor advised fund is a fund set up and managed by a charitable organization, by community foundations or is commercially sponsored (Fidelity Gift Fund is the largest). Subject to certain required guidelines, a fund will generally offer guidance on grant making. Gifts made to a fund are irrevocable and may be any personal asset, such as cash or marketable securities (stocks, bonds, etc.). Depending upon the fund, gifts may be as small as \$5,000 to \$10,000. While gifts are immediately deductible, they are limited based on your income, type of property donated and the nature of the charitable organization to which one gives. Also, some funds may allow an individual donor, a family or a group of friends to create the fund's name—much as if they had established a private foundation. Administration and accounting are provided at no additional charge by the sponsoring organization. Because donor advised funds are public charities, excise taxes and minimum distribution requirements do not apply.

Private Foundations:

In contrast to donor advised funds, private foundations offer greater control and direct involvement in charitable undertakings. However, tax and legal requirements are more complex and administrative costs are higher. Generally, private foundations are most appropriate for individuals with substantial philanthropic goals. As with donor advised funds, tax deductions are immediate. Capital gains taxes on gifts of appreciated assets are avoided. Again, like donor advised funds, the amount of the deductions is limited based on one's income, type of property donated, and the nature of the charitable organization. Organizers of private foundations incur the administrative obligations of operating the foundation, including annual tax filings, compliance with legal or regulatory requirements, and payment of professional fees. Private foundations are a great way to get children to share in the stewardship of family wealth and to stimulate their involvement in philanthropy.

Angela K. Mwanza is a Vice-President at Lehman Brothers and serves as an Investment Representative advising wealthy individuals and their families, charitable organizations, and corporations on strategies to preserve, grow and transfer wealth.

* Please consult with your accountant for information on your personal tax implications.

Corporate Philanthropy Spotlight



Thomas A. Renyi
chairman & CEO

Bank of New York

The Bank of New York has a strong tradition of community investment and involvement. “Throughout its 220-year history, The Bank of New York has joined with the public, private, and non-profit sectors to support our local

communities and provide assistance where it’s needed most”, said Thomas A. Renyi, chairman and chief executive officer of The Bank of New York. “Our goal is to make our communities stronger by enriching our local talent pool, shaping our future leaders, and providing resources for communities.”

It’s a goal the Bank’s staff has taken to heart. In fact, the Bank’s employees are traditionally among the top contributors to the United Way of New York and the New York Blood Drive, two endeavors of vital importance to our community. Last year, Bank employees contributed \$2.7 million to the United Way—to which the company added \$1 million—and again ranked among New York Blood Services’ largest donor groups. In addition, the Bank is and has been a long-term supporter of vital health and human services offered by member agencies of Associated Black Charities.

That commitment extends even further. The Bank supports a range of affordable-housing, economic-development, and human-services initiatives through partnerships with the private and non-profit sectors. In 2003, The Bank of New York provided approximately \$4.1 billion in community development loans and investments, primarily for affordable housing development and mortgage loan activities.

“As one of the leading providers of financial services in the New York metropolitan area, we have a responsibility to develop and empower emerging segments of our community,” said Lloyd W. Brown, II, Senior Vice President and CRA Officer. “Through our continued investment in local revitalization, we are fulfilling our responsibility, providing help where it’s needed most and creating stronger, more vibrant neighborhoods.”

Schering-Plough Corporation

The new Schering-Plough Corporation is a global science-based health care company with leading prescription, consumer and animal health products. The company’s philanthropic activities reflect its interest in improving the health and well-being of people throughout the world. Under the leadership of Fred Hassan, chairman and ceo, Schering-Plough is continuing a tradition of giving that targets improved health care, enhanced educational opportunity, and a broad range of community initiatives. Through its generous sponsorship, the company supports the broad range of human services provided by the member agencies of Associated Black Charities.

The company takes special pride in its support for health care, particularly on behalf of those in lower-income communities. For example, Schering-Plough created a pilot program in one of Newark, NJ, neighborhood to help diagnose hepatitis C among local residents. The program includes guidance for those who qualify for financial assistance needed for treatment.

Recent major funding from Schering-Plough also made it possible to establish a psychiatric unit for children and teenagers at Trinitas Hospital in Elizabeth, NJ. A company grants to the Plainfield, NJ, Community Health Center currently supports a new pediatric fitness and obesity prevention program. In addition, children in underserved neighborhoods in the Bronx, in Newark and Elizabeth, NJ, receive medical care in mobile health units funded by Schering-Plough contributions to the Children’s Health Fund.

Schering-Plough’s support for education focuses on the study of science. A grant to Marymount Manhattan College provided scholarships for women and minority students majoring in the sciences. A multi-year commitment to the United Negro College Fund established scholarships for students in science and health-related studies at UNCF-member colleges and universities. Schering-Plough funding for general education initiatives includes grants to the Inner City Scholarship Fund, the East Harlem Tutorial Program and the Thurgood Marshall Scholarship Fund, which assists students attending one of 45 historically African-American colleges and universities.

Associated Black Charities is proud to work with Fred Hassan and his many Schering-Plough colleagues who give their time and talent to assist non-profit organizations as fundraisers, board members or volunteers, providing service in many different capacities.



Fred Hassan
chairman & CEO

Letter from the Chairman



Rayton Gerald
Chairman,
Associated Black Charities

On behalf of the Board of Directors of Associated Black Charities, I extend our warmest wishes for a joyous holiday season and a happy new year. I also want to thank you for your commitment to Associated Black Charities throughout the past year. Because of your generosity, Associated Black Charities has helped many needy New Yorkers to receive health and medical assistance. You have helped provide treatment and medicine for children suffering acute asthma and made a difference in the lives of children and their single mothers struggling to contain deprivations of poverty. Your support has contributed to educational and job training that has moved many from dependency toward self-sufficiency.

We, of course, need to continue these programs that are proving their effectiveness in reducing and eliminating our social ills. We also need to upgrade and expand them. To address health issues such as AIDs, asthma, cancer, heart disease, and hypertension, which are primary causes of death among African Americans, we are initiating new programs to increase awareness and understanding of their causes and means of prevention.

Despite various restructuring approaches, the introduction of new accountability standards for educators, and new student testing regimes, American educational performance continues to lag world class standards. Access to quality education, therefore, continues to be a sparse opening, especially for low income, disadvantaged urban students. Workplace globalization and the relentless technological evolution place a special urgency to identify and implement solutions.

It is ironic today that the deteriorated state of American education persists after two salient events of great historical importance projected grand promises of equal educational access and the perceived opportunity for high educational attainment in public schools and in the nation's universities. The first event, of course, was the 1954 U.S. Supreme Court of *Brown v. the Board of Education* decision which decreed that "separate but equal" public education systems were unconstitutional.

(cont. from cover story)

"And the Walls Came Tumbling Down"

19th Annual Black History Makers Awards Dinner and Its Honorees

Contributions to Associated Black Charities may be made by credit card or by check payable to Associated Black Charities on our website (click "donations" for directions at www.assocblackcharities.org). Checks should be mailed to Associated Black Charities, 2005 Black History Makers Award, Benefit Office, 136 E. 57th Street, Suite 1505, New York, NY 10022. Contributions are fully tax-deductible within the limits prescribed by law. Questions about the dinner may be directed to Lorelei Enterprises at 212-838-2660.

The second historical event was the 1966 NCAA basketball championship in which then Texas Western University (now the University of Texas at El Paso) defeated the University of Kentucky. In "the game that changed American sports" and, helped to create, equal access to higher education, an all black team, for the first time in a national championship event, played an all white team (Kentucky) and won—72-65. Texas Western's victory detonated the walls that, until that time, had held back widespread recruitment of African American students and athletes. The positive consequences of that game is clear to us now.

At Associated Black Charities' Nineteenth Annual Black History Makers Awards Dinner in New York City on Wednesday, February 2, 2005, the Texas Western players and their coach will be recognized for their contributions to the advancement of equal access to education. As you have in the past, we hope you will again support us.

(cont. from cover story)

Tax Benefits from Gifts of Appreciated Stock

Among the options open to Ms. Concern for achieving tax savings against her current income and for doing "good" through making a charitable contribution are:

- Contributing the 300 appreciated shares of Google and receiving a deduction of \$54,000, the current value of Google. Ms. Concern will also avoid payment of taxes on the gain of \$46,500, which would be taxable at least at a rate of 20% or \$9,300. Without affecting her current liquidity, Ms. Concern's contribution of stock valued at \$54,000 would be a substantial premium (more than 7 times) over her cost basis of \$7,500.
- Donating cash in the same or a different amount. In either case, she would reduce her current liquidity. In addition, she would likely give less and, thus, achieve a lower tax deduction. Equally important, the assistance to the charity would be less.
- Selling her Google shares directly and contributing the after-tax proceeds. Under this scenario, Ms. Concern's current liquidity might be unaffected, but her contribution and, therefore, her deduction and the value received by the charity would be reduced by the \$9,300 tax liability.

Given the options, gifts of appreciated common stock and mutual fund shares offer superior advantages for donors and the charities alike. Donors should get professional advice before taking action. Please contact Associated Black Charities for references. Please also read "Taxes and Giving" on page 2.

Associated Black Charities categorically disavows any intent or capability to give tax or financial advice to donors or others.

UMMHC to Receive \$10,000 Grant for Computer Equipment

Associated Black Charities announced plans to provide a special \$10,000 grant to the Upper Manhattan Mental Health Center, Inc. (“UMMHC”) for computer equipment to support the Center’s ongoing efforts to further educational developmental programs for children aged two-and-half through five and six through 14 years.

UMMHC provides educational and mental health services to the poor and under-served living within the Central Harlem community. Its services embrace 11 programs, including out-patient mental health counseling for children, adolescents, adults, and senior citizens; a pre-school day nursery program; an adult continuing day treatment program; educational, vocational and transitional employment; family counseling; HIV/AIDS counseling and treatment; and outpatient clinics for alcohol abuse and drug addiction, among others.

“For more than 30 years, the UMMHC has worked to equip children with the academic and psychological tools necessary to function successfully in society,” said Rayton Gerald, chairman, Associated Black Charities. “We are pleased to be able to provide the Center with funding for the technology tools they need to continue this important mission.”

Through its rigorous academic instruction program and psychotherapy intervention, UMMHC has transformed educationally under-performing children with learning disabilities into high-performing students who exhibit emotional stability in public school classrooms.

UMMHC’s Children’s Day Treatment Program and Child and Adolescent Outpatient Program utilize significant parental involvement and the teaching of fundamental skills in math and reading along with treatment of emotional and behavioral dysfunctionality to raise children’s academic performance. This support enables program participants to either avoid special education classes upon their entry into the public school system, or to leave special education assignments upon their completion of the program. UMMHC reports that program participants on average score one to three grades higher on standardized tests compared to non-participants.

(cont. from cover story)

Lincoln Square Neighborhood Center’s Children YES! Program

As a result of Children YES! Program, particularly within the last 12 months, LSNC assessment programs revealed that young people exhibited reduced emotional acting out and improved impulse control, better social communication skills, and increased understanding of testing environments, which improved their performance on standard tests. The children also learn better self-scheduling/ time management and strengthened their logic, reasoning, and problem solving skills.

The leadership and guidance of Kesha Atterberry, Associate Director for Education and Career Services, and Irene Merette, Coordinator of Technology Services and Support, who developed the programmatic approach and created program assessment tools, were critical to the program’s achievements.

Northside Center Receives \$15,000 Grant to Develop Best Practices Assessment Tool

As part of a new effort to foster greater ability of its member agencies to provide evidence of the effectiveness of their programs and services, Associated Black Charities will make an initial grant of \$15,000 to the Northside Center for Child Development, Inc., to fund the development of “evidence-based”; program assessment tools. Associated Black Charities’ objective is to construct a framework for creating a best practices program performance measurement system that both guides program development and informs donors of the productivity of their social investment.

The grant from Associated Black Charities is earmarked for Northside Center to develop a model assessment tool that will help them further efforts to ensure systematic annual evaluation of the effectiveness of their Clinic program. They will institute comprehensive program evaluation and outcome measurement for each component of the Clinic program and ultimately facilitate development of a research arm. The model assessment tool is intended to serve as a template that can be customized to fit each program in Northside’s continuum of services and lead to enhance evaluation of the effectiveness of each.

“An ongoing goal of Associated Black Charities is to enhance the effectiveness of its member agencies and their ability to mitigate, indeed to eliminate social ills and their debilitating impact,” said Rayton Gerald, chairman, Associated Black Charities. “The results of this research will be used by Northside Center to help monitor and evaluate the success of their various programs. Under the leadership of Dr. Thelma Dye, Northside is an ideal agency to initiate the establishment of model program measurement tools. In addition to the operating improvements we expect from this effort, we are very excited at the prospect of having the ability to advise donors of the value produced by their investment in a more concise, clear and coherent manner.”

It is expected that Northside’s work will be the basis for establishing performance metrics for each of Associated Black Charities other 19 member agencies in order to help them provide greater levels of service to citizens in need in New York City.

Co-founded by Dr. Kenneth Clark and wife Mamie, the Northside Center offers comprehensive, quality mental health services to more than 1,500 troubled community children and their families annually, providing diagnostic evaluation and referral, psychotherapy and educational remediation to children and their parents, and specialized care to victims of child sexual abuse and their families. They also offer a Therapeutic Early Childhood Center and Head Start programs.

Northside has a staff of 180 highly accredited psychologists, psychiatrists and therapists and operates two offices in Harlem.

About Associated Black Charities

Associated Black Charities, founded in 1982, is a not-for-profit federation of 20 community-based health and human service agencies whose mission is to promote the delivery of quality health and human services to African Americans in New York City. The organization provides financial and other support to member agencies, whose services range from basic care for the elderly, shelter for the homeless, medical and mental health services, emergency food and shelter, foster care for children, counseling and rehabilitation for substance abuse to HIV/AIDS treatment and housing, and education and job training.

Since its inception, Associated Black Charities has provided more than \$5 million in grants to its member agencies. Grants are made possible from corporate and individual contributions and from special events, including Associated Black Charities' trademark Black History Makers Awards Dinner held in February of each year.

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