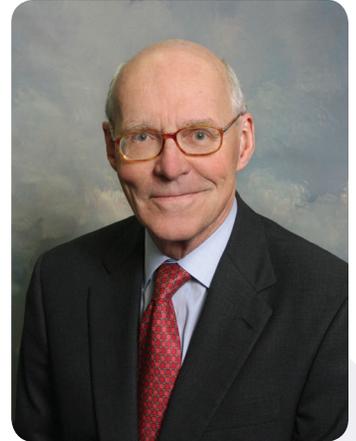


SECU Foundation

2017 Report of the Chairman

“People Helping People®” is a phrase synonymous with credit unions; it’s the philosophy on which State Employees’ Credit Union (SECU) was founded 80 years ago. In 2004, the Credit Union embarked on a new venture firmly grounded in that same philosophy – the member-funded SECU Foundation. With your financial support and dedication, the Foundation’s mission to promote local and community development through high impact projects is being fulfilled in tremendous ways, including education programs, medical facilities and housing for the underserved. In fact, your collective financial commitment for initiatives funded by SECU Foundation since inception has exceeded \$130 million, producing life-changing results for the people who need your help the most. It is with my deepest appreciation that I share with you the Foundation’s accomplishments from the past year.



Grant funding began with two educational projects, starting with your support for Season 4 production of the PBS docu-series *A Chef’s Life*. The sponsorship not only recognized the value of the show’s focus on North Carolina food traditions and its support of local farmers, but also provided a fun learning opportunity for Southeast Elementary School students to meet series host Chef Vivian Howard for an educational scavenger hunt and tasting of local produce at the Lenoir County Farmers Market. You also rallied behind the success of the SECU Public Fellows Internship pilot by expanding the program from three to nine North Carolina state universities for 2016/2017. The Foundation’s grant of up to \$100,000 awarded to each campus provided paid job opportunities for 20 in-state undergraduates to earn valuable hands-on experience using their talents and skills to make a positive impact in the economic future of our local communities.

SECU Foundation once again renewed its “People Helping People®” high school and community college scholarship programs. Your 2017 funding allocation of more than \$5 million is helping hundreds of college-bound students continue their post-secondary education at one of North Carolina’s excellent community colleges and state universities.

Thanks to your financial commitments for healthcare and human services, SECU Advance Community Health in Southeast Raleigh was dedicated, bringing comprehensive healthcare services to residents with little or no access to primary medical care. Your \$500,000 contribution to Fellowship Hall for SECU Lecture Hall has helped the Greensboro non-profit expand alcohol/drug treatment and family programs with space to grow its education outreach for addiction awareness in North Carolina. In September 2016, the SECU Jim and Betsy Bryan Hospice Home of UNC Health Care also opened with a ceremonial Ribbon Cutting. This beautiful Chatham County Home is providing families with a local option for end-of-life care and a most welcome reprieve to some of the hardships experienced during the final phases of a loved one’s life.

New projects were unveiled as well, including one for western North Carolina that will provide greater access to top-notch treatment programs and support for families affected by Alzheimer’s and other cognitive disorders – the SECU Center for MemoryCare in Asheville. Your compassionate response to

MemoryCare's need for expanding dementia care treatment and caregiver education programs provided a \$1.8 million challenge grant, bringing to reality the non-profit's dream for a new permanent facility. Teaming up with CarolinaEast Health System and its Foundation, a three-year \$3.5 million grant for the construction of a new cancer facility in New Bern was also announced. This tremendous gift for the SECU Comprehensive Cancer Center at CarolinaEast Medical Center will help further patient care and cancer prevention programs with the aim of reducing the high cancer incidence rates in the coastal Carolina region. Lastly, a \$2 million grant for the expansion of a new wing to nearly double the capacity of SECU Family House at UNC Hospitals affirms your support for increased hospitality house services for North Carolinians in their time of need.

In October 2016, Hurricane Matthew hit the central and eastern regions of North Carolina with devastating floods that we will not forget. Your \$500,000 donation to the North Carolina Association of Feeding America Food Banks helped provide thousands of fellow citizens with water, food, cleaning supplies and other items through local food banks directly serving impacted communities.

Your continued support for housing initiatives also benefited the underserved, as many projects came to fruition statewide. SECU Veterans Hall opened a new dormitory for female cadets at Tarheel Challenge Academy's New London campus, helping expand a program sponsored by the North Carolina National Guard that's changing the lives of at-risk young men and women through education, job skills and self-discipline. And Pearce House in Wilmington is now the permanent home for area residents with disabilities, thanks to your provision of a \$413,000 interest-free construction loan in partnership with the North Carolina Housing Finance Agency.

In addition, the dedication of the Williams-Baldwin Teacher Campus in Asheville drew great applause from educators and supporters. The Foundation's investment of a 15-year interest-free loan of up to \$2.8 million to build the Campus is helping Asheville City and Buncombe County schools address the lack of affordable housing needed to attract and retain high-quality teachers to the area. Rounding out this stellar list was the opening of SECU Lakeside Reserve in Wilmington, which has truly ended homelessness for sixteen area citizens. Your shared commitment of \$1 million for the construction of the apartment complex has given these individuals – seniors, veterans, and persons with disabilities – a supportive and stable place to call home.

In recounting the past year, it's incredible to see what has been accomplished. When you combine the success and tremendous impact of the Foundation's work over the span of thirteen years it's even more astounding! None of this would have been possible without your financial support and staunch belief in the credit union philosophy of "People Helping People®." Your collective \$1 monthly contributions to the Foundation are generating huge advancements in education, housing, healthcare and human services through innovative projects that are helping address some of the most prominent and challenging issues in our state. I look forward to the new ventures that lie ahead of us and would like to thank you for your faithful support of SECU Foundation and for making such a positive difference in North Carolina.

Sincerely,

A handwritten signature in black ink that reads "James D. Johnson". The signature is fluid and cursive, with the first name "James" being particularly prominent.

James D. Johnson
SECU Foundation Board Chairman