ANNUAL REPORT 20 1 5

Weaving a Network of Life, Hope, and Charity



MARION I. & HENRY J. KNOTT FOUNDATION

BY THE NUMBERS

As of December 31, 2016

ABOUT US

ABOUT OUR

GIVING

\$54 MILLION

in assets as of December 31, 2016

28 FAMILY MEMBERS

serve on our Board of Trustees

3 FULL-TIME

staff members work in our office

3 GRANT CYCLESheld in February, June, and October

APPROXIMATELY **50** GRANTS TOTALING **\$2** MILLION

awarded each year

10 COUNTIES & JURISDICTIONS

in Maryland comprise our giving area

EDUCATION

17 YEARS

is our largest program area

93% OF TRUSTEES

conducted a site visit in 2016

is the average trustee tenure

\$143,000

was our largest grant in 2016

\$48,900

was our median grant in 2016

ABOUT THE KNOTT FAMILY LEGACY

\$57 MILLION IN GRANTS

awarded since 1977

250 MEMBERS MAKE UP THE KNOTT FAMILY —

Marion & Henry Knott's direct descendants, their spouses, and children

3 GENERATIONS

serve on our Board of Trustees

DEAR FRIENDS AND COLLEAGUES,

The theme of our 2016 annual report is "Weaving a Network of Life, Hope, and Charity."

Reflecting on the results of our grantmaking this year, we find it remarkable how organizations across the Archdiocese of Baltimore are weaving the threads of life, hope, and charity to create a more vibrant social fabric in the communities we serve.

From a hospital renovation supporting mothers who bring new life into this world, to an educational organization giving hope to those who struggle to read, to a human service provider building an information technology infrastructure across multiple social service programs for the poor – all of these stories show how the organizations we support are weaving a network for building stronger families and communities.

On the subject of families, this year was one of preparation as we readied to celebrate our 40th anniversary in 2017 and usher in a new strategic grantmaking initiative in the out-of-school time space. We look forward to sharing more about those happenings in our next annual report.



On behalf of the entire Board of Trustees, thank you for your interest in our mission as a Catholic family foundation and for working with us to help weave a network of life, hope, and charity in our community.

Patrick Rodgers
President. Board of Trustees

Joseph A. Rf

Kelly Medinger
Executive Director

Kelly medinger



WORDS OF HOPE

Dyslexia Tutoring Program uses education grant to help low-income children learn to read

"One of the things we always say is, 'If you can't read, you can't do anything,'" states Marcy K. Kolodny, CEO of the Dyslexia Tutoring Program. "Many times children come to us in the third grade and have already started to lose their self-esteem simply because they can't read."

An estimated 15-20% of the population is dyslexic or has a language-based learning disability (International Dyslexia Association). Couple that statistic with the fact that only half of all third graders in Baltimore can read at grade level, and the need to intervene becomes clear.

Henry and Marion Knott, our founders, believed that education was the key to success. They sought to support both students who were excelling academically and students who had limited access to opportunity. They believed that hard work combined with access to a quality education was the foundation from which all people could succeed in life.

Mr. and Mrs. Knott prioritized Catholic education both because of their personal faith and because they valued both the character development it nurtured in students and the moral stability it provided to the community. And though they primarily supported Catholic education, their interests were not exclusive. They sought to support the greater Baltimore community by providing opportunity to motivated students in and outside the Catholic faith.

when investing in education, Mr. Knott had high standards for schools and students alike. He supported schools that were producing leaders, and that were well-run institutions. He expected that schools would be financially sound, have excellent academics, and show successful outcomes for students. His expectation was that students, after benefitting from educational opportunity, would emerge as active citizens, ready to give back and become leaders in their communities.

Today, the Marion I. and Henry J. Knott Foundation continue our founders' commitment to education by prioritizing Catholic education. We also support special needs schools, private colleges and universities, out-of-school-time programs, and other education-related activities that provide opportunity for students and produce lasting outcomes within the Archdiocese of Baltimore.

ABOUT DTP

Dyslexia Tutoring Program (DTP) was founded in 1982 by a group of concerned citizens who sought to demonstrate that with a small investment of time and energy, the chain of dyslexia could be broken.

DTP works with approximately 200 children and adults in Baltimore and surrounding counties who are dyslexic or have a language-based learning disability and can't afford private tutoring. DTP's volunteer tutors are trained in the 22-hour Orton-Gillingham method of teaching reading, writing, and spelling. They come from a variety of backgrounds including lawyers, teachers, stay-at-home moms, retired men and women, and business people. And they all want to give something back to their communities.

"As far as we know, we're one of the only organizations in the country to provide these services free of charge," Kolodny says. Private tutoring can cost between \$70 and \$100 an hour, far out of reach for these students and their families.

PROVIDING OPPORTUNITY AND HOPE

"A lot of our students are very bright. It's just that they can't read," Bob Morton, Program Director, says. To learn to read, a student meets with his or her DTP tutor for one hour at least once a week. DTP then re-screens the student after every 30 hours of tutoring to measure improvement in areas such as word identification, word attack, spelling, fluency, and comprehension.

While assessments and scores can show a student's improvement throughout the school year, the greater impact comes later and is perhaps more difficult to measure: "By increasing a student's reading ability, research says you increase his or her self-esteem, develop character, and create skills needed for future success in high school, college, vocational school, the workplace, and other life endeavors," says Kolodny.

Ten of DTP's students are now in college, and three just graduated. Of the five DTP students who finished high school this year, all of them plan to attend college.



One of the program's students, Tavon, called one day to ask if Kolodny could help him get a part-time job. The Marriott Waterfront Hotel offered him a job as a busboy. He then became a waiter and was accepted into their management training program, where he soon became a Captain, and last summer was promoted to Assistant Manager of the Catering and Events Department. "If it were not for DTP," he says, "this would never have happened."



THE GRACE OF THE CHARGE

Sisters of Notre Dame de Namur use Catholic activities grant to care for aging Sisters

"It is a gift to be a part of an international order. You can't be on the side of the poor only in your head. To have their firsthand experience is just such a gift and very moving," reflects Sr. Carol Lichtenberg, SNDdeN, Provincial of the Ohio Province for the Sisters of Notre Dame de Namur.

The Catholic faith and the Catholic Church community were of central importance to our founders — it was their lives. Mr. and Mrs. Knott responded to the needs of the clergy both out of gratitude for the compassion their own family had received, and a desire to support the work of men and women of integrity whom they saw serving the needs of the broader community. They supported the development of clergy and lay leaders to strengthen the Catholic Church, the reputation of the Catholic Church, and the Catholic community.

Our founders' devotion to the Catholic faith and support of the Catholic Church has its roots in family history. Mr. Knott's grandmother died young, and his own mother and aunt were raised and schooled by the School Sisters of Notre Dame. That act of kindness made a huge impression on Mr. Knott and he felt indebted to repay their generosity. Mr. Knott desired to support the Catholic Church in part because of what the Church had done for his family, and also because of the role that faith played in his life.

The Foundation honors this legacy by supporting organizations and programs that espouse the values and doctrines of the Catholic Church. Through our focus on Catholic activities, we support churches, faith communities, religious orders, retreat houses and spiritual centers.

ABOUT THE SISTERS OF NOTRE DAME DE NAMUR

More than 175 years ago, eight Sisters of Notre Dame de Namur came to the United States from Belgium to help teach immigrant children. They brought with them their dedication to making known God's goodness, especially among the poorest and most abandoned.

Since then, the Sisters have served the poor on five continents – in classrooms, in halfway houses, in inner-city community centers, and in rural village communities. The Sisters have taught in hundreds of schools across the United States. They arrived in the Archdiocese of Baltimore in 1934 and have staffed 15 different schools, reaching thousands of students from kindergarten to college.

"One of the things we often say is, "Where any Sister of Notre Dame is, each of us is," explains Sr. Carol. "So you feel like you are able to be helping in that place in the Congo, or in the new school in the Nigerian province, no matter where you are ministering."

CARING FOR OTHERS... AND FOR ONE ANOTHER

The Sisters of Notre Dame de Namur receive no support from any diocese where the Sisters live and serve. This means they are entirely responsible for their mission and ministries, which includes caring for the frailest Sisters.

Last year, the Knott Foundation awarded a grant to support the retirement needs of the approximately 30 elderly Sisters residing at the Villa Julie Residence in Stevenson, Maryland where the median age is 85. The residence was purchased by the Order in 1947 as a place to care for Sisters who were sick and is now used as a facility for retired Sisters before they require skilled care.

With a portion of the grant funds, the Sisters purchased reclining chairs with electric lifts for each room at Villa Julie. The chairs are designed to help with mobility, comfort, and overall health. When asked about the new chairs, one sister smiled widely and proclaimed, "They're great! I sleep in mine too much!"



For women who have dedicated their lives to serving others, it is only fitting that they receive the same love and attention in their own times of need.

SUSTAINED AND PERSISTENT EFFORTS

"Our foundress St. Julie Billiart's most characteristic virtues were simplicity, obedience, charity, and confidence," states Sr. Carol. St. Julie was a strong woman and followed God's call to serve others with conviction, saying: "God asks of us not promises, but efforts – sustained and persistent efforts."

Today the Sisters continue to embody the virtues of their foundress and live out the charge of the Sisters of Notre Dame de Namur in their work as teachers, as ministers to the poor, and as prayerful ambassadors. They remain humble servants of the Lord who accept "the grace of the charge" with incredible passion and joy, from beginning to end.



HUMAN SERVICES

A NETWORK FOR MOVING BEYOND POVERTY

St. Vincent de Paul of Baltimore uses human services grant to upgrade information technology across 13 program sites serving the poor

As one of the region's larger human service organizations, St. Vincent de Paul of Baltimore provides a path from poverty to self-sufficiency for many residents of Baltimore. A continuous focus on program quality recently led the organization to investigate ways to use information technology to enhance the services delivered to those in need.

Mr. and Mrs. Knott both came from humble beginnings and did not grow up wealthy. As a result, they had sincere compassion for others in need. Mrs. Knott, whose parents died when she was a young teen, had incredible compassion for people undergoing hardships in life. Mr. Knott started out driving a tomato truck, then spent time learning about construction, and eventually launched his own building business. He was given opportunities that changed the trajectory of his own life, and he wanted to do the same for others. They both believed in supporting people who wanted to help themselves and get ahead, and they hoped it would engender in them a spirit of giving and opportunity to pass on to others.

While they prioritized creating opportunity for people, our founders weren't above meeting basic needs. While living on their family farm and after having achieved success, they worked the land and donated the fruits of their labor to those in need. At another time, Mr. Knott's children recalled their father being particularly happy. Reportedly he had just gone to a coat manufacturer to buy out the remaining inventory at the end of season, and was on his way to donate the hundred or so coats to Catholic Charities to give

Compelled by their own life experiences and their faith, our founders had sincere compassion for the poor, the hungry, the sick, and in particular for women, children and families in cricis

The Foundation continues this support by meeting many human service needs within the community. Our grants touch numerous areas -- from helping to meet people's basic needs, to housing and homelessness, to workforce development, to family and children's services.

ABOUT ST. VINCENT DE PAUL

St. Vincent de Paul of Baltimore's mission is to ensure those impacted by poverty have the skills and resources to achieve their full potential. More than 150 years after its founding at the Basilica of the Assumption in Baltimore, St. Vincent de Paul's programs remain inspired by its Catholic roots. Today, in the tradition of its founder, Frederic Ozanam, the organization continues to help people move beyond hunger, homelessness, unemployment, and childhood poverty.

With 13 programs – including a homeless resource center, Head Start, housing services, family homeless shelters, and employment training – St. Vincent de Paul reaches thousands of men, women, children, and families each year, moving them beyond poverty to achieve a better future. These numbers represent significant growth over the past decade: In that time, St. Vincent de Paul has doubled its number of employees and added multiple new site locations and programs.

Such exponential growth creates challenges and opportunities. "We recognized that in order to be a better, higher functioning, more informed organization, we needed to put some time and resources into information technology," states Matthew Kurlanski, Director of Foundation Relations & Grants and a member of the Information Technology Architecture Steering Committee.

TECHNOLOGY AS A TOOL

The Knott Foundation awarded St. Vincent de Paul a grant in 2015 for the first phase of its technology upgrade. "Very few funders will support the back-office infrastructure that enables the front-line case managers and program staff to do their jobs better," remarks Kurlanski. "If we hadn't received the Knott grant as a first investment, we wouldn't have gotten the momentum we needed to get the project off the ground."

Grant funds were spent on upgrades to the network infrastructure at 13 program sites, on a virtual Chief Information Officer, and on a network backup solution. The changes, however small, have begun to increase cross collaboration between programs and have made St. Vincent de Paul's operations more streamlined and cost



effective. For example, during a Baltimore City audit last year, documentation about programs was collected electronically utilizing the Office 365 cloud functions from multiple sites. This lessened the burden on front-line staff to sort and organize large volumes of paper and helped auditors to quickly and thoroughly review the organization's program performance.

Future efforts include transitioning from using four different data management systems to track progress across all programs, to a single tracking and evaluation system. "Our goal is to use information technology to lay the foundation for becoming a more collaborative, more unified, more outcomes-focused organization," concludes Kurlanski.



HEALTH CARE SPECIAL DELIVERY

University of Maryland St. Joseph Medical Center uses health care grant to renovate and expand Mother Baby Unit

Special deliveries arrive each day at University of Maryland St. Joseph Medical Center: more than 2,200 babies are born at the Catholic hospital in Towson every year.

St. Joe's recently completed a campaign to renovate and expand its Mother Baby Unit, where the arrival of new life is celebrated in fine fashion. "Each birth is a sacred event," describes Judy Rossiter, MD, Chief of Obstetrics and Gynecology and Director of the Perinatal Center. "The mother is an integral part of the team and decisions are made with her input. We do what is best for the baby and the mother, in body and spirit."

Our founders raised a family during an era where good medical care was hard to come by. Hospitals were just beginning to be built as pillars within communities and were not as accessible as they are today. Mr. and Mrs. Knott saw the potential that accessible, quality care had for strengthening the community, and they were also empathetic towards the strife that illness and death causes in a family.

During his lifetime, Mr. Knott used his business acumen and builders experience to purchase and then donate land to Johns Hopkins for their west campus expansion, as well as to other institutions. He knew that having world class medical facilities would bring recognition and strength to the Baltimore community.

Today the Foundation continues our founders' commitment in health care by supporting compassionate care needs of families and their caregivers. We concentrate on programs that provide curative, preventative, rehabilitative, and palliative care, as well as patient support services.

ABOUT THE HOSPITAL

For more than 150 years, University of Maryland St. Joseph Medical Center has provided loving service and compassionate care to the greater Baltimore community. Notably, the 238-bed hospital in Towson is the only Catholic hospital in Baltimore County providing obstetric services.

"That is what sets us apart – our commitment to our faith-based mission," states Jill Huey of the UM St. Joseph Medical Center Foundation. Daily prayers are said over the intercom. Brahms Lullaby plays every time a baby is born. A memorial service is held for all babies who are lost each year. "Our faith sets the tone for everything that happens in this institution," Huey recounts.

In 2012, the hospital became part of the University of Maryland Medical System (UMMS). Because UMMS is a privatized system, St. Joe's was able to remain a Catholic hospital operating under the ethical and religious directives of the Church. "After nearly four years in UMMS, we have returned to profitability, have received numerous awards for excellence and, most importantly, our patients have come back, drawn by the loving care they experience," comments Senator Francis X. Kelly, Jr., Chairman of the medical center's Operating Board.

RAISING STANDARDS... AND MONEY

That loving care is especially evident in the Mother Baby Unit. Yet the physical space has not always matched the superior level of service that families receive. Until recently, parts of the unit had remained untouched since the hospital was built in 1965.

In 2015, St. Joe's embarked on a capital campaign, Building For Our Future, to address the facility's needs. The total cost to renovate the Mother Baby Unit was \$2 million, and all \$2 million was raised from public and private support – in just one year. The Knott Foundation awarded the largest foundation grant to the campaign, funding the design schematics for the renovated space.

When finished in 2017, there will be a new welcome area with better signage, improved triage space, renovated postpartum rooms, and a bereavement room for families who experience a



loss. With these enhancements, the hospital will be able to provide enhanced care for families, including a faster and more private experience for expectant mothers when they arrive at St. Joe's to give birth.

In the meantime, more special deliveries arrive each and every day as St. Joe's joins new moms and dads in celebrating the birth of their children.



ARTS & HUMANITIES HARD WORK FOR SOFT SKILLS

Art with a Heart uses arts and humanities grant to prepare formerly homeless youth for the workplace

Fifteen new employees – all formerly homeless youth – are seated in an art studio for their new job orientation. "This is not just about making art. It's about job readiness," says the orientation director. She explains that they will be learning many different artistic techniques throughout their employment, but if they are late for work by only ten minutes, they will not get paid that day. "Punctuality is important on the job, and docking your pay may seem harsh, but at least you keep your job."

Our founders valued arts and humanities for the wellrounded education it brings to humanity and the role it can play in strengthening a community.

Today the Foundation supports performing, visual and instructional arts programs in the community.

ABOUT ART WITH A HEART

Founded in 2000, Art with a Heart provides classes in visual arts to underserved Baltimore area children, youth, and adults. Their mission is to enhance the lives of people in need through visual art.

Part of Art with a Heart's programming includes the Youth Entrepreneurship Program, which employs cohorts of youth in the spring, summer, and fall to create marketable art to sell in Art with a Heart's retail store, HeARTwares. Youth complete a variety of art projects, such as designing table and chair sets in teams and learning other artmaking skills like wire and beading, wood burning, ceramics, and mosaics.

TEACHING SOFT JOB SKILLS

In 2015, the Knott Foundation supported the Youth Entrepreneurship Program's expansion from summer to year-round programming. This has not only grown the number of youth participating, it has also helped 83% of older youth working in the spring and fall cohorts to secure part-time or full-time employment after completion of the program.

Moreover, by partnering with Youth Empowered Society, a drop-in center for youth age 14-25 experiencing homelessness, Art with a Heart is able to engage at-risk teens and young adults in the HeARTwares space for a real job experience. The youth make marketable art for the store and help run the retail operations.

"Often this may be their first work experience," mentions Christina Ralls, Director of Workforce Development and Social Enterprise for Art with a Heart, "so we're all about teaching soft job skills they will need now and in the future."

OVERCOMING BARRIERS TO SUCCESS

"Art with a Heart is one of the most effective workforce development programs for youth in Baltimore City," proclaims Maia Gibbons, Workforce Development and Education Coordinator for Youth Empowered Society.

"Many programs focus on hard skills such as learning a trade or teaching how to format a resume, but fall short on the soft skills



development that our youth need – social skills, time management, conflict resolution, and communication skills," explains Gibbons. By employing compassionate and committed educators to lead and mentor the youth, Art with a Heart creates a consistent connection with them and helps instill habits that translate into other areas of life.

"The artmaking is therapeutic for our youth," Ralls says. "All of them are hard workers. All of them want to work. But there are obstacles for them to even get to work. Art can help them process traumatic experiences and overcome those obstacles to become productive employees and leaders in their communities."

2016 GRANT AWARDS

FOUNDATION GRANTS

Acts4Youth, \$10,000

Archdiocese of Baltimore, \$50,000

Associated Catholic Charities, Inc., \$72,123

Associated Catholic Charities, Inc.'s Head Start Program, \$64,100

Associated Catholic Charities, Inc.'s St. Edward's Workforce

Development Center, \$65,000

Baltimore Area Council, Boy Scouts of America, \$10,000

Boys & Girls Clubs of Metropolitan Baltimore, \$40,000

Caroline Friess Center, Inc., \$50,000

CASA of Allegany County, \$25,000

Catholic High School of Baltimore, \$75,000

Cristo Rey Jesuit High School, \$50,600

Druid Heights Community Development Corps, \$30,000

Family and Children's Services of Central Maryland, \$40,000

FOCUS (Fellowship of Catholic University Students), \$50,000

Franciscan Friars - Our Lady of the Angels Province, Inc., \$75,000

Gilchrist Center Baltimore - Joseph Richey Hospice, \$50,000

Harford Community Action Agency, Inc., \$25,740

Helping Up Mission, \$40,000

Higher Achievement Baltimore, \$45,000

Ignatian Volunteer Corps., \$25,000

Institute of Notre Dame, \$143,000

Intersection of Change, \$35,000

Itineris, Inc., \$100,000

Jesuit Volunteer Corps: East, \$15,000

Junior Achievement of Central Maryland, \$30,000

Living Classrooms Foundation, \$48,457

Mercy High School, \$76,150

Monsignor Slade Catholic School, \$59,000

Moveable Feast, \$49,500

Our Lady of Hope/St. Luke School, \$61,590

Pathfinders for Autism, \$39,880

Port Discovery Children's Museum, \$31,203

Saint Clare Parish, \$50,000

Saint John the Evangelist Catholic School (Long Green), \$50,000

Saint Ursula School, \$89,000

Sisters Academy of Baltimore, \$50,000

Soccer Without Borders Baltimore, \$35,000

South Baltimore Learning Center, \$45,500

St. Francis of Assisi School. \$65.420

St. Mary's Outreach Center, \$35,000

St. Vincent De Paul Roman Catholic Church, \$12,840

The Religious Coalition for Emergency Human Needs, \$40,000

DISCRETIONARY GRANTS

Archbishop Curley High School

At Jacob's Well, Inc.

Baltimore Chesapeake Bay Outward Bound School

Baltimore International Seafarers' Center, Inc.

Baltimore Urban Debate League

Boys & Girls Clubs of Metropolitan Baltimore

Casey Cares Foundation

Church of the Nativity

Fund for Educational Excellence, Maryland Out of

School Time (MOST) Program

Garrett Mentors

Holy Angels Catholic School

Intergenerational Community Services' Veterans In

Partnership Program

Living Classrooms Foundation

Loyola Blakefield High School

Maryland Agricultural Resource Council

Paul's Place, Inc.

Saint Ignatius Loyola Academy

St. Mary's Outreach Center

MISSION

The Marion I. & Henry J. Knott Foundation is a Catholic family foundation committed to honoring our founders' legacy of generosity to strengthen our community.

VALUES

Working as a family, we are guided by the following shared beliefs and values:

UNDERSTANDING

and responding to the needs of our community through informzed grantmaking

RESPECTING

the values of the Roman Catholic faith

ENGAGING

in the ongoing education of trustees and staff in the field of philanthropy and the nonprofit community

ENSURING

good stewardship of the resources entrusted to our use

ENCOURAGING

open communication, compassion, respect and trust among community, staff and family

VISION

Our founders Marion and Henry Knott had a vision: To provide resources for nurturing and sustaining family unity through cultural, educational, health care and human service activities in the Roman Catholic community and through the activities of other deserving agencies that the Knott family encouraged and supported. This vision resulted in the establishment of the Marion I. & Henry J. Knott Foundation, Inc. a 501(c)(3) corporation, in 1977.



KNOTT FOUNDATION TRUSTEES

As of December 31, 2016

Dan Gallagher
David Gallagher
Lindsay Gallagher
E.B. Harris
Kelly Harris
Thomas Harris
Carlisle Hashim
Erin Knott
Marion Knott
Martin Knott

Martin Knott, Jr.
Owen Knott
Teresa Knott
Brian McDonald
Meghan McDonald
Peter McGill
David Porter
Joanna Porter
Laurel Porter
Martin Porter

Margie Riehl Michael Riehl Brooke Rodgers Patrick Rodgers Geralynn Smyth John Smyth Peggy Smyth Emmett Voelkel

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Kelly Medinger Executive Director

Carol HoffmanExecutive Manager

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Technology Manager



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