



Being the Crystal Ball

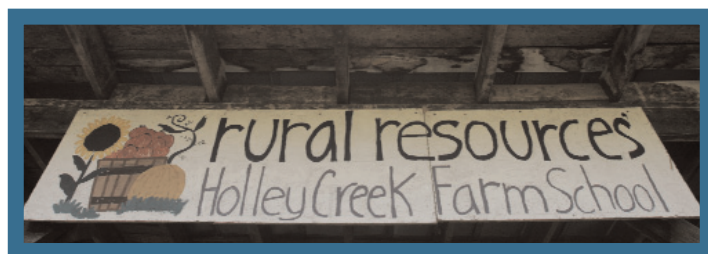
Mike McClamroch, East Tennessee Foundation

Michael McClamroch has served as the president and chief executive of the East Tennessee Foundation since September 2001. Previously, he practiced law with Egerton, McAfee, Armistead, and Davis. A Knoxville native, Mike has served in leadership positions with many community organizations including Habitat for Humanity, Children's Educational Opportunity, and the Animal Center. He has been involved recently with research and communications around the charitable reform legislation in the United States Congress.

As the East Tennessee Foundation (ETF) continues to take advantage of opportunities to enrich lives in our region, wouldn't it be wonderful to foresee the future? Perhaps a crystal ball would allow us to magically view what better or different roles we can play to strengthen communities across East Tennessee. But don't we already know much of what will be needed? The expertise of ETF staff and the community leadership of board members provide us with an insight into opportunities, while past successes offer models for the future. Endowed funds lend a sense of security that resources will be available as we go forth to meet future challenges.

ETF acts as a bridge between traditional philanthropy and more cutting-edge charitable giving that focuses on present and future sustainability. Our philanthropy promotes a strong sense of community and environmental responsibility, which in turn fosters a balance of economic prosperity and environmental well-being. A sustainable future involves creating prosperous, inclusive and sustainable communities. Sustainable communities are safe places where people want to live and work. Such communities meet the diverse needs of residents, demonstrate sensitivity to their environment and are concerned with a higher quality of life for their citizens.

A commitment to create a sustainable future is a commitment to live within one's means, not only with the resources of money, but with all the resources it takes to live. To accomplish such sustainability in smaller, local communities, East Tennessee Foundation's affiliate funds act as catalysts. ETF supports local volunteer boards of directors to build infrastructure and encourages them to establish their own philanthropies. Through asset inventories, communities



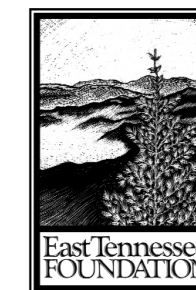
identify their resources: people, skills, environmental. From these they create the means to build endowment to support their local community projects. *The Donors Ourselves* video brings to life examples from two continents of such sustainable community success stories: Coker Creek and Greeneville in Tennessee, and Makutano and Meru in Kenya.

“Giving,” the act of generosity, demands results and accountability to justify further giving and make giving, itself, sustainable. The very nature of a community foundation — local control and expertise, personal service, community leadership, transparency, and flexibility — allows us to approach the “giving equation” from an entrepreneurial perspective. This allows the community foundation to capitalize on opportunities and successfully enrich lives and strengthen communities, where simple “giving” might not succeed.

So what will ETF's major themes be for the future? Building endowment and fostering sustainability will certainly be high on our list. It will be necessary to

find successful ways to convey to donors the role their gifts and funds will play in what *can* happen in East Tennessee. As we attempt to engage the next generation of givers in our philanthropic ventures, we will need to keep in mind that they are more likely to be motivated by investing in change that shows results. And, there will be countless other issues to address that we cannot foresee. What we do know about the future is that it will require that we remain nimble, adaptable and dedicated to maximizing philanthropic value.

Community foundations play an important role in long-term service and support, and as such, can *be* the crystal ball. East Tennessee Foundation, a watchful, thoughtful, interpretive visionary, is poised for the future. Acting as a crystal ball, the Foundation can fold the past and present into the future — and through vision and action, maintain sustainability.



Created In	1986
Serves	24 counties in East Tennessee
Component Funds	292 including 11 affiliate funds and nine supporting organizations
Assets (as of mid-2006)	\$120 million
Cumulative Grantmaking (through 2005)	\$130+ million
Board Members	45 (6 honorary lifetime)
Staff Members	13