

Kendrick Foundation, Inc.

A Tradition of Caring



Picture from 1909 Mooresville High School Senior Annual

2002 Annual Report



With grateful appreciation . . .

We wish to thank the following individuals and organizations for sharing photos for this report:

Academy Building Museum
Brooklyn Kids Park
Dawn & Kasey Kendrick
Martinsville First Presbyterian Church
Pregnancy Care Center of Morgan County
Ruth Lilly Health Education Center

Your contributions have added interest and history to this publication. Thank you for your generosity.

Kendrick Foundation, Inc.

~ A tradition of Caring

For more than 100 years, Kendrick Memorial Hospital provided specialized, top-quality healthcare in a home-like environment. The hospital was a leader in the Mooresville community, setting high standards for business and benchmark examples for community involvement. The sale of the hospital gave it a new name, but the Kendrick name lives on with the establishment of the Kendrick Foundation, Inc. Formed to support health-care-related issues in Morgan County, the Kendrick Foundation assures that our community's health-care issues are addressed for generations to come.

More than 100 years ago, Dr. Clark Robbins opened his "Private Sanitarium for Diseases of the Rectum" in Mooresville. The six-bed hospital offered patients the latest treatments in the field, countryside privacy, and all the comforts of home including home-cooked meals served around the dining room table. Dr. Robbins' practice was passed to Dr. E. B. Hadley and Drs. F. S. and J. C. Kincaid and eventually to Dr. J. E. Comer. In 1927, the sanitarium burned, and Dr. Comer moved all the patients and salvaged equipment to his home where his reputation for outstanding care continued to grow.

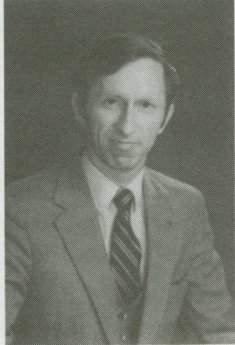
Around 1940, Dr. Comer's sons, Dr. Kenneth Comer and Charles, assumed leadership of the hospital. Shortly after Charles' death in 1956, Dr. Kenneth Comer and Dr. William Kendrick became partners and renamed the hospital the Comer-Kendrick Sanitarium. Dr. Comer left the hospital in 1961, and Dr. Kendrick purchased the hospital. He continued the tradition of creating a comfortable healing environment. In 1966, the hospital became a non-profit institution and was named in honor of Dr. Kendrick's mother, Margaret, who founded the Doctor's Exchange, the first doctors' answering service in Indianapolis. At this same time, the hospital moved to a new location on the east edge of Mooresville.

Dr. Kendrick died in 1993, but the hospital and the colon and rectal services continue to grow. The Center for Hip and Knee Surgery became world renowned as specialists in joint replacement. The reputation of warm, comfortable, personal care continued. With the sale of Kendrick Memorial Hospital to St. Francis Hospital, the hospital's tradition of community caring continues through the Kendrick Foundation.

The Kendrick Foundation, Inc., is governed by a six-member Board of Directors who is responsible for overseeing the foundation's investments, grants, and scholarships. Founding board members include Norman K. Connell, President; Juli K. Shields, Secretary/Treasurer; Dr. Stephen S. Luther; Robert B. McConnell; Dr. William S. Sobat, and James E. Harris. As a supporting organization to the Community Foundation of Morgan County, Inc., the Kendrick Foundation reaps benefits such as professional staff, technical assistance, accounting services, and preparation and distribution of grant guidelines and applications, scholarship guidelines and applications, and the annual report.

Kendrick Foundation, Inc.

~ President's Letter



As the current president of Kendrick Foundation, I am pleased to present our first annual report.

The Kendrick Foundation was established in June 2001 by an Internal Revenue Service ruling permitting a change of name from Kendrick Memorial Hospital to Kendrick Foundation, Inc. The initial funding for the foundation was provided by proceeds of the sale of the assets of Kendrick Memorial Hospital to Sisters of St. Francis Health Services, Inc.

The foundation was created as a vehicle to provide long-term financial support for health-related programs in Morgan County with an emphasis on the Mooresville area. More specifically its purposes include:

- contributing grant monies to tax-exempt medical and health programs
- providing support directly to community healthcare outreach programs
- providing financial support to hospice programs
- supporting healthcare education
- providing financial support to programs for the medically indigent
- making grants to health-related organizations and charities which may include community healthcare programs, healthcare education and tax exempt medical and health programs.

The first six months of existence for the foundation were spent on researching, organizing, planning, and then preparing the policies and procedures to guide the foundation in the future. Our first grant cycle was in July 2002. The foundation received grant applications from fifteen community non-profit organizations requesting grants for a total of \$624,181. Of these applications, the board of directors was pleased to approve six for a total of \$176,500. More information on these recipients is contained later in this report.

The board of directors also prepared and approved a plan to fund a scholarship program beginning in 2003, which will provide financial support for Morgan County residents who are pursuing a career in a health-care field. These Kendrick Scholarships are for tuition only, up to a maximum of \$10,000 per person per year.

The first "year" for the foundation was successful, but was only the beginning of what we expect to be a long tradition of giving to our community. The success of this beginning was dependent upon a number of individuals who deserve our recognition for their role. These include:

The board of directors of Kendrick Memorial Hospital who developed the idea of forming a foundation that would provide long-term health benefits to our community. Members of that board were: Michael Burks, Chairman, Dr. Merrill Ritter, Richard Newcomer, Charles "Bud" Swisher, Dr. William Sobat, Robert McConnell, Juli Shields and myself.

The Community Foundation of Morgan County. Kendrick Foundation is a supporting organization to the community foundation and has no staff of its own. We are particularly grateful to their staff as they do much of the work that is necessary to operate a successful foundation. Our special thanks to their Executive Director, Erin Frew, and to Gail Roby Blankenship, Director of Finance and Administration.

Finally and most importantly, I would like to express appreciation to the Board of Directors of Kendrick Foundation. These individuals liberally volunteer their time and talent as they all believe we can make a difference in the health of the residents of our county by funding the purposes set out in our charter. We look forward to many more years of reporting on approval of grants to achieve this goal.

Norman K. Connell
President

The Board of Directors



Front L-R: Norman K. Connell, Board Chair; Juli K. Shields, Board Secretary
Back L-R: Dr. Stephen S. Luther, James E. Harris, Dr. William S. Sobat
Not pictured: Robert B. McConnell

Kendrick Foundation, Inc.

~ Community Foundation Welcome

The Community Foundation of Morgan County, Inc., is honored to serve as the host organization and staff for the Kendrick Foundation, Inc.

The Kendrick Foundation was created in June, 2001, to support health-related programs in Morgan County. By using the supporting-organization structure, the Kendrick Foundation will also assist the Community Foundation of Morgan County with overhead costs and will help enable the community foundation to continue making grants to address needs throughout Morgan County. It's a win-win situation.

For more than 100 years, Kendrick Memorial Hospital provided specialized, top-quality health care in a home-like environment. Through the Kendrick Foundation, the hospital's tradition of community caring continues. The Kendrick Foundation is believed to be the first supporting organization of an Indiana community foundation which was established with the proceeds from the sale of a local hospital.

On behalf of the Board of Directors of the Community Foundation of Morgan County, Inc., may I express the deepest gratitude of our community to the Kendrick Memorial Hospital employees, the Kendrick Memorial Hospital Board, and the Kendrick Foundation. The fruits of their labor and the vision of the Kendrick Foundation will assure that our community's health-care issues are supported for generations to come.

With great anticipation and excitement, we look forward to a great relationship as we work together to improve the quality of life for our community and continue the Kendrick tradition of caring.

Erin Pritchard Frew, Executive Director
Community Foundation of Morgan County

Hospital sale proceeds will be invested, used to fund public health

By R. Joseph Gallardo
STAFF WRITER

MOORESVILLE, Ind. — Carrying on a 100-year tradition of providing health care to Morgan County residents, the Kendrick Foundation will continue to fund health-related programs.

The Kendrick Foundation announced Tuesday it will use about \$23 million from the recent sale of Kendrick Memorial Hospital to St. Francis to fund programs beginning in 2002.

Retired banker Norman K. Connell, president of the Kendrick Foundation board of directors, said likely to be funded are tax-exempt medical programs, community health care outreach programs, hospices, health care education, and support for the medically indigent.

"We don't want to tell folks, 'This is what we want,'" said Connell. "We don't know. We want people to come to us."

The \$23 million will be invested, and proceeds from that investment will be used to fund grant requests.

The Kendrick Foundation will become a supporting organization of the Community Foundation of Morgan County.

Connell said the foundation has contracted with the community foundation to provide office and support staff.

However, the Kendrick board of

New foundation stresses health care

By Bruce C. Smith
STAFF WRITER

— The Morgan County community is spending more than \$23 million to establish a new foundation to fund health-related programs, education and training, and medical care for the indigent.

The Kendrick Foundation was established in Mooresville

Monday a year after the sale of Kendrick Memorial Hospital to the Sisters of St. Francis, a new healthcare-based community foundation is getting up and running in the Mooresville area.

Retired Citicorp Bank President Norman Connell presented the foundation to the Kendrick Foundation, Inc. "The primary purpose of the Kendrick Foundation will be to make grants to support health-related programs in Morgan County, particularly in the Mooresville area," said Connell.

Connell said he expects proceeds from the sale of Kendrick, amounting to \$23 million, had to be put back into the community.

"Kendrick Memorial Hospital was a non-profit corporation and as such any proceeds from its sale will be reinvested in the community," said Connell. "The board of directors of the Hospital Commission decided to apply to the Indiana State Board of Health for permission to convert the Hospital Commission to a foundation. This application process took approximately 18 months, and we just recently received approval from the ISB."

Connell said the Kendrick Foundation will not have to issue state bonds to process grant applications, but medical would work through the Community Founda-



Norman Connell, President of Kendrick Foundation.

tion. Dr. Kenneth Conner and Dr. William Kendrick purchased the hospital from Conner and its 2000 Mooresville hospital business, a non-profit institution and moved to the present location on the east side of Mooresville just off State Road 67, the Kendrick plant to be.

In January of 2001, the Sisters of St. Francis Healthcare purchased Kendrick Hospital for an undisclosed amount of money and the facility became St. Francis Hospital, Mooresville.

Connell said it was not until the Kendrick Foundation was established that he would make the first grant to fund a program.

Connell said the Kendrick board of directors is now reviewing the application process and looking for ways to fund the foundation will need.

"That's what we're working on between now and the end of the year," he said. "We don't know if it's this year. As we go through the application process, we'll begin to define that."

Connell said the Kendrick Foundation would also be funding tax-exempt medical and health programs, providing support to community health care and health programs, hospice programs, programs for the indigent and healthcare education, and

Community Foundation of Morgan County and a technical adviser to the new Kendrick Foundation board said the deadline for preliminary applications for the first

Kendrick Foundation, Inc. Grant Recipients in 2002

~ A tradition of Giving

Contact: Erin Frew, 317-831-1232
For Immediate Release

Kendrick Foundation Invites First Grants

For more than 100 years, Kendrick Memorial Hospital provided specialized, top-quality healthcare in a homelike environment. The hospital was a leader in the Mooresville community, setting high standards for business and benchmark examples for community involvement. Last year's sale of the hospital gave it a new name, and left the Morgan County community with a legacy of caring through the Kendrick Foundation, Inc. This week, the Kendrick Foundation is pleased to announce their inaugural grant cycle.



Brooklyn Kids Park ~ \$22,500 Health & Fitness Track

In the fall of 1994, the girls in Senior Girl Scout Troop #87 were looking for a project for their Girl Scout Gold Award. They lived in Brooklyn and wanted to do something for the town. They were sad to see how badly the park had run down since they were kids, so they asked the Town Board for permission to work on the park. The girls got help from family, friends, and interested neighbors to make improvements to the park. Later, they formed the Brooklyn Kids Park Committee which continues to maintain the park - major hub of activity in the community - for everyone to enjoy. The addition of the health & fitness track affords the opportunity for people of all ages to exercise in the comfort and convenience of their own community.



Coordinated Aging Services ~ \$30,000 Senior Independence Program

Established in 1985, Coordinated Aging Services for Morgan County provides functionally- and economically-impaired persons in Morgan County in the 60+ population with a coordinated system of support services and service delivery which will enhance their ability to live independently and in their own homes for as long as possible. The Senior Independence Program offers emergency financial assistance to clients to help them with their necessities for daily living. The Kendrick Foundation grant will enable Coordinated Aging Services to assist approximately 500 Morgan County seniors.

Martinsville First Presbyterian Church ~ \$1,500 Community Health Fair

The First Presbyterian Church of Martinsville, the only Presbyterian church in Morgan County, was founded in 1841. In the 1960's, Granger Westburg saw a need to integrate health and spirituality, especially with patients in hospitals and care facilities, and in 1998, the church saw a need to establish a health ministry. With a grant from



the Kendrick Foundation, the church sponsored its



first community health fair in November. Services included flu shots for \$5; free screenings for cholesterol, bone density, skin cancer, vision, and glaucoma; foot checks; diet and nutrition counseling, breast cancer risk assessments; and health-related literature. Nearly 150 community residents availed themselves of these services.

Pregnancy Care Center of Morgan County ~ \$17,500 Ultrasound Equipment at the Mooresville Center

The Pregnancy Care Center was established in Martinsville in 1997. Its mission is to reach out to women and families in crisis pregnancy situations. The center offers peer counseling, pregnancy tests, ultrasound services, and material support as well as a variety of support groups. With a grant from the Kendrick Foundation, ultrasound equipment will be purchased for the newly-opened Mooresville center.

Mooreville/Decatur Times, July 3, 2002

Kendrick Foundation releases first round of local health grants

Staff report

The Kendrick Foundation announced this week that it has given \$1,500,000 in grants to fund health-related organizations in Morgan County.

These grants are the first made by the Kendrick Foundation, established in 1991 from the proceeds from the sale of Kendrick Memorial Hospital to St. Francis Health Services in 2000.

The largest grant, \$100,000, was awarded to St. Francis Healthcare Foundation for a county-wide health-care needs assessment.

The St. Francis Foundation will coordinate interviews with residents, community leaders, health care providers, educators, government agencies and others to identify health needs and the level of community support to address them. A community action plan will be developed based on the results of that survey.

Jessie Ann Park, will receive a \$12,500 grant to build a walking and tennis track at that center's park.

The track will give Brookside residents a safe place to exercise.

The other three grant recipients include a \$20,000 grant to the Coordinated Aging Services for Dwight County's Senior Independence program, which will

provide emergency financial assistance to both senior and disabled residents.

The Rankin Day Educational Center will receive a \$10,000 grant to provide health education programs to local school corporations, teaching students about personal healthcare practices, including how to perform breast and testicular self-exams.

Finally, the Martinsville First Presbyterian Church will receive a \$1,500 grant to host a community health fair that will offer prenatal and breast exams, skin cancer, diabetes, bone density and vision screenings, and other health tests.

Kendrick Foundation board chairman, Steve Cannon said he was happy with the first round of grants.

The Kendrick Foundation was created to support health-related programs in the county, with no emphasis on the Mooreville area. The staff of the Community Foundation of Morgan County works in cooperation with the Kendrick Foundation.

For more information, contact the Community Foundation office at (317) 831-1232.



Ruth Lilly Health Education Center ~ \$5,000 Health Education for Morgan County Youth



In 1983, representatives of six service clubs - Exchange, Kiwanis, Lions, Optimist, Rotary, and Sertoma, came together for the purpose of changing the trends toward negative health-related lifestyles and developed plans for a health education center. Due to their efforts, Life-Leadership Development, Inc., d/b/a/ the Ruth Lilly Health Education Center, was incorporated. The facility opened in the fall of 1989. The Center addresses serious health issues such as smoking and tobacco use, alcohol abuse, illegal drug use and drug addiction, obesity and eating-related disorders, heart disease, cancer prevention and early detection, and sexually-transmitted infections. The Kendrick Foundation grant enabled the Ruth Lilly Center to educate 1,619 youth and 161 adults in Morgan County - carrying out the Center's motto of *"teaching health because lives depend on it."*



St. Francis Healthcare Foundation ~ \$100,000 Health Care Needs Assessment of Morgan County

To heal the sick, to prevent illness, to help the needy. It's a simple but powerful mission for St. Francis Hospital & Health Centers. St. Francis traces its origins to 1914 when the Order of the Sisters of St. Francis of Perpetual Adorations founded St. Francis Hospital in Beech Grove, Indiana. Since then, the hospital has been a center of spiritual and physical healing - combining sophisticated treatment with a concern for the patient as a whole person. The St. Francis Healthcare Foundation supports St. Francis Hospital & Health Centers in providing financial support for quality health care. The St. Francis Healthcare Foundation is identifying health care needs in Morgan County through a community-based health assessment of strengths and vulnerabilities existing in Morgan County. Upon completion of the assessment, a planning and implementation phase will determine the next steps to achieve improvement in the health of Morgan County residents. The Kendrick Foundation is pleased to award this grant for the needs assessment which will be completed in 2003.

Kendrick Foundation, Inc.

Consolidated Statement of Changes in Net Assets

for year ending 12/31/02

Revenue		
Dividends	\$549,369	
Total Revenue		<u>\$ 549,369</u>
Expenditures		
Grants	\$159,000	
Management Fee	25,000	
Legal Fees	22,206	
Accounting Fees	26,037	
Pension Fund Expenses	19,319	
Investment Expense-Oxford	12,500	
Investment Expense-Schwab	41,811	
Kendrick Memorial Hospital Expenses	5,701	
Employment Tax Expense (for 2000)	5,259	
Insurance	3,613	
Record Storage	1,448	
Postage	76	
Total Expenditures		<u>\$ 321,970</u>
Change in Net Assets		
Revenue		\$ 549,369
Realized Capital Gain		56,760
Unrealized Capital Gain (Loss)		(3,748,154)
Less Expenditures		<u>(321,970)</u>
Change in Net Assets: Surplus or (Deficit)		<u>\$(3,463,995)</u>

Consolidated Statement of Financial Position

as of 12/31/02

Assets		
Citizens Bank	\$ 90,487	
Total Cash		\$ 90,487
Investments		
Schwab	\$21,440,953	
Total Investments		<u>\$21,440,953</u>
Total Assets		<u>\$21,531,439</u>
Liabilities		
Total Liabilities	\$ 0	<u>\$ 0</u>
Fund Balance		\$24,995,435
Net Surplus/(Deficit)		<u>(3,463,995)</u>
Ending Fund Balance		\$21,531,440
Total Liabilities & Fund Balance		<u>\$21,531,440</u>

S. F. KINCAID, M. D.

J. C. KINCAID, M. D.

REFERENCES:
H. H. LEATHERS, CASHIER FIRST NATIONAL BANK, MOORESVILLE, IND.
W. F. HADLEY, CASHIER FARMERS BANK, MOORESVILLE, IND.

S. F. KINCAID, M. D.

SUCCESSOR TO DR. CLARK ROBBINS



Mooresville Sanitarium

FOR THE SPECIAL TREATMENT OF
PILES

BOTH PHONES 45

MOORESVILLE, IND

Mr W. L. Hoffman
Cominsky 2nd

Dear sir

Your statement of conditions

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Mr. W. L. Hoffman
Cominsky, Indiana

Dear Sir,

Your statement of conditions
are correct.

Treatment \$50.00 with a
guarantee to keep you cured
for life for the one fee. All
our patients for the past 29
years have had the same
guarantee.

Board, room, nurse,
attendance, etc., inclusive at
\$10.00 per week.

We do not put on any style.
We try to have people feel at
home and they do as soon as
we get acquainted.

Come as soon as you can,

Yours Resp.,
Dr. S. F. Kincaid

\$50⁰⁰ with a guarantee
cured for life for
E. All our patients
29 years have had
guarantee.

Nurse attendance &c
at \$10⁰⁰ per week
at put on every

our people feel at
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acquainted.

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Resp
Dr S. F. Kincaid

How to Apply for a Grant

The Kendrick Foundation has two grant cycles each year. The first is for community non-profit organizations and programs that have a healthcare related purpose. Prior to submitting a grant application, a *Letter of Intent* must be submitted by March 15th. For more information on this program, contact the Community Foundation of Morgan County office at 250 N. Monroe Street, Mooresville, In 46158 317-831-1232 or toll-free 877-822-6958.

The second grant cycle is for the Kendrick Scholars program with these applications ~~due by noon~~ on January 31st. Applications for this program are available by contacting the guidance departments of Morgan County High Schools or the Kendrick Foundation office, c/o the Community Foundation of Morgan County.

Norman K. Connell
Board President

Kendrick Foundation, Inc.
250 North Monroe Street
Mooresville, IN 46158
317-831-1232
877-822-6958 (toll free)