

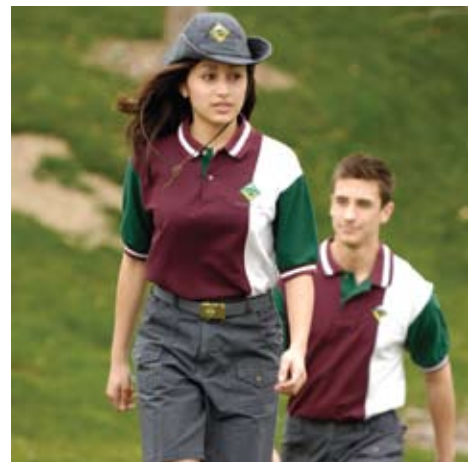
ON MY HONOR I WILL DO MY BEST

# BOY SCOUTS OF AMERICA NATIONAL FOUNDATION

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2007 ANNUAL REPORT

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## FOUNDATION MISSION

**To develop** *a fund to financially support the mission, values, and programs of the Boy Scouts of America by promoting and soliciting gifts, grants, and matching funds from individuals, corporations, and foundations interested in supporting Scouting through their local councils and other Scouting organizations, both nationally and internationally.*

## FOUNDATION PURPOSE

*The BSA National Foundation was founded in 1996 to help councils find new sources of philanthropic support, provide donors with flexible and effective means to make gifts, and encourage the financial support of Scouting throughout the country. At its core, it exists to help donors realize their charitable goals and help them engage other family members in the process of philanthropy. Many charities show donors how to pass their valuables to others. The BSA Foundation thinks it's just as important to help donors pass their values to others.*

# AND MY COUNTRY



One World—One Promise. This was the rally call of 40,000 Scouts at the 2007 World Scout Jamboree in Great Britain last summer. What a powerful message for the 100th anniversary of world Scouting! A collective call to action for the Scouts of the world, and a perfect complement to the individual call to action for the Boy Scouts of America: “On my honor, I will do my best . . .” You know the rest.

If you’ve been to a jamboree or any large gathering of Scouts, you know it’s a powerful reminder of how important and irreplaceable Scouting is. There’s no question that Scouting is the world’s greatest character development movement for youth; it will play a critical role in the future of our communities and country. The only question is how to afford the future of Scouting.

Annual gifts help keep the lights on and pay for the basics. We do pretty well with that. But it’s the major gifts—the large gifts, charitable trusts, and donor-advised funds—on which we need to focus. Those are the gifts that will help Scouting grow and

bring financial stability to its councils, its programs, and its future.

This is the highest and best use of the Foundation: to find gifts and donors to help move our councils and programs beyond what they are today to what they want to be. The best news of all is what our donors now see when they look to Scouting. They see strong management and investment policies, strong cases for support, and responsible use of their major gifts. More than ever, our supporters see Scouting as on par, as good, and as worthy as the colleges, churches, and others that are traditionally their major beneficiaries of habit.

We truly live in one world, and I ask you to join me in delivering one promise: to invest in a future that prepares our youth to make this country even better. That future is Scouting—and we appreciate your support for it.

A handwritten signature in black ink, appearing to read "Rick Cronk".

William F. “Rick” Cronk  
Chairman, BSA National Foundation

# AND TO OBEY THE SCOUT LAW;



Henry A. Rosenberg Jr.  
Chairman, Foundation  
Advisory Committee



Colin French  
Foundation Director, 2008–



Albert H. Kugler  
Foundation Director, 2005–2007

Last year was a pivotal year for the Foundation. As Scouting approaches its 100th year in America, we wanted to reposition the Foundation for its future and Scouting's future funding needs. We knew it would also make us a better resource for local councils and help improve the services we offer to some of Scouting's top philanthropists.

Among those changes:

- Albert Kugler accepted a new position as director, Office of the Chief Scout Executive, and continues to work with the Foundation to make sure it meets Scouting's most strategic funding needs.
- Colin French, the Foundation's senior endowment counsel—operations, was asked to serve as the new Foundation director, effective January 1, 2008.

- The regional endowment counsels became national endowment counsels—continuing to work with local councils as before, but no longer limited to just one region. In addition, Russ McNamer, endowment counsel from the Central Region, relocated to the Foundation office in Irving.

These changes make it possible for us to be more efficient and effective in finding new gifts for Scouting, and to match those up with Scouting's most important and exciting initiatives. So thank you for your continuing support of this great movement and its financial future.

## CURRENT FOUNDATION PRIORITIES

One of the Foundation's highest priorities is to accommodate donors who want to help the local councils, programs, and Scouting initiatives they want to support. There are also some programs and initiatives for which the Foundation actively seeks funding. Many of them are provided and funded at the local council level as well as at the National Council. They are also part of the BSA's current National Strategic Plan.

Some of the specific projects for which we are seeking funds include:

1. Scoutreach. This initiative is specifically designed to deliver Scouting and quality after-school programs to the most hard-to-serve youth in America: rural and urban youth who are at risk, economically disadvantaged, or from minority populations.
2. Soccer and Scouting. Part of our Scoutreach initiative, it focuses on younger boys of Hispanic/Latino heritage and combines bilingual training in leadership and ethics, elements of our Cub Scout program, and an organized soccer program.
3. BSA professional internship programs. Designed to find, train, and hire the best young men and women who want to work in Scouting's local councils, especially those with skills and abilities to serve inner-city and minority populations.
4. New Scouting programs designed to combat childhood obesity. These programs combine youth-friendly educational materials and fitness incentives to address a problem that is almost universally recognized as one of our society's greatest challenges.
5. Funding for high-adventure programs and facilities (such as Philmont Scout Ranch, Northern Tier Canoe Base, and Florida Sea Base), as well as numerous local council high-adventure programs and facilities.
6. Funding for Scouting's 100th anniversary celebration. In 2010, Scouting in America will be 100 years old. Numerous projects and initiatives focusing on the history and heritage of Scouting are planned.

Gifts may be used to support immediate needs for these and other projects, or to establish endowment funds for long-term or perpetual support.



## SPECIAL INITIATIVES FOLLOW-UP

### The Arnold Family Advised Funds—In Action

Ed and Jeanne Arnold were featured in the 2006 BSA National Foundation Annual Report for the family planning process they went through with Perry Cochell and the Foundation. Each of the three Arnold Family Advised Funds focuses on council Scoutreach initiatives in a specific area of the United States.

**The Pennsylvania Dutch Council** serves youth in central Pennsylvania, including the city of Lebanon. During 2007, the Scoutreach program in Lebanon grew from three Cub Scout packs serving 38 boys to five packs serving 107 boys. The programs were delivered by paid, part-time program specialists after school in four local elementary schools (Harding, Union Canal, Northwest, and Henry Hauck) and one public housing center (Lebanon Village). Each location serves high-risk neighborhoods. The Lebanon Valley Sertoma Club serves as the chartered organization for all five packs. The council's Scoutreach

committee composed of eight active volunteers is actively engaged in providing support and resources. Meeting monthly, they review the unit program, identify and secure resources, and where appropriate, actively volunteer. Currently, three paid part-time program specialists provide the primary leadership for the five Cub Scout packs. Two additional (non-family) volunteers have been recruited to serve as assistant Cubmasters for three of the packs.

In addition to the paid and volunteer leaders, several parents have begun to help during the weekly meetings. The Scoutreach initiative follows the national Cub Scout program rather closely, using the standard monthly themes. Each meeting contains a learning period, activity/craft, and a

physical activity, along with a healthy snack. In addition, an overnight family camp program was conducted in October, a popcorn sale in November, breakfast with Santa in December, a pinewood derby® in January, a



Ed and Jeanne Arnold with Cub Scouts

# TO KEEP MYSELF

family camp in May, a Barnstormers baseball Scout night in June, and a day/ resident camp in July.

As set forth by the committee, the objectives to provide a direct benefit to the young people include:

- Enhanced self-esteem and personal discipline
- The capacity to learn new skills and build new strengths
- Good moral and ethical decision-making skills
- Respect for themselves and other people
- A sense of pride in their rich ethnic heritage

**The Grand Canyon Council**, headquartered in Phoenix, Arizona, enriched the Soccer and Scouting and other Scoutreach initiatives by expending funds in the following ways:

- Registering 100 youth who could not afford program fees
- Paying for site rental and sanitation fees

Ed and Jeanne Arnold's financial gift allows the Grand Canyon Council to expand its outreach programs. The programs include serving low-income, culturally diverse, and hard-to-reach

youth throughout Arizona by implementing the following methods: (1) Soccer and Scouting, (2) the Basketball and Scouting initiative on American Indian reservations, (3) juvenile diversion, and (4) hiring additional Scoutreach staff.

**The Allohak Council** serves 17 counties in West Virginia and Ohio. The territory is predominately rural, with only four large communities. Providing direct field service within the Allohak Council is difficult due to the large area, sparse population, and amount of poverty in the area. The primary obstacles to making Scouting available to youth are a lack of finances and transportation

The Allohak Council is beginning to serve the underserved areas of West Virginia and Ohio that are under the jurisdiction of the council thanks to the generous and benevolent vision of the Arnold family's gift to the BSA National Foundation. As a beneficiary of the gift from the foundation, the Allohak Council has been able to increase the amount of money available for camperships;

provide uniforms, books, and materials to boys in need; and provide funds to pay registration and Boys' Life fees when needed. In addition, five new units have been organized due to this effort.



Soccer and Scouting in the Grand Canyon Council

## THE FOUNDATION'S IMPACT ON CENTRAL AMERICA

*The primary focus of the BSA Foundation is to support local councils and domestic Scout initiatives. However, in honor of the 100th Anniversary of World Scouting, we wanted to highlight the impact of Scouting internationally.*

One of the areas of world Scouting that is poised for growth is Central America, and the Boy Scouts of America's United States Fund for International Scouting is lending a helping hand.

The USFIS has its financial assets invested with the Boy Scouts of America National Foundation. The annual earnings from those investments are available for the USFIS Committee to contribute to Scout associations in other countries as grants to help fund program-specific projects. Recent grants made to the Scout associations of Guatemala and Panama are examples of how the BSA—through the USFIS investment with the BSA National Foundation—can help strengthen Scouting on an international level.

### **Guatemala**

The Scout Association of Guatemala presented a grant proposal to the USFIS Committee for financial support of its new Scout training camp, El Peñón.

The Scouts of Guatemala had dramatic membership growth and only a small camping operation, which was within the city of Guatemala. To help better serve their membership, they proposed a new training camp farther into the Guatemalan countryside.

The land for the camp would be made available for use by the Scouts from a private land owner. The government of Guatemala pledged to build a needed bridge over the river leading to the camp facility and

to provide lights for the new camp. Donations were secured to fund various other projects; however, the BSA USFIS Committee was called upon to assist with the construction costs of toilet and shower facilities, as well as a lodging facility.

The committee first approved the funds to build the toilets and showers. If these funds were spent as planned—and the other donations from the government and various other individuals came through—the committee agreed to then contribute the additional money required for the lodging facility.

Fast forward to 2008: The toilet and showers (complete with running water and sewage facilities) are completed, the bridge has been built, the lighting is installed, and numerous activities and events have been conducted at the camp. Needless to say, the Scout Association of Guatemala fulfilled its promise, and the USFIS Committee has now approved funding for the second phase of the camp's development—the lodging project.

But the good news does not stop there. The owner of the property has just decided to donate the land to the Scouts of Guatemala, so the Scouts now own the entire camp.

### **Panama**

Scouting in Panama has been helped by many over the years; however, few have helped the cause

# MENTALLY AWAKE,

of Scouting in Panama as much as an American by the name of James Hattrick.

The National Scout Association of Panama—during its entire history—never owned and operated a Scout camp. They were given this opportunity just a few short years ago. The government of Panama made a site available to the Scouts in the jungle close to the Panama Canal. In fact, the site was once used by the United States military during World War II as an antiaircraft emplacement to protect the canal.

The old roads and concrete slabs of the WWII site were carefully uncovered. From there has emerged a camp for the Scouts of Panama, the first Scout camp this Scout association ever had. The facilities are basic but fully useful from a Scout's perspective.

To honor their friend and benefactor Jim Hattrick, the Scouts of Panama approached the BSA USFIS Committee with a proposal to build the James Hattrick Training and Nature Center at the new camp. The rest, as they say, is history. The center is complete, and the camp is now used on a regular basis by the Scouts and leaders of Panama.

The training and nature center is quite impressive. It is an open-air facility that offers protection from

the rain, yet is safe from the rot and termite problems afforded by a jungle environment.

The National Scout Association of Panama did exactly as they promised the USFIS Committee. Therefore, the committee recently approved funds for the Scouts of Panama to drill a needed water well on the site. In fact, drilling has already begun because the well needs to be completed before the rainy season sets in.

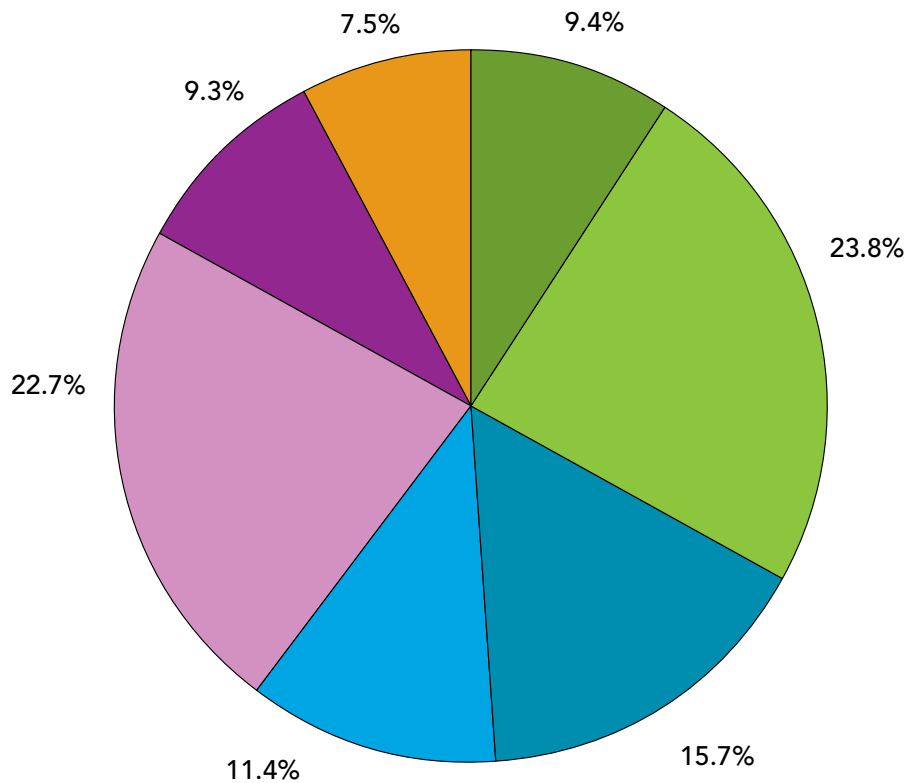
## ***USFIS Committee***

While these two stories focus on Central America, the USFIS Committee approves grants for all parts of the world on a regular basis. Typically, there are about six to ten grants approved each year. The committee is most interested in providing funding to Scout associations willing to raise a portion of the needed revenue on their own. History has proven that results are far better when the USFIS becomes a partner in a project versus the sole provider.



Construction of the James Hattrick Training and Nature Center in Panama

## BSA FOUNDATION CATEGORIES OF FUNDS



Donor-Advised Funds	\$4,971,629
Charitable Remainder Trusts	\$11,028,353
Regional Funds	\$7,459,887
World Scouting	\$5,169,653
National Scouting Museum	\$10,987,695
Designated Funds	\$4,904,104
Discretionary Funds	\$3,343,456
<b>Total Funds Unaudited (as of 12/31/07)</b>	<b>\$47,864,777</b>

Does not include gift annuity funds and pooled funds of \$11,028,353. These programs are overseen by the Foundation, but the funds are held by the Boy Scouts of America. Also does not include pledges receivable of \$606,000.

## 2007 BSA NATIONAL FOUNDATION DISTRIBUTIONS AND REPORTS

### Donor-Advised Funds

#### ***Milton H. and Adele R. Ward Fund***

\$51,000, including \$25,500 to the Greater Southwest Council, Albuquerque, New Mexico, and \$25,500 to the Catalina Council, Tucson, Arizona.

#### ***A. Ward High-Adventure Scholarship Fund***

\$51,050.60 for minority staff scholarships to Philmont Scout Ranch, Florida Sea Base, Northern Tier Canoe Base, and high-adventure expeditions for adult leaders in Scouting through Scoutreach initiatives.

#### ***Edward and Jeanne Arnold Donor-Advised Fund One***

\$18,333 to the Grand Canyon Council, Phoenix, Arizona, in support of the council's Scoutreach initiatives.

#### ***Edward and Jeanne Arnold Donor-Advised Fund Two***

\$18,333 to the Allohak Council, Parkersburg, West Virginia in support of the council's Scoutreach initiatives.

#### ***Edward and Jeanne Arnold Donor-Advised Fund Three***

\$18,333 to the Pennsylvania Dutch Council, Lancaster, Pennsylvania, in support of the council's Scoutreach initiatives.

#### ***Dorothy L. and Henry A. Rosenberg Jr. Fund***

No distributions were requested for 2007.

#### ***The Cushman Family Scouting Fund***

\$5,000 to the San Gabriel Valley Council, Pasadena, California, in support of the council's annual dinner.

#### ***The Cronk Family Advised Fund***

No distributions were requested for 2007.

### Regional Funds

#### ***Western Region Trust Fund***

No distributions were made in 2007.

#### ***Southern Region Discretionary Fund***

No distributions were made from the fund in 2007, but \$13,452.10 was received by the fund.

#### ***Southern Region Trust Fund &***

##### ***Peter A. Rose Fund***

\$155,500 to local councils throughout the Southern Region. Together, these funds supported local councils in the Southern Region by subsidizing half the cost of Professional Development Level 1 fees, supporting endowment development, six \$1,000 Eagle Scout scholarships, accounting specialist training programs, Hispanic emphasis, and other areas of council support. Councils receiving support were in San Antonio, Texas; Texarkana, Texas; Dallas, Texas; Lafayette, Louisiana; Tulsa, Oklahoma; Oklahoma City, Oklahoma; Shreveport, Louisiana; Little Rock, Arkansas; Houston, Texas; Beaumont, Texas; Galveston, Texas; Austin, Texas; San Angelo, Texas; Amarillo, Texas; Baton Rouge, Louisiana; Hurst, Texas; Hot Springs, Arkansas; Rio Grande, Texas; and Abilene, Texas.

# TRUSTWORTHY,

## ***Central Region Trust Fund***

\$45,300 to eight local councils as follows:

- \$2,000 to Rapid City, North Dakota, for fall roundup support and public relations.
- \$4,500 to Sartell, Minnesota, for fall roundup materials.
- \$8,800 to Hermantown, Minnesota, for a Learning for Life collaborative.
- \$6,000 to Fargo, North Dakota, for their Mission Family implementation.
- \$4,500 to St. Paul, Minnesota, for their fall roundup emphasis.
- \$5,500 to Rochester, Minnesota, for their Special Interest Program Outreach.
- \$7,500 to Mankato, Minnesota, for their recruitment brochure and camping incentive.
- \$6,500 to Sioux Falls, South Dakota, to increase their Varsity after-school program.

## ***Gaylord Warren Beebe Memorial Fund (Northeast Region)***

\$5,042 to support the Green Mountain Council.



## ***Northeast Region Funds***

### ***Northeast Region Trust Fund (Main Trust)***

#### ***Samuel Joseloff Fund***

#### ***Hattie M. Jacobs Fund***

#### ***Irving B. Howe Fund***

#### ***Henry P. Robbins Fund***

\$86,152 was provided to 12 local councils as follows:

- \$4,000 to Boston, Massachusetts, for a Webelos transition and retention plan.
- \$4,150 to Chicopee, Massachusetts, for Boy Scout recruiting and retention.
- \$4,000 to Framingham, Massachusetts, for the Soccer and Scouting initiative.
- \$5,000 to Toms River, New Jersey, for recruiting initiatives.
- \$1,500 to Morganville, New Jersey, for re-engaging dropped Scouts.
- \$1,400 to Doylestown, Pennsylvania, for Cub Scout camp retention.
- \$11,655 to East Hartford, Connecticut, for Scoutreach initiatives.
- \$7,500 to Manchester, New Hampshire, for an immigrant refugee initiative.
- \$7,500 to Florham Park, New Jersey, for Cub Scout den program training and program supplies.
- \$5,000 to New York, New York, to bolster recruiting and retention through promoting reading.

- \$30,000 to Lehigh Valley, Pennsylvania, and Wilmington, Delaware, for a collaborative pilot program using a Web-based den meeting attendance program.
- \$4,400 to five councils for “Pit Crew” recruitment project, Princeton, New Jersey; Lehigh Valley, Pennsylvania; Massapequa, New York; Wilmington, Delaware; and Philadelphia, Pennsylvania.

### ***Northeast Region Restricted Fund***

\$23,002 to support the operations for general support as follows: \$11,616 to Waterbury, Vermont; \$10,466 to Haverhill, Massachusetts; and \$920 to the Northeast Region.

## **Designated Funds**

### ***World Scouting Unrestricted and Restricted Fund***

\$352,846 to the World Scouting Foundation and various World Scouting initiatives.

### ***W. Hansen and Mary Hall Endowment Scholarship***

\$66,000 to provide college scholarships to qualified Eagle Scouts.

### ***McIntosh European Fund (World Scouting)***

\$115,432 to the European Scout Foundation for general support.

### ***Ted Winans Northern Tier Endowment Fund***

\$8,518 to the Northern Tier Canoe Base to purchase new canoes.

### ***National Scouting Museum Endowment***

\$550,937 to the National Scouting Museum for operating needs and general expenses.

### ***Gerald Lawhorn Family ParentReach Endowment***

\$6,050 to support ParentReach program initiatives.

## **Discretionary Funds**

### ***Foundation Discretionary Fund***

\$546,394 to support the general expenses and ongoing daily activities of the BSA National Foundation.

## **Gift Annuities and Pooled Funds**

### ***BSA Gift Annuity Program***

- Eighteen new gifts—total value: \$945,737
- Seven matured gifts—total distribution \$108,846
- Total value of the BSA Gift Annuity Program: \$9,857,008

### ***BSA Pooled Income Funds***

- One new gift—value \$23,358
- Six matured gifts—total distribution to councils: \$46,744
- Total value of the BSA Pooled Income Funds: \$7,617,248

## CHARITABLE GIFT SERVICES

**W**e welcome a wide variety of gifts to support the needs and mission of Scouting. General unrestricted gifts are used to support Scouting initiatives of greatest need, as determined by the Foundation. Specific purpose gifts—for a donor-selected council, program, or initiative—are welcome as well. Typical gift purposes may include:

- Individual gifts to benefit multiple councils, programs, or Scouting organizations
- Corporate and foundation gifts for specific Scouting programs and initiatives in targeted communities
- Planned gifts to generate current income and tax benefits for donors and that will eventually benefit Scouting
- Gifts for World Scouting organizations and needs

Most gifts to the Foundation are gifts of cash and stocks. But gifts also include:

- Wills and bequests
- Charitable remainder trusts and charitable lead trusts
- Beneficiary designations from life insurance and IRAs
- Homes, rental properties, ranches, and other real estate
- Bargain sales, gift/sales, and life estates
- Personal property (art, collectibles)
- Oil and gas royalties
- Other marketable assets (as approved by the Foundation)

The BSA Foundation is also qualified to accept direct, tax-free gift transfers from IRAs, as permitted under the Pension Protection Act of 2007. Talk with your own advisers or fund administrators for more information.

### **BSA Gift Annuity Program and Pooled Income Funds**

The BSA Gift Annuity Program allows donors to make a gift to Scouting and, in return, receive lifetime income and other tax benefits. The rate is guaranteed by the general assets of the Boy Scouts of America and will not change for the duration of the annuity. When the gift annuity ends, the remainder goes to the local council or councils chosen by the donor.

Each gift must be a minimum of \$2,500 in cash, stocks, or bonds, and beneficiaries must be at least 50 years of age. Annuity payments may be deferred or begin immediately.

The BSA Pooled Income Fund is similar to the Gift Annuity Program, but more like a “charitable mutual fund.” It requires a minimum gift of \$5,000, beneficiaries must be at least 40 years of age at the time of the gift, and the annual income is based on the actual returns of the fund and may vary.

The pooled fund may be an excellent choice for donors who do not need a predictable rate of return and seek an income stream that may help protect against inflationary periods.

Please contact the Foundation or your regional endowment counsel for further information and gift guidelines. The Foundation is tax exempt as a charitable organization described in IRC Section 501(c)(3); it is a public charity, not a private foundation.

## DONOR AND FAMILY SERVICES

### Donor-Advised Funds

The BSA Foundation accommodates donor-advised funds for donors and families who seek greater flexibility in their philanthropic planning. They allow donors to create a single fund and advise the Foundation about annual distributions to Scouting and non-Scouting entities.

Many donors use these funds to help their children or grandchildren become more fully engaged in philanthropy. The donor creates the fund and selects the children or grandchildren to advise the fund, recommend annual distributions from the fund, and receive reports on how the charities used the funds. (See the story on page 5 about the Arnold family.)

### Family Wealth Counseling

Many generous and successful individuals have found it is easy to pass valuables to others but hard to pass values to them. It's the difference between saving taxes and saving the family fortune. To help address these issues, the BSA Foundation is pleased to offer free planning resources and confidential wealth counseling for donors and their families. Ask for more information about how to put your “family first and fortune second” and preserve both your estate and your family values and ethics for the next generation.



## LOCAL COUNCIL ENDOWMENT NEEDS

The Foundation fully supports the endowment philosophy of the Boy Scouts of America: the most effective way for local councils to bring stability to their Scouting programs, and to protect their financial future, is to have each council establish its own endowment fund.

In the past decade, local council endowment growth has been significant. The Foundation is proud of its continuing role in supporting councils in this important initiative. In 2007, the Foundation:

- Offered new training seminars and course materials on endowment and major gifts for BSA professionals and volunteers
- Hosted an Endowment Fellowship Week at Philmont in July, offering unprecedented access and opportunities for tours and recreation at Philmont to volunteers and their families
- Encouraged numerous major gift prospects to make their gifts directly to their local councils instead of the Foundation because it was more appropriate at the council level

- Hosted 12 Endowment Art Tour events
- Recognized over 2,300 donors who became members of our James E. West Fellowship, 1910 Society, or Founders Circle, with total local council endowment gifts of over \$34 million

The Foundation also worked with regions to help their councils earn the National Endowment Achievement Award. As a result, more than 30 percent of all BSA local councils earned the award in 2007. The percentages of councils earning the award by region are:

<b><i>Northeast Region</i></b>	52% of councils
<b><i>Central Region</i></b>	39.5% of councils
<b><i>Western Region</i></b>	25.9% of councils
<b><i>Southern Region</i></b>	15% of councils
<b><i>Boy Scouts of America</i></b>	32.3% of councils



## NATIONAL FOUNDATION DONOR RECOGNITION

Major gifts that make a major impact on Scouting are of the highest priority to the Foundation. To properly recognize these transformational gifts, we introduced the Scout Philanthropy Society in 2005.

These gifts may be designated for general purposes, specific needs, national Scouting initiatives, or for a Scouter-advised fund in the Foundation. There are four levels of recognition for qualifying gifts to the Scout Philanthropy Society:

- \$1 million-plus level
- \$10 million-plus level
- \$25 million-plus level
- \$100 million-plus level

We are proud to say that we recognized our first members of the society in 2007, all at the

\$1 million-plus level. Our members include:

Milt and Adele Ward

Gerald I. Lawhorn

Henry Rosenberg Jr.

Rick and Janet Cronk

Ed and Jeanne Arnold

Qualifying gifts may be outright gifts (cash, stock, land) or deferred gifts (bequests, charitable trusts, insurance/IRA beneficiary designations, etc.), based on the present value of the gift. For gifts at the \$1 million-plus level, at least 50 percent of the gift must be outright. At higher levels, at least 10 percent of the gift must be outright.

We welcome and recognize gifts of all sizes to the Foundation. Please contact the Foundation for more details about this important recognition.



## ENDOWMENT ART TOUR

One of the Foundation's most popular events is our annual Endowment Art Tour. It combines an educational seminar on estate planning, recognition of local council endowment donors, and a display of some of the most popular works of art from the National Scouting Museum.

### 2007 Tour Theme: "Trail to Eagle"

- Twelve cities with over 1,500 attendees at the receptions
- Four-hundred fifty attendees at the estate planning seminars
- Ninety-five people recognized for \$18 million in new gifts and commitments to their local councils

The tour for 2008 will again be hosted by the Foundation. The theme will be "The Volunteer" and feature a brand-new work by renowned Scouting artist Joseph Csatari.

The 2008 Endowment Art Tour will be in the following cities:

New Orleans, Louisiana	April 10, 2008
Oklahoma City, Oklahoma	April 17, 2008
Des Moines, Iowa	April 24, 2008
St. Charles, Illinois	May 1, 2008
Detroit, Michigan	May 15, 2008
Roanoke, Virginia	May 29, 2008
Pittsburgh, Pennsylvania	September 25, 2008
Salt Lake City, Utah	October 2, 2008
Seattle, Washington	October 9, 2008
Milford, Connecticut	October 16, 2008
Florham Park, New Jersey	October 30, 2008
Phoenix, Arizona	November 6, 2008

For more information, please contact the Foundation or your local Scout executive.



## INVESTMENT PERFORMANCE AND GUIDELINES

There are three primary factors that positively affect the Foundation's annual investment performance:

- It benefits from economy of scale by investing its assets with those of the Boy Scouts of America.
- Its assets and policies are overseen by 24 nationally known CEOs and financial experts, the same individuals who also serve on the BSA's Finance and Investment Committee.
- It uses two industry leaders to manage its assets: State Street Global Advisors in Boston, Massachusetts, for asset management, and LCG Associates in Dallas, Texas, as investment analyst and consultant.

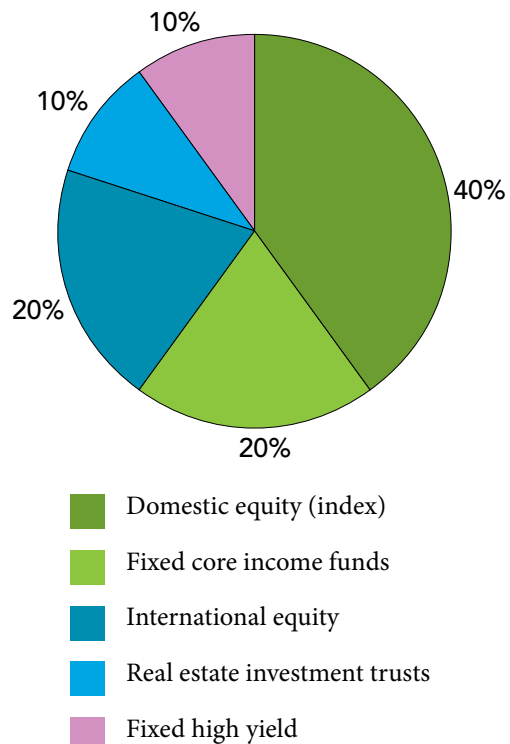
For 2007, the Foundation's total investment return was 3.43 percent, invested in these five categories:

	Target
Domestic Equity (Index)	40%
Fixed Core Income Funds	20%
International Equity	20%
Real Estate Investment Trusts	10%
Fixed High Yield	10%

Because of the purpose and distribution needs of specific funds in the Foundation, some of them require different portfolio mixes. While most foundations similar in size and purpose to ours tend to not use asset classes such as private equity and hedge funds, we continue to look closely at diversifying into such funds.

The standard of investment for the Foundation is to exercise ordinary business care and prudence under the facts and circumstances prevailing at the time of the investment. Our objectives are to (a) seek a steady stream of income from the fund investments, (b) preserve the real value of the principal, and (c) generate investment returns with risk consistent with those of the broad domestic markets. The safety and preservation of Foundation assets are paramount.

Current financial information as to fund size, performance, and distributions is available from the Foundation upon request.

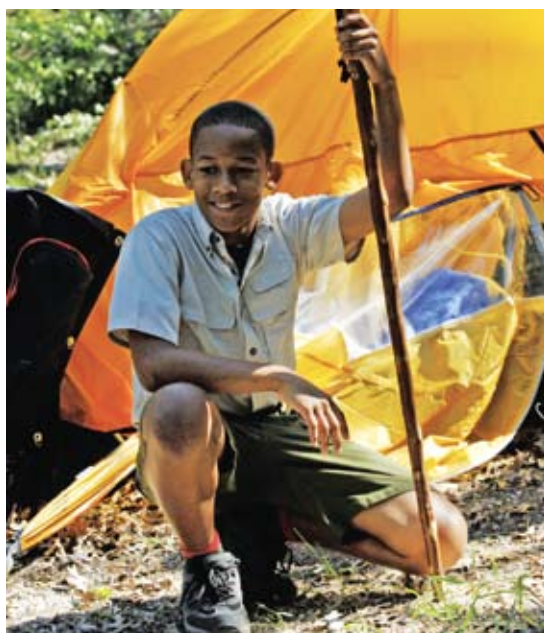


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## FOUNDATION UNAUDITED BALANCE SHEETS

As of December 31, 2007 and 2006 (in thousands)

	2007	2006
<b>Assets</b>		
Investments, at fair value	\$48,004	\$48,349
Pledges receivable	606	765
Total assets	<u>\$48,610</u>	<u>\$49,114</u>
<b>Liabilities and net assets</b>		
Accounts payable—trade and affiliates	\$139	\$1,120
Due trust and uni-trust beneficiaries	11,029	10,758
Total liabilities	<u>11,168</u>	<u>11,878</u>
<b>Net assets:</b>		
Unrestricted:		
General operations	3,343	3,731
Board-designated	4,890	4,592
Total unrestricted net assets	<u>8,233</u>	<u>8,323</u>
Temporarily restricted	3,090	2,272
Permanently restricted	26,119	26,641
Total net assets	<u>37,442</u>	<u>37,236</u>
Total liabilities and net assets	<u>\$48,610</u>	<u>\$49,114</u>



## FOUNDATION UNAUDITED STATEMENT OF REVENUES, EXPENSES, AND OTHER CHANGES IN NET ASSETS

For the Year Ended December 31, 2007 (in thousands, with comparative totals for 2006)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2007	Total 2006
<b>Revenues</b>					
Contributions	\$521	\$591	\$20	\$1,132	\$3,997
Investment income	465	1,399	(542)	1,322	3,944
Total revenue	986	1,990	(522)	2,454	7,941
Net assets released from restrictions	1,172	(1,172)		0	0
Expenses	2,248	0		2,248	1,968
Change in net assets	(90)	818	(522)	206	5,973
Net assets, beginning of year	8,323	2,272	26,641	37,236	31,263
Net assets, end of year	\$8,233	\$3,090	\$26,119	\$37,442	\$37,236

## NATIONAL ENDOWMENT COUNSEL



Ray Smith



John Shannon



Russ McNamer



Jake Carlson



Ben Stahmann



Perry Cochell

National Senior Endowment Counsel

CLEAN,

## BOY SCOUTS OF AMERICA NATIONAL FOUNDATION BOARD OF DIRECTORS



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President



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Chairman, Foundation  
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\*Deceased 2007

# AND REVERENT.



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Edward E. Whitacre Jr.



Ronald H. Yocum

## REGIONAL ENDOWMENT CHAIRMEN

R. Michael Daniel, Northeast Region

Ron Yocum, Central Region

Allen Brown, Southern Region

Chuck Sted, Western Region

# BE PREPARED.

The Foundation Advisory Committee includes eight current Scout executives. Their participation is critical and their committee responsibilities include:

- Coordinating the Foundation efforts with those of local councils
- Serving as instructors and facilitators for endowment training sessions and courses
- Helping set Foundation priorities that will most benefit local councils
- Making sure gift solicitations for the Foundation do not interfere with local council fund-raising

The eight Scout executives whose terms expire in August 2009 are:

## ***Northeast Region***

Al Lambert (Bethesda, Maryland)

Larry Pritchard (Rochester, New York)

## ***Southern Region***

Tom Dugger (Oklahoma City, Oklahoma)

Dan Johnson (Roanoke, Virginia)

## ***Central Region***

Thomas Smotherman (St. Joseph, Missouri)

Ron Green (Columbus, Ohio)

## ***Western Region***

Phil Bevins (Las Vegas, Nevada)

David Kemper (Boise, Idaho)



Al Lambert—Northeast Region



Larry Pritchard—Northeast Region



Tom Dugger—Southern Region



Dan Johnson—Southern Region



Thomas Smotherman—Central Region



Ron Green—Central Region



Phil Bevins—Western Region



David Kemper—Western Region

DO A GOOD TURN DAILY.

## FOUNDATION STAFF AND CONTACT INFORMATION



Back row, left to right:	Russ McNamer National Endowment Counsel rmcnamer@netbsa.org	Jake Carlson National Endowment Counsel jcarlo@netbsa.org	Bob Myers Associate Director rmyers@netbsa.org	Paula Smith Donor Recognition Coordinator phsmith@netbsa.org
Middle row, left to right:	John Shannon National Endowment Counsel jshannon@netbsa.org	Benjamin J. Stahmann National Endowment Counsel bstahmann@netbsa.org	Perry Cochell National Senior Endowment Counsel pcochell@netbsa.org	Ray Smith National Endowment Counsel rsmith@netbsa.org
Front row, left to right:	Melissa Terry Division Secretary mterry@netbsa.org	Dana Fossett Donor Services Administrator dfossett@netbsa.org	Colin V. French Director, BSA National Foundation cfrench@netbsa.org	Kate Karlik Foundation Secretary kkarlik@netbsa.org

For more information about specific gifts you may be considering, our family wealth counseling services, or if you have questions about the Foundation, please e-mail us, call us toll-free at 800-BSA-INFO, visit our Web site at [www.bsafoundation.org](http://www.bsafoundation.org), or fax us at 972-580-7823. Our address is listed below as well.

You may also want to discuss your philanthropic needs and objectives with the BSA's regional endowment counsel. They provide direct service within your region, offering personal visits with

donors and their financial advisers, gift proposals, and many other specialized services. Either the Foundation or your local council can help you contact them.

Scouting continues to serve as the financial focal point for the millions of people who continue to support traditional family values, training in ethical decision making, and moral responsibility. We are the foundation for Scouting's financial future, coast to coast and nation to nation. Find out more about it today.



Boy Scouts of America National Foundation

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Irving, TX 75038

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