

Jessie Ball duPont Fund
40th Anniversary Report

JESSIE BALL
DU PONT
FUND



40TH BIRTHDAY

ANNIVERSARY

"I hereby give, devise, and bequest all of my estate, being all my property, real, personal, mixed, tangible, intangible, including all after-acquired property, wheresoever situated, at the time of my death, of which I am the owner...IN TRUST... This trust, a perpetual one, shall be known as the JESSIE BALL duPONT RELIGIOUS, CHARITABLE AND EDUCATIONAL FUND."

Last Will and Testament of Jessie Ball duPont

October 16, 1970

REPORT

This 40th Anniversary Report is dedicated to Mary K. “Kitty” Phillips, the longest serving of the Fund’s trustees. Kitty joined the trustee body in 1986, succeeding Hazel Williams, who had been Mrs. duPont’s personal secretary. During her tenure, she was a critical player in some of the Fund’s most significant events, including the historic 2003 court case that expanded and improved the Fund’s governance structure and development of the Jessie Ball duPont Center. Kitty steps down from her position as trustee in June 2018 after 32 years of service.



Mary K. Phillips

From the president and chair

It is the practice of the Jessie Ball duPont Fund to provide an annual report to the community detailing our grantmaking and the good work of our grantees in the previous year. This year is no exception and you will find that annual summary on pages 26-27.

The body of this report, however, looks not at our grantmaking, but at the evolution of the Fund across the last four decades.

It is a fitting time for such a retrospective: After 40 years, the Jessie Ball duPont Fund finds itself on the threshold of a new era. In 2018, the Fund's longest-serving trustee, Kitty Phillips, will step down after 32 years of service to the Fund. Two new trustees will join the Fund: Elizabeth Kiss and Anna Escobedo Cabral will succeed Phillips and trustee Lynn Huntley, who died in 2015. And Sherry Magill, who has led the Fund for the past 25 years, will retire.

The future of the Jessie Ball duPont Fund soon will rest in the hands of the new body of trustees and a new president, who should be selected and in place by the first half of 2019.

Whatever that future, it will stand upon the foundation that has been carefully constructed since 1977, when the original four trustees of the Fund first convened to discuss the business of the Fund.

In the years since, the Fund's trustees and staff have learned many lessons, not the least of which is what is required for an organization to practice good philanthropy. Good philanthropy requires strong organizational governance and leadership, wise financial management and careful consideration of community circumstances and opportunities. Good philanthropy requires a high level of diligence and care, work that largely occurs behind the scenes and is seldom considered by the public, by policymakers or by grantees.

At the Jessie Ball duPont Fund, our mission is to create access and expand opportunity by investing in the people, organizations and communities that were important to Jessie Ball duPont. To achieve that mission, however,

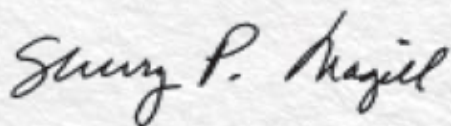
we must first ensure that the Jessie Ball duPont Fund is secure, robust, thriving and led by thoughtful and creative individuals.

In 2017, the trustees and staff fulfilled a challenging agenda: we undertook and completed a nationwide search for two new trustees; initiated and completed a comprehensive and competitive review of our financial management team; planned an orderly transition from the current president to an interim and put in place the team to search for a new president; constructed an internal knowledge management center containing all documents, manuals, policies and schedules critical to the operation of the Fund, as well as a narrative history of the Fund's first 40 years; and ensured adequate staffing for the years ahead. In addition, we expanded the interpretation of eligibility under the terms of Mrs. duPont's will, after extensive and careful consideration and consultation with legal counsel.

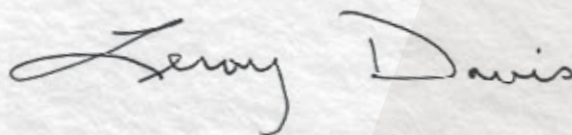
While none of these activities involved grantmaking, each enhanced the potential for grantmaking today and into the future.

Looking back across 40 years, it is evident that earlier leaders of the Fund worked equally hard at their craft, questioning themselves, learning from their peers and trying new approaches. The Fund's commitment to growth and change inspired innovation in the Fund's grantmaking, enabling the Fund to deepen and expand its benefit to our grantees and the communities we serve. Today, the practice of questioning, learning and adapting is part of the culture of the Fund, and helps us honor a legacy rooted in the past in a way that is purposeful and relevant in the current world.

We are deeply grateful for the hard work of the trustees and staff who preceded us, and we are honored to have had the opportunity to steward Mrs. duPont's charitable trust. We are confident that this culture of learning and service will persist and the next generation of leaders will carry the values of the last 40 years forward as they chart their own path.



Sherry Magill, Ph.D.
President



Leroy Davis, Ph.D.
Chair for the Trustees



Mission

Like many organizations, the Jessie Ball duPont Fund required time to find full expression of its mission.

Mrs. duPont had stated her preference for the philanthropy that would be exercised by her Fund but other matters took precedence in the early years.

The first trustees – selected personally by Mrs. duPont – focused more on the Fund’s financial wherewithal than its philanthropy. It was Hazel Williams, who had been Mrs. duPont’s personal secretary and assisted the Fund’s original trustees, who managed the Fund’s charitable giving.

“We can’t give enough credit to Hazel,” said Trustee Emeritus Jean Ludlow. “She was so close to the Fund and she kept it glued together” as the first trustees found their footing.

Ludlow was among the second generation of trustees who, in the mid-1980s, began to think more deeply about the intent of the Fund’s philanthropy. Over time, these trustees articulated a dual mission: one, to address societal needs and, two, to address the institutional needs of the organizations Mrs. duPont specifically identified in her will.

By the late 1990s and early 2000s, trustees and the growing professional staff sought greater clarity of that mission. What type of societal needs should the Fund address? And what were the institutional needs of the grantee organizations? These questions led to deeply reflective conversations among trustees and staff and, throughout the 2000s, the Fund refined its articulation of mission, values and beliefs, settling eventually on those used today.

Identifying a set of shared beliefs rooted in the notion of a robust civic life in a democratic society with active and shared engagement of three sectors (public, private and independent) was pivotal. It began to widen the Fund’s focus from the work of an individual grantee organization to the context in which that work happened. Increasingly, the Fund saw its grantees in relationship to their communities, and, oftentimes, in relationship to one another.

Underlying all of this was Mrs. duPont's concern, expressed both in her words and her personal philanthropy, for people in need, particularly those who are marginalized. The trustees and staff gave shape to "need." They saw the Fund helping people build the assets that individuals need to fully participate in community life — "assets" referring not just to financial assets (both short- and long-term) but also to less tangible assets, such as health, education and culture.


In time, the Fund moved from a dual to a singular mission — expanding access and creating opportunity by investing in people, organizations and communities that were important to Jessie Ball duPont — activated through three strands of work:

- ▶ *Building the assets of people, families and communities;*
- ▶ *Building the organizational capacity of grantees;*
- ▶ *Promoting civil society.*

Today, trustees and staff continue to live into the statement of Mission, Values and Core Beliefs, but feel certain that they echo those held by Mrs. duPont while reflecting the challenges of a world vastly different from the one she knew.

The Jessie Ball duPont Fund works to expand access and create opportunity by investing in people, organizations and communities that were important to Jessie Ball duPont.





A farming family in the Northern Neck of Virginia benefitted from program-related investments by the Jessie Ball duPont Fund, helping their small business to grow and sustain not only their family but the families of their employees. Supporting healthy economic development, particularly in rural communities, has been a long-time strategy for the Fund.

Our Values

Throughout our work, the trustees and staff of the Fund strive to:

- Learn with and from the people we serve.
- Respect the wisdom and creativity of the organizations and communities with whom we work.
- Engage in thoughtful and disciplined reflection about the decisions we make.
- Maintain the highest ethical standards in all that we do.
- Act with compassion, work for justice, and champion the rights of all people to share in the wealth and health of our nation.

Our Beliefs

The trustees and staff of the Jessie Ball duPont Fund believe:

- A democratic society that works for all people requires the participation of a strong and organized independent sector.
- Communities are stronger and healthier when:
 - Public, private and philanthropic resources are invested to build the assets of individuals, families and neighborhoods.
 - Citizens, neighborhoods and organizations work together across the boundaries that divide us.
 - They are deliberate about identifying, building and using their philanthropic assets — the time, talent and money of people.
- Citizens have both the right and the responsibility to participate fully in public debate about the distribution of resources, opportunities and assets intended to serve the common good.



Grantees & Eligibility

In her will, Jessie Ball duPont set out clear, if sparse, directions for the Jessie Ball duPont Fund trustees to follow in dispersing charitable funds from the foundation:

“I request my trustees, but I do not direct them,” she wrote, “to include among the beneficiaries of the income the religious, charitable, literary and educational organizations to which I have made contributions during any of the five calendar years ending December 31, 1964.”

That preference became the governing rule for grantee eligibility and, in the Fund’s early years, Hazel Williams compiled a list of organizations to which Mrs. duPont had made gifts during the prescribed period. Refined and corrected over time, this list became “the defined universe of grantees” to which the Jessie Ball duPont Fund would lend its support.

There are many benefits to having a restricted number of grantees, the chief one being the permanent relationship between funder and grantee. For the Fund, that fostered a level of trust, candor and understanding rare in the world of competitive philanthropy. Eligible organizations felt they could come to the Jessie Ball duPont Fund with their cares and concerns and receive knowledgeable advice and assistance. “It was stunning to me, this honest relationship of integrity,” said Audrey Moran, who served as a trustee from 2005-2011. “Grantees

would come to us and say, ‘it doesn’t work,’ and we were never punitive; we said ‘what did you learn from that?’” The Fund, meanwhile, cared as much about the health of an organization as its body of work, recognizing that the Fund’s philanthropic future depended upon the stability and relevance of its eligible organizations.

Initially, the eligible organizations numbered 363. Through mergers and dissolutions, the number declined to about 330 by 2000, and 322 by 2017.

Meanwhile, the challenges facing communities changed tremendously. The world that Mrs. duPont knew in the 1960s was vastly different than the world in which the Jessie Ball duPont Fund lives today. Religion, the arts, the environment, politics, the media, education, health care, communication, recreation and civic life all are different, as is the size, shape, color and ethnicity of the populations in communities.

Through the years, the Jessie Ball duPont Fund found ways to adapt to these changes. For example, the Fund partnered with The Community Foundation for Northeast Florida, an eligible, to bring a broad capacity building program to Jacksonville’s child-serving nonprofits, many of which were not eligible for direct support from the Fund. The Fund partnered with eligible religious



In her will, Mrs. duPont identified a group of organizations eligible for support from the Fund. They included historical sites, colleges and universities, cultural and community institutions and churches and religious organizations. From left: Historic Christ Church, Weems, Virginia; Virginia Commonwealth University, Richmond; Museum of Contemporary Art, Jacksonville, Florida; St. John's Cathedral, Jacksonville.

organizations in Florida and Delaware to develop community loan funds that would provide capital to projects serving people in those states. The Fund helped numerous eligible colleges and universities partner with non-eligible community-based nonprofits to provide services to inner-city neighborhoods and rural communities. And it partnered with the Community Foundation to meet community needs in rural Port St. Joe, Florida, through creation of an advised fund.

But in each of these cases, grants were only awarded directly to organizations meeting the five-calendar-year restriction. And those eligible organizations were required to be active participants in the work, contributing resources and talent.

Regularly, the trustees returned to the will, studying Mrs. duPont's instructions, which also included this:

"In the event the trustees do not use all of the income for the ... organizations to which I have made contributions in the last five years, I direct that the surplus income hereunder be used for the temporary relief of individuals residing in Florida, Delaware or Virginia who are in need."

This directive is precise in what the Fund should support, unlike the five-calendar-year restriction, which addresses who the Fund should support. Importantly, it is of equal weight with the calendar restriction. However, it had not been implemented heretofore.

After careful legal review and extensive deliberation, the trustees in 2017 decided to employ Mrs. duPont's instructions in their entirety.

All organizations to which Mrs. duPont made gifts in the five years ending December 31, 1964 remain eligible for support from the Fund.

In addition, the trustees, at their discretion, may consider grants to other organizations whose work provides relief to those in need in Florida, Delaware or Virginia. These grants are made by invitation only; the trustees do not entertain unsolicited proposals.

This approach enables the trustees to support important community work that otherwise might be difficult to support.

In her will, Mrs. duPont's voice is clear: she cares about the three states that she called home, she cares deeply about people in need, and she is aware that society will change. "Being aware of changing conditions, I desire to provide additional flexibility for this trust fund..." she states.

Mrs. duPont's great wisdom in creating the Fund was her careful touch. She did not bind her trustees; she gave them opportunity. The trustees have listened carefully to her words, and accordingly chosen to expand service and extend the legacy of Jessie Ball duPont.



Jessie Ball duPont Fund President Sherry Magill (front, center) with the Fund's trustees as of January 2018: (rear l-r) Leroy Davis, Rev. Eddie Jones, David Llewellyn representing Northern Trust Bank, Thom Jeavons, (front, l-r) Anna Escobedo Cabral, Kitty Phillips, Marty Lanahan and trustee-elect Elizabeth Kiss.

Governance

Jessie Ball duPont left very specific instructions in her will about the individuals who would govern her charitable foundation. The Fund would be managed by four trustees, whom she named: her brother, Edward Ball; the Rev. Alexander D. Juhan, a retired Episcopal priest and son of her friend, bishop and advisor, The Right Rev. Frank Juhan; William B. Mills, a former IRS employee who worked with Ed Ball; and the Florida National Bank of Jacksonville, which she owned, represented by Irvin "Pat" Golden.

When Juhan departed as trustee, she ordered that his successor must be a member of the Episcopal clergy selected by the then-acting Bishop of Florida. When Ball or Mills departed, she instructed that the first successor would be Hazel Williams, Mrs. duPont's personal secretary, with subsequent successors to be appointed by the other trustees. The bank – the corporate trustee – she directed to be a national bank having trust powers and its principal place of business in Florida.

Thus the Fund began, governed by members of Mrs. duPont's inner circle.

By the mid 1980s, however, circumstances had changed. Hazel Williams had succeeded Ball and the bank's representative was Theodore G. Thoburn. Ms. Williams and

Thoburn had carefully recruited Jean Ludlow, a Jacksonville businesswoman, to succeed Mills and the Bishop had appointed The Rev. Dr. George C. Bedell to serve as the clerical trustee. Mary K. "Kitty" Phillips, a Jacksonville attorney, had been selected to succeed Ms. Williams.

Suddenly, the trustee body looked very different.

Bedell was ordained but was as much a scholar as a pastor. "George was an enlightened choice," said Ludlow. "He brought an interesting perspective and brought interesting ideas to the Fund."

Ludlow, herself, had experience in corporate giving and was deeply connected to community life in Jacksonville. Phillips had a keen legal mind and a background in nursing. Together, these three would chart a somewhat different course for the Fund, moving away from awarding capital grants to well established grantees and toward programmatic grants to a more diverse group of grantees.

When Florida National Bank was sold in 1989, the three decided to bid out management of the Fund's endowment, ultimately selecting Northern Trust Bank of Florida, which appointed Stephen A. Lynch III as its representative. Lynch was a trust attorney and a consummate gentleman, well-read and widely travelled. He lived in South Florida and was the first trustee not to call Northeast Florida home.

This trustee body, with no personal ties to Mrs. duPont and roots in communities outside of Northeast Florida, saw the Fund having potential beyond just perpetuating Mrs. duPont's legacy. They reached out to and engaged more with grantees, developed their expertise through participation in the Southeastern Council of Foundations and the Council on Foundations, hired staff and professionalized the operations of the Fund.

In 1993, they asked Sherry Magill, then serving as a program officer at the Fund, to be executive director of the foundation.

Her interests and proclivities married well with the trustees' desires and, under her leadership, the Fund expanded its professional staff and deepened its strategic philanthropy. Magill developed many professional colleagues in the field and her perspective on governance expanded. By the early 2000s, she and the trustees – including Bedell's successor, The Rt. Rev. Frank Cerveny – began to grapple with what they saw as long-term challenges associated with Mrs. duPont's four-trustee structure.

The Fund was working with more than 300 grantees located in 31 states and two foreign countries. The challenges facing higher education, nonprofit organizations and the church were growing more complex, and the communities that they served were becoming more and more diverse.

With only three individual trustees (the fourth being a representative of the bank) – and only two whose appointments were within control of the Fund – it would be extremely difficult to create a trustee body that was not predominantly rooted in Northeast Florida and had the expertise and diversity the work demanded.

Moreover, the era of bank mergers had left few major trust institutions “with the chief place of business in the State of Florida,” as Mrs. duPont's will required. The Fund needed to access the best trust management possible, regardless of geography, to best serve the needs of the grantees over time.

In 2003, the trustees made the extraordinary decision to ask the Fourth Circuit Court of Florida to modify Mrs. duPont's will. The trustees asked that the court allow an increase in the number of trustees from four to no fewer than five and no more than seven, and to relieve them of the requirement that the corporate trustee have its principal place of business in Florida. In October 2003, the court agreed, and the trustees turned their attention to recruiting new members.

By 2006, the trustee body numbered seven – two women and five men, including two African Americans – three of whom resided outside of Florida. The new trustees brought expertise in higher education, the sciences, politics, religion and the independent sector.

“The trustees took a chance on us, a big chance,” said Trustee Leroy Davis, one of the first appointed after expansion of the trustee body. “They had a neat group of four who worked very well together and were very successful. To open up and invite people who were very different, who would actualize a lot of the rhetoric that was pervasive at the time – that was risky.”

In the decade that followed, there were the inevitable transitions as trustees retired or, sadly, died. Lynch retired in 2011 and Phillips, the longest serving of the trustees, announced her intent to retire in 2018.

That decision, following the untimely death of trustee Mary Lynn Huntley in 2015, prompted the trustees to conduct a nationwide search for trustees in 2017. The result was the selection of two new trustees – Anna Escobedo Cabral and Elizabeth Kiss – to join the trustee body in 2018.



Edward Ball – Mrs. duPont’s brother and chairman of the Estate of Alfred I. duPont; served as trustee until his death in 1981.

Hazel O. Williams – Mrs. duPont’s personal secretary and Executive Secretary of the Fund; succeeded Mr. Ball in 1981; named Trustee Emeritus in 1986.

Mary K. “Kitty” Phillips – A nurse and attorney with no previous ties to Mrs. duPont; succeeded Ms. Williams in 1986 and retired during 2018, the longest-tenured of the Jessie Ball duPont Fund trustees. She was named Trustee Emeritus in 2018.

William B. Mills – Past president of Florida National Bank; served as trustee until 1985 and Honorary Trustee until his death in 1986.

Jean W. Ludlow – A public relations professional with extensive community service; succeeded Mr. Mills in 1985; retired in 2005 and was named Trustee Emeritus.

The Rev. Alexander D. Juhan – Retired Episcopal priest; served as clerical trustee until 1985; Honorary Trustee until his death in 1997.

The Rev. Dr. George C. Bedell – Episcopal priest and executive with the State of Florida university system; named clerical trustee in 1985; retired in 1998.

1977-1982

1983-1987

1988-1992

1993-1997

Irvin P. Golden – Vice President and Senior Trust Officer of Florida National Bank; represented the corporate trustee until 1984.

Theodore G. Thoburn – Executive Vice President of Florida National Bank; represented the corporate trustee from 1984 to 1989.

Kent Lytle – VP Florida National Bank; represented the corporate trustee 1989-1990.



Jessie Ball duPont Fund Trustees – 1977-Present



Anna Escobedo Cabral — joins the Jessie Ball duPont Fund Trustees in 2018, filling the vacancy left by the death of Mary Lynn Huntley. Cabral is Senior Principal Advisor, External Relations, for the Inter-American Development Bank, the largest source of development financing for the Caribbean and Latin America.



Elizabeth Kiss — joins the Jessie Ball duPont Fund Trustees in 2018, succeeding trustee Kitty Phillips. Kiss served as president of Agnes Scott College, from 2006-2018, becoming Warden of Rhodes House, acting as secretary to the Rhodes Trust in 2018.

Robert Franklin — Named trustee in 2006; resigned in 2007.

Mary Lynn Huntley — past president, Southern Education Foundation; succeeded Robert Franklin in 2008; she died in 2015.

The Rt. Rev. Frank S. Cerveny — Retired Episcopal Bishop of Florida; named clerical trustee in 1998; retired in 2003 and named Trustee Emeritus.

The Rt. Rev. Stephen H. Jecko — Before retiring as Episcopal Bishop of Florida, Jecko appointed himself clerical trustee effective 2004. He died in 2007.

Rev. Eddie E. Jones Jr. — An Episcopal priest; appointed by Bishop Samuel Howard to succeed Bishop Jecko in 2008.

1998-2002

2003-2007

2008-2012

2012-2017

2018—

Stephen A. Lynch III — Senior Vice President & General Counsel of Northern Trust Bank of Florida; represented the corporate trustee from 1990 to 2011.

David M. Llewellyn — Senior Vice President for Northern Trust, N.A.; named representative for the corporate trustee in 2011.

Leroy Davis — Distinguished Professor of Biology, Voorhees College, Denmark, S.C.; named trustee in 2005.



Thomas H. Jeavons — Chief executive of Philadelphia Yearly Meeting of Religious Society of Friends, named trustee in 2005.

Audrey M. Moran — A certified civil mediator with extensive community service; named trustee in 2005; resigned 2011.

Marty Lanahan — An executive with Regions Bank with deep ties to Jacksonville; succeeded Audrey Moran in 2013.





Leadership

In the history of the Jessie Ball duPont Fund, no single individual has had as profound an influence on the Fund's culture, its philanthropy and its stature in the field as President Sherry Magill.

Magill was not the Fund's first chief executive; George Penick was hired in 1986, followed by Ron Gallo who was chief executive from 1990-1993.

Magill joined the Fund in 1991, hired to serve as a program officer managing the Fund's grantmaking to educational institutions. In 1993, the trustees asked her to succeed Gallo as Executive Director and, in 2000, named her President of the Fund.

Among the highlights of the Jessie Ball duPont Fund's work during Magill's tenure:

Shifting from organization-focused philanthropy to community-focused philanthropy in the five communities where Mrs. duPont invested most heavily. By bringing grantees together and discussing important community issues, the Fund fostered partnerships and adopted a more cohesive and strategic grantmaking approach.

Emphasizing the importance of grantees' organizational capacity. More than one third of the Fund's investments in the past two decades have been focused on growing and sustaining strong, responsive and adaptable nonprofit organizations.

Building the infrastructure of the independent sector. Magill was instrumental in founding the Florida Philanthropic Network, the Nonprofit Center of Northeast Florida, and the Partnership for Nonprofit Excellence in Richmond, Virginia, and actively supporting development of the Delaware Grantmakers Association (now Philanthropy Delaware). She served on the board of the Council on Foundations, the nation's premier organization for charitable foundations, for nine years, the last three as chair.

In addition, Magill led the Fund through a landmark court case in 2003 that allowed the Fund to expand the number of its trustees from four to seven, enabling broader geographic representation, professional expertise and diversity in the governance of the Fund. She also encouraged the trustees to employ different financial strategies such as Program Related Investments and New Markets Tax Credits that greatly expanded the Fund's philanthropic impact.

And she instigated and oversaw development of the Jessie Ball duPont Center, a gathering place for philanthropy and nonprofits in the abandoned Haydon Burns Public Library in downtown Jacksonville. The \$25 million project has been nationally recognized for its elegant design, energy efficiency and innovative financing structure.



The words of Sherry Magill's colleagues pay tribute to her tenure:

Hiring Sherry Magill was one of the most important decisions made by the second-generation of the Jessie Ball duPont trustees. She brought to the Fund intellect, experience and a deep devotion to Mrs. duPont's desire to continue the work of the institutions she supported. Sherry's vision has stretched our capacity and impact by guiding our work in new and more creative directions.

— Jessie Ball duPont Fund Trustee Emeritus Jean Ludlow, who was among those who hired Magill.

Sherry's deep intellect, curiosity, humility and passion make her a giant in the field of philanthropy. Sherry recognizes the value of place and how, ultimately, all philanthropy is local. She is an advocate for the fundamental democratic values of justice, dignity, equality and freedom. Through her work at the Jessie Ball duPont Fund, she has demonstrated this commitment for over 25 years. Through her multiple leadership roles, including as Chair of the Board of the Council, she has led with a steady hand, big heart and an ultimate objective to make the world a better place.

— Vikki Spruill, President, Council on Foundations

Sherry Magill is the example of transformative leadership in practice. She is a progressive, provocative thinker who builds community by ensuring the inclusion of all voices. Under her leadership, the Jessie Ball duPont Fund was the first to support the research and advocacy initiatives aimed at reforming Florida's Juvenile Justice System. That support ignited the Justice for Girls movement – a game changer for girls and young women. Sherry's leadership made possible a movement that has garnered major public policy victories and today is applauded as a national model for systemic reform.

— Lawanda Ravoira, President & CEO, Delores Barr Weaver Policy Center

Sherry Magill's retirement leaves a hole in organized philanthropy that will not easily be filled. To see her impact as a grantmaker, all you need do is look at the Jessie Ball duPont Center. Only a visionary leader could have looked at that neighborhood and those "before" pictures and seen the vibrant community center that exists today. As a colleague, Sherry's commitment to social justice, her plain-spoken, common sense approach and her good humor are what attracted the field to seek her leadership. All of us in philanthropy are grateful to Sherry and will miss her.

— Kevin Murphy, President, Berks County Community Foundation

Sherry Magill is fearless. She transformed the governance structure of the Jessie Ball duPont Fund, making the trustees a more diverse and impactful body. During the Great Recession, she urged the Fund to make more grants – not fewer – because people were in need. Sherry Magill understands how to bring people together to have the critical conversations that build a better community. Her fearlessness has made the Fund a force for good.

— Former Trustee Audrey McKibbin Moran

Sherry Magill is simply an extraordinary leader. She is courageous and thoughtful. Visionary and grounded. Intellectual and accessible. She is a story-teller and a champion for people whose stories are not often heard. Through her guidance, the Fund has been at the forefront of innumerable important issues and the foundation for many initiatives. She has been transformative!

— Michelle Braun, President and CEO United Way of Northeast Florida

I witnessed first-hand Sherry's leadership at the Council on Foundations as she modeled a core value of the Jessie Ball duPont Fund: to engage in thoughtful and disciplined reflection about the important decisions at hand. When Sherry talks, people listen and people follow because they know how smart Sherry is and how committed she is to maintaining an independent sector that is strong and effective. No matter the size, location or programmatic focus of your foundation, we all owe Sherry a big debt of gratitude.

— Carol S. Larson, President and CEO,
The David and Lucile Packard Foundation

Sherry Magill is a progressive leader at the local, state and national level whose extraordinary vision coupled with her dynamic problem solving focus has culminated in a once-in-a-generation leader. Replacing Sherry is comparable to replacing Bear Bryant at Alabama. What a legacy. What an honor to work with her and be her friend.

— Jacksonville Philanthropist J.F. Bryan

Sherry has been a force in the philanthropic and nonprofit sector, not only in Northeast Florida but regionally and nationally. In addition to her thoughtful grantmaking, she has tirelessly pursued innovative solutions to the most troublesome community issues, and if those solutions run into roadblocks, she doesn't stop until she finds a way through.

— Nina Waters, President,
The Community Foundation for Northeast Florida



Fiduciary Responsibilities

At the time of Mrs. duPont's death in 1970, her estate was among the largest to be filed in the State of Florida. By the time the Jessie Ball duPont Fund began operations in late fall 1976, the Fund had assets of more than \$76 million.

At the end of 2017, the Fund's assets stood at more than \$309 million (unaudited). In addition to this growth, the Fund paid out grants worth more than \$370 million between November 1976 and year-end 2017, proving the power of endowed philanthropy.

In those early years, the trustees were actively involved in the financial management of the endowment. As new trustees joined the board, however, they turned to professional advisers to manage the endowment. Initially, those advisers were affiliated with the family-owned bank, Florida National Bank, as Mrs. duPont instructed in her will. By 1989, however, the banking world was experiencing dramatic change. The family bank had been sold and the Fund's trustees

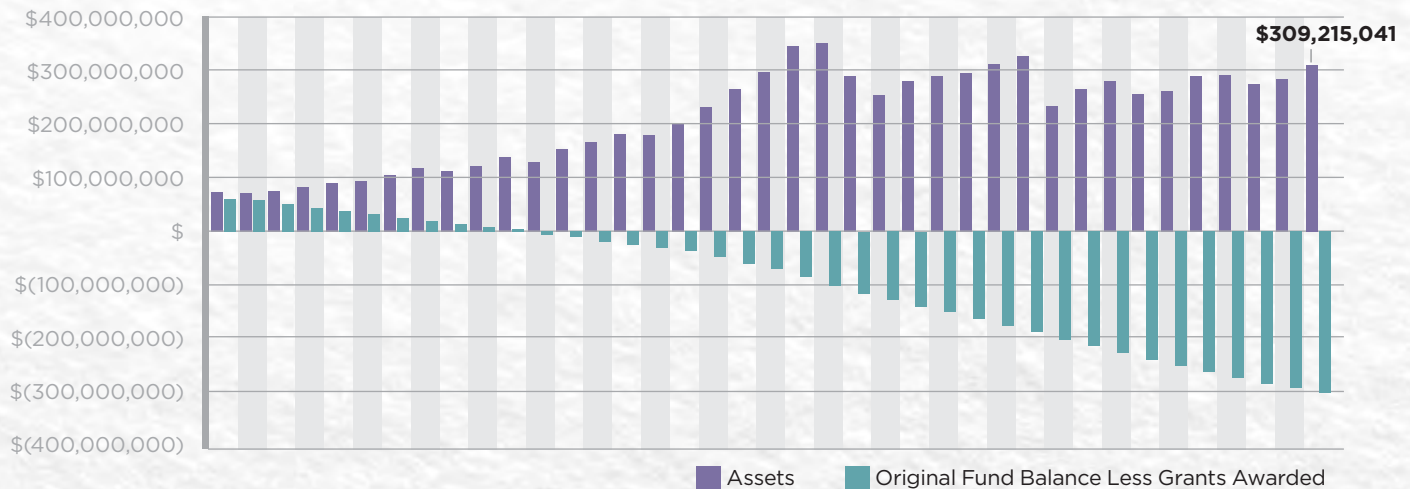
unanimously agreed to select a corporate trustee through a competitive process.

The competition resulted in the selection of Northern Trust Bank of Florida N.A. Northern Trust, initially chosen to serve as corporate trustee, investment consultant, and custodian, became instead corporate trustee, custodian, and manager of the Fund's assets. It was a decision that served the Jessie Ball duPont Fund well over the next decade, as stock markets soared and the Fund's assets grew from roughly \$131 million upon Northern's selection to a high of \$353 million in 2000.

The volatility of worldwide markets experienced during the first decade of the 2000s prompted the trustees to make some changes. In 2003-2004, the trustees rewrote the Fund's investment policy after a year-long review of the endowment's performance in the prior decade. In 2008, they shifted the role of Northern Trust from manager of the Fund's assets to investment consultant, indexing a good portion of the equity portfolio and seeking advice from Northern on investment strategy and manager selection.

In 2017, the trustees felt a fiduciary responsibility to again examine the Fund's relationship with the bank that manages its assets. After a thorough examination and consideration of multiple options, the trustees chose to continue their engagement with Northern Trust Bank.

JESSIE BALL DUPONT FUND 1977-2017

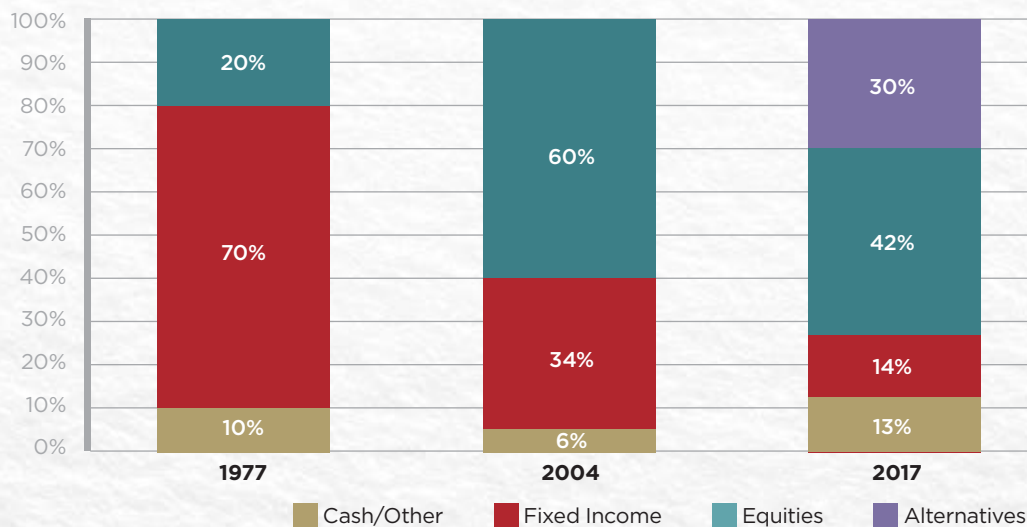


The Jessie Ball duPont Fund endowment has grown steadily through the years even as the cumulative amount of grants awarded has soared, demonstrating the lasting power of endowed philanthropy.



Trustees Kitty Phillips, George Bedell and Jean Ludlow at the offices of Northern Trust Bank in Miami, meeting with the new corporate co-trustee, Stephen Lynch (right), circa 1990.

CHANGES IN ENDOWMENT INVESTMENTS



As markets have changed, management of the Jessie Ball duPont Fund endowment has evolved. In the beginning, the endowment was invested primarily in fixed income securities. Today, the investment portfolio is diverse and reflects the increasingly varied and sophisticated investment options in the marketplace.

Philanthropy

In the early years, the Jessie Ball duPont Fund's philanthropy was responsive — responsive to the preferences stated by Mrs. duPont in her will and responsive to the requests made by grantees.

In more recent years, the Fund's philanthropy has been driven by a culture of learning and reflective practice. Staff and trustees repeatedly ask a series of reflective questions: what do we know, what must we know, and what will we do with what we know? Learn, do, reflect, repeat. This practice dictates that the Fund routinely examine and re-examine assumptions and external realities and conditions. As suggested by Waldemar Nielsen, the social, political, and economic context in which the nonprofit and philanthropic sectors operate is constantly changing, which demands that giving entities operate with as much flexibility and adaptive capacity as possible.

In the early years, the trustees focused principally on supporting the grant requests that came from the eligible organizations — those that had received support from Mrs. duPont in the years 1960-1964. This "organization-centric" approach to grantmaking lasted well into the 1990s.

As community challenges grew more complex, the trustees explored partnership grants — supporting the work of an eligible grantee working with another organization that was not an eligible grantee. This brought a wider mix of resources and talents to the table.

Over time, through listening to grantee organizations and through experience and reflection upon the work, trustees and staff developed an understanding of strategic grantmaking, the necessity of studying the changing environment in which all nonprofit organizations operate, and the importance of making long-term philanthropic investments. By the early 2000s, devolution of public funding decisions from the federal to state level coupled with the passage of 1996 welfare reform legislation led trustees and staff to develop a deeper appreciation for the challenges grantees faced in their attempt to address seemingly intractable societal challenges.

The Fund shifted to a more community-centric, or place-based, approach to grantmaking in the mid-2000s, focusing on five core communities with high concentrations of organizations supported by Mrs. duPont. Whether in these five communities or in the other 28 states where grantees are located, the Fund's grantmaking was more strategic, encouraging and nurturing partnerships as well as supporting community learning and understanding of critical issues.

In 2011, the Fund broadened its place-based philanthropy by adopting a Program-Related Investment strategy in Florida, Virginia and Delaware. Using PRIs allowed the Fund to stretch its resources for the greater good.

The Jessie Ball duPont Fund has lived into its place-based strategy for more than a decade now, dedicating its resources to strengthening community assets and building community knowledge, all in an effort to strengthen democracy and promote the common good. Working in places has afforded Fund staff the opportunity to know local leaders, other donors, and elected and appointed officials, not to mention how local folks understand their unique challenges and opportunities. This also has served grantees and their communities well, resulting in helping the nonprofit sector find its advocacy voice.





ORGANIZATION-CENTRIC GRANTMAKING

Responding to requests from grantees



PARTNERSHIP GRANTS

Supporting work undertaken jointly by an eligible grantee and a noneligible organization.



PLACE-BASED GRANTMAKING

Strategic grantmaking with a focus on five core communities with high concentrations of grantees, while continuing support for grantees in all 31 states in which the Fund works.





Through the years, the Jessie Ball duPont Fund has invested in major bodies of work addressing a variety of topics and concerns. Among them:

○ Energy Conservation

Since 2008, the Fund has encouraged the efforts of colleges and universities and independent schools that have large physical plants to reduce energy consumption and lower energy costs, freeing up dollars that can be used for programmatic work while lowering the institution's carbon footprint. Through a carefully structured program that emphasizes research and evaluation plus investments in retrofits, the Fund has made more 43 grants totaling \$3.75 million to 37 institutions.



Housing

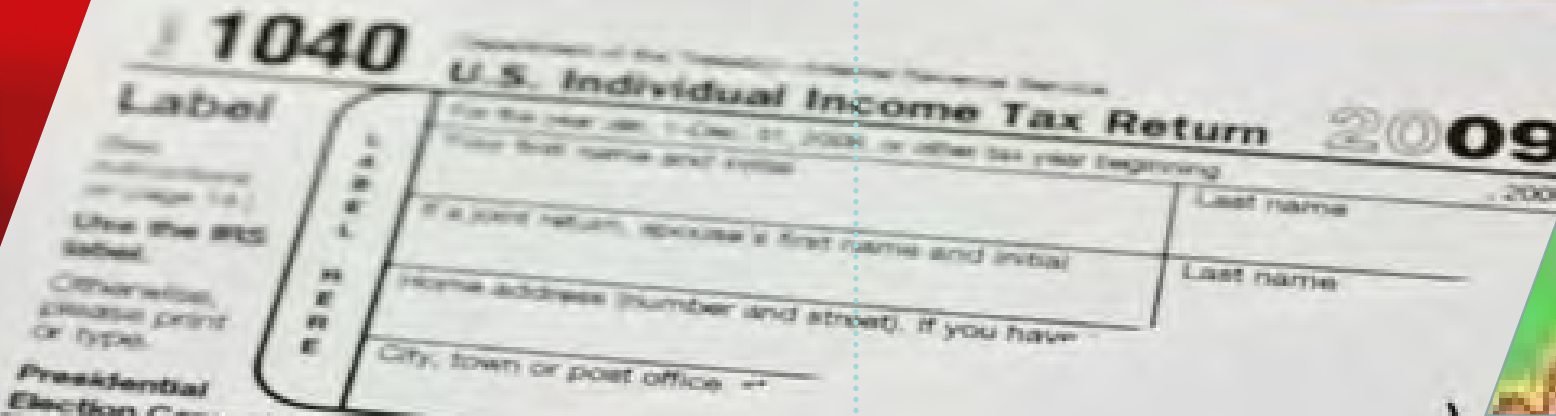
The Fund's housing investments are extensive and varied and date to the mid 1990s. Today, the Fund's housing work falls into three broad areas:

Retrofitting and repairing existing structures: In Port St. Joe, Florida, the Fund has made deep investments in a faith-based program that uses volunteer workers and contributed materials to repair and renovate the homes of low-income elderly residents. In Jacksonville, the Fund advocates for and invests in the revitalization of downtown neighborhoods and preservation of historic structures.

Research to help communities understand the challenges: In Jacksonville, the Fund has invested in an array of research reports to help community stakeholders and policymakers better understand the state of housing markets and neighborhoods and the challenges facing vulnerable segments of the community.

Major capital investments in key communities: Through Program-Related Investments, the Fund has worked with Community Development Financial Institutions in Florida, Virginia and Delaware to invest in the development of affordable housing.



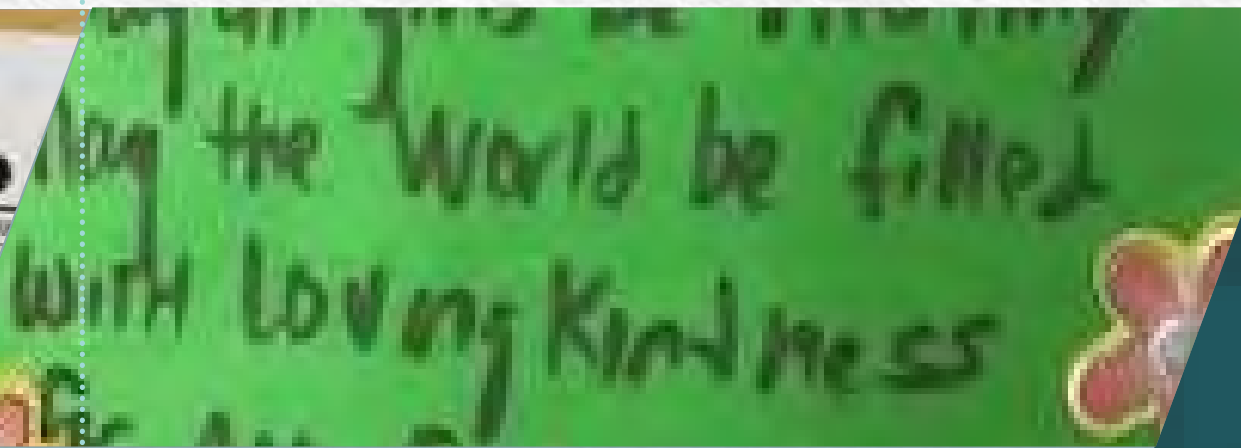


○ Earned Income Tax Credit Campaigns

In Jacksonville, Wilmington and Richmond, the Fund has helped institutions grow EITC campaigns that provide free tax preparation to low-income workers and help them capture the earned income tax credit. Nowhere has this work been more successful than in Jacksonville. Under direction of United Way of Northeast Florida, Jacksonville's campaign has returned \$232 million to working taxpayers since 2003.

○ Higher Education

Among the many educational institutions the Fund supports are about 40 small, private, liberal arts colleges. Through the years, the Fund has focused on building the capacity of these independent institutions in numerous ways. In the 1990s, the Fund helped faculty gain new skills to best employ emerging technology in the classroom. The Fund supported efforts to bring greater diversity to faculty and institutional leadership, as well as to the student body. And the Fund works to increase access to higher education, particularly among under-represented and first-generation students, and help institutions retain those students through to graduation.



○ Juvenile Justice

For two decades, the Fund has invested in programs and initiatives designed to stress prevention and intervention rather than punishment and incarceration for juveniles. In particular, the Fund has been a strong supporter of work with girls either in or at risk of entering the juvenile justice system, investing in programs that identify and develop more appropriate responses to the unique needs of girls and young women.

○ Civil Society

With its strong values in democracy and civil society, the Jessie Ball duPont Fund has invested extensively across communities to build the infrastructure and resources needed for citizens and the independent sector to be fully engaged. The Fund has played — and continues to play — important roles in the Florida Philanthropic Network, the Nonprofit Center of Northeast Florida and Philanthropy Delaware. It has underwritten a decade of research into the state of nonprofits and individual giving in its core communities. And it has encouraged nonprofits and funders to take an active role in the public policy arena.



The St. Johns River in Jacksonville overflows its banks during Hurricane Irma in fall 2017. The Fund was instrumental in partnering with other funders to provide short-term relief and long-term recovery support to those impacted.

2017 Activity

The trustees and staff of the Jessie Ball duPont Fund addressed some major issues during 2017, including selecting two new trustees and expanding the interpretation of eligibility under the terms of Mrs. duPont's will. But in the midst of these and other complex activities, the daily philanthropy of the Jessie Ball duPont Fund continued.

For 2017, the Fund streamlined its small grants programs, phasing out some that had reached maturity and realigning those remaining. The result is a concise group of three small grants programs that enable grantees to access technical assistance for activities from strategic planning to office operations; to explore the feasibility of new ideas and approaches; and to take advantage of one-time opportunities or great ideas.

As in years past, the Fund was quick to respond in times of disaster. Hurricane Irma, which struck the Florida peninsula and southeastern United States in September, caused major damage in Jacksonville and surrounding areas. The Fund worked with philanthropic partners to support the First Coast Relief Fund, a collaborative disaster preparation and response effort established in 2016 after Hurricane Matthew.

The Fund also continued its energy conservation initiative, encouraging colleges, universities and independent schools to invest in energy conservation measures, both as a way to reduce costs and conserve resources. In 2017, the Fund awarded more than \$515,000 in energy conservation grants as part of its Organizational Capacity Building portfolio.

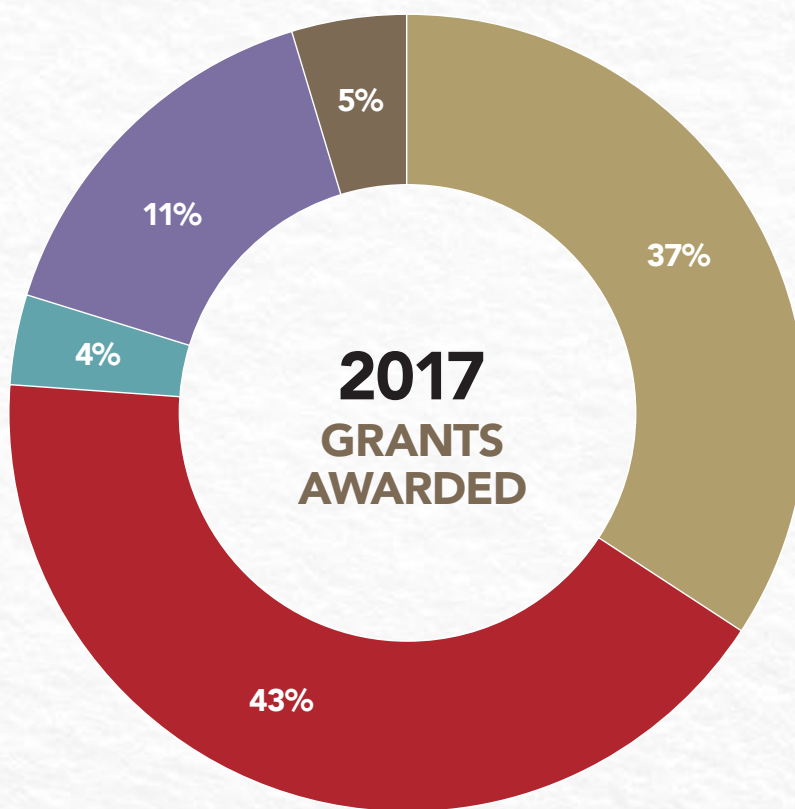
As is typical, the Fund invested heavily in grants to strengthen organizational capacity and build the assets of people, families and communities — 80% of all grant dollars awarded supported work in these two areas. The Fund recognizes that its grantees are best equipped to serve their communities if they are strong, healthy organizations nimble enough to adapt to their rapidly changing environments. The Fund also recognizes that the best way to support the needs of people in communities is to help them acquire the assets they need to thrive — financial assets, educational and health assets, and cultural assets.

In addition to investing in communities through traditional grantmaking, the Jessie Ball duPont Fund invests in communities through Program Related Investments — longer-term, low-interest loans that can provide significant infusions of capital into critical community projects. In 2017, the Fund awarded a \$3 million PRI to Self-Help, one of the nation's premier community development financial institutions that is expanding operations into Jacksonville. As structured, the Jessie Ball duPont Fund's PRI, when fully matched and leveraged, will generate \$50 million that will be used to build assets in economically marginal Jacksonville communities.

The Fund's own assets performed well in 2017, with the Fund's endowment growing to \$309,215,041 by year end (these results are unaudited; the 2017 audit will be posted at www.dupontfund.org as soon as it is available).

2017 Grants Awarded

	Number of Grants	Value of Grants
Building Assets	33	\$1,969,963
Building Organizational Capacity	42	\$2,298,253
Promoting Civil Society	5	\$208,060
Disaster Relief	2	\$600,000
Small Grants Programs	64	\$288,092
Total	146	\$5,364,368



- BUILDING ASSETS
- BUILDING ORGANIZATIONAL CAPACITY
- PROMOTING CIVIL SOCIETY
- DISASTER RELIEF
- SMALL GRANTS PROGRAMS

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