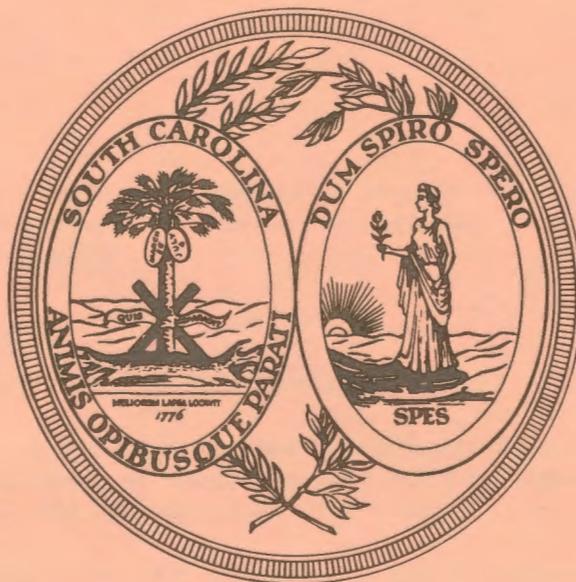


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**SOUTH CAROLINA
OLD EXCHANGE BUILDING
COMMISSION**



**ANNUAL REPORT
1992-1993**

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State Budget And Control Board

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STATE DOCUMENTS

The State of South Carolina



The Old Exchange Building Commission

October 1, 1993

The Honorable Carroll A. Campbell, Jr., Governor
The Honorable Members of the South Carolina
General Assembly

Your Excellency, Ladies and Gentlemen:

On Behalf of the Old Exchange Building Commission, it is my pleasure to present to you the annual report of the Old Exchange Building Commission for the fiscal year 1992-1993.

Without your support and assistance, the Commission would not have had a successful year.

Please do not hesitate to call on us if we can be of service.

Respectfully submitted,

Old Exchange Building Commission

Louise T. Burgdorf
Chairman

The State of South Carolina



The Old Exchange Building Commission

October 1, 1993

Mrs. Louise T. Burgdorf, Chairman
Old Exchange Building Commission
The Old Exchange Building
122 East Bay Street
Charleston, SC 29401

Dear Mrs. Burgdorf:

Included in this annual report of the Old Exchange Building and Provost Dungeon fiscal year 1992-93 is a brief overview of the building's history, operations and contributions to the community. More detailed information is available and can be supplied upon request.

Respectfully submitted,


Frances McCarthy
Executive Director

OLD EXCHANGE BUILDING COMMISSION

Mrs. Louise T. Burgdorf
Chairman
Springfield

Mrs. Nancy Pinckney
Secretary
Charleston

Mrs. Alleene Crawley
Vice Chairman
Greenville

Capt. John Coussons
Charleston

Mrs. Ruth Dodds
Charleston

Mrs. Celeste Hodges
Kingstree

Mrs. Evelyn McGee
Charleston

Mr. Sherman Smith
Sumter

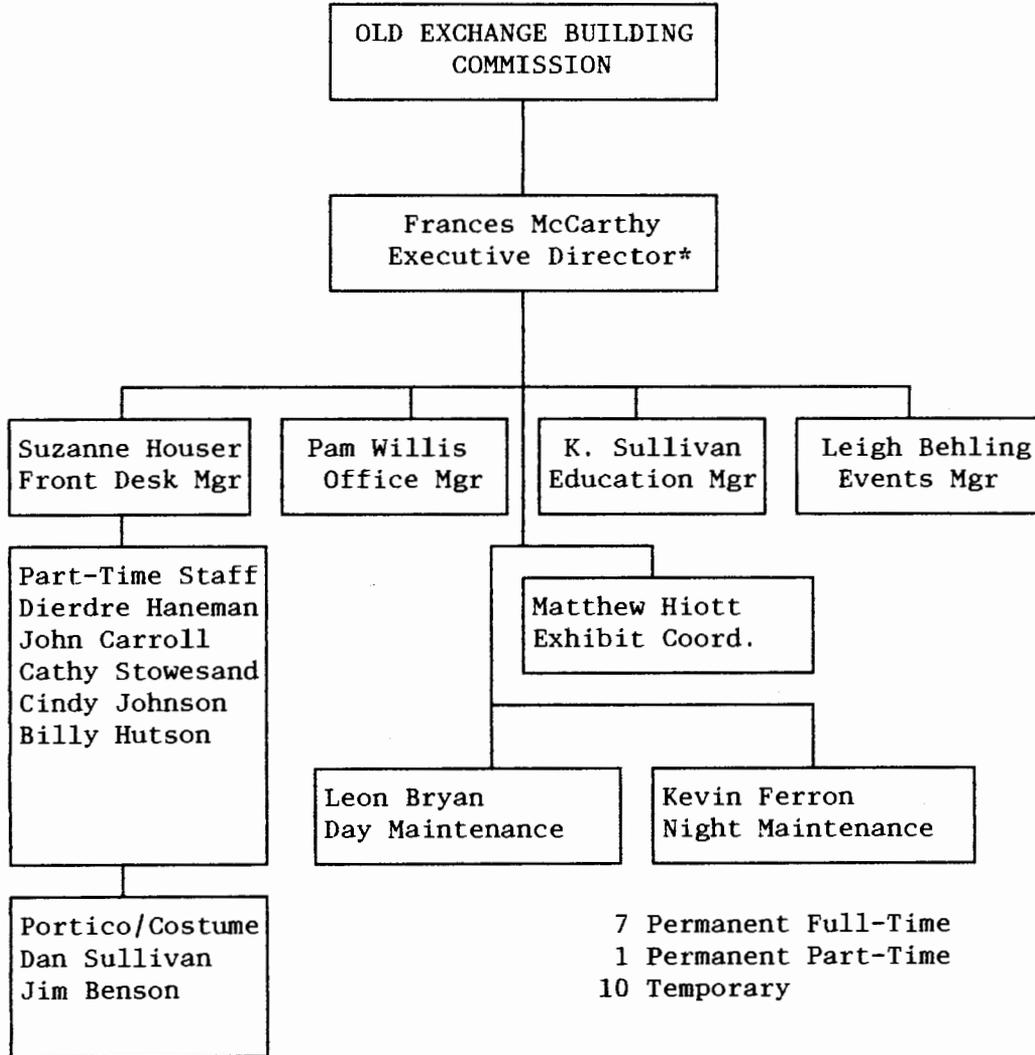
Mrs. Sarah Spruill
Cheraw

Mr. Jack Wilson
Advisor
Executive Asst. for Civil Law
State of South Carolina
P.O. Box 11549
Columbia, SC 29211

Ms. Frances McCarthy
Executive Director
Old Exchange Building & Provost Dungeon

ORGANIZATIONAL CHART

OLD EXCHANGE AND PROVOST DUNGEON
122 E. Bay Street, Charleston



7 Permanent Full-Time
1 Permanent Part-Time
10 Temporary

* Frances McCarthy
Executive Director
203 Greenmeadow Road
Goose Creek, SC 29445

THE OLD EXCHANGE BUILDING

The Old Exchange Building Commission was created by Act 678 and amended by R-270 in 1977.

The Commission shall have responsibility for the restoration, development and control of the Old Exchange Building ranked by historians as one of the three most historically significant buildings of America.

HISTORICAL OVERVIEW

On April 27, 1767, the Commons House of Assembly passed an act granting the King of England sixty thousands pounds to build the Exchange and Customs House in Charles Towne. The money to build the Exchange came from local taxes on wine, rum and flour.

From 1773 to 1776, local citizens held meetings in the Great Hall of the Exchange to protest English violation of their rights as colonists, such as the issue of taxation without representation. During these meetings, South Carolina's leaders emerged. Independence was declared by accepting the South Carolina Constitution in March 1776 at the Exchange Building.

In the cellars of the Exchange, where tea had been detained before the war, American patriots were then held by the British Provost Marshall during the Revolutionary War. Three of South Carolina's signers of the Declaration of Independence were held in the Provost Dungeon (cellars) for their treasonous act of signing such a document.

Following the Revolution, South Carolina ratified the United States Constitution at the Exchange Building on May 23, 1788. In 1791, George Washington was entertained in the Great Hall on the occasions of his visits to Charleston.

On February 14, 1818, the City of Charleston sold the Old Exchange Building to the Federal Government for \$60,000. The Old Exchange served as Charleston's post office, while the second floor remained the City's customs house. It continued as the center of commercial activity and communication until the Civil War when it was temporarily closed due to damages from Union shelling. Repaired in 1870, the building was reopened as the post office until 1896.

With the completion of a new post office building, the federal government put the Old Exchange Building up for sale. To save it from possible destruction, the South Carolina Daughters of the American Revolution campaigned to preserve this historic treasure.

Their efforts were rewarded on March 4, 1913, when the United States Congress authorized the Secretary of the Treasury "to convey, by quitclaim deed, the Old Exchange...to the Order of Daughters of the American Revolution in and of the State of South Carolina, to be held by it as a historical memorial in trust for such use, care, and occupation thereof by the Rebecca Motte Chapter of said order . . . as the said chapter shall in its judgment deem to best subserve the preservation of said colonial building and promote the honorable and patriotic purpose for which the grant is requested." The deed provided for the Light House Department who had been there since 1898 to continue use of the building until provisions could be made for other quarters. During World Wars I and II, the Old Exchange was called into "patriotic use" again, this time to provide office and storage space for the Coast Guard, Army, and Navy.

Owning one of the most significant buildings in American history was an awesome responsibility for the Rebecca Motte Chapter of the DAR. The State of South Carolina approached the organization with an offer to help. The Old Exchange Building Commission was established by the Act of the General Assembly and was given operative and administrative control of matters relating to the Old Exchange Building. A lease was signed on December 1976 giving the Old Exchange Building Commission effective control for the next 25 years.

A contract for restoration was signed on August 10, 1979. After restoration was completed, the Building was officially reopened to the public on October 5, 1981. Visitors may tour the Old Exchange and Provost Dungeon, rent one of the elegant rooms available for meetings, receptions, and dinners, or participate in various educational programs offered through the schools.

In 1989 the Commission entered into an annual agreement with the City of Charleston for the annual Management of daily operations of the Old Exchange Building.

FISCAL REPORT

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OLD EXCHANGE BUILDING COMMISSION
COMPARATIVE BALANCE SHEET
FOR THE YEAR ENDING JUNE 30, 1992 AND 1993

<u>ASSETS</u>	<u>1992</u>	<u>1993</u>
Cash	\$ 551,521	\$ 516,775
Due from State Treasurer	<u>0</u>	<u>0</u>
TOTAL ASSETS	\$ <u>551,521</u>	\$ <u>516,775</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 1,164	\$ 0
Due to the General Fund	209,847	35,779
Building Rental Deposit	<u>15,362</u>	<u>24,879</u>
TOTAL LIABILITIES	\$ <u>226,373</u>	\$ <u>60,658</u>
<u>FUND BALANCE</u>	\$ <u>325,148</u>	\$ <u>456,117</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	\$ 551,521 =====	\$ 516,775 =====

EXHIBIT B

OLD EXCHANGE BUILDING COMMISSION
STATEMENT OF OPERATIONS
FOR THE YEAR ENDING JUNE 30, 1992 AND 1993

	<u>1992</u>	<u>1993</u>
Total Revenues	\$ 468,932	\$ 526,580
Expenditures		
Personnel Services	\$ 127,619	\$ 170,577
Repairs and Maintenance	15,159	15,394
Administrative Expenses	21,530	35,128
Utilities	27,205	29,657
Rental and Tourism	29,292	27,624
Support Services	15,587	15,293
General Building Expenses	14,345	9,952
Resale Purchases	56,267	73,945
Furnishings	7,516	1,349
Architect & Engineering	_____	<u>16,693</u>
Total Expenditures	\$ 314,520	\$ 395,612
Excess of Revenues over Expenditures	\$ 154,412	\$ 130,968

EXHIBIT C

OLD EXCHANGE BUILDING COMMISSION
SCHEDULE OF STATE ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 1993

<u>TITLE</u>	<u>BUDGETED APPROPRIATION</u>	<u>EXPENDITURES</u>
Contractual Services	\$ 110,868	\$ 110,868
Travel	2,278	2,253
Per Diem	<u>1,500</u>	<u>1,225</u>
	\$ 114,646	\$ 114,346

EXHIBIT D

OLD EXCHANGE BUILDING COMMISSION
SOURCES OF REVENUE
FOR THE YEAR ENDING JUNE 30, 1992 AND 1993

	<u>1992</u>	<u>1993</u>
Admissions	\$ 163,032	\$ 170,036
Education Group Admissions	8,724	22,079
State Appropriation	115,518	110,868
Gift Shop Sales	84,385	97,250
Building Rental	72,102	68,240
Security Fees	5,865	3,931
Costumed Guide Fees	3,019	3,325
Forfeited Damage Deposits	625	225
Miscellaneous	4,606	36,836
Interest	<u>11,056</u>	<u>13,790</u>
TOTAL	\$ 468,932	\$ 526,580

**OLD EXCHANGE BUILDING
NOTES TO FINANCIAL STATEMENT
JUNE 30, 1992 AND 1993**

Note 1 - Summary of Significant Accounting Policies

Basis of Accounting:

The financial statements have been prepared on an accrual basis.

Fund Accounting:

To ensure observance of limitations and restrictions placed on the use of resources available to the Commission, the accounts are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are separated into funds that are in accordance with specified activities or objectives. Separate accounts are maintained for each fund.

General Fixed Assets:

Fixed assets are recorded as expenditures of the general operating fund upon acquisition and subsequently capitalized at actual cost in the general fixed asset account group. In accordance with the generally accepted accounting principles prescribed for governmental funds, a provision for depreciation of general fixed assets is not recorded.

Contract Accounting:

The Old Exchange Building Commission is a State Commission that was established by Act 678 of the General Assembly and amended by R-270 in 1977. The Commission executed a management agreement with the City of Charleston on August 31, 1989, which was ratified by the State Budget and Control Board on December 20, 1989. This agreement transferred operative and administrative control of the Building to the City of Charleston (see Note 4).

To help support the Building and the educational programs, the Building is rented to individuals and organizations for receptions, dinners, seminars and other appropriate uses. Under the terms of the rental contracts, a deposit of one-half the rental charge is due upon signing the contract. Since the contracts are signed months or years in advance, these deposits are held in escrow until three days before the rental, at which time these deposits become earned revenue. As such, the balance sheet includes deferred revenues which consist of deposits for events to be held after June 30, 1992 and 1993. All revenues earned and to be carried over for use in subsequent years are shown as the fund balance.

Note 2 - Retirement Plan:

As of June 30, 1992 and 1993 respectively, all full-time employees were covered by the South Carolina Retirement System.

Note 3 - Changes in General Fixed Assets:

<u>Balance</u> <u>7/1/92</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/93</u>
\$ 20,803	\$ 10,984	\$ 2,967	\$ 28,820

Equipment:

The beginning balance, additions, and deletions for FY93 have not been verified by June 30 1993, and as such are for general information only.

Note 4 - Significant Events:

The Commission entered into a management agreement with the City of Charleston to assume full control and responsibility for the daily operations of the Old Exchange Building, including tours and third-party rentals. All state appropriations to the Exchange Commission, with the exception of funds set aside for travel and per diem expenses for the Commission members, are transferred to the City of Charleston. These funds, along with all revenues generated by the City as the result of visitation and rentals, will be used in the operations and maintenance of the building, and/or improvements to the building and its contents. If the management agreement is not renewed or is terminated, these funds will be transferred to the Commission.

The financial records of the City of Charleston are audited annually at the close of the City's fiscal year on December 31. The financial information presented in this report is for the period ending June 30, 1992 and 1993, and contains information which has not yet been subjected to normal audit testing procedures and verifications. Accordingly, the information contained herein is not complete without reference to the City of Charleston's comprehensive annual financial report (CAFR) for the year ending December 31, 1992, and 1993, and the report to be issued upon the close of the City's present fiscal year on December 31, 1993.

Total Number of Documents Printed	<u>114</u>
Cost Per Unit	\$ <u>1.74</u>
Printing Cost - S.C. State Budget & Control Board (up to 255 copies)	\$ <u>198.24</u>
Printing Cost - Individual Agency (requesting over 255 copies and/or halftones)	\$ <u>-</u>
Total Printing Cost	\$ <u>198.24</u>