Woods Charitable Fund, Inc.

A Report for the Year 1996

For the second year, Woods Charitable Fund, Inc. features the work of a local artist on its cover. Believing there are many ways to support the arts, we hope that using this annual report cover to draw attention to visual arts and highlight the work of a community artist is an effective way.

About the Artist

Anne Burkholder could be called a quintessential Nebraska artist. Best known for painting Nebraska landscapes, she was born in the state's Sandhills, attended the University of Nebraska and now lives and works in Lincoln. Anne has painted professionally in both oil and watercolor since 1962, when she received her Bachelors degree in Liberal Arts from the University of Nebraska, where she would later complete a BFA in art with distinction.

Anne's work has been exhibited and appears in many private, public and corporate collections in the United States, England, Switzerland, Germany, France, Austria, Japan, Australia and Morocco. Major collections holding Burkholder works include: IBM, St. Louis; Hallmark Cards, Kansas City; McDonald's Corporation, Chicago; First Bank System of Minneapolis; Pillsbury Company, Minneapolis; Santa Fe Railroad, Kansas City; Cliff's Notes, Lincoln; Federal Reserve Bank, Omaha; and AT&T, Oklahoma City among others.

An experienced sailor and world traveller, Anne takes risks and lives life fully. Through the years she has broken new ground as an artist and, more recently, as a business developer. In the late 1980's Anne designed, developed and became general contractor for the Burkholder Project. The Project, conceived by Anne, is a complex of twenty-six art studios and four gallery spaces located in Lincoln's Historic Haymarket District. It was the first of its kind in Lincoln.

Anne's collage, *Lincoln Skyline, Starry Night,* featured on the cover of the Woods Charitable Fund's 1996 annual report, demonstrates one of the new directions her work is taking and inspires us to share her optimism and spirit of adventure.

About the Foundation

Woods Charitable Fund is a private philanthropic foundation created by Frank H. Woods, his wife 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. Over the years the family-owned Sahara Enterprises has contributed to foundation assets.

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. and Thomas C. Woods, Jr. Frank Woods from Chicago and Tom Woods from Lincoln 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 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 some of the original foundation's assets to the new foundation. Both foundations currently operate with locally 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. as well as in the office of the Secretary of State in Lincoln, Nebraska.

FOUNDERS

Frank H. Woods (1868 - 1952)
Nelle C. Woods (1870 - 1950)
Thomas C. Woods (1895 - 1958)
Henry C. Woods (1895 - 1968)
Frank H. Woods, Jr. (1905 - 1980)

Above: Rev. Dr. Norman Leach, Lincoln Interfaith Council Executive Director, and several Asian Community and Cultural Center program participants enjoy the outdoors.

Left: The Gathering Place food service training program prepares low-income participants to work in the food service industry.

On this annual report cover a comet crosses starry skies over Lincoln and in the Woods Charitable Fund office, electrical impulses and beams of light brought voices and images into our telephones and computers to share ideas, plans and requests. The Information Age came to visit the Fund in 1996 and then settled in. This year:

- We received our first grantee report placed on the Internet.
- E-mail requests for information began to fill our mailbox.
- The Fund's new Web Page (at **http://www.4w.com/woods/index.html**) took its place on the Internet.

Letter from the President & Executive Director

Foundations choose various ways to communicate with communities, peers and grant seekers. Today, with many communication options to select, the choices are more complex and deciding which to use can be complicated. Web page, e-mail, fax, annual report, newsletter, direct mail, voice mail, internet access, face to face conversations...the right combinations allow us to interact with more people in increasingly fast and effective ways.

Together with other foundations across the city, Woods began using the Lincoln/Lancaster County Grantmakers' Association common grant application form this year. The new form, now used by six local grantmakers including Woods, simplifies the grant seeking process for many tax-exempt organizations and requires the on-going communication of the grantmakers using it. More connections in faster, more effective ways...

The Fund is offering several new communication choices and possibilities this year. We hope they will make it easier to exchange ideas and news with you. Please be in touch.

1996 Planning Directs Grantmaking

Nebraska Partnership, Welfare Reform, Block Granting.

Government plans and efforts to redesign health and human services coupled with the real possibility that changes may come with fewer federal dollars to pay for them, resulted in a board commitment to target grants in 1996 to sustain and strengthen community tax-exempt organizations while the nonprofits reassessed their directions, formed new partnerships and explored innovative ways to support important work. Directors also dedicated Fund encouragement and funding to greater nonprofit involvement in community and statewide policy development. They determined that Woods should award more general operating grants and grants supporting advocacy, technical assistance and planning in 1996.

Grants approved and paid in 1996 reflect their approach—13% of all grants paid funded advocacy/education efforts and 36% of grants supported general operating expenses of funded agencies. Several smaller grants underwrote technical assistance and planning processes in small to medium-sized not-for-profit organizations. Please review the Woods Charitable Fund Grant Program section of this report for more information about those grants and contact our office if we could provide more information.

Marie Fischer Completes Term of Office

Marie Fischer's service on the Woods Charitable Fund board of directors began in 1992 when she was recently retired from the University of Nebraska and working as a trainer for the Grantsmanship Center. Marie brought extensive experience in planning, fund development, social welfare and education to this board. She faithfully reminded us that careful planning and well executed evaluation are critical to project and organizational success. She kept us from overlooking important details that had impact on the grants we made and she pointed out the strengths and

successes of those whose work the Fund supported. Her warmth and genuine interest in each of us brought out our best. We appreciate Marie's outstanding ability and achievements, and we gratefully acknowledge her generous contribution of time and expertise to Woods. The foundation has been enriched by it.

In conclusion, please note that Woods supported ten new grantee organizations in 1996 - groups that had never before received a Woods Charitable Fund grant. We encourage you to read and learn about those and the variety of innovative programs the foundation was privileged to fund in 1996. And please get in touch if you'd like to share your ideas and suggestions. There are new ways to reach us now!

Thomas C. Woods, III
President

Pam Baker
Executive Director

BOARD OF DIRECTORS, OFFICERS & STAFF

Michael J. Tavlin
Assistant Treasurer
Vice President-Treasurer & Secretary,
Aliant Communications Inc.

Pam Baker
Secretary, Executive Director

Thomas C. Woods, III
President, Treasurer
Chairman of the Board,
Aliant Communications Inc.

Joel Gajardo, Ph.D.
Executive Director, Hispanic Community Center
Formerly Consultant on Latin American Issues, United Methodist Church's Board of Global Ministries

Joan Stolle
Administrative Coordinator

Marjorie Woods
Community Volunteer
Board Member, Medici and College of Fine and Performing Arts
Life Trustee of the Nebraska Art Association

Marilyn Johnson-Farr
Assistant Professor of Education, Doane College
Formerly Teacher and Team Leader, Lincoln Public Schools

Marie Fischer
Vice President
Trainer, Grantsmanship Center
Retired Professor, Department of Community and Regional Planning, University of Nebraska–Lincoln

PURPOSE

Through grants made to eligible organizations, Woods Charitable Fund seeks to strengthen the community by improving opportunities and life outcomes for all people in Lincoln, Nebraska. Woods supports members of the nonprofit sector who are exploring creative alternatives and promoting more just, effective approaches to meet community needs.

Woods Charitable Fund, Inc. Grant Program

The 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, religious) to explore ways to integrate perspectives and talents toward common goals. We support projects that involve coalition building, public education and advocacy to effect positive social change and improve opportunities for all citizens.

SPECIAL INTERESTS

Children, Youth and Families

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 areas of youth and family violence have been identified as primary community concerns and the Fund will give special consideration to programs that address those issues.*

Above: Joe Ballard and a group of Project Youth team members demonstrate their high spirits.

Left: The YWCA's child care program at the Carol M. Yoakum Family Resource Center is one of many health, educational and human services provided for families at the Center.

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.

Community Development and Housing

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 joining 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, neighborhood, citizen and community organizations are avenues to promote citizen involvement and strengthen neighborhoods. *The need for individuals to achieve self-sufficiency, including assistance to enable people to earn an adequate income, has also been identified as a primary community concern. The Fund encourages submission of proposals that suggest creative approaches to address this concern.*

Arts and Humanities

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 through education, creation or performance. *Programs that connect the arts and humanities with nontraditional participants are of special interest to the Fund.*

Please read "To Apply for a Grant" before contacting the Fund.

Top: Nebraska Wesleyan University students serve the Lincoln community while enhancing their own learning through the service learning experience.

Above left: Union College Nursing School students provide foot care for homeless people at the DayWatch Foot Clinic.

Above right: Educational programs serve youth at the Hispanic Community Center shown here on a field trip.

Left: Interns work with theater professionals and stage their own production as part of the Young Rep Company/Young People's Outreach Program.

To Apply for a Grant

You should know before applying

- Contact the Fund in writing or by telephone with a summary request and budget information and 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.
- The Fund requests a statement describing the multicultural impact that your project or organization may have.
- If your organization receives a grant, you will be asked to sign a grant agreement form requiring written reports (usually at six-month intervals) 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.

Funding Limitations & 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. While the Fund makes grants in diverse fields, the following areas are not eligible for grant review:

- Individual needs
- Endowments
- Scholarships, Fellowships
- Fundraising benefits or program advertising
- Religious programs
- Capital projects in health care institutions
- Medical and scientific research

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.

TIMETABLE

SUBMISSION DATES:	BOARD MEETING:
March 1 - 15	June
June 1 - 15	September
September 1 - 15	December

Proposals that arrive well before the deadline have a better chance for careful review.

First...

Please read the Fund's guidelines, procedures and timetable.

Second...

Contact the Fund with a 2-page summary request and budget or a phone call 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 the Woods Charitable Fund office and, together with the requested attachments, submit it according to the timeline above.

Proposals not clearly within the Fund's priority areas but not clearly ineligible are screened by the Fund's board members. If at least one board member seeks board meeting discussion of the proposal, it can be considered for funding.

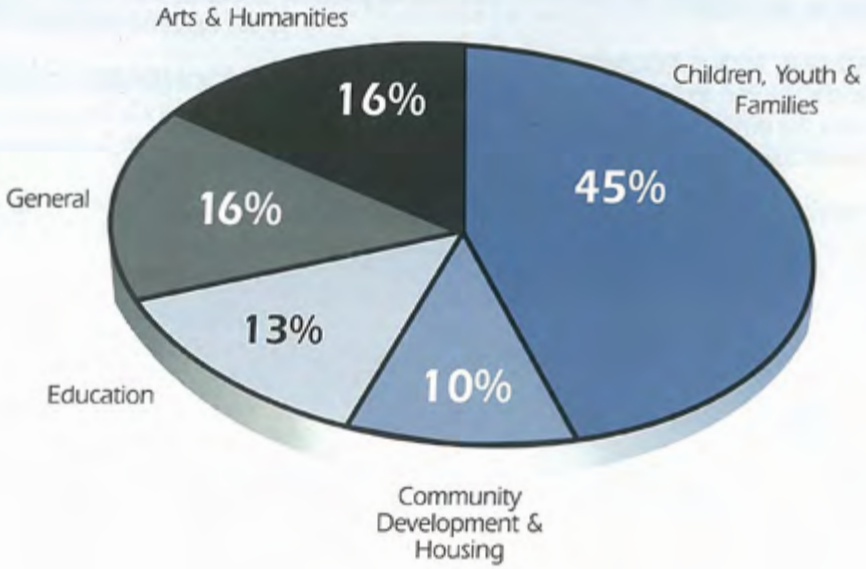
Applicants should direct inquiries to:

Pam Baker ▪ Woods Charitable Fund, Inc.
P.O. Box 81309 ▪ Lincoln, NE 68501
(402)474-0707

Summary of Grants Paid by Areas of Interest

YEAR ENDED DECEMBER 31,1996

CHILDREN, YOUTH & FAMILIES	$263,500
COMMUNITY DEVELOPMENT & HOUSING	57,500
EDUCATION	75,000
ARTS AND HUMANITIES	90,750
GENERAL	90,000
TOTAL GRANTS PAID	$576,750



Woods Charitable Fund Grant Program

Grants during 1996

Grants are unrestricted for general support unless otherwise described.

Paid in 1996

CHILDREN, YOUTH AND FAMILIES

ASIAN COMMUNITY AND CULTURAL CENTER **$12,000**
Fiscal Agent: Lincoln Interfaith Council
Support for a Family Outreach Worker focusing on enhancing the school experience for Asian-American children and empowering families to be more involved in their children's school life

Funding for the Center which facilitates and sponsors programs and services **5,000**
that benefit the Asian community and the community at large

HISPANIC COMMUNITY CENTER **20,000**
First payment of a three-year $60,000 grant for the Center which works to enhance the quality of life for Hispanic citizens in Lincoln and develop links between the Hispanic community and the greater community

General support for the Center **5,000**

HOMESTEAD GIRL SCOUT COUNCIL, INC. **10,000**
First payment of a two-year $15,000 grant to continue flexible delivery programs serving girls who, for various socioeconomic reasons, cannot participate in regular Girl Scout troops

INDIAN CENTER, INC. **5,000**
For the Center which provides human service and educational programs for Native Americans and all low income families and individuals

LIGHTHOUSE **5,000**
Support for the "Lighthouse Academy for Youth," a program that encourages at-risk students to stay in school by participating in activities that build community, belonging and respect

LINCOLN LANCASTER COUNTY FAMILY RESOURCE CENTER BOARD **25,000**
Renewal funding for Lincoln's family resource centers which bring parenting training and support and family services to neighborhoods

LINCOLN YWCA **20,000**
First payment of a two-year $35,000 grant continuing support for "Survival Skills," a comprehensive teen pregnancy prevention program in collaboration with Planned Parenthood of Lincoln

General support for this women's membership movement that **5,000**
focuses on the empowerment of women and the elimination of racism

LINCOLN LANCASTER COUNTY HEALTH DEPARTMENT 5,000
To plan the "Preventing Violent Relationships" program, a collaborative primary prevention program directed at reducing violence among elementary school students by helping them develop non-violent relationship skills

LINCOLN LANCASTER COUNTY CHILD ADVOCACY CENTER 25,000
For start up costs and operating expense for the Center whose mission is to reduce trauma suffered by child abuse victims during investigations and to increase successful prosecution of child abusers

MALONE COMMUNITY CENTER 5,000
General support for organization serving Lincoln's African-American citizens and providing human services to the community

PARTNERS IN RECOVERY FOUNDATION 5,000
To develop a family recovery program focused on the treatment needs of the family members of addicted persons

PEOPLE'S CITY MISSION 20,000
Renewal support for a portion of the bi-lingual men's shelter supervisor position at this shelter for homeless people

PLANNED PARENTHOOD OF LINCOLN, NEBRASKA, INC. 25,000
Second payment of a three-year $75,000 grant for the purchase and renovation of a second clinical site

PROJECT YOUTH OF LINCOLN, INC. 14,000
Funding for an assistant to the director of Project Youth, an agency providing recreational and constructive discussion activities for children and youth

UNIVERSITY OF WASHINGTON 10,000
Support for the "Walk A Mile" project, pairing public assistance recipients and policy makers to develop leadership skills and understanding

VOICES FOR CHILDREN IN NEBRASKA 30,000
Renewal support for this statewide organization that advocates for the well-being of children in Nebraska

Technical assistance for strategic planning 2,500

WOMEN IN COMMUNITY SERVICES, INC. 5,000
Operating support for group home program for at-risk adolescent girls

YMCA OF LINCOLN 5,000
For: Big Brothers/Big Sisters
Final payment of a two-year $12,500 grant for staff to coordinate Big Brothers/ Big Sisters activities for children waiting to be matched with an adult volunteer

Total Children, Youth and Families ..... **$ 263,500**

EDUCATION

LINCOLN PUBLIC SCHOOLS **10,000**
To develop curriculum, provide technical assistance to teachers and strengthen a collaborative effort between the Northeast High School's SCORE program and the Bryan Community, serving youth at-risk of dropping out of high school

LINCOLN LANCASTER TEENAGE PREGNANCY PREVENTION COALITION **10,000**
For a peer education theater model, Project TRUST, which educates and stimulates discussion about sexuality, peer pressure, decision making, refusal skills and violence prevention for students grades K-12

NEBRASKA WESLEYAN UNIVERSITY **10,000**
Final payment of a three-year $45,000 grant to establish a community service-learning program to integrate student community volunteer service experiences into the college curriculum

NEBRASKANS FOR PUBLIC TELEVISION, INC. **20,000**
For the "Statewide Interactive" project providing students and citizens with an innovative news-on-demand service via the World Wide Web (Internet) and schools with curriculum and lesson plans to best use the service

UNIVERSITY OF NEBRASKA. **5,000**
To purchase books reflecting the ethnic and social diversity of our community for the Library's Children's Literature Collection

UNIVERSITY OF NEBRASKA. **20,000**
For a summer Literacy Institute for K-12 teachers, parents and literacy workers and the follow-up action groups, workshops and activities generated by the Institute, including a Community Literacy Conference in 1997

Total Education . . . . . **$ 75,000**

ARTS & HUMANITIES

LINCOLN COMMUNITY PLAYHOUSE **25,000**
First payment of a two-year $50,000 grant for "A Time to Act" capital campaign to recondition and refurbish the Playhouse building

LINCOLN ORCHESTRA ASSOCIATION. **5,000**
First payment of a four-year $65,000 award to plan and implement a "Performance Partnership" with Lincoln Public Schools providing opportunities for high school instrumental music students to practice and perform with Lincoln Symphony Orchestra musicians

NEBRASKA CENTER FOR THE BOOK **750**
For the 1996 Nebraska Literature Festival's Friday Afternoon Workshop sessions

NEBRASKA MUSEUMS ASSOCIATION 5,000
Final payment of a two-year $10,000 grant for staff, operating expense and equipment to develop a statewide disaster preparedness program

UNIVERSITY OF NEBRASKA. 5,000
First payment of a three-year $15,000 grant for the Young Rep Company, part of Nebraska Repertory Theatre's Young People's Outreach Program

UNIVERSITY OF NEBRASKA. 5,000
For the "Artist Diversity Residency Program" bringing artists from diverse cultures to Lincoln for extended stays to work with community members and University of Nebraska students

THE WAGON TRAIN PROJECT. 20,000
Renewal support for general operation of this performing arts presenting organization targeting nontraditional audiences and innovative community/artist interactions

WGBH EDUCATIONAL FOUNDATION 25,000
Funding for the production of a documentary film "The Farmer's Wife," which portrays a Nebraska farm family in crisis and interprets the American farm crisis

Total Arts & Humanities **$90,750**

COMMUNITY DEVELOPMENT & HOUSING

CITY OF LINCOLN 5,000
For the 1996 "Summer Youth Employment Program" targeting at-risk, low-income, disadvantaged and minority youth, ages 14-21

FRESH START, INC. 10,000
Final payment of a two-year $30,000 grant for housing and educating homeless single women as they prepare to reenter the community

THE GATHERING PLACE 7,500
To develop the training kitchen project to train clients in food handling and preparation and, at the same time, prepare meals for community agencies that serve homeless or low-income people

NEBRASKA COMMUNITY REINVESTMENT COALITION 15,000
Second year payment of a $30,000 renewal grant for organization that works to increase investment by Nebraska lending institutions in low and moderate income areas of the state

For 1996-97 operating expenses 20,000

Total Community Development and Housing . . . . . **$ 57,500**

GENERAL

FOLSOM CHILDREN'S ZOO AND BOTANICAL GARDENS **20,000**
Second payment of a five-year $100,000 grant toward construction of the Discovery Center, part of the ReZOOvenation campaign to revitalize Zoo facilities, exhibits and grounds

FOOD BANK OF LINCOLN, INC. **25,000**
First payment of a two-year $75,000 grant for the construction of a new facility for the Food Bank which provides emergency food to charities serving the poor and hungry

LINCOLN LANCASTER MEDIATION CENTER **20,000**
To add staff and employee benefits as the Center provides low cost, neutral mediation services in Lincoln

NEBRASKA APPLESEED CENTER FOR LAW IN THE PUBLIC INTEREST **10,000**
Fiscal Agent: The Appleseed Foundation
For start-up and general support of this legal reform organization dedicated to furthering the public interest in Nebraska law and finding remedies to systemic injustices

PUBLIC HEALTH FOUNDATION OF LANCASTER COUNTY **10,000**
To purchase a mobile health clinic to expand and enhance the neighborhood based delivery of health care services and increase health care accessibility for low-income and homeless citizens

UNION COLLEGE **5,000**
For the DayWatch Foot Clinic conducted by the Union College Nursing Department, providing foot care, referral for identified problems and new shoes and socks for homeless people

Total General . . . . . **$ 90,000**

Total grants paid . . . . . **$ 576,750**

Independent Auditors' Report

To the Board of Directors
Woods Charitable Fund, Inc.

We have audited the accompanying statements of assets, liabilities and net assets arising from cash transactions of Woods Charitable Fund, Inc. (the Fund) as of December 31, 1996, and the related statements of income collected and expenses paid and changes in unrestricted net assets arising from cash transactions 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.

We conducted our audit in accordance with generally accepted auditing standards. 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 A, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, such financial statements present fairly, in all material respects, the assets, liabilities and net assets arising from cash transactions of Woods Charitable Fund, Inc. at December 31, 1996, and its income collected and expenses paid and changes in unrestricted net assets for the year then ended, on the basis of accounting described in Note A.

Deloitte & Touche LLP

Lincoln, Nebraska
February 19, 1997

Woods Charitable Fund, Inc.

STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS ARISING FROM CASH TRANSACTIONS

DECEMBER 31,1996

ASSETS

Cash (including savings accounts and money market accounts)	$ 1,497,332
Investment securities, at cost:	
Common and preferred stocks (fair value $20,797,000)	13,763,172
Program related investments	40,000
Total assets	$15,300,504

LIABILITIES AND NET ASSETS

Other liabilities	$ 317
Unrestricted net assets (Note E)	15,300,187
Total liabilities and fund balance	$15,300,504

See accompanying notes to cash basis financial statements.

STATEMENT OF INCOME COLLECTED AND EXPENSES PAID

YEAR ENDED DECEMBER 31,1996

Investment income:	
Realized gains (losses) from securities transactions:	
Sales of stocks	$819,753
Sales of bonds	(17,171)
Net realized gains on securities transactions	802,582
Interest:	
Money market accounts	81,586
U.S. Treasury notes and bills	18,253
Checking accounts, interest bearing	3,779
Total interest income	103,618
Dividends:	
Common and preferred stock	261,963
Total investment income	1,168,163
Miscellaneous income	645
Total income	1,168,808

continued on next page...

Deductions:	
Grants paid	576,750
Expenses paid:	
Salary and related expenses	113,547
Investment advisory fee	123,682
Conferences and meetings	5,681
Legal, audit and financial services	16,079
Rental and telephone expense	5,589
Memberships and dues	2,935
Sundry expenses	2,899
Taxes:	
Excise tax estimate payment	85,484
Foreign tax withheld at source	16,820
Total expenses paid	372,716
Total deductions and expenses	949,466
EXCESS OF INCOME COLLECTED OVER EXPENSES PAID	$219,342

See accompanying notes to cash basis financial statements.

STATEMENT OF CHANGES IN UNRESTRICTED NET ASSETS ARISING FROM CASH TRANSACTIONS

YEAR ENDED DECEMBER 31, 1996

Unrestricted net assets, January 1, 1996	$15,080,845
Excess of income collected over expenses paid	219,342
Unrestricted net assets, December 31, 1996	$15,300,187

See accompanying notes to cash basis financial statements.

NOTES TO CASH BASIS FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31,1996

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Woods Charitable Fund, Inc. (the Fund) are prepared on the basis of cash transactions. Accordingly, income is recognized when received and expenses and grants are recognized when paid. Under generally accepted accounting principles, income would be recognized when earned and all expenses would be recognized when incurred.

Investments are carried at cost. The Fund uses the specific identification method for determining cost of securities sold.

B. HISTORICAL INFORMATION

Woods Charitable Fund, Inc. was incorporated in the State of Nebraska on November 7, 1941, as a charitable corporation not for pecuniary gain. On September 15, 1961, the Articles of Incorporation were amended to qualify the Fund under the Nebraska Nonprofit Corporation Act of 1959.

Historically, Woods Charitable Fund, Inc. has operated in Chicago, Illinois and Lincoln, Nebraska, cities of differing sizes and needs. To enhance the efficiency and responsiveness of the charitable programs in each city, a Plan of Reorganization was entered into on October 15, 1993, whereby the administration of the grant-making programs was divided into two separate organizations, each with its own governing board and its own endowment. Woods Charitable Fund, Inc. continues as the Lincoln, Nebraska organization while a new corporation, Woods Fund of Chicago, is operating in Chicago, Illinois.

C. ESTIMATED FAIR VALUE OF THE FUND'S ASSETS

Estimated fair values at December 31, 1996 were determined as follows:

> Common and preferred stocks at closing prices of national securities exchanges or latest bid quotation.

The estimated total market value of the Fund's assets, including cash, (excluding program related investments) at December 31, 1996 is $22,294,000.

D. FEDERAL EXCISE TAX

The Internal Revenue Service has classified the Fund as a private foundation as defined in Section 509(a) of the Internal Revenue Code. Estimated 1996 federal excise tax liability is $20,000, against which estimated excise tax payments of $48,600 have been made.

E. COMMITMENTS

The Fund is committed to pay grants aggregating $606,000 at December 31, 1996. In addition, the Fund has supplied a stand-by letter of credit of $28,500. Certain of these commitments are contingent upon the fulfillment of specified conditions.

Woods Charitable Fund, Inc.
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Lincoln, Nebraska 68501
402/474-0707

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