

LETTER

CEO/BOARD CHAIR



The theme of our report this year is “unsung heroes.” While we single out a few examples on the following pages, in reality you *all* are our heroes. The endowments you create to support your philanthropic interests, the grants you make to meet local needs, your generous contributions to charitable causes and your leadership and involvement in our communities – all combine to make heroic differences in the life – and lives – of our state. This report recaps just some of the milestones and metrics we have achieved together this past year.

NCCF’s statewide affiliate network is the structure that allows us to keep our promise to deliver philanthropy to rural North Carolina – through partnerships with donors, grantees, local affiliate boards and fellow funders. We are delighted with the work of our affiliates as they chart the way towards: promoting local philanthropy; growing local funds; developing boards reflective of our communities; and convening around community needs. The work is guided by a plan they helped to create called the Blueprint for Success. All have established Blueprint goals, with the majority achieving most that they identified for the year. Meetings with representatives from each region allowed us to have deeper conversations about their goals and leadership. This work is spearheaded, in part, by the Affiliate Impact Committee, and an update of their progress is posted on our website.

Community grantmaking through our affiliate foundation partners takes place from March through November and is a big focus of NCCF’s team and advisory boards. Our affiliates’ knowledge of local community needs and opportunities helps to maximize grantmaking resources, which is an advantage of a community foundation. As examples, the Johnston County Community Foundation and the Brunswick County Community Foundation both utilize existing data to help ensure grantmaking meets local needs. JCCF’s grants have focused on food insecurity for the past two years because local research pinpointed that as high need. BCCF also has utilized existing data to inform their grantmaking and shares their research with other funders. (See page five for more on BCCF’s reliance on data to guide grants.)

Louise Oriole Burevitch, or “Mrs. B,” left a \$20 million endowment for

eastern North Carolina in 2015, and her heroic generosity is beginning to make a mark. Grants are being made to her preferred nonprofits, following her wishes. Progress continues on developing a competitive grants process to support her interest areas in the region.

Scholarships are an important niche, with NCCF administering 150 funds for students who are, for the most part, North Carolinians attending in-state schools. NCCF awarded \$730,430 in direct scholarship aid to 335 students last year. Those scholars hail from 141 North Carolina cities and towns, now study at 87 different schools in 14 states across the country and include 142 first-generation college students who will change the course of their families forever. Not every community foundation focuses on scholarships as they are time-consuming and expensive to administer, but we believe it is an important part of our stewardship and mission to strengthen North Carolina.

Women’s giving programs continue to be strong at NCCF, with the Wake County Women’s Giving Network achieving a laudable \$1 million mark in cumulative grantmaking since it began nine years ago. We also salute the Bertie-Herford Women’s Fund and the Women Givers of Northeast North Carolina for “widening the circle” by instituting a junior membership to encourage younger women to participate in local philanthropy. NCCF supports nine regional women’s giving networks and the statewide Women’s Fund of North Carolina.

Our corporate grants administration services grew this past year with the addition of the Biogen Foundation as a client. Biogen’s “Ignite the Power of STEM” program awarded \$210,000 in grants to support science education and projects in our state’s public and charter elementary, middle and high schools. We also remain honored to steward several Duke Energy grants, including the Community College Grant Program and the University Grant Program for Workforce Development. NCCF will continue to administer the corporation’s multi-million dollar Water Resources Fund and the Dan River Basin Program for Rockingham County, which our affiliate foundation there has been so gratified to help oversee for three grant cycles to date. Our corporate support services can accommodate nearly any size grants program, and we welcome your inquiry.

Grantmaking totaled a record-breaking \$15 million for



▲ NCCF CEO Jennifer Tolle Whiteside (L) and Board Chair Linda Staunch.

▲ NCCF was honored to add the Biogen Foundation as a corporate client this year.

▼ Members of the Beaufort-Hyde Community Foundation board present a recent grant to the local Boys and Girls Club. Affiliate grant presentations occur throughout most of the year.



the calendar year, bringing our cumulative grants total since we began to \$116 million. The impact of NCCF's grants is nearly statewide, with the majority of grant dollars remaining in North Carolina and touching almost all 100 counties.

North Carolina's philanthropists throughout the state are always our heroes. Your generosity remains strong, with the total number of individual gifts to NCCF and funds we administer up by 20% over last fiscal year.

Many of those gifts came during our third annual Chairman's Challenge, held last November. This campaign allocates a proportionate match of all gifts to participating affiliates, and your generosity continues to boost affiliate grantmaking in communities across the state. Nearly \$900,000 has been donated to our affiliates' community grantmaking funds to date, showing that gifts large and small truly make a difference. The fourth annual Chairman's Challenge will kick off in November, with details on this year's campaign to come.

New funds created with NCCF this fiscal year total 43 and are listed on page six. We welcome our new fundholders and love your stories, many of which are represented on our website.

A primary focus this year has been on planned giving. Our Vice President for Development Beth Boney Jenkins has assumed a statewide leadership role as she chairs the North Carolina Planned Giving Council. And NCCF produced our first-ever comprehensive planned giving booklet to help individuals, organizations and financial advisors determine the best tools and strategies for your giving now and in the future. Our pledge to donors is to help you create, grow and grant from your endowments in ways that allow you achieve your philanthropic and financial goals.

Our leaders are also our heroes. We were honored to add three new members to our statewide board this year: Peter Bristow, president of First Citizens Bank; Hilda

▼ NCCF is also proud of our niche as scholarship administrators. Sarah Hayes, a recipient of the Mary Ferebee Howard Scholarship, is profiled in the Scholar Spotlight section on our website.

Pinnix-Ragland, former corporate officer for Duke Energy and managing partner, AHK Global Resources; and John Willingham, president of Indera Mills, a current member and past president of our Yadkin County Community Foundation board. Visit the *Meet our board* page on NCCF's website to learn more about our directors. We were all saddened by the death of John R. Jordan, Jr. of Raleigh this past year. He had served as a valuable board member for many years and was named director emeritus upon his retirement. We will miss Clyde Harris, who also served as chair and board member of the Wilson County Community Foundation; and Jim Parrott, of Kinston. Both rotated off the board this past year.

We're also excited to welcome new staff members to our team of regional directors, the grants and scholarships department and the operations area. We invite you to meet these "unsung heroes" on NCCF's website, where full bios and photos of all on staff are posted.

As this goes to print we are in the midst of moving. We've outgrown our headquarters space that we've called home for the last decade and meet another milestone as we relocate to a larger suite of offices that will better serve our staff and partners across the state. Our new accommodations will have the latest in technology and ample meeting space to share with nonprofits, affiliates and donors. We can't wait for you to visit. Our new address is listed on the back cover, and our doors are always open!

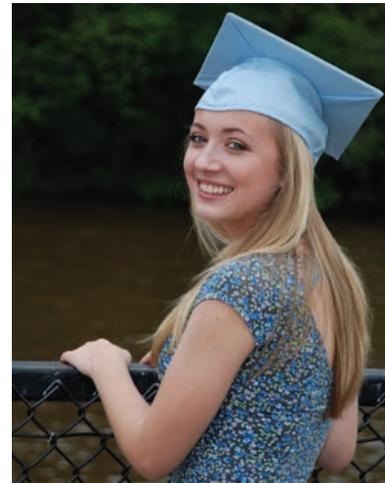
This report is a brief reflection of all that you have helped us to achieve – not just this past fiscal year, but since we began 28 years ago. On the following pages we introduce a few more of our unsung heroes, welcome our new funds and summarize our financials.

But here and now, we salute you – for what you do in the name of philanthropy across North Carolina every single day.

Sincerely,

Jennifer Tolle Whiteside, President and CEO

Linda Stauch, Chair of the Board



UNSUNG HEROES OF NCCF



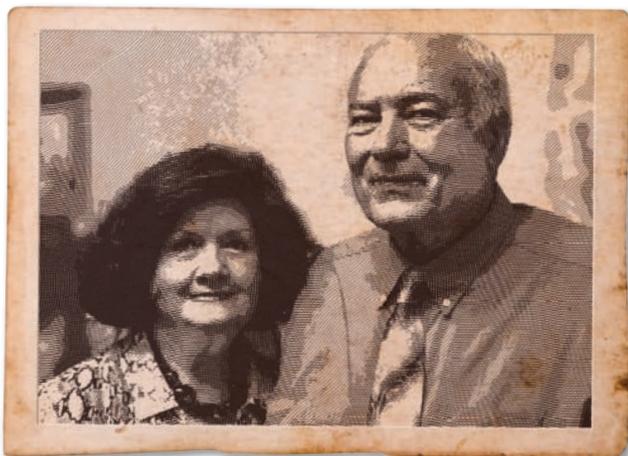
he theme of this year's annual report is "unsung heroes." We are privileged to know and work with so many across North Carolina. Last year one of our unsung heroes was discovered to be making such an impact in the tiny Edgecombe County town of Conetoe that his work made national news. Rev. Richard Joyner became one of CNN's Top 10 Heroes of 2015 for his pioneering work to boost the health of an entire community. The story of

his program, which has received long-time support from several of NCCF's local affiliates, was shared on a national stage.

But most of NCCF's heroes work in near obscurity. So we set out to discover a few to profile among the literally thousands of unsung heroes who quietly make an impact, day in and day out, through their affiliation with NCCF. This was of course a challenging task, but we landed on some philanthropic heroes that we're happy to present here. They are fundholders, scholarship founders, community leaders and grantees – and many fall into several categories. We will continue to profile NCCF's unsung heroes in the future, because we literally will never run out of stories. And their songs deserve to be sung. While we offer just a brief snapshot of their work and impact below, we invite you to read their full stories (and Rev. Joyner's) on our website at nccommunityfoundation.org.



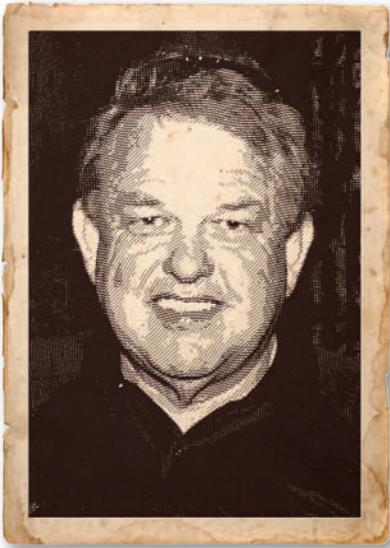
Rev. Richard Joyner



H.L. and Gayle Sorrell, fundholders and community leaders

Gayle and H.L. Sorrell are community leaders who have a deep understanding of the value of endowment. Through their own funds and those they have helped to both start and build in their community, there is a town museum, several scholarships supporting area students and a healthy unrestricted endowment with the Harnett County Community Foundation that supports a myriad of causes. Their leadership has inspired many to support these causes as well. "Lots of people have given to these funds," they both emphasized, noting that this is the value of a community foundation. Gifts to honor birthdays, retirements, anniversaries

and memorials arrive regularly from the Sorrells. These donations have added up over the years, yielding endowments that make significant grants to support their philanthropic passions and real community needs in Harnett County. See the website for more on these heroes.



Phil Stevens, scholarship founder

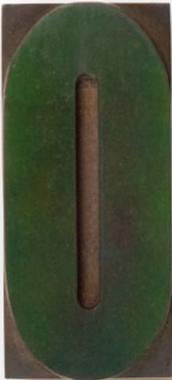


Phil Stevens founded the Watauga-Ashe-Wilkes Scholarship to help support young people who could not attend college without financial support. The endowment has provided more than \$438,000 in financial aid to more than 75 students. The competitive scholarship offers \$2,000 in financial assistance each year and is renewable for up to three additional years. For many of Watauga-Ashe-Wilkes Scholarship recipients, it has made all the difference in obtaining a college degree. Stevens' vision for the long-term viability of the scholarship included an ongoing funding source. He spearheads the Watauga-Ashe-Wilkes

Scholarship Golf Tournament, an event that raises more than \$100,000 annually. Under his leadership, the tournament has become a true community event, bringing together sponsors and participants from across the three counties and beyond to support education. This all happened because Stevens, our unsung hero, decided to make a difference in his extended community and open the door to a college

education for young people in the three counties he holds dear to his heart. His profile is on the website.

OUTright Youth Catawba Valley, grantee



Our "Unsung Hero" in the grantee category is OUTright Youth Catawba Valley, a non-profit working to create a safer environment for the young people of Hickory and the surrounding communities. OUTright Youth strives to provide a space for LGBTQ young people to come together to find resources, community, friends and help. In 2015, students from 25 different schools across the region participated in OUTright Youth programs. It's the only organization outside of Charlotte, Asheville and the Triad offering resources to struggling LGBTQ young people in the region. Over the past five years, the Unifour Foundation Fund and other local NCCF affiliate fundholders have



invested more than \$10,000 in OUTright Youth, demonstrating to philanthropists across the region why this critical non-profit is a hero in the community. See more on this program at nccommunityfoundation.org

Barbara Patten, Brunswick County Community Foundation board



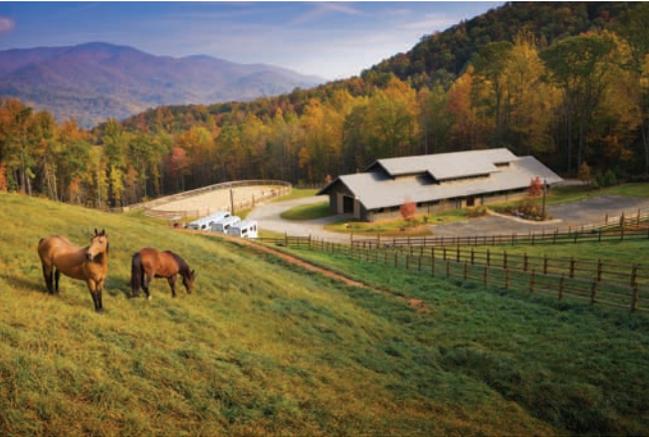
Barb Patten took on an assignment to assess local needs in her community and turned it into a comprehensive approach to effective grantmaking. Her use of existing data helped the Brunswick County Community Foundation become

informed on issues facing their community, allowing them to leverage grantmaking. The work has resulted in an impact report on local grantmaking and a series of presentations that the board can use to share its knowledge with other local funders and nonprofits. Barb also has generously shared her approach to research, assessments and reporting with other boards in her region as a member of NCCF's Affiliate Impact Committee. Visit our website for more on her and the BCCF's work.



NEW FUNDS

APRIL 1, 2015 – MARCH 31, 2016



► The Lenoir County Community Foundation saw the creation of its first scholarship, the Kathleen Morrissey Klutey Memorial Scholarship. Pictured is scholarship recipient Caitlin Deans (middle) with Anne Klutey Fisher (left) and Fred Klutey.



◀ The Jackson County Community Foundation added the Balsam Mountain Preserve Fund for Jackson County to its family of funds following meetings with a local homeowners association.

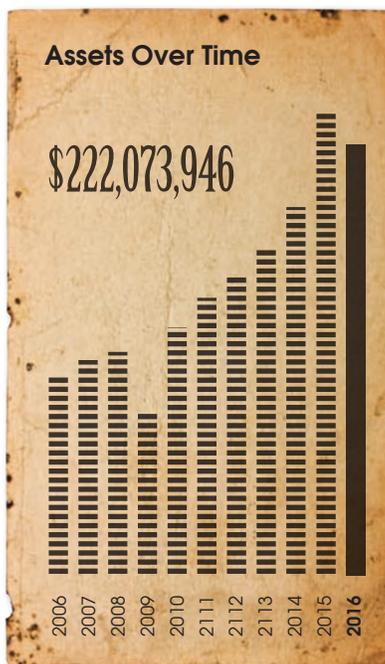
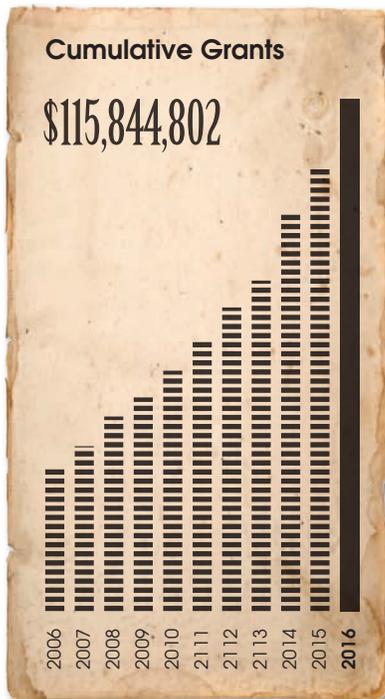
Alexander County Habitat for Humanity Endowment
Arts Council of Wilson Endowment
Balsam Mountain Preserve Fund for Jackson County
Biogen Ignite the Power of STEM Fund
Bright for Will Foundation
Jon Clark Memorial Scholarship Fund
Congregational Church of Pinehurst, UCC Endowment
Esperanza de Dowdy Endowment
Esperanza de Dowdy Gift Fund
Roy Lee Etheridge, Sr. Family Endowment
F.A.R.M. Cafe Endowment Fund
Friendly Grove Baptist Church of West Jefferson Church and Cemetery Endowment
Friends of BOMA Charitable Endowment
Mike and Peggy Gildea Endowment Benefiting the Ocean Ridge Charities Association (ORCA)
Greene County Museum Endowment
Guardian Angel Thrift Endowment Fund
Melinda Hamrick Children's Fund Endowment
The John Wheeler House Endowment: Established by James Elliott Moore
Joyce Price Johnson's Samaritan Fund
King Public Library Endowment
Kirby Eagle Scout Foundation
The Kathleen Morrissey Klutey Memorial Scholarship Fund
Reverend William P. Lesak Mass Intentions Fund
Reverend William P. Lesak Seminary Endowment Fund
The Rebecca Gatling Long Memorial Scholarship
W. Reid Martin Endowment Fund
Johnsie Patterson McFadden/Montpelier Presbyterian Church Scholarship Endowment
North Carolina Museums Council Endowment
The North Carolina Pediatric Society Endowment

Paul Allen Perkins and Alda Gambill Perkins Scholarship Endowment
The Lynwood Allen Robinson Memorial Scholarship
Rumple Memorial Presbyterian Church Endowment
The Reid Sasnett Memorial Scholarship Endowment
Leslie Dawn Sermons Fund
Andy and Emily Stallings Endowment
Surry Stokes American Legion Post 142 Scholarship
VAW's Paws Fund
George and Billie Wall Gift Fund
West Jefferson Woman's Club Mary Ruth Payne Scholarship
Wilmington Healing Center Endowment
Wilmington / New Hanover County Endowment for the Arts
Martha C. Rhyne-Winkler and Dorman F. Winkler Endowment
In Memory of Clifford A. and Betty A. Rhyne and Virgil G. and Myrtle V. Winkler



▲ NCCF is proud to administer agency endowments for museums and historical sites across the state, including Murfreesboro's John Wheeler House Endowment established by James Elliott Moore.

FINANCIALS



Statements of Financial Position March 31, 2016 and 2015

	2016	2015
Assets		
Cash	\$ 6,926,193	\$ 12,298,998
Short-term investments	2,497,500	2,497,500
Investments	205,703,476	207,163,359
Contributions receivable, net	1,414,593	8,731,041
Beneficial interests in split-interest agreements	5,202,978	6,057,213
Prepaid expenses and other assets	311,339	301,215
Property, equipment and leasehold improvements, net	18,867	17,280
Total assets	\$ 222,074,946	\$ 237,066,606
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 1,018,915	\$ 880,038
Obligations under split-interest agreements	62,113	64,723
Agency funds payable	24,012,967	28,893,954
Total liabilities	25,093,995	29,838,715
Net assets:		
Unrestricted	183,048,735	184,592,711
Temporarily restricted	8,358,928	17,124,772
Permanently restricted	5,573,288	5,510,408
Total net assets	196,980,951	207,227,891
Total liabilities and net assets	\$ 222,074,946	\$ 237,066,606

Statements of Activities (summarized) Years Ended March 31, 2016 and 2015

	2016	2015
Revenues, gains and other support:		
Contributions	\$ 11,808,373	\$ 44,170,504
Less amounts received on behalf of others	(3,070,401)	(12,288,132)
Net contributions	8,737,972	31,882,372
Interest and other investment income	6,644,411	6,339,949
Realized and unrealized gains	(13,841,418)	10,679,288
Adjust amounts from agency funds	559,449	(1,504,141)
Net investment income and gains	(6,637,558)	15,515,096
Other income	470,722	339,432
Total revenues, gains and other support	2,571,136	47,736,900
Expenses:		
Programs:		
Grants and scholarships	14,859,363	11,964,506
Less grants and scholarships made on behalf of others	(7,127,018)	(5,779,279)
Grants and scholarships expense	7,732,345	6,185,227
Grant making and fund holder support	3,058,090	2,888,834
Adjust amounts from agency funds	(264,921)	(284,517)
Grant making and fund holder support expense	2,793,169	2,604,317
Total program services	10,525,514	8,789,544
Fundraising and development	576,437	547,653
Administrative	1,716,125	906,018
Total expenses	12,818,076	10,243,215
Change in net assets	(10,246,940)	37,493,685
Net assets:		
Beginning	207,227,891	169,734,206
Ending	\$ 196,980,951	\$ 207,227,891

The audited financial statements are available for inspection at: North Carolina Community Foundation
3737 Glenwood Avenue, Suite 460, Raleigh, NC 27612

Independent Auditors: Cherry Bekaert LLP

Board of directors

Executive committee

Linda J. Staunch, *Chair, New Bern*
 James Bell Black, III, *Vice Chair of Board; Chair, Governance, Raleigh*
 Dean E. Painter, Jr., *Secretary, Raleigh*
 Robert L. Jones, *Assistant Secretary, Raleigh*
 W. Trent Ragland, III, *Treasurer, Raleigh*
 Rodney E. Martin, *Chair, Grants, Swansboro*
 Kenneth G. Reece, *Chair, Resource Development, Raleigh*
 James W. Narron, *Chair, Affiliate Impact Committee, Smithfield*
 Stuart B. Dorsett, *Immediate Past Chair, Raleigh*

Board members at large

Juan Austin, *Jamestown*
 Robert E. Barnhill, Jr., *Tarboro*
 Laura M. Beasley, *Colerain*
 Peter M. Bristow, *Raleigh*
 Brian C. Crutchfield, *Boone*
 Alex G. Floyd, *Granville County and Raleigh*
 Sarah Belk Gambrell, *Charlotte*
 Frank B. Gibson, Jr., *Wilmington*
 Katharine (Kack) Harrison Hardin, *Rock Hill, SC*
 H. Kel Landis, III, *Raleigh*
 Hilda Pinnix-Ragland, *Raleigh*
 Karen Stiwinter, *Franklin*
 Steven Wangerin, *Jacksonville*
 Elizabeth Hobgood Wellons, *Smithfield*
 John Willingham, *Yadkinville*

Directors emeriti:

Annabelle L. Fetterman, *Clinton*
 Henry E. Frye, *Greensboro*
 Charles W. Gaddy*
 Martha Guy, *Newland*
 Lewis R. Holding*
 The Honorable James E. Holshouser, Jr.*
 John R. Jordan, Jr.*
 W. Trent Ragland, Jr.*
 The Honorable Robert W. Scott*
 Sherwood H. Smith, Jr., *Raleigh*
 Billy T. Woodard, *Fuquay-Varina*

* Deceased

We've moved!

Our new address is:
 3737 Glenwood Avenue
 Suite 460
 Raleigh, NC 27612

Our phone numbers stay the same.
 Main: 919-828-4387
 Fax: 919-827-0749

Visit nccommunityfoundation.org for individual extensions.

Our mail will be forwarded, so don't worry if you forget!

Staff

Headquarters & Raleigh-based associates

3737 Glenwood Avenue, Suite 460
 Raleigh, NC 27612
 Phone: 919-828-4387; Fax: 919-827-0749;
 Toll-Free: 1-800-532-1349
 Unless noted, all email addresses are first initial last name@nccommunityfoundation.org

Executive

Jennifer Tolle Whiteside, *President and CEO*
jtwhiteside@nccommunityfoundation.org
 Cherry Ballard, *Assistant to the President*

Development

Beth Boney Jenkins, *Vice President*
 Megan Lynch Ellis, *Regional Development Officer (Serving the Western and Northwestern regions)*
 PO Box 524, Boone, NC 28607
 Phone: 828-355-4306
 Mary Morgan, J.D., *Philanthropy Counsel*
 Melinda Allen, *Gift and Development Specialist*

Finance

David Ryan, *Chief Financial Officer*
 John Hartley, *Director of Finance & Chief Investment Officer*
 Rhonda Daly, *Controller*
 D'Wayne Wilkins, *Manager of Information Technology*
 Lisa Meeks, *Senior Accounting Associate*

Grants and Scholarships

Leslie Ann Jackson, *Director of Grants and Scholarships*
lajackson@nccommunityfoundation.org
 Christopher Fipps, *Grants Program Manager*
 Sybil Bowick, *Grants and Scholarships Specialist*

Marketing and Communications

Noël McLaughlin, *Director of Marketing and Communications*
 Louis Duke, *Marketing and Communications Specialist*

Operations

Marirose K. Steigerwald, *Director of Operations*
 Lori Johnson, *Office Manager & Communications Assistant*

Community Leadership Team

Sally Migliore, *Director of Community Leadership*
 Sheila Cratch, *Administrative Assistant*

Affiliate Offices

Western Office (Cherokee, Clay, Eastern Band of Cherokee, Graham, Haywood, Jackson, Macon, Madison and Swain)
 Katie Crumpler, *Regional Director*
 PO Box 401, Mars Hill, NC 28754
 Phone: 828-538-4299

Northwestern Office (Alleghany, Ashe, Avery, Catawba Valley, which includes Alexander, Caldwell and Catawba counties; Mount Airy, Watauga, Wilkes and Yadkin)
 Colby Martin, *Regional Director*
 Lylerly House
 310 N. Center Street, Hickory, NC 28601
 Mailing: PO Box 2851, Hickory, NC 28603
 Phone: 828-358-0030

Northern Piedmont Office (Cary, Franklin, Granville, Johnston, Person, Vance and Wake)
 Quinn E. Novels, *Regional Director*
 Raleigh

Sandhills Office (Harnett, Hoke, Lee, Montgomery, Moore, Randolph and Rockingham)
 Dawn Neighbors, *Regional Director*
 PO Box 739, Coats, NC 27521
 Phone: 910-292-4437

Coastal Plain North (Edgecombe, Halifax, Nash, Northampton, Rocky Mount, Warren, Wayne and Wilson)
 Kelly Joyner Lee, *Regional Director*
 PO Box 7394, Rocky Mount, NC 27804
 Phone: 252-557-0278

Coastal Plain South (Carteret, Craven, Greene, Jones, Lenoir, Pamlico and Pitt)
 Kim Smith Ball, *Regional Director*
 PO Box 3411, New Bern, NC 28564-3411
 Phone: 252-288-5706

Southeastern Office (Brunswick, Columbus, Duplin, New Hanover, Onslow, Pender and Robeson)
 Sally Migliore, *Contact*
 1213 Culbreth Drive, Wilmington, NC 28405
 Phone: 910-202-6727

Northeastern Office (Beaufort-Hyde, Bertie-Hertford, Chowan, Currituck-Dare, Martin and Northern Albemarle, which includes Camden, Gates, Pasquotank and Perquimans)
 Natalie Jenkins Peel, *Regional Director*
 204 South Poindexter Street, Elizabeth City, NC 27909
 Phone: 252-562-9824

Visit nccommunityfoundation.org and click on Affiliates to use an online statewide map to locate NCCF affiliate foundations serving North Carolina. Also online are NCCF Affiliate Profiles and our Donor List as of 3/31/16.

www.nccommunityfoundation.org