

Endowment

Annual Stewardship Report

Endowment provides a permanent source of income for Scouting in our community. The Board of Directors working through its Investment Committee and fund managers, invest the assets in a disciplined manner so that prudent distributions are channeled back to support programs wherein the value of the assets should increase over time.

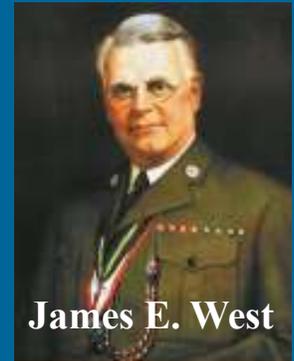
Israel's Family Success Story

While the Boy Scouts of America's devotion to character development through serving others never changes, the program is constantly adapting as BSA reaches out to an increasingly diverse group of young people. Many of these boys and young men need us now more than ever. Scout leaders serve as a positive role model when so many lack parental guidance at home. Your support has allowed us to turn a lot of lives around, point kids in the right direction and make a real difference to them and to our community.

Israel Nunez is a dramatic example of a young fellow whose life as a teenager was in chaos. His family split up and he held great resentment over the loss of his father's presence. Sucked in by the allure of gangs and substance abuse in his neighborhood, Israel was quickly spinning out of control. Scouting became the one constant in his life. At first he was belligerent and had little hope until he attended an Eagle Scout Court of Honor. One of the Scout leaders took Israel aside and convinced him that he, too, could achieve this rank. That was the turning point.

Israel did indeed become an Eagle Scout, enlisted in the Navy and is now happily married with two young children. He recently received his associate degree in process technology and has a career as a chemical plant operator. He also recently served as a Scout leader and Assistant Scoutmaster. The tradition of Scouting continues through those like Israel who know its true value.

Israel's wife says that she believes Scouting gave him the guiding principles that have contributed to the success of their family. She is forever grateful to Scouting for sparing Israel a life of crime and unhappiness. Scouting was there when this boy needed it most. His Scoutmaster was the catalyst for positive change.



James E. West

The Cockrell Foundation Matching Gift Program

The Cockrell Foundation generously created The Cockrell Foundation Matching Gift Program in 2010 and it has been renewed through December 15, 2015. Individual gifts of \$500 up to a lifetime cumulative of \$25,000 are matched dollar for dollar. Since inception, nearly \$2.2 million has been matched by The Cockrell Foundation.

To learn more, visit:
www.samhoustonbsa.org/endowment.

Investment Balance* (in millions)

6/30/15	12/2014	12/2013	12/2012
\$74.0	\$69.5	\$68.7	\$30.9

Return (net)

6/30/15	12/2014	12/2013	12/2012
1.89%	1.28%	11.81%	11.95%

* As of 6/30/2015, Permanently Restricted balance is \$28,896,514, Temporarily Restricted balance is \$25,366,159, and Unrestricted balance is \$19,732,340 for a total of \$73,995,013.

Dollars Distributed in 2014

General Purpose	\$1,084,787
Camping Scholarships	\$4,662
At Risk Youth	\$99,717
Camp Strake	\$460,834
Total Distributed	\$1,650,000

Sam Houston Area Council 2014 Program Highlights

Youth Served and Volunteers

47,180 Youth registered in the Scouting programs of Cub Scouts, Boy Scouts and Venturing

1,462 Youth participants in the Exploring program

8,846 Youth participants in the curriculum/school based (includes special needs) Learning for Life programs

19,100 Registered volunteer adult leaders on 12/31/2014

1,712 Total number of Cub Scout packs, Boy Scout troops and Venturing

63 Total number of Exploring posts

39 Total number of curriculum/school based (including special needs) Learning for Life programs

36% Estimated percentage of youth served considered "At-Risk"

Camping

39,257 Total number of campers at the Council's five camps

106,268 Total number of days camped at the Council's five camps

Program

66.62% Percent of Cub Scouts earned at least one rank during the year (Ranks counted include Bobcat, Tiger, Wolf, Bear, Webelos, and Arrow of Light)

44.86% Percent of Boy Scouts and Varsity Scouts earned at least one rank during the year (Ranks counted include Tenderfoot, Second Class, First Class, Star, Life, and Eagle)

37,044 Merit badges earned by Boy Scouts and Varsity Scouts

1,008 Boy Scouts attained the rank of Eagle Scout

7.39 Estimated average hours of community service provided by Scouts, Explorers and leaders

Finance

3.2% Percent excess revenue over operating expenses that totaled \$12,992,899.

\$4,440,855 Dollars in new gifts received for permanently restricted endowment.

\$226 Estimated dollar amount spent to support each youth involved in a program

(1) unaudited

Investment Oversight

The Sam Houston Area Council Board of Directors has delegated oversight of the Council's endowment to the Investment Committee which operates within the parameters of the Council's Investment Policy Statement.

The Investment Committee meets on a quarterly basis to review investment performance, asset allocation and individual manager performance. It seeks investment returns through a diversified investment portfolio consistent with the approved Investment Policy Statement.

To achieve its investment objective, the Council has historically placed a portion of its portfolio with The Investment Fund for Foundations Multi-Asset Fund and the Boy Scouts of America Commingled Endowment Fund, LP. Earlier this year, the Council's Investment Committee began a multi-step process to review existing and prospective Investment Advisors. A formal Request for Proposal was sent out to 17 Investment Advisory Firms located in Texas and around the country. 15 Firms responded. Formal in-person presentations were made to the Investment Committee by six finalists. The Committee voted and decided that Goldman Sachs will replace the existing Investment Advisors. The transition of the Council's portfolio to Goldman Sachs is in process and should be completed within *the next 30-60 days*.

Mission - "To Lead Youth to Lifelong Values, Service and Achievement."

Vision - to reach across the community to serve all ethnicities and youth age groups with a leadership and character-building program that has long lasting impact.