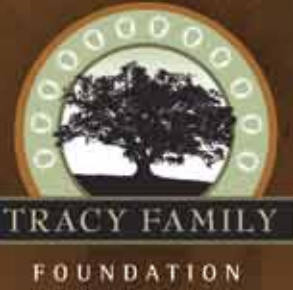


Legacy

2012 TRACY FAMILY FOUNDATION ANNUAL REPORT



INTRODUCTION

Fifteen years have come and gone since the inception of the Tracy Family Foundation. Today, the Legacy Statement that was written by the 12 children of Dorothy and Robert Tracy in the year 2000 is proof that the work of the Foundation is remaining true to the Vision.

TRACY FAMILY FOUNDATION LEGACY STATEMENT - Written by: The 12 children of Dorothy and Robert Tracy *Adopted: December 2000*

“We created the Tracy Family Foundation as an expression of gratitude to our parents, Robert and Dorothy Tracy, for the wonderful gift they gave us - the examples of their lives. Through them we learned the importance of hard work, honesty, and integrity. We learned from their steadfast Roman Catholic faith and their deep-seated commitment to serving the community.

Because of our understanding of their values and priorities, we chose to focus the mission of the TFF on youth, education, and strengthening families. We believe this focus is sufficiently broad to allow the Trustees some latitude and yet sufficiently focused as to provide direction. We trust these issues will remain at the forefront of the Foundation’s efforts.

RT and Dorothy raised all of us (12 children) in Brown County. No matter how far the future generations of Tracys scatter on this earth in the years to come, Mt. Sterling will be considered home and the root of our upbringing. Dot Foods, the family business and the source of both initial and ongoing funds for the foundation, was started in 1960 in Mt. Sterling and continues to flourish there. It is

our wish that the Foundation continue to support the Brown County Commitment Statement prepared in the formative years of the Foundation.

We also desire that the Foundation support activities in areas where family members reside outside of Brown County – if these family members so desire. We want the Foundation to foster a sense of philanthropy for everyone in the family.

Because the Tracy Family Foundation was conceived as a “family” foundation, we would like the board of trustees to continue to be composed primarily of family members, including both direct descendants and in-laws. However, we also believe the foundation benefits tremendously from the presence and perspective of non-family members on the board and would like to see this tradition continue.

Please make every effort to involve and include the next generation of the Tracy family members in the Foundation. Fostering a grateful and giving spirit within the future generations is part of our mission and a priority.”

TRACY FAMILY

Vision Statement

The Foundation will build a legacy of leadership and generosity among Tracy family members as they engage with unity and passion in the work of the Foundation. Through the Foundation, a grateful and philanthropic spirit will be cultivated among all Tracy generations present and future. The Tracy family will actively engage in building improved, sustainable change in Brown County, the surrounding region, and in their own communities.

"I look at the Foundation as sort of a love letter to my Grandparents. It allows us as a family to come together, share the gifts we have been blessed with, and work to make the world a better place for future generations in the communities we serve."

Christine Tracy
Third Generation
Tracy Family Member



Philanthropic Spirit!

Tracy Family Foundation Matching Grant Program

Program Description: TFF trustees and Tracy family members ages 16 and older are eligible to apply for grant funds for a nonprofit organization if the trustee or family member personally contributes to the nonprofit organization.

2012 Grant Dollars Awarded	Personal Dollars Donated	Total TFF and Personal Dollars Awarded	Total # of Grant Awards	% of 1G and 2G Family Members Participating in Program
\$772,739.44	\$329,090.48	\$1,101,829.90	166	100%

Tracy Family Foundation Next Generation Grant Program

Program Description: Next Generation Tracy family members between the ages of 5 and 30 are eligible to apply for grants for nonprofit organizations. The intention of this grant program is to educate Next Generation family members on the needs and issues in their communities.

2012 Grant Dollars Awarded	Total # of Grant Awards	% of Eligible Family Members Participating in Program
\$65,500	42	84.4%

Volunteerism!

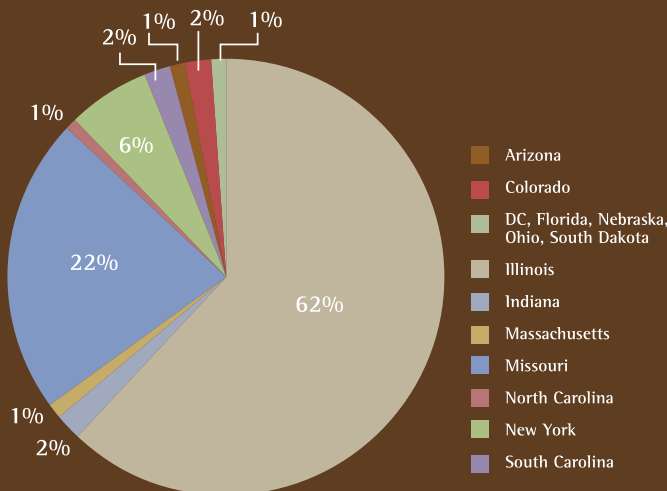
In 2012, the Foundation introduced Volunteer Incentive Dollars to the Next Generation Grant Program. The addition of this component to the Program provides the opportunity for additional grant dollars to be awarded to a nonprofit organization if the family member volunteers 10+ per hours at the organization during the year of the request.

“We also desire that the Foundation support activities in areas where family members reside outside of Brown County - if these family members so desire. We want the Foundation to foster a sense of philanthropy for everyone in the family.”

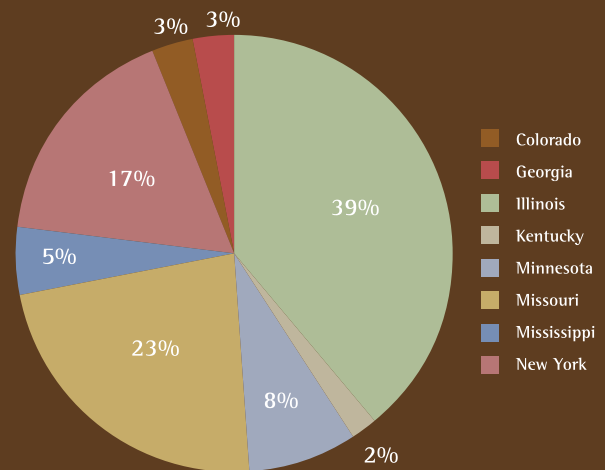
TRACY FAMILY FOUNDATION LEGACY STATEMENT - Written by: The 12 children of Dorothy and Robert Tracy
 Adopted: December 2000



2012 Matching Grant Program
 % of Dollars by State



2012 Next Generation Grant Program
 % of Dollars by State



Leadership!

With an ever growing appetite from young family members to engage in the activities of the Tracy Family Foundation, a Next Generation Advisory Board was established in late 2012. This Advisory Board will provide increased opportunities for both leadership and philanthropic spirit development, as well as prepare the Next Generation family members to serve on the Foundation board and carry out the Mission of the Foundation.

TRACY FAMILY FOUNDATION LEGACY STATEMENT - Written by: The 12 children of Dorothy and Robert Tracy
Adopted: December 2000

“Please make every effort to involve and include the next generation of the Tracy family members in the Foundation. Fostering a grateful and giving spirit within the future generations is part of our mission and a priority.”



Next Generation Advisory Board Members



Next Generation Annual Meeting

BROWN COUNTY

**BROWN COUNTY COMMITMENT
STATEMENT** - Adopted by: The Tracy Family
Foundation Board of Trustees - 1999

Brown County Commitment Statement

As the geographic region of the Tracy Family Foundation continues to expand in the years to come, it is the intent of the Board of Trustees to forever remain financially committed to Brown County. Applications from this area will always be given highest priority for funding if their requests match the Mission of our Foundation.

Vision Statement

VISION FOR BROWN COUNTY

Brown County will retain existing residents and attract new residents. It will be recognized as a magnet community characterized by a strong educational system, a thriving business community, bustling uptown, and engaged community that is empowered to lead and shape itself.

Overview

There are many spokes in a wheel that are critical to a town and county. The Foundation is working diligently to revitalize Mt. Sterling and Brown County in an effort to make it a magnet community... one in which people of all ages desire to live, work, and raise a family. We are partnering with organizations and members of the community to provide for a first-class education system, vibrant uptown, and a family-friendly environment.

**TRACY FAMILY FOUNDATION LEGACY
STATEMENT** - Written by: The 12 children
of Dorothy and Robert Tracy
Adopted: December 2000

"RT & Dorothy raised all of us (12 children) in Brown County. No matter how far the future generations of Tracys scatter on this earth in the years to come, Mt. Sterling will be considered home and the root of our upbringing. Dot Foods, the family business and the source of both initial and ongoing funds for the foundation, was started in 1960 in Mt. Sterling and continues to flourish there. It is our wish that the Foundation continue to support the Brown County Commitment Statement prepared in the formative years of the Foundation."

Commitment

Education

The Tracy Family Foundation has partnered with K-12 schools in Brown County since 2006. Together, with the schools and the community, we are working to "Raise Expectations" and provide support to "Every Student. Every Level." Tremendous progress has been made because of the combined efforts. Fine Arts. Technology. Professional Development. Instructional Leadership and Sustainability Teams. Interim Testing. These are just a few of the areas where funding support was directed to benefit the schools. We tip our hat to the students and staff for their remarkable achievements!



Raise Expectations

In an effort to ease the burden of financial barriers as a roadblock for students seeking a college degree, the Foundation funds a scholarship program through ACT for Brown County High School students. A goal of the Foundation is for 50% of the Brown County High School students to earn a Bachelor Degree within five years post-high school. A maximum of 10 new scholars are selected each year by ACT from the current graduating class of Brown County High School. As this is a renewable scholarship for qualifying students, there will soon be up to 40 students each year who will be awarded scholarship funding by ACT. In 2012, the second class of 10 scholars was selected.

Indicator	Where	Tests	Year: 2006-07	Year: 2011-12
% of students proficient or above on all state tests	District wide	ISAT and PSAE	68%	83.5%
% of students meeting/exceeding Illinois Learning Standards	Grades 3-8	ISAT	73.8%	88.4%



rectations

Mt. Sterling Uptown

In 2011, the Foundation pulled together several community members and asked them to describe their vision for Mt. Sterling Uptown in 2020. "Updated, classic home town, prosperous, entrepreneurial, picturesque, inviting"...these were just a few of the many adjectives provided by those attending the meeting. The implementation of the Mt. Sterling Long-Range Strategic Plan (funded by the Foundation and approved in 2011) will bring this 2020 vision to a reality. Working alongside an organized group of community citizens, the Foundation is working diligently to bring the Plan to life. The fruits of the combined efforts between the public, private, and civic sectors in 2012 have resulted in many new projects completed and some new projects announced for the future. New projects announced in 2012, with some already completed, are as follows: Facade Improvement Program, annual festivals, city and county logo, city website, trees planted along the main corridor of town, lighting of the Court House, preservation of the historic Mt. Sterling Water Tower, and relocation of the Dot Foods Country Store to Main Street.



MOUNT STERLING REVITALIZATION

Uptown plan is coming along



BUSINESS OWNERS, city personnel and interested entrepreneurs learned more about the Mt. Sterling Uptown Facade Improvement Grant Program at a breakfast hosted by the Uptown Development Committee. Presenters were Kevin Flynn of Kika Obata & Co, Steve Holowicki of the Two Rivers Council and Jean Buckley, representing the Tracy Foundation.

By MARIANNE SLOVICKS
Take a leisurely stroll or drive through the uptown area in Mt. Sterling. What is your impression? Would you stop in Mt. Sterling if you were driving through town? Does our Main Street currently reflect the vitality, the energy and the strengths of our home and our community? Unfortunately, it does not, but the Uptown Development Committee has worked with Kika Obata & Co. for the past 14 months developing a long-range plan.

...dramatic changes in the facades of the historic buildings. Sometimes we take things for granted. Remember how shabby the exterior of the post office looked a few short months ago? We now see a gleaming sign and new paint. A year ago we had no optometrist, and now we have "the dueling optometrists", one on each side of Main Street. Progress is indeed being made.
(See Uptown plan, page 16)

Last fall the courtroom was filled with Brown Countians excited to hear of the plans and about the prospect of growth and development in Mt. Sterling. The strategic plan envisions marking a magnet community where people would want to not only stop as they drove through town, but to live and raise a family. There are many spokes in the wheel of a first class town and Mt. Sterling already has so many of those in place. You need to go no further than the Little League Park or a Usual Way food drive to see a couple of those spokes. Take time to examine the improved test scores of students in the schools of this County and you will see another spoke in that wheel. Progress is being made and this fall will hopefully see

in uptown Mount Sterling and provides possibilities buildings could be rehabilitated, and the picture below

MOUNT STERLING INITIATIVE

development plan good momentum, community interest

By DEBORAH GERTZ HUSAR
Special Staff Writer
MOUNT STERLING, Ill. — Moving forward with a redevelopment plan for Mount Sterling is a bit like making a quilt. "The big initiative starts to break down into all these small pieces. The small pieces knit themselves together. They all touch each other, all

internet with each other. One program isn't the be all, end all," Tracy Family Foundation President Jean Buckley said. "At the end of the day, one big blanket fits over everything." A 12-year blueprint outlined in September — developed by St. Louis-based design firm Kika Obata & Company and targeting the area bordered by North, South, West Cross and East Cross streets — blends new development, renovating existing structures and building on community pride to shape the community for years to come. "Compared to other times



Family-Friendly Environment



A community survey highlighted the lack of arts and culture opportunities in Brown County. The outcome of this was a grant from the Foundation to the Mt. Sterling YMCA to create a community band, choir, and theater group, as well as additional art education in the schools. Much to the delight of community members, two concerts and two theater performances occurred in 2012.



"The Y supports healthy living, and it isn't just physical. It's emotional and spiritual as well. The arts contribute to overall community health and a family friendly environment."

Suzanne Woodward
Mt. Sterling YMCA
Branch Executive Director

REGION

Vision Statement for the Region

The region surrounding Brown County will become known for academic excellence with an emphasis on school leadership, early childhood education, and college access for students. Catholic schools will thrive in the areas of enrollment, financial stability, and academic excellence.

Definition of Region: *Qualified Illinois Counties*



Overview

In 2012, the Foundation directed much of their support to Catholic Schools, as well as to organizations that are focused on youth and families. Grants were provided for both operational and project support.

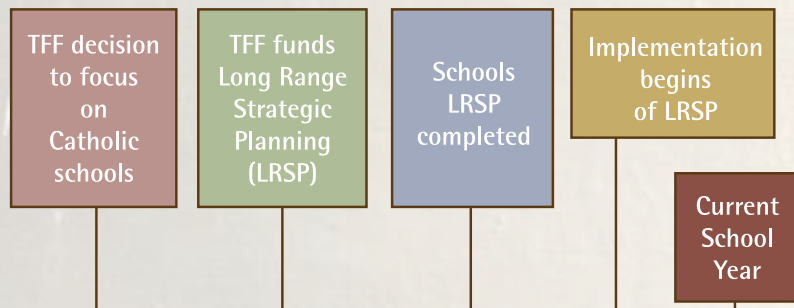


Catholic Schools

The Foundation has taken a pro-active approach with Catholic Schools and has invested both time and resources into the schools. Since 2009, the Foundation has worked with 10 Catholic K-12 Schools in the Springfield Diocese of Illinois. The focus of the work is confined to Three Pillars of Excellence: Enrollment, Financial Stability, and Academic Excellence. As of 2011, all Schools have a Long-Range Strategic Plan and are now in the process of implementing these Plans. In 2012, the Foundation announced a Catholic Schools Grant Program. This program serves as a resource for projects that aid in the achievement of any of the Three Pillars of Excellence.

SCHOOLS

- Blessed Sacrament - Quincy
- Our Saviour - Jacksonville
- Quincy Notre Dame - Quincy
- Rouff High School - Jacksonville
- St. Dominic - Quincy
- St. Francis - Quincy
- St. Francis Holy Ghost - Jerseyville
- St. John the Evangelist - Carrollton
- St. Peter - Quincy
- St. Mary School - Mt. Sterling



	Actual Enrollment				
	2006-07	2009-10	2010-11	2011-12	2012-13
Enrollment K-12 at 10 Catholic Schools	2552	2246	2253	2210	2266
Enrollment Annual Gains and Losses		-306	+7	-43	+56

Youth and Families

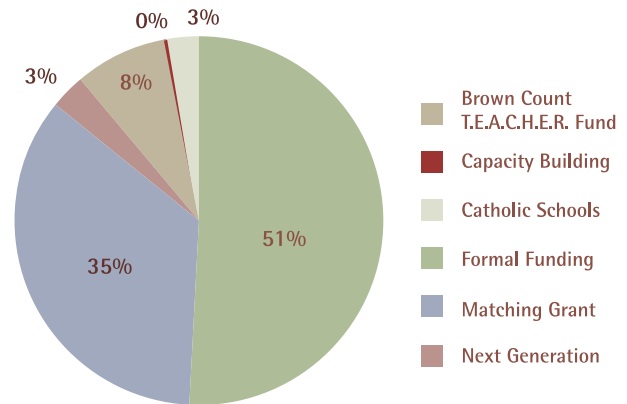
In focusing on youth and families, the Foundation has taken both a pro-active and re-active approach in the Region. Operational and program support has been granted to such entities as daycare centers, church youth groups for mission trips, libraries, schools, and organizations implementing character building programs for youth. The Foundation took a pro-active approach with the development of the Western Community Center YMCA in Barry, Illinois, and played a significant funding role in the start-up of this branch of the Quincy YMCA. Both the mission and values of the Foundation and the YMCA organization are aligned to build strong youth and strong families.



GRANTMAKING

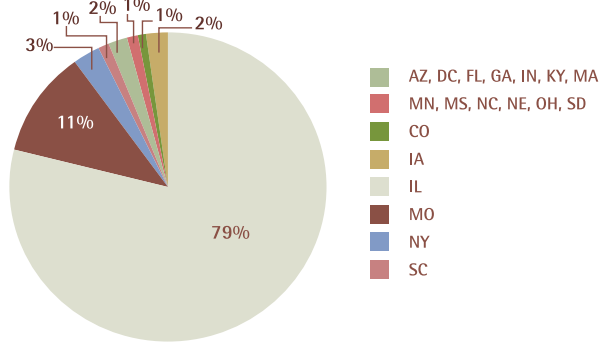
2012 % Grant Dollars Per Program

Grant Dollars by Program	
Program	Grants Paid
Brown County T.E.A.C.H.E.R. Fund	\$178,207
Capacity Building	\$9,889
Catholic Schools	\$70,000
Formal Funding	\$1,121,719
Matching Grant	\$772,739
Next Generation	\$65,500
Total	\$2,218,055

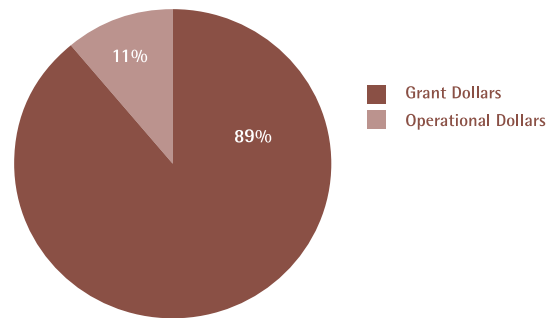


Grant Dollars by State	
State	Grants Paid
Illinois	\$1,758,779.49
Missouri	\$245,725
New York	\$60,500
Iowa	\$59,010.50
Combined states - Arizona, District of Columbia, Florida, Georgia, Indiana, Kentucky, Massachusetts	\$40,385.44
Combined states - Minnesota, Mississippi, North Carolina, Nebraska, Ohio, South Dakota	\$20,000
South Carolina	\$17,250
Colorado	\$16,404
Total	\$2,218,054.69

2012 % Grant Dollars Per Program



2012 Grant Dollars vs. Operational Dollars



Expense Category	2012 Dollars	2012 % of Dollars Expenses
Grant Dollars	\$2,218,055	89%
Operational Dollars	\$265,152	11%
Total Grants and Operating Expenses	\$2,483,206	100%

Brown County T.E.A.C.H.E.R. Fund Grant Program

Program Description: Brown County T.E.A.C.H.E.R. Fund grants are restricted to K-12 schools in Brown County, Illinois. Teachers and Administrators may request funds for items aligned with the school's Instructional Focus and School Improvement Plan.

2012 Grant Dollars Awarded	Number of Grant Awards	Average Grant Award
\$178,207	10	\$17,820.70

School	Brown County T.E.A.C.H.E.R. Fund Grant Award
Brown County Elementary School	Fine Arts
St. Mary School	Early Childhood Physical Fitness
St. Mary School	Learning Through the Arts 2012-2013
St. Mary School	Technology 2012-2013
St. Mary School	Reading for Every Level
Brown County Elementary School	Integrating technology in 4th grade classroom
Brown County Elementary School	PreK SMART Boards
Brown County Middle School	iPads in classroom
St. Mary School	Mastodon Science Fair
Brown Co. Comm. School District	1:1 Teacher Training for Technology

Capacity Building Grant Program

Agencies that have received prior funding through the Formal Funding Grant program or through Dot Foods Charitable Giving may apply for Capacity Building Grants. The intended impact of such grants is to increase the organizational effectiveness of agencies due to improvements made in management, leadership, and board governance.

2012 Total Grant Dollars Awarded	Number of Grant Awards	Average Grant Award
\$9,889	7	\$1,412.71

ORGANIZATION	CAPACITY BUILDING GRANT ACTIVITY
Big Brothers/Big Sisters of West Central IL	Professional Development of Staff
CUSD #3	Professional Development of Staff
Care Net Pregnancy Services	Professional Development of Staff
PACT for West Central Illinois	Curriculum Training
Quincy Notre Dame High School	Marketing
Sts. Peter & Paul School	Principal Professional Development
Quincy Art Center	Arts Partners Board Retreat

Catholic Schools Grant Program

Program Description: Participation in this grant program is restricted to the ten Catholic Schools that participated in the Long Range Strategic Planning process with the Foundation.

2012 Grant Dollars Awarded	Number of Grant Awards	Average Grant Award
\$70,000	4	\$17,500
SCHOOLS	PROJECT	
Blessed Sacrament	Literacy and Math Intervention	
Quincy Notre Dame High School	Technology and Bussing	
Routt High School	Bussing Study	
St. Peter School	Literacy Improvement	

Formal Funding Grant Program & Direct Charitable Activities

Program Description: Nonprofit organizations located in the Illinois counties of Adams, Brown, Cass, Greene, Hancock, Mc-Donough, Morgan, Pike, Schuyler, and Scott may apply to the Formal Funding Grant Program. Tracy family members living outside these counties may issue a very limited number of invitations to organizations in their communities.

Total Program and Grant Dollars: \$1,121,719

ORGANIZATION	PROJECT
Mt. Sterling YMCA	Expansion of the Arts in Brown County
Kiku Obata & Co	Mt. Sterling Uptown Project
County of Brown	Brown County Court House Lighting and Improvements
Brown County Public Library District	Design Work for new library
In(Alliance)	Organizational Support for start-up of Action Brown County
Two Rivers Regional Council	Façade Improvement Program
ACT	Scholarship Funding & Administration
Brown County Community School District	Professional Development, Instructional Leadership Team & Sustainability Teams, Student Testing
National TTT Society	Adopt-A-Family & Camp for Girls
Brown County United Way	Brown County Action Teams projects
Grace Through Faith Ministries	Healthy Community Development workshops
Holy Family Parish	General Operating Support
Quincy YMCA	Western Community Center YMCA branch in Barry, IL
QCES Foundation	Operational Support & Quincy Catholic Schools Long Range Strategic Plan Coordination
Blessed Sacrament Catholic School	Quincy Parochial School's Reading Program
Quincy Family YMCA	Mt. Sterling YMCA Operational Support
Quincy Notre Dame	Math & Science Tutoring Program
Lutheran Family and Children's Services	Youth Development Program
Mastodon Fair	Science Coaching
Quincy Exchange Club Foundation	Character Champions Program
Quincy Notre Dame	Catholic Heart Work Camp Youth Mission Trip
St. Francis/Holy Ghost School	Operational Support
Sts. Peter & Paul School	Technology
St. Thomas & Holy Family Youth Group	Catholic Heart Work Camp Youth Mission Trip
Sts. Peter & Paul Catholic Church	Catholic Heart Work Camp Youth Mission Trip
Unity Middle School	Books
Advocacy Network for Children	Operational Support

Formal Funding Grant Program & Direct Charitable Activities	
Greater West Central Public Library District	Raising A Reader Program
Liberty School	Response to Intervention
Pike County Unmet Needs	Unmet Needs
Quanada	Quanada in Brown & Schuyler Counties
Quincy Symphony Orchestra Association	Youth Programs
St. Patrick Catholic School	Technology
Two Rivers Council Foundation	Teen Reach
Two Rivers Council Foundation	School Supplies
Illinois Stewardship Alliance	Farm to School Program
St. Peter School	Preschool classroom
Cass County Cluster Youth Group	World Youth Day 2013
Chaddock Children's Foundation	Promethean Boards
Girl Scouts of Central Illinois	Program Support
Great River TEC	General Operating Support
Pregnancy Resource Center	General Operating Support
Special Olympics of West Central Area	General Operating Support
Cheerful Home	Outreach Family Support Program
Girls on the Run Of Central Illinois	Morgan County Support and Expansion
Walter Hammond Daycare Center	General Operating Support

GRANT APPLICATION PROCESS AND TIMELINE

Grant Application Process

The Tracy Family Foundation administers six grant programs: Brown County T.E.A.C.H.E.R. Fund, Capacity Building, Catholic Schools, Formal Funding, Matching Grants, and Next Generation Grants.

All requests to the foundation must be submitted online through the Tracy Family Foundation website. www.tracy-foundation.org

Pre-Applications are required for the Brown County Teacher Fund, Catholic Schools, and Formal Funding Grant programs. Once the Pre-Application is submitted, an organization will be contacted regarding an invitation to apply for a grant. Capacity Building, Matching Grants, and Next Generation grants do not require Pre-Applications.

Grant Application Timeline

Grant Program	Cycle	Pre-App Due	Grant App Due	Awards Announced
Brown County Teacher Fund & Formal Funding				
	I	January 1	March 1	April
	II	May 1	July 1	August
	III	September 1	November 1	December
Catholic School Grant Program (by Invitation Only)				
	III	September 1	November 1	December
Capacity Building, Matching Grants, and Next Generation Grants				
Applications are accepted on an on-going basis throughout the year				Immediately after submission

FINANCIAL REPORT

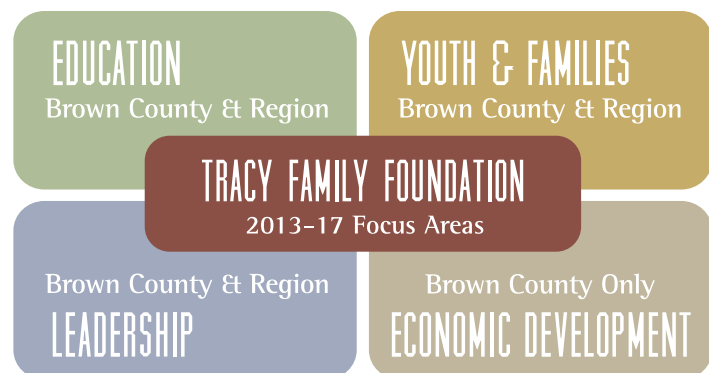
January 1 - December 31, 2012 (Pre-Audit)

Statement of Financial Position	
<i>ASSETS</i>	
Cash & Cash Equivalent	\$744,660.87
Pledges Receivable	\$3,060,000.00
Investments	\$4,832,230.75
Prepaid Expense	\$1,750.00
Total Assets	\$8,638,641.62
Total Liabilities	\$14,177.01
Total Liabilities and Net Assets	\$8,638,641.62

Statement of Activities	
<i>REVENUE</i>	
Contributions	\$3,060,000
Interest and Dividend Income	\$115,829
Trustee Director Fee Donation (In-Kind)	\$4,500
Net Realized/Unrealized Gain (Loss) on Investments	\$447,049
Total Revenue	\$3,627,378
<i>EXPENSES</i>	
Total Grant Expense	\$2,218,055
Total Operating Expense	\$265,152
Total Expenses	\$2,483,206
Increase in Net Assets	\$1,144,172
Net Assets at Beginning of Year	\$7,480,293
Net Assets at End of Year	\$8,624,465

2013-17 LONG-RANGE STRATEGIC PLAN

The year 2012 has been a year of planning. The Foundation has engaged numerous community stakeholders, trustees, and family members in a process that has identified our Focus Areas for the coming five years. Our number #1 focus will be Education, followed by Leadership, Youth & Families, and Economic Development. The year 2013 will involve additional planning and research to determine the course of actions that will be taken to make strategic impacts in these Focus Areas.



MISSION STATEMENT

Family

The Tracy Family Foundation exists to provide resources to organizations that foster the values of Robert and Dorothy Tracy - a Catholic/Christian belief, honesty, integrity, fairness, and a strong work ethic. The Foundation seeks to proactively strengthen Brown County in Illinois and the surrounding Region by investing in the education, youth, families, and the capacity of these communities. The Foundation is also the vehicle for developing a philanthropic spirit among Tracy family members.

2012 TRUSTEES AND STAFF

Charged with carrying out the Mission of the Tracy Family Foundation are the Board, Staff, and Committees. Together, we work to uphold the values instilled by Robert and Dorothy Tracy. Together, we work to make Brown County, the Region, and the communities we live in a better place.

Trustees

- Jean Buckley (President)
- Pat Smith (Vice President) - NON FAMILY
- David Slocum (Secretary through 6/30/12) - NON FAMILY
- John Oliver (Secretary beginning 7/1/12) - NON FAMILY
- Rob Tracy (Treasurer)
- Liz Tracy
- Mary Sullivan
- Don Tracy
- Linda Tracy
- Alex Tracy
- Jane Tracy

Staff

- Jean Buckley (President)
- Kim Bielik (Administrative Assistant)
- Karla Metz (Program Support and Grant Specialist)

**TRACY FAMILY FOUNDATION LEGACY
STATEMENT - Written by: The 12 children of
Dorothy and Robert Tracy**
Adopted: December 2000

“Because the Tracy Family Foundation was conceived as a “family” foundation, we would like the board of trustees to continue to be composed primarily of family members, including both direct descendants and in-laws. However, we also believe the foundation benefits tremendously from the presence and perspective of non-family members on the board and would like to see this tradition continue.”



P.O. BOX 25
MT. STERLING, IL 62353
WWW.TRACYFOUNDATION.ORG