



2018 | 2019

REPORT TO THE
COMMUNITY

FOUNDATION FOR
THE CAROLINAS

LETTER FROM THE PRESIDENT & BOARD CHAIR



Todd Mansfield and
Michael Marsicano

A civic duty of any community foundation is to respond – respond to crises, respond to opportunities, respond to donors, respond to our neighbors and respond to our communities. Over the past year, we have answered these calls, both in our backyard and beyond.

The Foundation's response starts with our combined 2,800 fundholders. In 2018, they awarded more than 20,000 grants totaling \$315 million to nonprofits. Contributions to FFTC-held funds totaled \$369 million. Thanks to that generosity, our charitable assets ended 2018 at \$2.4 billion. That does not include \$128 million in new planned gift commitments from fundholders, which increased our expected future estate gifts to more than \$800 million.

Generosity throughout our region made a difference, with our regional affiliate in Stanly County doubling its grantmaking to local nonprofits, our Cabarrus County affiliate nearly tripling its grants and Lancaster County increasing grantmaking more than tenfold in just two years.

During a time of challenges as varied as hurricanes and housing, your community foundation responded:

► When Hurricane Florence hit the Carolinas in September 2018, the Foundation launched a hurricane response fund. We were joined by the efforts of the Walmart corporation, which launched its own relief fund through FFTC, and former Carolina Panther Julius Peppers, who created a fund at the Foundation. Direct grants from our subsidiary, E4E Relief, to individuals in dire circumstances totaled more than \$5 million. In all, across the four funds, we helped distribute more than \$20 million to aid hurricane victims.

► The Foundation launched the Charlotte Housing Opportunity Investment Fund in 2018 with the goal of raising \$50 million from the private sector to address Mecklenburg County's affordable housing crisis. With investments from corporations, foundations and financial and healthcare institutions, we exceeded our goal in 2019. Along the way, we raised an additional \$104 million to date in affordable housing support outside the fund.

► In June 2019, the Foundation announced it raised \$6.2 million from the private sector to support Mecklenburg County's pre-k initiative. The money raised will fund scholarships and other support for future pre-k teachers studying at local colleges and universities. This is all part of the County's push to achieve universal pre-k for all 4-year-olds, a recommendation of the Leading on Opportunity Report.

Our response to our community's needs reflects the generosity of our fundholders, our community partners and our area nonprofits. You lead by example, and we follow with gratitude and humility. Thank you for making this year a brighter one for the causes we all hold dear.

Todd Mansfield
Board Chair, 2017-2019

Michael Marsicano, Ph.D.
President and CEO

MAKING AN IMPACT IN 2018-19 | HURRICANE FLORENCE

WHEN HURRICANE FLORENCE HIT THE CAROLINA COAST IN SEPTEMBER, THOUSANDS OF RESIDENTS WERE FORCED TO FLEE THE DANGEROUS STORM AND WERE LEFT WITH THE DAUNTING TASK OF REBUILDING. FOUNDATION FOR THE CAROLINAS CREATED THE HURRICANE FLORENCE RESPONSE FUND TO OFFER RELIEF TO THOSE IN GREATEST NEED.

Generous donors in our region and beyond rallied to raise money for the fund. From the \$1 million gift from Michael Jordan to the \$75 gift from a Brooklyn, N.Y., bake sale, and everything in between, a diverse group of people came together to help those affected by the disaster. Local retailers and restaurants also did their part by hosting fundraisers and holding auctions to support the fund.

Thanks to the generosity of the contributors, FFTC has awarded more than \$2.25 million to nonprofits aiding victims of the hurricane, from mental health services to home repair and food banks.

“I’m thrilled that our fund helped the process of recovery,” said FFTC President and CEO Michael Marsicano. “It’s a testament to the generosity of the businesses and individuals who donated to our fund that we can continue to aid those in need.”

Most recently, in April 2019, the fund announced a second round of grants. Twenty-six nonprofits were awarded more than \$1.5 million, with a focus on short-term and long-term rebuilding projects.

Visit fftc.org/hurricaneflorencegrants for a full list of grants.



The home of Jimmie and Charlene, from Wilmington, was damaged by Hurricane Florence. They sought assistance from Cape Fear Habitat for Humanity, one of the nonprofits that received a grant from FFTC’s Hurricane Florence Response Fund.



Harvest Hope Food Bank received a \$25,000 grant for food aid from the Hurricane Florence Response Fund.



Gifts to the Hurricane Florence Response Fund came from many places, including these kids who donated funds from a bake sale they held in Brooklyn, N.Y.

MAKING AN IMPACT IN 2018-19 | AFFORDABLE HOUSING

AFFORDABLE HOUSING IS A CRITICAL COMPONENT FOR FOSTERING UPWARD MOBILITY AND CREATING VIBRANT COMMUNITIES. YET, MECKLENBURG COUNTY CURRENTLY FACES A DEFICIT OF 36,000 AFFORDABLE HOUSING UNITS, AND NEARLY HALF OF ITS RESIDENTS ARE COST-BURDENED, MEANING HOUSING COSTS EXCEED 30 PERCENT OF INCOME.

In response to the affordable housing shortage, Foundation For The Carolinas started the privately financed Charlotte Housing Opportunity Investment Fund in spring 2018 with a \$5 million program-related investment, the largest of its kind in FFTC's history. Thanks to generous donors, the fund exceeded its \$50 million fundraising goal in September 2019 and currently stands at \$53 million.

The fundraising campaign followed the City of Charlotte's placement of a successful \$50 million bond referendum on the ballot in 2018 to dramatically boost its publicly financed Housing Trust Fund.

Also announced in September 2019, A Way Home, an initiative of the Foundation and a public/private endowment focused on rental subsidies and wraparound services for families in need, exceeded its \$20 million endowment goal, and currently stands at \$26 million for the program.

The privately financed Charlotte Housing Opportunity Investment Fund aims to lessen the growing affordability gap to develop housing that serves residents in a range of incomes, including moderate, low and extremely low-earning households. Local Initiatives Support Corporation, also known as LISC, will hold and manage the



Local elementary school teacher Nicole Matthews is one of many people helped by A Way Home, a rental subsidy program. During its pilot phase, 75 percent of families that completed the A Way Home program have remained housed without ongoing subsidies.

Charlotte Housing Opportunity Investment Fund, which will work in tandem with the City's trust fund.

A number of companies and philanthropists contributed to the campaign. Visit www.ffc.org/CHOIF for a full list of contributors.

In addition to the \$53 million raised in the Charlotte Housing Opportunity Investment Fund, another \$104 million in private sector support was pledged outside the fund. In total – including the \$50 million from the public sector, \$15 million from Mecklenburg County for rental subsidies, a \$25 million pledge from LISC, and \$26 million raised for A Way Home – \$273 million in public and private sector funds have been committed to support affordable housing since the campaign began.

Increasing access to affordable housing and providing opportunities to build equity through home ownership were key recommendations in 2017's **Leading on Opportunity report**.



Ralphine Caldwell of LISC and Gene Woods of Atrium Health discuss the Charlotte Housing Opportunity Investment Fund. Atrium Health made a \$10 million contribution to the fund, the largest of any entity.



Jesse Cureton announces Novant Health's \$6 million pledge to the Charlotte Housing Opportunity Investment Fund, which brought the fund past its \$50 million goal.

YOUR COLLECTIVE GENEROSITY – GRANTS, CONTRIBUTIONS & ASSETS

2018 GRANTS TO NONPROFITS BY CATEGORY

Environment	\$117,542,783	37%
Education	\$74,925,336	24%
Human Services	\$34,431,730	11%
Health	\$23,196,536	7%
Other Charitable Causes	\$22,361,894	7%
Arts & Culture	\$19,551,483	6%
Religion	\$14,498,629	5%
Social Capital	\$5,021,586	2%
Animal Welfare	\$3,708,024	1%

2018 GRANTS TO NONPROFITS BY CENTER



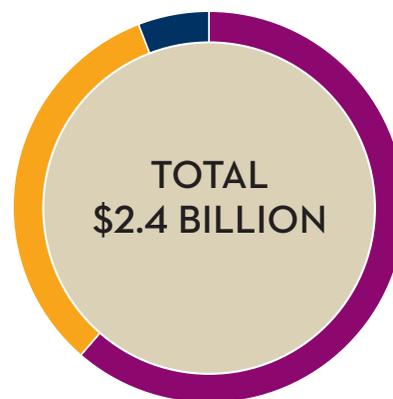
- \$227 Million (72%)
- \$44 Million (14%)
- \$43 Million (14%)

2018 CONTRIBUTIONS TO FUNDS BY CENTER



- \$204 Million (55%)
- \$85 Million (23%)
- \$80 Million (22%)

2018 ASSETS BY CENTER



- \$1.472 Billion (61%)
- \$787 Million (33%)
- \$140 Million (6%)

COLOR LEGEND

- CENTER FOR PERSONAL PHILANTHROPY
- CENTER FOR NONPROFIT SUSTAINABILITY
- CENTER FOR CORPORATE PHILANTHROPY

SUMMARIZED FINANCIAL INFORMATION

for Years Ended December 31



Visit www.ffc.org
for current financial
information

STATEMENT OF FINANCIAL POSITION	2018	2017
ASSETS		
Cash and Cash Equivalents	\$ 131,504,079	\$ 157,613,855
Accounts Receivable	5,923,357	4,273,011
Pledges Receivable, Net	52,516,230	61,476,784
Prepaid Expenses/Inventory	131,038	131,852
Short Term Investments	150,074,007	140,148,893
Property and Equipment, Net	23,824,183	20,758,002
Notes Receivable	4,812,954	3,616,810
Other Assets	7,820,244	109,327,881
Beneficial Interest in Trust	695,801	336,365
Long Term Investments	1,979,325,679	1,952,873,611
Other Investments	42,853,359	32,913,186
Total Assets	<u>\$2,399,480,931</u>	<u>\$2,483,470,250</u>
LIABILITIES AND NET ASSETS		
Liabilities	\$ 572,909,387	\$ 601,463,480
Net Assets	<u>1,826,571,544</u>	<u>1,882,006,770</u>
Total Liabilities and Net Assets	<u>\$2,399,480,931</u>	<u>\$2,483,470,250</u>

STATEMENT OF ACTIVITIES	2018	2017
REVENUES		
Contributions	\$ 368,601,318	\$ 558,990,250
Less – Contributions Received on Behalf of Others	(49,905,335)	(21,050,677)
Net Contributions	318,695,983	537,939,573
Other, Net*	(48,393,317)	238,995,922
Total Revenues, Gains and Other Support	<u>\$ 270,302,666</u>	<u>\$ 776,935,495</u>
EXPENSES		
Grants	\$ 315,238,001	\$ 419,210,734
Less – Grants Disbursed on Behalf of Others	(29,821,354)	(25,718,814)
Net Grants	285,416,647	393,491,920
Other Program Expenses	18,019,998	16,853,391
Management and General	20,723,427	17,593,585
Fundraising and Development	1,577,820	2,589,031
Total Expenses	<u>\$ 325,737,892</u>	<u>\$ 430,527,927</u>
Change in Net Assets	\$ -55,435,226	\$ 346,407,568
Net Assets, Beginning of Year	1,882,006,770	1,535,599,202
Net Assets, End of Year	<u>\$1,826,571,544</u>	<u>\$1,882,006,770</u>

Federal Tax ID #56-6047886
Confirmed in Compliance
with National Standards for
U.S. Community Foundations

*Includes net investment gains/losses, administrative fees received and change in beneficial interest in trust.

FOUNDATION FOR THE CAROLINAS BOARD AND STAFF

FFTC 2018-2019 GOVERNING BOARD

Todd Mansfield, Chair
Crescent Communities

Kendall Alley
Wells Fargo

Gwin Barr
Civic Leader

Cathy Bessant
(Incoming 2019)
Bank of America

Chantay Boulter
Town of Fort Mill

Jesse Cureton
Novant Health

Al de Molina
Regional Management
Corporation

Lynn Good
Duke Energy

Venessa Harrison
(Outgoing 2018)
AT&T North Carolina

Barnes Hauptfuhrer
Chapter IV Investors

Jewell Hoover
Hoover and Associates

Howard Levine
Howard R. Levine
Foundation

Fritz Nauck
McKinsey & Company

Janice Patrick
Civic Leader

Chris Poplin
Faison Enterprises

Kevin Roche
Civic Leader

Lynne Scott Safrit
Civic Leader

Ruth Shaw
Civic Leader

Eugene "Gene" Woods
Atrium Health

FFTC STAFF AND AFFILIATED ENTITIES

