



CLIPPER SHIP FOUNDATION, INC.

2013 ANNUAL REPORT
For Fiscal Year Ended
October 31, 2013

77 Summer Street, Eighth Floor, Boston MA 02110
T: 617.426.7080

CORPORATION MEMBERS AND DIRECTORS

Donald J. Greene, President
Benjamin H. Lacy, Chairman
Kathleen O'Connor, Treasurer
Brooks A. Ames
Kay Berthold Frishman
Celia M. Grant
Brian S. Kelley
Mayra Rodriguez-Howard
Bryan Spence
Christine Swistro

CORPORATION MEMBERS

Sarah R. Newbury
John B. Newhall
George F. Pennington

Hannah Blaisdell, Foundation Assistant
Katy Fyrberg, Foundation Assistant and Clerk
Pamela Labonté Maksy, Assistant Treasurer
Amy Segal Shorey, Administrator

INTRODUCTION

HISTORY AND PURPOSE OF THE FOUNDATION

The Clipper Ship Foundation, Inc. was founded in 1979 by the late David Weatherhead. It is a non-profit corporation organized under Chapter 180 of the Massachusetts General Laws to benefit the sick and the poor. The Foundation makes grants to federally tax-qualified, non-profit operating organizations serving residents of Greater Boston communities, and the cities of Brockton and Lawrence, to assist them in fulfilling their goals and broadening the scope of their activities. Priority is given to organizations that help the homeless and under-housed, people in need, children, elders, people with disabilities, new immigrants, and low-income communities and neighborhoods. Special consideration is also given to emergency disaster situations, worldwide.

GRANT ACTIVITIES AND OBSERVATIONS

The Clipper Ship Foundation made grants totaling \$1,529,500 during the foundation's fiscal year ended October 31, 2013, an increase of \$62,000 over 2012 grant levels. A breakdown among grant categories is shown below while the individual grants are listed on the following pages.

<u>Grant Category</u>	2013	2012	2011
Aid to Persons with Disabilities	\$ 86,000	\$ 97,500	\$ 122,000
Children and Young People	\$ 571,000	\$ 590,153	\$ 665,500
Community Affairs	\$ 281,100	\$ 268,100	\$ 342,940
Food and Shelter	\$ 305,000	\$ 322,000	\$ 310,000
Emergency and Disaster Aid	\$ 50,000		\$ 25,000
Strategic Grants Initiative	\$ 211,400	\$ 190,000	\$ 200,000
Total Grants	\$ 1,504,500	\$ 1,467,753	\$ 1,665,440

2013's grant activity continued to reflect the Foundation's focus on providing support to organizations with annual operating budgets of \$3MM or less, as well as the Foundation's success in identifying several worthy grantee organizations new to Clipper Ship and our support of the One Fund Boston following the Boston Marathon bombing and CARE to provide relief to the Syrian refugee crisis. Giving across our different focus areas continued our ongoing trend of relative consistency, with our Strategic Grants Initiative grants representing significant, additional funding to our Children and Young People and Community Affairs categories.

In 2013, Clipper Ship maintained its commitment to support applicants in our Children and Young People category, allocating our greatest share of grant funding to support educational enrichment and recreational programs supporting youth in each of our target communities. Programs supported continue to include out-of-school (i.e. after-school, evening, summer and weekend) activities and represent direct grants as well as grants made through intermediary partners, such as EdVestors.

The Foundation continues to receive few applications in support of people with disabilities, resulting in a decline in 2013 funding for this Category and a more substantial drop from 2010 funding levels.

The 2013 Strategic Grants Initiative built upon the success of its inaugural year in providing significant, strategic capital grants to four deserving organization in support of:

- Social impact business expansion transportation grant support (More than Words and Community Giving Tree);
- Installation of an outcomes-based field data collection system to support homelessness (Massachusetts Housing and Shelter Alliance);

- Programming space development to support and expand services for the homeless (Community Day Center of Waltham).

This competitive, targeted grantmaking program offers prior Clipper Ship grantees access to scarce capital funding to support their strategic development plans through the awarding of significant one-time grants. We want to express our heartfelt appreciation to the 2013 applicants invited to compete for these grants and to recognize the significant inspiration, innovation, hard work and impacts each contributed to the process.

ADMINISTRATION

A special thanks to our incredible team (Katy Fyrberg, Hannah Blaisdell, Amy Shorey and Pamela Labonté) at GMA Foundations for the superior support and counsel they continue to provide to the Clipper Ship Foundation as well as their commitment to our mission.

AID TO PERSONS WITH DISABILITIES

3-21 Foundation, Inc. The Learning Program Boston 2013	\$7,500
Best Buddies Massachusetts Best Buddies Jobs	\$10,000
Challenge Unlimited Lawrence Initiative	\$3,500
D.E.A.F., Inc. Project HOPE: Deaf-Accessible Health Literacy and Wellness Education	\$10,000
Hebrew Senior Life Securing Nutritional Resources/Seniors in Need	\$5,000
Living Independently for Equality Inc. Administration Costs	\$10,000
MATCH-UP Interfaith Volunteers d/b/a FriendshipWorks General Operating support	\$7,500
NECC Foundation f/b/o Northern Essex Community College Shared Reading Saturdays	\$7,500
Partners for Youth with Disabilities, Inc. Mentor Match Program	\$10,000
Preparatory Foundation, Inc. Grade 13 Program	\$10,000
VSA Arts of Massachusetts Arts for All Universal Design Initiative	\$5,000
Total Aid to Persons with Disabilities	\$86,000

CHILDREN AND YOUNG PEOPLE

YEAR-ROUND PROGRAMS

Actor's Shakespeare Project, Inc. Incarcerated Youth at Play Programs Expansion	\$5,000
America Scores New England General Operating support	\$10,000
Big Sister Association of Greater Boston High School Mentoring Academy	\$10,000
Blessed Stephen Bellesini, O.S.A. After-School & Evening Study Program	\$10,000
Boston Children's Chorus Operating Support for Choral Education Programs for Disadvantaged Youth	\$7,500
Boston City Singers, Inc. Youth Training Chorus and Youth Development	\$7,500
Brookview House, Inc. School-Year Youth Development Program	\$20,000
Cambridge Community Center, Inc. Out-of-School-Time Program	\$5,000
Cantata Singers Classroom Cantatas	\$5,000
Chameleon Arts Ensemble of Boston, Inc. 2013 Music Education Program	\$5,000
City Stage Company, Inc. Playwriting Initiative	\$5,000
Coaching for Change Coaching for Change program in Brockton	\$7,500

Codman Academy Charter School	\$10,000
Codman Academy Extended Time Program	
Community Art Center, Inc.	\$7,500
General Operating Support	
Community Cooks	\$7,500
General Operating support	
Community Economic Development Assistance Corporation f/b/o Boston Schoolyard Funders Initiative	\$10,000
Boston Schoolyard Initiative Exit Project	
East Boston Ecumenical Community Council	\$5,000
ASPIRE High School After School Program; Restricted to Life Skills Program	
EdVestors	\$27,500
\$12,500 for the Orchard Gardens K-8 Pilot School; \$12,500 for the Neighborhood House Charter School and Family Service of Greater Boston; \$2,500 for administration costs	
Family Service, Inc	\$10,000
Big Friends Little Friends Youth Mentoring Program in Lawrence	
Farrington Memorial	\$7,500
Nature Linc	
Friends of Children's Trust Fund, Inc.	\$10,000
Strengthening Families: Parent Cafes	
Friends of Project Literacy	\$7,500
Project Literacy	
Friends of the Children-Boston, Inc.	\$10,000
General Operating support	
Girls Incorporated of Lynn	\$10,000
Odyssey Middle School/Academic/Mentoring	
Groundwork Lawrence, Inc.	\$15,000
Lawrence Food Access and Youth Program Expansion	

Improbable Players, Inc. Arts in Prevention	\$5,000
InnerCity Weightlifting InnerCity Weightlifting Staffing	\$7,500
Inquilinos Boricuas En Accion English Language Learner Project	\$10,000
JFYNetWorks JFYNet Pathways to College	\$5,000
John Andrew Mazie Memorial Foundation Mazie Mentoring Program	\$7,500
Julie's Family Learning Program Inc. General Operating support	\$10,000
Justice Resource Institute A Path To Healing: Supporting Exploited Girls Through Mentoring	\$10,000
Kids' Place at North Shore Assembly of God After-School Program (\$5,000); Renovations (\$2,000)	\$7,000
LEAP Self-Defense, Inc. Girls' LEAP Dorchester Deep Roots Initiative	\$7,500
Life Resources, Inc. General Operating support	\$15,00
Maria Droste Services Mentall Health Counseling for Youth and Women	\$5,000
Massachusetts Adoption Resource Exchange Finding Adoptive Homes for Local Children in Foster Care	\$10,000
MetroLacrosse, Inc. General Operating support	\$7,500
Museum of African American History History Happens Here! Educational Programs & Teachers Summer Institutes	\$5,000

Mystic Learning Center, Inc. Empowering Competent Youth	\$5,000
Nativity Preparatory School 4th Grade Expansion Project	\$10,000
Neighborhood House Charter School KidLab Program	\$10,000
Press Pass TV Media Leadership Institute	\$5,000
Raising a Reader MA Increasing Literacy program in Lawrence	\$5,000
RAW Art Works, Inc. High School Age Programs & Project Launch	\$7,500
Rediscovery at JRI YouthHarbors	\$10,000
Roxbury Presbyterian Church Social Impact Center Adopt-a-School: Project MCAS Success Expansion	\$10,000
Save the Harbor, Save the Bay 2013 Youth Environmental Education Programs	\$5,000
South Boston Neighborhood House, Inc. Youth Education, Leadership & Career Development	\$5,000
SquashBusters Boston and Lawrence six program components	\$7,500
St. Stephen's Youth Programs Full Time social worker	\$5,000
Sudanese Education Fund, Inc. "Saturday Bridges" Educational Enrichment Program	\$8,000

Tutoring Plus of Cambridge, Inc. FY13 Tutoring Plus	\$10,00
Up With Music, Inc. Lawrence Strings Program	\$6,000
Upham's Corner Community Ctr., Inc. Violence Prevention and Case Management	\$10,000
Wesley Child Care Centers, Inc. Early Education Music and Movement Program	\$10,000
Young Audiences of Massachusetts, Inc. Expanding Horizons Through Music	\$15,000
YouthBuild Boston, Inc. The Designery: Exploring Careers	\$10,000
YWCA of Boston Boston Youth/Police Dialogues	\$5,000
Zumix, Inc. Hands-On Youth Development	\$5,000
Total Children and Young People	\$511,000

SUMMER PROGRAMS

Associated Grant Makers, Inc. 2013 Summer Fund	\$45,000
Essex County Community Foundation Greater Lawrence Summer Fund 2013	\$15,000
Total Summer Camps	\$60,000

COMMUNITY AFFAIRS

Associated Grant Makers, Inc. 2012 Membership	\$10,100
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Career Collaborative, Inc. in support of Job-Readiness and Job-Search Course	\$10,000
Centro Latino de Chelsea, Inc. Operating Support	\$10,000
Chelsea Collaborative Strategic Plan development	\$20,000
DOVE, Inc. Operating Support	\$15,000
Ecumenical Social Action Committee GED Plus program	\$7,500
Families First Parenting Programs, Inc. General Operating	\$10,000
Families United in Educational Leadership (FUEL) Propelling Underserved Youth/Higher Education	\$10,000
Greater Boston Nazarene Compassion Center Food Program	\$10,000
Healthworks Community Fitness Strength for St. Mary's	\$7,500
Hull Lifesaving Museum, Inc. Coastal Connections	\$10,000
Immigrant City Archives Youth Programming Operating support	\$10,000
Irish Immigration Center English for Speakers of Other Languages	\$10,000
La Comunidad, Inc. General Operating support	\$10,000
Lawrence Family Development and Education Fund, Inc. Citizenship for New Americans Program	\$10,000

The Literacy Connection	\$6,000
General Operating Support	
Massachusetts Foundation For The Humanities	\$10,000
Clemente Course in the Humanities Expansion	
Mediation Works, Inc.	\$15,000
MWI's Eviction Mediation Program	
Mission of Deeds	\$15,000
Beds for Kids Campaign	
Notre Dame Education Center	\$7,500
for English for Speakers of Other Languages (ESOL) and ESOL Distance Learning	
Operation A.B.L.E.	\$10,000
ABLE Skills2Work	
Partakers, Inc.	\$10,000
Partakers College Behind Bars	
REACH Beyond Domestic Violence, Inc.	\$10,000
Emergency Shelter Program	
WATCH CDC	\$10,000
Breaking Barriers	
Wellspring Multi-Service Center	\$10,000
Ticket to Ride Transportation Program	
Woburn Council of Social Concern	\$10,000
General Operating Support	
Women's Educational Center, Inc.	\$7,500
Moving On: Support for Abused Women	
Total Community Affairs	\$281,100

FOOD AND SHELTER

Boston Affordable Housing Coalition d/b/a Mass Alliance of HUD Tenants Healthy Homes	\$10,000
Bread & Roses Housing Inc. Affordable Housing Program (AHP)	\$15,000
Caritas Communities, Inc. General Operating Support	\$10,000
CASPAR, Inc. ACCESS Transitional Program	\$10,000
Charity Guild, Inc. The Food Pantry	\$10,000
Chelsea Neighborhood Developers Supportive Housing for Homeless Families and Individuals in Chelsea	\$15,000
Citizens for Adequate Housing, Inc. Inn Between and Inn Transitions Shelters	\$15,000
Commonwealth Tenants Association Youth Program	\$5,000
Elizabeth Stone House, Inc. General Operating Support	\$15,000
Haley House, Inc. Meals Program and Food Pantry Expansion	\$10,000
HarborCOV, Inc. Emergency and Transitional Housing	\$12,500
Hearth, Inc. General Operating Support	\$10,000
Household Goods Recycling of MA, Inc. General Operating Support	\$15,000

Local Initiatives Support Corporation	\$60,000
Affordable Housing Development Program	
Margaret Fuller Neighborhood House, Inc.	\$15,000
MFNH Emergency Food Pantry	
Massachusetts Housing & Shelter Alliance	\$10,000
Support for Social Innovation Financing	
Mount Pleasant Home	\$5,000
General Operating Support	
Neighborhood of Affordable Housing, Inc.	\$10,000
Chelsea Creek Action Group year round programming	
Neighbors in Need	\$7,500
Neighbors in Need Food Pantries	
Respond, Inc.	\$10,000
General Operating Support	
The Second Step, Inc.	\$10,000
Housing Stabilization/ Self-Sufficiency Services for Survivors of Domestic Violence	
Span, Inc.	\$10,000
Grant Center Meals Program for Ex-Offenders	
Waltham Fields Community Farm	\$15,000
Food Access and Hunger Relief	
Total Food and Shelter	\$305,000

STRATEGIC GRANTS INITIATIVE

Community Day Center of Waltham	\$50,000
New facility build out	
Community Giving Tree	\$40,200
Purchase of a van and equipment for new warehouse	

Massachusetts Housing & Shelter Alliance	\$80,000
Implementation of a new data collection system and website	
More Than Words, Inc.	\$41,200
Purchase of a truck and hydraulic lift	
Total Strategic Grants	\$190,000

EMERGENCY & DISASTER RELIEF

CARE	\$25,000
Emergency support for the Syrian Humanitarian and Displacement crisis	
One Fund Boston	\$25,000
Emergency support for those most affected by the Marathon bombing	
Total Emergency Grants	\$50,000
Total	\$1,467,753

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Clipper Ship Foundation, Inc.

We have audited the accompanying financial statements of Clipper Ship Foundation, Inc. (a not-for-profit corporation), which comprise the statement of financial position as of October 31, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Clipper Ship Foundation, Inc. as of October 31, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

The financial statements of Clipper Ship Foundation, Inc. as of October 31, 2012 and for the year then ended were audited by Parent, McLaughlin & Nangle Certified Public Accountants, Inc., whose practice was combined with Marcum LLP as of February 1, 2013, and whose report dated February 20, 2013, expressed an unmodified opinion on those financial statements.

Marcum LLP

Boston, MA
May 14, 2014

CLIPPER SHIP FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION

OCTOBER 31, 2013 AND 2012

	2013	2012
Assets		
Cash	\$ 45,669	\$ 86,730
Refundable Federal Excise Taxes	11,629	10,881
Investments (Note 1)		
Equities	2,881,613	2,399,468
Mutual funds:		
Cash management	47,587	211,314
Balanced	17,077,692	15,872,326
International equity	1,939,836	1,327,964
Domestic equity	265,971	231,653
Global bond	1,015,445	1,135,417
Domestic bond	347,935	652,873
Commodities and managed futures	850,833	1,047,927
Hedge	1,448,169	1,649,195
Limited partnership	440,082	399,090
Total Investments	<u>26,315,163</u>	<u>24,927,227</u>
Total Assets	<u>\$ 26,372,461</u>	<u>\$ 25,024,838</u>
Liabilities and Net Assets		
Liabilities		
Deferred federal excise taxes	\$ 71,791	\$ 40,921
Grants payable	30,000	45,000
Accrued expenses	12,593	12,266
Total Liabilities	<u>114,384</u>	<u>98,187</u>
Net Assets		
Unrestricted net assets	<u>26,258,077</u>	<u>24,926,651</u>
Total Liabilities and Net Assets	<u>\$ 26,372,461</u>	<u>\$ 25,024,838</u>

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

CLIPPER SHIP FOUNDATION, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED OCTOBER 31, 2013 AND 2012

	2013	2012
Revenue		
Net realized and unrealized gains	\$ 2,422,606	\$ 1,059,944
Dividends	616,688	588,704
Interest	15	115
Deferred federal excise taxes on net unrealized gains	(30,870)	(10,221)
Investment management expense	(51,570)	(50,922)
Federal excise taxes on net investment income	(5,252)	(9,119)
Total Revenue	<u>2,951,617</u>	<u>1,578,501</u>
General and Administrative Expenses		
Administrative	83,801	85,390
Directors' fees	19,000	19,500
Accounting	11,325	11,000
Miscellaneous	1,565	2,630
Total General and Administrative Expenses	<u>115,691</u>	<u>118,520</u>
Excess of Revenue Over General and Administrative Expenses Before Program Expenses	2,835,926	1,459,981
Program Expenses		
Grants made	<u>(1,504,500)</u>	<u>(1,460,253)</u>
Change in Unrestricted Net Assets	1,331,426	(272)
Unrestricted Net Assets, Beginning of Year	<u>24,926,651</u>	<u>24,926,923</u>
Unrestricted Net Assets, End of Year	<u>\$ 26,258,077</u>	<u>\$ 24,926,651</u>

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

HOW TO APPLY

Note: All applicants must submit proposals through the online application form. Please visit www.agmconnect.org/clipper for detailed instructions for submitting an application.

Please review instructions thoroughly before starting your application

1. All online applications must include the following as exhibits:

- a) Personal resumes of the principal administrator or administrators of the subject project or program.
- b) An organization-wide budget as well as a project/program budget, if applying for project/program support.

Note: The foundation requires the use of the AGM Budget Form

Budgets must include the following:

1. time period covered by the budget;
 2. revenue, categorized by anticipated sources: e.g., grants, contracts, fees for services, fundraising event, annual solicitations, interest, endowment income and in-kind support;
 3. expenses: providing a line item expense budget, with narrative footnotes for those items which need further explanation.
- c) A list of the other sources of support. Please include committed and pending requests, and indicate source, amount and status.
 - d) Current board membership with relevant background, affiliations and places of residence.
 - e) Audited financial statements for the two most recently completed fiscal years and/or the Applicant's IRS Form 990 returns for the two most recently completed tax years. If the last fiscal year ended four months or more before the application deadline, that fiscal year's audit or Form 990 **MUST** be included or no action will be taken on your application. If you cannot meet this requirement, please wait to apply until the next quarterly round or such later time as you have that audit or Form 990.
- 2. Click Submit Button When Complete.** Your application must be submitted when you are done in order to remove it from draft status. After clicking submit, a new screen will appear confirming receipt of your application, but you will not receive an automatic email.

Consideration

Proposals are considered by the Grantmaking Committee and the Board four times a year, in January, April, June/July, and October. The corresponding deadlines are in November, March, May, and August - please check the Clipper Ship website for specific dates. Complete proposals must be received by 5 p.m. on the day of the deadline to be considered at the following Committee meeting. Applications that are received after these dates will be deferred until the next review cycle. Applicants should visit the Foundation's website for updates regarding required materials prior to submitting a proposal.

Final Reports

A grantee must submit a final report within two months of the termination of the subject project or program, or of the period of operations in which the grant is to be expended, and if applying for a new grant, the report should be submitted with the new request for funds. The report should clearly delineate the objectives and goals of the project or program, the specific manner in which the proceeds were expended, and the progress achieved subsequent to the submission of the request for the Clipper Ship grant. Clipper Ship welcomes the use of the AGM Common Report Form.

Annual Reports

Annual Reports should be directed to:

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