



The Foundation

The First Decade:

1965—1975

The American Occupational Therapy Foundation (AOTF) is a philanthropic organization chartered in 1965 to administer programs of a charitable, scientific, literary, and educational nature. From its beginning, the Foundation's work has been directed toward advancing the science of occupational therapy, supporting the education and research of its practitioners, and increasing the public knowledge and understanding of the profession.

Origin

As an organized profession, occupational therapy may be traced to 1917 when George E. Barton convened the first meeting of the National Society for the Promotion of Occupational Therapy. The Society officially changed its name in 1923 to the American Occupational Therapy Association (AOTA). From its inception through the decade of the 50s, the AOTA fulfilled various roles of a professional organization through meeting obligations to its members and offering a public service to society.

In the 1960s new requirements surfaced for the profession such as the need for administrative guidelines, suggested treatment and consultation rates, and a lobbyist for health legislation. Because of its dual roles and increased membership activities, the AOTA was placed in the position of conducting the business league activities—a position that endangered its favorable tax status under section 501 (c) (3) of the Internal Revenue Code. Such status, enjoyed by the Association since 1954, is customarily granted only to organizations incorporated for "charitable, scientific, literary, and educational" purposes.

If the AOTA were to create a foundation for educational activities, the Association would then be free to serve as a business league, undertaking noneducational activities on behalf of its members, such as recommending higher salary scales, lobbying for or against federal legislation, publishing model laws, and

working on other promotional activities for its constituency. Money given to a charitable organization is tax deductible, whereas gifts to a business league are not. By 1964, reorganization of AOTA was inevitable. The American Occupational Therapy Foundation was thus established on April 14, 1965. It was incorporated under the laws of the State of Delaware.

Early Structure and Personnel

The Foundation is a separate entity, and therefore is not a part of the Association. However, to ensure that the Foundation is aware of and acts upon the needs of the profession, the two organizations were structured so as to have interlocking governing boards. The 11 members of the Executive Board of AOTA comprise the membership of AOTF, who in turn elect the four officers and the directors of the Foundation. The directors can vary in number from two to six. One third of the directors must be members of the Foundation. More recently the Foundation has included public representation on the Board.

The Foundation cannot engage in activities for profit. It cannot benefit any member, director, officer, or employee or any other individual except for reasonable compensation for services rendered in effecting the corporation's objectives. The Foundation cannot directly or indirectly carry on propaganda or otherwise attempt to influence legislation. It cannot participate or intervene in any political campaign on behalf of any candidate for public office nor can any of its funds, property, or income be used for such purposes.

Throughout the first decade, the Foundation relied upon its own officers and directors both to determine and to carry out its projects and activities. Together with some donated time of the Association's executive director and business administrator, the voluntary efforts of Foundation personnel during these years were devoted to:

- establishing criteria and selection procedures for scholarships and special projects to be awarded when income reached sufficient levels;
- writing and disseminating brochures describing the Foundation's purpose and program;
- setting policy on the establishment of named scholarships and drafting trust agreements for restricted giving;
- compiling and disseminating informational material on planned giving;
- planning, writing, publishing, and distributing public service materials;
- reporting activities of the Foundation for membership information and accountability.

Foundation Objectives

In 1965, the following long-range objectives of the Foundation were established in accordance with the certificate of incorporation:

To encourage the study of occupational therapy through the provision of scholarships and fellowships.

To finance and conduct research studies to contribute to the body of knowledge of the profession, and

To provide means to develop professional literature and teaching aids.

Throughout the Foundation's history, the purposes have remained unchanged . . . to advance the science of occupational therapy and to increase public knowledge and understanding of the profession by encouragement of the study of occupational therapy. They have been examined, re-examined, and thoroughly probed, but the fundamental reasons for their existence are so realistic and so pertinent to the demands for education, service, and research that the purposes for which the charter was approved remain as originally written.

Financial Resources and Award Programs

As of November 1965, \$3,000 was contributed by the Association for legal and organizational expenses and \$177 was donated by Association members (Table 1). There was no money, however, for projects or scholarships.

At the October 1966 meeting the Foundation board determined that when money should become available and the tax status was clarified, an immediate AOTF objective would be to provide financial support for visiting lecturers to affiliate associations or their regional groups, for scholarships, and for research projects. It was believed that by providing seed money to the affiliate groups to conduct workshops and seminars, Foundation objectives could be best achieved.

TABLE 1

AOTF Financial Recapitulation—1965-1975

	Sept. 1965 to June 30, 1966	July 1, 1969 to June 30, 1970	July 1, 1974 to June 30, 1975
General Fund (a)			
Income	\$ 3,177.50	\$ 9,712.17	\$ 22,167.00
Expenditures	1,109.12	10,969.77	21,887.00
	\$ 2,068.38	\$(1,257.60)	\$ 280.00
Fund Balance 6/30/66 . . .	\$ 2,068.38	6/30/69 \$ 7,151.11	6/30/74 \$ 23,413.00
		6/30/70 \$ 5,893.51	6/30/75 \$ 23,693.00
Special Projects (b) (begun 1967)			
Fund Balance	\$37,282.50	7/1/69 \$62,869.71	7/1/74 \$119,241.00
Income	933.34	5,607.53	45,027.00
	\$38,275.84	\$68,477.24	164,268.00
Expenditures		\$ 4,274.93	8,780.00
Fund Balance 6/30/67 . .	\$38,275.84*	6/30/70 \$64,202.31†	6/30/75 \$155,488.00‡

(a) The **General Fund** consists of money allocated to the Foundation by the AOTA and money contributed by members. It is used for the general operating expenses and is disbursed in accordance with the annual budget approved by the board of directors.

(b) The **Special Projects Fund** has two components, restricted and unrestricted. Money for both comes from gifts and memorials. The restricted component has defined limitations as to the principal and income; the limitations are set by the donor. The unrestricted component is not limited as to the use of the principal or income. Money from this component, particularly the interest, is used for projects authorized by the board of directors.

* \$19,761.20 in restricted funds; † \$45,704.44 in restricted funds; ‡ \$124,020.00 in restricted funds.

The AOTA Delegate Assembly at its October 1966 meeting voted to transfer to the AOTF, as many as legally possible, all of the AOTA bequests dedicated to charitable and educational purposes, and to give AOTF an amount equal to one-fourth of AOTA unexpended income for 1965-1966. This latter contribution amounted to \$7,991 and was to be used to further the objectives of the Foundation exclusive of operating expenses.

By June 1967, bequests and memorial funds totalling approximately \$13,335 had been transferred from the AOTA. The largest of these was the *Virginia Scullin Memorial Fund* in the amount of \$7,498. All of these funds had restrictions attached; in most, the principal was to remain intact. The Scullin Fund could be used only in the psychiatric area. The *Rebecca Adams Bequest* was restricted to research. Annual income from investment of the \$13,335 was approximately \$800, and this amount was prorated and credited annually to each fund.

Late in 1967, the Delegate Assembly of the AOTA approved the concept of allocating a yearly sum in the AOTA budget for Foundation operating expenses, but it was June 1969 before they adopted a resolution stating that "two percent of the amount realized from the annual dues of each member of the American Occupational Therapy Association be allocated to the support of the American Occupational Therapy Foundation."

The tax status of AOTF was clarified in January 1967 when the Treasury Department ruled that the Foundation came under the provisions of Section 501 (c) (3) of the Internal Revenue Code as revised in 1954. This established the Foundation as being exempt from federal income tax and assured that contributions were deductible from a donor's income tax declaration. Early in 1971, the Internal Revenue Service exempted the AOTF from private foundation status.

The first non-AOTA donation to the Foundation was made by Carolyn W. Kohn. Her gift of \$10,000 was the first of three to be made over a three-year period for a total of \$30,000. This became the first **named** scholarship fund of the Foundation, the *Carolyn W. Kohn Scholarship*.

In 1968, visiting lecturer awards were made to four affiliate organizations. Requests for these awards indicated a continuing need for two succeeding years. In the final year of this program (1972), awards were also made to student occupational therapy clubs to assist in sponsoring speakers or workshops to give depth to course content in the professional curriculum.

In 1972, the affiliate association and student club awards were replaced by Special Project Awards to individuals or groups for research activities. Although the seeding function of the earlier awards had been successful, it was recognized that research activities were essential to the progress of the profession and suffi-

cient money was then at hand to supplement ongoing research or to initiate new studies. The total amount available in each of the first two years was \$1,000; in 1974, this was increased to \$5,000 annually to permit one larger award or several small grants in support of research.

Since the awards made in the following two years were considerably less than funds allocated, the Special Project Award program was again redirected. At the July 1975 directors' meeting, \$10,000 of these funds were set aside to initiate an AOTF-AOTA research development program. A seminar of occupational therapy researchers to assist in developing objectives and defining research projects will be the first step in implementing this program.

In March 1969, the first announcement of a scholarship award was made by the Foundation. This was the *Gundersen Scholarship* for study in the field of psychiatry. By October 1969, sufficient income had accrued in the *Carolyn W. Kohn Scholarship Fund* to permit announcement of two awards. Other awards also became available. The *Giuliana Fund*, which was to be matched by the Foundation, was established to make possible educational experiences in exploratory work in occupational therapy and the follow-up of a career in the field. This fund was viable for two years. The *Mary Zenor Palmer Fund* reached award potential in 1974.

Also in 1974, two anonymous friends established the *Occupational Therapy Development Fund* by donating securities with a market value at that time of approximately \$48,000. The income from these securities was stipulated to be used "... for such activities and projects as: requalification of personnel, maintenance of competence and continuing education, professional consultation designed to increase the quality of existing service programs, and such other projects and services which will further the work and competence of those who have already completed their basic education in occupational therapy." A provision in the trust agreement permits others to add to the fund. One of the 1974 requests for a special project award met the criteria for this Development Fund. Since the income from the Fund did not quite match the sum requested, AOTF contributed the balance needed to make the award.

In 1975, three *Mary K. Minglin Scholarships* were announced. These were made possible by a bequest from Ruth M. Howell in the amount of \$28,000 to establish scholarships in memory of her sister, Mary K. Minglin, O.T.R. Only the income may be used for scholarship purposes. Since the terms of this bequest stated simply that the fund should be used to provide scholarships "for students of occupational therapy," the Foundation's directors voted that students enrolled in occupational therapy assistant curricula were also eligible to apply for the Minglin awards.

At their 50th Anniversary national convention in Orlando, Florida, in June 1975, the Kappa Delta Phi Sorority voted to give the American Occupational Therapy Foundation more than \$4,000 for occupational therapy student scholarships. *Kappa Delta Phi Scholarships* will be given to undergraduate students in their senior year of occupational therapy study, or to graduate students, on the basis of financial need and scholastic ability. Students studying to be occupational therapy assistants are also eligible to apply. Although amounts may vary, the sorority expects to make an annual grant to the Foundation. All money donated must be distributed within that academic year.

Table 2 shows the scholarships and other awards made during the Foundation's first ten years of operation.

Highlights of Recent Years

It was 1970 before the Foundation's directors could move beyond the first two commitments, to education and research, and begin to implement the objective of increasing public knowledge and understanding of the profession through production and dissemination of public service materials. Directors chose as the first in a proposed series of such materials a brochure to help meet the urgent need for increased public awareness of learning disorders. Although there were already a number of technical publications available on this subject, there was little information helpful to the many parents, teachers, and agencies who were becoming increasingly concerned about these children. With a matching

grant from the Lavanburg Corner House Foundation, a pamphlet titled "The Child with Minimal Brain Dysfunction" was published in July 1974.

National distribution of the initial printing of 100,000 copies was effected through the cooperative efforts of interested occupational therapists, local Parent Teacher Associations, public and private institutions, state and local government agencies, and offices of health-care-oriented individuals and organizations. Newspapers, magazines, radio, and television were also a tremendous help in focusing attention on the problems of children with minimal brain dysfunction. Both telephone and mail requests for the brochure have come to the Foundation from hundreds of agencies and organizations and thousands of parents and teachers throughout the country. Denmark and Germany requested permission to translate the pamphlet and Puerto Rican therapists are readying a version for the large Spanish-speaking population in the United States. This publication was so well received that a second printing of 50,000 copies was ordered.

The second area of major concern to the profession, at the opposite end of the age continuum, is that of the aging population. A pamphlet designed to nudge the conscience of the public about needs for and gaps in services for the elderly was therefore undertaken. This second publication by the Foundation proceeds from an advocacy role in behalf of senior citizens, through an inventory of resources available to the elderly for help in meeting their financial, social-recreational, independent living, and other human needs, to

TABLE 2

*AOTF Scholarships and Awards Summary**

Name	6/30/69	6/30/70	6/30/71	6/30/72	6/30/73	6/30/74	6/30/75	Totals	
								Dollars	No.
OT Affiliate and Student Club Awards	\$ 932	\$ 1,000	\$ 908					\$ 2,840	12
Pauline Gundersen		500	500		\$ 1,500			2,500	3
Giuliana		974	1,000					1,974	4+
Virginia Scullin		1,200	1,200					2,400	2
Carolyn W. Kohn		600	2,100	\$ 650	2,600 †	\$ 1,950	\$ 1,950	9,850	16
Special Projects				1,000	1,000		800	2,800	3
Rebecca Adams					609			609	1
Mary Z. Palmer						1,250		1,250	1
Mary K. Minglin							1,950	1,950	3
OT Development Trust							900 ‡	900	1
Totals	\$ 932	\$ 4,274	\$ 5,708	\$ 1,650	\$ 5,709	\$ 3,200	\$ 5,600	\$27,073	46+

* Figures from the official audit for each year.

† Occasionally awards were obligated in one fiscal year and paid out in the following year.

‡ Total award was \$1,100, with \$200 added from AOTF funds to meet the amount requested.

a checklist of services communities should provide for them. Publication of the geriatrics pamphlet in late 1975 was coordinated with the earlier production of an AOTA film and slide tape about the attitudes, worries, and problems of being old as viewed by the elderly. Dissemination of both pamphlet and film were planned to be complementary.

Third and fourth in the Foundation's proposed series of public education materials are on the plight of the adult physically handicapped (focusing on the housing, architectural, mobility, and vocational barriers they face) and the mental patient discharged from the hospital without adequate provision for appropriate care in, and reintegration into, the community. Looking further into the future, when the problems of these groups have been addressed, the Foundation plans to produce other publications devoted to special problems in such areas as drug and alcohol abuse, child abuse and neglect, cultural deprivation/social disadvantage, leisure needs in early retirement, rehabilitation of civil and criminal offenders, and other social problems. In all of these endeavors, the Foundation will be coordinating its resources and expertise with the Association's public affairs efforts to develop radio and TV spots, films, pamphlets, newspaper and magazine articles to heighten public awareness of and focus public attention on problems for which individuals and communities remain collectively responsible.

By early 1974, the workload of the Foundation had reached the magnitude where it was impossible for the officers and directors to do more than assist with activities generated at semi-annual meetings. The Board of Directors therefore authorized a full-time funding coordinator and in March the new position was filled. By August 1975, activities of AOTA's public affairs staff, and additional funding for them, had increased to the point where the Association picked up part of the funding coordinator's time, and the Foundation employed a second, part-time person. This personnel sharing between the two organizations strengthens AOTA-AOTF liaison and assures that goals and efforts of both are mutual and coordinated at all times.

Other Foundation activities and projects, 1974-1975:

- A Financial Planning Workshop was held during the October 1974 AOTA Annual Conference, Washington, D.C. The session, sponsored by the Foundation and open to AOTA members, included discussions of the impact of inflation on one's financial plan and what role insurance, real estate, and taxes play in developing sound plans for the future. A brochure entitled "Estate Planning . . . Why should you start today?" was distributed to participants at the workshop and is available for persons desiring to include the Foundation in their financial planning.

- *The Annual Giving Campaign.* In previous years, the Association's annual fees invoice gave membership an opportunity to support AOTF activities. In 1974, the AOTF increased its solicitation from members by including an envelope for direct contributions to the Foundation in the May/June issue of *The American Journal of Occupational Therapy (AJOT)*.

Although outside sources of financial support are being sought constantly, occupational therapists know that it is incumbent upon them to express commitment to their professional organizations since private foundations, corporations, and other granting agencies inevitably look to this aspect when making their grants. By making an initial request in an AJOT issue, with a reminder notice on the Association invoice, AOTF gave membership a greater opportunity to support the Foundation.

- *A Grant-Writing Workshop.* As the need for additional occupational therapy research projects and activities grew, the need for money to fund these projects exceeded the Foundation's limited sources for support. It was evident that occupational therapists needed to know how to obtain funding from foundations, corporations, government, and other granting agencies. The 1975 AOTA Annual Conference in Milwaukee proved to be an ideal time for the Foundation to sponsor a grant-writing workshop. This first such offer gave occupational therapists the opportunity to discover the "hows" and "whys" of grant writing.

As the Foundation enters its second decade, increased commitments will be made to the enduring objectives for which it was established. As resources grow, it will be possible to fulfill the hopes of the forward-looking persons in the Association who envisioned the Foundation as an important means to develop the profession and to increase the capacity of the occupational therapist to serve society. The profession needs further development and refinement of its theories through research that is then appropriately reflected in the literature and in practice. The ongoing study of occupational therapy remains a constant objective. The American Occupational Therapy Foundation is committed to serving these needs. ●