



**SECU FOUNDATION**

# *2024 Annual Report*

July 1, 2023 - June 30, 2024

**SECU Foundation**

PEOPLE HELPING PEOPLE®

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# *Independent Auditors' Report*

*Board of Directors  
State Employees' Credit Union Foundation  
Raleigh, North Carolina*

## **OPINION**

We have audited the accompanying financial statements of State Employees' Credit Union Foundation (the Foundation), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of State Employees' Credit Union Foundation as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **BASIS FOR OPINION**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors'

Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of State Employees' Credit Union Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **CHANGE IN ACCOUNTING PRINCIPLE**

As discussed in Note 1 to the financial statements, effective July 1, 2023, State Employees Credit Union Foundation adopted new accounting guidance for the measurement of credit losses on financial instruments. Our opinion is not modified with respect to this matter.

## **RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about State Employees' Credit Union Foundation's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Board of Directors  
State Employees' Credit Union Foundation

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of State Employees' Credit Union Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by

management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about State Employees' Credit Union Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Board of Directors  
State Employees' Credit Union Foundation

### SUPPLEMENTARY INFORMATION

We have audited the financial statements of State Employees' Credit Union Foundation as of and for the year ended June 30, 2024, and our report thereon dated September 26, 2024, which expressed an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Board of Directors, Executive Director, and Contact Information, a which is the responsibility of management, is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.



CliftonLarsonAllen LLP  
Baltimore, Maryland  
September 26, 2024

# Statements of Financial Position

ASSETS	2024	2023
Cash and cash equivalents	\$ 49,392,760	\$ 49,624,836
<b>Loans receivable (See Notes 2 &amp; 3)</b>		
NC Teacher Housing	5,728,712	3,112,960
NCHFA construction loans	1,710,592	173,878
Other Foundation loans	4,941,908	5,098,364
Habitat for Humanity	7,535,382	8,015,560
Less: allowance for loan losses	(536,998)	(340,520)
Total loans receivable	19,379,596	16,060,242
Personal Property - Automobile	41,364	-0-
<b>Total assets</b>	<b>\$ 68,813,720</b>	<b>\$ 65,685,078</b>
LIABILITIES	2024	2023
Accounts payable	\$ 13,545	\$ 9,213
Scholarships payable	12,041,808	12,187,203
<b>Grants payable</b>		
SECU Internship Program	-0-	1,143,988
Mission Development Grant Program	465,000	540,000
Grant programs	19,883,954	18,960,632
Total grants payable	20,348,954	20,644,620
<b>Total liabilities</b>	<b>\$ 32,404,307</b>	<b>\$ 32,841,036</b>
NET ASSETS	2024	2023
<b>Without donor restrictions</b>		
Undesignated	\$ 14,334,911	\$ 11,567,158
Designated	22,074,502	21,276,884
Total net assets	36,409,413	32,844,042
<b>Total liabilities &amp; net assets</b>	<b>\$ 68,813,720</b>	<b>\$ 65,685,078</b>

The accompanying notes are an integral part of the financial statements.

# Statements of Activities and Changes in Net Assets

	2024	2023
<b>Revenues, gains, and other support:</b>		
SECU member contributions	\$ 20,109,100	\$ 19,786,257
SECU contributed services	1,320,669	1,188,959
Interest and dividends	834,060	480,336
Total revenues, gains, and other support	22,263,829	21,455,552
<b>Program expenses:</b>		
Total scholarships	4,749,542	4,827,653
SECU Internship Program	329,055	1,705,000
Mission Development Grant Program	1,200,000	1,600,000
Grant programs	10,586,323	13,569,382
Total program expenses	16,864,920	21,702,035
Provision for Loan Losses	196,478	208,944
Management and general expense	1,631,890	1,270,964
Total expenses	18,693,288	23,181,943
Depreciation Expense – Personal Property	5,170	-0-
Changes in net assets	3,565,371	(1,726,391)
Net assets, beginning of year	32,844,042	34,570,433
<b>Net assets, end of year</b>	<b>\$ 36,409,413</b>	<b>\$ 32,844,042</b>

The accompanying notes are an integral part of the financial statements.



# Statements of Cash Flows

	2024	2023
<b>Cash flows from operating activities:</b>		
Changes in net assets	\$ 3,565,372	\$ (1,726,391)
Provision for Loan Losses	196,478	208,944
Depreciation Expense	5,170	-0-
<b>Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:</b>		
(Decrease) Allowance for loan losses	-0-	(292,596)
(Decrease) / Increase in grants payable	(295,665)	6,980,163
(Decrease) in scholarships payable	(145,396)	(100,098)
Increase / (Decrease) in accounts payable & escrow	4,331	(237,796)
Net cash provided by operating activities	3,330,290	4,832,226
<b>Cash flows from investing activities:</b>		
Loan issuance	(4,636,714)	(173,878)
Principal collected on loans	1,120,882	1,966,483
Fixed assets purchase	(46,534)	-0-
Net cash (used) / provided in investing activities	(3,562,366)	1,792,605
Net (decrease) / increase in cash and cash equivalents	(232,076)	6,624,831
Cash and cash equivalents at beginning of year	49,624,836	43,000,005
<b>Cash and cash equivalents at end of year</b>	<b>\$ 49,392,760</b>	<b>\$ 49,624,836</b>

The accompanying notes are an integral part of the financial statements.

# Notes to Financial Statements

## NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Organization:** The State Employees' Credit Union Foundation (the Foundation) is a private, non-profit, charitable foundation in North Carolina. The Foundation was approved by the Internal Revenue Service as a 501(c)(3) corporation in 2001 and began operating in July 2004. The focus of the Foundation is to promote local community development primarily through high impact projects in the areas of housing, education, healthcare, and human services. As an extension of the cooperative ideals on which State Employees' Credit Union (SECU) was founded, the funding for the Foundation is provided through contributions of SECU members. Members of SECU provide funding for the Foundation primarily through voluntary contributions of \$1.00 monthly maintenance fees on checking accounts. These fees would otherwise go toward the operation of SECU. In February 2022, SECU introduced Employee Contributions which allows employees to donate \$5, via payroll deduction, each month to the Foundation. Additional, voluntary unrestricted contributions are accepted. While a \$1.00 per month maintenance fee contribution is generally not a significant burden on any individual member, the collective impact of the donations creates opportunities to positively impact and improve the quality of life in neighborhoods and communities throughout North Carolina. The Foundation is an outreach of the "People Helping People®" cooperative philosophy on which SECU was organized and by which SECU operates.

**Basis of Accounting:** The financial statements of the Foundation are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for non-profit organizations. The financial statements include the accounts maintained by and directly under the control of the Foundation.

The financial statements of the Foundation are presented following the guidance of the "Not-for-Profit Organizations--Audit and Accounting Guide," including ASC 958-605 "Accounting for Contributions Received and Contributions Made" and ASC 958-205, "Financial Statements of Not-for-Profit Organizations," which require the Foundation to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are available for use in general operations. Board-designated funds represent net assets without donor restrictions, which are designated by the Board of Directors of the Foundation (the Board) action for scholarships or grants. All net assets of the Foundation were classified as without donor restrictions as of June 30, 2024 and 2023.

Net assets with donor restrictions consist of amounts that are subject to donor restrictions and income earned on donor restricted investments in perpetuity. The Foundation is permitted to use up or expend the donated assets in accordance with the donor restriction. The Foundation does not have any net assets with donor restrictions as of June 30, 2024 and 2023.



**Cash and Cash Equivalents:** For purposes relating to the statements of cash flows, the Foundation considers all highly liquid debt instruments with a maturity of three months or less, at the time of purchase, to be cash equivalents. The Foundation also includes money market accounts as cash equivalents. The Foundation maintains cash balances at SECU. Accounts are insured by the National Credit Union Share Insurance Fund (NCUSIF) up to specified limits. Balances in these accounts generally exceed NCUSIF limits. The Foundation held balances in excess of NCUSIF limits of \$49,131,041 and \$49,405,110 as of June 30, 2024 and 2023, respectively.

**Loans Receivable:** In furtherance of its charitable purpose, the Foundation provides loans to certain tax-exempt organizations that seek to develop housing supporting teachers, older adults, persons with disabilities, and state employees in North Carolina. Loan receivables are recorded during the year in which the funds are disbursed. Loans are stated at the amount of unpaid principal, reduced by an allowance for credit losses. Management has an established methodology to determine the adequacy of the allowance for credit losses that assesses the risks and losses inherent in the loan portfolio. The Allowance for Credit Loss was \$536,998 and \$340,520 as of June 30, 2024 and 2023, respectively. Past due status is based on contractual terms of the loan.

**Allowance for Loan Loss:** In fiscal year 2024 the Foundation started utilizing the Simplified CECL tool in determining expected future credit losses for the mortgage loans. This method considers losses over the full life cycle of the loan. The Simplified CECL tool provides a methodology for lenders to determine the Allowance for Credit Losses (ACL) on loans and leases for their loan portfolio. The tool relies on portfolio-level Weighted Average Remaining Maturity (WARM) proxy data to estimate current expected credit losses. The WARM method for calculating the ACL was the chosen tool. The Financial Accounting Standards Board deemed it appropriate to estimate a credit loss allowance for less complex financial asset pools. For the WARM assumptions to remain applicable in an ever-changing environment, the Simplified CECL Tool is updated quarterly.

The Foundation's expected loss estimate is anchored in historical credit loss experience, with an emphasis on all available portfolio data. The Foundation's historical look-back period includes December 2017 through the current period, on a quarterly basis. When historical credit loss experience is not sufficient for a specific portfolio, the Foundation may supplement its own portfolio data with external models or data. As of June 30, 2024, the Foundation has not experienced any losses.

The Foundation also considers qualitative adjustments to the quantitative baseline. For example, the Foundation considers the impact of current environmental factors at the reporting date that did not exist over the period from which historical experience was used. Relevant factors include, but are not limited to, concentrations of credit risk (geographic, large borrower, and industry), economic trends and conditions, changes in underwriting standards, experience and depth of lending staff, trends in delinquencies, and the level of criticized loans.

Prior to the adoption of ASC 326, the Foundation used an incurred loss model to measure an allowance for loan losses.

**Grants and Scholarships:** Unconditional grants and scholarships are recorded as an expense during the year of approval. Grants and scholarships subject to certain conditions are recorded as expenses during the year in which conditions are substantially met or when the possibility that the conditions will not be met is remote, as determined by management. Grants and scholarships payable within one year are recorded at their fair value at the date of authorization. Grants and scholarships payable in more than one year are recorded at the present value of their future cash flows, using a risk-free rate of return based on U.S. Treasury securities.

**Revenue Recognition:** The Foundation has adopted the accounting treatment prescribed by Financial Accounting Standards Board ASC 958, Accounting for Contributions Received and Contributions Made, and Financial Statements for Not-for-Profit Organizations (FASB ASC 958). In accordance with FASB ASC 958, contributions received by the Foundation are treated as net assets without donor restrictions unless restricted by donor. As of June 30, 2024, there are no donor restrictions present.

**Net Assets:** As of June 30, 2024, and 2023, all net assets of the Foundation were classified as without donor restriction. These assets have no donor restrictions and may be used for any purpose consistent with the mission of the Foundation. Undesignated net assets of \$14,334,911 and \$11,567,158 are available to be awarded as of June 30, 2024 and 2023, respectively. The Board designated \$22,074,502 and \$21,276,884 of net assets without donor restrictions for current projects related to amounts included in loans receivable and any unfunded construction loan commitments as of June 30, 2024 and 2023, respectively.

**Contributed Services:** Donations of services that create or enhance physical assets and essential services that require, and are donated by, persons with specialized skills are to be measured at fair value and reported as increases in net assets without donor restrictions during the reporting period. Fair Value is calculated using the actual costs incurred by SECU. Services donated by persons without specialized skills are not recorded. The Foundation receives donations of management, legal, and accounting services as contributed services. Expenses related to contributed services are included in management and general expense on the Statements of Activities and Changes in Net Assets. Contributed services provided by persons with specialized skills and support services in the amounts of \$1,320,669 and \$1,188,959 were recognized in the years ended June 30, 2024 and 2023, respectively.

**Functional Allocation of Expenses:** The Foundation reports expenses on a functional basis in the statement of activities and changes in net assets. These functions consist of programs as well as management and general. Expenses directly related to individual programs are classified as program expenses. Taxes, insurance, and administrative costs related to the Foundation are reported as management and general.

**Federal Excise Taxes:** The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is not subject to federal income taxation except to the extent that it has unrelated business taxable income. The Foundation is classified as a private foundation and is subject to a federal excise tax of two percent on net investment income unless certain conditions are met in which case the Federal excise tax is 1 percent. In both 2024 and 2023 the Foundation was subject to a two percent rate with estimated excise tax expenses of \$16,681 and \$9,607, respectively.

Management has evaluated the Foundation's tax positions and concluded that the Foundation has taken no uncertain tax positions that would require adjustments or disclosure in the Financial Statements to comply with the provisions of ASC Topic 740, Accounting for Uncertainty in Income Taxes.

The Foundation is also required to make certain minimum qualifying distributions of its assets in accordance with formulas provided by Federal law. As a private foundation, the Foundation is required to make a minimum distribution of five percent of the net value of noncharitable-use assets. The minimum distribution may be further increased for recoveries of amounts treated as distributions from a previous year. In 2024, the Foundation was required to make minimum distributions of \$3,485,326 (\$4,218,889 in 2023). The Foundation made qualifying distributions in 2024 totaling \$22,276,116 and \$15,092,574 in 2023, satisfying the minimum requirements.

**Use of Estimates:** When preparing these financial statements in conformity with generally accepted accounting principles in the United States of America, management is required to make certain estimates that affect the reported amounts of assets and liabilities as of the date of the financial statements and the revenues and expenses in the reporting period. Actual results could differ from those estimates.

**New Accounting Pronouncements:** On July 1, 2023, the Foundation adopted ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended (ASC 326), which replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss methodology (CECL). The measurement of expected credit losses under CECL is applicable to financial assets measured at amortized cost, including loan receivables and held to maturity securities. It also applies to off-balance sheet credit exposures such as loan commitments and standby letters of credit. In addition, changes were made to the accounting for available for sale securities, which requires credit losses to be presented as an allowance rather than as a direct write-down of the available for sale securities when management does not intend to sell or believes that it is more likely than not that they will be required to sell.

The Foundation adopted the standard using the modified retrospective method for all financial assets measured at amortized cost and for off-balance sheet credit exposures. Results for annual periods beginning after July 1, 2023 are presented under the new CECL model while prior reporting periods continue to be reported in accordance with previously applicable GAAP. The adoption of this standard did not have a material effect on the Foundation’s operating results or financial condition.

On March 31, 2022, FASB issued ASU 2022-02, *Financial Instruments—Credit Losses (Topic 326) Troubled Debt Restructurings and Vintage Disclosures*, which eliminates the troubled debt restructuring (“TDR”), accounting model for creditors that have adopted Topic 326, *Financial Instruments – Credit Losses*. In addition, on a prospective basis, entities will be subject to new disclosure requirements covering modifications of receivables to borrowers experiencing financial difficulty. Upon adoption of this guidance, the Foundation no longer establishes a specific reserve for modifications made on or after July 1, 2023 to borrowers experiencing financial difficulty. Instead, these modifications are included in their respective loan segment in the allowance for credit losses on loans. The Foundation has adopted ASU 2022-02 effective on July 1, 2023. The adoption of this standard did not have a material effect on the Foundation’s operating results or financial condition.

## NOTE 2: PROGRAMS, SCHOLARSHIPS AND GRANTS

A key mission of the Foundation is to fund planning and development of projects which have the potential to attract broad-based local and state partnerships and to be self-sustaining. The Foundation promotes local and community development primarily by funding high impact projects in the areas of housing, education, healthcare, and human services. Letters of Interest are accepted on a rolling basis throughout the year and awards are generally made in January and July. All grants and awards for projects are approved by the Foundation Board.

Beginning in 2004, the Foundation funded a \$10,000 four-year college scholarship for a graduating senior in every regular public high school. In 2023, the Foundation set a limit of 442 scholarships to be distributed statewide. The allocation of scholarships is based on the 115 NC Local Education Agencies (LEA or school districts). The statewide distribution per school district ensures the equitable dissemination of scholarships across North Carolina. The Foundation runs the allocation formula each year based on the information provided by the Department of Public Instruction. In addition, the Foundation has provided two \$5,000 scholarships over two years to students attending each of the 58 community colleges in the North Carolina Community College Systems.

In 2018, the Foundation collaborated with the North Carolina Community College System to establish the SECU Bridge to Career Program replacing the Continuing Education Scholarship Program. The Bridge to Career Program was established to help remove financial barriers for students seeking to obtain state-regulated or industry-recognized credentials that lead to sustainable wage careers within their local communities. During fiscal year 2024 an additional \$1,044,000 was granted to the program. The outstanding balance as of June 30, 2024 and 2023 was \$1,044,000.

In 2015, the Foundation worked with the University of North Carolina at Pembroke, Appalachian State University, and East Carolina University to roll-out a pilot program named the SECU Public Fellows Internship Program with an initial investment of \$300,000 and provided to each university to be awarded up to \$100,000 in support of paid internships for 20 qualifying in-state undergraduates for the summer of 2015. The program is designed to provide sophomore or junior college students with meaningful job experiences through internship assignments focused on local leadership in rural North Carolina communities. The Foundation Board expanded the program to include sixteen of our state universities in 2022. This initiative was continued with additional commitments of \$1,705,000 in 2024 and 2023. The outstanding balances as of June 30, 2024 and 2023 were \$0.00 and \$1,143,988, respectively.

The University scholarship, Community College scholarship, SECU Partnership East, SECU Appalachian Partnership, SECU Bridge to Career, and SECU Public Fellows Internship program commitments total \$7.8 million in 2024 and 2023 and total over \$115 million since inception of the educational programs in 2004.

The Foundation has provided funding to NC GreenPower Solar+ Schools for the advancement of renewable energy sources since 2007. NC GreenPower Solar+ Schools is a non-profit organization that works with electric utilities across the state of North Carolina to encourage development of renewable energy. In 2015, the Foundation granted \$140,000 to the organization to assist in installing a five-kilowatt solar photovoltaic system in up to 14 North Carolina K-12 schools. This project will serve as an educational tool as well as offer greater energy efficiency. In September 2021, an additional \$600,000 was granted to continue the installation of five kilowatt solar photovoltaic systems. The outstanding balances as of June 30, 2024 and 2023 were \$290,000 and \$614,709, respectively.

Since 2007, the Foundation has provided a grant to support the administration of the North Carolina State Employees Combined Campaign, which raises funds from state government employees, for a variety of charities and educational efforts. In 2022, a two-year renewal was granted in the amount of \$45,000 to continue supporting the campaign. The outstanding balance of the grant as of June 30, 2024 and 2023 was \$41,478.

Since 2008, the Foundation sponsored the Governor's Awards for Excellence program. The Awards for Excellence program honors the achievements of State employees by recognizing deserving State employees who have demonstrated outstanding achievements in the categories of Customer Service, Efficiency and Innovation, Human Relations, Outstanding Government Service, Public Service, Safety and Heroism, and Spirit of North Carolina. In September 2022, \$72,000 was granted to be disbursed equally in the amount of \$18,000 over a four-year period. The outstanding balances as of June 30, 2024 and 2023 were \$17,477 and \$34,445, respectively.

In March 2020, the Foundation provided a grant of \$5,000,000 to North Carolina Baptists on Mission, a non-profit organization that mobilizes volunteers to respond to identified state, national, and international needs. The grant funds were used to repair up to 1,000 of the 2,100 homes identified by the North Carolina Department of Public Safety as still in need of repair from damages sustained by Hurricane Florence in 2018. The outstanding balances as of June 30, 2023 was \$2,000,000. Funds were no longer needed and were returned to available funds in June 2024.



In March 2021, the Foundation provided a grant of \$500,000 to Healing Transitions, a non-profit organization that provides services for homeless, underserved, and uninsured individuals suffering from alcoholism and other drug addictions. The program operates at separate campuses in Wake County for men and women and helps participants return to a meaningful and productive life. The grant will support a \$6,000,000 renovation and expansion of the Women's Campus. The outstanding balances as of June 30, 2024 and 2023 were \$150,000 and \$300,000, respectively.

In March 2021, the Foundation provided a grant of \$1,000,000 to Partners in Ministry, a non-profit organization that provides services in housing, education, and community resources in the Sandhills region of North Carolina. The grant will support the construction of a \$2,700,000 community education center for Partners in Ministry serving as the hub for educational and human services programming for residents of Scotland, Richmond, and Robeson Counties. The outstanding balance as of June 30, 2024 and 2023 was \$1,000,000.



In March 2021, the Foundation provided a grant of \$500,000 to My Kid's Club, a non-profit organization that encourages youth to grow through opportunities for academic success, civic engagement, and healthy living habits to achieve their potential as responsible and caring citizens. The grant will support construction of a new \$1,700,000 facility in Selma, North Carolina which will serve as the hub of programs for low-resource youth from Johnston County. The outstanding balances as of June 30, 2023 was \$250,000 and fully disbursed in December 2023.

In June 2021, the Foundation provided a grant of \$2,000,000 to the Friends of the North Carolina Museum of Natural Sciences to support the SECU DinoLab project. The grant funds supported the construction of the Paleontology Conservation Lab in the Museum's Nature Research Center. Visitors to the lab can now witness the gradual uncovering of the skeletal remains of two dinosaurs in real time with discovery details and interactive educational resources shared live online. The outstanding balances as of June 30, 2024 and 2023 were \$500,000 and \$1,000,000, respectively.

In October 2017, the Foundation started providing capacity building grants, now referred to as Mission Development Grants, to support nonprofit organizations across North Carolina, especially in rural and underserved communities. Capacity building refers to opportunities for organizations to assess strengths and gaps, set priorities for growth and improvement, strategically expand impact and services, and achieve goals. Organizations are matched with consultants who help them plan and work toward their capacity building goals.

The Foundation continues to provide non-profit organizations with \$40,000 grants under the Mission Development Grant program. In fiscal year 2023 forty grants were disbursed; 14 were granted in August 2022, 6 in September 2022, 11 in March 2023, and, 9 in April 2023. The following statements detail the individual grants awarded.

100 Black Men of the Triangle East was organized to improve the lives of Black youth in Wake and Durham Counties through educational and economic opportunities. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in August 2023.



C.H. Barber Memorial Shelter has served the homeless population of Wilkes County for over 35 years. They provide temporary shelter, food, and additional resources for homeless individuals and families. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in August 2023.

Children's Council of Watauga County helps to build a sturdy foundation for children's learning and development by strengthening families, the early childhood system, and the wider community. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in July 2023.

Choanoke Area Development Association facilitates collaborative leadership to address affordable housing needs for a 5-county region of Northeast North Carolina. The outstanding balance as of June 30, 2024 and 2023 is \$15,000.



Hope Restorations provides re-entry resources to adults recovering from addiction and/or incarceration through intervention programs and job skill training. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in August 2023.

Marian Cheek Jackson Center works to honor and rebuild communities in the historic neighborhoods of Chapel Hill, such as Northside, Pine Knolls, and Tin Top. The organization collaborates with others to address affordable housing, home repairs, and student engagements. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in October 2023.

OBX Room at the Inn provides seasonal and year-round support services, such as hospitality, food, and shelter, to homeless men and women of Dare County. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in August 2023.

Scotland Family Counseling Center supports families and individuals with wellness and mental health concerns through counseling, educational events, and a variety of specialized services. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in August 2023.

The Health Foundation focuses on improving access of healthcare for residents of North Carolina High Country region. The organization works with Wilkes Regional Medical Center recruiting specialists in various medical departments and building regional medical offices. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in July 2023.



Tried by Fire is a non-profit organization committed to assisting previously incarcerated women to successfully re-enter society by providing community-based housing in eight coastal North Carolina Counties. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in August 2023.

Southern Pines Housing & Land Trust was created to improve the quality of life of African Americans in the community by providing educational and financial services to low- and moderate-income land and homeowners, redeveloping abandoned or foreclosed properties. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in August 2023.

YMI Cultural Center promotes cultural preservation and elevates Black Excellence through community engagement, advocacy, leadership development and economic justice. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in February 2024.



Carolina Cross Connection supports the needs of elderly, disabled, and low-resourced residents of western North Carolina through home repair projects that address safety and accessibility. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in July 2023.

Dunn Police Athletic League (PAL) provides children in Harnett County with multifaceted programs aimed toward academic support, leadership development and athletics. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in July 2023.

Hospitality House Northwest NC enables the transition from crisis to stability, from poverty to sustainability, and from homelessness to housing. The organization assists individuals and families by rebuilding lives and strengthening the community with a safe, nurturing, and healthy environment. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in August 2023.

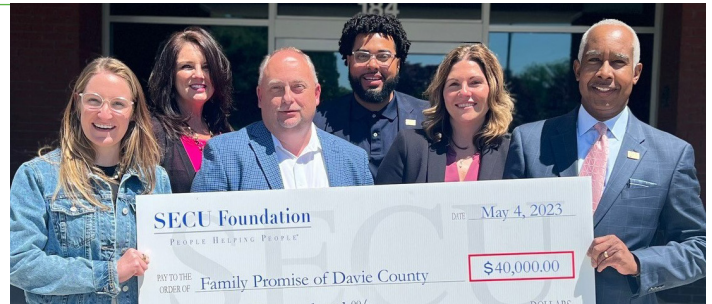
Open Table supports youth in a transitional stage as they are aging out of the foster care system. The program pairs youth with volunteers who connect them with resources such as housing, transportation, education, finance, and healthcare. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in August 2023.



Blue Ridge Opportunity Commission provides services to low-income residents in Alleghany, Ashe, and Wilkes Counties to reduce poverty by connecting community members with resources in the area of education, food scarcity, and rental assistance. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in March 2024.

Communities Supporting Schools of Wayne County public schools provides opportunities for students to stay in school, graduate, and be successful in life. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in February 2024.

Family Promise of Davie County assists families facing homelessness through prevention programs, shelter services, transitional housing, and case management. The outstanding balance as of June 30, 2024 and 2023 is \$15,000.



Lost Province Center for Cultural Arts works to bridge the urban-rural divide to promote community revitalization and cultural arts of the Southern Appalachian Region of North Carolina. Funds will be used to create a mixed-used cultural arts showcase and venue to host classes, community events, and offer sustainable affordable housing. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in March 2024.

Lucy Daniels Center serves the mental health needs of families and children. They provide therapeutic services focusing on early intervention mental health treatment for children. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in August 2023.

Nazareth Child and Family Connection offers essential family programs and services while providing safe, supportive, and nurturing environments for every child, individual and family. The outstanding balance as of June 30, 2023 was \$15,000 and was fully disbursed in February 2024.

Peacehaven Community Farm provides opportunities for adults with disabilities to have meaningful employment, nourishing relationships, and lasting independence through shared living and workspace. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in April 2024.



Roanoke Island Historical Association commemorates and shares the history of the first English colonies in North America on Roanoke Island, North Carolina. The mission is primarily accomplished by the annual production of the symphonic outdoor drama The Lost Colony and through educational events and programs. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in March 2024.

Sustainable Alamance assists formerly incarcerated residents of Alamance County, providing opportunities that serve as alternatives to incarceration, minimizing the negative impacts on families, communities, and society. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in March 2024.



Falcon Children’s Home and Family Services provides long-term residential care for children recovering from trauma with programs to enhance mental, physical, and emotional well-being. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in March 2024.

Sympara assists communities to repurpose closed or underutilized religious properties for social impact addressing affordable housing, healthcare, childcare, and creating economic opportunities for people of color. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in April 2024.

Avery Association for Exceptional Citizens supports adults who have an intellectual or developmental disability diagnosis, through programs teaching common life skills in addition to offering residential services at the Avery County Group Home. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in March 2024.

Durham Center for Senior Life operates three Adult Day Health Centers which provide an array of life-enriching services to senior adults of Durham County by promoting healthy, active, and independent lifestyles. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in June 2024.



Four Square Community Action is a human services agency providing comprehensive programs to improve the social, economic, educational, health, and environmental aspects of low-income, low-resourced residents of western NC. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed December 2023.

NC School for the Deaf at Morganton Foundation seeks to address the need for more effective and enhanced methods to educate hearing-impaired students across the state to reach their full potential. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in April 2024.



Health Education Foundation for Eastern NC (Area L AHEC) provides educational activities and services in rural communities with less access to resources needed to create a healthy region in Edgecombe, Halifax, Nash, Northampton, and Wilson Counties. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in June 2024.

The Giving Spoon works collaboratively with Manna Food Bank, Food Lion, and local farms to provide hunger relief and nutrition education to under-resourced residents of Swain County struggling with food-insecurity by providing 900-1000 meals per week. The outstanding balance as of June 30, 2024 and 2023 is \$15,000.

The Resiliency Collaborative provides low-income youth of Southeast Raleigh with skills to build resilience and promote healing around mental health, develop leadership skills that incorporate social/emotional learning and racial equity, and engage with the community. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in April 2024.

Cakeable Charlotte Inc. promotes culinary arts and provides job skills training for individuals with intellectual and developmental, or neuro-diverse, disabilities creating an inclusive work environment where everyone can contribute with purpose. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in April 2024.



Madison County Arts Council was formed to strengthen the local community through the arts, providing resources to artists and organizations in addition to offering culturally diverse programming for the public. The outstanding balance as of June 30, 2023 was \$15,000 and fully disbursed in June 2024.

A summary of organizations that received a Mission Development Grant in fiscal year 2024 and 2023 is below:

PROJECT NAME	2024	2023
100 Black Men of the Triangle	\$ -0-	\$ 15,000
C.H. Barber Memorial Shelter	-0-	15,000
Children Council of Watauga	-0-	15,000
Choanoke Area Dev Association	15,000	15,000
Hope Restorations	-0-	15,000
Marian Cheek Jackson Center	-0-	15,000
OBX Room at the Inn	-0-	15,000
Scotland Family Counseling	-0-	15,000
The Health Foundation	-0-	15,000
Tried by Fire	-0-	15,000
Southern Pines Housing	-0-	15,000
YMI Cultural Center	-0-	15,000
Carolina Cross Connection	-0-	15,000
Dunn Police Athletic League	-0-	15,000
Hospitality House NW NC	-0-	15,000
Open Table	-0-	15,000
Blue Ridge Opportunity Commission	-0-	15,000
Communities Supporting Schools	-0-	15,000
Family Promise of Davie City	15,000	15,000
Lost Province Center	-0-	15,000
Lucy Daniels Center	-0-	15,000
Nazareth Child & Family Connection	-0-	15,000
Peacehaven Community Farm	-0-	15,000
Roanoke Island Historical Association	-0-	15,000
Sustainable Alamance	-0-	15,000
Falcon Children's Home & Family	-0-	15,000
Sympara	-0-	15,000
Avery Association for Exceptional Citizens	-0-	15,000
Durham Center for Senior Life	-0-	15,000
Four Square Community Action	-0-	15,000
NC School for the Deaf	-0-	15,000
Health Education Foundation	-0-	15,000
The Giving Spoon	15,000	15,000
The Resiliency Collaborative	-0-	15,000
Cakeable Charlotte Inc.	-0-	15,000
Madison County Arts Council	-0-	15,000
	<b>\$ 45,000</b>	<b>\$ 540,000</b>



In August 2021, the Foundation provided a \$1,500,000 grant to Aces for Autism to support the construction of a new facility in Pitt County to serve children with Autism. The outstanding balance as of June 30, 2023 was \$500,000 and the project was fully disbursed in November 2023.



In August 2021, the Foundation funded a \$1,500,000 grant to Partners in Learning to support the construction of an education and clinical facility to assist children with intellectual and developmental disabilities in the Western Piedmont region of North Carolina. The outstanding balance as of June 30, 2023 was \$500,000 and fully disbursed in September 2023.

In August 2021, the Foundation provided a \$1,000,000 grant to Samaritan Colony, Inc. to support the construction of a women's recovery center in Richmond County, North Carolina. The building will have a 14-bed capacity and will provide residential treatment to women with substance abuse issues. The outstanding balances as of June 30, 2024 and 2023 were \$375,000 and \$750,000, respectively.

In August 2021, the Foundation provided a \$1,970,000 grant to UNC Health Foundation to support a three-year telemedicine pilot program that will address behavioral health issues of North Carolina public school students affected by the COVID-19 Pandemic. The outstanding balance as of June 30, 2024 and 2023 was \$470,000.

In September 2021, the Foundation provided a \$350,000 grant to Club Nova Community Inc. The grant supports the construction of a new 9,153 square foot mental health facility to serve adults with diagnosis of serious and persistent mental illness in the Orange County area. The outstanding balance as of June 30, 2023 was \$175,000 and fully disbursed in September 2023.

In September 2021, the Foundation provided a \$750,000 grant to Lincoln County Coalition Against Domestic Violence, a safe haven for individuals and families displaced by violence. The funds support the construction of a new facility to provide quality emergency shelter and supportive services for victims of domestic abuse from Lincoln and surrounding counties. The outstanding balance as of June 30, 2023 was \$375,000 and fully disbursed in October 2023.



In February 2022, the Foundation approved a \$1,500,000 grant to AMOREM to support construction of a new Hospice care facility in Boone, North Carolina. The facility will provide hospice patients and families from the High-Country region with a residential setting to receive respite care, acute symptom care, anxiety relief and pain management. The outstanding balances as of June 30, 2024 and 2023 were \$1,000,000 and \$1,500,000, respectively.



In August 2022, the Foundation granted \$500,000 to Homeward Bound, a hospitality house serving the western North Carolina homeless population through a long-term emergency shelter. The funds support construction of an 85-unit permanent supportive housing campus in Buncombe County to provide services including case management, counseling, medical care and more. The outstanding balances as of June 30, 2023 were \$250,000 and fully disbursed in October 2023.

In September 2022, One Place was awarded a \$2,000,000 challenge grant to support construction of a new child advocacy and resource center in Onslow County. The facility will strive to improve the lives of children and families by connecting them with resources for childcare, early education, and a safe space to speak with medical providers and law enforcement. The outstanding balance as of June 30, 2024 and 2023 was \$1,500,000 and \$2,000,000, respectively.

In October 2022, the Foundation approved a \$1,500,000 grant to the Tammy Lynn Memorial Foundation (founded as the Tammy Lynn Center), an organization serving children and adults with intellectual and developmental disabilities. The funds will help TLC expand the Wake County campus to provide a diverse range of on-site and community-based programs, including educational services, autism therapies, and community living support. The outstanding balance as of June 30, 2024 and 2023 was \$1,500,000.

In November 2022, the Foundation provided a \$500,000 grant to Senior Services, Inc. to support construction of the new Intergenerational Center for Arts and Wellness. The center will allow seniors access to physical health and dementia care, physical/occupational therapy, and experiential arts education. The outstanding balance as of June 30, 2023 was \$250,000 and fully disbursed in October 2023.

In December 2022, the Foundation approved a capital grant of \$2,000,000 to Dorothea Dix Park Conservancy for the purpose of supporting the development of Dix Park into a public urban park located near downtown Raleigh, North Carolina. The outstanding balance as of June 30, 2023 was \$1,000,000 and fully disbursed in January 2024.



In December 2022, the Foundation awarded Surry Medical Ministries a \$750,000 grant to support the purchase and renovation of a medical clinic which will provide integrated primary healthcare to uninsured individuals living at or below the federal poverty level and will reduce the number of costly emergency department visits at Northern Regional Hospital for uninsured patients. The outstanding balance as of June 30, 2023 was \$250,000 and fully disbursed in August 2023.



In January 2023, NC Zoo was granted \$2,000,000 by the Foundation to assist in the construction of the SECU Visitor View Pavilion and Classroom in the new Asia habitat complex, which offers a formal venue for interactive learning opportunities both virtual and in-person visits and includes a glass observation wall overlooking an indoor primate habitat. The outstanding balances as of June 30, 2024 and 2023 were \$1,500,000 and \$2,000,000, respectively.

In April 2023, the Foundation awarded Eden Village of Wilmington \$500,000 to support the construction of 31 individual homes for persons that are homeless and a community center that will offer critical health services, education programs, and community meals. The outstanding balance as of June 30, 2023 was \$250,000 and fully disbursed in July 2023.

In May 2023, the Foundation granted \$500,000 to Charlotte Rescue Mission to assist in the construction of a new Rebound for Men recovery facility to serve an additional 100 men each year in a residential recovery program modeled after the 12-step Alcoholics Anonymous curriculum inclusive of clinical counseling. The outstanding balance as of June 30, 2023 was \$500,000 and fully disbursed in May 2024.

In May 2023, SAFEchild received a \$500,000 grant to support the construction of an advocacy and resource center in Wake County. The center will allow SAFEchild to increase the number of people served and will use the space for medical evaluation and programs with opportunities for parent education and mentoring for women & men. The outstanding balance as of June 30, 2024 and 2023 was \$250,000.



In May 2023, Vecinos was approved for a \$1.6 million grant supporting construction of a medical clinic and human services hub in Franklin, North Carolina that will provide medical care and other supportive services to low-income and uninsured adults in a 6-county region of western North Carolina. The outstanding balance as of June 30, 2024 and 2023 was \$1,200,000.

In July 2023, the Foundation debuted Capacity Building-Disaster Response Pilot Program. This program will allow the Foundation to give up to three nonprofit organizations \$55,000 for disaster relief that are located within a federal or state declared disaster area.

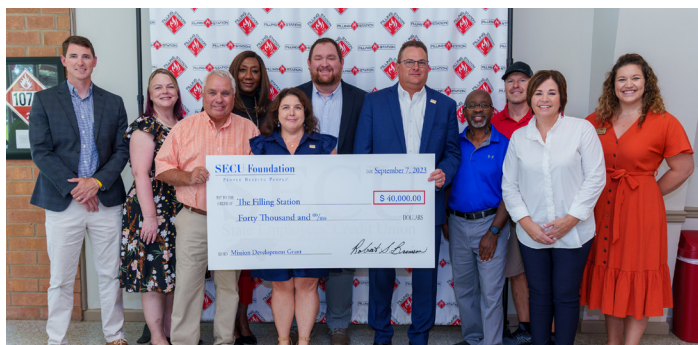


Haywood Pathways Center was one of the first two organizations that participated in the Disaster Response Pilot Program. Haywood Pathways Center provides emergency food and shelter services, and rehabilitative care for the homeless and/or recently incarcerated population in Haywood County. The outstanding balance as of June 30, 2024 is \$20,000.

Mountain Projects, the second organization, is a community action agency offering vital resources to elderly, working poor and disabled residents in Haywood and Jackson Counties. The outstanding balance as of June 30, 2024 is \$20,000.

The Foundation continues to provide non-profit organizations with \$40,000 grants under the Mission Development Grant program. In fiscal year 2024 thirty grants were disbursed; 14 were granted in August 2023 and 16 granted in March 2024. The following statements detail the individual grants awarded:

Richmond Interagency Transportation Inc. serves elderly and disabled individuals by providing affordable transportation, home repairs, and other services to citizens of Richmond County and surrounding areas. The grant was fully disbursed in March 2024.



The Filling Station Inc. seeks to fill unmet needs in the areas of nutrition, education, and connection in Jones County through its food pantry, disaster relief services, education resources and community partnerships. The outstanding balance as of June 30, 2024 is \$15,000.

Pamlico Partnership for Children Inc. serves children and families of Pamlico County providing programs that focus on high quality early education, health, safety, and family support. The outstanding balance as of June 30, 2024 is \$15,000.

Generations Family Services improves and sustains the quality of life and well-being of individuals of all ages through behavioral health, substance abuse, and financial education services. The outstanding balance as of June 30, 2024 is \$15,000.

S.a.M. Child Advocacy Center serves children in Vance County and surrounding areas who are victims of physical or sexual abuse or witnesses to violent crimes by providing a collaborative and child-focused approach to reduce trauma for the child and family. The outstanding balance as of June 30, 2024 is \$15,000.



Zebulon Downtown Arts Council serves eastern Wake County by encouraging and promoting community arts programs. The outstanding balance as of June 30, 2024 is \$15,000.

Sandhills Family Heritage Association serves Cumberland County and surrounding communities through economic self-sufficiency, protection of land, preservation of African American cultural heritage, and promotion of health, wellness, and food security. The outstanding balance as of June 30, 2024 is \$15,000.

Creative Corridors Coalition serves Forsyth County by identifying Department of Transportation projects and creating iconic artful expressions throughout the city. The outstanding balance as of June 30, 2024 is \$15,000.

Center for Science, Technology, and Leadership Development serves youth in Pitt County and surrounding communities through leadership training and educational support that leads to high school graduation, enrollment in higher education, and transition to future jobs. The outstanding balance as of June 30, 2024 is \$15,000.



Bath High School Preservation is dedicated to protecting, revitalizing, and re-utilizing the historic Bath High School to create a central hub for community activities in Beaufort County. The outstanding balance as of June 30, 2024 is \$15,000.

City of Refuge Foundation Inc. serves the spiritual, physical, educational, emotional, and rehabilitative needs of individuals and their families in Nash County and surrounding areas. The grant was fully disbursed in June 2024.

Caring Services, Inc. provides transitional housing and substance use disorder treatment for residents of Guilford and surrounding counties. The outstanding balance as of June 30, 2024 is \$15,000

Youth Collaborative Inc. serves high-risk teens in Forsyth County and surrounding areas by providing educational and outreach programs to reduce gun and gang violence. The outstanding balance as of June 30, 2024 is \$15,000.

YWCA High Point serves women and girls of color working to eliminate racism, empower women, and promote peace, justice, freedom, and dignity for all. The outstanding balance as of June 30, 2024 is \$15,000.

Steps to H.O.P.E. Inc. is a volunteer led organization located in Polk County providing emergency shelter to survivors of domestic violence and abuse. The outstanding balance as of June 30, 2024 is \$15,000.

Hands of Hope Medical Clinic provides free healthcare and medical treatment to uninsured residents of Yadkin County. The outstanding balance as of June 30, 2024 is \$15,000.

Neighbors in Ministry Inc./Rise & Shine addresses social justice and racial inequity and encourages children and adults to pursue equality of opportunity. The outstanding balance as of June 30, 2024 is \$15,000.

North Carolina Coalition to End Homelessness provides statewide support in response to the increasing number of homeless populations throughout the state. The outstanding balance as of June 30, 2024 is \$15,000.

Pee Wee Homes addresses the affordable housing crisis in Orange County by creating tiny homes to serve as an affordable housing option. The outstanding balance as of June 30, 2024 is \$15,000.

Dew4Him Ministries, Inc. serves ex-offenders and women escaping abuse or addiction by providing programs that enhance their interviewing skills, technology training and other individual or personal needs. The outstanding balance as of June 30, 2024 is \$15,000.



Family Abuse Services of Alamance County Inc. provides free, supportive, and confidential services to victims impacted by domestic violence in Alamance County. The outstanding balance as of June 30, 2024 is \$15,000.

Hope Alive Inc. addresses a drug pandemic in Robeson County offering a youth prevention program, comprehensive support for families impacted by a member struggling with addiction, and a detox and rehab facility. The outstanding balance as of June 30, 2024 is \$15,000.

Friends of Jockeys Ridge Inc. supports, enhances, and promotes Jockey's Ridge State Park as a geological feature of the Outer Banks. The outstanding balance as of June 30, 2024 is \$15,000.

TFBU Foundation supports community development in Martin County and the surrounding 5-county region by offering education opportunities, providing mentoring and counseling programs for at-risk youth, and organizing community events. The outstanding balance as of June 30, 2024 is \$15,000.

Communities in Partnership serves Durham County by establishing programs that address food sovereignty, workforce development, affordable housing, and leadership development. The outstanding balance as of June 30, 2024 is \$15,000.

State Line Community Action Association encourages children in Scotland County to develop social skills and encourage independent thinking through specialized classroom instructions. The outstanding balance as of June 30, 2024 is \$15,000.

I Got Next Youth Sports Inc. serves youth in Cabarrus County by using sports participation to address obesity and character development and create mental health enrichment programs. The outstanding balance as of June 30, 2024 is \$15,000.

Designed For Joy serves women in crisis in Wake County and surrounding areas by providing employment, support, and skills training to gain future employment. The outstanding balance as of June 30, 2024 is \$15,000.

Sister Circle International serves women in Guilford County by providing quality programs and services for mental health, maternal health, and domestic violence. The outstanding balance as of June 30, 2024 is \$15,000.

Alamance Elder Care Inc. serves senior adults in Alamance County by providing educational programs, counseling services, and care management programs. The outstanding balance as of June 30, 2024 is \$15,000.

A summary of organizations that received a Mission Development Grant in fiscal year 2024 is below:

PROJECT NAME	2024	2023
Alamance Elder Care Inc.	\$ 15,000	\$ -0-
Bath High School Preservation	15,000	-0-
Caring Services	15,000	-0-
Center for Science, Technology and Leadership Development	15,000	-0-
Communities in Partnership	15,000	-0-
Creative Corridors	15,000	-0-
Designed for Joy	15,000	-0-
Dew4HimMinistries	15,000	-0-
Family Abuse Services of Alamance County	15,000	-0-
Friends of Jockey's Ridge Inc.	15,000	-0-
Generations Family Services	15,000	-0-
Hands of Hope Medical Clinic	15,000	-0-
Hope Alive Inc.	15,000	-0-
I Got Next Youth Sports Inc.	15,000	-0-
Neighbors in Ministry/Rise & Shine Inc.	15,000	-0-
NC Coalition to End Homelessness	15,000	-0-
Pamlico Partnership for Children	15,000	-0-
Pee Wee Homes	15,000	-0-
Richmond Interagency Transportation	-0-	-0-
S.A.M. Child Advocacy	15,000	-0-
Sandhills Family Heritage Association	15,000	-0-
Sister Circle International	15,000	-0-
State Line Children's World	15,000	-0-
Steps to H.O.P.E. Inc.	15,000	-0-
TFBU Foundation	15,000	-0-
The City of Refuge Foundation	-0-	-0-
The Filling Station	15,000	-0-
Youth Collaborative	15,000	-0-
YWCA High Point	15,000	-0-
Zebulon Downtown Arts Council	15,000	-0-
	<b>\$ 420,000</b>	<b>\$ -0-</b>



In October 2023, the Foundation provided Good Shepherd Center a \$2,000,000 grant to support the construction of a 32-unit permanent housing facility for those with special needs who face greater challenges securing and maintaining stable housing due to limited employment opportunities. The outstanding balance as of June 30, 2024 is \$2,000,000.

In October 2023, NC Coastal Federation received a \$250,000 grant to support a minimum of 5 underserved coastal communities with programs to build coastal resilience, reduce vulnerability to environmental threats, and strengthen local infrastructure. The outstanding balance as of June 30, 2024 is \$250,000.



In December 2023, the Foundation granted Crittenton a \$600,000 grant to support the improvement and expansion of a building to provide safe housing, comprehensive health, educational and social services programs for women and young girls located in Charlotte North Carolina. The grant was fully disbursed during the month.

In January 2024, Caring House received a \$3,000,000 challenge grant to serve Duke Cancer Institute patients and their caregivers providing them with affordable housing, a healing environment and supportive community. The outstanding balance as of June 30, 2024 is \$3,000,000.

In January 2024, the SPCA of Wake County received an \$1,000,000 grant to support the construction of their regional campus which promotes animal and human welfare in Wake County and provides educational opportunities for youth, specialized programs for animal shelter professionals, and other resources for partners across the state. The outstanding balance as of June 30, 2024 is \$1,000,000.

In April 2024, the Foundation provided a \$250,000 grant to Feeding the Carolinas to support the immediate delivery of resources such as food supply and financial assistance for housing and utilities during local, regional, or statewide disasters. The grant was fully disbursed during the month.

In April 2024, Helpmate Inc. received a \$500,000 grant to support construction of a \$14 million domestic violence shelter in Buncombe County. The outstanding balance as of June 30, 2024 is \$500,000.

In April 2024, Hendersonville Rescue Mission was awarded a \$325,000 grant to support the construction of a new Women's Ministry facility providing shelter and wrap-around supportive services to homeless women and children. The outstanding balance as of June 30, 2024 is \$150,000.



In April 2024, Lucy Daniels Center was approved for a second grant from the Foundation in the amount of \$750,000 to support the construction of a new child mental health facility and therapy center in Wake County. The outstanding balance as of June 30, 2024 is \$750,000.



Outreach Mission Inc. was funded a \$1.2 million grant in April 2024. The grant will support the construction of a 76-bed shelter in Lee County serving individuals across a 9-county region in the sandhills. The outstanding balance as of June 30, 2024 is \$800,000.

The Foundation awarded the Salvation Army a \$250,000 in April 2024. The funds will support the immediate delivering of resources such as food supply and financial assistance for housing and utilities during local, regional, or statewide disasters. The grant was fully disbursed during the month.

In April 2024, the Foundation provided the UNC School of Government for the Lead for North Carolina program another \$1,000,000 grant. The grant will support up to 50 fellows participating in the Lead for North Carolina post-graduate fellowship program at the UNC School of Government over a 3-year period. The outstanding balance as of June 30, 2024 is \$700,000.

In April 2024, SouthLight Healthcare was awarded a \$500,000 grant to support the renovation of the main campus located in southeastern Wake County. SouthLight Healthcare provides outpatient and community-based services for mental health and substance use treatment ensuring that everyone has access to high-quality care. The outstanding balance as of June 30, 2024 is \$250,000.

In May 2024, the Foundation granted Raleigh Rescue Mission, Inc. \$500,000 to support the construction of a new campus for women and children experiencing homelessness. They provide services and support to individuals experiencing homelessness in Wake and surrounding counties. The outstanding balance as of June 30, 2024 is \$500,000.

In May 2024, Care Ring Inc. received a \$350,000 grant to support a project that will serve low-income and uninsured residents of Mecklenburg County with healthcare services through programs focused on primary care, maternal-child health, and community wellness education. The outstanding balance as of June 30, 2024 is 150,000.

### NOTE 3: LOANS RECEIVABLE

In August 2018, the Foundation consolidated two interest free loans to Dare Education Foundation in the total amount of \$998,778 for the construction of the Run Hill Ridge apartment complex and the Hatteras Teacher Housing complex. The outstanding balances at June 30, 2024 and 2023 were \$260,098 and \$384,946, respectively.

In 2010, the Foundation approved a \$2.25 million interest free loan to the Partners for Hoke County Public Schools Education Foundation for a 24-unit Hoke County Teacher Housing project. Additional funding of \$330,000 was approved in 2013. The outstanding balances of the loan at June 30, 2024 and 2023 were \$777,864 and \$948,264, respectively.

In 2015, the Foundation agreed to provide an interest free loan for \$2,500,000 to Eblen Charities, Inc., a North Carolina nonprofit corporation for the construction of a teacher housing complex for teachers that work within the Buncombe County and Asheville City Schools. Additional funding of \$335,000 was approved in 2016. The construction phase was completed in July 2017 and converted to a loan in December 2017. The outstanding balances on June 30, 2024 and 2023 were \$1,590,750 and \$1,779,750, respectively.

In September 2023, the Foundation agreed to provide an interest free loan for \$3,100,000 to Partners for Bertie County Public Schools, a new nonprofit organization formed to complete the 24-unit affordable housing in Bertie County for public school staff and government employees. The advances for the construction were completed in May 2024. The outstanding balance on June 30, 2024 was \$3,100,000.



Beginning in 2009, the Foundation worked with the North Carolina Housing Finance Agency (NCHFA) to finance the construction of supportive housing for persons with disabilities and special needs through local non-profit organizations. The Foundation provides interest-free construction financing for a variety of projects. Each construction loan is to be repaid by permanent financing previously committed to the project by NCHFA, allowing the funds to be recycled and available for future housing projects. The projects have been in a multitude of counties throughout North Carolina. Since 2009, \$15.5 million in loan advances have been made. Outstanding balances on June 30, 2024 and 2023 were \$1,710,592 and \$173,878, respectively. The following paragraphs detail the individual construction loans supported by the Foundation and NCHFA.

In March 2023, the Foundation provided a \$600,000 interest-free loan to South Eastern NC Community Development Corporation for the construction of the Vance Street Homes located in Rocky Mount, North Carolina. The project will consist of three 1-bedroom single homes and five 3-bedroom single family homes for persons with disabilities and low/moderate income families. The outstanding loan balance on June 30, 2024 and 2023 was \$600,000 and \$173,878, respectively.

In October 2023, the Foundation provided a \$468,500 interest-free loan to North Carolina Indian Housing Authority for the construction of the Marlboro Place homes in Red Springs, North Carolina. The project will consist of three duplex units with six 1-bedroom homes and two units set aside for persons with disabilities to provide housing for formerly homeless, households at risk of homelessness. The outstanding loan balance on June 30, 2024 was \$310,592.

In November 2023, the Foundation provided an \$800,000 interest-free loan to CASA for the construction of the Bryan Place apartment complex located in Durham County, North Carolina. The project will be a sixteen-unit apartment complex for formerly homeless households, with four units set aside for persons with disabilities. The outstanding loan balance on June 30, 2024 was \$800,000.



The terms of the construction loans call for balloon payments of all outstanding principal through proceeds from permanent financing previously committed to the project by NCHFA. The outstanding advances on these loans were as follows on June 30, 2024 and 2023:

PROJECT NAME	LOCATION	2024	2023
Vance Street Homes	Rocky Mount	\$ 600,000	\$ 173,878
Marlboro Place	Red Springs	310,592	-0-
Bryan Place	Durham	800,000	-0-
<b>Total</b>		<b>\$ 1,710,592</b>	<b>\$ 173,878</b>

In June 2010, the Foundation provided a \$435,000 installment loan to finance the construction of Maple Court Apartments Veteran Housing, located in Durham County. The housing complex provides transitional rental housing for homeless veterans and veterans at risk of being homeless. The outstanding balances on June 30, 2024 and 2023 were \$291,634 and \$305,667, respectively.

In January 2015, the Foundation provided an interest-free loan to the Roanoke Chowan Development Corporation for the construction of Longview Terrace. The 12-unit apartment complex will provide housing for low to moderate income individuals with disabilities in Ahoskie. This loan was structured in two parts, with the NCHFA construction portion advanced, completed and paid in full. The outstanding balances on June 30, 2024 and 2023 were \$61,662 and \$83,243, respectively.

In August 2018, the Foundation provided a loan to DHIC for the construction of the Greenfield Place affordable housing community. The five-building community will provide housing for low to moderate income individuals and to individuals with disabilities. The loan has an interest rate of 3.0 percent and a 30-year term. The outstanding balances as of June 30, 2024 and 2023 were \$2,393,741 and \$2,459,899, respectively.

In June 2020, the Foundation provided a loan to Booker Park North for the construction of a three-story building housing 72 units for low-income senior adults located in Raleigh, North Carolina. The loan has an interest rate of 3.0 percent, with a term of 18 years, and amortized over 30 years with one final balloon payment at the end of the term. The outstanding balances as of June 30, 2024 and 2023 were \$2,194,871 and \$2,249,554, respectively.

In 2015, the Foundation entered an agreement with Habitat for Humanity for the purchase of mortgage loans in North Carolina. The Foundation agreed to provide interest free loans for a maximum loan term of 25 years in each of the one hundred counties in North Carolina. 102 mortgages have been originated, completing the challenge to Habitat for Humanity of North Carolina to expand their reach to all NC counties. The outstanding loan balances as of June 30, 2024 and 2023 were \$7,535,382 and \$8,015,560, respectively.

#### NOTE 4: ALLOWANCE FOR CREDIT LOSSES

In 2016, the Foundation entered into an agreement with Habitat for Humanity for the purchase of mortgage loans in North Carolina. In 2016, management established an allowance for credit losses that estimates losses inherent in the loan portfolio. The allowance for credit losses is established through a provision for credit losses charged to expense. Any recoveries of previously charged off loans are recorded to the allowance to offset the charge-off. The Foundation has no net loan charge-offs for the years ended June 30, 2024 and 2023.

A summary of the activity in the allowance for credit losses for the years ended June 30, 2024 and 2023 are as follows. The Foundation adopted CECL as of July 1, 2023. The prior year amounts presented are calculated under the prior accounting standard.

	2024	2023
Beginning balance	\$ 340,520	\$ 424,172
Provision for loan losses	196,478	208,944
Transfer from Habitat Escrow Payable	-0-	(292,596)
Charge-offs	-0-	-0-
Recoveries	-0-	-0-
<b>Allowance for loan losses</b>	<b>\$ 536,998</b>	<b>\$ 340,520</b>

The Foundation's loan portfolio consists of a combination of larger balance Teacher Housing loans and other Foundation loans, as well as smaller-balance homogenous Habitat for Humanity loans that are collectively evaluated for impairment. Loans classified as troubled debt restructurings are individually evaluated for impairment. As of June 30, 2023, the Foundation had five loans that were in a troubled debt restructuring with a balance of \$419,073. The Foundation had twelve loans it considered to be impaired as of June 30, 2023.

A summary of recorded investment in loans by portfolio segment and method of evaluation for impairment for the years ended June 30 is as follows:

2023	REAL ESTATE LOANS	TOTAL
<b>Loans:</b>		
Ending balance: Individually evaluated for impairment	\$ 997,188	\$ 997,188
Ending balance: Collectively evaluated for impairment	15,403,574	15,403,574
<b>Ending balance</b>	<b>\$ 16,400,762</b>	<b>\$ 16,400,762</b>

As of June 30, 2023 the Foundation had twelve modified loans with balances of \$886,356, respectively.

## LOAN MODIFICATIONS TO BORROWERS IN FINANCIAL DIFFICULTY

Modifications to borrowers experiencing financial difficulty may include forbearances, partial payments, term extensions and other actions intended to minimize economic loss and to avoid foreclosure or repossession of collateral. The following table presents the amortized cost basis of loan modifications made to borrowers experiencing financial difficulty during the year ended June 30, 2024:

	TYPE OF CONCESSION			
2024	Payment Delay	Partial Payment	Term Extension	Total
First Mortgage	\$ 494,157	\$ 83,976	\$ -0-	\$ 578,133
<b>Total</b>	<b>\$ 494,157</b>	<b>\$ 83,976</b>	<b>\$ -0-</b>	<b>\$ 578,133</b>

For the year ending June 30, 2024, payment delays, partial payments, and term extensions made to borrowers experiencing financial difficulty included:

- **Payment Delays** – Granted through the Foundation’s standard deferral program, payment delays of up to six months were offered as a concession on mortgage loans. Payment delays allow the borrower to pause payments and avoid the negative credit impacts of delinquency. The delayed payments are added to the end of the contractual term.
- **Partial Payments** – Granted on first mortgage loans for members experiencing financial hardship but who want to continue with payments, partial payment plans are provided to temporarily reduce borrowers’ monthly payments. Typically, this program is used in conjunction with the payment delay program to ensure the borrower stays current and doesn’t experience negative credit impacts associated with delinquency.
- **Term Extension** – Term extensions were granted on consumer loans where borrowers experiencing financial difficulty refinanced their loans to extend the term reducing monthly payments.

The following table presents the loan modifications made to borrowers experiencing financial difficulty that defaulted (within 12-months of making the modification) during the year ended June 30, 2024. SECU defines “default” as becoming 90 or more days past due.

	TYPE OF CONCESSION			
2024	Payment Delay	Partial Payment	Term Extension	Total
First Mortgage	\$ 179,979	\$ -0-	\$ -0-	\$ 179,979
<b>Total</b>	<b>\$ 179,979</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 179,979</b>



## DELINQUENT LOANS AND LOAN BALANCES

The tables below provide an age analysis of past due loans by class at June 30, 2024 and 2023. All loans greater than 90 days delinquent are in non-accrual status.

2024	30-59 DAYS	60-89 DAYS	90+ DAYS	TOTAL PAST DUE	CURRENT	TOTAL LOANS
<b>Real Estate</b>						
First Mortgage	\$ 676,761	\$ 74,612	\$ 495,910	\$ 1,247,283	\$ 18,669,311	\$ 19,916,594
<b>Total</b>	<b>\$ 676,761</b>	<b>\$ 74,612</b>	<b>\$ 495,910</b>	<b>\$ 1,247,283</b>	<b>\$ 18,669,311</b>	<b>\$ 19,916,594</b>

2023	30-59 DAYS	60-89 DAYS	90+ DAYS	TOTAL PAST DUE	CURRENT	TOTAL LOANS
<b>Real Estate</b>						
First Mortgage	\$ 807,872	\$ 288,043	\$ 235,550	\$ 1,331,465	\$ 15,069,297	\$ 16,400,762
<b>Total</b>	<b>\$ 807,872</b>	<b>\$ 288,043</b>	<b>\$ 235,550</b>	<b>\$ 1,331,465</b>	<b>\$ 15,069,297</b>	<b>\$ 16,400,762</b>

## REAL ESTATE CREDIT QUALITY INDICATORS

As part of the on-going monitoring of the credit quality of the real estate portfolio, management tracks certain credit quality indicators based on whether the loans are performing or non-performing. To differentiate these categories, management tracks loan performance and when loans become 90 days or more past due, the loans are classified as non-performing. The delinquency reports enable management to monitor the loan portfolio.

The real estate credit risk profile based on payment activity by class at June 30 is as follows:

2024	FIRST MORTGAGE	TOTAL
Performing	\$ 19,420,684	\$ 19,420,684
Non-performing	\$ 495,910	\$ 495,910
<b>Total</b>	<b>\$ 19,916,594</b>	<b>\$ 19,916,594</b>

2023	FIRST MORTGAGE	TOTAL
Performing	\$ 16,165,212	\$ 16,165,212
Non-performing	\$ 235,550	\$ 235,550
<b>Total</b>	<b>\$ 16,400,762</b>	<b>\$ 16,400,762</b>

## NOTE 5: PROPERTY AND EQUIPMENT

In March 2024, the Foundation purchased a vehicle in the amount of \$46,534.

	2024	2023
Personal Property-Vehicle	\$ 46,534	\$ -0-
Less accumulated depreciation	(5,170)	208,944
<b>Total Personal Property</b>	<b>\$ 41,364</b>	<b>\$ -0-</b>

### NOTE 6: GRANTS AND SCHOLARSHIPS PAYABLE

The fair value of grants and scholarships payable as of June 30, 2024 and 2023 using a weighted average discount rate of 1.26 percent at June 30, 2024 (0.90 percent at June 30, 2023) are as follows:

	2024	2023
Payable within 1 year	\$ 26,435,122	\$ 26,700,323
Payable between 1 and 2 years	3,539,540	3,546,832
Payable between 2 and 3 years	2,065,204	2,073,967
Payable between 3 and 4 years	970,751	986,844
Fair Value Discount	(619,855)	(476,143)
<b>Total grants and scholarships payable</b>	<b>\$ 32,390,762</b>	<b>\$ 32,831,823</b>

Interest expense recognized on grants and scholarships payable amounted to \$255,981 for 2024 (\$141,346 in 2023).

### NOTE 7: LIQUIDITY

The Foundation receives contributions without donor restrictions from members of SECU to be used in accordance with the missions of the Foundation.

The Foundation regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of available funds. The Foundation had \$49,392,760 and \$49,624,836 in cash and cash equivalents as of June 30, 2024 and 2023, respectively. Cash and cash equivalents include interest bearing checking accounts and money market accounts.

### NOTE 8: SUBSEQUENT EVENTS

Management evaluated subsequent events through September 26, 2024, the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2024 but prior to September 26, 2024 that provided additional evidence about conditions that existed at June 30, 2024 have been recognized in the financial statements for the year ended June 30, 2024.

## BOARD OF DIRECTORS AND EXECUTIVE DIRECTOR

Members of the Board of Directors are as follows:

Chris Ayers, Chair  
Mona Moon, Vice Chair  
Stelfanie Williams, Secretary/Treasurer  
Bob Brinson  
Lee Brown III  
Michael Clements  
Mark Fleming  
Jennifer Haygood  
Ben McLawhorn  
Brad McMillen  
Barbara Perkins  
Chuck Stone  
McKinley Wooten Jr.  
The Executive Director is Jama Campbell.

## CONTACT INFORMATION

The mailing address and phone numbers of the SECU Foundation are:

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Raleigh, NC 27611-5966	844-296-4832 (toll free)

The SECU Foundation website address is:  
[www.ncsecufoundation.org](http://www.ncsecufoundation.org)

The SECU Foundation email address is:  
[secufoundation@ncsecu.org](mailto:secufoundation@ncsecu.org)

# SECU Foundation

PEOPLE HELPING PEOPLE\*