

2014 ANNUAL REPORT
BLUEPRINT FOR SUCCESS

Partnering to Grow Assets for Your Local Community



NORTH CAROLINA
COMMUNITY FOUNDATION





We are extremely pleased to share the tremendous progress of the North Carolina Community Foundation this past year. We experienced growth in every significant category; some measurable by the standard performance metrics you'll find throughout this report; others conveyed by the wonderful stories that our donors and grantees share of what fuels their inspiration and the sheer impact of generosity. (Many of these stories are told on our website.) We are also excited about the contributions of our statewide network of affiliate foundations as we partner to better serve North Carolina's communities, engage our donors and build our family of funds.

Donor focus

We are keenly aware that donor satisfaction is critical to the success of any community foundation. We continually strive to serve our donors and provide what they value most, so we were gratified to learn that a recent national survey by the Center for Effective Philanthropy (CEP) affirmed our focus. The CEP study found that donors highly value responsiveness on two levels: one is specific to customer service; and the other more broadly relates to their perception of our response to community needs and ability to make an impact.

NCCF staff members are driven to provide service excellence, reflective of a strong internal culture that guides our work. We continually seek to strengthen connections with fundholders and proactively ascertain needs. Your feedback helps to sharpen our focus.

Blueprint for success

Leveraging our impact, both locally in all of our communities and collectively on a statewide level, is the impetus behind the creation of NCCF's Affiliate Impact Committee, which began in 2013 and continues today.

You've heard us describe our affiliate network of 60 foundations serving 67 counties as a key differentiator that is both our greatest strength and also our biggest challenge. Our affiliates are central to NCCF's mission to ensure widespread access to philanthropy, particularly in the rural areas of our state. We need to ensure that we maintain a viable model that reflects the needs of an ever-changing economic and donor climate – and allows us to keep our promise to constituents.

The Affiliate Impact Committee's progress in 2014 builds on last year's groundwork, which included statewide listening tours, affiliate surveys and presentations at local board meetings and regional forums. Affiliate boards are currently assessing their work in five areas important for success:

- Developing strong boards that reflect the communities we serve;

LETTER



Stuart Dorsett and Jennifer Tolle Whiteside

- Inspiring and promoting local philanthropy;
- Growing affiliate assets and a local "family of funds;"
- Leveraging grants for maximum impact;
- And positioning affiliate leadership as catalysts for meeting community needs.

Boards will identify their focus areas based on their unique strengths and needs, creating their own "blueprint" for success with annual goals as the outcome. Each affiliate will begin implementing tailored plans in 2015, with work ongoing.

Leadership

NCCF's statewide leadership also experienced passages and progress this past year.

We were saddened by the May death of Board Member Keith Crisco, "one of North Carolina's giants," as described by the *News & Observer*. We will honor his legacy through our continued focus on first-generation college students, an important niche for NCCF that he enthusiastically supported.

C. Ronald Scheeler retired this year from the statewide board after nearly two decades of leadership that included serving as NCCF chairman. A beloved friend and steadfast advocate for the Foundation, we thank him for his many years of tireless service and dedication.

And we also want to acknowledge our board's Finance Committee, which put in yeoman's work this year as we identified a new portfolio manager for NCCF. Fund Evaluation Group (FEG) of Cincinnati is our new investment consulting firm, and we are confident that both their scale and deep foundation experience will combine to provide an effective resource for NCCF.

Making an impact

We are proud that NCCF's generous fundholders directed us to make a record \$15 million in grants and

scholarships last fiscal year. This brings our cumulative total to \$89 million since we began grantmaking 26 years ago.

These grants are making a difference across our state. A Wilson County Community Foundation grant helped to fund character education for every single kindergartner starting public school. Another grant from the Watauga County Community Foundation enables a local nonprofit to serve fresh, local food within a unique café model that welcomes all. Pearl's Pantry Fund, held with the Carteret Community Foundation, supports critical human needs, including a program that feeds the hungry and purchases medicines for the uninsured. And a Unifour Foundation grant builds nonprofit capacity through a program offered via Catawba Valley Community College. We invite you to read these and other stories of impact on our website.

Scholarship administration continues to be an important niche at NCCF. We administered nearly \$600,000 in direct scholarships to more than 300 individuals last year, and about one-third went to first-generation college students like Holly Perry, recipient of the Robert E. Barnhill Sr. Scholarship, currently attending East Carolina. Read more about Holly in the Scholar Spotlight section of our website.

Our women's giving programs are also making a difference. Last year our nine women's giving circles and the Statewide Women's Giving Fund granted an impressive \$180,700 in communities big and small, nearly all focusing on programs important to women, families and/or children.

As reported last year, a new campaign called the Chairman's Challenge gave a notable boost to affiliate grantmaking across the state. The fundraiser was such a success that we'll launch a second in November. You'll be hearing details soon about how you can support your local or favorite affiliates. We have the same generous, anonymous donor to thank again for



Renee Boughman, (L) executive chef of the F.A.R.M. Café in Boone, with Watauga County Community Foundation President Dr. Bettie Bond (who won the 2014 Lewis R. Holding Philanthropic Leadership Award) in front of the commercial refrigerator purchased with the WCCF grant. The Café is featured on our website.

kicking off the challenge match that underpins the campaign's success. These community grantmaking funds provide important local resources throughout North Carolina.

We are so pleased that Duke Energy has again tapped NCCF to serve as the administrator for the

company's generous Community College Grant Program to fund workforce training initiatives. This program is critical to our state's economic development efforts and supports one of the best community college systems in the country. NCCF also helped to distribute Duke Energy grants to municipalities to provide energy assistance to low-income residents last winter. Corporate grants administration is an area of expertise that we are excited to provide.



NCCF's assets continue to grow, reaching \$191 million at fiscal year-end March 31, 2014. Investments and interest growth added more than \$21 million to this total, and contributions last year reached nearly \$18 million. NCCF welcomed 43 new endowments to our "family of funds" in fiscal year 2014, all listed on page six. Each has a unique back story, woven together by the common thread of generosity. Many new fundholders are profiled on our website. You'll want to read about Brady Jefcoat, who left a legacy to support his lifetime passion of collecting. The generosity of Joseph and Elsa Flower Davies keeps on giving through scholarships that will change individuals – and generations to come.

We are proud to work with the staff of professionals at NCCF. Their dedication to our state and to philanthropy inspires us every day. We also want to acknowledge the vision and passion of our statewide board of directors. This is the group that had the wisdom to commission the Affiliate Impact Committee, asking us to examine our direction to ensure a "blueprint" for our future.

It remains our distinct honor and privilege to steward philanthropy on behalf of our fundholders across this great state. We are inspired every day by your generosity, and we thank you.

Sincerely,

Two handwritten signatures in blue ink. The first is for Jennifer Tolle Whiteside and the second is for Stuart B. Dorsett.

Jennifer Tolle Whiteside, CEO and President
Stuart B. Dorsett, Chairman of the Board

We are pleased to help administer Duke Energy's Community College Grants program. A 2014 check presentation to Vance-Granville Community College included (L-R) President Stelfanie Williams, Endowment Fund Director Eddie Ferguson and Tanya Evans with Duke Energy and a member of our Vance County Community Foundation board.



PARTNERING TO GROW ASSETS

North Carolina Community Foundation

INVESTING & INTEREST GROW

\$21 MM

\$18 MM

DONORS' GIFTS

TYPES OF FUNDS



FOR YOUR LOCAL COMMUNITY

Report for fiscal year-end March 31, 2014

WITH COMMUNITY IMPACT

\$15 MM



GRANTS BY PROGRAM AREA

HUMAN SERVICES	\$7,057,194 ~ 47%
EDUCATION	\$3,925,720 ~ 26%
ARTS, CULTURE & HUMANITIES	\$1,025,112 ~ 7%
HEALTH	\$849,736 ~ 6%
RELIGION	\$753,987 ~ 5%
DIRECT SCHOLARSHIPS	\$599,090 ~ 4%
YOUTH DEVELOPMENT	\$318,530 ~ 2%
PUBLIC & SOCIETAL BENEFIT	\$297,394 ~ 2%
ENVIRONMENT & ANIMALS	\$244,389 ~ 2%

NEW FUNDS

(April 1, 2013 through March 31, 2014)



The late Brady Jefcoat was a collector extraordinaire, and a new endowment in his name will help support a museum that houses his treasures. Visit our website to read about him and the Brady C. Jefcoat Museum of Americana in Murfreesboro. (photo courtesy of the *News & Observer*)



Owen White enjoys one of the many activities at The Children's Playhouse in Boone. A new endowment will help support this creative place that invites families to learn and grow. Visit go-playhouse.org to learn more.



Ned Barclay, a board member and past president of the New Hanover County Community Foundation, presents Mayra Robles with the Joseph and Elsa Flower Davies Teacher Training Scholarship. Read more on our website about Mayra, who attends UNC-Wilmington.

AGAPE Fund

Apple Foundation Endowment for Rockingham County

Jonathon Scott Bennett Scholarship Endowment

Meme Mckensie Brown "Fight Like A Girl" Fund

Carobell Endowment Fund

Carolina Philharmonic Music Education Endowment Fund

Ed and Dorothy Carter Foundation

The Children's Playhouse Endowment

Thomas W. and Cynthia W. Cochran Endowment

Joseph and Elsa Flower Davies Fund to Promote School Teacher Training

Joseph and Elsa Flower Davies Teacher Training Scholarship

Duke Energy Community College Grant Program

Duke Energy Low Income Grant Program

Fields Family Endowment

Heritage Bible College - Jean A. Koch Memorial Scholarship Endowment

Heritage Bible College - Thomas and Rachel McLaurin Endowment

Brady C. Jefcoat Fund

The Jonas Foundation Fund

The Bob "Rowbear" Kemper Fund

Liberatore Family Fund

Robert R. Mauldin Scholarship Fund for Rocky Mount Preparatory School

McCracken Family Scholarship

MLJ Painter Fund

Moore Family Scholarship

Moore Women - A Giving Circle Gift Fund

Moore Women - Giving Circle Endowment

Edna Freeman Murray and Ralph Murray Charitable Fund

Myrtle Grove Volunteer Fire Department Memorial Scholarship

Northeast NC Coastal Research and Environmental Education Fund

Floyd C. and Edwina P. Odom Community Fund

Don and Carol Pardue Scholarship

Progressive North Carolina Endowment

Progressive North Carolina Gift Fund

Raeford Presbyterian Church Scholarship Endowment - Bill and Mary Southern Scholarship

Michael and Grace Powers Ragan Dairy Queen Nursing Scholarship Endowment

The RCCHC Charles and Lois Sawyer Wellness Fund

J. Guy Revelle Jr. Endowment

Betty Sauls Donor-Advised Endowment

Wayne Henry Schriever Charitable Fund

Peggy Haywood Smith Memorial Endowment for First Baptist Church of Mount Gilead

Taylor Family Endowment

Volunteers of Maria Parham Medical Center Health Awareness Endowment

WPP Endowment

FINANCIALS

CUMULATIVE GRANTS

Statements of Financial Position March 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Cash	\$ 4,345,619	\$ 4,158,539
Short-term investments	1,747,500	1,747,500
Investments	176,151,923	156,270,645
Contributions receivable, net	3,792,629	4,285,594
Beneficial interests in split-interest agreements	4,930,767	4,206,868
Prepaid expenses and other assets	271,589	343,241
Property, equipment and leasehold improvements, net	196,989	205,752
Total assets	\$ 191,437,016	\$ 171,218,139
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 472,969	\$ 391,848
Obligations under split-interest agreements	64,365	67,469
Agency funds payable	21,165,476	18,810,607
Total liabilities	21,702,810	19,269,924
Net assets:		
Unrestricted	153,373,343	135,870,397
Temporarily restricted	10,913,223	10,058,857
Permanently restricted	5,447,640	6,018,961
Total net assets	169,734,206	151,948,215
Total liabilities and net assets	\$ 191,437,016	\$ 171,218,139



Statements of Activities (summarized) Years Ended March 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenues, gains and other support:		
Contributions	\$ 17,704,730	\$ 10,100,077
Less amounts received on behalf of others	(8,584,994)	(625,265)
Net contributions	9,119,736	9,474,812
Interest and other investment income	3,854,326	3,639,885
Realized and unrealized gains	17,413,795	10,506,292
Adjust amounts from agency funds	(2,428,856)	(1,571,841)
Net investment income and gains	18,839,265	12,574,336
Other income	313,834	228,991
Total revenues, gains and other support	28,272,835	22,278,139
Expenses:		
Programs:		
Grants and scholarships	15,071,152	5,849,110
Less grants and scholarships made on behalf of others	(8,365,114)	(411,689)
Grants and scholarships expense	6,706,038	5,437,421
Grant making and fund holder support	2,791,150	2,625,842
Adjust amounts from agency funds	(293,867)	(262,512)
Grant making and fund holder support expense	2,497,283	2,363,330
Total program services	9,203,321	7,800,751
Fundraising and development	469,005	477,857
Administrative	814,518	715,800
Total expenses	10,486,844	8,994,408
Change in net assets	17,785,991	13,283,731
Net assets:		
Beginning	151,948,215	138,664,484
Ending	\$ 169,734,206	\$ 151,948,215



The audited financial statements are available for inspection at: North Carolina Community Foundation
4601 Six Forks Road, Suite 524, Raleigh, North Carolina 27609

Board of directors

Executive committee

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

Board members at large

Juan Austin, *Jamestown*
 Robert E. Barnhill, Jr., *Tarboro*
 Laura M. Beasley, *Colerain*
 John Cameron, *Eden*
 Brian C. Crutchfield, *Boone*
 Sarah Belk Gambrell, *Charlotte*
 Frank B. Gibson, Jr., *Wilmington*
 Katharine (Kack) Harrison Hardin, *Rock Hill, SC*
 Clyde P. Harris, Jr., *Wilson*
 H. Kel Landis, III, *Raleigh*
 James M. Parrott, Jr., *Kinston*
 C. Ron Scheeler, *Raleigh*
 Karen Stiwinter, *Franklin*
 Elizabeth Hobgood Wellons, *Smithfield*
 Billy T. Woodard, *Fuquay-Varina*

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., *Raleigh*
 W. Trent Ragland, Jr., *Raleigh*
 The Honorable Robert W. Scott*
 Sherwood H. Smith, Jr., *Raleigh*

* Deceased

Please give to NCCF or any of our funds!

If you would like to make a contribution to NCCF or one of our funds, we've enclosed a donor envelope or make an online gift at ncccommunityfoundation.org.

Please review our list of funds online to find the right recipient for your charitable objectives, a meaningful tribute, memorial, anniversary or birthday gift.

We also invite you to support grantmaking in your local community by contributing to NCCF's Chairman's Challenge, which will be conducted Nov. 1-30! Details on our website.

A list of all of our donors for the fiscal year ending 3/31/14 is also posted on our website.

Staff

Headquarters & Raleigh-based associates
 4601 Six Forks Road, Suite 524
 Raleigh, NC 27609
 Phone: 919-828-4387; Fax: 919-828-5495
Unless noted, all email addresses are first initial last name@ncccommunityfoundation.org

Executive

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

Development

Beth Boney Jenkins, *Vice President*
 Megan Lynch Ellis, *Regional Development Officer*
 Mary Morgan, *Philanthropy Counsel*
 Melinda Allen, *Gift and Development Specialist*

Finance

John Bergartt, *Chief Financial Officer***
 John Hartley, *Director of Finance*
 Lisa Meeks, *Financial Specialist*

Marketing, Communications and IT

Noël McLaughlin, *Director of Marketing and Communications*
 D'Wayne Wilkins, *Manager of Information Services*
 Lori Johnson, *Communications Assistant & Office Manager*

Community Leadership Team

Sally Migliore, *Director of Community Leadership*
 Leslie Ann Jackson, *Director of Scholarships and Grantmaking*
ljackson@ncccommunityfoundation.org
 Brittaney Rea, *Grants and Scholarship Specialist*

Affiliates

Western Office (*Cherokee, Clay, Eastern Band of Cherokee, Graham, Haywood, Jackson, Macon, Madison and Swain*)
 Sue LeLievre, *Regional Associate*
 PO Box 1396, Franklin, NC 28734
 Phone: 800-201-9532
 Fax: 423-910-0627

Northwestern Office (*Alleghany, Ashe, Avery, Catawba Valley, which includes Alexander, Caldwell and Catawba counties; Mount Airy, Watauga, Wilkes and Yadkin*)
 John Francis, *Regional Associate*
 Mail: PO Box 2851, Hickory, NC 28603
 Phone: 336-745-1739 (cell)
 Fax: 828-328-3948

Northwestern & Western Offices
 Megan Lynch Ellis, *Regional Development Officer*
 PO Box 524, Boone, NC 28607
 Phone: 828-773-6290 (cell)

Northern Piedmont Office (*Cary, Franklin, Granville, Johnston, Vance and Wake*)
 Katie Crumpler, *Regional Associate*
 Raleigh

Sandhills Office (*Harnett, Hoke, Lee, Montgomery, Moore, Randolph and Rockingham*)
 Mary Anne Howard, *Regional Associate*
 Raleigh

Southeastern Office (*Brunswick, Columbus, Duplin, New Hanover, Onslow, Pender, Robeson and Sampson*)
 Patricia Lawler, *Regional Associate*
 1213 Culbreth Drive, Wilmington, NC 28405
 Mail: PO Box 991, Wilmington, NC 28402
 Phone: 910-509-7256
 Fax: 910-256-0630

Coastal Plain North (*Edgecombe, Halifax, Nash, Northampton, Rocky Mount, Warren, Wayne and Wilson*)
 Kelly Lee, *Regional Associate*
 PO Box 7394, Rocky Mount, NC 27804
 Phone: 252-245-1794

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

Northeastern Office (*Beaufort-Hyde, Bertie-Hertford, Chowan, Currituck-Dare, Martin and Northern Albemarle, which includes Camden, Gates, Pasquotank and Perquimans*)
 Natalie Jenkins Peel, *Regional Associate*
 204 S. Poindexter St., Elizabeth City, NC 27909
 Phone: 252-216-8908 (cell)

**Salute to CFO John Bergartt, who will retire in 2014. We will miss him!

Visit ncccommunityfoundation.org and click on Affiliates to use an online map to locate affiliate foundations in 67 locations across North Carolina. Also online are Affiliate Profiles as of 3/31/14.

www.ncccommunityfoundation.org

