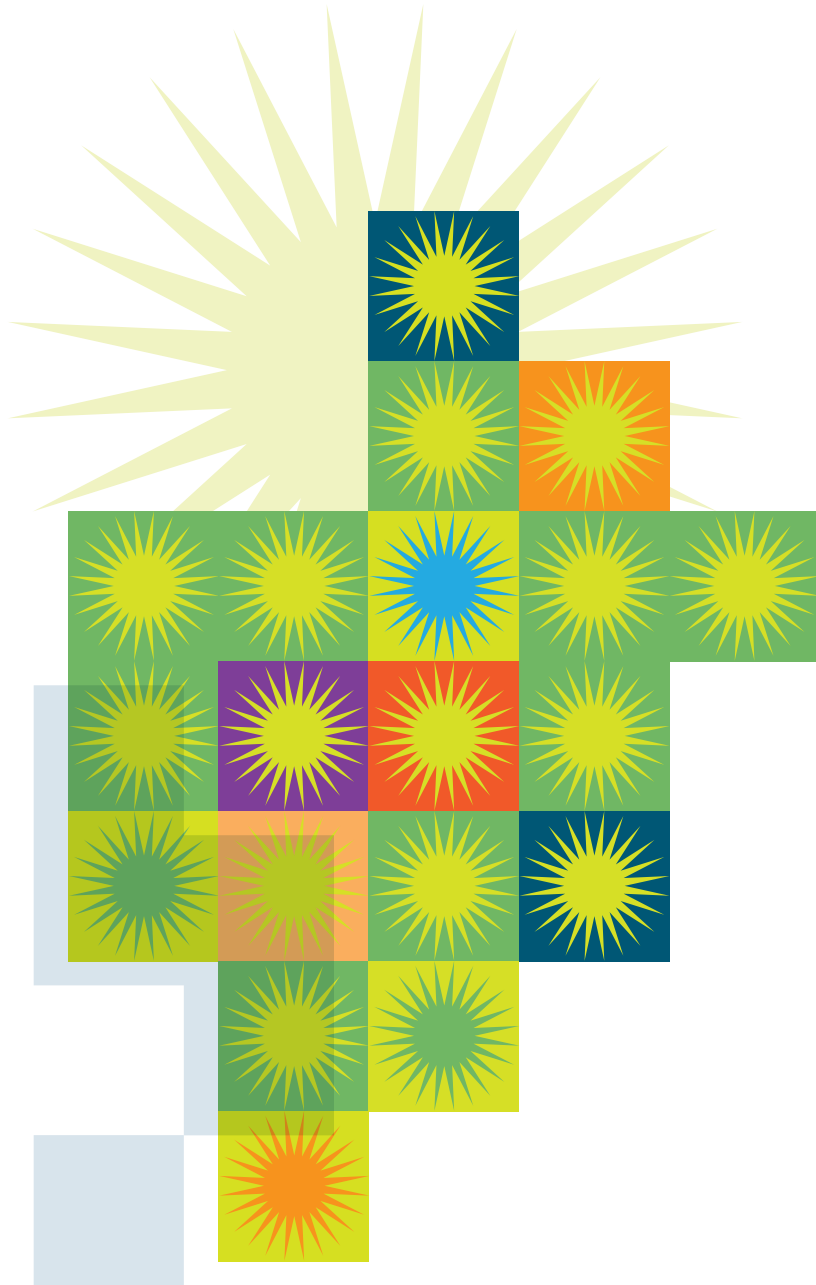


WILLIAMSBURG
Health
FOUNDATION



REPORT TO THE COMMUNITY 2012



2012 marked the first year of the implementation of the Williamsburg Health Foundation's revised Strategic Plan. Developed with board, staff and community input, the Plan defines the goals and strategies that are guiding foundation decision-making about resource allocation through 2014. This short time horizon recognizes the uncertainties of healthcare reform and the impact of the economy.

Consistent in the Strategic Plan is the Foundation's commitment to three goals: strengthening access to quality healthcare for medically underserved and vulnerable people; working to promote wellness and healthy lifestyles; and encouraging collaboration in program and service delivery for efficiency and effectiveness. Throughout the Plan is an increased emphasis on communication, partnerships and mission focused grant-making.

To address these goals, the Foundation awarded more than \$4.4 million in grants and direct charitable activities. The diversity of programs and agencies in which the Foundation invests is great. All seek to make a positive impact on health in Greater Williamsburg. 2012 grants included \$1.3 million in support of the six agencies that participate in the very successful Chronic Care Collaborative. Together these agencies are making great progress in treating uninsured and underinsured patients with one or more chronic disease and helping these individuals better manage their own health.

Along with financial investments, the Health Foundation is committed to keeping abreast of current and emerging healthcare needs, research and public policy, and to sharing this information with the community. To this end, the Foundation convened the first meeting of its newly created Health Advisory Group, a roundtable of public health and health system leaders and health economists designed to provide background information, guidance and informed thinking about local health trends. Additionally, Foundation staff convened several community dialogues on specific health-related topics to share information and perspectives, and hosted the distinguished health policy expert, Dr. Leighton Ku of George Washington University, to speak on healthcare reform and health safety net organizations.

Through the 2012-2014 Strategic Plan, the Health Foundation Board of Trustees strongly reaffirmed its commitment to strategic investments, data collection and information sharing, and forging promising partnerships, all to improve health-related programs and service delivery.

Three new members joined the Board of Trustees in 2012, Laura Loda, Louis Rossiter, and Clarence Wilson. Each brings important experience and skills to the position. On behalf of the board, I extend deep appreciation to outgoing board members Robert Taylor and Dr. Shane Peng, both of whom made many valuable contributions to the board's deliberations and decisions.

Finally, I want to acknowledge the superb leadership of 2011-2012 Board Chair Virginia McLaughlin. Her commitment to the community and to the Foundation's mission, her elegant style, and her keen intellect benefited all of us.

Douglas J. Myers

MESSAGE FROM THE PRESIDENT

It is a pleasure to present the 2012 Annual Report of the Williamsburg Health Foundation to the Community. Through this publication each year the Foundation makes information readily available regarding its investments in programs and agencies that serve this region as well as information on its financial status. The Annual Report is an important communication vehicle serving to strengthen and enhance our long-standing partnership with this community.

Included in this report is a complete list of all grants awarded by the Health Foundation's Board of Trustees in 2012, a total of 37 grants to 28 distinct organizations. The grants varied in size and the programs supported varied in purpose. What unites them is that all share the goal of improving the health of people in Greater Williamsburg. The list of grants is prominent in this report not only to communicate the investment of Foundation resources, but just as importantly, to shine a spotlight on the work of the many partner organizations who, with their dedicated staffs and volunteers, regularly serve people and families in need.

Accompanying the list of grants are three charts that aggregate the financial awards and present the information in three categories which serve to further explain the range, depth and impact of the investments. These charts are the result of efforts by the Foundation to think holistically about its work and to be ever more strategic in community investments.

Chart I shows the percentages of 2012 funding by program area or the type of service provided. Almost 50% of the funds supported direct healthcare services, primarily through the work of the local safety net clinics and their partners.

Chart II indicates 69% of the funding was awarded to further the work of non-profit organizations, both non-sectarian and faith-based, which have received 501(c)(3) status from the IRS. While nearly 30% of the funding went to programs administered by local or state government entities, the vast majority of those dollars supported programs that were initiated by the Foundation to address an identified need. Examples of this are the Greater Williamsburg Child Assessment Center and the School Health Initiative Program.

Chart III illustrates the distribution of funds by the Foundation's funding categories. More than 59% supported Foundation directed programs which is consistent with the Board of Trustee's commitment to investing resources for long-term positive impact. Along with that commitment, it remains the Foundation's intention to support requests from the community through the Responsive Grants program.

The Investment Review and Summary Financial Statements confirm a gradual recovery from the economic downturn and a relative stability of resources and operations. The Williamsburg Health Foundation promises to remain a vital community asset for the future.

Jeanne Zeidler



GRANTS AWARDED IN 2012



RESPONSIVE GRANTS

| | |
|---|--------------------|
| The Arc Of Greater Williamsburg Stay Fit for the Future: Continuing Adapted Wellness Programming... | \$20,000 |
| Bacon Street Youth Substance Abuse Intervention and Treatment..... | 65,000 |
| Center For Excellence In Aging & Geriatric Health Extending the Outreach and Impact of the Screening, Brief Intervention, and Referral to Treatment (SBIRT) Program to Serve Older Adults..... | 80,000 |
| Child And Family Connection Violence Prevention/Intervention Program..... | 20,000 |
| Child And Family Connection Multicultural Counseling and Outreach Program for the Greater Williamsburg Area..... | 38,000 |
| Child Development Resources Early Intervention for Infants and Toddlers..... | 90,000 |
| Child Development Resources Parents as Teachers..... | 78,000 |
| Colonial Behavioral Health Intensive Outpatient Program (IOP)..... | 46,000 |
| Colonial Community Corrections Better Ways: A Therapeutic & Transitional Substance Abuse Program..... | 38,300 |
| Community Housing Partners CHP Williamsburg-Yorktown Community Health Initiative..... | 39,000 |
| Fish, Inc. Health Priorities in Action..... | 20,000 |
| Grove Christian Outreach Center Food PLUS with Healthy Diabetes Management Program..... | 20,000 |
| Historic Triangle Senior Center RIDES..... | 100,000 |
| Literacy For Life At The Rita Welsh Adult Learning Center Health Education and Literacy (HEAL) Project... | 5,000 |
| Network For Latino People Community and Medical Interpretation Services (CMIS)..... | 25,000 |
| New Horizons Family Counseling Center Building Strong Systems of Support for Children’s Emotional and Behavioral Health: Empowering At-Risk Families..... | 115,000 |
| Olivet Medical Ministry, Inc. Volunteer Recruitment Project..... | 35,000 |
| Peninsula Agency On Aging PADRN/CARES Program..... | 25,000 |
| Peninsula Agency On Aging SHARP (Senior Health Assistance Resource Project)..... | 128,000 |
| Project CARE Inc. Project CARE..... | 77,500 |
| Rx Partnership Rx Partnership..... | 10,000 |
| Senior Services Coalition Senior Services Coalition — Core Support..... | 38,880 |
| Virginia Legacy Soccer Club Community Partnership..... | 16,000 |
| Virginia Regional Ballet, Inc. Fitness Dance Camp..... | 4,500 |
| Williamsburg Area Faith In Action Medical Transportation..... | 20,000 |
| Williamsburg Area Meals-On-Wheels, Inc. Safety Net Nutrition for Low Income Residents and Nutrition Education for Low Income Area Residents..... | 37,000 |
| York County Division Of Juvenile Services Psychological and Substance Abuse Services (PSAS) Program... | 75,000 |
| SUBTOTAL | \$1,266,180 |

OLDE TOWNE MEDICAL CENTER CORE FUNDING

| | |
|---|------------------|
| Olde Towne Medical Center Core Program Support | \$426,533 |
| SUBTOTAL | \$426,533 |

FOUNDATION DIRECTED GRANTS

| | |
|---|--------------------|
| Angels of Mercy Medical Mission Chronic Care Collaborative..... | \$124,863 |
| Colonial Behavioral Health Chronic Care Collaborative..... | 120,000 |
| Colonial Behavioral Health Children’s Behavioral Health Initiative (CBHI)..... | 332,363 |
| Gloucester-Mathews Free Clinic Chronic Care Collaborative..... | 295,000 |
| Olde Towne Medical Center Chronic Care Collaborative..... | 245,000 |
| Olivet Medical Ministry, Inc. Chronic Care Collaborative..... | 515,816 |
| Rx Partnership Chronic Care Collaborative..... | 10,000 |
| Virginia Health Care Foundation Greater Williamsburg Medication Access Program (GWMAP)..... | 446,198 |
| Williamsburg-James City County Public School Division School Health Initiative Program (SHIP)..... | 554,000 |
| SUBTOTAL | \$2,643,240 |

CAPACITY BUILDING GRANTS AND PROGRAMS

| | |
|---|------------------|
| Direct Charitable Activities..... | \$112,281 |
| The Grantsmanship Center Training Reimbursement Essential Grant Skills Training Workshop..... | 1,335 |
| SUBTOTAL..... | \$113,616 |

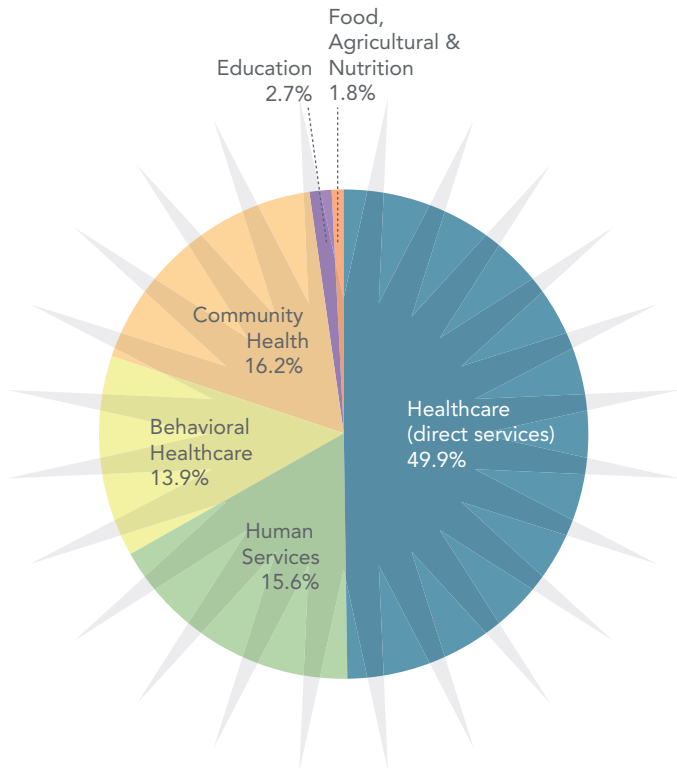
WALKING WORKS GRANTS

| | |
|--|----------------|
| Avalon: A Center for Women and Children Walking Works..... | \$1,000 |
| Child Development Resources Walking Works..... | 500 |
| Colonial Court Appointed Special Advocate Program Walking Works..... | 500 |
| Senior Services Coalition Walking Works..... | 500 |
| SUBTOTAL..... | \$2,500 |

HEALTHCARE HEROES

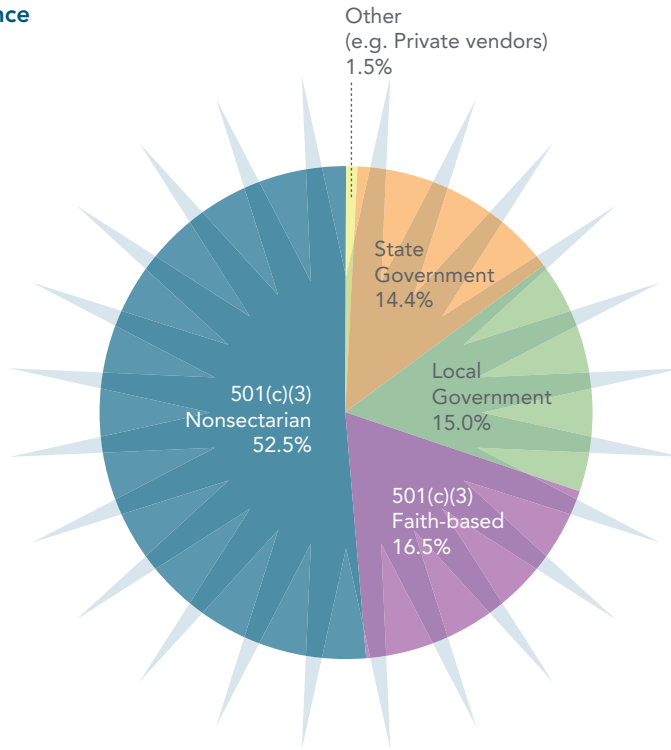
| | |
|--|--------------------|
| Colonial Behavioral Health Healthcare Heroes Award..... | \$ 500 |
| Gloucester-Mathews Free Clinic Healthcare Heroes Award..... | 500 |
| Grove Christian Outreach Center Healthcare Heroes Award..... | 1,000 |
| Northern Neck Free Health Clinic Healthcare Heroes Award..... | 500 |
| Olde Towne Medical Center Healthcare Heroes Award..... | 500 |
| Olivet Medical Ministry, Inc. Healthcare Heroes Award..... | 500 |
| St. David’s Free Health Clinic Healthcare Heroes Award..... | 500 |
| Tappahannock Regional Free Clinic, Inc. Healthcare Heroes Award..... | 500 |
| United Way of Greater Williamsburg Healthcare Heroes Award..... | 2,000 |
| Williamsburg Area Meals-On-Wheels, Inc. Healthcare Heroes Award..... | 1,000 |
| Williamsburg-James City County Public School Division Healthcare Heroes Award..... | 2,000 |
| SUBTOTAL..... | \$ 9,500 |
| GRAND TOTAL..... | \$4,461,569 |

Grants Awarded in 2012
by WHF Program Area

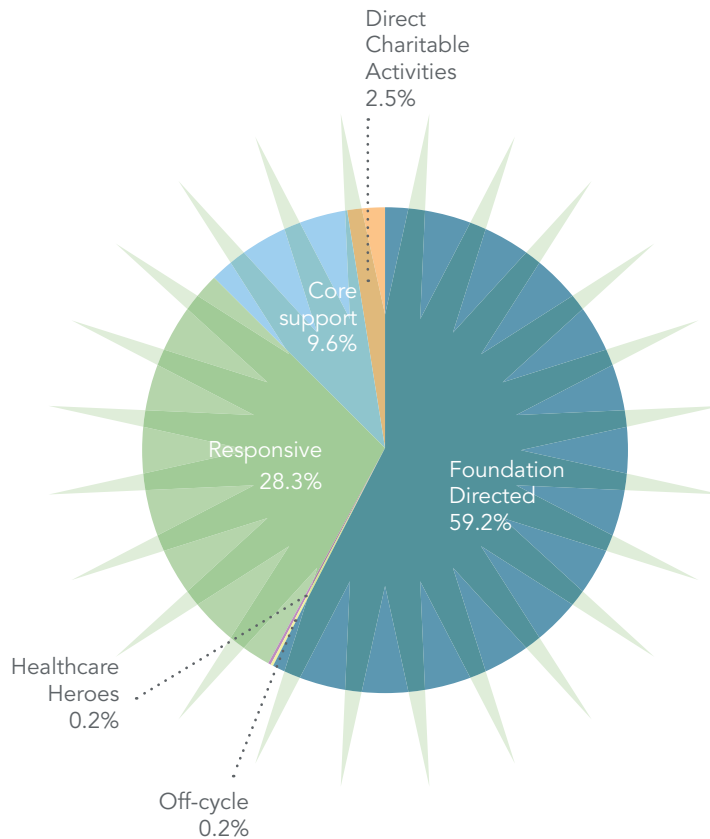


GRANTS AWARDED 2012

Grants Awarded in 2012 by **Organization Governance**



Grants Awarded in 2012 by **WHF Fund**





HEALTHCARE HEROES 2012



Pictured are, front row left to right: Anne Conner, President of Towne Bank Williamsburg; Tammy Underwood, Wellness Integration Specialist with the Williamsburg-James City County Public Schools' School Health Initiative Program (SHIP); Sarah Jane Stewart, Rx Relief Program Officer from the Virginia Health Care Foundation and Administrator for the Greater Williamsburg Medication Access Program (GWMAP).

Back row, left to right: Douglas Myers, WHF 2012 Board Vice Chair; Cressondra Conyers, WHF Board Member and Healthcare Heroes Committee Chair; Marshall Warner, Executive Vice President, Chesapeake Bank.



Representing the Greater Williamsburg Medication Access Program (GWMAP): Jeannette Holmes, Charry Hudgins and Arleigh Johnson from Gloucester-Mathews Free Clinic; Michelle Barnett and Isiris Reyes from Lackey Free Clinic; Suzi Bowman from Northern Neck Free Health Center; Georgia Mamangakis and Paula Sherman from Olde Towne Medical Center; and Sarah Jane Stewart from Virginia Health Care Foundation; not pictured is Juanita Siyal from Colonial Behavioral Health.



The theme for the 2012 Healthcare Heroes was “Passion-Perseverance-Partnership.” Receiving the Baxter I. Bell, Sr. Award for Outstanding Employee was Tammy Underwood, Wellness Integration Specialist for Williamsburg-James City County Public Schools, who has integrated movement into classroom learning and helped to develop 600 Virginia Standards of Learning (SOL)-based lesson plans. The Vernon M. Geddy, Jr. Awards for Outstanding Leadership went to Anne Conner of Towne Bank and Marshall Warner of Chesapeake Bank for their significant contributions to the non-profit community of Greater Williamsburg. The Rev. Thomas Pugh Award for Outstanding Community Health Program was awarded to the Greater Williamsburg Medication Access Program which distributes prescription medications at no cost for safety-net patients; GWMAP provided over 25,000 prescriptions to nearly 4,000 patients in 2011.



The Foundation's financial assets (the "Fund") are invested with the primary objective of providing the financial support needed to fulfill the Foundation's mission in perpetuity. To meet this objective, the Foundation strives to achieve a long-term total return sufficient to support its ongoing operations and programs while keeping up with inflation. For a private foundation, which must annually distribute a minimum of five percent of its investment assets in grants and related expenses, this equates to an annual return objective of inflation plus at least five percent over the long term. While the Foundation has not met this objective every year, the Fund's average annualized return since the Foundation's inception in 1996 is comparable with the "inflation plus five percent" objective, thus maintaining the inflation-adjusted value of the corpus.

INVESTMENT PROCESS

The Fund receives close attention from an investment committee composed of experienced persons with diverse business backgrounds. In addition, The Investment Fund for Foundations (TIFF) has served as the Foundation's outsourced investment consultant since November, 2011. As of December 31, 2012, TIFF managed over \$9.8 billion through a variety of multi-manager investment programs that enable nonprofit organizations to access multiple asset classes and strategies. These programs focus on marketable investments, via a family of mutual funds; alternative investments, including private investments and absolute-return strategies; and comprehensive endowment solutions. In accordance with the Foundation's Investment Policy and with the assistance of TIFF, the committee has developed a well-diversified, professionally managed investment portfolio designed to meet the investment objectives described above while minimizing risk. The portfolio includes alternative asset investments such as hedge funds, private equity funds, and real asset funds. The Foundation's agreement with TIFF calls for all Foundation assets to be moved to TIFF investment vehicles as these legacy funds become liquid. At year-end 2012, approximately 21% of the Foundation's assets remained in legacy assets. All legacy assets are invested with outside investment managers with proven records. In addition, most equity assets are invested in "funds of funds," a structure in which the external manager invests in various funds formed by other investment managers. This structure provides the benefits of enhanced portfolio diversification and oversight.

2012 INVESTMENT RESULTS

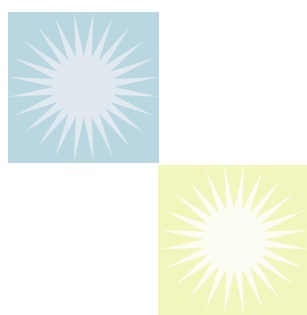
The value of the Foundation's investable assets as of December 31, 2012 was approximately \$117 million. Performance for the calendar year was categorically positive at 9.9%, exceeding the CPI + 5% benchmark at 6.8%, but lagging the policy benchmark and the TIFF Constructed Index, which returned 12.1% and 11.5% respectively for the year. The asset allocation for the Foundation continues to reflect a balanced view of financial markets. As of December 31, 2012, 51% of assets were in total return strategies with 90% of these assets in global equities. The remaining 49% were in various hedging strategies including commodities, real estate, and inflation-linked bonds, as well as cash equivalents.

ANNUALIZED RETURNS FOR PERIODS ENDING 12.31.12

| | one year | three year | five year | since 09.30.96 |
|-------------------------------|----------|------------|-----------|----------------|
| Fund | 9.9% | 6.5% | 1.5% | 6.9% |
| Policy Benchmark | 12.1% | 7.0% | 1.9% | 6.2% |
| CPI + 5% | 6.8% | 7.1% | 6.9% | 7.5% |
| TIFF Constructed Index | 11.5% | 7.0% | 2.1% | 7.0% |

The Foundation's policy benchmark is a composite of indices whose allocation is based on the Foundation's policy allocation. As of 12.31.12, it was 65% MSCI ACW and 35% Barclays Agg.

TIFF's Constructed Index (CI) embodies TIFF's staff and board members' long-term perspective on asset allocation. As of 12.31.12, it was 57% Total Return Assets, 10% Inflation Hedges, and 33% All-Purpose Hedges.



FINANCIAL SUMMARY

SUMMARY STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31

| | 2012 | 2011 |
|-----------------------------------|----------------------|----------------------|
| Assets | \$119,703,000 | \$113,687,000 |
| Liabilities and net assets | | |
| Grants and other accounts payable | 817,000 | 982,000 |
| Unrestricted net assets | 118,886,000 | 112,705,000 |
| | \$119,703,000 | \$113,687,000 |

SUMMARY STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31

| | 2012 | 2011 |
|---|----------------------|----------------------|
| Revenues and gains (losses) | | |
| Investment income and gains (losses), net of fees | \$11,993,000 | \$(1,433,000) |
| Expenses | | |
| Community grants | 4,462,000 | 4,492,000 |
| Program, general and administrative expenses | 1,166,000 | 1,125,000 |
| Federal excise and state tax (benefit) expense | 184,000 | (94,000) |
| | \$5,812,000 | \$5,523,000 |
| Change in net assets (losses) | 6,181,000 | (6,956,000) |
| Net assets at beginning of year | 112,705,000 | 119,661,000 |
| Net assets at end of year | \$118,886,000 | \$112,705,000 |

Numbers are rounded to the nearest thousand.
A copy of the audited financial statements is available upon request.

ASSET ALLOCATION as of 12.31.12

- 51% Total Return Assets
 - Global Equity
 - Developed Markets
 - Emerging Markets
 - High Yield Bonds
 - Other Total Return Assts
- 49% Hedging Assets
 - Inflation Hedges
 - All-Purpose Hedges
 - Other Hedging Assets



WILLIAMSBURG HEALTH FOUNDATION

2012 BOARD OF TRUSTEES

Chair: VIRGINIA L. MCLAUGHLIN, *Dean, School of Education, The College of William and Mary*

Vice Chair: DOUGLAS J. MYERS, *Vice President-Wealth Management, Portfolio Manager The Myers Smith Group, Morgan Stanley Smith Barney*

Treasurer: DAVID C. ANDERSON, *Senior Vice President-Investments, Davenport & Company, LLC*

STEPHEN R. ADKINS, *Retired Chief Deputy Director, Department of Human Resource Management; Commonwealth of Virginia; Chief, Chickahominy Indian Tribe*

CATHERINE ALLPORT, *Retired from Child Development Resources*

THE HONORABLE CRESSONDRA B. CONYERS, *District Court Judge, Juvenile & Domestic Relations Court, Counties of Gloucester, Mathews and Middlesex*

RANDALL FOSKEY, *President, Foskey/Phillips Marketing & Advertising*

JAMES R. GOLDEN, *Vice President, Strategic Initiatives, The College of William and Mary*

F. BRIAN HIESTAND, *Chief Investment Officer, The College of William and Mary Foundation*

JOYCE M. JARRETT, *Old Dominion Distinguished Professor of English, Hampton University*

LAURA J. LODA, *Vice President, Human Resources, The Colonial Williamsburg Foundation*

STEPHEN H. MONTGOMERY, *President and CEO, Williamsburg Landing, Inc.*

SHANE H. PENG, M.D., *VP/Senior Medical Director/Chief Quality Officer, Sentara Medical Group*

RICHARD H. RIZK, *Attorney, Geddy, Harris, Franck & Hickman, LLP*

LOUIS F. ROSSITER, *President, Chironet, LLC; Research Professor, Thomas Jefferson Program in Public Policy, The College of William and Mary*

RICHARD SCHREIBER, *President & CEO, Greater Williamsburg Chamber & Tourism Alliance*

JEFFERY O. SMITH, *Superintendent, West Point Public Schools*

RICHARD G. SMITH, *Member of the Firm; Office Managing Partner, PBMares, LLP*

ROBERT B. TAYLOR, *Senior Vice President, Colonial Williamsburg Foundation*

JONATHAN V. WEISS, *Retired Clinical Services Director, Colonial Services Board*

CLARENCE A. WILSON, *Retired Director of Finance, DuPont Company*

EX-OFFICIO: JEANNE ZEIDLER, *President, Williamsburg Health Foundation*

2012 STAFF

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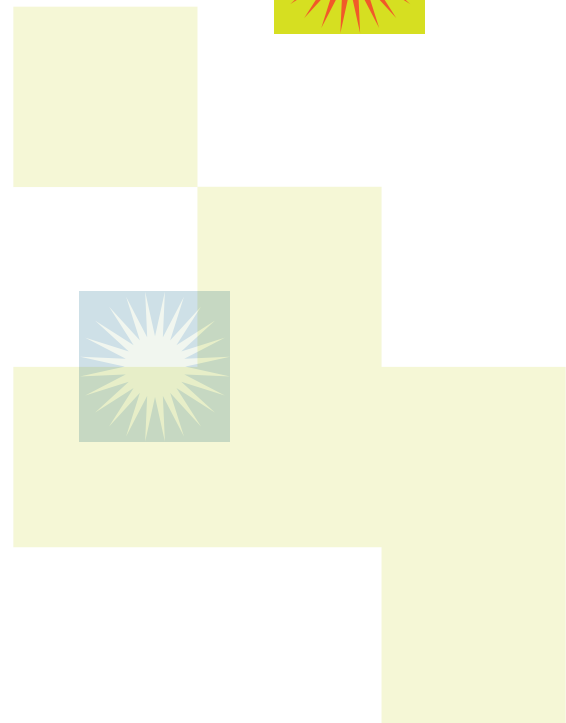
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WILLIAMSBURG HEALTH FOUNDATION

NEW LOOK – NEW LOGO

In Fall 2013, the Williamsburg Health Foundation will relocate its offices to the SunTrust Building, 4801 Courthouse Street, Suite 200, Williamsburg, Virginia 23188.

Coinciding with the move, the Foundation is introducing a fresh, new logo that underscores its mission to improve the health of people living in Greater Williamsburg. Accompanying the logo will be a new website address; *www.williamsburghealthfoundation.org* and new email addresses for current staff which can be found within the staff listing on page 10.

WILLIAMSBURG
Health 
FOUNDATION



The Williamsburg Health Foundation will be a trusted and effective resource in perpetuity for improving the health and wellbeing of people living in Greater Williamsburg.

Approved by the Board 12-05-11

MISSION

Strengthen access to quality health services

Promote responsible health practices

Approved by the Board 12-05-11

VALUES

Teamwork

Effective communication

Strong community partnerships

Ethical and accountable decision-making

Approved by the Board 12-05-11

WILLIAMSBURG
Health
FOUNDATION

SunTrust Building, 4801 Courthouse Street, Suite 200
Williamsburg, Virginia 23188

www.williamsburghealthfoundation.org