



# Skees Family Foundation 2016 ANNUAL REPORT





## LETTER FROM THE DIRECTOR

# The Future of our Foundation: Succession or Spend-Down?

By: Suzanne Skees, Founder/Director



This question stymied our three-generation family board all year. Hiring an advisory firm to conduct a strategic plan, we confronted the toughest question in philanthropy:

### Whom Are We Really Serving?

If we truly care about ending poverty, wouldn't we dole out every dollar today? What are we waiting for if we choose to preserve our foundation's endowment for future giving?

Our middle-class, Midwestern family inherited nothing more tangible than our values—and the **opportunity** we now wish to extend to everyone in our global family. We've been fortunate since 2004 to build relationships with innovative people leading poverty-busting programs, and to share stories of their heroic staff and clients, who literally embody the change we wish to see in the world.

Now standing at the precipice of tomorrow, we realize that we have benefited far more than any client SFF has ever "served."

### We Get More Than We Give

We believe in the ripple effect of us being forever altered for the better, through exposure to social issues and courageous people striving to solve them. We become better human beings, enrolled in the school of social justice.

### Relationships Matter

Our nonprofit partners tell us that our relationship with them matters—that our moral support, advisory and storytelling services, as much as our funding. Our sweat equity or, as we call it, "philanthropy of the hands," allows us to collaborate with inspiring people from Chicago to Nicaragua to Korea. Personal caring counts, at least as much as currency.

### Systemic Change Takes Time

Rather than push funds out widely and quickly, we're choosing to research problems and solutions, investigate new programs and seed-fund startups that can tackle the conditions that cause and prolong poverty in the first case.

### We Have a Lot to Learn

Our family wants to continue this most noble work, long after our 2016 checks have reached partners' bank accounts. We learn from each staff, board meeting and family training session. Second- and third-generation family members who've not yet had a chance to test their poverty-busting ideas, could have a chance to succeed and lead where SFF has heretofore stumbled.

### So We Choose Both

When we asked, what decision best serves both our clients and ourselves, we

decided neither to spend-down immediately, nor to preserve our corpus into perpetuity. We chose a middle path we call a "spend-freeze" that we hope will allow us to have it all:

### How Will We Do It?

1. Beginning in 2017, we will **reduce our grant and expense budget by nearly half**. We'll cut advisory services and travel, plan board retreats around family gatherings, and continue to pay for site visits out of pocket. We'll aim to spend only the IRS-required 5 percent in the hope that our endowment will not shrink but grow.
2. Beginning in 2016-2017, **all our grants will run in two-year cycles**. Not only will this give our partners more financial security, it will curtail our staff time as we'll conduct landscape analyses and grantee due diligence only biannually.
3. We will continue to give **100 percent unrestricted grants** in five categories:

Seed, for small and new programs testing innovative solutions; Partner, for programs building their infrastructure and proving their concept; Catalyst, our largest grant for organizations ready to scale; and two types of family-discretionary grants.

4. We'll launch a **new Generational Grant** in 2017 that will require three generations to collaborate on mission.

A lot to learn? Always. That's why we're calling our next phase a "Spend-Freeze." Rather than hurtle funds at symptoms, we'll slow our spending and continue to ponder how actively to participate in sustainable, systemic, solutions. Along the way, we hope to keep questioning our intentions and whether we're accomplishing more good than harm. We hope you, our partners, friends, and peer community, will help keep us honest as we go. Please share your insights and advice with us at [info@skees.org](mailto:info@skees.org).

## FINANCIALS

2016	Projected 2017
GRANTS   \$123,380	\$97,500
EXPENSES   \$82,018	\$59,575
PERCENT PAYOUT   8.94%	
TOTAL CORPUS   \$2,282,067	



## LETTER FROM OUR PROGRAM OFFICER

### Succession Plan in Action: What It's Like to Take the Reins of a 12-Year-Old Foundation

By Sally Skees-Helly, Program Officer and Board CFO

Looking back to first few days of 2016, I remember sitting in the office, thinking of all the ways I could screw up my new job as program officer for SFF. With marginal experience in philanthropy, I was going to try to step into the shoes of our founder (my sister, Suzanne), who had put her heart and soul into building this organization and its reputation since 2004. What could go wrong? I could say something completely callous and inappropriate to a grantee partner; I could overcommit myself and be unable to follow through; and worse, through this transition, my personal relationship with my family members could be negatively altered.

Although I still have much to learn, I know our grantee partners appreciate our simple, yet atypical, approach of standing back and letting them do what they are good

at. With that attitude, it's difficult to offend. It also turns out my role was designed to be manageable and I was encouraged to create my own style. This family loves and respects each other, and we don't set each other up to fail. Suzanne has willingly and graciously stepped into her editor and author role with the *MY JOB* book, all while being there to guide Brienne and me as we develop into a truly effective team.

A year later, the transition has gone better than anyone expected. I feel confident helping navigate the foundation into our next iteration, a "spend-freeze" mode intended to preserve the corpus for future generations. I excitedly anticipate exploring ways to gauge and engage the interest of the rest of our extended family to see who will lead the Skees Family Foundation over the next ten years and, perhaps, beyond.

## GRANTEE IMPACT

### 2016 Grantmaking Cycle

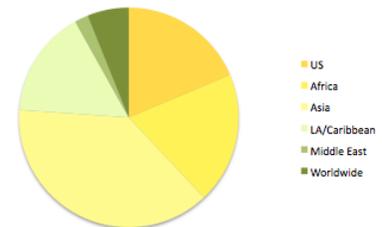
30 grants issued  
 \$123,380 total amount granted  
 86% Education: 45% Job Creation\*  
 81% Global: 19% U.S. (by dollar amount)

\* over 100% because some organizations work in both areas

### Grantmaking Since Inception

173 grants issued  
 \$1,830,473 total amount granted  
 42,903,741 number of beneficiaries reached  
 49% Education: 31% Job Creation  
 85% Global: 15% U.S. (by dollar amount)  
 60.2% grants to ultra poor

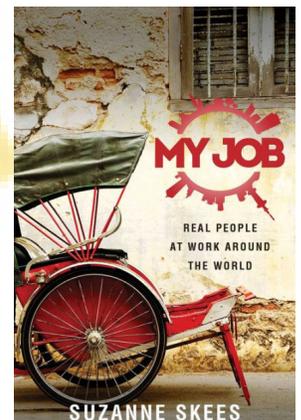
Geographic Distribution of 2016 Partners



## MY JOB BOOK UPDATE

### MY JOB: Real Stories of People at Work Around the World, Is Here!

Our social-mission book, *MY JOB: Real Stories of People at Work Around the World*—a special project of the Skees Family Foundation—was published in October. Having spent three years traveling to 28 countries and 15 U.S. states to interview people from a wide range of jobs—including a Nicaraguan coffee farmer, a Silicon Valley Google technologist, and a Hawaiian slack-rock guitarist—Suzanne hit the road in late 2016 to begin signing copies and sharing stories of how people connect over the topic of work. Order your copy now through a range of indie and big-book vendors. Get access to the latest updates and more stories than would fit in the pages of *MY JOB*, on our blog "[Job Talk](#)", and share your own "job story" on our [Facebook page](#).



# CATALYST PARTNER HIGHLIGHTS



## AKILAH INSTITUTE



Akilah has graduated 145 young women. 88% of graduates have secured employment and gone on to earn incomes that average 12X the national median. There are currently 347 young women enrolled on our Kigali, Rwanda campus, including 43 Burundian transfer students.

## JAAGO FOUNDATION



JAAGO participated in Digital World 2016, a 3-day IT event in India, showcasing their online School system. It has grown to operate 13 schools. To date, JAAGO has taught 2,500 students and galvanized 2,000 volunteers. They have started developing their own digital curriculum.

## UPAYA



Upaya has now made 10 equity investments, adding Parvata Foods, processor and marketer of organic spices and squash from about 100 farmers in Sikkim in northeastern India, and Karmantik, a Delhi based enterprise reviving artisanal hand crafted shoes.

## ANSEYE POU AYITI



Anseye Pou Ayiti has impacted the trajectory of over 670 students' lives in 15 public and private primary schools in rural areas. It hired 35 teachers from a pool of over 440 candidates for 2016 and grown to over 30 schools in 2016-2017.

## MEDHA



Medha has registered over 1,100 students in Q2 alone, and are on track to reach their goal of 2,000 by the end of the year. It has placed 60 students into full-time jobs, bringing the YTD total to 120, a 172% increase from 2015.

# FAMILY GRANTS

For another year in a row, we had 100% participation in our family grants program. From motivational wellness training for girls to smart solutions to end hunger, the legacy of giving runs strong across the country and our eight family households. We're proud to announce our family grant partners here:

## JASMINE & HUGH



PBMR provides education, job-training, and restorative justice to Chicago's at-risk youth.

## THE MAERTZS



The Dragonfly Foundation brings comfort and joy to kids, young adults, and their families enduring cancer and bone marrow transplants.

## SKEES-TALPAS



The Mini Mermaid Running Club is an after school running and self-development program for girls.

## SHELLY-RONS



Summer Search helps students from low-income communities develop the skills they need to become college-educated leaders who give back to their families and communities.

## EDDY SKEES



The Q Foundation, also known as the AIDS Housing Alliance/SF, believes in a world where all people have a safe, decent and affordable home.

## SKEES-HINMANS



World Central Kitchen uses the power of food to empower communities and strengthen economies through job creation.

## SKEES-HELLYS



NorthStar Church is a non-denominational church committed to serving the community in tangible ways, both locally and internationally.

## KRIS-TONYS



Holy Trinity Catholic Middle School provides a safe learning environment, centered in the Catholic faith, in which each student's spiritual, intellectual, emotional, creative, physical, and social needs are met.

# CURRENT GRANTEE PARTNERS

## SEED



African Entrepreneurs Collective is a collection of business accelerators that support local entrepreneurs to drive job growth.

Africa



Educate Lanka is a nonprofit whose mission is to empower economically disadvantaged children and youth by enhancing their access to quality education, mentoring, and employment.

Sri Lanka



Resonate catalyzes the next generation of female leaders, using storytelling to engender confidence and agency.

East Africa



Tomorrow's Youth Organization (TYO) works in disadvantaged areas of the Middle East, enabling children, youth and parents to realize their potential as healthy, active and responsible family and community members.

Palestine



Women LEAD is the first and only professional and leadership development organization for young women in Nepal.

Nepal

## CATALYST



Anseye Pou Ayiti (Teach for Haiti) recruits, trains, and equips Haitian teachers to unleash transformative outcomes for Haitian students.

Haiti



The Akilah Institute for Women's mission is to prepare students with the market-relevant skills to ensure gainful employment after graduation through their higher education facility for women in East Africa.

East Africa



The JAAGO Foundation is a nonprofit whose mission is to educate children from socially and economically disadvantaged backgrounds in Bangladesh.

Bangladesh



Medha improves employment outcomes for youth in India. It delivers a training and internship program to students on campus that connects them with the job market.

India



Upaya Social Venture's mission is to build the businesses that will create jobs and improve the quality of life for the ultra poor. Since its establishment in 2011, Upaya has created jobs for over 3,000 individuals.

India

## PARTNER



Advancing Girls Education (AGE) in Africa's mission is to provide life-changing opportunities to young women through initiatives in education, mentoring, and leadership development.

Malawi



Agora Partnerships is a nonprofit that fights poverty and inequality by unleashing the potential of developing world entrepreneurs to improve their communities.

Latin America



Global Press Institute is a nonprofit that educates, employs and empowers women in developing media markets to produce high-quality local news coverage that elevates global awareness and ignites social change.

Global



The School Fund is a nonprofit that connects students with individual funders via an online platform to raise funds for secondary school. TSF is increasing access to secondary school in the developing world.

Global

## FAMILY MISSION-ALIGNED



Aid Tanzania/Kiretono Resource Centre's mission is to help Tanzanian children obtain an education and Tanzanian women to generate an income.

Tanzania



Beso Foundation's mission is to improve the lives of children, women and youth through education and economic Empowerment in Central Region of Uganda.

Uganda



FEDA ( Femmes et education des adultes-Women and adult education) provides education and economic opportunities to women who were denied an education as a result of the conflict and now need support.

Democratic Republic of Congo



Hope for Honduran Children was established to help provide a nurturing environment for children ravaged by conditions of extreme poverty in Central America.

Honduras



Teach North Korean Refugees (TNKR) is nonprofit that focuses on assisting adults who have escaped North Korea in preparing for their future by been providing English learning opportunities.

South Korea

## IMPACT INVESTMENTS



Jibu's mission is to ensure every person on the planet has access to a safe, affordable and sustainable water source. Jibu provides all the hardware, business resources, and guidance needed to start a successful business selling safe water.

East Africa



WCCN (Working Capital for Community Needs) creates opportunities for access to microfinance, services and markets to improve the lives and communities of the working poor in Latin America.

Latin America