

A History of The OEA Foundation

Written on the occasion of the 25th Anniversary

1964-1989

By: Gunnar Horn

Foundation Trustees in 1989:

Gunnar Horn, President
Joe Chase, Vice President
Allan Knoll, Secretary
John Thies, OEA Executive Director
Evelyn Hotz
John Jensen
Mary Moberg
Thresa Clark

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**Twenty-five Years of Service
to
Omaha Educators**

FOREWORD

The first trustees of the OEA Foundation felt that the best memorial to Frank Heinisch would be the success of the Foundation. Now those founders look upon their efforts as little short of miraculous. They never dreamed that they would live to see the Foundation blossom into an operation worth three-quarters of a million dollars. They like to think Frank would be proud of what has been accomplished in a mere twenty-five years.

The present trustees look with gratitude on the teachers who have remembered the Foundation in their wills, the many teachers who donate to the Foundation through payroll deductions, the many teachers and others who have memorialized their loved ones through contributions to the Foundation, and the many people and organizations that have entrusted the Foundation with scholarship funds.

The success of the Foundation has been a cooperative effort we gratefully acknowledge.

Gunnar Horn

A HISTORY OF THE OEA FOUNDATION

Establishment

The OEA Foundation was created by action of the Board of the Omaha Education Association on May 6, 1964. The OEA Foundation Board held its organizational meeting on August 29, 1964. Gunnar Horn was elected president and Thresa Clark was elected vice president. Elected secretary was Josephine Frisbie. Frank Heinisch was chosen executive director.

Establishing the OEA Foundation was one of the last acts performed for the Omaha Education Association by Frank Heinisch, who was the association's executive secretary from 1939 to 1964.

The charter of the Foundation was issued on the eighth of September, 1964, and Frank died of a massive heart attack on the twenty-second.

The Foundation was not a sudden development. Heinisch had proposed such an organization at least ten years earlier, but as the O.E.A. waged other battles, efforts of a charitable nature were postponed.

Incorporation

The decision to incorporate a separate organization grew out of two unrelated circumstances. The operation of the profit-making O.E.A. Store posed a threat to the tax-free status of the O.E.A. and a number of teachers with inherited wealth, who had Frank draw up their wills, expressed a desire to leave sizable sums to some organization that would use the money for the welfare of their colleagues in the teaching profession in Omaha.

Returning from the NEA convention in Seattle, the summer of 1964, Frank and Gunnar discussed the establishment of a foundation. Upon his return to Omaha, Gunnar, with the assistance of Frank, drew up a set of by-laws. Frank wanted to protect the organization against sudden changes, so the Board was made self-perpetuating. He wanted the Foundation to be run by people who had the best interest of teachers at heart, so it was stipulated that only past presidents of the O.E.A. could serve on the board.

The five past-presidents chosen to incorporate the Foundation were Lloyd Richards, Thresa Clark, Gunnar Horn, Charles Matthews and Josephine Frisbie. Their names appear on the charter which Heinisch secured from the State of Nebraska.

Heinisch applied for IRS determination to make gifts to the Foundation tax-exempt, but the determination did not come through until May 27, 1966.

Lloyd Richards moved to Hawaii in 1967 and was replaced by Evelyn Hotz. On September 9, 1975, the charter was amended to increase the membership of the Board to seven. The two additional members chosen were Allan Knoll and Joe Chase.

Josephine Frisbie retired in 1987 and was replaced by Mary Moberg. Charles Matthews also retired in 1987 and was replaced for his unexpired term by John Jensen.

Frank Williams succeeded Heinisch as executive director of the Foundation. He continued in that position until 1973, when he was succeeded by John Thies. Lois Allen was employed part time as bookkeeper. She was succeeded in 1987 by Linda Richter.

The Rummage Store

The Foundation immediately upon its establishment took over the O.E.A. Rummage Store, and Thresa Clark undertook to staff it with volunteers drawn from the ranks of retired teachers.

Heinisch had arranged for retired teachers who were without Social Security to work at the store for pay during the six quarters needed to qualify for the minimum Social Security. This practice was continued. Retired teachers were paid fifty dollars a quarter. Many of them donated the money to the Foundation.

The store was then located at 109 South 24th Street. This building was torn down in 1969 to make room for Northern Natural Gas company's new office building, so the store was moved to 220 South 24th Street, where it has been since.

The store has been a rewarding asset for the Foundation, grossing \$415,779.88 for the twenty-five years.

Health Care Center

The first project of the Foundation, and one that had been dear to Frank's heart, was the establishment of a Health Care Center at the O.E.A. Manor to provide nursing care for those retired teachers who would otherwise have had to spend their last days in hospitals or nursing homes far from their friends at the Manor.

At the first meeting of the Foundation Board and Frank's last, the Trustees set up a goal of \$15,000 to be raised immediately to purchase hospital type furnishings for the Health Care Center.

The Health Care Center has ever since been a special concern of the Foundation. Gradually hospital type beds were added until they reached a total of twenty-two. Other hospital type equipment was added as needed as reported by Nurse Mona Overton, who had been the first nurse hired by Heinisch.

Most of the time the Foundation has subsidized one or more retired teachers whose funds were inadequate for care on the second floor. At times the Foundation supplemented the income of as many as three teachers. At present they are subsidizing two.

Arla Crutchfield's Sons

The Foundation immediately became the trustee for the \$750 contributed for the education of the two sons of Arla Crutchfield, who had been secretary to Heinisch until her death. When the boys graduated from high school in 1976 and 1979 they each received \$850.

Smith Library

Long-time Assistant Superintendent of the Omaha public schools, Leon O. Smith, was memorialized by a reading area in the lobby of the Manor in December of 1965. Ruge Interiors who had furnished the Manor lounge, designed shelving to match the white birch paneling of the lounge. Maude Sumner Smith, widow of Leon, who was a resident of the Manor, expressed her approval of the memorial in these words: "Mr. Smith was a great reader and loved books all his life. I can't think of a more appropriate memorial to him."

The OEA Bonds

In 1969 Evelyn Hotz negotiated an agreement with then OEA president Joe Corey, whereby the Foundation would assume the responsibility of paying off the outstanding O.E.A. Bonds left from the construction of the O.E.A. Manor in return for the legacy to the O.E.A. of Anna Dege. The legacy consisted of 175 shares of stock in Southern California Water and 625 shares of stock in Edison Sault Electric, with a then combined value of \$26,531.25.

Hotz saw correctly that dividends from the stock would pay the 5% interest on the bonds and would pay off the bonds when they were presented for redemption. Eventually the Foundation would be left with the stocks scot free. This proved to be true.

When the OEA Foundation took on the responsibility of paying off the bonds there were 124 of an original 240 bonds outstanding. The Foundation has now paid off 121 of them. The amount of the bonds redeemed has been \$24,000. Annual interest on the bonds at five per cent has been \$17,500, for a total outlay of \$41,700.00.

Scholarships

The Foundation offered its first scholarship, as a memorial to Frank Heinisch, in 1966. It consisted of \$250. The first recipient of the scholarship was Susan Hoover. With fortunate investments and contributions to the principal, the Heinisch scholarship has grown to an investment of \$23,989, and it pays \$2,500 each year to an Omaha high school graduate.

In 1967 two scholarships were added. The Simpson scholarship grew out of memorials to Jim and Elma Simpson. It paid \$100. The first year the scholarship went to Tim Bond. With fortunate investments the principal has grown to \$4,827 and the scholarship now stands at \$400.

The other scholarship was obtained for the Foundation by Charles Matthews. He knew of a sum belonging to Theta Phi Delta, a defunct Omaha University fraternity, that had languished in a bank account for many years. The officers of the fraternity were contacted and the money was turned over to the Foundation. The sum amounted to \$3,668. Since the money had belonged to an UNO organization, it was determined that the scholarship should go to a UNO student who had completed a semester or more at UNO and who was earning a part of his own way. Don Darling was the first recipient of the Theta Phi Delta scholarship. The fund has grown to \$8,094 and pays \$800 each year.

The scholarships have grown enormously in number and amounts through the years. Individuals, groups, and schools have asked the Foundation to handle their scholarships. Currently the Foundation has fifty-two scholarships in a total amount of \$38,000. The scholarships are backed up by an investment of \$467,847 in stocks and in accounts with Educators Credit Union.

Other Beneficences

The Foundation has twice refurbished the O.E.A. Manor lounge, once in 1979 and again in 1988. In 1988 the Foundation also paid for the construction of a beauty parlor and toilet facilities on the ground floor of the Manor.

The OEA Foundation celebrated its twenty-five years of service to the Manor with a dinner for the residents.