Our mission is to assist families in need by providing a safe, home-like setting for children until they are reunited with family or achieve independence.
LEADERSHIP

A Look at Where We Are

It is a pleasure to be a part of an organization which has played a critical role in the lives of so many children. That this Home has been a beacon of hope for so long for so many and still remains devoted to providing quality care for children in need is noteworthy. The continued achievements are a grand reflection of the multitude of donors, the governing bodies, the administrations, the dedicated staff, and volunteers. Through years past, as now, so many wonderful people have worked tirelessly and selflessly and gave of their time and resources to care for children may have a better chance in life. I am one who benefited from the care provided by this Home, and it is my dream that The Masonic Home for Children can continue to care for children for many years to come.

As we close the books on 2009, The Home’s 137th consecutive year of caring for children, I am happy to report that despite poor economic conditions the contributions and income during the year exceeded operating expenses. The Home remains in a solid position to continue quality care for the children without having to cut programs. Yet, on a disturbing note, utilization of MHCO services has been at far less than capacity during a period when so many families have suffered financial hardships. There no doubt are many families with children throughout the state who need the services we offer, but unfortunately they do not know about our Home. We are striving to do better in letting families in need know The Masonic Home for Children offers a safe and caring home for their children while the parents restore stability for their family.

In the pages that follow you can see who we serve and how we serve them; you can identify our sources of financial support and see how well the resources are managed; you can learn of special contributors who have made a difference; and you can see examples of gifts, volunteer projects, and staff efforts that have made life better for the children we serve. We hope this report provides a better understanding of the role our Home plays in caring for children in need. This report also contains important facts and figures that help chart the path of our Home’s future. In examining our expenses and revenues, the statistics of those admitted to our Home, and in viewing the outcomes of our work, it is easy to see that our Home continues to be vital to child care in North Carolina and why we must be ready again in 2010 to serve children and their families.

Our Board, our staff, and our donors are committed to the continuing care of children. This means overcoming constant challenges and facing new ones. It means new levels of assistance and the continued donations of those who believe in our mission and the importance of serving with quality care. And it means finding a way to serve as many children as we can, the best way we can, every day. A quick glance at a newspaper or the television reveals just how important our Home can be in the lives of children today. With your help we can make that important difference in the lives of children. Through the dedicated efforts of our staff and the very charitable acts of our supporters our Home was ready to serve those children who needed a safe and stable home in which to live.

Throughout the pages of this year’s Annual Achievement Report, you will find stories of those who helped us serve our children. Many kind and committed acts of our friends and supporters made sure our Home was here – ready to serve children in need. This report also contains important facts and figures that help chart the path of our Home’s future. In examining our expenses and revenues, the statistics of those admitted to our Home, and in viewing the outcomes of our work, it is easy to see that our Home continues to be vital to child care in North Carolina and why we must be ready again in 2010 to serve children and their families.

On behalf of our Board of Directors, I personally thank you for continuing to consider our Home in your thoughts, your prayers, and your charity. 2010 will be another challenging year, but we are committed to be here, ready to serve all children who need our care.

Thank you for caring and for the difference you make in the lives of our children.

J. Allen Hughes
Administrator

From the Chairman – A History of Serving Those In Need

Those who founded this Home over 137 years ago faced many challenges. In fact, the start of this Home originated from the remains of an ill-fated college. From its ruins came North Carolina’s first home for children – in large part because someone saw a need. It was a challenge to operate such a facility during a difficult time in our nation’s history, but it was important and necessary to the supporters of that time that this Home stand ready to serve children in need.

Many decades later our Home stands ready, again during a difficult time in history. The past year tested our staff, our residents and their families, and our donors. 2009 will be remembered by our Board as a challenging year, but one that once again saw our Home work hard and be supported generously to overcome those challenges. Through the dedicated efforts of our staff and the very charitable acts of our supporters our Home was ready to serve those children who needed a safe and stable home in which to live.

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Our Board, our staff, and our donors are committed to the continuing care of children. This means overcoming constant challenges and facing new ones. It means new levels of assistance and the continued donations of those who believe in our mission and the importance of serving with quality care. And it means finding a way to serve as many children as we can, the best way we can, every day. A quick glance at a newspaper or the television reveals just how important our Home can be in the lives of children today. With your help we can make that important difference in the life of a child - through your donation, your phone call about placing a child here, or with your positive voice in sharing the work of our Home with others. With these acts, you can help us continue to serve.

On behalf of our Board of Directors, I personally thank you for continuing to consider our Home in your thoughts, your prayers, and your charity. 2010 will be another challenging year, but we are committed to be here, ready to serve all children who need our care.

Douglas L. Caudle, Chairman
Board of Directors
The Masonic Home for Children at Oxford, Inc.

2010 MHCO BOARD OF DIRECTORS

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Johnny C. Surles, Vice Chairman – Pollocksville, NC
Sam Lee, Treasurer – Gastonia, NC
Patricia G. Fulcher, Secretary – Salisbury, NC
Marion K. Matthews, Jr. – Denton, NC
Thomas O. Elter – Salisbury, NC
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Eddie A. Gaskins, Jr. – Wilmington, NC
Dan C. Rice (Member Emeritus) – Elon, NC

Larry D. Holoman – Clemmons, NC
E. Earl Wells – Clinton, NC
Catherine Stuart – Raleigh, NC
Sue Whitty – New Bern, NC
William L. Dill – New Bern, NC
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Dewey R. Preslar, Jr. – Salisbury, NC (Observer)
Emeritus Board Member Status Concludes Rice’s Historic Term

As one of the last official acts of his term as Grand Master of Masons, Dan C. Rice attended The Masonic Home for Children Board Meeting in November 2009. At the close of the meeting the Board Member Emeritus title was bestowed upon Rice by a unanimous vote of the MHCO Board of Directors. Serving on the Home’s Board frequently during a twenty-five year period Rice has filled the role of Finance Chairman and Treasurer several times, as well as serving as Chairman of the Vision for the Children’s Capital Campaign, which raised funds to build new cottages on campus from 2001 to 2007. His service as Grand Master of Masons was a historic one, as he was the first alumnus of The Masonic Home for Children to serve in the role, thus leading those who supported him as a child.

This recognition is another in a long line of honors for Rice, who graduated in 1968 from what was then known as Oxford Orphanage. Arriving in 1959 with his two sisters and one brother, Rice relied upon a challenging and disciplined life at Oxford Orphanage to prepare for the future. A successful business man, father, grandfather, and civic leader, Rice and his wife Debbie continue to serve the Home and others in need in many different ways. Dan’s civic duties are not limited to the Home and Blue Lodge. He also participates in the KCCH of the Scottish Rite Valley in Greensboro, the York Rite, Order of the Eastern Star, White Shrine of Jerusalem, Royal Order of Scotland and the Amran Shrine. He serves at St. Mark’s Church in Burlington and works with local civic organizations supporting their efforts for charity. As the President and a majority owner of Piedmont Truck Tires, Inc., Dan has built one of North Carolina’s largest commercial tire stores and has served several terms on the NT Tire Dealers Board of Directors.

Mr. Rice joins Mr. Thomas O. Eller of Salisbury, North Carolina, who was named in 2008 as the Home’s first Board Member Emeritus. The award was created to honor outgoing members whose service far exceeds the normal expectations and responsibilities of a Board Member. This status is limited to only those individuals whose contributions are extraordinary and whose work while on the Board of Directors at MHCO was unprecedented, positively changing the course of the future for The Home and its residents. Dan Rice is very deserving of this honor. He has served not only as a dedicated member of the Board but also as one who serves out of a love for The Masonic Home for Children at Oxford – a place that he is proud to call home.

MHCO Goes “Green”

Volunteer Effort Involves Residents, Educates, and Helps the Environment

How many soda cans does a campus of 80 people generate in one month? One week? One day? The surprising answers were enough to cause a group of staff and residents at The Masonic Home for Children to ask “What can we do about conservation as a community at MHCO?” What they did was enlist the effort and resources of child care workers, other staff members, and residents to establish the Home’s first “Green Team” focused on efforts in recycling and conservation. The idea of an “environmentally friendly campus” was a well accepted one that has steadily evolved to include corporate donors and outside volunteers who have joined since the program began in 2007. The program is currently under the direction of Williams Memorial Cottage child care worker Brian James, who regularly works with other staff members and residents in efforts focused on recycling, conservation, and environmental preservation. The Home’s “Green Team” of staff and residents makes conservation a priority on campus through:

- the collection and recycling of aluminum, plastic, cardboard, paper, and oil, with pick-ups twice a week
- the use of low-wattage light fixtures,
- the creation of beautification areas on campus, reducing soil erosion and creating green spaces,
- emphasis on water conservation and usage throughout campus, and
- the establishment of MHCO as a “smoke-free” campus

Through the generosity of Waste Industries, Inc. of Granville County, a number of receptacles for recyclable collections were donated in early 2009. MHCO continues to search for additional funds and grants to supplement the program and continue its good work in 2010 and beyond. “Not only is it good for the environment and demonstrates our Home’s social and communal responsibility, it is a great lesson for our kids”, states James, who has as many as three residents volunteering weekly to directly assist in collecting recyclables. “The kids love it, our staff has begun participating in their homes and offices, and it sends a message to our donors, our families, and our community that we care about the future, for our campus, our kids, and our environment.”

Reaccreditation Highlights Another Year Of Quality Care At Home

Annual review again identifies MHCO as a Home committed to the highest level of standards and quality improvement

The Masonic Home for Children at Oxford (MHCO) has once again been accredited by the nationally recognized Council on Accreditation (COA – www.coanet.org) for maintaining high performance standards in the care of children. COAs review process recognizes human service organizations, including residential children’s homes like MHCO, which set high performance standards for themselves and make a commitment to their constituents to deliver the highest quality services. COA has recognized The Masonic Home for Children for reaccreditation which is valid through October 2013.

Conducted over the span of one year, reaccreditation includes a pre-assessment screening, an organizational overview, a site visit by objective and reliable experts from the human services and child welfare field, and a composite review and evaluation of all phases of operation by an independent commission. All aspects of the operations are measured against national standards of best practice.

With the announcement of reaccreditation in 2009 The Masonic Home for Children continues its history of quality care for children, proving its ability to meet the needs of today’s children and families while exceeding those requirements that define the national standards for residential child care. MHCO Administrator Allen Hughes commented, “From its beginning our Home has sought to provide quality care for children in need and has done so without being a burden on the taxpayers. We owe it to all our donors and the children we support to be good stewards and maximize the value of the gifts we receive. National accreditation helps provide confidence that MHCO complies with best practices in business and child care while delivering quality service. We thank all our donors and the community leaders who have expressed their confidence in our Home and the programs we provide.”
RESIDENTIAL PROGRAMS

History of Caring for Children in Need Enters 138th Year

The Masonic Home for Children at Oxford was created to “care for, train, and educate” as a place of safety and stability. This mission remains unchanged in its most basic form, as the Home celebrated 137 years of child care as North Carolina's first residential home for children. While many changes have taken place, including the name, the model of care, the method of care, and the physical appearance of the campus one constant has remained – our mission to provide a nurturing, safe, stable, home-like setting.

Stability and consistency are featured as major advantages to the residential program at The Masonic Home for Children. Quality care is given by qualified couples in age and gender specific homes. Children and young adults, ages infant to eighteen live together in units of six (six for young children) residents per couple. These residents and child care workers practice a program model of family living, which is holistic, nurturing and tailored to provide all daily requirements, while fulfilling special and necessary needs of each individual child.

The Home also supports reunification with parents and guardians when applicable and proper. To assist with this parents and guardians are asked to work with The Home to develop and manage individual care plans for their child. When reunification is not an option, MHCO will develop a progressive plan of care and will continue to provide care as long as appropriate.

Children have separate bedrooms to develop a sense of privacy and ownership and to establish a home-like setting of care. Meals are prepared in each home by child care workers and with children, when appropriate. Normal functions of family including family meetings, study hall, housework, non-denominational church services, recreational and organized athletics, trips, events, and activities are all valuable components of care at MHCO and take place within a family setting in each home for all residents.

Care for our children includes a high emphasis on education, as children attend Granville County Public Schools and can continue with the support of MHCO and its Independent Living Program through aid for community college, as well as any four-year college or university in the State of North Carolina.

Referrals and Admission to MHCO — Placing a Child in Need in our Care

Children who are abused, neglected, dependent, or without an established home-life come to the Masonic Home for Children as private or agency placements and are cared for while The Home serves as their temporary custodian. The Home accepts referrals via phone (1-888-505-4357/919-693-5111), email (www.mhc-oxford.org), or personal visit and requires the potential residents and their parents or guardians to participate in a pre-placement visit. A determination of the appropriateness of the child’s admission and The Home’s ability to meet the child’s needs is determined through coordination among several program and administrative staff members. The Home cannot accept anyone into care that is a moderate to high risk for problems involving arson, drug or alcohol addiction, sexual offenses, teenage pregnancy, or any child who is involved in acts that are deemed harmful or threatening to himself/herself or others.

Referrals can be made by anyone – but an application for admission to MHCO is required and must be completed by parents, custodians, or authorized individuals.
The Home offers a wide array of assistance in a number of areas not normally found in traditional child care programs. Assessment testing, therapy, occupational therapy, and some individual and group counseling can be conducted legally and competently by the employees of MHCO as part of our commitment to the stability, growth, and quality of our continuum of care throughout a child’s time at the Home.

A Case For Care — The Importance of MHCO Today

The Masonic Home for Children at Oxford has been serving children in need since 1873, and continues to be a valuable resource for children whose families are in need and cannot adequately provide for their children. Some children are placed with The Home for a few months while their parents or guardians recover from economic hardships, major health problems, or other temporary conditions which make it hard for them to provide the proper care and supervision for their children. Other children are placed for longer stays due to more permanent limitations of the parents or guardians. We provide a safe and nurturing home environment for children as long as it is needed and appropriate.

Our Home offers parents/guardians the opportunity to maintain legal custody and regular contact with their children during unfortunate circumstances when they cannot properly care for the children in their home.

When thinking of the care of a child and the special circumstances that would cause a family to seek help, consider The Masonic Home for Children at Oxford.

INDEPENDENT LIVING AT MHCO

A Growing Need for Today’s Young Adults in Residential Placement

Research shows that young adults exiting foster care or other residential programs must have continuous support to make a successful transition to independent living and adulthood. More than children in traditional homes, young adults who were raised in foster and group home type settings need more involved and expanded service plans, even after their residential care has ended. Without it, young adults leaving residential care suffer pregnancy rates that increase by 60%, homelessness by 30%, and social dependency or dependency on welfare as high as 70%, as reported in 2002.

Today, the MHCO Independent Living Program or ILP, serves up to sixteen young adults in an apartment setting, ages 18 to 22. The program serves young adults who have graduated from MHCO’s residential program as well as those who have aged out of the foster care system or other special situations.

The Home’s IL Program provides services for young adults wishing to focus on success in education, social development, and adult-living skills. Low cost housing, in the form of two-room apartments is provided with a more mature instructional program, highlighted by assistance with education costs, adult living skills development (including finances, taxes, budgeting, voting, job skills, and others), and self-dependency with external support from an adult resident advisor. Daily living skills are emphasized as participants contract with MHCO to attend school and maintain academic standards, secure and maintain part-time employment, and adhere to the program requirements.

FOCUS ON EDUCATION

A primary focus of care for the children at MHCO is learning. Children in the residential program attend Granville County Public Schools. Throughout the school year children learn and grow in a public school setting, participating in regular school activities and working beside classmates in an equal and optimal setting for learning. This opportunity for knowledge extends beyond the classroom to include extracurricular activities, such as school clubs, sports, and civic organizations. Residents of the Home participate in the following activities to expand their learning beyond the classroom: participation in JROTC and its color guard, drill, and rifle teams; marching band and chorus; athletic teams, including football, basketball, soccer, and cheerleading; theater and art clubs; service organizations, including HOSA, FFA, and SADD; and academic honor societies, including Beta, National Honor Society, and various language clubs.

Learning at MHCO is personal and is provided for our family of children to accommodate individual needs. The Home continues to operate a transitional and alternate classroom operated by a certified teacher. This program is unique to the Home, allowing new residents coming into care one to four days of “transition,” acclimating them to the surroundings of a new school, while allowing school officials to the opportunity to process all necessary paperwork and transcripts. The teacher also works with students in care who are suspended or who need alternative or remedial learning.

Highly qualified tutors work with students throughout the year on subject specific study issues, while other qualified tutors provide an entire program of remediation covering a number of subjects, study habits, or test taking skills. The availability of these special services offers assistance Monday through Thursday and on some weekends, accommodating the schedules of our children and their other vocations.

Recognizing Accomplishments in Education

Education recognition is used as a tool to encourage students to excel academically and as a way to promote academic success. Children who have worked to significantly improve their grades or who have consistently maintained academic accomplishments are honored in a quarterly Troutman Awards ceremony. During the school year 2008-2009 we had 54 residents finish at the end of the school year. Of that number 39 residents achieved awards for obtaining honor roll status, increasing their grade point average by 5 points or better, or maintaining a 90 or above average. Our overall campus average is a strong C.

The Home offers a summer enrichment program for its residents K-6. This program is held in the summer and offers different learning opportunities focused on math, writing, and reading skills. Managed by certified public school teachers and supported by members of the MHCO child care staff, the Home’s summer enrichment program, as it is entitled, keeps skills sharp and minds focused in preparation for the coming school year.

MHCO child care workers engage their children’s teachers and the parents and guardians of residents through conferences, meetings, and school activities to provide a balanced and encompassing plan for learning, tailored to the needs and outcomes of each resident. The Home’s commitment to education for its residents is demonstrated through constant interaction with the schools and the community.

Donors Contribute to Education and the Future Through Scholarships

The history of MHCO has been woven with special donors whose focus for giving has centered on education. From
The Masonic Home for Children is...

... here for others;

... family.

... cared for by special people;

Masons of Granville Lodge No. 385, with a generous donation from stock building supply of Youngsville, built and donated a beautiful new storage building for the girls of Jefcoat Cottage, delivering it in early May, 2009.

The Masonic Home for Children at Oxford was the site of a recent Orange Day 2009 activity hosted by members of GlaxoSmithKline’s Creative Productions & Event Management, Professional Programs and Field Communications departments based out of RTP.

Several of our residents volunteered their services to ACM, a local food bank, assembling and loading this area of the warehouse.

Residents raised money for a local animal shelter and a women’s shelter in Durham by participating in the Great Human Race.

Brother Darwin Byrum (center seated) of James K. Polk No. 759 presents GM and orphanage alumnus Dan Rice with a major gift in memory of his wife and in honor of his lodge.

Over 400 friends, family, and donors gather each December for a Christmas meal and gift party for the children allowing those who give at the holidays to share their gifts with the children.

MHCO’s family includes our alumni, whose members have sponsored a skiing trip for the kids for the past twenty seasons.

The Henderson Optimist Club has hosted selected juniors and seniors at Christmas, providing special gifts for each for over twenty years.

William G. Hill No. 218, Hiram No. 40, Chuck Henline and Carquest and Eric Staal of the Carolina Hurricanes hosted two special nights of hockey for the kids.

Staff dine and perform with residents at MHCO’s first diversity day, celebrating different cultures and customs from around the world.

Mike and Paris Routh, along with members of their church, local sponsors, and delivery company, host a spring bass fishing tournament, allowing residents to fish and enjoy a day on the lake.

Grads graduates Megan Hodge and Sontisha and Sonisha Jordan celebrate Baccalaureate 2009 as graduating seniors.
its earliest days, the Home has been blessed by generous individuals and families who feel strongly about the power of education. Through their actions and endowments have come a host of funds and scholarships founded and awarded for the sole purpose of providing more academic opportunities for the residents of MHCO.

In order of date of establishment, the following gifts provide educational assistance for our residents:

- Umphlet Scholarship
- Daniel and Nellie Beck Scholarship
- Bruce Nichols Memorial Scholarship
- OOA Citizenship Award
- Dan C. Rice Journalism Award
- Mel Davis Children’s Award
- Norman Garland Hines Memorial Scholarship
- Arthur L. Johnson Memorial Scholarship
- Ion Charitable Fund – Dr. Grant Campbell
- Guy Thomas and Lelle Courtney Horner/Guy T. Horner Presidential Scholar Award
- Ira P. Spivey, Jr. Memorial Fund for Higher Learning

In addition to these specific awards, we receive income from a number of scholarship and award funds which are used to help with education expenses of several residents throughout the year. The designated funds provide essential funding and are designed to continue providing for the residents of MHCO for years to come.

Car and Nerata Burt Trust
Oscar Vatz Fund
Darlene Hix Fund
Neighbors Scholarship
Becky Scholarship
Merritt Scholarship
Harris Fund
Joe Walters Memorial Music Fund
Evelyn and Stan Longdon Education Endowment
Pond Fund
Justin Neil Taylor Memorial Athletic Fund
Harvey T. and Jean L. Coley Education Endowment at MHCO

To find out how you can honor a special person in your life through the establishment of a designated scholarship or donation fund, please call MHCO’s Financial Development Office at (919)603-3906 or at www.mhc-oxford.org/donations.

**PERSONNEL

The Value of Caring Staff

With a rich history of quality child care, a sound basis of operation and a well-defined mission comes an even greater asset to our Home – our staff. There is no more vital component to the success of our Home or the lives of our residents than the staff. Studies regularly prove that the presence of a stable, reliable, and committed adult in the life of a child can be the greatest single factor in his/her success in life. Our Home is committed to finding these couples to care for the children daily and to ensure that all staff, including administrative and support staff, are caregivers, first and foremost. Every member of our MHCO family of staff is a person a child can count on.

Our Home currently employs forty-nine (49) full-time and four (4) part-time employees. The majority of these employees are child care worker couples. These are married couples who live in the homes and care for the children 24 hours a day, seven days a week. The couples provide for all the daily needs of the children and, like any parent, are present to support, teach, and care for each child individually. A consistent set of child care workers offers many advantages to our program of care. In 2009, our current average length of stay for employment of child care workers equaled 1.98 years. This is slightly down from the average of 2008, but includes three (3) couples who have worked with children at our Home for more than four years.

Certification as a child and youth care professional adds another element of quality care to our program model. This certification and training provides necessary skills and methods needed for our program of care while empowering our child care workers and other support staff with recent research and outcome measures enhancing the quality of our program and the care we provide. As of January 1, 2010, 71% of our program staff was certified through the Residential Child and Youth Care Professionals Program of the University of Oklahoma. This is a 23% increase in the number of program staff certified in 2008. All the training is provided at MHCO and our goal for certification remains at 100%, with certification classes being held for all direct care employees throughout the year.

With the proper training and stabilization of a high quality and caring work force comes the need for continuing education. In addition to the over 209 hours of training conducted for all MHCO employees in 2009 (an increase of 43% more than 2008), a portion of our staff attend undergraduate or graduate school, building on an already impressive resume.

Over 20% of our current employees are participating in an approved continuing education program, including those working on an associates degree, bachelors degree, or masters degree. Our Home actively supports our employees and their desire for continuing education. While fulfilling the responsibilities associated with their job, MHCO encourages employees to advance their education, providing benefit for our Home and the care of our children, while also providing personal benefit for the employees.

A number of our staff must possess and regularly train to retain the required license or certification of their profession. This includes employees related to administration, nursing, social work, counseling, recreation, accounting, fundraising, and vocational training. The licenses and certifications of our staff provide an additional level of quality care that is recognized within their profession as meeting or exceeding standards that are specific to their work. With these credentials and certifications our staff are able to supply on-site services and professionally managed assistance in a number of areas not normally found in traditional child care programs. Assessment testing, therapy, occupational therapy, and some individual and group counseling can be conducted legally and competently by the employees of MHCO as part of our commitment to the stability, growth, and quality of our continuum of care throughout a child’s time at our Home.

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To become fully aware of educational opportunities and to assist our staff in the continued education process, MHCO provides support for the certification program in Residential Child and Youth Care Professionals. And through the continuous effort of our financial development office, MHCO will continue to provide educational assistance for our residents throughout the year. The designated funds provide essential funding and are designed to continue providing for the residents of MHCO for years to come.

Carl and Nerata Burt Trust
Oscar Vatz Fund
Darlene Hix Fund
Neighbors Scholarship
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To find out how you can honor a special person in your life through the establishment of a designated scholarship or donation fund, please call MHCO’s Financial Development Office at (919)603-3906 or at www.mhc-oxford.org/donations.
Financial operations for the year 2009 were excellent with income 84% above projections and operating expenditures 8.8% below budget. Total income from all sources exceeded total expenditures, including debt service on the construction bonds, by $3.1 million for the year. In spite of the down economic situation, income in 2009 was 21.45% more than income of the previous year. This increase was due primarily to legacy donations, which were 38.5% more in 2009 than in 2008.

Planned giving was once again the major source of revenue in 2009. Wills and trusts and the investment income from those gifts accounted for 81.16% of the total revenue in 2009. The next largest source of income for 2009 was Masonic donations, accounting for 10.34% of total revenue. Significant to the operations were the receipts from governmental sources, which totaled only 0.76% of income.

Operating expenses for the year were 3% more than in 2008, but were 8.8% below the approved 2009 budget. All major departments finished the year below budget. Operating expenses were held below budgeted amounts by avoiding some expenses, while deferring others until necessary.

Review of revenue trends over the past five years reveals how unpredictable the revenue stream is from year to year. Investment income was up slightly from the previous year despite the continued slow economy, but we anticipate a decrease in investment income for the coming year. Legacies are a large portion of our revenue and have continued to increase over the past three years. However, legacies, which were above the average in 2009, are hard to predict and we anticipate a decline in 2010. The only revenue area that has seen consistent increases over the past five years is the annual calendar donations. In 2009, the annual calendar donations increased by 44.5% over the previous year. The Masonic Home for Children management strives to keep administration and maintenance costs to a minimum so that a higher percentage of expenditures are for the direct care of the children.

During 2009, capital improvements included replacing the heating and air systems in three residences on campus due to age and inefficiency of the old systems. We also added a heating system in the basement of the kitchen in the food storage and distribution area. A van with low mileage was purchased to replace one with high mileage and increasing maintenance requirements.

The Masonic Home for Children at Oxford was blessed by many gifts during 2009 in spite of the slow economic situation. We entered 2009 with cautious optimism and we are approaching 2010 with the same caution. We are diligent in making financial decisions, so gifts received will be used to the benefit of our children now and to the future of the Home.

CHARITABLE GIVING IN 2009

History of Generous, Noble Philanthropy Continues During a Time of Economic Woe

Former Superintendent Creasy K. Proctor once stated that “(our Home)... is more than a philanthropy – it is an investment in the lives of boys and girls who would not otherwise have a chance… it is an opportunity… to express in a substantial way your desire to help others.” In spite of the desperate economic conditions of 2009, our donors and their families expressed their belief in our Home and our mission through their charity.

Overall donations were up in 2009 compared to 2008, led by increases in planned giving and Masonic giving. Specifically, charitable donations from the general public increased 10%, total Masonic donations, including per member per Lodge gifts, increased by 10%, and donation revenue as a result of planned giving increased by 98%. These increases were important, not only for the additional monies they provided, but for the amount of support they contributed during a very difficult economic time in our country. Donations in memorial gifts and designated gifts and income from interest bearing investments were down due to poor financial market conditions.

The Home’s annual calendar continues to provide benefit, both monetarily and as a positive marketing piece for the Home. This year’s calendar, entitled “Treasure Beneath the Oaks”, highlights historical events related to the Home’s beginnings to its successes of today. Through various photographs, quotes, and essays each month depicts an event of significance in the Home’s cherished 137-year history. The charitable support of over $100,000 in donations as a result of this year’s calendar has been surpassed only by the strong and positive responses by alumni, Masons, and friends who have commented on the timely and emotional impact of the Home’s history to the children of North Carolina.

Matching gifts continue to play an important role in charitable giving. Matching gifts are growing in number and significance. Donors interested in the advantages of matching gifts should contact their company’s human relations department to discuss the availability of corporate matching gifts. Below are just some of the companies that benefit our Home and their employees by authorizing matching gifts for The Masonic Home for Children.

Bank of America • Wachovia • Starbucks • Merck • Tysa • ExxonMobil • GlaxoSmithKline • American Express
Progress Energy • Microsoft • Altera • Reynolds American • IBM • GE • North Carolina State Employees

The Masonic Home for Children is committed to its donors and to the proper management and utilization of all donations given to the Home. MHCIO and its Board have adopted a set of Ethical Standards and a Donor Bill of Rights, both written and approved by The Association of Fundraising Professionals (AFP). MHCIO follows all federal rules and regulations of fundraising in maintaining its non-profit, 501(c)(3) status and is licensed by the State of North Carolina to solicit for charitable donations within the state. The Home is committed to its donors to ensure the proper use of
Masonic Giving Increases in 2009 as Masons and Their Families Cope with Financial Struggles

The aid from our Masons and their Masonic Lodges came in many different forms and emulated the charity of years past. Through Masonic fundraisers, individual gifts, memorials honoring the life and legacy of another, the wills and estates of our Masons and their wives and families, and through the collection of funds and in-kind gifts, our Masons overcame one of the most difficult economic times in the last forty years and increased their giving in 2009.

Masonic giving per Lodge, per Mason for the year topped $20 per member. This is an increase of 12% over 2008. Sixty-two lodges in North Carolina averaged over $35 per member donated to MHCO in 2009. A complete summary of per member giving in 2009 for each Lodge is located on page 18.

Our Masonic fraternity has supported this Home faithfully for over 137 years. With many fundraisers surpassing 30 years in existence with Mocksville holding a fundraisers for over 100 years for the Home, our Masons have committed to maintaining a quality of care and in doing so have helped sustain our presence and our mission for thousands of children in need in North Carolina. With their continued support, we will be here to help thousands more.

The Impact of Planned Giving at MHCO
How Your Will Can Change the Lives of Children for Decades to Come

The first written record we've found of planned gifts naming The Masonic Home for Children at Oxford as beneficiary is 1905. It is hard to know if those first planned givers like Margaret Vance, Lucille Smith, Angus Platt, and William Moring, Jr. or more recent planned givers such as Gracie Critcher, R.B. Butler, or Margaret and Grover Dale realized the lasting impact they would have when naming this Home in their wills and estates. This Home may not have been here today if not for the wishes of those early planned givers and hundreds of other individuals who have named MHCO in their wills or trusts during the Home’s 137-year history.

Planned gifts continue to account for a large portion of the annual donation revenue and are often the difference in a net gain versus a net loss on an annual basis. In 2009 donation revenue as a result of planned gifts equaled 77% of the total donations received. These planned gifts contributed to general or designated needs or were invested with the Masonic Foundation, generating more income for the future. Planned gifts can offer tax advantages for our donors and allow them to provide for their family as long as needed before the gift passes to the residual beneficiary.

With all the great benefits that can be experienced through planned giving to our Home, the greatest benefit comes in the care afforded to our children. Planned gifts ensure the future, maintain the Home’s viability, and provide a sense of financial security, meaning that we can continue to be here and ready to care for the needs of children. Those who have given planned gifts throughout the history of this Home – like Jefcoat, Fitzgerald, Temple, Eller and others – have set into motion a history of support that has been vital, essential, and beneficial to the care of the children. Make an impact on our Home and the life of a child with your planned gift. Contact the Development Department of our Home for more information on the many options available for planned giving at MHCO.

2009 Hayes and Neal Society Members – Recognizing the Importance of Planned Giving

While the total number of planned gifts fell in 2009, the total donation amount given remained high. One planned gift received this year, which will be announced officially in late 2010 along with the naming of a building on campus, is the largest planned gift for MHCO since 1999. Planned giving continues to be the cornerstone of financial success and survival for MHCO, especially during some difficult economic times. These gifts contribute to the operation of the Home, provide for capital improvements, create designated funds, and help MHCO meet its responsibility of providing quality care for our children. To honor the importance of these gifts and the people who give them, MHCO established the Hayes and Neal Societies. Whether through wills, trusts, annuities, or gifts of property, the funds received through planned giving have allowed this Home to survive and care for thousands of children for over 137 years. For more information, visit the Planned Giving/Hayes and Neal Societies Website at www.mhc-oxford.org/Planned. MHCO is proud and honored to announce the 2009 Hayes and Neal Society members – whose gifts allow this Home to continue to care for children.

Diamond Level: Mr. Howard Schwarze Hunt
Silver Level: Elizabeth Silver • William Cannon • Nell Foust • Darwin Byrum • Charles Lutz c/o Catawba Masonic Lodge No. 248
Legacy Level: Margaret White • John Gaskill • William M. and Dovie L. Moss • Margie Mullen – In Memory of her husband William Cratemon Mullen • Josie Pruden
Benefactor Level: Ernest Counts c/o West Gate Masonic Lodge No. 738 • Florence A. Joseph • Virginia King • Elmer Lumley

Little Miss Organization Celebrates a Decade of Giving
Ten-Year Total Surpasses $100K in 2009

The Queens of the Little Miss North Carolina Court 2008-2009 had a very special goal. They sought to raise over $15,000 for the Home in 2009, to bring the Little Miss NC organization’s total gift to MHCO to $100,000 over the past ten years. This court of young ladies, ages three to eighteen, set out on their goal in July of 2008 and had some generous and intriguing assistance on their way to achieving this goal.

Traveling throughout the state, conducting fundraisers, attending parades and sharing their charity with others, this committed and caring group of girls and their parents met Masonic leader David Stapleton, of the 6th Masonic District, who heard of the girls’ dedicated support for The Home. Mr. Stapleton invited the Queens, specifically Chelsea Guild, Victoria Baskett, and Ashlee Perkinson, to speak prior to his Masonic lodge meeting in the winter of 2009. What began as a single visit quickly became a standing invitation to Lodges around the district and eventually the state. The Lodges welcomed and enjoyed the program by the Queens so much that over $4,000 was collected by the girls during their three months schedule of visits.

With additional money generated through their participation in the Great Human Race fundraiser and individual fundraising efforts in their communities, the Queens of the Little Miss NC Court of 2008-2009 proudly presented Home administrator Allen Hughes with a check for over $21,300, easily enough to place the little Miss program’s ten-year total for MHCO over the $100,000 mark. A special thanks go to the Queens of the court in 2008-2009, their parents, and to every Little Miss NC over the past decade who has dedicated a year as Queen for the purpose of supporting MHCO.

Their donations and to protect their confidentiality in giving to the Home. For more information or to view the Home’s adopted Donor Bill of Rights, Ethical Standards, or Solicitation License, visit www.mhc-oxford.org/donations.
## Masonic Giving FY 2009

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**Total Revenue: $706,417**

**Revenue by Source**

- General Public
- General Grand Lodge
- Masonic Lodge
- Order of Eastern Star
- Other Masonic
- MHCO
- WhiteStone

- **School of Graphic Arts**

The recession of 2009 was real and felt by almost every industry in America. The School of Graphic Arts was no exception, with revenues falling from an all-time high in 2008. Every income segment realized a decline in 2009 except for WhiteStone – A Masonic and Eastern Star Home in Greensboro. This increase was mainly due to the hard work of Mark Kolada, Executive Director of the Home and several caring Masonic Home Board members. A new major client was brought on board in 2009 with the addition of the American Plott Association, which is headquartered in Virginia. The final figures could have looked even worse had our WriteStone not been chosen for two major biography projects, one of them coming from Oxford Orphanage alumna Col. Kenneth Pond, who left in the History. The positive finish to 2009 gave us renewed optimism that the coming year will bounce back to show great promise.

We have the necessary tools in place to make our KidzEarn Program successful, the children’s participation in sports and other extra-curricular activities has made it difficult to fulfill our dream of what it must be. The summer months allow us more time with our students, but time during the school year continues to be difficult. We have joined the NC Scholastic Art Association at UNC-Chapel Hill, and hope to use their resources to create more opportunities for our students. With the continued support of all concerned parties, our mission can be realized.

**Inducted in May of 2009 were Tommy O. Ellett, John H. Mills (accepted by Allen Hughes, MHCO Administrator), Allen C. Colenda (accepted by his daughter, Ann), and Dan C. Rice. There for other commitments, the belief that our mission is important to the overall success of the Masonic Home for Children.**
The Masonic Home for Children at Oxford is operated to provide the highest level of quality care to those children and young adults who need a safe, stable, and successful environment, while working with their families to enhance reunification. Our standards focus on the care and development of children, the transparent and ethical nature of our finances, the training and continuum of care represented by our staff and a commitment to highest standards and continuous improvement. These standards are validated by our accreditation and affiliation with the following professionally recognized organizations:

Accredited by COUNCIL ON ACCREDITATION (COA) which partners with human service organizations worldwide to improve service delivery outcomes by developing, applying, and promoting accreditation standards. COA envisions excellence in the delivery of human services globally, resulting in the well-being of individuals, families, and communities.

CHILDREN AND FAMILY SERVICES ASSOCIATION OF NORTH CAROLINA
(www.cfsa-nc.org)

CHILD WELFARE LEAGUE OF AMERICA
(www.cwla.org)

ALLIANCE FOR CHILDREN AND FAMILIES
(www.alliance1.org)

SOUTHEASTERN GROUP CHILDCARE ASSOCIATION

NORTH CAROLINA CENTER FOR NONPROFITS
(www.ncnonprofits.org)

The Masonic Home for Children at Oxford, Inc.
is a licensed, residential children’s home through the
North Carolina Department of Health and Human Services
(www.dhhs.state.nc.us) and is a 501 (c) (3) non-profit registered through
the Secretary of State of North Carolina
(www.secstate.state.nc.us)