

# THE SPIRIT OF PHILANTHROPY



THE BURTON D. MORGAN FOUNDATION **ANNUAL REPORT 2007**

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# THE FOUNDATION'S MISSION

To strengthen the free enterprise system by investing in organizations and institutions that foster the entrepreneurial spirit.

# THE INTENT OF THE DONOR

The purpose of the Foundation is "the preservation of the free enterprise system... to help preserve what we have in this country."

—**Burton D. Morgan**, August 29, 1994

"The Foundation's...aim is to preserve the private enterprise system, which is America's number one advantage over the rest of the world."

—excerpt from *My Life...So Far* by **Burton D. Morgan**, 2003

# BURTON D. MORGAN

By 1967, Burt Morgan was a successful entrepreneur. That same year he would also become a philanthropist.

By then, Morgan had started two successful adhesive companies, including Morgan Adhesives Company in Stow. He had invested in other ventures as well, including Filmco, a plastic film company.

Filmco was a high-risk endeavor, not one for “widows or orphans,” Morgan would later write. But, as an entrepreneur, he was willing and able to take some risk. Filmco ultimately produced a product that helped revolutionize the way meat was wrapped in supermarkets. Morgan’s \$50,000 investment turned into \$5 million when R.J. Reynolds bought the company in 1967.

A few months later, Morgan began work to start a foundation. Initially, it was to have been small. It was Morgan’s intention to put about \$80,000 annually into the Foundation for five years – or a total of \$400,000. The earnings would be used for prizes or awards for significant improvement of world understanding.

It would actually take nearly nine years for the Foundation to reach that \$400,000 mark. By then, Morgan was a committed philanthropist who would ultimately donate millions to his Foundation.

In 1979, a friend – a colleague from a group

called the Chief Executives Forum – turned to Morgan for help. “These days, fellow CEFers are thinking less of making profits and thinking more of sharing some of their good fortune with others,” the friend wrote. Since Morgan had already started a foundation, could he conduct a seminar for others?



1916-2003

Morgan recalled that conversations among the group members had actually been about tax savings. He offered another idea: “I would like to work on a little higher plane and meet with a group of people who are trying to accomplish some lofty purpose other than the avoidance of taxes.”

The “lofty purpose” of The Burton D. Morgan Foundation

ultimately became the preservation of the free enterprise system and promoting entrepreneurship.

But Morgan wanted to make sure his adopted hometown of Hudson also benefited. One of those legacies is the bandstand on the green, built in 1977. The Burton D. Morgan Foundation gave the initial donation, and Peg Morgan says it was always one of her husband’s favorite grants.

The successful entrepreneur-turned-philanthropist said as much himself in that 1979 letter about grantmaking. “Relatively minor gifts placed in the correct place,” he wrote, “have given me the greatest joy.”

# PRESIDENT'S REPORT 2007



Dear Foundation Friends,

One of our major achievements for the year was the sponsorship of *American Chronicles: The Art of Norman Rockwell* at the Akron Art Museum in honor of our former President, John V. Frank. At the opening festivities on November 9, 2007, we also celebrated the 40th Anniversary of the Foundation, incorporated on November 16, 1967. We marked this milestone with the publishing of *Forty Years of Philanthropy*, a history of the Foundation written by Charlene Nevada, and the filming of *Let's Do Something Big*, a documentary highlighting Mr. Morgan's vision and generosity.

This year we celebrate the life of Burton D. Morgan and his exemplification of the relationship between entrepreneurship and philanthropy. Burt's entrepreneurial and philanthropic spirits were closely intertwined. Through risk-taking, ingenuity and entrepreneurship, Burt grew his fortune, fully appreciating the economic system that allowed him to create his wealth and become a philanthropist.

In the years after he established his foundation, he articulated its express purpose as the perpetuation of the free enterprise system. He wanted others to enjoy the same economic freedom he experienced as an entrepreneur. Long before the current wave of entrepreneurship programs swept the country, he spoke and wrote about the need for entrepreneurship education. To be true to him, the Foundation must remain equally entrepreneurial in the way it approaches philanthropy. To that end, our grantmaking is characterized by a mix of reactive and interactive grants and proactive initiatives. We do more than just make grants; we share knowledge, convene key parties, serve on economic development committees, and conduct research.

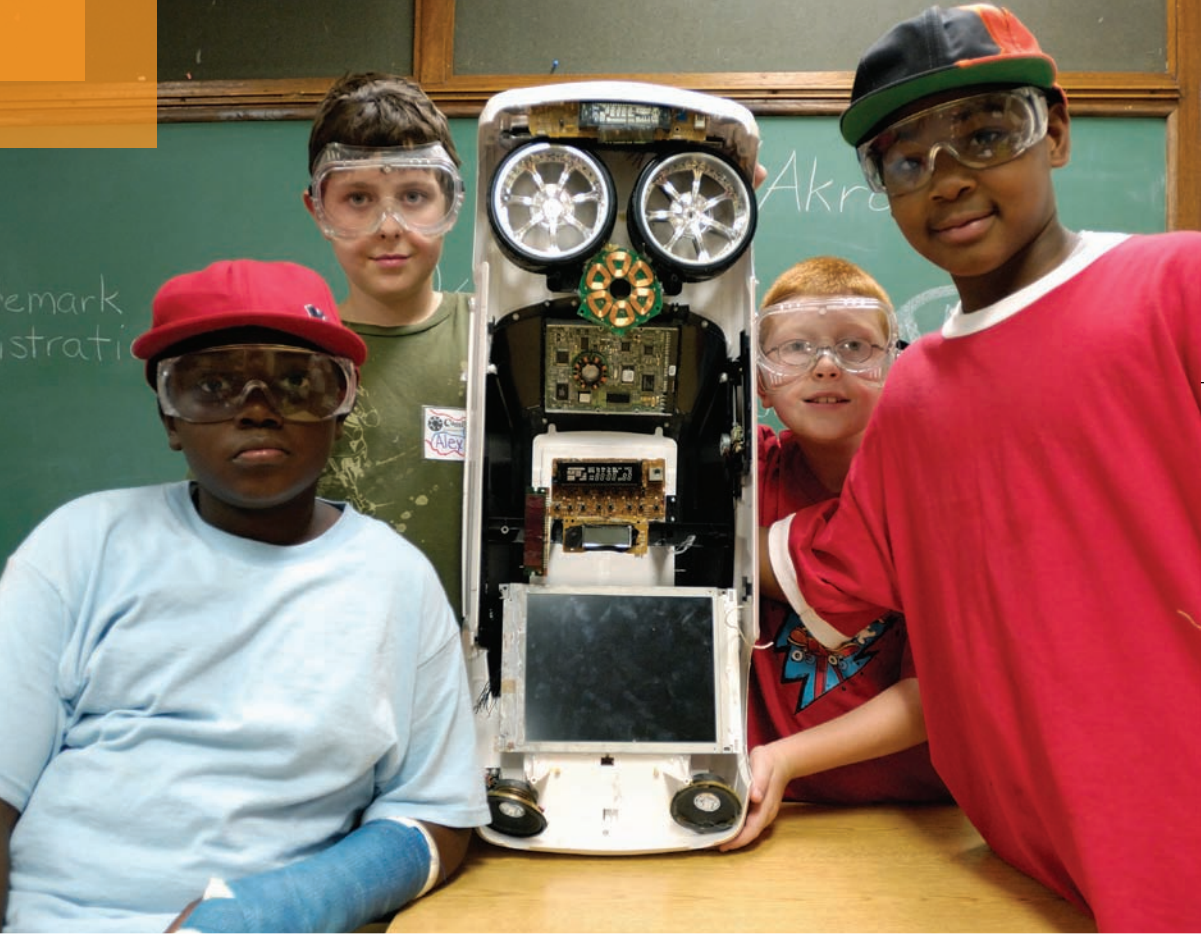
In 2007, we expanded our grants in the youth entrepreneurship area and established a network of youth entrepreneurship educators in the region who are passionate about inspiring our youth to chart their own futures. We celebrated Entrepreneurship Week in 2007 with a Youth Entrepreneurship Forum at which youth entrepreneurship leaders explored how best to reach young people. Our Morgan-Kauffman Northeast Ohio Collegiate Entrepreneurship Program (NEOCEP) at Baldwin-Wallace, Hiram, Lake Erie, Oberlin and Wooster marked its one year anniversary with thriving initiatives on these liberal arts campuses. We remain engaged in the regional efforts to revitalize the economy through our work with the Fund for Our Economic Future and significant grants to JumpStart, BioEnterprise, and NorTech.

The Foundation settled into its new home in Hudson and supported many fine programs in the Hudson community. The Baldwin House renovation project transformed the building's exterior, and on December 1, 2007, the Hudson Community Foundation began its long-term lease and interior renovation process. To accommodate our growing workload, we welcomed Chief Financial Officer Denise Griggs and Senior Program Officer Jean Van Ness to our staff along with Michael Camp as our consultant to NEOCEP. I extend my sincere thanks to our trustees and staff for their unflagging dedication to the challenging work of the Foundation.

We are now well positioned to tackle the challenges of 2008!

A handwritten signature in black ink that reads "Deborah D. Howell". The signature is fluid and cursive, with a long horizontal line extending to the right.





## YOUTH ENTREPRENEURSHIP

### Camp Invention

For some, it was the first time they had ever held a screwdriver. Others had never been handed a roll of tape and told to use as much as they wanted.

But at Camp Invention, screwdrivers and unlimited tape are the tools of invention.

Each summer, about 60,000 youngsters attend the weeklong camps around the country. They take apart old VCRs and clocks and make new things with the parts. They study the laws of gravity and are encouraged to think creatively. But not all parents can afford the tuition.

### University School

Call it a Smart Shoe, footwear that would change color when its owner downloads images from a cell phone. Is this outfit-matching shoe possible? One University School student thinks so. The young man presented the idea in a financial modeling class in 2007.

The class is just one of the activities associated with the Entrepreneurship Institute at the University School's Upper School in Hunting Valley. There's an Entrepreneur Cup Competition, year-long unpaid internships with local companies and classes in business writing. The programs are being underwritten with the help of a \$28,400 grant from The Burton D. Morgan Foundation.

The belief is that more of these students will settle in Northeast Ohio after college – if they are provided with a better understanding of the career opportunities here and a solid foundation to start their own businesses.

### Junior Achievement

Before his death in 2003, Burt Morgan praised Junior Achievement for its work in teaching young people about entrepreneurship and the free enterprise system. The organization works largely with business leaders who volunteer in the classroom. They teach business, citizenship, economics, entrepreneurship, ethics, financial literacy and career development to students from first grade through high school.

The goal of Junior Achievement is to help young people succeed in a global economy. In 2007, The Burton D. Morgan Foundation provided more than \$142,000 to the following Junior Achievement area organizations to make the experience possible for nearly 5,600 students: Akron Area, East Central Ohio, Greater Cleveland, Lorain County, and Mahoning Valley.

**LEFT** Old gadgets provide the stuff of new discoveries at Camp Invention. These students at Akron's Barber school tinker to make a discarded toy car into a fine machine.

**BELOW** In November, Scouts from all over the Great Trail Council area gathered at Camp Manatoc to begin work on an entrepreneurship badge. Dr. George Stevens (extreme right) from Kent State University helped them learn the basics.

*Scouting photos by **Bruce Zake***

## Boy Scouts

In 2007, Boy Scouts in the Great Trail Council began learning a new way to be prepared. They learned how to write business plans, where to look for start-up funding and how to take educated risks. They were becoming prepared to start their own businesses.

By this summer, more than 2,100 Scouts will be trained in those business basics.

Many will go on to earn a merit badge in entrepreneurship.

The new emphasis on the entrepreneurship badge is the result of a three-year \$90,000 grant from The Burton D. Morgan Foundation.

At the kick-off session at Camp Manatoc last fall, Dr. George Stevens, Dean of the College of Business Administration and

In 2007, The Burton D. Morgan Foundation sponsored two camps, enabling youngsters in both Wooster and Akron to attend the special creativity camps. The Foundation also sponsored after-school Club Invention programs in both Akron and Wooster.



George Stevens

Graduate School of Management at Kent State University, told the Scouts that smart entrepreneurs look around and ask the key question: "What can I provide that the big guys don't provide?"

Completing this badge will require setting up a business. Along the way the young Scouts will learn self-confidence, innovative thinking and presentation skills.



**LEFT** In 2007, The Burton D. Morgan Foundation provided funding for nearly 5,600 students in Northeast Ohio to participate in Junior Achievement programs. The student in the blue shirt is a proud JA grad.





## COLLEGIATE ENTREPRENEURSHIP



### Entrepreneurship Immersion

In August, 35 students gathered at Cleveland State University for a six-day immersion program in entrepreneurship. They learned about marketing and the financial, ethical and legal issues involved in starting a business.

The students came from seven public and private schools – Ashland University, Baldwin-Wallace College, Case Western Reserve University, Cleveland State University, John Carroll University, Kent State University and The University of Akron – which comprise the Entrepreneurship Education Consortium.

While the schools may compete with each other in some arenas, they decided to collaborate on the need to make college students in Northeast Ohio aware of entrepreneurial opportunities available after graduation.

The chosen students represented a cross section of disciplines. They were divided into groups, and each had to develop a business venture. Case Western Reserve University students actually turned their assignment into a business by setting up a Web site to link area chefs with farmers. The Fresh Fork Market will begin putting just-picked produce on restaurant plates this summer.

The Entrepreneurship Immersion for Undergraduates Program, which will move from campus to campus, was made possible in part by a \$50,000 grant from The Burton D. Morgan Foundation.



**LEFT** A new business to get fresh-picked produce onto restaurant plates more quickly emerged from a week-long entrepreneurship camp sponsored by the Entrepreneurship Education Consortium. Pictured (at left) are the Fresh Fork creators, while (below left) other EEC students listen to a lecture on business development.

**BELOW CENTER** Margaret C. Morgan joins Elizabeth Rhodes, director of the School of Fashion Design and Merchandising at Kent State University, for the dedication of the Burton D. and Margaret C. Morgan Fashion Design Wing in Rockwell Hall.

**BOTTOM** College student interns are being matched with businesses seeking interns through a grant to the Northeast Ohio Council on Higher Education. This intern is working in the NOCHE office.

## Fashion Wing Dedicated

When Margaret C. (Peg) Morgan was in college, she wanted to study fashion design. Unfortunately, there were no design classes at Kent State University in the 1930s.

Years later, when Kent State did start a fashion program, Peg and Burt Morgan quickly became supporters.

Over the years, The Burton D. Morgan Foundation has given the School of Fashion Design and Merchandising at Kent State University more than \$2.5 million, including an

endowment of more than \$1 million to keep the school on the cutting edge of technology.

In recognition of that generosity, KSU has named its Fashion Design Wing in Rockwell Hall after Burton D. and Margaret C. Morgan. The official dedication came in April, in conjunction with the school's annual fashion show.

Today, Kent is ranked among the top fashion schools in the country. Enrollment has tripled in the last decade, and graduates are designing for some of the top fashion houses in the world.



## Internships

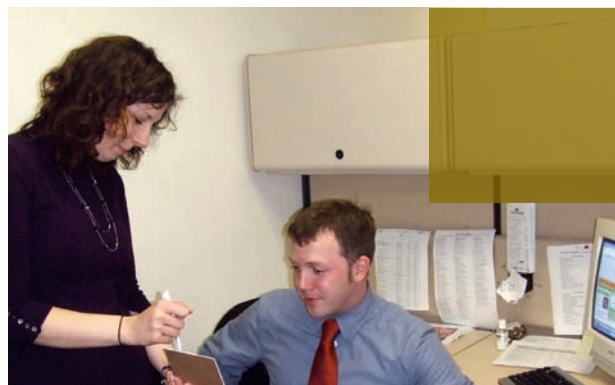
In Northeast Ohio, there are thousands of degree-seeking students in public and private colleges. The area is also home to hundreds of small innovative businesses.

Many of those students would love the opportunity to intern with a small firm. Many of those small firms would value such an intern.

Unfortunately, students often don't know about opportunities, and firms aren't sure of the best way to recruit students.

NOCHE – the Northeast Ohio Council on Higher Education – is working to solve the match-up problem. With a two-year grant totaling \$150,000 from The Burton D. Morgan Foundation, NOCHE has established the Entrepreneurial Internship Program and is using a Web site (ClevelandIntern.net) to match students from its 26 member schools with entrepreneurial internships in the region.

The benefits go beyond the students and businesses. The program supports economic development in Northeast Ohio and also helps to stem the area's "brain drain," since students who intern in an area are more likely to settle in that location.





NEOCEP

## Northeast Ohio Collegiate E

At Lake Erie College in Painesville, students will soon be able to major in equine entrepreneurship. Students at The College of Wooster have formed a for-profit publishing company. Hiram College students have established a “fair-trade” coffee company. For the first time Oberlin College students are learning the fundamentals of balance sheets, budgeting and financial accounting. At Baldwin-Wallace College, students are focusing on regional economic development.

The year 2007 marked the first full year of the Northeast Ohio Collegiate Entrepreneurship Program (NEOCEP), which will provide more than \$6.6 million to five liberal arts colleges in Northeast Ohio over five years. NEOCEP is a component of the Kauffman Campuses<sup>SM</sup> Initiative, launched in 2003 by the Ewing Marion Kauffman Foundation and currently breeding a culture of entrepreneurship on 19 college and university campuses across the country.

“NEOCEP is a pilot project to explore how

cross-campus entrepreneurship education can be woven into the fabric of a liberal arts program,” Morgan Foundation President Deborah Hoover said. “Through an in-depth evaluation, we will come to understand the synergies between entrepreneurship and a liberal arts curriculum. The results will be groundbreaking and have implications for other liberal arts colleges across the country.”

The schools have adopted new courses to weave entrepreneurial thinking into the curriculum. For instance, Wooster has introduced “Virtue, Vice and Contraband: Reforming Reproduction.” Hiram has added “Selling Bibles, Bodies and Ballots: Entrepreneurship in the Early American Republic.”

Lake Erie College, which offers boarding, not only for students but also for their horses, will launch its major in equine entrepreneurship later this year. It will become the first school in the nation to offer such a major. A minor in the same field began in 2007. Lake Erie is hoping





At Lake Erie College, many of the students board and ride their horses on campus. The college is launching a major in equine entrepreneurship in the fall of 2008. At right, students at Hiram College have established a business to sell fair-trade items, including coffee. The venture grew out of a class taught by Associate Chaplain Jason Bricker-Thompson, pictured above with a student sales volunteer.

# Entrepreneurship Program

to prepare its students for a career in the \$39 billion equine industry.

Oberlin has funneled some of its NEOCEP funding into internships. For one student, that meant spending last summer learning from the artistic director of the Vienna Boys Choir. Prior to the NEOCEP grant, Baldwin-Wallace offered a minor in entrepreneurship, but only about 10 percent of the entrepreneurship minors were liberal arts students. A year into NEOCEP, that percentage has tripled.



Michael Camp

Michael Camp, academic director of the Center for Entrepreneurship at The Ohio State University, is serving as an advisor to the program. "The NEOCEP challenge," he says,

"is integrating the concepts of wealth creation,

social mobility, and personal enterprise - the core of entrepreneurship - with the traditional liberal arts philosophy."

"All students dream that their lives will be significant," he says. "When our educational programs enlighten them to the potential to effectuate change through enterprise and empower them with the necessary skills, they grow confident in their ability to make the world a better place for others. And that passion is no more real than it is among students of the liberal arts."





## ADULT ENTREPRENEURSHIP

JumpStart. BioEnterprise. NorTech. They have been called the architects of Northeast Ohio's economic future. Their mission is to encourage and help create businesses and employment. It is a mission shared by The Burton D. Morgan Foundation, which aims to strengthen the free enterprise system by investing in organizations and institutions that foster and incubate the entrepreneurial spirit. To that end, the Foundation invested \$750,000 in these organizations in 2007.

### BioEnterprise

There is a growing consensus that Northeast Ohio's prosperity depends on its ability to develop businesses in the promising field of bioscience. Since 2002, the BioEnterprise Corporation has chosen about 115 start-ups to support. In 2007 alone, BioEnterprise helped these firms attract \$242 million in funding.

It "was a record year for the region's bioscience start-ups," says BioEnterprise President Baiju Shah. Money is being invested in technology including spinal disc implants, a non-invasive device to identify the origin of back pain and in a device that allows paralyzed individuals to breathe on their own.

The non-profit was formed by the Cleveland Clinic, University Hospitals and Case Western Reserve University. Summa Health System is now a partner, as well.



**LEFT** JumpStart helped support Laura Bennett (behind counter) when she founded her company, Embrace. Embrace markets health insurance for pets.

**LEFT BOTTOM** BioEnterprise supports bioscience start-up companies, including analizaDx, which has patented a new method for diagnosing early-stage cancer. The firm also received help from JumpStart.

**BELOW** Phil Brennan was assisted by JumpStart as well. Brennan's firm, reXorce Thermionics, recovers thermal energy.

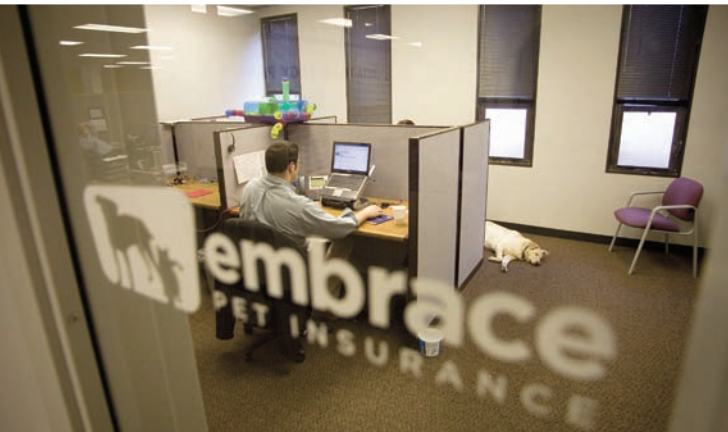
**BOTTOM** Dave Nestic is now serving as NorTech's Entrepreneur-in-Residence in Advanced Energy.

## JumpStart

Since its founding in 2004, JumpStart has invested in 26 early-stage companies, selected from hundreds of applicants because of their potential to attract capital and to become \$30 to \$50 million enterprises within five to seven years. Unlike some other economic development engines, JumpStart can provide not only guidance but also early-stage money through its Evergreen Fund, to which the Foundation has contributed.



Phil Brennan



## NorTech



Dave Nestic

Early-stage entrepreneurs need not only money but also market-savvy coaching and mentorship. NorTech, or the Northeast Ohio Technology Coalition, seeks to provide Entrepreneurs-in-Residence (EIR) to

several fields: biosciences, nanotechnology, electronics and information technology.

In 2007, The Burton D. Morgan Foundation provided funding to NorTech for an additional position — an Entrepreneur-in-Residence in the field of Advanced Energy.

The EIR is coaching and providing business acceleration services for emerging companies working in the field of Advanced Energy. The goal is to reduce dependence on fossil fuels.





**ABOVE** In 2007, The Burton D. Morgan Foundation finished restoring the exterior of the historic Baldwin House. The Foundation is leasing the building to the Hudson Community Foundation for a nominal annual fee.

**LEFT** Hudson's green was aglow at Christmas time, including a tree planted by the Hudson Rotary near the clock tower to honor the late Burton D. Morgan. A Foundation grant helped to decorate that tree and another placed in the nearby bandstand.

## HUDSON COMMUNITY

At Markillie Cemetery in Hudson, there is now a place to sit and reflect . . . about life, about death, about those who lost their lives in wars.

The memorial honoring men and women who died in the service of their country was dedicated on Memorial Day, 2007.

A granite pillar is surrounded by six boulders, each bearing a plaque with the names of those who died in separate wars and conflicts. Nearby benches offer a respite.

The memorial was built with the help of a \$16,000 grant from The Burton D. Morgan Foundation. The project was spearheaded by former Hudson Mayor John Krum and the Hudson Rotary Foundation.

A month after that Memorial Day dedication last summer, the night sky over Hudson was ablaze. The Foundation contributed to the July 4th fireworks display.

The veterans memorial and the fireworks are just two of the ways – both big and small – that The Burton D. Morgan Foundation provides for the City of Hudson, the place Burt Morgan called home.

Don't be surprised to see a few young faces working at Hudson's Farmer's Market this summer. Since 2005, the Foundation has been supporting the development of a "micro-economy" at the Hudson Montessori School. The students there have established a business – North House Specialties – to sell jams, greeting cards and even birdhouses. A grant in 2007 is being used to construct a greenhouse. Some of the greenhouse goods will be sold in the existing shop, but the Montessori middle schoolers expect to have enough herbs, flowers and produce to set up their own booth at the summer market.



**RIGHT** All of Hudson's men and women who died while in service to their country are now remembered with a memorial at Markillie Cemetery.

**BELOW** Fireworks light up the July sky. Fireworks photo by *Michael K. Dakota, Record Publishing Co.*



## PHILANTHROPY

Entrepreneurship, it has been said, is the creation of wealth. Philanthropy is the reconstitution of it.

In his lifetime, Burton D. Morgan did both. Through the businesses he started and the investments he made, he grew wealthy. And, through the foundation he started, he restructured some of that wealth.

Today, his foundation continues that philanthropic work – not only in giving but in helping others to do or learn the grantmaking process.

In 2007, the Morgan Foundation finished refurbishing the exterior of the historic Baldwin House and turned over the keys to the Hudson Community Foundation, which will refinish part of the interior for its own use and make some space available to other non-profit community groups.

Again in 2007, as it has done for more than a decade, the Foundation provided a grant of \$10,000 to Leadership Akron, so participants in the civic-involvement program can learn about and practice grantmaking.

Young people in Hudson are also learning about philanthropy. In January, eighth graders from Seton Catholic School visited the Foundation for a lesson in grantmaking. The Foundation also provided a grant to the Laurel Lake Foundation, which is working with Seton students to present *Habits of the Heart*. The 15-month program will match youngsters and seniors who will work together this year to identify community needs and fund solutions.

# GRANT SUMMARY 2007

## Youth Entrepreneurship

### Ashland University

For 18 inter-disciplinary economic education workshops and for the merger transition with Ashland University's Gill Center for Business and Economic Education .....\$25,000

To support the continuing development of the Scholarship of Entrepreneurial Engagement (SEE) program for the 2007-2008 school year .....\$47,500

### Boys & Girls Clubs of Cleveland

For support of the Money Matters: Make it Count financial literacy program at seven club locations in 2007-2008 .....\$28,000

### Consortium for Entrepreneurship Education

To sponsor four teachers from Northeast Ohio to attend the 2007 conference and to provide conference planning costs .....\$5,000

### E CITY

To fund two summer BizCamps in 2007 .....\$31,000

### Foundation for Teaching Economics

For two Economics for Leaders programs and one Economic Forces in American History program in 2007 .....\$118,000

For two Economics for Leaders programs and one Economic Forces in American History program in 2008 .....\$125,000

### Friends of E Prep Schools

For operating support for the second school year .....\$150,000

### Great Trail Council Boy Scouts of America

To fund Entrepreneurship Merit Badge Clinics .....\$30,000

### Hudson Montessori School

For the middle school's micro-economy project .....\$8,200

### Junior Achievement of Akron Area, Inc.

To provide experiential learning opportunities for the 2006-2007 school year .....\$60,400

### Junior Achievement of East Central Ohio, Inc.

To fund 20 high school programs and one Young Entrepreneurs Seminar at Mount Union College .....\$16,400

### Junior Achievement of Greater Cleveland, Inc.

To support Enterprise in Action, JA Global Marketplace and JA It's My Business middle school programs during the 2007-2008 school year .....\$31,500

### Junior Achievement of Lorain County, Inc.

To support two Student Company Program Challenges in the fall of 2007 and the spring of 2008 .....\$15,600

### Junior Achievement of Mahoning Valley, Inc.

To fund the fifth grade "Our Nation" program .....\$18,500

### Lake Ridge Academy

For The Burton D. Morgan Center for Entrepreneurial Studies and for debt reduction .....\$273,500

### National Inventors Hall of Fame Foundation, Inc.

To support two Camp Invention sessions in the Summer of 2008 and 20 Club Invention sites during the 2007-2008 school year .....\$70,400

### Ohio Business Week Foundation

To provide scholarships for students to attend Ohio Business Week 2008 .....\$12,000

### Summit Education Initiative

To pilot an entrepreneurship experience called Next Generation Entrepreneurs: Chase Your Dreams for Destination College students during the summer of 2007 .....\$9,700

### University School

To defray budgeted Entrepreneur Institute expenses during 2007-2008 .....\$28,400

Subtotal for Youth Entrepreneurship: .....\$1,104,100

## Collegiate Entrepreneurship

### Ashland University

For the Entrepreneurship Immersion for Undergraduates pilot program in 2007 .....\$50,000

### Baldwin-Wallace College

For the Northeast Ohio Collegiate Entrepreneurship Program .....\$101,200

### The College of Wooster

To support a Social Entrepreneurship Program including The Burton D. Morgan Venture Capital Fund .....\$49,973

For the Northeast Ohio Collegiate Entrepreneurship Program .....\$157,579

For the Center for Creativity and Innovation .....\$55,727

### Denison University

For the Burton D. Morgan Program in Liberal Arts and Entrepreneurship Education .....\$41,667

### Hiram College

For the Northeast Ohio Collegiate Entrepreneurship Program .....\$100,000

### John Carroll University

To fund the LaunchTown Scholarship Award .....\$1,000

### Kent State University

To support exploration of linkages between fashion and high technology industries in Northeast Ohio .....\$50,000

### Lake Erie College

For the Northeast Ohio Collegiate Entrepreneurship Program .....\$123,846

### Northeast Ohio Council on Higher Education

To develop and implement an entrepreneurial internship program .....\$75,000

### Oberlin College

For the Northeast Ohio Collegiate Entrepreneurship Program .....\$115,368

For the February 2008 NEOCEP symposium at Oberlin College .....\$5,000

### Purdue University

To provide entrepreneurship programming in the Burton D. Morgan Center for Entrepreneurship .....\$70,000

### Walsh University

To fund the implementation of the pilot phase of an entrepreneurship experience for students at Walsh University .....\$18,100

Subtotal for Collegiate Entrepreneurship: .....\$1,014,460

## Adult Entrepreneurship

### Akron Community Foundation

To renew the Foundation's three-year commitment to the Fund for Our Economic Future .....\$54,000

### Akron SCORE Chapter 81

For marketing and outreach for 2007-2008 .....\$40,000

### BioEnterprise Corporation

To support the business development and internship programs in fiscal year 2008 .....\$250,000

**Ideastream**

For support of Nightly Business Report in 2007..... \$37,000

**JumpStart, Inc.**

For support of operations during fiscal year 2008, including \$175,000 for the Evergreen Fund and \$175,000 for the Entrepreneurs/ Executives-in-Residence Program ..... \$350,000

**Northeast Ohio Technology Coalition (NorTech)**

To employ an Advanced Energy Entrepreneur-in-Residence for one year.....\$150,000

**Northeastern Educational Television of Ohio, Inc.**For support of Nightly Business Report for the 2007-2008 fiscal year and to produce a half-hour show on the upcoming exhibition, *American Chronicles: The Art of Norman Rockwell* at the Akron Art Museum..... \$35,000Subtotal for Adult Entrepreneurship: ..... **\$916,000**

## Hudson Community

**Christ Church Hudson**

To fund the youth ministry's Appalachia Service Project.....\$2,500

**City of Hudson**

To assist in the continuation and expansion of the Hudson Economic Growth Board .....\$25,000

**First Congregational Church of Hudson**

For the 2007 Annual Fall Pledge Drive ..... \$30,000

**Hudson Community First**

For programming and operating support .....\$25,000

**Hudson Community Foundation**

To support the July fireworks show in Hudson.....\$5,000

**Hudson Community Service Association**

To support the downtown Holiday Lighting Fund.....\$320

**Hudson Job Search**

To support general operations.....\$2,500

For general operations and clerical services .....\$15,000

**Hudson Library & Historical Society**

To establish the Burton D. Morgan Center for Entrepreneurship Research and the Entrepreneurship Lecture Series.....\$25,000

**Hudson Rotary Foundation**

For the creation of the Hudson Veterans Memorial Garden .....\$16,000

For the scholarship fund .....\$1,000

**Laurel Lake Retirement Community**

To conduct a youth education program in philanthropy in conjunction with Seton Catholic School .....\$25,900

**Seton Catholic School**

For the Sister Marie Damicone Scholarship Endowment Fund .....\$1,000

**Western Reserve Academy**

For Burton D. Morgan Leaders Program..... \$50,000

Subtotal for Hudson Community: ..... **\$224,220**

## Philanthropy

**The Foundation Center**For annual support and to help underwrite publication costs for *Spotlight on Economic Development Grantmaking in Ohio* report .....\$3,300**Leadership Akron**

To continue the Philanthropy Project for the 2007-2008 Leadership Akron class .....\$10,000

**Ohio Grantmakers Forum**

For operations.....\$9,500

Subtotal for Philanthropy: ..... **\$22,800**

## Other

**Akron Art Museum**To sponsor Norman Rockwell Exhibition entitled, *American Chronicles: The Art of Norman Rockwell*, in honor of John V. Frank's 30 years of service to the Foundation.....\$165,000**Akron Community Foundation**

For the Akron Community Foundation Community Fund.....\$75,000

**American Red Cross-Summit County Chapter**

For local disaster relief fund ..... \$30,000

**Grants Managers Network**

For operating support .....\$250

**Project LEARN**

In memory of William James Griggs .....\$500

**Summa Hospitals Foundation**

In memory of Susan Deveny Pavloff.....\$500

**Tallmadge Lutheran Church**

In memory of Mark Edward Kellar .....\$500

**United Way of Summit County**

For the 2006-2007 annual campaign ..... \$50,000

Subtotal for Other: ..... **\$321,750**

## Health/Mental Health

**Family Institute at Northwestern University**

For the Dr. John J.B. Morgan Fellowship.....\$24,349

Subtotal for Health/Mental Health: ..... **\$24,349**Subtotal for mission grants: ..... **\$3,627,679**

Subtotal for discretionary grants: .....\$798,973

Grand total for all grants: ..... **\$4,426,652**



# GUIDELINES

## Applicant Qualifications

Grants are made to organizations recognized as public charities under Internal Revenue Code section 501(c)(3). The Foundation does not usually make multi-year grants and does not ordinarily consider grants to annual fund drives, to units of government, or to organizations and institutions which are primarily tax-supported, including state universities. The Foundation does not accept grant applications from arts, mental health, or social service organizations or programs.

## Program and Geographic Areas of Interest

The Foundation principally makes grants that benefit Ohio's northeast quadrant and advance its mission of strengthening the free enterprise system. The Foundation strives to promote creativity, invention, entrepreneurship, and innovation among children and adolescents, college students, and adults by funding:

- Education on the elementary and secondary school levels that instills an appreciation for free enterprise and cultivates creativity and invention.
- Education on the collegiate and adult levels that reinforces free enterprise values and develops crucial entrepreneurial skills and competencies.
- Programs that provide the incubation, technical support, or capitalization services critical to the success of entrepreneurial ventures.

## Deadlines and Meetings

The Trustees meet three times each year during January, June and September to consider requests. Organizations may submit only one grant proposal in a calendar year. Deadlines for submitting proposals are as follows:

Meeting	Deadline for Inquiry Letter	Deadline for Grant Request
January	September 1	October 1
June	February 1	March 1
September	May 1	June 1

# FINANCIAL POSITION

## Statement of Position

Year Ending December 31, 2007

### Assets

Cash or Equivalents	\$27,683,700
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### Investments at Market

<i>Equities:</i>	83,624,900
Mutual Funds	27,530,900
Exchange Traded Funds	11,081,100
Private Equities	6,421,000
Real Estate	3,593,800
Equipment	377,100
<b>Total Assets</b>	<b>\$160,312,500</b>

### LIABILITIES AND NET ASSETS

Unrestricted Net Assets	\$160,312,500
<b>Total Liabilities and Net Assets</b>	<b>\$160,312,500</b>

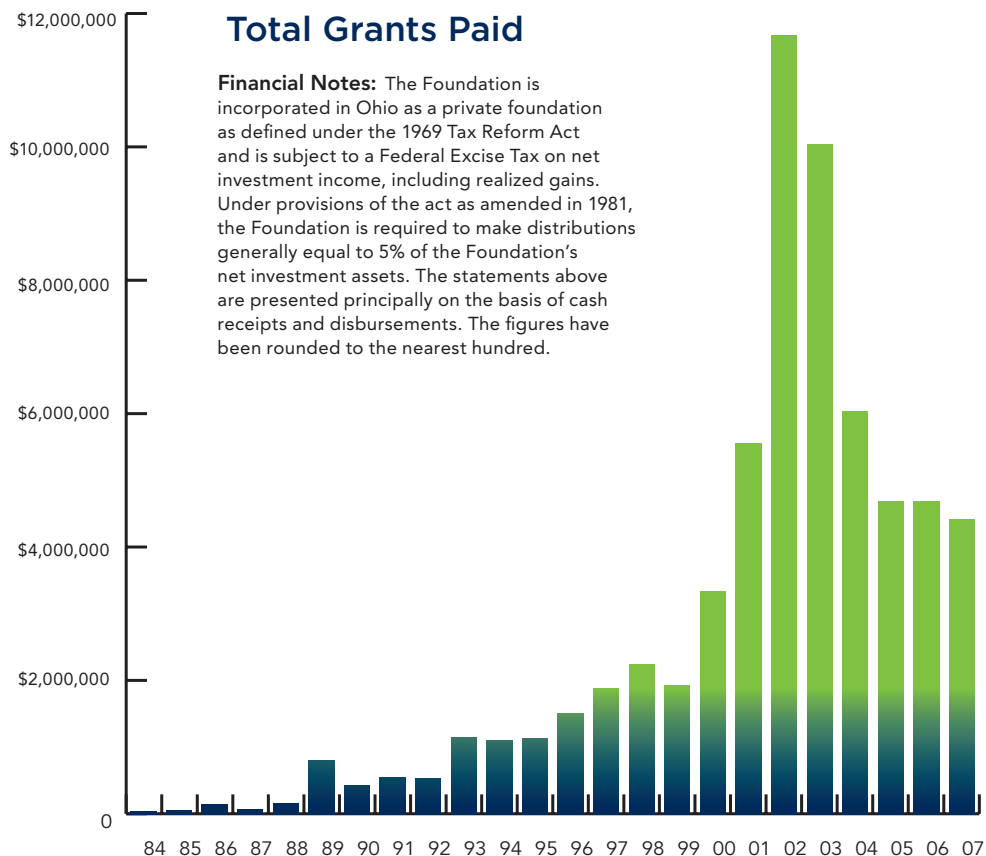
## Statement of Activities

Year Ending December 31, 2007

Contributions	\$4,166,100
Dividends and interest income	2,006,500
<b>Total Income</b>	<b>\$6,172,600</b>

## Expenses

Investment Management Fees	\$672,100
Bank Custodial Fees	48,100
Excise Tax	541,800
Administrative	715,500
Consulting	92,800
Communications	83,000
Events	61,800
Professional Services	35,800
Insurance Premiums	28,000
Programs	15,000
Miscellaneous Expenses	21,000
Depreciation	170,500
<b>Total Expenses</b>	<b>2,485,400</b>
Grants Paid	4,426,700
<b>Total Expenses and Grants</b>	<b>6,912,100</b>
Expenses in Excess of Revenue	739,500
Realized Gains	23,871,400
Decrease in Unrealized Appreciation	3,383,800
<b>Increase in Net Assets</b>	<b>\$19,748,100</b>



# TRUSTEES, OFFICERS & STAFF



*Keith A. Brown*



*Richard A. Chenoweth*



*J. Martin Erbaugh*



*John V. Frank*



*Stanley C. Gault*



*Deborah D. Hoover*



*Mark D. Robeson*



*Richard N. Seaman*



## Officers & Trustees

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*Deborah D. Hoover*

### Vice President

*J. Martin Erbaugh*

### Secretary-Treasurer

*Richard N. Seaman*

*Keith A. Brown*

*Richard A. Chenoweth*

*John V. Frank*

*Stanley C. Gault*

*Mark D. Robeson*

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### Chief Financial Officer

*Denise M. Griggs*

### Program Officer

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*Marie-Ellen Erb*

### Special Projects Coordinator

*Charlene Nevada*

### Office Manager

*Paula J. McCulloch*

### Executive Assistant

*Diane V. Rafferty*

### Administrative Assistant

*Eileen M. Borsz*



# 40<sup>th</sup> ANNIVERSARY

The Burton D. Morgan Foundation marked two major milestones in 2007 – the 40th anniversary of the Foundation’s founding and the first year under new leadership.

Those milestones merged into a huge celebration in early November, when the Foundation sponsored a gala opening for a Norman Rockwell exhibit at the Akron Art Museum.

*American Chronicles: The Art of Norman Rockwell*, was brought to Akron to honor the Foundation’s long-time leader, John V. Frank, who retired at the end of 2006.

Frank was a bank trust officer in 1976 when Burt Morgan chose him to head the Foundation. He is especially credited with guiding the Foundation’s financial success during its next three decades.

Frank’s successor, Deborah D. Hoover, joined Foundation trustees, friends and more than 200 guests in thanking Frank for his contributions.

The choice of this occasion to honor Frank was no coincidence. Frank is a former member of the Akron Art Museum Board and a current member of the board for the Norman Rockwell Museum in Stockbridge, Massachusetts.

Akron was the first city for the touring exhibit and the first major exhibit at the newly expanded Akron Art Museum.





The grant awarded by the Foundation to bring the exhibit to Akron, Ohio paid dividends for the museum. The 12-week show attracted a record number of visitors—48,600. Museum membership grew by 26 percent and door receipts topped \$300,000.

The November 9th gala also corresponded with the Foundation's 40th anniversary. It was in November 1967 that The Burton D. Morgan Foundation held its first meeting in a downtown Cleveland law office. Forty years later, the Foundation had moved to Hudson and given away more than \$70 million.

Those four decades of accomplishment were chronicled in a commemorative history, *Forty Years of Philanthropy*, published by the Foundation in 2007. Each guest at the reception received a copy of the book and an accompanying video, *Let's Do Something Big!*

Doing "something big" was part of Burt Morgan's philosophy. By 2007, the Foundation he started had grown into something big. And last November, the philanthropy that grew from his entrepreneurial spirit allowed all of Akron and beyond to enjoy a truly big show.







The  
Burton D. Morgan  
Foundation

Committed to the Free Enterprise System®



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