



AAUW ASHEVILLE SCHOLARSHIP ENDOWMENT, INC.

Celebrating Seventeen Years of Supporting Higher Education for Worthy Women in Western North Carolina

2019 Annual Report for Fiscal Year 2018-19

submitted by Alice Doner, 2019-20 President

Board of Directors

- Alice Doner, President
- Nini Abbott, First Vice-President
- Carol Smith, Second Vice-President
- Deborah Fulton-Helmer, Treasurer
- Susan Grabel, Secretary
- Lina Evans
- Bette Feingold
- Susan Ikerd
- Betsy Kirk
- Millie Massey
- Marlene Shaklan
- Pat Ashe, AAUW Asheville President
- Karen Mauro, Past President Advisor, Finance Chairperson

The fiscal year 2018-19 was another wonderful year of growth and giving for our organization, now formally renamed “American Association of University Women (AAUW) – The GEM Fund: the AAUW Asheville Scholarship Endowment, Inc.” Last year the national AAUW organization required that the GEM Fund become a separate, equal affiliate and, as such, our organization acquired a new official name. In keeping with its independent status, the Board voted that the incoming slate of Board of Directors must be approved solely by the outgoing GEM Board.

Once again, our branch members and friends were generous and enthusiastic, contributing over \$51,000 to either the endowment and/or the active scholarship funds. Based on contributions from the prior two years, we were able to award a record 31 scholarships for the 2018-19 academic year, twenty to students at Asheville Buncombe Technical College (A-B Tech) and eleven to the University of North Carolina at Asheville (UNCA) -- all, of course, awarded to worthy women whose educations had been interrupted or delayed. About half of these were funded by monies held over from the previous year, when A-B Tech was unable to fill all the allotted scholarship slots. Improvements in the selection and

distribution process resulted in all the funds for both years being distributed for the 2018-19 school year. During the year the Board also voted to award another 15 scholarships for the 2019-20 academic year, seven to A-B Tech and eight to UNCA.

Under the leadership of the Board and 2018-19 Board President Karen Mauro, the GEM Fund experienced growth in contributions and income. Furthermore, as the GEM Fund celebrated its seventeenth anniversary, the Board adopted a number of practices that correspond with the maturing of our organization as a vibrant, established charity, including a revision of by-laws and more precise definitions of operating procedures and director roles and responsibilities. This growth and maturation are the direct result of the enthusiasm and hard work of our GEM Board members and our compatriots at AAUW Asheville.



Committee Reports

Fundraising

Fundraising continued at record speed this year, totaling a record \$51,368. GEM and AAUW members and friends contribute throughout the year, and, prior to the fund drive season, had contributed over \$20,000 to either the endowment or the active scholarship funds. “Birthday Dollars for Scholars” brought in approximately \$5,000 and the spring fund drive and fundraiser party accrued another \$25,600.

Continuing this enthusiasm for giving, prospective contributors could participate through direct donations, tributes, participation in the GEM Friends’ Silent Auction as hosts and/or bidders, buying raffle tickets, attending the fundraiser party, and/or becoming 17th Anniversary Sponsors. As has become tradition, sponsorship was divided into three categories: *Diamond* for gifts of \$1000 or more, *Ruby* for gifts between \$500 and \$999; and *Sapphire* for gifts of \$100 to \$499. All in all, sponsorship included 49 donors, with eight Diamond Sponsors, four Ruby Sponsors, and 37 Sapphire Sponsors. The raffle this year included a record number of items, donated by 38 local business partners, seventeen of whom qualified for sponsorship level, and raised over \$2,500. The silent auction included a record 19 offers of services and experiences, bringing in over \$5,300. For the ninth year, the fund drive season culminated in the fundraiser party at the Fernhurst Mansion on the A-B Tech campus in early June. As always, it was a lovely event, with great food provided by Michelle Kelley (CrackerJack Chef), wine, wonderful conversation, and visitation with some of our GEM Scholars. In keeping with a seventeenth anniversary, the theme of this year’s event was “Wine and Spirits,” celebrating the tradition of the warmth of wine and the harvest and the “spirits” of our GEM Scholars – past, present, and future.

Scholarships

During the 2018-19 year, the GEM Board has continued to work both diligently and creatively to grow the fund and strengthen our partnerships with both UNCA and A-B Tech. Through the extensive efforts of our Scholarship Liaison, Susan Ikerd, we have gained a much better understanding of the award process at both institutions and established positive relationships with relatively new primary contacts. Extensive discussion took place between the primary points of contact and the board president, treasurer, and GEM scholarship liaison regarding scholarship descriptions and promotion; timing of awards and notification to GEM; invoicing, payment, and reconciliation of funds; communication between GEM, each institution, and GEM scholarship recipients; and other issues germane to each institution. The awarding, reporting, and communication of scholarships differs significantly at the two schools and Susan is working with each to ensure that GEM requirements, expectations, and guidelines are met and aligned accordingly.



Legacy

This year the Legacy Society added new members to the list of legacy donors. One is Patricia Hankinson, who has designated the GEM Fund in her will, as arranged by Sarah Thornburg, attorney and past president of the GEM Fund. Marilyn Kolton met with Patricia and provided her information about AAUW and the GEM Fund. A second person who is new to the list of Legacy members is Cathy Battle, past president of our branch affiliate and long-time GEM supporter.

Presentations about the Legacy Society were made at two AAUW program meetings and the Legacy Fund handout was distributed at those meetings. In addition, Marilyn Kolton spoke individually to new members who were attending program meetings about the GEM Fund and the Legacy program. GEM Fund board members were encouraged to become Legacy members and received the Legacy handout.

At the present time, there are eighteen members of the Legacy Society. One goal of the committee is to have as many members as the number of years the GEM Fund has existed, and this goal was met last year. One beloved member of the society, Martha McMullen, is now deceased and her GEM bequest has been added to the permanent endowment fund. The Legacy Committee will continue to publicize legacy as another way to contribute to women's' education and consider a variety of ways to promote their message.

Donor Relations

The Gem Board was pleased to continue to acknowledge the many generous supporters during the fiscal year. Carol Smith made sure that official thank you notes were sent to all donors and that, in the case of tributes that honored friends or loved ones, notifications were sent, as well. GEM Sponsors were acknowledged in the June fundraiser program, as well as in "GEM Chips." Business partners were also acknowledged in the program, along with advertising in the summer edition of "GEM Chips" and listing in the AAUW Asheville affiliate member directory.

Communications

Alice Doner, Communications Chair, published three "GEM Chips" -- one in the fall, one in the spring, and one in the summer. The fall edition includes a summary of the Annual Report, listing of all donors during the prior fiscal year, and scholarship news. The spring edition focuses on the "faces and voices" of GEM Scholars, including quotations from the scholars, and a focus on the upcoming spring fund drive and fundraiser event. The summer edition features news from the fundraiser and extensive snapshots from the event, along with listing of sponsors and business partners. Board president, Karen Mauro, also sent GEM news to the editor of the branch affiliate to be included in the monthly newsletter.

Other publications include the annually updated brochure and the information card sent out along with the fundraiser invitations. In addition, informational packets are prepared for prospective business partners.



Finance

Under the leadership of Carol Smith and board president Karen Mauro, the Finance Committee continued to guide and solidify financial procedures and decisions. The current Finance Committee chairperson, Karen Mauro, submitted the following report:

Performance

The GEM fund ended the year at \$316,865.80. The investment portfolio held at Decker Wealth Management closed the year at \$273,042, a 5.1% increase over last year (net of additions and management fees.) Returns are lagging the 60 MSCI World Equity/40% Bond Asset Allocation benchmark, which was up 6.2% during the same period.

GEM's investments are 58.2% stocks and 40.8% bonds with the remainder in cash, in line with GEM's 60/40 benchmark. We are slightly underperforming in return but have a much more conservative (i.e., safer) allocation. The overall underperformance is due to a high concentration in short term bonds that increased in value less than the longer dated index.

Cash was reduced to a lower position (1%) with the bulk going into short-term certificates of deposit. Bonds in the portfolio have a shorter maturity and were up for the year, although less than the longer dated index. Equities were up 7.6% vs. 5.59% for the MSCI World index. We are diversified across large and small equities and our funds outperformed each of these indices.

As we have reached \$300,000 in assets in the Fund, the Finance Committee will be investigating distribution amounts from the fund starting with the 2019-20 fiscal year.

Changes in Financial Policies and Practices.

The committee modified the role of the President of GEM through the Financial Policies and Practice document. It is now required that the President be on the Board for a year before becoming President.

Summarized Statement of GEM Fiscal Year End Positions (FY 2018-19):

As of the end of June 2019 -- the end of the fiscal year -- the GEM Fund included the following assets: \$316,865 total: \$273,042 in the investments portfolio, with \$184,580 in principal contributions and \$88,462 in interest; and \$43,823.80 in local banks, including two \$10,000 CD's earning 2.6% interest.



2019-20 GEM Board:

At the end of the fiscal year, the GEM Board approved the following GEM Board members and officers for the 2019-20 fiscal year:

- Alice Doner, President
- Nini Abbott, 1st Vice-President
- Carol Smith, 2nd Vice-President
- Deborah Fulton-Helmer, Treasurer
- Susan Grable, Secretary
- Lina Evans
- Bette Feingold
- Susan Ikerd
- Betsy Kirk
- Millie Massey
- Marlene Shaklan
- Pat Ashe, AAUW Asheville President