



THE BYERLY FOUNDATION

2006-2007 ANNUAL REPORT



IMPROVING QUALITY
OF LIFE IN THE
PRESENT;
SUSTAINING SUCCESS
AND HAPPINESS IN
THE FUTURE...



THE BYERLY FOUNDATION BOARD



Vicki Arthur



David Blackmon



Beth Blum



Jerry Cheatham



Tony Floyd



Ronnie Holley



Flossie Hopkins



Charles J. Hupfer



David McFarland



Heather Norwood



Maureen Thomas

Terms ending in 2008 include: Ronald Holley, Heather Norwood, Maureen Thomas

Terms ending in 2009 include: Vicki Arthur, Tony Floyd, Flossie Hopkins, David McFarland

Terms ending in 2010 include: David Blackmon, Beth Blum, Jerry Cheatham, Charlie Hupfer

MISSION STATEMENT

The mission of The Byerly Foundation is to improve the quality of life in Hartsville, South Carolina. We envision The Foundation as an instrument of positive change in our community. We will work with public and private interests to improve the economic, social and educational needs of all our citizens.

LETTER FROM THE FOUNDATION CHAIR

The Byerly Foundation is an important part of the Hartsville community. It provides financial resources through grants, and also, serves as a catalyst for other initiatives which are needed to improve the quality of life for current residents and to attract growth in business, industry, residents and tourism. As a result, The Foundation plays a major role in making Hartsville different from a lot of other small towns. It is an organization that can help continue fostering the kind of character that makes this such a special community.

This is my first year as Chair of The Byerly Foundation. I assume this role with a great sense of responsibility and gratitude for having been given this opportunity to serve the Hartsville community, which has been such a big part of my life and has provided me and my family so much opportunity, enjoyment and sense of belonging. Serving as Chair of The Byerly Foundation Board of Trustees is an honor and privilege. Much of that honor and privilege comes as a result of the skill, forethought, dedication and hard work of the former Board members who constructed the Foundation and gave this unique gift to the Hartsville community. I would like to pay special tribute to Harris DeLoach, who chaired this Foundation from its inception in 1995. His tenure on the board ended when his term expired on September 30, 2007. His legacy of leadership will impact this organization and our community for decades to come. As a result of term expirations, we lost two other original Board members in September, Lee Hicks and Howard Tucker and Leroy Robinson, who served two three-year terms. Our Board and our entire community are indebted for the time, effort and talent given by these four people as they worked to help make Hartsville become one of the best places in the world in which to live. They also led the way in their dedication

About the cover: from top, left: The Butler Community Center; the Hartsville operation of the Darlington County Free Medical Clinic; a child at Southside Early Childhood Center riding on the new tricycle track; and students at McBee Elementary benefiting from increased classroom technology.

to ensuring a strong board that will focus on the mission and on the prudent oversight of the investments that provide the ongoing grant funding.

Elsewhere in this annual report you will find a list of the current members of The Byerly Foundation Board. They were nominated and elected to the Board because of their skills, their foresight, and their demonstrated commitment to the betterment of Hartsville. They volunteer to serve because they want to ensure that the Foundation continues helping others make positive changes in our Hartsville community that will enhance the quality of life for all. This board has my personal thanks and appreciation for their service.

SEEKING WAYS TO CONTINUE THE PROGRESS

As a Board we are seeking ways to continue the progress The Byerly Foundation has been part of since giving its first grants in 1998. This past February the Board had a planning session and reaffirmed that the major areas in which we want to invest the Foundation's funds and time are public education, economic development and quality-of-life programs. As we discussed our future direction it became apparent that if Hartsville is going to continue moving forward everyone across the socio-economic span of its citizenship is going to have to benefit from our progress. For example, the major goal we set down for education was that achievement at both the bottom and top ends of the scale be as strong as or stronger than any other public education system in South Carolina . We are investigating strategies that might help us help our community implement programs to achieve such an ambitious goal. In our entire grant making, we are hoping to fund ideas that will make the biggest possible difference. For example, Darlington County has just implemented a new private-public partnership for economic development that we hope will help our area make significant gains in the growth of quality jobs for our citizens. Within Hartsville, we have joined with other groups on an initiative called "Selling Hartsville," that is geared to develop ways to attract new residents to our town and to enhance the experience of tourists to the Hartsville community.

Annually, the Foundation invests approximately \$1.5 million in grants to enhance the greater Hartsville community. While \$1.5 million is obviously a lot of money which can do a lot of good, it's impact seems less significant when you put it in the context of the big picture of the many issues and opportunities that face our community at large. Therefore, it is the Board's responsibility and intent to carefully review all of our grants to ensure they are targeted to the areas which will have the most positive impact on the most people.

CONTINUING FOCUS

Beyond the direct impact of the grant money, our Board's continuing focus is to be proactive in finding ways to utilize The Byerly Foundation as a boundary-spanning organization to bring all types of groups together to meet the challenges of continuing to enhance the quality of life of our community. With the involvement and support of the community at large, the ability to solidify and enhance Hartsville as one of the greatest places in the world in which to live and raise a family is well within our collective reach. We as a Board and Hartsville as a unified community must realize that we cannot rest on our past laurels. We must identify and embrace the changes which are needed to keep pace with the social issues which we face and with the fast changing global economy. The Hartsville leadership, public and private, and all citizens cannot let this opportunity pass us by. If we do, our loss will be the gain of some other more progressive community. Together, let's seize the moment.

We invite you to let us know how you think The Foundation can best use its grant-making funds and its unique role as a catalyst in Hartsville to help all of us achieve the mission of "working with public and private interests to improve the economic, social and educational needs of all our citizens."

Sincerely,
Ronnie Holley
Chairman



Children at Southside Early Childhood Center riding on the new tricycle track.

COMMUNITY BUILDING WAS A MAJOR THEME OF THE LAST YEAR IN HARTSVILLE

During 2007, The Byerly Foundation hosted a series of meetings with Richard Harwood, of The Harwood Institute for Public Innovation. Harwood has worked on community building philosophies for more than two decades and he was in Hartsville to help spark additional discussion about energizing citizens to help bring about the change they want for the community. This event was the culmination of the community conversation process that had been ongoing for the previous 13 months.

Among the meetings that Harwood addressed was a dinner get together that included members of the Darlington County School Board, city and town councils within Darlington County and the Darlington County Council. This was an opportunity to bring these groups around the same tables so they could share their visions for our communities. One of the keys to successful community building is finding ways to span the boundaries that often prevent organizations from working together. This was one step in that effort. The ultimate goal of the Harwood visit was to ignite more focused actions by the wide variety of groups working for positive change within Hartsville.

Another major event of the past year was a second Services Summit held by the various human services organizations within Darlington County. This Summit has resulted in the reorganization and revitalization of the Darlington County Coordinating Council, which is a boundary-spanning organization within the human services groups. This council has become very active and is generating a great deal of cooperation and collaboration in the human services area.

UPDATING OF A COMPREHENSIVE PLAN FOR THE CITY

The Foundation also served as one of the many groups working on the update of a comprehensive plan for the city of Hartsville. This new plan has been adopted by the Hartsville City Council and should serve to guide growth and change efforts within the greater Hartsville area.

There has been a great deal of discussion within Hartsville about the need to better sell the advantages of living in and visiting our area. During the past summer, Harris DeLoach, who served as Chair of this organization since its inception, and who serves as the Chair and President of Sonoco, shared concerns with the All Member Luncheon of the Hartsville Chamber, about what he feels has been a sense of complacency around the Hartsville area. He told of more than 100 families who had transferred to work at Sonoco in Hartsville but who have chosen other communities in which to live. He spoke of problems finding capable employees for many of the jobs now being offered



Members of the Hartsville High School Band practice with SmartMusic, software that allows the students to have a personalized practice system. A Byerly Foundation grant helped purchase this new software.



The Jacob Kelley House in Hartsville is a link to the rich history of our area and a Byerly Foundation grant helped with upkeep of this visual link to the area's history.



at Sonoco. He noted a need for more focused leadership on questions of improving education in our area, on finding new sources for economic development and increased cooperation and collaboration among all sectors of the community. He urged the Chamber and all organizations within Hartsville to continue finding ways to encourage positive growth in the community.

SELLING HARTSVILLE

One of the results of that “wake up call” is a project that has been started by The Foundation called “Selling Hartsville.” Ideas for this project have been surfacing from a variety of groups for some time. The idea of a “Selling Hartsville” project is included in the revised comprehensive plan for Hartsville. This will be an ongoing project and the consultants hired for the first phase recently reported that they felt “this area has an embarrassment of riches that need to be coordinated to sell the authentic lifestyle that is Hartsville.” All of the major community groups are working on this project as are a significant number of citizens who are looking for ways to make a positive difference in their community.



McBee High Students got some hands-on learning as a result of the creativity of their instructor, Pat Earle, and a grant from The Byerly Foundation, which helped them design and install an irrigation system for a ball field.



A grant from The Byerly Foundation assisted the Pee Dee Coalition against domestic and sexual abuse to increase volunteer support and outreach in the Greater Hartsville area.

project that should be a strong addition to the central part of Hartsville.

In his talks to communities around the nation, Rich Harwood stresses that “People who do the change in communities are local people, who understand the challenges.” The Byerly Foundation is pleased to be among the many organizations within the greater Hartsville area working for positive change that will enhance the quality of living for all the residents of this community.

At the same time, conversations began taking place within Darlington County about redefining the economic development resources in the area as a Public-Private partnership that would have more reach than the traditional approach that has been ongoing for some time in Darlington County. This Public-Private partnership is taking shape and provides additional direction for increased economic development activity in this area. The ultimate goal of this activity is higher quality jobs for area residents.

REDEVELOPING THE RAILROAD VISTA

One of the major cross-organizational projects over the past few years is the removal of the railroad from the center of Hartsville. During the past year this project continued to progress and a grant from the Foundation has assisted Coker College with redeveloping a portion of its railroad Vista property. The City of Hartsville has also begun to move forward with its portion of the property. This is an ongoing

A REVIEW OF GRANTS FROM 2006–2007

Last fiscal year, The Byerly Foundation Board approved 26 grants totaling over 1.2 million dollars. These grants were used to increase the value of educational, social and economic life in our community through plans implemented by twenty three organizations.

Education

Darlington County Disabilities and Special Needs Board - \$1,000.00

-Pedaled ride on toys and a sand and water play table were purchased and a music program was started for children at Bright Beginnings in Hartsville.

EdVenture - \$10,000.00

-Three teachers from a Hartsville elementary school were given the opportunity to attend a one week education seminar over the summer, with hands on assistance and instruction in the class throughout the school year as a follow up.



McBee Elementary School developed a full technology plan for their classrooms that allows teachers to provide even more interactive learning. A portion of the plan was implemented with grant funds from The Foundation.

Hartsville High School Bands - \$2,940.00

-Computers were purchased and SmartMusic software was installed, to enrich the learning environment by providing an interactive, computer based, personalized practice system.

Hartsville High School - \$30,462.90

-Thirty, new computers were purchased for the CBC, computer based classroom, at Hartsville High School.

McBee Elementary School - \$25,600.00

-Completed technology plan, including speaker and microphone systems and interactive teaching tools for every classroom were put in place at McBee Elementary School.

McBee High School - \$12,500.00

-“Learning to Do, Doing to Earn, Learning to Live, Living to Serve.” Constructed a turf baseball field as well as designed, installed and maintain an irrigation system as an on-going project in Agricultural class.

Puck's Theater - \$8,000.00

-Provided funds for several innovative programs that enrich education, economic, and cultural life within Hartsville, such as after school programs which emphasize improvisational theater and character building at Hartsville Middle School and Thornwell.

Rubicon - \$20,000.00

-Learning enrichment program was continued at Sonovista Alternative School with increased outreach of tutoring program.

Southside Early Childhood Center - \$7,500.00

-Daily physical activity of students was increased with construction of a tricycle path, to be used during recess, promoting an active lifestyle.

Community Life

Darlington County Historical Commission - \$10,000.00

-Site restoration of Jacob Kelley House, a well-known historical landmark.

Free Medical Clinic of Darlington County - \$35,000.00

-Office needs such as medications and tools were supplied for the new Hartsville location

Hartsville Coker Concert Association - \$12,000.00 over a three year period

-Artists from the Carolinas currently working to build a professional career were sponsored to perform for local audiences.

Hartsville Family YMCA - \$125,511.34

-“The Fox Zone” a 3500 square foot teen center was constructed including wiring for computers, handicap chairlift, a unisex bathroom, and video games, which services 50-100 teens daily.

Hartsville Heritage Foundation - \$21,000.00 over a three year period.

-Ensured proper maintenance of John Lide Hart Cottage, and helped the landmark remain a constant historical attraction.



The Darlington County Ministerial Association uses health professionals from several churches to help monitor chronic diseases among church members. The group conducted a Health Fair recently at the New Hopewell Baptist Church.

Workers are busy transforming the former railroad property in downtown Hartsville into what is called the Vista Project. This project, funded in part by The Foundation, includes projects of both Coker College and the City of Hartsville.





One of the more exciting additions at the Hartsville Family YMCA has been the Teen Center on the second floor. This center, called The Fox Zone, is a popular after-school destination for area teens.



Hartsville Police Department, Police Youth Academy - \$50,000.00 over a five year period

-Summer camp known as Hartsville Police Youth Academy, intended to reduce juvenile delinquency and school truancy statistics in Darlington County was reintroduced to the community.

Helping Hands Hospice - \$10,000.00

-A computer and LCD projector were purchased to enable expansion of outreach capabilities to educate community, businesses, and churches about benefits and services of Helping Hands Hospice.

New Vision Community Development Corporation - \$15,000.00

-Necessary tools were provided for Kids Café program, which guarantees a daily meal to children who attend the after school program at New Vision.

New Vision Community Development Corporation - \$21,861.00

-“Project Take Control Health Initiative”, was started to increase awareness of health related issues, at four Hartsville churches, Second Baptist Missionary Baptist Church, Jerusalem Missionary Baptist Church, Centenary United Methodist, and Mt. Tema Baptist Church.

Pee Dee Coalition Against Domestic and Sexual Assault - \$25,000.00

-Capacity of Darlington County Satellite Center and level of services provided to the greater Hartsville area was expanded and enhanced.

Rubicon - \$14,062.00

-A second counselor was hired to provide counsel to the growing number of children and families aided by Rubicon

Economic Development

SCANPO (South Carolina Association of Non-Profit Organizations) - \$1,000.00

-Non-profit staff and volunteers were given the chance to improve professional capacity and increase standards of their organizations in South Carolina.

Trees for Tomorrow - \$40,000 over a four year period

-123 trees were planted in 2006 alone, with 91 more planted in 2007.

Butler Heritage Foundation - \$375,000.00 over a two year period

-Restoration of Administration Building on central campus was made possible.

Christmas in April - \$1,000.00

-Over 360 volunteers worked to repair houses of senior citizens, handicapped and low income families in Hartsville area with no expense to those families.

Coker College - \$338,100.00

-Necessary resources to complete vista area and comply with DHEC regulations were granted, eventually creating an attractive and functional project for the Hartsville community extending from Fourth Street to First Street.

Coker College - \$30,000.00

-Phase I of the Railroad Project, included clearing land for future development.



A new community center is rising on the site of the former administration building of the old Butler High School. This restoration project is being spearheaded by the Butler Heritage Foundation and plans call for an active community building once the two-phase project is complete. The Byerly Foundation is funding part of the renovation/restoration.



An Accounting of 2005–2007

STATEMENTS OF CASH AND INVESTMENT RECEIPTS AND DISBURSEMENTS

Years Ended September 30, 2007, 2006 and 2005

	2007	2006	2005
CASH RECEIPTS			
Interest	\$ 531,634	\$ 450,458	\$ 417,207
Dividends	267,190	232,322	284,814
Capital gain distributions	–	–	–
Investment aggregate receipts	15,421,485	7,486,644	7,112,715
Rental income	–	–	–
Sale of asset	–	–	–
Refund of grant	–	–	–
Miscellaneous	–	–	–
TOTAL CASH RECEIPTS	16,220,309	8,169,424	7,814,736
CASH DISBURSEMENTS			
Program services			
Grants and awards	1,338,593	844,988	511,349
Salaries and payroll taxes	46,263	43,358	41,351
Legal and professional	6,520	9,385	7,120
Utilities and telephone	5,414	4,727	3,975
Travel and seminars	23,612	10,285	1,603
Insurance	14,635	13,206	6,686
Office supplies and operating expense	10,443	11,998	9,355
Repairs and maintenance	6,598	1,304	1,524
Special surveys	–	–	1,551
Other program-related expenses	1,853	232	723
Miscellaneous	6,696	2,630	449
Total program services	1,460,628	942,113	585,686
Management and general supporting services			
Investment aggregate costs	13,787,438	8,297,429	5,527,312
Legal and professional	–	194	260
Salaries and professional	19,985	18,239	18,199
Utilities and telephone	2,321	2,131	1,554
Travel and seminars	1,708	1,535	687
Investment-related expenses	140,366	137,844	133,944
Office supplies and operating expense	5,217	4,234	2,901
Miscellaneous	1,870	2,973	23
Repairs and maintenance	2,828	629	653
Licenses, fees and taxes	1,866	2,050	1,839
Federal excise tax	36,037	22,183	4,649
Total management and general supporting services	13,999,636	8,489,441	5,692,021
TOTAL CASH DISBURSEMENTS	15,460,263	9,431,554	6,277,707
Increase (decrease) in cash and investments	760,045	(1,262,130)	1,537,029
Beginning cash and investments	23,946,035	25,208,165	23,671,136
Ending cash and investments	\$24,706,080	\$23,946,035	\$25,208,165
Cash and investments per statement of cash and investment receipts and disbursements			
	24,706,080	23,946,035	25,208,165
Accumulated unrealized gain (loss)	2,240,882	1,953,162	(156,792)
Accrued interest	–	–	78,965
Amortization of investments	(38,486)	(63,015)	(111,616)
Cash and investments per statements of financial position	\$26,908,476	\$25,836,182	\$25,018,722
Cash and cash equivalents per statements of financial position	6,140	1,007	29,300
Investments per statements of financial position	26,902,336	25,835,175	24,989,422
Cash and investments per statements of financial position	\$26,908,476	\$25,836,182	\$25,018,722

WHAT IS INVOLVED IN THE BYERLY FOUNDATION GRANT PROCESS?

- ◆ Must serve Hartsville!
 - The primary criterion for The Foundation's grant making is that all projects must have a direct impact on the immediate Hartsville, S.C., area.
- ◆ Must meet tax code requirements of charitable/governmental organizations.
 - The next important criterion is that the organizations requesting grants must meet the guidelines of being public-charitable-nonprofit or governmental organizations that fit the requirements of the U.S. Tax Code. This means that primarily The Foundation provides grants for charitable organizations with a 501(c)(3) designation or for governmental units working on community or school projects.

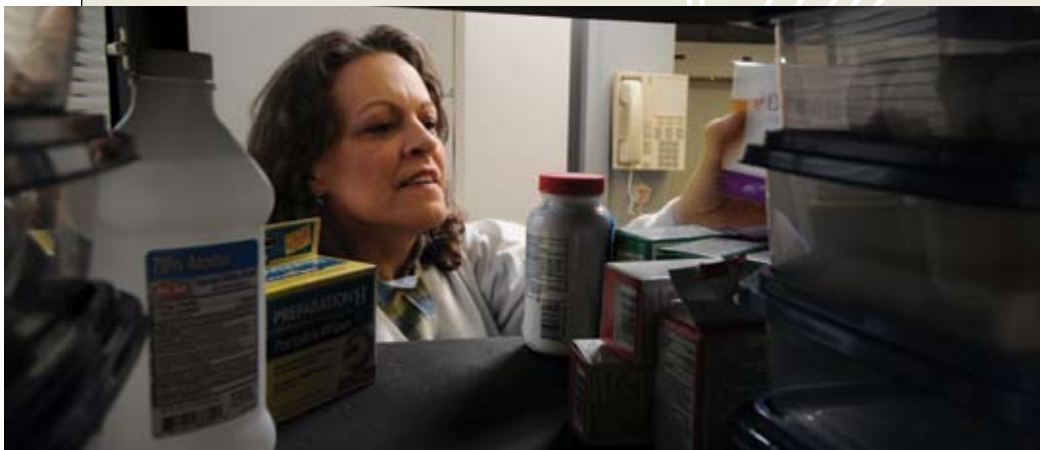
WHAT IS THE GRANT APPLICATION PROCESS?

- ◆ **Deadlines:** Generally, The Foundation has two grant cycles during a year. The deadlines for concept letters are March 15 and October 15.
- ◆ **Concept Letters:** Initially, The Foundation requests a letter that outlines what the organization is hoping to accomplish, how they are going to do it and the funds being requested from The Foundation to assist in accomplishing the goals. Generally, the Board will be able to look at a concept letter to decide if they would like to get additional information to consider the grant request. The Foundation opted for this process rather than a full grant proposal to ensure organizations that have limited time, resources and money would not have to expend those resources if their project was not in line with The Foundation's vision for investing Foundation funds.
- ◆ **Suggestion:** The Executive Director is ready, willing and eager to talk with anyone who is thinking about requesting a grant, in order to assist them in getting their questions answered before they expend significant time (843.383.2400).
- ◆ **Board Action:** The Board generally receives requests for two to three times the amount of grant money that can be invested. The Board will review the concept letters and approve a grant, not approve a grant or ask the Executive Director to obtain more detailed information about a project. Every year there are far more good ideas for grant projects than The Foundation is able to approve. The Board usually holds grant-making meetings in May and December.

WHAT IS THE GRANT STRATEGY FOR THE BYERLY FOUNDATION?

The Byerly Foundation Board has determined that the quality of education within a community is one of the chief factors contributing to the quality of life for all its citizens. So, since The Foundation began making grants in 1998, public education has been a top priority. The Board also believes that a vital, growing community must have a strong economic structure and that many of the grants should help to enhance the economic development of the community. The third leg of the grant strategy is the aspect that deals with programs, projects and organizations that enhance the quality of living.

A second major aspect of the grant-making strategy is that the Board knows that, while the funds it provides can help, it plays a much more vital role in Hartsville by serving as a catalyst for positive change, as well as being an organization that can help span organizational boundaries by facilitating increased cooperation, collaboration and communication within the community.



The Free Medical Clinic of Darlington County opened a branch office in Hartsville and a grant from The Byerly Foundation has helped fund some medical supplies for this operation.

A BRIEF HISTORY OF THE BYERLY FOUNDATION

Founded in 1995, as a result of the sale of the Byerly Hospital, the Foundation is governed by a volunteer board of trustees composed of community and business leaders committed to improving the quality of life in Hartsville, South Carolina. The Foundation's assets are managed by the Edison-Kibler Group, a division of Merrill Lynch based in Columbia, South Carolina. Phillips, Hursey and Farrell of Hartsville, South Carolina provide the audit services for the Foundation.

BOARD MEMBERS 1995 TO PRESENT

These are the volunteers who have served as members of the Board of The Byerly Foundation over the years. They developed and accepted the mission of making Hartsville one of the best communities anywhere in which to live and raise a family.

Thomas Coxe, III	1995-1996
Harris E Deloach, Jr.	1995-2007
Lee S. Hicks	1995-2007
Franklin Hines	1995-2006
Charles J. Hupfer	1995-2005 & 2007-2010
Howard W. Tucker, Jr., O.D.	1995-2007
Frank J. Popelars	1995-2003
Gloria Bell	1997-2005
Edgar H. Lawton	1997-2002
Paula Terry	2000-2006
Leroy Robinson	2001-2007
Heather Norwood	2002-2008
Vicki Arthur	2003-2009
Maureen Thomas	2005-2008
Ronnie Holley	2005-2008
David McFarland	2006-2009
Tony Floyd	2006-2009
Flossie Hopkins	2006-2009
David Blackmon	2007-2010
Beth Blum	2007-2010
Jerry Cheatham	2007-2010

The Byerly Foundation
PO Drawer 1925
Hartsville, SC 29551-1925
RAPuffer@byerlyfoundation.org
Tel: 843.383.2400 Fax: 843.383.0661
www.byerlyfoundation.org