



CLIPPER SHIP FOUNDATION, INC.

2014 ANNUAL REPORT
For Fiscal Year Ended
October 31, 2014

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
Ana Perez Camayd
Kay Berthold Frishman
Celia M. Grant
Brian S. Kelley
Gene Miller
Joanne Pokaski
Mayra Rodriguez-Howard
Bryan Spence
Christine Swistro
Jean Whitney

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

For the 2014 fiscal year, the Clipper Ship Foundation made grants totaling \$1,535,600, a slight increase over 2013. A breakdown providing total grants awarded for each of the Foundation's priority giving categories is shown below while the individual grants are listed on the following pages.

<u>Grant Category</u>	2014	2013	2012
Aid to Persons with Disabilities	\$ 60,000	\$ 86,000	\$ 97,500
Children and Young People	\$ 665,000	\$ 571,000	\$ 590,153
Community Affairs	\$ 206,100	\$ 281,100	\$ 268,100
Food and Shelter	\$ 329,500	\$ 305,000	\$ 322,000
Emergency and Disaster Aid	\$ 25,000	\$ 75,000	
Strategic Grants Initiative	\$ 250,000	\$ 211,400	\$ 190,000
Total Grants	\$ 1,535,600	\$ 1,529,500	\$ 1,467,753

The Foundation maintained its focus and commitment to providing support to organizations with annual operating budgets of \$3MM or smaller. We also maintained our focus on supporting organizations in our Children and Young People category to which we awarded \$665,000 in 2014, a return to 2011 levels and an increase of 90,000+ more than awarded to this category in 2013. Our 2014 grants supported a range of educational enrichment and recreational programs supporting youth throughout our communities. Programs receive support directly as well as through expert intermediaries (e.g. EdVestors) in operating innovative out-of-school (i.e. after-school, evening, summer and weekend) activities.

Our 2014 funding of the Community Affairs category stood at \$206,100, representing a decline of \$75,000 and our Emergency and Disaster Aid category which has historically ebbed and flowed consistently, saw \$25,000 awarded vs. \$75,000 in 2013. The Foundation continues to see a paucity of applicants in our Aid to Persons with Disabilities, resulting in our third straight year of declining grant awards for this category, a trend we intend to explore and better understand in 2015. Our funding to the Food and Shelter category increased slightly to \$329,500 from \$305,000 the year prior.

In 2014, our Strategic Grants Initiative budget expanded up to \$250,000, based upon the strength of the applicants we encountered this year and the promising impact of their proposals. Like years past, the Foundation centered the program on providing significant, one-time, innovative strategic capital grants to four well deserving organizations in support of:

- Youth development and arts programming (RAW Artworks);

- Community service delivery overhaul and install of a whole-client and outcomes based technology platform (Wellspring);
- Provision of affordable, nutritious local food and related educational programming (Waltham Fields Community Farm); and
- Environmental education and green community development (Groundwork Lawrence)

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 congratulations and appreciation to the full field of 2014 applicants invited to compete and to recognize the tremendous impacts and commitment each contributes to the vitality of their communities.

GOVERNANCE & ADMINISTRATION

2014 represents a landmark year for the Clipper Ship Foundation as it welcomed on a class of four (4) new Board members - Gene Miller, Ana Perez, Joanne Pokaski and Jean Whitney, each of whom will bring a wealth of knowledge and enthusiasm to their new roles as directors of the Foundation. We were also sad to note the departures of two long-time board members Mayra Howard-Rodriguez and Christine Swistro. Mayra and Chris have been steadfast advocates for the Foundation during their tenures, enabling us to continue to improve upon our grantmaking strategy and practice to find the best nonprofit partners to support and drive the impacts the Foundation's mission is focused on. Their individual contributions are too numerous to note here, but their contributions to our continued success as a Foundation will indeed be missed. Our best wishes to both.

Lastly, thank you to our GMA Foundations team (Katy Fyrberg, Hannah Blaisdell, Amy Shorey and Pamela Labonté Maksy), for their continued excellence in providing the Foundation with the support, guidance and community representation which have become critical to our ongoing success.

AID TO PERSONS WITH DISABILITIES

3-21 Foundation, Inc. The Learning Program 2014	\$7,500
Boston Landmarks Orchestra Breaking Down Barriers project	\$5,000
Brockton Area A.R.C. Family Support Center Haitian Outreach	\$7,500
Community Therapeutic Day School Capital Campaign	\$20,000
Partners for Youth with Disabilities, Inc. Mentor Match Program	\$10,000
Piers Park Sailing Center Inclusive Youth Development Program	\$10,000
Total Aid to Persons with Disabilities	\$60,000

CHILDREN AND YOUNG PEOPLE YEAR-ROUND PROGRAMS

Actor's Shakespeare Project, Inc. Youth Programming	\$10,000
Adoption and Foster Care Mentoring General Operating support	\$10,000
America Scores New England General Operating support	\$10,000
Big Sister Association of Greater Boston High School Mentoring Academy	\$10,000
Bikes Not Bombs Pathways to Leadership: Youth Employment Program	\$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 Boston Youth	\$7,500
Boston Chinatown Neighborhood Center Youth Center support	\$10,000
Boston City Singers, Inc. Neighborhood Training Chorus and Youth Development	\$7,500
Boys and Girls Club of Lawrence General Operating support	\$20,000
Breakthrough Cambridge Academic Program in Boston and Cambridge	\$7,500
Brookview House, Inc. Above & Beyond: Youth Development Program for Homeless & at Risk	\$15,000
Cambridge Community Center, Inc. Out-Of-School-Time Program	\$7,000
Cambridge Public Access Corporation, Inc. Youth Media Program: Innovation in my Backyard	\$5,000
Cambridge School Volunteers General Operating support	\$10,000
Cantata Singers Classroom Cantatas	\$5,000
Central United Methodist Church Brockton Church and Community After-School Program	\$5,000
Chameleon Arts Ensemble of Boston, Inc. 2015 Music Education Program	\$5,000

Charlestown Working Theater, Inc. CWT Arts Programming for Children in Grades 1-8	\$5,000
City on a Hill Charter School Foundation CoaHCorps Tutorial	\$10,000
CitySprouts, Inc. Boston Program support	\$10,000
Community Arts Advocates MusiConnects program support	\$7,500
Community Service Center South Street Youth Center	\$7,500
Earthen Vessels, Inc. Expanding Horizons: EV's Successful Afterschool Program	\$10,000
East Boston Ecumenical Community Council ASPIRE High School After School Program; Restricted to Life Skills Program	\$10,000
Ecumenical Social Action Committee GED Plus program support	\$7,500
EdVestors Dudley Street Neighborhood Charter School (\$12,500); Henderson K-12 Inclusion School (\$12,500); Operating support (\$2,500)	\$27,500
Eliot School of Fine and Applied Arts SPP Out-Of-School-Time Program	\$10,000
Emerge Counseling Scholarship Fund	\$7,500
Essex Art Center General Operating support	\$7,500
Families First Parenting Programs, Inc. Parents are the First Teachers Program	\$10,000

Family Services of the Merrimack Valley Stand and Deliver program support	\$10,000
The Food Project Greater Boston DIRT Crew	\$7,500
FUEL A New Paradigm for College Success Program	\$10,000
FutureChefs General Operating support	\$10,000
Generations Incorporated Classroom Literacy Program	\$10,000
Girls Incorporated of Lynn Odyssey Middle School/Academic/Mentoring	\$10,000
Grub Street Young Adult Writers Program	\$7,500
Housing Families GREAT Youth and Families Program	\$5,000
Improbable Players, Inc. Arts in Prevention	\$5,000
JFYNetWorks JFYNet Pathways to College	\$5,000
Justice Resource Institute Survivor Mentoring and Leadership Development	\$10,000
Lawrence Community Works Lawrence Financial Stability Center	\$20,000
Louis D. Brown Peace Institute Violence Prevention Education Program	\$10,000

Massachusetts Adoption Resource Exchange Finding Adoptive Homes for Children in Foster Care	\$12,000
Massachusetts Coalition for Occupational Safety and Health Teens Lead at Work Program	\$7,500
Merrimack Valley YMCA YMCA Adelante Education Center	\$10,000
Museum of Afro American History History Happens Here! Program support	\$7,500
Nativity Preparatory School Extended Day and Evening Study Program	\$10,000
Neighborhood House Charter School Life Success Liaison Program	\$7,500
Next Step Fund Strive Initiative	\$5,000
Paraclete Foundation Out of School Support: Tutoring	\$10,000
The Possible Project Youth Entrepreneurship Program	\$7,500
Press Pass TV Media Leadership Institute	\$5,000
Raising a Reader MA Early Literacy for All: Delivering Core Program Model to Children and Families in Lawrence	\$7,500
Roca, Inc. Young Mothers Program	\$10,000
Roxbury Presbyterian Church Project MCAS Success at Dearborn & Higginson-Lewis Schools	\$10,000

Samaritans, Inc.	\$10,000
Greater Boston Youth Suicide Prevention Services	
School on Wheels Massachusetts	\$10,000
Educate and Mentor Homeless Youth in Brockton	
Sportsmen's Tennis Club	\$10,000
Generating Excellent Mentors (GEM) Program	
St. Mary's Center for Women and Children	\$5,000
GRLZradio.org at St. Mary's Center	
Thompson Island Outward Bound Education Center, Inc.	\$10,000
Connections 2014	
Up With Music, Inc.	\$6,000
Lawrence Strings Program	
Youth and Family Enrichment Services	\$10,000
Youth Builders After-School program	
Youth Development Organization	\$15,000
STEM Design Lab 2014	
Zumix, Inc.	\$5,000
Hands-On Youth Development	
Total Children and Young People	\$605,000

SUMMER PROGRAMS

Associated Grant Makers, Inc.	\$45,000
In support of the Summer Fund	
Essex County Community Foundation	\$15,000
In support of the Betty Beland Greater Lawrence Summer Fund	
Total Summer Camps	\$60,000

COMMUNITY AFFAIRS

Asian America Civic Association Adult ESOL Program	\$10,000
Asian American Resource Workshop Asian Breast Cancer Project	\$10,000
Associated Grant Makers, Inc. 2014 Membership	\$10,100
Ballet Theatre of Boston, Inc. Dance for the Commonwealth	\$5,000
Casa Esperanza, Inc. Roof Restoration project	\$15,000
Career Collaborative Job Readiness and Job Search Course	\$10,000
Community Legal Services and Counseling Center FY2015 Counseling Services for Low-Income People	\$10,000
English at Large General Operating support	\$7,500
Family & Children's Services of Greater Lynn Parenting Education and Family Support Program	\$7,500
Friends of Project Literacy Project Literacy	\$7,500
Hull Lifesaving Museum, Inc. Coastal Connections	\$10,000
Hyde Park Art Association Mobile Art Program	\$3,500

Immigrant City Archives d/b/a Lawrence History Center Gaining Momentum: Strategic Framework, 2013-15 Support, Year II	\$10,000
Irish International Immigrant Center English for Speakers of Other Languages	\$10,000
Jericho Road Lawrence General Operating Support	\$8,000
Merrimack Valley Project, Inc. Domestic Workers Education Project	\$7,500
Operation A.B.L.E. ABLE Skills2Work	\$10,000
Quincy Asian Resources English for Speakers of Other Languages (ESOL) Program	\$7,500
Shelter Music Boston Interactive Classical Music Concerts	\$7,500
Somali Development Center Road to Economic Self-Sufficiency	\$7,500
The Literacy Connection General Operating Support	\$6,000
Web of Benefit Transition TO Self-Sufficiency	\$10,000
Woburn Council of Social Concern General Operating Support	\$10,000
X-Cel, Inc. X-Cel GED to College Initiative	\$6,000
Total Community Affairs	\$206,100

FOOD AND SHELTER

Boston Affordable Housing Coalition Healthy Homes Program	\$10,000
Bread & Roses Housing Inc. Affordable Housing Program (AHP)	\$20,000
Bridge Fund of Massachusetts Homelessness Prevention Loans & Grants Program	\$15,000
Casa Myrna Vasquez, Inc. General Operating support	\$10,000
Casa Nueva Vida, Inc. Computer/Job Training Program - Boston	\$10,000
Castle Square Tenants Association, Inc. General Operating support	\$7,500
Citizens for Adequate Housing, Inc. Inn Between and Inn Transitions Shelters	\$10,000
City Mission Society of Boston Homelessness Prevention Program	\$10,000
Dove, Inc. General Operating Support	\$10,000
EMH Recovery, Inc. Graduate House Project	\$10,000
Food for Free Committee Produce Rescue & the Transportation Partnership	\$15,000

Greater Boston Nazarene Compassion Center	\$12,500
Greater Boston Nazarene Food Pantry	
Haley House, Inc.	\$12,500
Capital Improvements for 23 Dartmouth Building	
Hearth, Inc.	\$10,000
General Operating Support	
Interfaith Social Services, Inc.	\$10,000
Pantry Shelf Emergency Food Program	
Journeys of Hope	\$10,000
General Operating support	
LIFT-Boston	\$10,000
General Operating support	
Local Initiatives Support Corporation	\$60,000
Affordable Housing Development Program	
Margaret Fuller Neighborhood House, Inc.	\$10,000
MFNH Emergency Food Pantry	
Massachusetts Coalition for the Homeless	\$5,000
HomeLink Initiative	
Mission of Deeds	\$15,000
Beds for Kids Program	
Respond, Inc.	\$10,000
Enhanced Shelter Program	
Somerville Homeless Coalition	\$12,500
Rapid Response: Homeless Prevention	
The Second Step, Inc.	\$10,000
Housing Stabilization/ Self-Sufficiency Services for Survivors of Domestic Violence	

Wellmet Project, Inc.	\$7,000
Wellmet Project Program Support	
Women's Educational Center, Inc.	\$7,500
Moving On: Support for Abused Women	
Total Food and Shelter	\$329,500

EMERGENCY AND DISASTER RELIEF

Give2Asia	\$25,000
Support for the Philippines	
Total Emergency and Disaster Relief	\$25,000

STRATEGIC GRANTS INITIATIVE

Groundwork Lawrence	\$50,000
Facility Build Out	
RAW Art Works	\$75,000
Teen Programming Expansion	
Waltham Fields Community Farms	\$65,000
Food Storage and Distribution Build Out	
Wellspring, Inc.	\$60,000
Information Technology System Upgrade	
Total Strategic Grants	\$250,000

2014 Grants Total \$1,535,600

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Clipper Ship Foundation, Inc.

We have audited the accompanying statements of financial position of Clipper Ship Foundation, Inc. (a not-for-profit corporation), as of October 31, 2014 and 2013, and the related statements of activities and cash flows for each of the years 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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, 2014 and 2013, 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.

Marcum LLP

Boston, MA
June 16, 2015

CLIPPER SHIP FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION

OCTOBER 31, 2014 AND 2013

	2014	2013
Assets		
Cash	\$ 93,030	\$ 45,669
Refundable Federal Excise Taxes	--	11,629
Investments (Note 1)		
Equities	2,324,259	2,703,267
Mutual funds:		
Cash management	28,421	47,587
Real estate investment trusts	255,008	178,346
Balanced	16,666,901	17,077,692
International equity	2,233,785	1,939,836
Domestic equity	190,624	265,971
Global bond	881,980	1,015,445
Domestic bond	692,471	347,935
Commodities and managed futures	887,352	850,833
Hedge	1,013,169	1,448,169
Limited partnership	423,917	440,082
Total Investments	<u>25,597,887</u>	<u>26,315,163</u>
Total Assets	<u>\$ 25,690,917</u>	<u>\$ 26,372,461</u>
Liabilities and Net Assets		
Liabilities		
Deferred federal excise taxes	\$ 59,332	\$ 71,791
Federal excise taxes payable	1,236	--
Grants payable	45,000	30,000
Accrued expenses	27,264	12,593
Total Liabilities	<u>132,832</u>	<u>114,384</u>
Net Assets		
Unrestricted net assets	<u>25,558,085</u>	<u>26,258,077</u>
Total Liabilities and Net Assets	<u>\$ 25,690,917</u>	<u>\$ 26,372,461</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, 2014 AND 2013

	2014	2013
Revenue		
Net realized and unrealized gains	\$ 390,456	\$ 2,422,606
Dividends	638,738	616,688
Interest	--	15
Deferred federal excise taxes on net unrealized gains	12,459	(30,870)
Investment management expense	(51,898)	(51,570)
Federal excise taxes on net investment income	(40,365)	(5,252)
Total Revenue	<u>949,390</u>	<u>2,951,617</u>
General and Administrative Expenses		
Administrative	83,790	83,801
Directors' fees	16,500	19,000
Accounting	11,700	11,325
Miscellaneous	1,792	1,565
Total General and Administrative Expenses	<u>113,782</u>	<u>115,691</u>
Excess of Revenue Over General and Administrative Expenses Before Program Expenses	835,608	2,835,926
Program Expenses		
Grants made	<u>(1,535,600)</u>	<u>(1,504,500)</u>
Change in Unrestricted Net Assets	(699,992)	1,331,426
Unrestricted Net Assets, Beginning of Year	<u>26,258,077</u>	<u>24,926,651</u>
Unrestricted Net Assets, End of Year	<u>\$ 25,558,085</u>	<u>\$ 26,258,077</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:

Ms. Katy Fyrberg
Foundation Assistant
Clipper Ship Foundation
77 Summer Street, Eighth Floor
Boston, MA 02110 14242

Phone: 617-391-3094

Fax: 617-426-7087

E-mail: kfyrberg@gmafoundations.com

Website: www.clippershipfoundation.org