

Georgia Tech Foundation, Inc.
Minutes of the Meeting of the Board of Trustees
December 8, 2017

The Board of Trustees of Georgia Tech Foundation, Inc. met at 8:30 a.m. on Friday, December 8, 2017, in The Georgia Tech Hotel Ballroom.

Elected trustees present were: Robert A. Anclien, Michael K. Anderson, Kelly H. Barrett, Richard L. Bergmark, James R. Borders, Paul J. Brown, John B. Carter Jr., Steve W. Chaddick, Stephen M. Deedy, Michael T. Duke, Walter G. Ehmer, James O. Etheredge, David D. Flanagan, D. Fort Flowers Jr., Thomas M. Holder, Michelle E. Jarrard, Ronald L. Johnson, Christopher W. Klaus, John S. Markwalter Jr., Robert Milton, N. Allen Robertson, Frances G. Rogers, Robert N. Stargel Jr. and John R. Wells.

Ex-officio voting trustees present were: David A. Bottoms, Robert L. Dixon Jr., Andrea L. Laliberte and G. P. Peterson.

Board Officers present were: John F. Brock III, Joseph W. Evans, Gary T. Jones and Gregory J. Owens.

Corporate Officers present were: Mark W. Long and Al Trujillo.

Ex-officio non-voting trustees present were: Rafael L. Bras, Barrett Carson, Stephen E. Cross and Steven G. Swant.

Trustees Emeriti present were: Bobby Joe Anderson, John C. Bacon, G. Niles Bolton, Kenneth G. Byers Jr., A. Russell Chandler III, Don L. Chapman, Jere A. Drummond, Ben J. Dyer, H. Allen Ecker, Jack J. Faussemagne, L. Thomas Gay, Geoffrey C. Gill, Jere W. Goldsmith IV, Thomas L. Gossage, Thomas H. Hall III, Hubert L. Harris Jr., Garnett L. Keith Jr., G. William Knight, James R. Lientz Jr., David M. McKenney, Wade T. Mitchell, Thomas H. Muller Jr., Don Pirkle, Joe W. Rogers Jr., John C. Staton Jr., Albert S. Thornton Jr., William J. Todd, Thomas W. Ventulett III and John H. Weitnauer Jr.

Others present were: Thomas Barranco, Frank L. Clark, Dwight D. Dozier, Leslie M. Evans, Joseph P. Irwin Jr., Michelle L. Jones, Jonathan D. Karcsch, K. Patrick Liu, Brian H. Pellegrino, Cailen A. Spratling, Robert J. Thompson, Patricia H. Wichmann and Shanequa R. Williams.

Welcome: Mr. Brock welcomed the trustees and visitors to the 559th meeting of the Board of Trustees. Mr. Brock thanked Ms. Wichmann and the administrative team for the success of the previous night's event. The trustees applauded the administrative team. Mr. Brock introduced Mr. Pellegrino, the new Chief Investment Officer of the Foundation. Mr. Brock introduced Mr. Jones.

Georgia Tech: A Leader in 21st Century Music Technology Research and Education: Mr. Jones introduced Dr. Frank Clark, Chair and Professor of the School of Music. Dr. Clark stated that Music is the only degree program in the Fine and Performing Arts at Georgia Tech. The Music program was custom-created from the ground up, and it is reflective of Georgia Tech's interests. Dr. Clark stated that another goal of the program was to create a degree that would ensure employment for students. The role of the band is very important to Georgia Tech. Georgia Tech students who participate in band do not receive any scholarships. Section leaders receive

small stipends, but there is no incentive for band students beyond their love of music. Georgia Tech students who are band members can only receive two credits for a class. The athletic bands are very well known, but there are also concert and symphonic Georgia Tech bands who perform year-round. Dr. Clark stated that the School of Music has been able to utilize Georgia Tech's fast Internet structure to create new music technologies. Georgia Tech holds the world record for the largest Internet2 broadcast. Currently, Georgia Tech has the capability of performing in real-time with individuals up to 1,500 miles away. Music provides an enriching value to the lives of many Georgia Tech students in whatever discipline they are in. He reported that more than 50% of students accepted into Georgia Tech have significant experience in their high school band or choir. The Glee Club at Georgia Tech began in 1906. The Georgia Tech Chamber Choir recently performed with the Atlanta Symphony Orchestra. The Georgia Tech orchestra has guest composers and performers that visit regularly. Dr. Clark stated that it is very important that Georgia Tech music students are connected to the music profession at every opportunity. Georgia Tech is one of five institutions across the world that have both a Master of Science in Music Technology and a Ph.D. in Music Technology. The first Ph.D. student graduated in 2016. The School of Music has attracted more than \$10.5 million in research grants. He reported that 93% of graduates have a full-time job in Music Technology within 90 days of graduation. Dr. Clark stated that he views music at Georgia Tech as a "music plus" program. It is the intersection of music and another discipline that creates jobs. For example, Dr. Clark stated that Pandora regularly hires Georgia Tech graduates due to this hybrid-type of music education. Robotic musicianship was created at Georgia Tech. A Georgia Tech robot performed at the Kennedy Center. The majority of Georgia Tech students earning a Bachelor in Music Technology are in dual degree programs. Recently, the School of Music featured a Women in Music Technology Concert. The MOOG Hackathon challenges participants to create musical instruments in 48 hours using MOOG technology. The Earsketch project is helping students learn computer science programming by showing them how to create music. Creating music excites the students and helps them to learn. Dr. Clark showed a video featured Earsketch. The Margaret Guthman Musical Instrument Competition is unique because it encourages the development of new music technology. Dr. Clark demonstrated a unique synthesizer instrument that utilized performance technology of sounds and images with breath.

Mr. Jones thanked Dr. Clark. Mr. Jones announced that Mr. and Mrs. Long have created a band scholarship, due to their childrens' involvement in the Georgia Tech band. The Long Family Scholarships will provide support to undergraduate students who are members of the Yellow Jacket Marching Band, and exhibit leadership, devotion to the band, and school spirit.

Georgia Tech Alumni Association Update: Mr. Bottoms stated that the mission of the Alumni Association is to create meaningful and relevant programs for current and future alumni and to foster life-long participation and philanthropic support. Mr. Bottoms thanked the trustees for their support of Georgia Tech and the Alumni Association. Georgia Tech students continue to be a focus of the Alumni Association. The Student Alumni Association (SAA) continues to grow. He reported that Homecoming Weekend was October 15 - 21, 2017. On December 15, 2017, Georgia Tech will welcome approximately 2,000 more alumni graduates on commencement day. The Gold and White Honors Gala is January 25, 2018. The honorees include Mr. Lientz, Mr. Dash, and Mr. Todd. The Pi Mile will be April 21, 2018. Mr. Bottoms stated that two of the Alumni Association's focuses for the year is to strengthen the network infrastructure and provide more support to young alumni. Networks assist the Alumni Association with grass-roots alumni

engagement across the country and world. The 71st Roll Call has a goal of 35,000 donors and \$10.2 million. To date, 18,710 donors have contributed to the Roll Call, or 53% towards the goal, for a total of \$4.33 million, or 43% towards the goal. Mr. Bottoms stated that the Alumni Association is continuing to work on a five year strategic plan. SAA currently has 6,114 members of a 7,000 member goal for this fiscal year. SAA introduces Georgia Tech students to philanthropy and the importance of giving back. SAA members see how their donations directly impact Georgia Tech and provide for future generations.

Georgia Tech Advisory Board (GTAB) Update: Mr. Dixon stated that the September meeting of GTAB was held in the Roger A. and Helen B. Krone Engineered Biosystems Building. GTAB has 54 members with 13 new members. GTAB continues to provide support to President Peterson and his staff by exploring strategic Georgia Tech interests. He reported that the meeting focused on two issues: cybersecurity and creating the next in education. Dean Nelson Baker provided an update on cybersecurity research at Georgia Tech. Research includes such topics as developing new threat intelligence, cyber capabilities, analytical technologies, process controls and supply chain logistics. The Internet of Things has increased rapidly and is the new frontier for intrusion. Georgia Tech is continuing to be at the forefront of research on cybersecurity. Dr. Rich DeMillo and Dr. Bonnie Ferri presented on creating the next in education. Their presentation focused on education the “whole person” for their lifetime with personalized education. Often, workers cannot re-educate themselves because it would be too cumbersome for them to give up their work. Credentialing is another way to educate the workforce without requiring them to give up their jobs. Online course offerings provide flexibility. The concept of “microdegrees” would allow students to focus on educating themselves in certain aspects of their jobs. GTAB participated in a tour of the newly-renovated library facilities. Dean Catherine Murray-Rust, Dr. Rafael Bras, and Georgia Tech students presented a panel on creating innovative digital and physical environments. Mr. Dixon stated GTAB received presentations regarding CREATE-X, which is a program that teaches students entrepreneurial skills. Georgia Tech student-run businesses that were started with CREATE-X were featured. The next GTAB meeting will be April 8 through 9, 2018 and the topic will be transcendent corporate relationship strategies.

Georgia Tech President’s Report: Dr. Peterson discussed events occurring within the past semester at Georgia Tech. The proposed tax bill could significantly impact higher education, including the possibility of taxing tuition waivers for graduate students. The Coda building construction is progressing well, with the construction focusing on the below-ground foundation and parking. The National Science Foundation recently announced that Georgia Tech is ranked third in the country of universities without a medical school in dollar volume of research. The Georgia Tech SGA funded \$500,000 in health and well-being initiatives that was matched dollar-for-dollar by Georgia Tech. An anonymous donor contributed \$1 million to a fund in honor of Mrs. Penny Stamps. Two Georgia Tech parent couples endowed the Brandt-Fritz Chair for the Dean of Students. Dr. Peterson stated that another parent made a \$30 million commitment to support student entrepreneurship. He announced that Mr. Sheheane was recognized with the Marvin D. “Swede” Johnson Achievement Award, recognizing his leadership in state relations and institutional advocacy. Mr. Calvin Runnels, a Biochemistry major, was named as a Rhodes Scholar. He is the sixth student in Georgia Tech history to be named a Rhodes Scholar. Dr. Peterson stated that growth of music technology in industry has been significant. Georgia Tech

has an advantage because it can combine technology plus individual disciplines to make those disciplines stronger.

Approval of Minutes: Mr. Brock stated that copies of the minutes of the meeting of the Board held on September 22, 2017, had been distributed to the trustees. Mr. Brock asked if there were any comments or changes. On motion, the minutes of the meeting held on September 22, 2017, were unanimously approved as distributed.

Treasurer's Report: Mr. Owens reported that the assets totaled \$2.099 billion as of October 31, 2017, which is an all-time high. The net assets totaled \$1.618 billion and liabilities totaled \$481 million. He reported that as of October 31, the investment assets totaled \$1.685 billion, leases receivable totaled \$136 million, contributions receivable was \$105 million and capital assets totaled \$112 million. Mr. Owens reported that in regards to liabilities, bonds payable totaled \$255 million and the funds invested for the Georgia Tech Athletic Association totaled \$108 million. The revenue reported for the year ending October 31, 2017, as compared with prior fiscal years, indicated an increase in gift income and an increase in investment earnings. Gift income and investment earnings for the four month period ending October 31, 2017 totaled \$22 million and \$65 million, respectively. Total revenue was \$97 million. Mr. Owens stated that program services expenditures are projected to total \$104 million, with a total of \$32 million was expended on student support and more than 3,000 students receiving scholarships or fellowships. This is an increase of 35% as compared to what was awarded five years ago. For the past 20 years, the Foundation has expended over \$250 million in scholarships, fellowships, and loans to 29,528 students. Faculty support includes expenditures from 120 endowed chairs and 82 endowed professorships. The financial statements are attached hereto as Exhibit A.

Finance Committee Report: Mr. Owens reported that the Committee reviewed the fiscal year 2018 budgets and received an update on the Engineered Biosystems Building (EBB) loan. The Committee reviewed the debt policy ratios, which are within the guidelines. The Finance Committee reviewed the projected fiscal year 2019 unrestricted budget which indicated an increase of 2.4%. Mr. Owens stated that at the last meeting, the Foundation approved a resolution to complete an advance refunding of a portion of the series 2011A and 2012A tax-exempt bonds for the Campus Recreation Center (CRC) and Technology Square. The net present value savings is projected to be \$6.7 million with all-in interest rate of 2.38% at the current market conditions. The savings from the refunding will be passed on to Georgia Tech in the form of lower lease payments. He reported that the current tax bill includes a provision which will eliminate the possibility of advance refunding after December 31, 2017. Mr. Owens commended Mr. Long and the team he assembled with completing the advance refunding before the end of the year to achieve the savings. The pricing of the bonds will take place on December 12, and the closing is scheduled during the following week.

Audit Committee Report: Ms. Barrett reported that the Committee was pleased with the KPMG's work on the fiscal year 2017 audit. She will be working with the audit partner to engage KPMG to conduct next year's audit. The Audit Committee has the responsibility to review the disclosures submitted and recommend any restraint of activity to the Executive Committee. She reported that the Audit Committee did not recommend restraint of activity for trustees as a result of the disclosures. Ms. Barrett thanked all the trustees who have filled out their forms and

reminded those trustees who have not that they are due. It is a very important process. The Audit Committee elected Ms. Barrett to serve as Chair for the coming year.

Development Committee Report: Ms. Jarrard stated that the Development Committee's role is to support Georgia Tech and the Office of Development in its fundraising efforts. In meetings with the individual Committee members, Ms. Jarrard reported that the members were enthusiastic about the role of the Development Committee in preparing for the next campaign. The Development Committee will continue to focus on the issues surrounding online giving and technology-driven giving. Online giving at Georgia Tech is not as seamless as it needs to be, and donors don't always know that it is available. In addition, search engine optimization continues to be an issue. Younger alumni prefer to donate for cause-related giving. It is important to provide them with as much information as possible regarding various causes and needs across campus. Georgia Tech has a quickly growing alumni base that is disproportionately young. These young alumni are diverse geographically, are often international students, and an increasing number are graduate students. The donor profile for the next campaign will be different. Blackbaud will be an important tool for the next campaign and it will provide significant more amounts of data, providing new tools for fundraising. Blackbaud will allow Georgia Tech to develop world-class prospecting skills. Ms. Jarrard reported that Georgia Tech's goal is \$100 million in annual fundraising. For calendar year 2017, \$123 million has been raised. Ms. Jarrard stated that the Roger A. and Helen B. Krone Engineered Biosystems Building was dedicated. The Kendeda Building for Innovative Sustainable Design had its launch. It is known as a "living building." The S. Price Gilbert Library and Tower will be dedicated today. Two sets of parents came together to establish the Brandt-Fritz Dean of Students Chair. The Matt and Shary Price Chair in Pediatric Research is the third Children's Healthcare of Atlanta collaboration chair. Ms. Jarrard stated that there was a private announcement of a \$2 million anonymous commitment. Ms. Jarrard reviewed the Gold Standard for trustee giving.

Investments Committee Report: Mr. Flowers stated that the Foundation investment pool assets for the trailing twelve months increased from \$1.513 billion in November 2016 to \$1.650 billion as of October 2017. He reviewed the net investment earnings, gifts and additions, and withdrawals for the past year. The total fund performance for the one-year, three-year, five-year and ten-year periods were +13.3%, +5.6%, +7.0% and +4.1%, respectively. The Investments Committee assesses the performance of the Foundation's portfolio using a number of benchmarks. The Consumer Price Index plus 5% provides a measure of how the portfolio is performing in terms of intergenerational equity. The fund's relative performance as compared with the Consumer Price Index (CPI) plus 5%, was +6.1%, -0.6%, +0.7% and -2.6% for the one-year, three-year, five-year and ten-year periods, respectively. The policy portfolio provides a method to assess how the portfolio is performing as the result of active decisions vs. the strategic allocation. The fund's performance as compared with the policy portfolio was +0.1%, -0.2%, -0.1%, and +0.9% for the one-year, three-year, five-year and ten-year periods. The Cambridge endowment composite allows the Investments Committee to measure how the Foundation portfolio is performing over time against the performance of peer institutions. As of October 31, 2017, the current Foundation asset allocation remains under-weighted in global stocks, fixed income, and cash and over-weighted in hedge funds. Mr. Flowers reviewed the investment actions since the last meeting. Mr. Flowers thanked Mr. Karcsh for his service as Interim Chief Investment Officer. During the past six months of Mr. Karcsh's term, the Foundation portfolio has seen excellent performance, and

the Committee has seen significant improvements in the meetings as a result of Mr. Karcsh's leadership.

Real Estate Committee Report: Mr. Holder reported that the Coda project is underway and is on schedule. The slab foundation and the walls of the College of Business building have been impacted by the drop in the water table on the property. The construction company on the Coda project has taken responsibility and will repair any damaged areas and restore the building to its condition before the project began. The Georgia Tech Hotel is not achieving its budgeted revenue. The decline is primarily due to the reduction in convention business in the city this year. The Biltmore continues to outperform its original projection. The building is fully leased and occupied and the majority of tenants are renewing their leases. Mr. Holder stated that the Foundation may have an opportunity to acquire a parcel, or parcels, located south of Fourth Street. The Foundation is poised to take advantage of the right opportunities in the mid-town area.

Stewardship Committee Report: Mr. Wells reported that the faculty speaker for the meeting was Dr. Susan Margulies, the Wallace H. Coulter Chair of the Coulter Department of Biomedical Engineering (BME) at Georgia Tech and Emory University, and a Georgia Research Alliance Eminent Scholar in Injury Biomechanics. The Biomedical Engineering undergraduate program at Georgia Tech is the number one biomedical program in the United States. It is the only public-private joint institutional biomedical program in the United States. The Biomedical Engineering degree is one of the most popular degrees at Georgia Tech. 57% of the Georgia Tech students majoring in Biomedical Engineering are female. One of the main challenges is developing a financial sustainability plan for Biomedical Engineering for the future. Ms. Herazy reviewed the account management strategy with the Committee. Departmental accounts with high balances and low expenditures are being examined. The Stewardship Committee also reviewed the restricted fund usage and the level of the underwater endowments. Mr. Wells reported that endowment reports were mailed to donors in late November. He stated that he looks forward to receiving thank you letters from students who are receiving his scholarship. He encouraged the trustees to build relationships with the student scholarship recipients. Mr. Wells asked for feedback from the trustees regarding enriching donor connections and communications.

Executive Committee and Chairman's Report: Mr. Brock thanked the members of the Executive Committee for their hard work and support. Meetings are monthly and usually last for two hours.

President's Report: Mr. Trujillo reviewed the fiscal year 2018 priorities for the Foundation, which includes the investment transition, the Blackbaud project, and the real estate continuation. Mr. Brian Pellegrino is the Foundation's new Chief Investment Officer. He will begin work in early January. His arrival will give the Foundation an opportunity to review and take a fresh look at the investment program. The asset allocation and the organizational model will both be reviewed.

Mr. Trujillo stated that the Georgia Tech Hotel and Conference Center needs renewal and investment and the rooms will be upgraded during the next two years. He noted that three rooms in the Hotel have been renovated as examples. The furniture has been modernized and the bathrooms have been renovated, featuring tub removal and shower installation. The Biltmore is continuing to be a good investment. It will be managed to optimize it to reflect the needs of

Georgia Tech. He stated that there is a possible opportunity to utilize the basement space of over 30,000 square feet. The common spaces in the Biltmore are being reviewed by a design group. He stated that there is potential to build another structure on the block, as the original plans contemplated two towers. Mr. Trujillo stated that there is potential for Georgia Tech to utilize the area in the future. Mr. Trujillo stated that Atlanta real estate prices are at an all-time high and the Foundation will continue to examine the market for opportunities for direct real estate investment.

The Blackbaud CRM kickoff was August 23, 2017. The initial data migration test from the current Advance System to Blackbaud CRM went well. Mr. Trujillo stated that the Blackbaud platform will provide new opportunities for fundraising. The Blackbaud transition is on time and on budget. Mr. Trujillo thanked Mr. Dozier and his team for managing the complex transfer from Advance to Blackbaud. Blackbaud's partnership with Georgia Tech has gone exceptionally well.

Mr. Trujillo thanked Mr. Long and his team for their nimble and efficient work in refinancing the bonds. The refinancing will provide significant savings in the years to come and those savings will be passed along to Georgia Tech. Mr. Trujillo reported that the Board of Regents staff has proposed amendments to the current leases. Those amendments will need to be reviewed.

Mr. Trujillo thanked the senior staff of the Foundation: Mr. Dozier, Mr. Long, Mr. Pellegrino, and Ms. Wichmann. Mr. Trujillo stated that the new Foundation annual report features the Biltmore property. He stated encouraged the trustees to nominate individuals to serve as trustees of the Foundation. The Committee on Trustees will meet in February to nominate the new trustees and the Board will vote at its meeting in March.

Dr. Peterson made an announcement that due to icy and snowy weather conditions, the Georgia Tech campus is closing for non-essential personnel at 11:30 a.m. However, Dr. Peterson stated that final exams will not be cancelled and will be held as previously scheduled.

Mr. Brock thanked Mr. Trujillo and his team for their hard work and support. The trustees applauded Mr. Trujillo and his team.

Mr. Brock stated that the next Board of Trustees meeting will be held March 8-9, 2018, in Atlanta, Georgia.

Meeting Adjourned: There being no further business, the meeting was adjourned.

Respectfully submitted,

Mark W. Long
Secretary

Approved:

John F. Brock III
Chair

Minutes of the Meeting of the Board of Trustees
December 8, 2017
Exhibit A, Page 1 of 2

GEORGIA TECH FOUNDATION, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
UNAUDITED OCTOBER 31, 2017, JUNE 30, 2017 AND
OCTOBER 31, 2016

(in thousands)

	October 31, 2017	June 30, 2017	October 31, 2016
ASSETS			
Cash and cash equivalents	\$3,893	\$5,484	\$2,990
Restricted cash	1,819	2,055	1,674
Capital reserve funds	8,905	8,802	7,350
Contributions receivable, net	104,764	104,179	86,685
Investments	1,684,653	1,640,586	1,511,515
Other assets	17,677	16,462	9,579
Lease receivable	136,231	145,494	145,494
Contributions receivable from remainder trusts	14,555	14,555	14,367
Charitable remainder trusts	14,255	13,985	19,129
Capital Assets, net of accumulated depreciation	<u>111,768</u>	<u>112,110</u>	<u>96,625</u>
Total assets	<u>\$2,098,520</u>	<u>\$2,063,712</u>	<u>\$1,895,408</u>
LIABILITIES			
Accounts payable	\$4,798	\$7,002	\$6,478
Commitment payable	6,721	7,178	7,272
Lines of credit	19,394	21,363	20,203
Note payable (EBB)	792	3,724	10,717
Notes payable (Biltmore & Sungard)	47,856	48,113	68,666
Bonds Payable, net of discount and premium	247,498	258,223	225,970
Amounts due to life beneficiaries	16,208	16,030	14,429
Deferred revenue	20,382	23,025	23,025
Funds held on behalf of GTAA	107,863	105,609	103,910
Other liabilities	<u>9,372</u>	<u>10,989</u>	<u>7,096</u>
Total liabilities	480,884	501,256	487,766
NET ASSETS	<u>\$1,617,636</u>	<u>\$1,562,456</u>	<u>\$1,407,642</u>
Total liabilities and net assets	<u>\$2,098,520</u>	<u>\$2,063,712</u>	<u>\$1,895,408</u>
Unrestricted Fund Balance	\$179,600	\$172,500	\$145,900
Unrestricted Fund Reserve	\$84,500	\$84,000	\$84,000

**GEORGIA TECH FOUNDATION, INC.
CONSOLIDATED STATEMENT OF
ACTIVITIES UNAUDITED FOR THE FOUR
MONTH PERIOD ENDED OCTOBER 31, 2017,
FOR THE FOUR MONTH PERIOD ENDED
AS COMPARED WITH THE YEAR ENDED JUNE 30, 2017 AND
THE FOUR MONTH PERIOD ENDED ON OCTOBER 31, 2016**

(in thousands)

	Unrestricted Fund	Temporarily Restricted Fund	Permanently Restricted Fund	4 months Total 10/31/17	12 months through 6/30/17	4 months Total 10/31/16
Revenue						
Gift income	\$1,524	\$13,300	\$7,091	\$21,914	\$86,898	\$14,486
Lease revenue	7,068	0	0	7,068	22,173	6,112
Lease revenue (Biltmore)	2,813	0	0	2,813	0	0
Investment income (net of fees)	1,055	3,538	37	4,630	27,446	5,359
Net realized/unrealized gain (loss) on investments	11,239	48,840	472	60,552	156,209	32,096
Change in value of trusts and annuities	0	37	30	66	1,436	67
Other	363	0	0	363	1,511	714
Net assets released from restrictions	29,792	(29,792)	0	0	0	0
Total revenues	<u>\$53,855</u>	<u>\$35,923</u>	<u>\$7,630</u>	<u>\$97,406</u>	<u>\$295,673</u>	<u>\$58,834</u>
Expenses						
Program services	\$34,167			\$34,167	\$102,578	\$37,748
General and administrative	3,481			3,481	18,826	3,604
Biltmore property expenses	2,777			2,777	0	678
Loss on extinguishment of debt	0			0	0	0
Fund raising	1,801			1,801	4,131	1,480
Total expenses	<u>42,226</u>	<u>0</u>	<u>0</u>	<u>42,226</u>	<u>125,535</u>	<u>43,510</u>
Changes in net assets	\$11,629	\$35,923	\$7,630	\$55,180	\$170,138	\$15,324
Net assets, beginning of period	<u>\$142,012</u>	<u>\$727,339</u>	<u>\$693,105</u>	<u>\$1,562,456</u>	<u>\$1,392,318</u>	<u>\$1,392,318</u>
Net assets, end of period	<u>\$153,641</u>	<u>\$763,262</u>	<u>\$700,735</u>	<u>\$1,617,636</u>	<u>\$1,562,456</u>	<u>\$1,407,642</u>