



COLLEGE of
CHARLESTON

FOUNDATION



FOUNDATION
ANNUAL REPORT

2016



I am pleased to present the first-ever College of Charleston Foundation Annual Report. The intention of the Annual Report is to provide relevant facts and information about the Foundation's financial position, as well as a synopsis of the impact the Foundation makes toward supporting the educational mission of the College of Charleston.

As to the Foundation's mission, it was first articulated and memorialized in June 1970, when then-President Ted Stern created the College of Charleston Foundation. Simply stated, the Foundation exists to promote programs of education, research, student development, and faculty development for the exclusive benefit of the College of Charleston. Dr. Stern's vision and that mission continue to provide guidance for everything we do.

Having had the privilege of being the Executive Director since September 2008, I have seen the Foundation grow in its capabilities and in its capacity to serve the College of Charleston. From the incredible resurgence of Dixie Plantation as a vibrant "living laboratory" for environmental sciences, sustainability and conservation, to the tremendous generosity demonstrated by our loyal and dedicated donors through the recently completed *BOUNDLESS* Campaign, and to the remarkable growth in total and net assets, the Foundation is well positioned for ever greater service and support to the institution.

Inside this report you will find a summary of the audited financial statements for Fiscal Year 2016 (which ended on 30 June 2016). Additionally, we have provided information and charts regarding privately funded scholarships and programs. However, the highlight of this report is in the descriptive images and text regarding the power of philanthropy when combined with excellent stewardship and fiscal responsibility. Your feedback regarding this inaugural report is most welcome, and should you have any questions regarding the financial statements, investment policy or any other operational or fiscal matters of the College of Charleston Foundation, please contact me or the Director of Finance & Administration, Ms. Debye Alderman.

Thank you for your support and for your interest in the College of Charleston Foundation. Let me also thank the incredible volunteers who selflessly serve on the Board of Directors. Each one of them brings his/her wisdom, wealth, and a willingness to serve to the organization and thereby to the College of Charleston. You will find their names listed on page 8.



With Great Appreciation,

George P. Watt, Jr.
Executive Director, College of Charleston Foundation
Executive Vice President, Institutional Advancement

PHOTOGRAPHED AT THE BOUNDLESS CAMPAIGN CELEBRATION ARE: ① STUDENT VOLUNTEERS (L-R) RAYCHEL SIMPSON '16, ALEX TILLOTSON, KALEN MCNABB '10; ② DIANNE CULHANE AND JULIE MILER; ③ STEVE SWANSON '89 AND PRESIDENT GLENN F. MCCONNELL '69 REHEARSING FOR THE PROGRAM; ④ (L-R) DEBYE ALDERMAN, STEVE SWANSON '89, JEFF KINARD '77 AND AMY KINARD '77; ⑤ GUESTS ENJOYING THE SPLENDOR OF DIXIE; ⑥ CORY MANNING AND TINA CUNDARI '96; ⑦ GUESTS ENJOYING LOWCOUNTRY DELICACIES AND LISTENING TO THE BLUESTONE RAMBLERS; ⑧ MANY OF THE GUESTS ENJOYED HAYRIDES AROUND THE DIXIE PROPERTY; ⑨ MEAGAN DUNHAM '17 GAVE THE STUDENT PERSPECTIVE OF THE BOUNDLESS CAMPAIGN; ⑩ THE BLUESTONE RAMBLERS PROVIDED ENTERTAINMENT.

Scholarships Are Top Priority for Foundation

Dedicated to increasing the amount of funds designated for scholarships, the College of Charleston Foundation manages more than 450 distinct scholarship funds – both endowed and non-endowed – that directly benefits nearly 1400 CofC students every year. The annual level of scholarship support that the College receives has grown steadily, from just more than \$2 million in FY2011 to more than \$3.6 million in FY2016 (see graph below). Another major source of scholarship support has been, and will continue to be, the College of Charleston Fund/Parents’ Fund.

The CofC Fund/Parents’ Fund supports a growing number of students every year. In fact, in the 2015-16 academic year, \$700,000 from the CofC Fund/Parents’ Fund went to scholarships, benefitting 303 students.

One of the beneficiaries of the CofC Fund/Parents’ Fund is **Royal Pipaliya ’17**, an Honors College biology major from Hartsville, S.C. His education at the College has expanded beyond campus borders, with study abroad in the Netherlands and an internship working with a breast cancer researcher at the Medical University of South Carolina.

“Thanks to scholarship support, I have been able to discover and cultivate many new experiences. I’ve also begun to explore new possibilities for my career and education beyond the College of Charleston,” Pipaliya says.

In addition to providing scholarship support each year, the CofC Fund/Parents’ Fund answers emerging needs



ROYAL PIPALIYA

and assists fledgling initiatives as they build momentum. When the federal grant supporting the ROAR Program (Reach – Overcome – Achieve Results) ended, for example, the Foundation provided \$150,000 to carry the program through the next two years.

ROAR, which provided students with aid each year, enhanced existing academic support services geared toward students who met the federal definition of first-generation students, low-income students and persons with disabilities. Roughly 30 students received grant aid averaging \$850



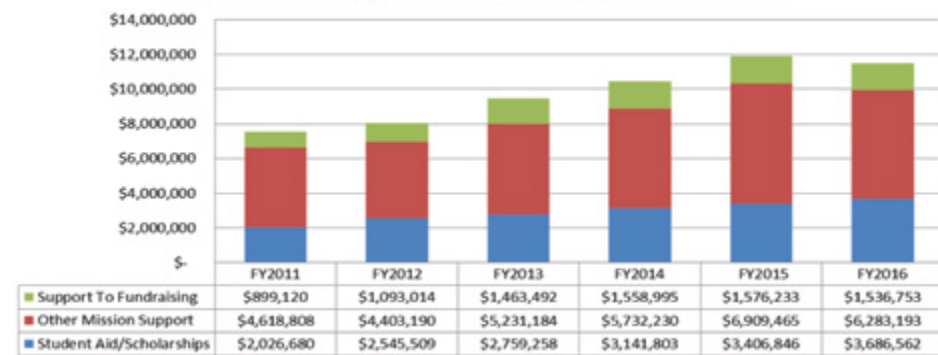
COCA-COLA SCHOLARS

a semester. The funds were used to bridge the gap between students’ financial aid packages and the cost of attendance. Most often, students applied for additional funding to pay for meal plans or books.

Among the students impacted by the Foundation’s assistance to the ROAR Program were the **Coca-Cola First Generation Scholars**. Each of the five recipients received \$5,000 a year for four years to assist with tuition and fees. Part of their commitment involved participating in the ROAR Program. While these students retained their Coca-Cola Scholarships, the discontinuation of ROAR could have impacted their ability to realize their educational goals.

The Coca-Cola First Generation Scholars are certainly on track for realizing their graduation goals: Darshonda Guess ’16 of Vance, SC, graduated a year early, and Meagan Dunham of Marion, SC, Cheri Hainsworth of Spartanburg, SC, Sam McCauley of Greenville, SC, and Ariel McShane of Spartanburg, SC, all expect to graduate this May. 🍷

Foundation Support to the College of Charleston



TRUJILLO

Trujillo: The Power of Place

The first of the morning light spreads across the pastures and footpaths of the countryside before seeping through, over and around the narrow corridors of the city’s Roman walls. The sky unfolds a deep, dry blue that broadcasts boldly across Plaza Mayor and slopes slyly into the open-air piazzas. Francisco Pizarro’s silhouette casts an outline of the city’s history, its proud heritage of conquistadores, with the shadows from the castle walls further defining that history with lessons in architecture, culture, and the arts. When the sun is pulled across the sky, leaving it a reflective purple, the people light up the plaza with song, dance, tradition and smiles – until they finally, sleepily, leave the night to the glowing vigilance of La Virgen de la Victoria, the city’s patron saint.

This is a place where things are illuminated.

This is Trujillo: a living, thriving city of 10,000 that rivals the history, beauty, traditions and culture of our own prized city. Not that there’s any competition, really. When it comes to location, College of Charleston students will always come out ahead – especially if they take advantage of the College’s exclusive study-abroad program in Trujillo, Spain.

The Trujillo study-abroad program was founded in 1996 after James and Esther

Ferguson donated one of their Trujillo homes to the College of Charleston Foundation. With College faculty staying in the Ferguson home, students residing with local host families and classes taught in La Coria – a 17th-century restored convent owned by the Xavier de Salas Foundation – this brilliant setting has continued to host the Department of Hispanic Studies’ study-abroad program every summer and every spring semester since that inaugural visit. Now, students from disciplines beyond Hispanic studies are able to experience the magnificence of Trujillo and the Fergusons’ generosity.

Regardless of the program of study, however, Trujillo is always enlightening – not just because of its rich history, its Roman baths or its Muslim architecture. Trujillo glows because of its people. It beams with their pride and generosity. And – when students wake, cook, eat, talk, laugh and share with their host families and friends – that’s what sheds light on everything else: the cultural nuances, the common sensibilities, the caring connections. Once that understanding is sparked, that’s when students really start to shine.

This is what Trujillo is all about. This is the power of place. 🍷 – *Alicia Lutz ’98*

CofC IDEAL LOCATION FOR STUDIES IN MARINE GENOMICS

Genomics is the study, on a large scale, of gene structure and function. The marine genomics initiative in the Graduate Program in Marine Biology (GPMB) includes gene analysis and sequencing, transcriptomics (study of gene expression), proteomics (research of products of gene expression), metabolomics (large-scale study of products and pathways of metabolism) and bioinformatics (acquisition, management and interpretation of large sets of biological data).

The GPMB’s genomics initiative is part of a larger joint program in marine genomics between the College of Charleston and the Medical University of South Carolina (MUSC). The College of Charleston partnered with MUSC and received a large competitive award from the state of South Carolina to hire endowed chairs in marine bioinformatics and in marine genomics. In 2006, the College received additional funding from the South Carolina legislature to enhance the marine genomics initiative. This funding supports new faculty and staff positions, graduate student fellowships, as well as academic support for new courses.

Besides MUSC, the GPMB’s other Fort Johnson collaborators also have considerable strength and interest in marine genomics.

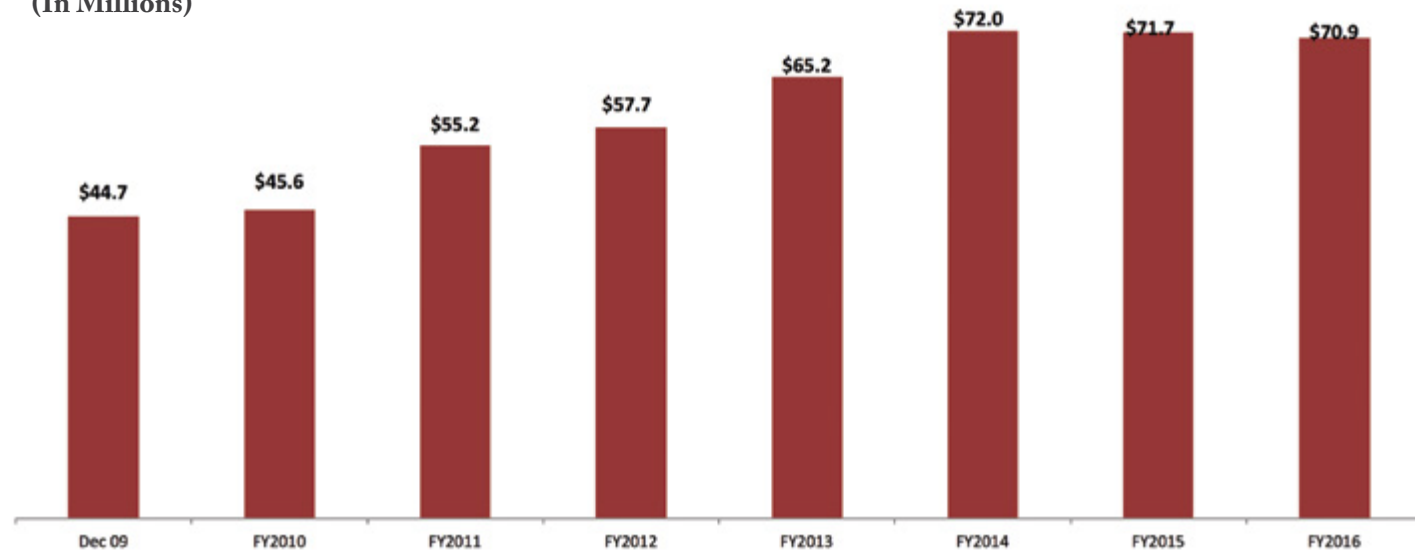
This new emphasis in marine genomics was added to the GPMB’s existing emphases in fisheries, toxicology, ecology, biodiversity and physiology. It also complements the College’s undergraduate degree in discovery informatics. The joint program, coupled with the discovery informatics program, provides a seamless continuum of educational opportunities – from undergraduate to doctoral – in the field.

In addition to managing the Marine Genomics Endowed Fund, the CofC Foundation manages numerous privately funded scholarships – including the McLeod-Frampton Graduate Scholarship and the Joanna Foundation Graduate Fellowship in Marine Biology – to assist students in the GPMB.

BY THE NUMBERS

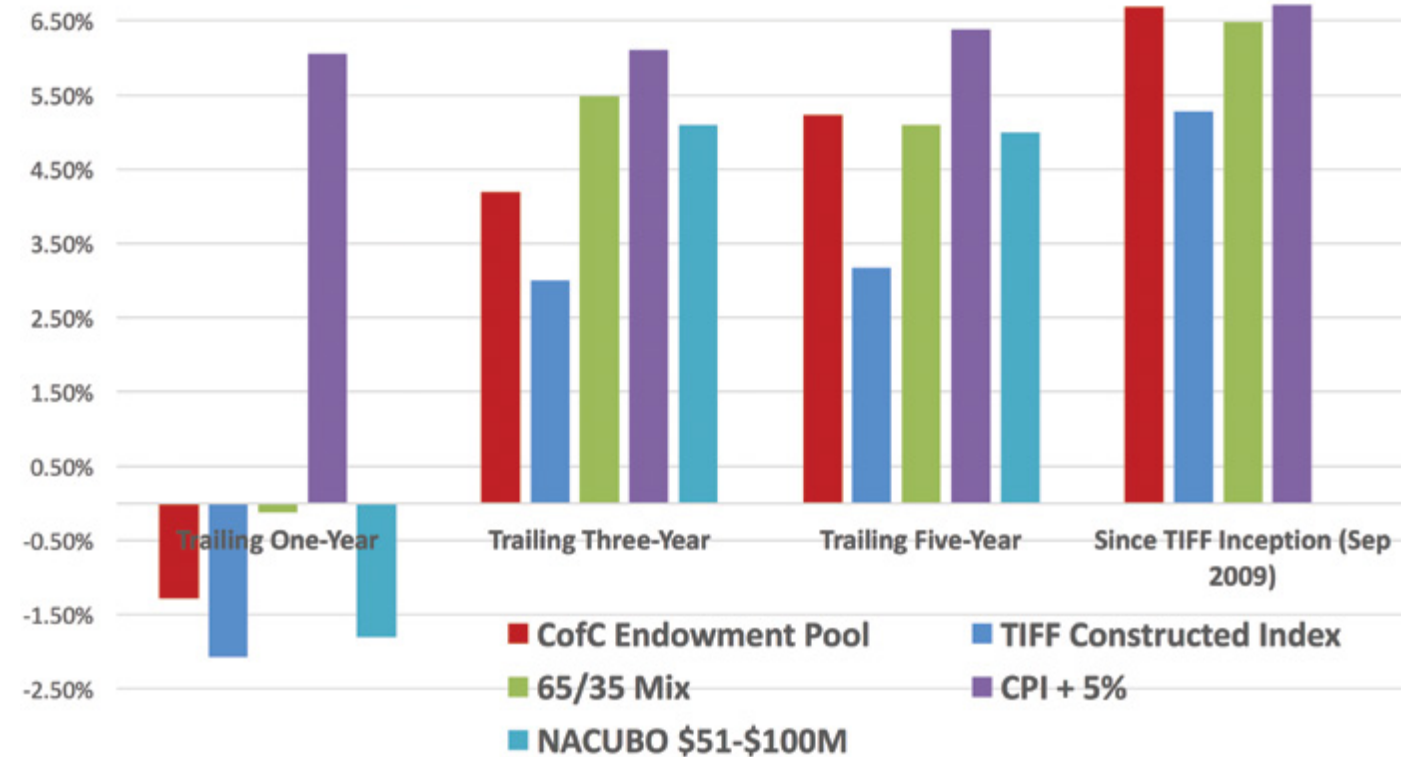
ENDOWMENT FUNDS:

Endowment Growth Since Investing With TIFF* (In Millions)



* TIFF (THE INVESTMENT FUND FOR FOUNDATIONS) IS THE FOUNDATION'S OUTSOURCED CHIEF INVESTMENT OFFICER

Endowment Pool Performance as of June 30, 2016 (annualized net of fees) Compared to Benchmarks

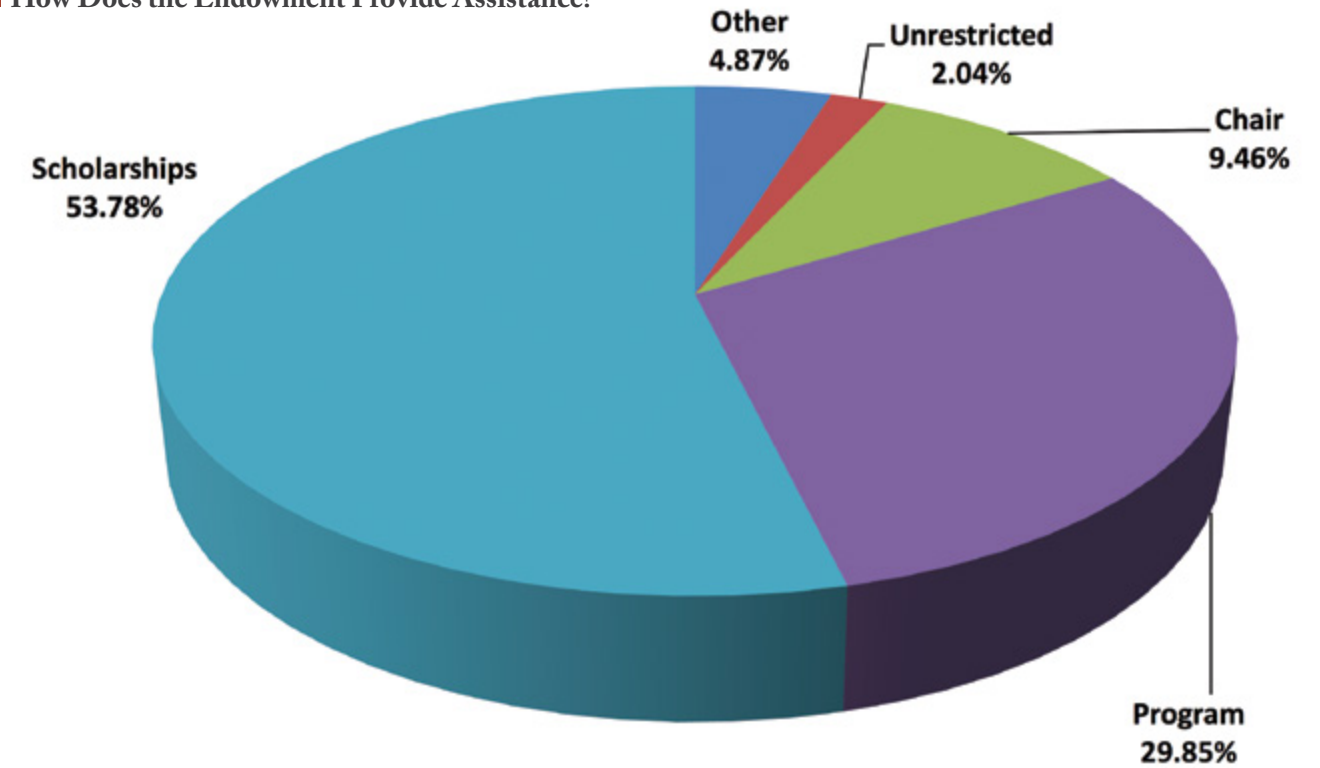


NACUBO: National Association of College and University Business Officers - Survey conducted annually as of June 30

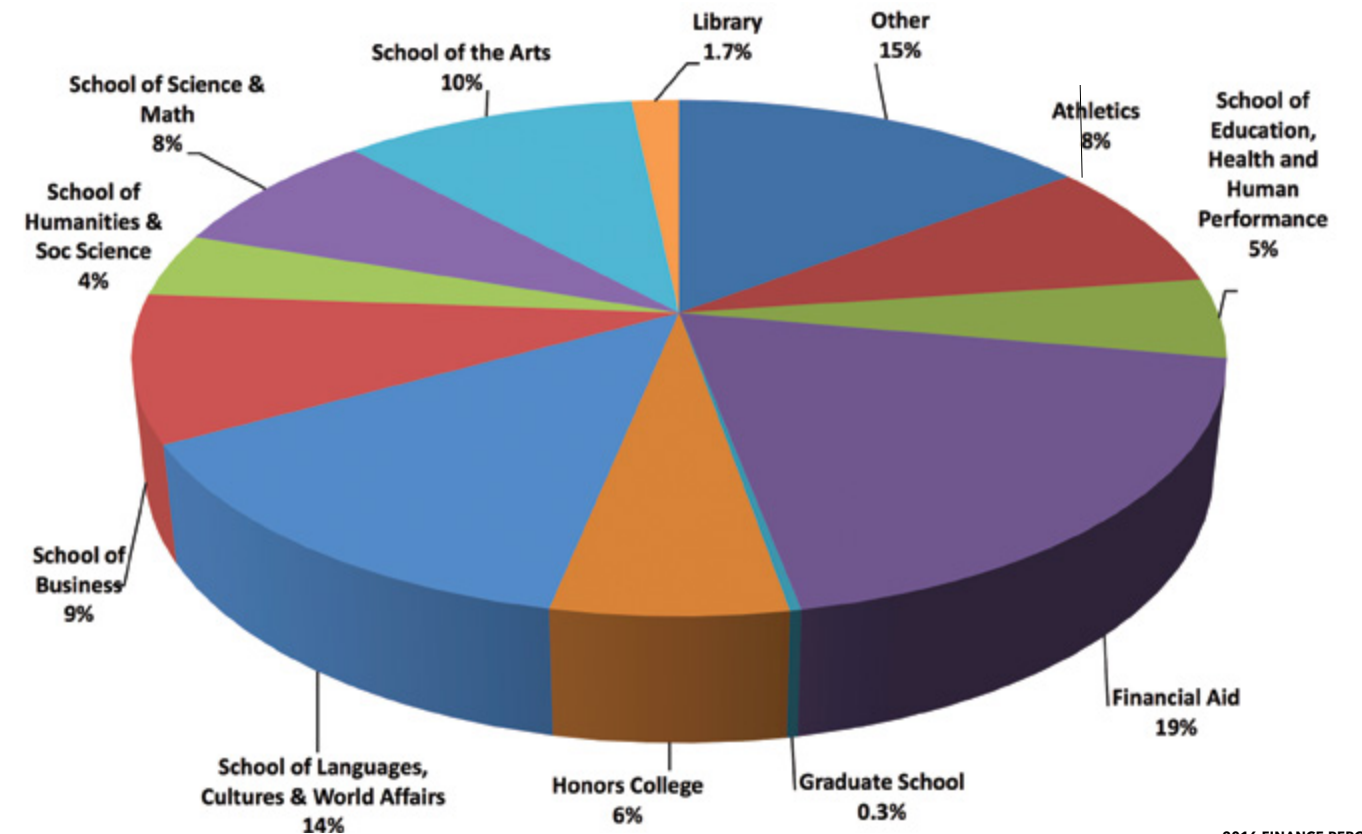
BY THE NUMBERS

ENDOWMENT DESIGNATIONS:

How Does the Endowment Provide Assistance?



What Areas Does the Endowment Serve?



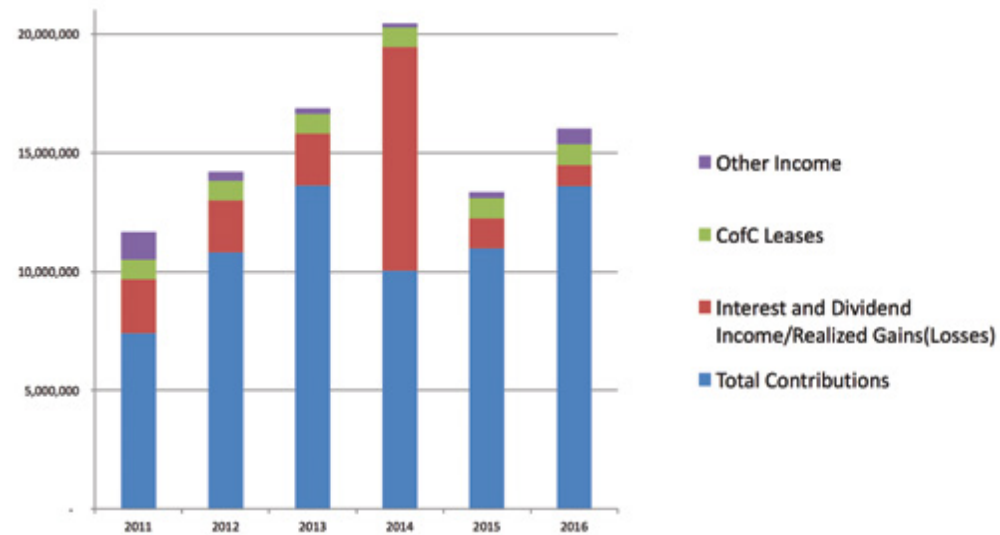
FINANCES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(June 30, 2016 and 2015)

ASSETS	2016	2015
Cash and cash equivalents	\$205,420	\$874,136
Unconditional promises to give	9,026,325	8,120,825
Other assets	538,082	609,258
Investments	81,436,796	81,337,036
Property and equipment, net	6,459,540	6,153,817
Collections	8,743,162	7,693,400
TOTAL ASSETS	\$106,409,325	\$104,788,472
LIABILITIES AND NET ASSETS		
Accounts payable and accrued liabilities	\$94,498	\$127,955
Deferred revenue	119,682	170,175
Line of credit	850,032	600,000
Annuities payable	77,570	216,304
Marine genomics grant payable	1,170,981	1,289,251
TOTAL LIABILITIES	\$2,312,763	\$2,403,685
NET ASSETS		
Unrestricted net assets	8,988,274	9,762,235
Temporarily restricted net assets	54,357,479	55,371,087
Permanently restricted net assets	40,750,809	37,251,465
TOTAL NET ASSETS	\$104,096,562	\$102,384,787
TOTAL LIABILITIES AND NET ASSETS	\$106,409,325	\$104,788,472

CONSOLIDATED REVENUES:



FINANCES

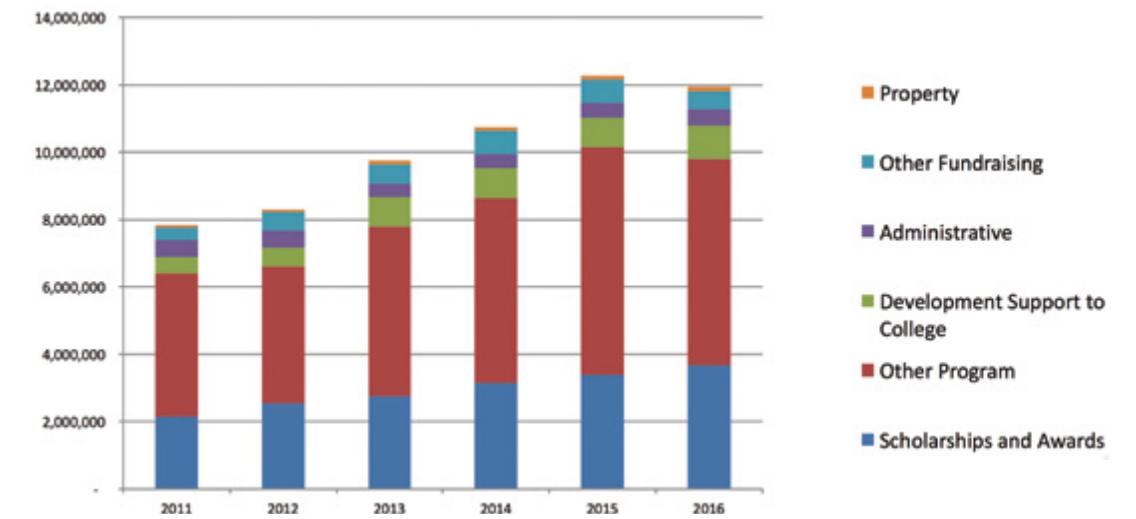
CONSOLIDATED STATEMENT OF ACTIVITIES

(Years ended June 30, 2016 and 2015)

REVENUES	2016	2015
Contributions	\$13,607,204	\$11,009,338
Rental income	894,999	817,900
Investment income, net	819,999	1,219,558
Net realized and unrealized loss on investment	(2,000,406)	(154,893)
Other	523,172	342,977
Changes in value of split-interest agreements	130,152	(45,318)
TOTAL REVENUES	\$13,975,120	\$13,189,562
EXPENSES		
Program services	\$9,969,755	\$10,316,311
General and administrative	756,837	707,312
Fundraising	1,536,753	1,576,233
TOTAL EXPENSES	\$12,263,345	\$12,599,856
CHANGE IN NET ASSETS	1,711,775	589,706
NET ASSETS, BEGINNING OF YEAR	\$102,384,787	\$101,795,081
Change in net assets	1,711,775	589,706
NET ASSETS, END OF YEAR	\$104,096,562	\$102,384,787

NOTE: Complete financial statements and notes are available on request.

CONSOLIDATED EXPENSES:



FACTS AT A GLANCE AS OF JUNE 30, 2016

Total Assets.....	\$106.4 million
Total Investable Assets.....	\$81.6 million
Total Endowment Balance.....	\$ 70.9 million
Number of endowment funds	487
Number of endowments over \$500k	28
Number of new endowments funded in FY16.....	15
Number of restricted/annual funds	504
Total Foundation support on behalf of CofC.....	\$11.5 million
Number of scholarship awards from Foundation support.....	1,386

OUR VOLUNTEER LEADERSHIP
 FOUNDATION BOARD MEMBERS AS OF JUNE 30, 2016

Ms. Peggy G. Boykin '81
 Mr. William "Glen" Brown, Jr. '76
 Ms. Lisa B. Burbage '81
 Mr. John B. Carter, Jr.
 Dr. Marco L.E. Cavazzoni
 Mr. Scott A. Cracraft '83
 Ms. Dianne M. Culhane
 Dr. Neil W. Draisin '65
 Christopher B. Fraser, CCIM
 Mr. Fleetwood S. Hassell
 Mr. A. J. Heath, *Secretary*
 Ms. Amy L. Heyel '92
 Mr. James F. "Jimmy" Hightower '82
 Mr. Theodore "Vic" Howie, Jr. '83
 Ms. Reba Kinne Hugel
 Ms. Jean W. Johnson
 Mr. Stephen R. Kerrigan, *Treasurer*
 Mr. Jeffery E. Kinard '77, *Vice Chair*

Ms. Sharon B. Kingman '80
 Ms. Bradford Marshall
 Mr. H. Chapman "Chappy" McKay '86
 Mr. Justin R. McLain '98
 Mr. D. Sherwood Miler III '74
 Charles Mosteller, M.D. '81
 Mr. Daniel Ravenel '72
 Mr. R. Keith Sauls '90
 Mr. Hilton C. Smith, Jr., *Chair*
 Dr. Sam Stafford III '68
 Ms. Chloe Knight Tonney '84
 Mr. W. Dixon Woodward
 Ms. Tomi G. Youngblood



MISSION

The Mission of the College of Charleston Foundation is to promote programs of education, research, student development, and faculty development for the exclusive benefit of the College of Charleston.

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