

Baird Foundation

2010 Annual Report



A Message From Paul Purcell

One of Baird's cultural principles is "We seek personal balance in home, work and community involvement." A great majority of our associates are active members of their local communities. More than a powerful reinforcement of Baird's profile, this is a reflection of our associates' character and pride in what they do. In fact, 94% of respondents to the most recent Great Place to Work Survey, on which our annual FORTUNE 100 Best Companies to Work For® ranking is partially based, agreed with the statement, "I feel good about the ways we contribute to the community."

As a firm and through Baird Foundation, Baird has a long-standing tradition of giving back to the communities we serve and supporting our associates' efforts to do the same. Our associates give thousands of hours of their time and energy volunteering with organizations they support, either on their own or through initiatives such as the Baird Cares program, the Community Involvement Associate Resource Group and its Baird Gives Back Week, or team-sponsored volunteer events. In many ways, giving their time and talents is even more significant than the dollars they contribute.

However, charitable organizations can't function without operating funds, and that's where our associates and Baird Foundation have an additional impact. In 2010, Baird Foundation gave more than \$2.3 million to worthwhile nonprofit organizations that focus on the areas of education, health and human services, the arts and diversity.

I am proud of the continued efforts of Baird Foundation and of all who work hard to make an impact in the community. When our communities do well, we do well, both as a business and as a group of individuals seeking balance in our work and personal lives.

All my best,



Paul Purcell

Chairman, President & Chief Executive Officer

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About Baird Foundation

The tradition of giving back to our communities began when Baird was founded in 1919. Starting with Robert Wilson Baird himself, every Baird CEO and countless members of the senior leadership team have been committed to community involvement – a tradition that has extended to a vast majority of associates and is now a noted part of Baird’s culture.

In 1967, Baird Foundation was fully incorporated under the leadership of Carl Wilson, Baird’s President at the time, and Brent Ruppel, then Executive Vice President, to formalize Baird’s legacy of giving back. In later years, Brent went on to become Baird’s longtime Chairman, President & CEO. In honor of his many efforts, Baird launched the Brenton H. Ruppel Citizenship Award in 1997. The prestigious award is given each year to an associate who demonstrates an outstanding commitment to the community.

In 1999, Baird Foundation launched the Baird Charitable Gift Matching Program, which has since grown significantly to enable all U.S. associates to receive Foundation matches for donations to qualifying organizations. Similar programs supported by the firm have been established in Europe and Asia.

In 2010, Baird Foundation granted a total of 2,194 gifts.

From 1999 to today, the dollar value of grants given annually by Baird Foundation has nearly tripled, from \$800,000 to \$2.3 million.

Supporting Baird’s Mission:

Baird’s mission is “To provide the best financial advice and service to our clients and be the best place to work for our associates.” In concert with the firm’s mission, Baird Foundation is committed to supporting local communities through organizations that reflect associates’ commitment to giving back.

Baird Foundation Statement of Purpose:

“Baird Foundation supports nonprofit organizations aligned with our focus on education, health and human services, the arts and diversity. Our Foundation seeks to support organizations where our associates are actively engaged in order to maximize our impact on those organizations and our communities.”

Baird Foundation Funding Guidelines

Baird Foundation focuses its efforts and giving in four strategic areas:

- Education
- Health and human services
- The arts
- Diversity

To receive monetary support from Baird Foundation, organizations must have 501(c)(3) nonprofit status. The vast majority of grants are given as a result of requests from Baird associates who volunteer their efforts or have a special connection to the organization or cause. In many cases, priority is given to organizations where Baird associates are actively involved as board members, volunteers and/or contributors.

All Baird associates are encouraged to further support nonprofit organizations of their choice through Baird's Charitable Gift Matching Program, the Baird Cares program (which allows associates to take up to one paid day each year to volunteer) and personal volunteer efforts.

Governance

Baird Foundation is overseen by a committee that reports to Baird's board of directors. The committee includes representation from across the firm, with members carefully chosen to reflect geographic and business unit diversity.

Jim Bell is Director of Baird Foundation, and Deanna Singh is Program Officer.

Our Focus:

Education

Health and Human Services

The Arts

Diversity

Baird associates and family members clean the grounds of the Urban Ecology Center in Milwaukee.



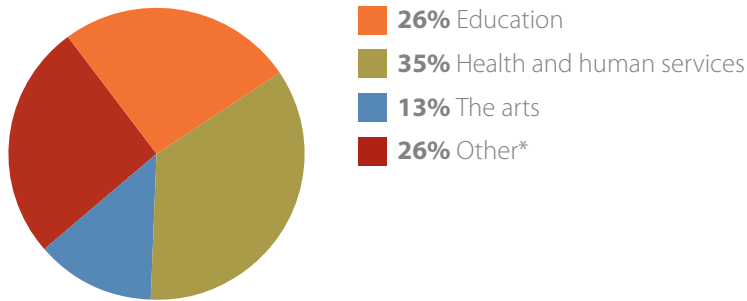
2010 Foundation Gift Highlights

Giving by Category

In 2010, Baird Foundation contributed a total of **\$2,347,335** to qualified nonprofit organizations. The Foundation takes a strategic approach to giving, helping to ensure its support has the greatest possible impact in its areas of focus.

In 2010, Baird Foundation supported organizations making an impact in almost all 50 states.

2010 Baird Foundation Giving by Area of Focus



**Includes ethnic, religious, professional and youth organizations, as well as memorials.*

Gifts to organizations promoting diversity are a focus for Baird Foundation. In total, 31% of all gifts in 2010 supported diversity initiatives.

Giving

In 2010, Baird Foundation supported organizations making an impact in almost all 50 states. In fact, nearly 90% of Foundation grants were to state-specific nonprofit organizations.

The Foundation also supports a number of organizations with a national or international geographic focus.

While the Foundation does not make gifts to international organizations, the firm regularly contributes to organizations with global reach, including international charities. Baird also contributes significant additional corporate funds to deserving individuals, causes and organizations not designated as 501(c)(3) nonprofit organizations. These include community projects, scholarship funds and relief efforts.

Matching Gifts

In addition to gifts the Foundation makes directly to qualifying charities, associates are encouraged to participate in Baird's Charitable Gift Matching Program, for which Baird Foundation matches associates' contributions to 501(c)(3) nonprofit organizations up to 50%.

In 2010, more than 1,000 Baird associates requested and received charitable gift match contributions.

Although Baird Foundation can only match donations by U.S. associates, Baird funds a Charitable Gift Matching Program at the corporate level for associates in Europe and Asia.

Associates on Giving

“The matching program is great! I get the distinct feeling that things that are special to associates become important to the firm as well. I would never have had the opportunity for my donation to be matched by my previous firm, so I feel very fortunate that Baird is so giving.”

Michael Roethler

Financial Advisor in Cleveland, who received a matching gift for his donation to Emily's Rainbow Fund for Pediatric Cancer Research

“Many Fixed Income associates were very closely involved with USA Cares, and in total, we raised enough to help 10 families. Of this, \$3,650 was given by Baird Foundation specifically as a match to associate donations. It was great to get not only a Foundation gift, but the matching contribution. It really helped our fundraising efforts.”

Janet Holsclaw

Fixed Income Specialist in Chicago, who helped organize a fundraiser for USA Cares, which supplies returning service men and women and their families with income for household expenses, counseling services and more

Corporate Campaigns

In addition to the numerous volunteer and fundraising efforts hosted by Baird offices and associates around the world, Baird runs two corporate-level giving campaigns on an annual basis – one for United Way and one for the United Performing Arts Fund (UPAF).



United Way Campaign

United Way is committed to improving lives by supporting a variety of local organizations across the United States that provide for basic needs, strengthen families, improve education, help individuals become self-sufficient and stop the cycles of violence and poverty.

Baird continues to be a leader in the De Toqueville category, which represents individuals who have given more than \$10,000.

Giving Profile: United Way 2010

Percentage of associates who donated: 95%*

Associate donations: \$943,822

Associate gift matches: \$67,714

Foundation gift: \$198,590

Total Foundation donation: \$266,304

Total United Way contribution by Baird and its associates: \$1,210,126

**Number reflects giving in Milwaukee and Chicago.*



UPAF Campaign

UPAF is a nonprofit fundraising organization that supports 34 performing arts groups in Southeastern Wisconsin, including the Milwaukee Ballet, Milwaukee Repertory Theater, Milwaukee Symphony Orchestra, First Stage Children's Theater and Florentine Opera. UPAF Member Groups stage more than 2,000 performances each year and touch more than one million people – including 400,000 school children – through performances, educational outreach, special events and community partnerships.

Giving Profile: UPAF 2010

Percentage of associates who donated: 98%**

Associate donations: \$165,518

Associate gift matches: \$10,529

Foundation gift (including sponsorship of the Ride for the Arts): \$100,000

Total UPAF donation by Baird Foundation: \$110,529

Total UPAF contribution by Baird and its associates: \$276,047

***The UPAF campaign is run in Milwaukee.*

Spotlight on Giving

The following are just a few of the many deserving organizations across the United States that received financial support from Baird Foundation in 2010.

Focus on Education: Teach for America

By the time they reach fourth grade, children living in low-income communities are already two to three grades behind their higher-income peers. And just half of all students in low-income communities will graduate high school by age 18.

Teach for America provides a critical source of well-trained teachers who are helping break the cycle of educational inequity. These teachers, called corps members, commit to teach for two years in one of 39 urban and rural regions across the United States, going above and beyond traditional expectations to help their students achieve at high levels. All corps members are from the top of their college class, and only a small percentage of applicants are accepted into the Teach for America program.

In 2011, a corps of nearly 365 recent college graduates is working in underserved schools across Chicago. Said Chris Coetzee, Investment Banker and member of the Teach for America – Chicago board of directors, “The organization has grown quite dramatically and is really having an impact on the school system in the city.”

Funds donated to Teach for America benefit the organization’s extensive recruiting efforts, as well as training programs for corps members. They also support additional facets of the organization, such as the development of leading metrics that measure teachers’ performance. “These are very exciting initiatives,” Chris said. “A lot of corps members – many of whom do not start out as educators – stay in teaching and contribute their energy and expertise to our schools, which leads to a strong improvement in the quality of education delivered.”

Teach for America’s 2010 corps was made up of more than 4,500 recent college graduates, graduate students and professionals from a variety of career backgrounds.



Focus on Health and Human Services: Boys & Girls Clubs

Too many children are left to find their own recreation and companionship in the streets, with no adult care or supervision. Every day, though, millions of children across the United States get the education, recreation, support, encouragement and guidance they need from Boys & Girls Clubs of America.

“The greatest thing about the Boys & Girls Clubs is that youth have a safe place where they can learn, grow and be inspired by encouraging adult role models,” said Charlie Groeschell, Senior Portfolio Manager of Baird Advisors and a member of the board of directors of the Boys & Girls Clubs of Greater Milwaukee. “Education is not just about plowing money into educational programs; it’s about providing kids with a variety of learning opportunities so they can reach their full potential.”

Boys & Girls Clubs of Greater Milwaukee offers all this and more. Club programs and services – including after-school mentoring, technology labs, recreational activities and programs that build character and leadership skills – promote youth development by instilling a sense of competence, usefulness and belonging.



In Milwaukee, where more than 35,000 children take advantage of Club programs, it’s making a difference. According to Charlie, “Someone once asked alumni from the Clubs what the Clubs meant to them, and the most common answer was, ‘They saved my life.’ That’s a pretty strong testament.”

Boys & Girls Clubs offer after-school mentoring and technology labs.



Focus on the Arts: Interlochen Center for the Arts

Founded in 1928, Interlochen Center for the Arts in Michigan offers a variety of renowned programs, including a fine arts boarding school offering the best in artistic training and college preparatory academics, a College of Creative Arts, an arts camp for young artists from around the world and even a public radio station.

Interlochen also presents more than 600 performances and events each year, making it one of the nation's largest arts presenters. In 2006, the center was awarded the National Medal of Arts, the nation's highest honor for artistic excellence.

"The Center is certainly one of the crown jewels in Traverse City," said Ed Schindler, Baird Branch Manager, Traverse City, Mich. "It makes this an appealing place to live or visit."

As the primary sponsor of the Interlochen Ensemble, a young alumni performing group that conducts musical performances every summer, Baird has found a creative way to connect area residents with exclusive, live performances. According to Ed, who is closely involved in planning Ensemble performances each summer, "With dollars contributed by Baird Foundation, we're able to sponsor the Ensemble, bringing quality performances to the local area as well as staging events that serve as fundraisers for Interlochen. It's a real win-win partnership."



Baird sponsors the Interlochen Ensemble, a prominent young alumni performing group. (Above: teens participate in a Motion Picture Arts class.)



Focus on Diversity: The Cristo Rey Network of Schools

The Cristo Rey Network comprises 24 high schools that provide a quality, Catholic, college preparatory education to young people who live in urban communities with limited educational options. The Network currently educates 6,500 students across the United States, including at schools located near Baird's Chicago, Cleveland, Cincinnati and Sacramento offices.

Paul Purcell, Baird Chairman, President & CEO, chaired the board of the first Cristo Rey school in Chicago, one of three schools now located in the Chicago area. Today, he serves on the board of the national, coordinating Cristo Rey Network.

Cristo Rey member schools employ a rigorous academic model to prepare students with a broad range of academic abilities for college. The model works: this past year, 100% of the schools' senior classes were accepted into college. "We're helping students, many of whom would never have finished high school, to have a very successful school career and get ready for college," said Paul Sittenfeld, Financial Advisor in Cincinnati and one of 10 founding board members for the Cristo Rey school in that area.

Every student in Cristo Rey schools also participates in an innovative Corporate Work Study Program, in which each student works a handful of full days every month to fund his or her education as well as gain job experience. Students work at law firms, banks, hospitals, universities and other professional corporate partners, including Baird. Currently, Baird employs Cristo Rey interns at its Cleveland and Sacramento offices, and the Cincinnati branch plans to introduce an internship opportunity soon.

"The program is unbelievable," said Michael Ankrim, Branch Manager in Sacramento. "It teaches kids business responsibility more than any other high school would. The academic program and the work study program give at-risk students mentored, high-expectation opportunities to learn. These schools truly transform lives."



Cristo Rey intern Vania Mendoza (right) and her Baird supervisor Michelle Dawn of Baird's Sacramento office

For more information on Baird Foundation, please contact Deanna Singh, Program Officer, at dsingh@rwbaird.com or 414-298-5199, or visit rwbaird.com