The cover art by Larry Roots will be installed in June 2007 along Lincoln’s downtown skywalk on 12th Street between “O” and “N” Streets.
Woods Charitable Fund is a private philanthropic foundation created by Frank H. Woods and Nelle Cochrane Woods and their three sons. It was incorporated in Nebraska in 1941 and Frank Woods provided major endowment in 1952 before his death that year. In 1955 the Fund received one-third of the net residuary estate of Nelle C. Woods. The resources that made these gifts possible resulted from business interests in the telecommunications and coal industries in Nebraska and Illinois, namely Lincoln Telephone & Telegraph and Sahara Coal Company.

For over fifty years, the Fund made grants in Lincoln, Nebraska and Chicago, Illinois. Until the early 1980’s, it operated as a family foundation under the leadership of trustees Frank H. Woods, Jr. in Chicago and Thomas C. Woods, Jr. in Lincoln. Both men had many business and personal ties in both cities. Their deaths, in 1980 and 1989 respectively, brought changes which included: expanding the board beyond family members to acknowledge both the benefits of new viewpoints and the fewer family members in the two cities available for board membership; bringing on staff; and introducing more targeted grant programs.

At the end of 1993, Woods Charitable Fund underwent a major restructuring that institutionalized in two separate foundations the different grant programs of the Fund in Chicago and Lincoln. Woods Charitable Fund now operates in Lincoln only and a second foundation, Woods Fund of Chicago, was created by transferring part of the original foundation’s assets to the new foundation. Both foundations currently operate with local representative boards and are able to respond to the issues, opportunities and creative leadership in their respective communities.

The Fund’s reports and Treasury Form 990-PF are on file at the Foundation Center in New York City and Washington, D.C., in the office of the Secretary of State in Lincoln, Nebraska and online at GuideStar (www.guidestar.org) or the Foundation Center (www.foundationcenter.org).

**Founders:**
- Frank H. Woods (1868 - 1952)
- Nelle C. Woods (1870 - 1950)
- Thomas C. Woods (1895 - 1958)
- Henry C. Woods (1895 - 1966)
- Frank H. Woods, Jr. (1905 - 1980)
Michael J. Tavlin  
President  
Speedway Motors, Inc.

Donna W. Woods  
Vice President  
Community Volunteer

Lynn Roper  
Treasurer  
1st Vice President &  
Senior Resident Manager  
Merrill Lynch

Ann Chang-Barnes  
Senior Lecturer of Music  
University of Nebraska-Lincoln  
Founder  
Meadowlark Music Festival

José J. Soto  
Vice President for Affirmative Action,  
Equity & Diversity  
Southeast Community College Area

Hank Woods  
Sales and Leasing  
NAI FMA Realty

Nelle Woods Jamison  
Community Volunteer

Pam Baker  
Secretary  
Executive Director

Joan Stolle  
Operations and Information Manager

Thomas C. Woods, IV  
Program Officer

Angie Zmarzly  
Program Associate

The Fund’s Board of Directors regularly meets at local nonprofit organizations. At the Asian Community and Cultural Center in March were (seated, l to r) Donna W. Woods, Ann Chang-Barnes, (first row, l to r) Angie Zmarzly, Joan Stolle, Pam Baker, Nelle Woods Jamison, (2nd row, l to r) José J. Soto, Hank Woods, Lynn Roper, T.J. McDowell (new board member), Michael J. Tavlin and Thomas C. Woods IV, photographed with two of the Center’s lion heads, a dragon head and a si gu (lion drum).
The photo mural, “Our Community...Larger Than Life,” by artist Larry Roots, featured on the cover of this report, will soon span 12th Street between “N” and “O” Streets, standing as a symbol of Lincoln’s diversity and the new citizens that are making Lincoln their home - and of a major collaboration that took place behind the scenes, resulting... voila!... in a shared community experience.

The project’s partners are diverse and include local not-for-profit organizations, the private sector, City government and the artist, all working together to produce artwork that expresses “the importance, the strength and the diversity of our people.”*. You may be surprised to know that the Lincoln Arts Council and Lincoln Action Program, the Downtown Lincoln Association and the City’s Urban Development Department all worked together to advise, locate subjects for the artwork, fundraise, secure the required legal approval - long before the photo mural could be completed and mounted on 12th Street.

Woods Charitable Fund encourages collaborations to the extent that it has opened the door to multiple applications from grant-seeking organizations if they are part of one or more collaborative proposals. In 2006 Woods paid more than $690,000 in grants (nearly 38% of grant awards paid) to organizations participating in collaborations.

I would like to thank one of Woods Charitable Fund’s chief collaborators who has shared his vision, time and wise counsel with the Fund since 1994. Mike Tavlin served as Assistant Treasurer of the Fund until he became a member of the Board of Directors in 2000 and its President in 2005 and 2006. With his guidance, the Fund charted a course that has grown the fair market value of its endowment from its initial $15 million to more than $38 million at the end of 2006, while paying more than $14 million in grants. His clear understanding of the importance of building and maintaining a richly diverse Board of Directors and his leadership in expecting grant seekers to do the same has had community-wide impact. During Mike’s tenure on the Board of Directors, Woods Charitable Fund awarded $9,118,795 in $16 grants.

The Fund applauds Mike and all of the collaborators in our community in 2006 who decided they could be more effective by working together. We invite you to review their work along with the other organizations Woods Charitable Fund supported last year.

Pam Baker
Executive Director

* From the artist’s statement

“Collaboration involves a more formal and sustained commitment than either cooperative agreements or coalitions. Collaboration builds on the conviction that, while retaining uniqueness and autonomy, organizations that share values and goals can accomplish more by working together than working alone.”

– National Voluntary Health & Social Welfare Organization
What a joy it is for me to be able to interact with you in this way and at this time, to report about Fund accomplishments in 2006, and to share some thoughts with you about 2007 and beyond.

The past year was one of notable accomplishments for the Fund. First, total financial assets at the end of 2006 were the largest in Fund history. Second, and even more important, grants awarded as well as grants paid during 2006 were the highest in Fund history. Last, and of equal importance, the number of hours invested in 2006 by Board members in grant-seeker site visits was at an all time high.

Service on the Board of Woods Charitable Fund is an honor, but it is not an honorary position. The Fund also experienced important leadership changes during 2006. Donna Woods is the new President of Woods Charitable Fund and Jose J. Soto and T. J. McDowell, Jr. are the newest members of the Board. Changes like these are often associated with significant opportunities, and I expect this will be the case with these changes. To the members of the Woods family, who created the Fund in 1941, and to our dear friend Chip, who led the Fund in more recent years, we owe a debt of gratitude that we can only begin to repay by increasing our personal investment of time, talent and treasure in causes that lift the human spirit and by encouraging others to do the same.

We appreciate that the current domestic state of affairs creates serious challenges for grant seekers as well as for funders. As we look to 2007 and beyond, Board members will continue to strive to provide financial support to the best, most effective programs that advance the mission of the Fund and embody its values. In this regard, I encourage you to visit our website. Through this window you will be able to learn more about the important considerations Board members use to assess and respond to funding requests from grant seekers. The Board takes very seriously its fiduciary responsibility to assure that Fund resources are used wisely, provide financial support to the best, most effective programs, and serve as a catalyst for change, community improvement, and expanded involvement of all sectors of our community.

Michael J. Tavlin
President
Woods Charitable Fund supports a broad range of activities which include, but are not limited to, the SPECIAL INTERESTS described below. We are interested in reviewing plans for pilot projects and innovative programs, as well as sustained growth for organizations whose work coincides with the purposes of the foundation. The foundation funds both direct services and policy programs.

The Fund looks forward to opportunities to review proposals joining partners (academic, community, government, business, public service, faith-based) to explore ways to integrate perspectives and talents toward common goals. We support projects that involve coalition-building, public education and advocacy to affect positive social change and improve opportunities for all citizens.

SPECIAL INTERESTS

HUMAN SERVICES

A significant cornerstone in community life is the family. Its power to mold and develop mentally healthy, secure, loving members determines Woods’ interest in supporting projects to strengthen families and provide opportunities for youth to achieve their full potential. This is a broad category and may include either direct service or policy programs focused on child care, single parenthood, the elderly, family planning, shelter, troubled families as well as others.

The Fund will give special consideration to programs and initiatives designed to prevent youth and family violence.

EDUCATION

Our educational systems face the challenge of preparing individuals for a rapidly changing society. Today, more than ever before, education touches the lives of people of all ages - students at all levels, newcomers learning a second language and culture, adults retraining to handle new job responsibilities. The Fund looks forward to opportunities to review proposals from existing educational institutions and from creative new programs to meet the challenge.

CIVIC AND COMMUNITY

To sustain or increase its vitality, a community must consistently nurture its development, particularly as that development impacts lower income citizens. The Fund supports projects that empower less advantaged Lincoln residents to participate in the economic system and that foster community participation and responsibility, thus engaging people to solve problems and improve opportunities for all. Woods recognizes the growing need in Lincoln for affordable housing and supports programs that expand its availability. Advocacy groups as well as neighborhood, citizen and community organizations are effective avenues to promote citizen involvement and strengthen neighborhoods.

The need for individuals to achieve self-sufficiency has been identified as a primary community concern. The Fund encourages submission of proposals that suggest creative approaches to helping people escape poverty and become work-ready.
ARTS AND CULTURE

Visual art, literature, dance, theater and music are cornerstones of a community’s aesthetic and ethical being. They can bind people through shared experience and understanding. They stimulate thought, communication and creativity. Woods supports programs in the arts and humanities that will enhance or develop the common aesthetic spirit.

Programs that connect the arts and humanities with nontraditional participants are of special interest to the Fund.

FOCUS AREA

The Fund will give special consideration to programs and initiatives designed to: (1) support organizations that haven’t traditionally served refugees and immigrants but are trying to integrate them into their client bases and work forces; (2) expand English language education for New Americans; (3) help develop community acceptance and appreciation for New Americans; and (4) extend research and planning concerning immigrants and refugees in Lincoln.

FUNDING LIMITATIONS AND RESTRICTIONS

While grants are made primarily in Lincoln, Nebraska, the Fund will consider grant applications from other locations in the context of their impact on Lincoln. The Fund makes grants in diverse fields, however, the following areas are not eligible for grant review:

- Computer hardware
- Environmental programs
- Funding of endowments
- Fundraising benefits or program advertising
- Health care programs
- Individual needs
- Medical and scientific research
- Programs for individual schools
- Recreation programs
- Religious programs
- Residential care and medical clinics
- Scholarships, fellowships
- Sponsorships

College and university proposals are reviewed only if they directly involve faculty and/or students in applied projects of benefit and concern to the community.

Requests for support of technology must be from organizations whose emphasis is in the Fund’s special interest areas. Requests must define the need for the technology, provide compelling evidence that it is appropriate for the task and is cost-effective. Furthermore, the proposal must demonstrate the technology’s impact on the organization’s mission.

The Fund will consider requests for:

- Computer software
- Fund development using technology
- Information/technology staff
- Marketing using technology
- Technical assistance for technology planning
- Technological training

Applicants generally should be organizations described in Section 501(c)(3) of the Internal Revenue Code and have a written ruling from the IRS that they also qualify under Section 509(a)(1), (2) or (3) of the Code (publicly supported organizations and their affiliates). Occasionally the Fund considers proposals from 501(c)(3) organizations that are private, operating foundations. In exceptional cases, the Fund will consider fiscal agent and expenditure responsibility grants.

SUMMARY OF 2006 GRANTS PAID BY SPECIAL INTEREST AREA

<table>
<thead>
<tr>
<th>SPECIAL INTEREST AREA</th>
<th>TOTAL</th>
<th>100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Services</td>
<td>48%</td>
<td>$897,543</td>
</tr>
<tr>
<td>Arts &amp; Culture</td>
<td>11%</td>
<td>$204,150</td>
</tr>
<tr>
<td>Education</td>
<td>9%</td>
<td>$154,732</td>
</tr>
<tr>
<td>Civic &amp; Community</td>
<td>32%</td>
<td>$589,209</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100%</td>
<td>$1,836,134</td>
</tr>
</tbody>
</table>

Please read “To Apply for a Grant” before contacting the Fund.
The Fund does not accept applications from organizations: (1) that have had proposals approved or declined in the preceding 12 months; or (2) that are recipients of active, multi-year grants. This policy does not apply when organizations are involved in collaborative proposals.

Proposals not clearly within the Fund’s priority areas but not clearly ineligible are screened for funding consideration by the Fund’s board members.

WHAT YOU SHOULD KNOW BEFORE APPLYING:

> We only accept applications from nonprofit organizations that have communicated with us and have been asked to complete an application form.

> Contact the Fund by telephone or by sending a 2-page letter of intent, including budget information, by mail, facsimile or e-mail. Then Woods staff can help you decide whether it is worth your time and expense to proceed with a full proposal.

> Many excellent proposals cannot be funded because there are absolute limits to the number of proposals the Fund can study thoroughly and support.

> If your organization receives a grant, you will be asked to sign a grant agreement form requiring written reports on use of the grant in relation to the original proposal objectives and program results. A selected number of grantees may be asked to participate in a post-grant evaluation to study program accomplishments in more depth.

TO APPLY FOR A GRANT

FIRST, please read the Fund’s guidelines, procedures and timetable.

SECOND, contact the Fund by telephone or by sending a 2-page letter of intent, including a budget, by mail, facsimile or e-mail to determine if it is worth your time and expense to proceed with a full proposal.

THIRD, if the Fund requests a full proposal, please complete a Lincoln/Lancaster County Grantmakers Common Application Form, available from Woods Charitable Fund’s office or on-line at www.woodscharitable.org as an RTF or PDF document. Together with the requested attachments, submit a single paper copy according to the timetable to the right. The materials must arrive by 5:00 p.m. the day of the deadline or, if the deadline falls on a weekend, by 5:00 p.m. the following business day. An electronic copy of the application and attachments may be submitted, in addition to the hard copy, but is not required.

The staff at Woods Charitable Fund, Inc. is pleased to consult with applicants at any time during the process to help strengthen their proposals.

Applicants should direct inquiries to:

Pam Baker, Tom Woods or Angie Zmarzly
Woods Charitable Fund, Inc.
P. O. Box 81309
1440 ‘M’ Street
Lincoln, NE 68501
(402) 436-5971 (telephone)
(402) 436-4128 (fax)
www.woodscharitable.org
pbaker@woodscharitable.org
twoods@woodscharitable.org
azmarzly@woodscharitable.org

TIMETABLE

Submission Dates: Awards Announced:

Feb 15 – Mar 1 June
Jun 15 – Jul 1 November
Oct 15 – Nov 1 February

In cases of extreme emergency, the Fund will consider proposals of $10,000 or less outside the set timetable.
<table>
<thead>
<tr>
<th>Organization</th>
<th>Grant Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Human Services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian Community and Cultural Center</td>
<td>35,000</td>
<td>For staff to sustain the <em>Asian Elderly New Americans Enrichment Project</em>, a long-standing program of the Center that makes vital human services and social interactions more accessible to Asian seniors</td>
</tr>
<tr>
<td>Boy Scouts of America, Cornhusker Council</td>
<td>3,300</td>
<td>To provide the Cub Scout handbook at no cost to every elementary school boy who joined Cub Scouting in the Lancaster County area during the fall of 2006</td>
</tr>
<tr>
<td>CASA for Lancaster County</td>
<td>25,000</td>
<td>Continued support of a Volunteer Coordinator to recruit and train special advocates for this organization that provides advocacy for abused and neglected children in the court system</td>
</tr>
<tr>
<td>County of Lancaster, Youth Services Center</td>
<td>1,045</td>
<td>Technical assistance for further development of a horticulture program for at-risk youth housed at the Center</td>
</tr>
<tr>
<td>El Centro de las Americas (formerly Hispanic Community Center)</td>
<td>25,000</td>
<td>Operational support during a transitional restructuring period for the Center whose purpose is to enhance the quality of life for the Hispanic population of Lincoln and develop linkages between the Hispanic community and the community at large</td>
</tr>
<tr>
<td>Family Service Association of Lincoln</td>
<td>19,199</td>
<td>General operating support for this organization providing early childhood care and education services in Lincoln and Lancaster County</td>
</tr>
<tr>
<td>Fresh Start, Inc.</td>
<td>145,000</td>
<td>Toward its capital campaign to purchase and renovate a new transitional group home for single, homeless women without dependents</td>
</tr>
<tr>
<td>Girl Scouts-Homestead Council</td>
<td>10,442</td>
<td>Renewal funding for <em>Studio 2B - Movin’ to a New Beat</em>, a project to build adolescent participation in Girl Scouts as it strives to build girls of courage, confidence and character</td>
</tr>
<tr>
<td>Health Partners Initiative</td>
<td>30,000</td>
<td>For continued support of a Program Coordinator for the <em>Neighborhood Service Exchange</em>, a grassroots effort to help people take responsibility for their own well being and that of their neighbors by utilizing neighbor-to-neighbor volunteering</td>
</tr>
<tr>
<td>Heartland Big Brothers Big Sisters</td>
<td>20,000</td>
<td>Toward staffing for fundraising and volunteer development to build the agency’s sustainability and strengthen its infrastructure as it provides professionally-supported, one-to-one relationships to help children reach their potential</td>
</tr>
<tr>
<td>Lighthouse</td>
<td>57,000</td>
<td>For construction of a new facility to accommodate more students and allow expansion of the after-school activities and services of this organization offering a safe haven for Lincoln youth</td>
</tr>
<tr>
<td>Renewal of the <em>Capacity Building Initiative</em>, funded together with the Lincoln Community Foundation, providing support for five local nonprofit organizations to strengthen their infrastructures and create self-sustaining organizations to better serve the Lincoln community</td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td>Grant Recipient</td>
<td>Amount</td>
<td></td>
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<tr>
<td>--------------------------------------------------------------------</td>
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</tr>
<tr>
<td>Lincoln and Lancaster County Child Guidance Center</td>
<td>35,000</td>
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<tr>
<td>To sustain parent counseling services, no longer funded by Medicaid, to enhance outcomes for the Center's child clients receiving mental health therapy</td>
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<tr>
<td>Lincoln Medical Education Partnership</td>
<td>23,381</td>
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<tr>
<td>To fund three priority projects of the Family Violence Council including development of a child abuse database to generate abuse reports for the community, implementation of a Court Watch program and year-two funding for the <em>Aware</em> project that provides domestic violence and sexual assault training to relevant professionals</td>
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<tr>
<td>Lincoln YWCA</td>
<td>30,000</td>
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<tr>
<td>Support for an Administrative Manager to enhance the YWCAs existing leadership, strengthen its management and program support and improve its governance, income-generation and marketing as it strives to empower women and girls and end racism in the community</td>
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<tr>
<td>Lutheran Family Services of Nebraska, Inc.</td>
<td>20,000</td>
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<tr>
<td>Toward the <em>Bridge</em> program providing transitional services including housing and employment assistance for ex-offenders released from the Nebraska Department of Corrections</td>
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<tr>
<td>Malone Community Center</td>
<td>30,000</td>
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<tr>
<td>First payment of a two-year $60,000 grant providing support for the Executive Director and Administrative Assistant positions during a transitional period aimed at refining the internal structure and sustaining the programming of this organization that serves ethnic minority and low income residents of Lincoln</td>
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<tr>
<td>Matt Talbot Kitchen</td>
<td>10,000</td>
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<tr>
<td>For a Case Manager to help its clients find housing, build skills and attain self-sufficiency, located at this organization dedicated to providing food and services to Lincoln’s homeless and working poor</td>
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<tr>
<td>To purchase capital items for Matt Talbot Kitchen †</td>
<td>10,000</td>
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<tr>
<td>Northeast Family Resource Center</td>
<td>30,000</td>
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<tr>
<td>For general operating and organizational planning to help sustain this center that provides outreach services and programs to strengthen neighborhood families and youth</td>
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<td></td>
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<tr>
<td>People’s City Mission</td>
<td>20,000</td>
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<tr>
<td>To implement the agency’s <em>Service Point Homeless Management Intervention System</em> allowing the Mission to keep better statistical data on clients and easier access to its records as it provides shelter and services for the impoverished</td>
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<td></td>
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<tr>
<td>St. Monica’s Home</td>
<td>90,000</td>
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<tr>
<td>Toward its capital campaign, <em>Building Hope-Restoring Lives</em>, to renovate a facility and expand services for women dealing with substance abuse and other behavioral health disorders</td>
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</tr>
<tr>
<td>To create and implement a <em>Cultural Diversity Organizational Model</em> to better serve its clients by improving the organization’s cultural diversity and multicultural competencies</td>
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<tr>
<td>TeamMates Mentoring Program</td>
<td>10,000</td>
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<tr>
<td>For the development of community-based support networks for mentor/mentee matches in the public schools, aimed at increasing the longevity of mentoring relationships through mentor trainings, service learning opportunities and events for participants to attend together</td>
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</tr>
</tbody>
</table>

† Indicates retiring board member grant designation
UNL-Center on Children, Families and the Law ................................. 13,500
Second payment of a two-year $22,612 grant toward the *Nebraska Family Impact Seminar* which provides state policymakers with non-partisan, solution-based research on family issues

UNL-Department of Educational Psychology ....................................... 36,076
Second-year support for *Target the Bully*, a half-day in-school suspension program that works with students who are chronic bullies through one-on-one evaluation and development of action plans aimed at stopping bullying behaviors, in collaboration with Lincoln Public Schools

UNL-Nebraska Center for Research on Children, Youth, Families and Schools .... 40,000
Second-year funding for *Project TEAMS*, a partnership between Lincoln Public Schools (LPS) and the University of Nebraska-Lincoln, to assist students reentering LPS after a prolonged absence and to increase the likelihood that they remain in high school and graduate

UNL-Public Policy Center ............................................................... 30,000
First payment of a three-year $60,000 grant to create, implement and promote a comprehensive, searchable online database of available human service resources in the state, to be freely accessible to Lincoln residents and service professionals

UNL-University Health Center ....................................................... 1,000
For the development of a training module and resource materials to help local professionals learn how to identify and provide assistance to gay, lesbian, bisexual and transgender youth under the age of 18 within mental health, criminal justice and educational settings

Voices of Hope (formerly Rape-Spouse Abuse Crisis Center, Inc.)
First payment of a two-year $90,000 grant toward its *Building Connections* campaign to purchase and renovate a property to enhance the Center’s crisis services for victims of domestic violence and sexual assault and their families ........................................... 45,000
Renewal of the *Capacity Building Initiative*, funded together with the Lincoln Community Foundation, providing support for five local nonprofit organizations to strengthen their infrastructures and create self-sustaining organizations to better serve the Lincoln community  ......................................................... 10,000

TOTAL HUMAN SERVICES .......................................................... $887,943

**CIVIC AND COMMUNITY**

Community CROPS ................................................................. 10,000
For the *Community Garden Investment Project*, to enhance volunteer recruitment and fundraising of this organization that supports the food security and agricultural-based enterprises of immigrant and refugee gardeners in Southeast Nebraska

Community Development Resources ............................................. 75,000
Fourth-year general operating funds for program expansion and development of this organization that supports business opportunities for women, minorities and the economically disadvantaged

Leadership Lincoln, Inc. ............................................................. 10,000
Renewal of the *Capacity Building Initiative*, funded together with the Lincoln Community Foundation, providing support for five local nonprofit organizations to strengthen their infrastructures and create self-sustaining organizations to better serve the Lincoln community
League of Human Dignity, Inc. ......................................................... 45,000
Second-year support for implementation of the Human Services Coordinated Transportation Project, a three-year project in collaboration with Lincoln’s StarTran System and other transportation providers to create a coordinated public-private transportation program for the elderly and persons with disabilities in Lincoln

Lincoln Community Foundation, Inc. .................................................. 2,500
Renewal of the Capacity Building Initiative providing support for five local nonprofit organizations to strengthen their infrastructures and create self-sustaining organizations to better serve the Lincoln community

Lincoln Parks and Recreation Foundation .............................................. 20,000
For an Executive Administrator to enhance fund development, community and volunteer involvement and to meet the goals of this organization that provides support to Lincoln’s parks and recreational resources

Nebraska Advocacy Services, Inc. .......................................................... 9,209
To pay for Spanish and Vietnamese translation of the legal educational materials and website of this organization that helps people with disabilities fully participate in their community

Nebraskans for Amendment 2 ............................................................... 10,000
For general educational outreach activities by Nebraskans for Amendment 2 to help registered voters understand the amendment and make informed voting decisions

NeighborWorks, Lincoln ................................................................. 400,000
Final payment of a five-year $1,000,000 grant to develop and implement a plan to increase affordable housing in Lincoln, Nebraska, a collaborative project with Lincoln Urban Development Department and University of Nebraska College of Architecture

Rebuilding Together-Lincoln, Inc. .......................................................... 7,500
For a Construction Manager to oversee the organization’s projects, materials and volunteers in order to provide more free home repairs to low income, elderly and disabled homeowners

TOTAL CIVIC AND COMMUNITY .................................................. $589,209

ARTS AND CULTURE

Friends of Haydon, Inc. ................................................................. 15,400
For an Education Coordinator and art supplies to provide ongoing art education projects for the underserved K-5 students of Lincoln Public School’s Community Learning Centers

Friends of the Haymarket Theatre ...................................................... 12,000
Second payment of a two-year $36,000 grant toward the position of Executive Director and continued implementation of the organization’s long-term plan for this group providing professional theater productions and comprehensive theater training for children and youth

Friends of the Mary Riepma Ross Film Theatre, Inc. .............................. 5,000
For the Jon Jost Filmmaker-in-Residence project supporting hands-on digital filmmaking with area students and other participants and for the creation of digital works about the Lincoln region, culture and people

Heritage Films ........................................................................ 2,000
To complete the editing and production of A Home Out West, a documentary film exploring the homesteading experience on the Great Plains
Grants Paid in 2006

Lincoln Arts Council .................................................. 29,350
Second payment of a $38,500 grant toward the salary of a full-time Development Director and to conduct an economic impact study to inform the community about the value of the arts

Lincoln Association for the Traditional Arts (LAFTA) .................................................. 7,000
Support of musician fees and a free concert to mark the 25th anniversary of this organization dedicated to providing Lincoln with folk and traditional music, dance and related arts since 1982

Lincoln Community Playhouse, Inc. .................................................. 10,000
Renewal of the Capacity Building Initiative, funded together with the Lincoln Community Foundation, providing support for five local nonprofit organizations to strengthen their infrastructures and create self-sustaining organizations to better serve the Lincoln community

Lincoln Friends of Chamber Music, Inc. .................................................. 14,100
First payment of a two-year $21,150 grant to organize and administer a chamber music competition for young musicians from Lincoln and around the state

Lincoln Municipal Band Association, Inc. .................................................. 7,000
Second payment of a two-year $22,000 grant to strengthen and broaden educational outreach projects in Lincoln schools, a collaboration including Lincoln Municipal Band, Nebraska Brass, Nebraska Jazz Orchestra and Nebraska Trumpet Ensemble

Lux Center for the Arts .................................................. 10,000
Renewal of the Capacity Building Initiative, funded together with the Lincoln Community Foundation, providing support for five local nonprofit organizations to strengthen their infrastructures and create self-sustaining organizations to better serve the Lincoln community

Nebraska Art Association .................................................. 5,000
Toward the purchase of an audio system for the benefit of Sheldon Memorial Art Gallery to improve the access and enhance the experience of on-premise visitors to Sheldon †

Nebraska State Historical Society Foundation .................................................. 9,900
To allow Lincoln Public Schools’ students better access to historical resources through support for the development of hands-on learning stations and for bus transportation to and from the various Historical Society facilities in Lincoln

Opera Omaha, Inc .................................................. 8,000
Support of free public educational programs in Lincoln in association with Wakonda’s Dream, a new opera opening in early 2007 about the impact of history on a contemporary Native American family

The Loft at the Mill .................................................. 22,000
Funding for a part-time Executive Director to oversee the fundraising efforts of this organization that serves as a community-wide center for the arts

UNL-African American and African Studies Program .................................................. 4,000
For the first annual Black Film Festival at the Mary Riepma Ross Film Theatre with the theme, Race, Identity, and Revolution to expose the broader University and the Lincoln- Omaha communities to black cinema outside of Hollywood mass-marketed films

UNL-College of Architecture .................................................. 10,000
Support for a collaborative research project with the Lied Center for Performing Arts to explore the potential reuse of Lincoln’s historic Whittier Junior High School auditorium and to develop an operational plan that will best serve the culturally diverse community

† Indicates retiring board member grant designation
UNL-Lied Center for Performing Arts  
Second payment of a two-year $15,000 grant for support of Free at 6, a program that includes six free Lied Center performances by Nebraska artists to expand opportunities for main stage programming and to utilize and serve Lincoln’s diverse artists and audiences  5,000

For local performances and related events for The Train, a story about the Holocaust written by Carl Slotboom and translated by Lincoln resident and Holocaust survivor, Dr. Louis Leviticus, as part of a collaborative project between the Lied Center, the Angels Theatre Company and the Third Chair Chamber Players  25,000

UNL-Plains Humanities Alliance  3,500
Writing and production costs for a radio series entitled, Great Plains, Great Books; a collaborative project with NET Radio featuring short radio programs aimed at increasing awareness of the cultures in Nebraska and the Plains and their contributions to the humanities

TOTAL ARTS AND CULTURE  $204,250

EDUCATION

Bright Lights, Inc.  7,000
Toward organizational strategic planning for this organization dedicated to providing unique summer learning opportunities for youth

Illusion Theater and School, Inc.  23,475
For the creation of an interactive theatrical production on bullying prevention that targets Lincoln students in grades four through eight

Lincoln Children’s Museum  10,000
Final payment of a three-year $45,000 grant toward the full-time Development Director position to support this Museum that stimulates the adventure of learning for children, youth and adults

Lincoln Literacy Council  91,257
For the ESL Academy project to extend the organization’s administrative and pedagogical strengths to several collaborating ethnic and faith-based community partners to enhance and increase Lincoln’s English as a Second Language services

Nebraska Wesleyan University  10,000
For a permanent endowment and income to provide financial assistance in the form of need and merit-based scholarships to those Nebraska Wesleyan students majoring in music whose hometown is Lincoln, Nebraska

UNL-Department of Educational Psychology  13,000
First payment of a two-year $26,000 grant to develop and conduct a free Summer Writing Clinic to help children with writing difficulties improve their skills and have a better chance to succeed educationally

TOTAL EDUCATION  $154,732

TOTAL GRANTS PAID  $1,836,134

† Indicates retiring board member grant designation
We have audited the accompanying cash basis statement of financial position of Woods Charitable Fund, Inc. as of December 31, 2006 and the related statement of activities for the year then ended. These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of Woods Charitable Fund, Inc. as of and for the year ended December 31, 2005, were audited by other accountants whose report dated February 22, 2006, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. In our opinion, the 2006 financial statements referred to above present fairly, in all material respects, the financial position of Woods Charitable Fund, Inc. as of December 31, 2006, and the changes in its net assets for the year then ended, on the basis of accounting described in Note 1.

March 2, 2007
### Statements of Financial Position / Cash Basis / December 31, 2006 and 2005

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 289,385</td>
<td>$ 125,627</td>
</tr>
<tr>
<td>Investment securities, at cost:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mutual funds</td>
<td>26,708,267</td>
<td>24,118,325</td>
</tr>
<tr>
<td>Partnerships and other investments</td>
<td>1,949,335</td>
<td>1,867,925</td>
</tr>
<tr>
<td>Program related investments</td>
<td>362,090</td>
<td>395,919</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$ 29,309,077</strong></td>
<td><strong>$ 26,507,796</strong></td>
</tr>
</tbody>
</table>

| **Liabilities and Net Assets** |            |            |
| Unrestricted net assets      | $ 29,309,077 | $ 26,507,796 |
| **Total liabilities and net assets** | **$ 29,309,077** | **$ 26,507,796** |

See notes to cash basis financial statements

### Statements of Activities / Cash Basis / Years Ended December 31, 2006 and 2005

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income collected:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net realized gains on sale of securities</td>
<td>$ 1,071,607</td>
<td>$ 696,743</td>
</tr>
<tr>
<td>Interest:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program related investments, interest bearing</td>
<td>20,769</td>
<td>19,832</td>
</tr>
<tr>
<td>Cash accounts, interest bearing</td>
<td>12,993</td>
<td>4,968</td>
</tr>
<tr>
<td><strong>Total interest income</strong></td>
<td><strong>33,762</strong></td>
<td><strong>24,800</strong></td>
</tr>
</tbody>
</table>

| **Grants and Expenses Paid** |            |            |
| Grants paid                | 1,836,134  | 1,353,740  |
| Expenses paid:             |            |            |
| Salary and benefits        | 292,001    | 265,182    |
| Investment advisory fee    | 28,395     | 26,719     |
| Conferences and meetings   | 4,844      | 9,629      |
| Legal, audit and financial services | 13,736  | 9,550      |
| Office expenses            | 11,588     | 11,837     |
| Memberships and dues       | 12,668     | 9,489      |
| Consultants                | 3,241      | 3,395      |
| Annual report expenses     | 5,395      | 5,301      |
| Other expenses             | 18,456     | 17,995     |
| Excise tax payments        | 107,810    | 19,965     |
| **Total expenses paid**    | **498,134** | **379,062** |
| **Total grants and expenses paid** | **2,334,268** | **1,732,802** |

| **Increase in Net Assets** |            |            |
|                           | 2,801,281  | 1,265,095  |

| **Net Assets, Beginning of Year** |            |            |
|                                  | 26,507,796 | 25,242,701 |

| **Net Assets, End of Year** | $29,309,077 | $26,507,796 |

See notes to cash basis financial statements
Method of Accounting
The Fund's accounts are maintained on a cash basis, and the statements of income collected, deductions and expenses paid reflect only cash received and disbursed. Therefore, receivables and payables, long-lived assets, accrued income and expenses and amortization and depreciation, which may be material, are not reflected in the accompanying financial statements. The statements are not intended to present the financial position, results of operations, or cash flows in conformity with accounting principles generally accepted in the United States of America.

Use of Estimates
The preparation of financial statements on the cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash Equivalents
The Fund considers all liquid investments with original maturities of three months or less to be cash equivalents. At December 31, 2006 and 2005, cash equivalents consisted primarily of money market funds.

Investments and Investment Return
Investments are carried at cost unless the Fund has determined a permanent decline in value. As of December 31, 2006 and 2005, there are no investments which the Fund has determined to be permanently impaired. Under accounting principles generally accepted in the United States of America, investments in equity securities having a readily determinable fair value and in all debt securities would be carried at fair value.

Investment return includes dividend, interest and other investment income; and realized gains and losses on investments. Net profits or loss of limited partnership interests are reported as investment income upon allocation to the Fund's capital account. The Fund uses the weighted average method to determine the cost of mutual funds sold and the first-in, first-out method to determine the cost of all other securities sold.

Excise Taxes
The Fund is classified as a private foundation as defined in Section 509(a) of the Internal Revenue Code and a similar provision of state law. Excise tax payments consisted of:

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current year estimated payments</td>
<td>$57,500</td>
<td>$10,500</td>
</tr>
<tr>
<td>Payments for prior year liability</td>
<td>50,310</td>
<td>9,465</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$107,810</strong></td>
<td><strong>$19,965</strong></td>
</tr>
</tbody>
</table>

Note 2: Investments and Fair Value Disclosures

Fair value is the estimated amount at which financial assets or liabilities could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Because no market exists for certain of these financial instruments and because management does not intend to sell these financial instruments, the Fund does not know whether the fair values shown below represent values at which the respective financial instruments could be sold individually or in the aggregate.

Fair value is based on quoted market prices, if available. If a quoted market price is not available, fair value is estimated using quoted market prices for similar securities. During 2005, the Fund invested $1,500,000, in a private fund of hedge funds, for which the estimated fair value at December 31, 2006 and 2005 was $1,664,100 and $1,539,120, respectively, as determined by the Fund’s management. The Fund held an investment in a private limited partnership with a cost of $449,335 and $367,925, for which a fair value was not ascertainable at December 31, 2006 and 2005, respectively.

Program related investments consist of loans issued to qualifying agencies which require repayment of principal and interest (if applicable) in accordance with the terms of the related agreement.

Note 3: Commitments

The Fund is committed to pay grants totaling $435,375 at December 31, 2006. In addition, the Fund has supplied a stand-by letter of credit to YWCA of $28,500 as of December 31, 2006. This letter of credit expires in May 2011. The Fund is committed to invest an additional $66,700 in a limited partnership as of December 31, 2006. Certain of these commitments are contingent on the fulfillment of specified conditions.

Mutual funds at December 31, 2006 and 2005 consisted of the following:

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost</td>
<td>Fair Value</td>
</tr>
<tr>
<td>Equity mutual funds</td>
<td>$16,252,169</td>
<td>$22,015,562</td>
</tr>
<tr>
<td>Fixed income mutual funds</td>
<td>2,471,269</td>
<td>2,311,235</td>
</tr>
<tr>
<td>International mutual funds</td>
<td>5,072,452</td>
<td>8,553,987</td>
</tr>
<tr>
<td>Real estate mutual funds</td>
<td>2,912,377</td>
<td>4,614,236</td>
</tr>
<tr>
<td><strong>Total mutual funds</strong></td>
<td><strong>$26,708,267</strong></td>
<td><strong>$37,495,020</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost</td>
<td>Fair Value</td>
</tr>
<tr>
<td>Equity mutual funds</td>
<td>$14,223,484</td>
<td>$19,654,140</td>
</tr>
<tr>
<td>Fixed income mutual funds</td>
<td>2,364,297</td>
<td>2,218,498</td>
</tr>
<tr>
<td>International mutual funds</td>
<td>4,549,794</td>
<td>7,687,841</td>
</tr>
<tr>
<td>Real estate mutual funds</td>
<td>2,980,750</td>
<td>4,088,528</td>
</tr>
<tr>
<td><strong>Total mutual funds</strong></td>
<td><strong>$24,118,325</strong></td>
<td><strong>$33,649,007</strong></td>
</tr>
</tbody>
</table>
Larry Roots is a full-time artist primarily known for his large scale paintings and sculpture. Larry resides in Lincoln and is actively involved in various community arts related organizations. He has established a record of exhibitions and gallery representation nationally. His work is placed in numerous public and private collections. Larry’s current plans include working on more public art installation projects and artist collaborations regionally.

“\"The sky-walk structure is a bridge, and when examined literally, it is a bridge for people. In the piece, people of diverse origins are ‘going to and from’ places within the urban context.\"

This is the basis for my idea - art, larger than life, revealing the commonplace. It is a collective sampling of diversity in motion, within our community. The backdrop and supports of brick and mortar represent the historic material of Lincoln’s architecture.”

The background image of 12th Street between “N” and “O” Streets will be the site of the artist’s installation.
To make a gift to Woods Charitable Fund, please contact Executive Director Pam Baker at (402) 436-5973 or pbaker@woodscharitable.org.