20 Years of philanthropy

$13.4 Million in Grants and Scholarships 1992-2012
MSCF Chair Highlights
20th Anniversary

As you will note from the timeline on the opposite page, the initial funds used to establish the Mid-Shore Community Foundation were from a bequest of Colonel Edgar Linthicum and his wife Catherine—approximately $236,000. It was significant that these funds were used to create a regional community foundation to serve the five counties in the Mid-Shore area. From that beginning 20 years ago, the Mid-Shore Community Foundation has matured to become one of the most significant foundations—public or private—on the Eastern Shore.

Our assets have reached $39 million in over 190 distinct component funds, including more than 60 area nonprofits that have established funds with MSCF. That success in just 20 years is due in no small part to the extraordinary philanthropic commitment on the Mid-Shore, and the remarkable leadership of our Board, past and present, and the work of our staff as well as many other volunteers who serve on our committees and otherwise support the Foundation.

In the next 20 years, we will continue to see a significant growth in assets that will provide a permanent resource for the nonprofit organizations that nurture and sustain this community. A significant portion of those assets will also enable the Foundation to be one of the primary providers of scholarships in this five-county community.

The Foundation and this community have a great future ahead.

Moorhead Vermilye
Chairman

Four Community Leaders Inducted into Town Watch Society

Eleanor Shriver Magee presents award to Beverly and Richard Tilghman for giving their time, talent and treasure to many organizations including Pickering Creek, the YMCA of the Chesapeake, Mid-Shore Pro-Bono, the Chesapeake Bay Maritime Museum, the Historical Society of Talbot County, and the Maryland Historical Society. They have also made their home, the historically significant Wye House, available for many events and causes significant to the region as a whole.

George Wright, Jr. was recognized for his leadership on the Choptank River Lighthouse Society. As a painter, he has used his talent to support various fundraising efforts in Dorchester County and beyond, including his painting, “Jewell of the Choptank” for the Lighthouse project which is nearing completion on the Cambridge waterfront.

Debbye Jackson presents award to C. Tolbert Rowe for his exceptional leadership and service with a particular focus on individuals with special needs. He has served on the board and served as president of the Caroline County Board of Education and the Caroline County Chamber of Commerce. He has been a coach and treasurer for Mid Shore Challengers, a coach for the Special Olympics, and is the volunteer executive director of the Channel Marker Foundation.

Al Smith/Talbot Hospice Foundation Receive J. McKenny Willis, Jr. Community Service Award

Mike Manzies, Sally Vermilye and John Dillon present award to Al Smith (second from left) and to Kate Cox, Associate Director Talbot Hospice Foundation (second from right). Al Smith was recognized for his leadership on the board for the last 6 years, and particularly for his role in board development. He also launched a capital campaign to build a new hospice wing and has sustained that effort in very challenging economic circumstances.
$42 million in Contributions; $13.4 million in Grants

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
<th>Details</th>
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<tbody>
<tr>
<td>1992</td>
<td>S236,000 bequest of Col. Edgar and Catherine Linthicum leads to establishment of MSCF</td>
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<tr>
<td>2000</td>
<td>$6.2 million gift from George B. Todd creates fund to benefit Dorchester County</td>
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<tr>
<td>2001</td>
<td>First permanent staff hired</td>
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<tr>
<td>2002</td>
<td>Mr. &amp; Mrs. Nicholas Brady, Mr. &amp; Mrs. A. James Clark, Mr. &amp; Mrs. William Hunter donate Bullitt House to MSCF</td>
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<tr>
<td>2003</td>
<td>Arthur Kudner, Jr. Fund established with bequest of $6.5 million</td>
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<tr>
<td>2004</td>
<td>Pauline and Shirley Smith Education Fund Established with gift of $3.2 million</td>
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<tr>
<td>2005</td>
<td>Golden Key Society formed</td>
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<tr>
<td>2007</td>
<td>Founders’ Fund created to benefit Mid-Shore region</td>
<td></td>
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<tr>
<td>2010</td>
<td>Pooled Scholarship Application Program created by MSCF</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>Endowments created to benefit each Mid-Shore county</td>
<td></td>
</tr>
</tbody>
</table>
Scholarship Funds at MSCF

Andrew M. Radcliffe Scholarship
Austin and Martha Steele Scholarship
BAAM College Assistance Scholarship
Carter and Marion Hickman Memorial Scholarship
Centreville High School Alumni Association Scholarship
Dick Kleen Award
Dorchester Heritage Museum/Dale Price Memorial Scholarship
Dr. Elizabeth P. Hagen Light Tomorrow with Today Scholarship
Dr. Harold and Marjorie Shirk Scholarship
Dr. Jay Harper Memorial Scholarship
Elks 1622 Most Valuable Student Scholarship
Frederick Douglass Scholarship
Grover Bert Hastings and Bernice Wooters Hastings Scholarship
Lewin/Kent Island High School Drama Award
Marcie Bee Dayton Memorial Scholarship
Margaret Ferree Memorial Scholarship
Marlin Zimmerman Scholarship
Mary Anne Hatcher Scholarship
Medical Auxiliary Scholarship at Chesapeake College
Nicholas E. Bramble “Ironman” Foundation Scholarship
Pauline and Shirley T. Smith Scholarship
Robert F. Walls Memorial Scholarship
St. James School Scholarship for Eastern Shore Students
Timothy Kern Memorial Scholarship
University of Maryland, College Park - Agriculture/Natural Resources Scholarship
Washington College Arts Scholarship
William O. Bryan Memorial Scholarship

New Scholarship Funds

William O. Bryan Memorial Scholarship
A 2-year scholarship for tuition, fees, and books for graduates of Easton High School, St. Michaels High School, or Sts. Peter and Paul High School who plan to attend Chesapeake College and major in Business or a related field.

Centreville High School Alumni Association Scholarship
Non-renewable $1,000 scholarships for graduates of Centreville High School and their direct descendants who have been accepted and plan to attend an institution of postsecondary education.

Easton Elks Lodge Most Valuable Student Scholarship
Non-renewable scholarships for graduates of Easton High School, St. Michaels High School, Saints Peter and Paul High School, North Caroline High School, and Colonel Richardson High School for tuition assistance at a postsecondary institution.

Margaret Ferree Memorial Scholarship
Up to two years of financial assistance for graduates of Talbot County public high schools attending an institution of postsecondary education within two years of their high school graduation.

Highlights In Grant Making

Women & Girls Fund celebrates 10th anniversary at MSCF with more than $38,000 in FY 12 grants and over $304,000 in grants since its inception in 2002.

James M. Bryan Building Dreams for Youth Foundation awards $27,700 in grants for sports, educational, recreational, and interventional programs for area youths.

George B. Todd Fund awards over $217,000 in grants to 24 organizations to support Dorchester County and its residents.

Other major grants in FY 12:
Mid-Shore Riverkeepers Conservancy, Wye River Upper School, PageTurners, For All Seasons, Neighborhood Service Center, Radcliffe Creek School, Emmanuel Episcopal Church (Chesterstown), Chesapeake Chamber Music, Tomcat Solutions
6 Million in Grants

2011-2012 Grants by Category

- **Education and Youth Development**: 56%
- **Health and Disabilities**: 6%
- **Human Services and Community Development**: 12%
- **Environment**: 6%
- **Arts & Culture**: 20%

2012 Steele Scholarship Recipients Named

The Mid-Shore Community Foundation awarded $100,000 to the fourth class of Austin and Martha Steele Scholars. Five outstanding public high school graduates received a four-year, $20,000 scholarship at the senior awards programs at Colonel Richardson High School, Kent County High School, North Dorchester High School, Queen Anne’s County High School, and St. Michaels High School.

2012 Steele Scholars from left: John W. Draper, III, Caitlin Heidler, K. Michaela Beggins, Natalie Hurley, and Taylor Lahman.
Nonprofit Resource Center at the Bullitt House

Workshops – offered in partnership with MANO
- Board Governance
- Financial Management
- Fundraising
- Grantwriting

Webinars
- 501(c)(3) Guidance
- Other Topics

Resources
- Publications
- IRS Guidance
- Best Practices
- Maryland by the Numbers

Non-Profit Board Chair Roundtable
- A quarterly discussion group of Mid-Shore non-profit board chairs facilitated by Teri Bordenave

The Foundation Center
MSCF sponsors access to the Foundation Center’s Foundation Directory Online, the nation’s leading online funding research tool. The fully searchable database includes detailed profiles of more than 100,000 grant-makers nationwide.

MSCF Nonprofit Partners
Academy Art Museum
ACE Mentor Program of Maryland’s Eastern Shore
Avalon Foundation
Bay Hundred Community Pool
Bay Scouts of America, Del-Mar-Va Council
CarePacks Talbot County
Caroline Hospice Foundation
Caroline Human Services Council
CASA of Talbot and Dorchester Counties
Channel Marker
Character Counts! Kent County
Chesapeake Bay Maritime Museum
Chesapeake Chamber Music
Chesapeake College Foundation
Chesapeake Culinary Center
Chesapeake Multicultural Resource Center
Chesterwye Center
Chesterwye Book Festival
Church Hill Theatre
Crossroads Community
Dancing for the Dogs
Delmarva Community Services
Echo Hill Outdoor School
Empty Bowls Dorchester
Empty Bowls Talbot
Eventful Giving
For All Seasons
Frederick Douglass Day
Freedom Rovers
Friends of Wye Mill
Girl Scouts of the Chesapeake Bay
Habitat for Humanity Choptank
Historical Society of Talbot County
Hospice of Queen Anne’s Foundation
Mental Health Association in Talbot County
Mid-Shore Community Band
Mid-Shore Mental Health Systems
Mid-Shore Riverkeeper Conservancy
Mid-Shore Wounded Veterans Program
Nick Spry Memorial Fund
Old Wye Church
Operation Christmas Spirit
Our Hearts for Kids
Oxford Community Center
Oxford Day
Pickering Creek Audubon Center
Queen Anne’s County Arts Council
Radcliffe Creek School
Richards Memorial Park
Richardson Maritime Museum
Rural Life Museum of Trappe
Salisbury University Foundation
St. Luke’s Chapel
Sultana Projects
Talbot Community Connections
Talbot County Education Technology
Talbot Hospice Foundation
Talbot Interfaith Shelter
Talbot Mentors
Talbot Optimist Club
Talbot Partnership
United Way of Kent County
United Fund of Talbot County
Upper Shore Aging
Waterfowl Festival
Wye River Upper School
Welcome to our new partners

CarePacks of Talbot County
A fiscal sponsorship of MSCF to provide students at Easton Elementary School who receive Free or Reduced Meals with a backpack of meals and snacks every weekend and school holiday.

Chesapeake Multicultural Resource Center
A fiscal sponsorship of MSCF to empower people from different cultures to become successful and engaged members of our community by coordinating services and providing informational and educational programs.

Dancing for the Dogs
A fiscal sponsorship of MSCF to raise funds for Mid-Shore animal shelters and rescues through a regional dance competition.

Eventful Giving
A fiscal sponsorship of MSCF to produce events to benefit charitable causes and enhance the quality of life for Talbot County residents.

Nick Spry Memorial Fund
An MSCF Fiscal Sponsorship to provide support to Mid-Shore Veterans and their families.

United Way of Kent County
The United Way raises funds to support outstanding local charities and non-profit organizations serving those in need in Kent County.

How can you contribute?

1. Give to the Founders’ Fund of the Mid-Shore Community Foundation

Make a gift to our permanent endowment, and enable us to address the current and future needs and opportunities of our region, and its people. Gifts can also be targeted to one of the five Mid-Shore counties – Caroline, Dorchester, Kent, Queen Anne’s, and Talbot, and at certain levels, be established as named funds.

2. Open a Fund

Establish a new fund at MSCF to address specific areas of interest within the community, to provide scholarships and educational grants for future leaders, or to support a specific charity. New funds can be created with an initial investment of at least $10,000.

3. Volunteer

Join your colleagues and friends within the community as a volunteer on one of the MSCF advisory committees, or in support of one or more of our 60+ nonprofit partners.

4. Leave a Legacy

Plan a gift with MSCF to address the causes you care about and to reflect how you would like to be remembered within your community. We have a number of planned giving options.

Visit us at www.mscf.org to learn how you can support this community by becoming a donor.

Welcome to our New Funds

Partners for Paws Animal Fund Endowment

Sarah H. Willis Memorial Trust

Talbot Interfaith Shelter Endowment

The Wolin Family Tzedakah Fund
MSCF continues to meet national standards of excellence

The National Standards Seal by our name indicates official confirmation from the Community Foundations National Standards Board that we have met the most rigorous standards in philanthropy. It says our grantmaking includes an open, competitive process designed to address the challenging needs of our community. The National Standards Seal also confirms our history of honoring donors’ wishes.

Stuart Bounds, President

Financial Summary 2012

THIS HAS BEEN ANOTHER VERY GOOD YEAR financially for MSCF. Even though the market was up and down this year with very little overall gain in investment performance—$235,441—investments as a whole increased by $4,775,514 (16%). This significant growth was due to two factors. The first was cash from an estate receivable which substantially reduced receivables and increased invested assets. The second was another outstanding year in donor contributions. Overall, MSCF received $2,009,666 in contributions in 2012!

Total assets at MSCF are just shy of $39 million at June 30, 2012. Our Investment Committee continues to monitor investment manager performance to maximize return to our funds and in support of expanded grant making at the Foundation.

With an increase in assets at the Foundation due to both donor contributions and investments, our Grants Committee reported another outstanding year of grant making in support of the Mid-Shore community. At year end, grants and charitable expenses totaled $1,606,820.

Lastly, operating expenses increased slightly as a percent of assets to 1.4% in FY 12. Operating expenses at MSCF increased by 11% over last year due primarily to a new staff position to strengthen our financial management given the continued growth in assets and grants. Our board is committed to keeping our operating expenses to an absolute minimum so that our assets can be focused on the needs of the Mid-Shore community.

Stuart Bounds, President

Statement of Financial Position

<table>
<thead>
<tr>
<th>2011 Audited</th>
<th>2012 Unaudited</th>
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<tbody>
<tr>
<td>Assets</td>
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<tr>
<td>Cash</td>
<td>$1,231,292</td>
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<td>Receivable from Estates in Settlement</td>
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<td>Grants Receivable</td>
<td>20,350</td>
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<td>Investments</td>
<td>30,122,779</td>
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<td>Property and Equipment, net of depreciation</td>
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<td>Other Assets</td>
<td>651,414</td>
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<tr>
<td>Total Assets</td>
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<td>Liabilities and Net Assets</td>
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<td>Accounts Payable</td>
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<td>Grants Payable</td>
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<td>Charitable Gift Annuity Obligations</td>
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<td>Agency Payables</td>
<td>2,402,821</td>
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<td>Net Assets</td>
<td>34,753,676</td>
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<td>Total Liabilities and Net Assets</td>
<td>$38,636,071</td>
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Statement of Activities

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<tr>
<th>Support and Revenue</th>
<th>2011 Audited</th>
<th>2012 Unaudited</th>
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<tbody>
<tr>
<td>Donor Contributions</td>
<td>$3,781,411</td>
<td>$2,009,666</td>
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<td>Investment Results</td>
<td>5,158,274</td>
<td>235,441</td>
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<td>Change in Value - split interest agreements</td>
<td>(127,019)</td>
<td>(85,883)</td>
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<td>Rental Income</td>
<td>19,850</td>
<td>18,900</td>
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<td>Total Support and Revenue</td>
<td>$8,832,516</td>
<td>$2,178,124</td>
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<th>Grants and Expenses</th>
<th>2011 Audited</th>
<th>2012 Unaudited</th>
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<tr>
<td>Grants and Charitable Expenses</td>
<td>$1,716,567</td>
<td>$1,606,820</td>
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<tr>
<td>Operating Expenses</td>
<td>501,386</td>
<td>557,882</td>
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<td>Total Grants and Expenses</td>
<td>$2,217,953</td>
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