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**SOUTH CAROLINA  
OLD EXCHANGE BUILDING  
COMMISSION**



**ANNUAL REPORT  
1988-1989**

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State Budget And Control Board

# The State of South Carolina



## The Old Exchange Building Commission

September 1, 1989

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 1988-1989.

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

*"...one of the most elegant structures in America"*  
122 East Bay at Broad, Charleston, S.C. 29401 (803) 792-5020

# The State of South Carolina



## The Old Exchange Building Commission

September 1, 1989

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

Dear Mrs. Burgdorf:

Attached is the annual report of the Old Exchange Building for fiscal year 1988-89.

This report contains a review of the historic significance of the Exchange and a brief description of programs. More detailed information is available and can be supplied upon your request.

We look forward to working with you and the Commission during the next year.

Respectfully submitted,

Sue Garner Rodgers  
Executive Director  
(interim)

*"...one of the most elegant structures in America"*  
122 East Bay at Broad, Charleston, S.C. 29401 (803) 792-5020

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**OLD EXCHANGE BUILDING COMMISSION**

**J. Victor Brandt III, Chairman  
Charleston**

**Mrs. Louise T. Burgdorf  
Vice Chairman  
Springfield**

**Mr. John Coussons  
Secretary  
Charleston**

**Mrs. Nancy Pinckney  
Charleston**

**Mrs. Celeste Hodges  
Kingstree**

**Mrs. Annie R. Dodds  
Charleston**

**Mrs. Alleene Crawley  
Greenville**

**Mr. Sherman Smith  
Sumter**

**Ms. Sarah Spruill  
Cheraw**

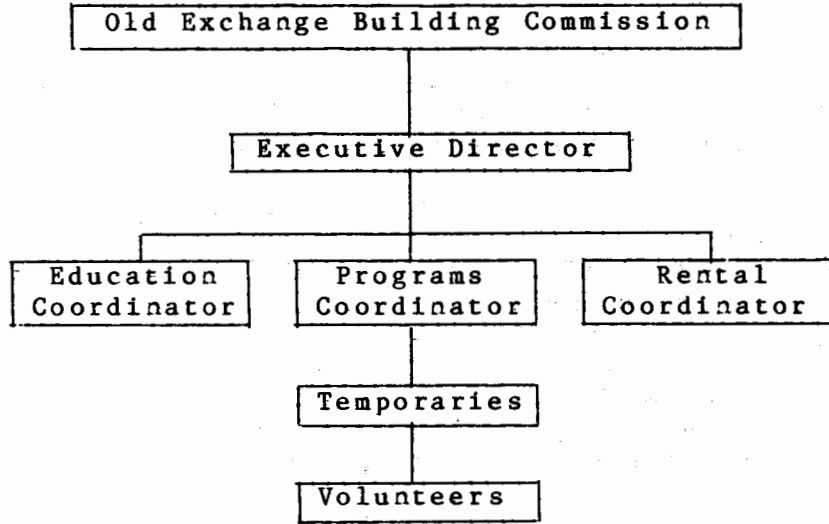
**Senator Ernest Passailaigue  
Charleston**

**Rep. James Bailey  
Charleston**

**Mr. James Bogle, Jr., Advisor  
Assistant Attorney General  
Attorney General's Office  
P. O. Box 11549  
Columbia, SC 29211**

**Sue Garner Rodgers  
Executive Director  
(interim)**

**ORGANIZATIONAL CHART**



**STAFF**

Sue Garner Rodgers.....Executive Director  
(interim)

Patricia Jack.....Education Coordinator

Carol Lawler.....Rental Coordinator

Sue Garner Rodgers.....Programs Coordinator

## 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, administration and control of the Old Exchange Building, one of the three great public buildings of Colonial America.

### HISTORIC REVIEW

On April 27, 1767 the Commons House of Assembly passed the act which granted to his majesty, the King of England, sixty thousand pounds, to build the Exchange as a place to exchange or trade goods as well as the Customs House in which to collect duties on incoming cargoes. The money to build the Exchange came from the local taxation of wine, rum, and bisket.

In 1773 meetings were held in the Exchange to protest English encroachment on the rights of colonists. It was from these meetings that South Carolina's government descended. Independence was declared in March 1776.

In the cellars of the Exchange, American patriots were held by the British Provost Marshall during the battle for America's freedom. 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, the United States' Constitution was ratified for the State of South Carolina at the Exchange Building on May 23, 1788. In 1791 George Washington was entertained here on five different occasions during a one-week stay in Charleston.

On February 14, 1818, the City of Charleston sold the Old Exchange Building to the Federal Government for \$60,000. It then became a post office and remained the customs house and center of Charleston's commercial activity. It was the first Confederate Post Office. Closed for damages it received during the Civil War, it later reopened as a Federal Post Office.

With completion of a new post office building, the federal government put the Old Exchange Building up for sale. To save it from developers, the South Carolina

Daughters of the American Revolution campaigned to preserve the historic building. Their actions were rewarded on March 4, 1913 when a bill passed the United States Congress authorizing the Secretary of the Treasury "to convey, by quit claim deed the Old Exchange...to the Order of the 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 requested." The South Carolina DAR permitted the Army, Navy and Coast Guard (Coastal Pickets) to use the Old Exchange during World Wars I & II.

Owning one of the most significant buildings in American history was an awesome responsibility for the Rebecca Motte chapter of the DAR. The State approached the organization with an offer of 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 Exchange. A lease was signed in December of 1976, giving the Old Exchange Building Commission effective control over most of the building for the next 25 years. The Commission also has the option to continue control for three more consecutive 25 year periods.

A contract for restoration was signed on August 10, 1979. After restoration was completed, the Building officially reopened to the public on October 5, 1981. It was refurbished in 1988. Visitors may tour the Old Exchange Building and Provost Dungeon, rent one of the elegant rooms available for meetings, receptions, dinners, etc., or participate in special programs such as Pirate Perils.

#### **PROGRAMS**

The administration and operation of this small agency is executed by a small staff of only three full time employees. Part-time employees and volunteers augment the work force needed for program development and implementation.



There are varied educational programs available to teachers as well as to the general public. Information packets are available to teachers who bring students to the Exchange. The material can be used for pre and post visit study and projects. Activities are designed for all ages and abilities.

Several special programs are available to enable students to learn by hands on experience and multi-media presentations. Some of these programs are adapted for adult groups. In addition to tours of the building, programs center on archeology, architecture, 18th century trade, South Carolina's ratification of the U. S. Constitution, flags as signal devices, and the pirates that were associated with the Old Exchange. Revenues to support the educational programs are enhanced by rental of rooms for receptions, seminars, dinners and other suitable purposes.

All programs are developed with a two fold purpose: to educate the public of the importance of the Old Exchange Building and to increase revenues of the building to support these programs and help with building maintenance. Because of its age, the Building is in need of constant maintenance.

**FISCAL REPORT**

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Exhibit A

Old Exchange Building Commission  
Balance Sheet  
June 30, 1989

<u>Assets</u>		<u>Liability and Fund Balance</u>	
Current Funds:		Current Funds:	
Cash on hand	\$ -0-	Unrestricted	\$
Accounts Receivable		Due to State	<u>6,938</u>
State Treasurer	<u>6,938</u>	General Fund	6,938
	\$ 6,938		
Restricted Funds:		Restricted Funds:	
State Treasurer	<u>49,811</u>	Unearned	<u>4,090</u>
		Deferred Revenue	<u>4,090</u>
	<u>49,811</u>		
Total Current Funds	\$56,749	Total Liabilities	\$11,028
Fixed Assets		Fixed Assets	
		Funds	34,616
Equipment Inventory	<u>34,616</u>	Funds Balance	<u>45,721</u>
Total Fixed Assets Funds	\$34,616		\$80,337
Total Assets	<u>\$91,365</u>	Total Liability & Fund Balance	<u>\$91,365</u>

Exhibit B

Old Exchange Building Commission  
Statement of Changes in Current Operating Funds  
Year Ended June 30, 1989

	Administration
Balance July 1, 1988	\$ -0-
Revised Appropriations	
Administration	59,237
Collections & Exhibitions	15,445
Education	20,804
Gift Shop Sales & Building Rentals	26,723
Employer Contributions	11,110
Non-Recurring Appropriations	
Marketing Materials	9,321
Store Inventory	679
Building Improvements	4,000
	<hr/>
Total Additions	147,319
Deductions:	
Administration	56,046
Collections & Exhibitions	15,445
Education	20,803
Gift Shop Sales & Building Rentals	26,686
Employer Contributions	11,051
Marketing Materials	9,320
Store Inventory	679
Building Improvements	351
	<hr/>
Total Deductions	140,381
Balance Due to the General Fund	<u>\$ 6,938</u>

Exhibit B-I

OLD EXCHANGE BUILDING COMMISSION  
 Schedule of Current Operating Funds  
 Year Ended June 30, 1989

Title	Original Appropriations	Revised Appropriations	Expenditures	Balance
Administration				
Personal Services	\$ 31,334	\$ 16,855	\$ 13,714	\$ 3,141
Contractual Services	6,601	16,025	15,975	50
Supplies		7,460	7,460	-0-
Travel	1,302	3,409	3,409	-0-
Library Books		10	10	-0-
Light, Power, Heat	9,700	14,742	14,742	-0-
Transportation		30	30	-0-
Miscellaneous Operations	20,000	706	706	-0-
	<hr/>	<hr/>	<hr/>	<hr/>
Totals	\$ 68,937	\$ 59,237	\$ 56,046	\$ 3,191
Collections & Exhibitions				
Contractual Services	\$ 12,369	\$ 11,369	\$ 11,369	-0-
Fixed Charges	970	4,076	4,076	-0-
	<hr/>	<hr/>	<hr/>	<hr/>
Totals	\$ 13,339	\$ 15,445	\$ 15,445	-0-
Education				
Personal Services	\$ 18,796	\$ 16,946	\$ 16,945	1
Contractual Services	7,380	3,858	3,858	-0-
	<hr/>	<hr/>	<hr/>	<hr/>
Totals	\$ 26,176	\$ 20,804	\$ 20,803	1

Title	Original Appropriations	Revised Appropriations	Expenditures	Balance
Gift Shop Sales & Bldg.				
Rentals				
Personal Services	\$ 6,293	\$ 23,754	\$ 23,717	37
Contractual Services	7,133	2,969	2,969	-0-
	<hr/>	<hr/>	<hr/>	<hr/>
Totals	\$ 13,426	\$ 26,723	\$ 26,686	\$ 37
Supplemental Appropriation				
Marketing Materials				
Contractual Services	\$	\$ 8,136	\$ 8,135	\$ 1
Supplies		1,185	1,185	-0-
Store Inventory				
Purchase for Resale		679	679	-0-
Building Improvements				
Equipment		4,000	351	3,649
	<hr/>	<hr/>	<hr/>	<hr/>
Totals	\$	\$ 14,000	\$ 10,350	\$ 3,650
Employer Contributions	\$ 10,168	\$ 11,110	\$ 11,051	\$ 59
	<hr/>	<hr/>	<hr/>	<hr/>
Total Current Funds	<u>\$ 132,046</u>	<u>\$ 147,319</u>	<u>\$ 140,381</u>	<u>\$ 6,938</u>

Exhibit C

Old Exchange Building Commission  
 Statement of Changes in Fixed Assets  
 Year Ended June 30, 1989

	Balance 7/1/88	Total Additions	Total Deductions	Balance 6/30/89
Capital Equipment	\$ 34,255*	\$ 361	\$ *	\$ 34,616
Totals	<u>\$ 34,255*</u>	<u>\$ 361</u>	<u>*</u>	<u>\$ 34,616</u>

\*See Notes to the Financial Statement

Exhibit D

Old Exchange Building Commission  
 Statement of Changes in Restricted Funds  
 Year Ended June 30, 1989

	Balance 7/1/88	Total Additions	Total Deductions	Balance 6/30/89
Generated Revenue	\$ 2,802	\$104,485	\$ 57,476	\$ 48,811
Capital Improvement Bond	21,076		21,076	
Totals	<u>\$ 23,878</u>	<u>\$104,485</u>	<u>\$ 78,552</u>	<u>\$ 48,811</u>



## EXHIBIT D-I

OLD EXCHANGE BUILDING COMMISSION  
 Schedule of Restricted Expenditures  
 Year Ended June 30, 1989

	Personal Services	Fringe Benefits	Contract Services	Supplies	Fixed Charges	Travel	Equipment	Light Power/Heat	Purchases Resale	Sales Tax	Permanent Improvements	Totals
Generated Revenues												
Admissions	\$10,134	\$	\$ 4,854	\$	\$ 2,203	\$ 341	\$ 248	\$	\$	\$	\$	\$17,780
Collections & Exhibits			5,446	62				316				5,824
Education	1,952					55						2,007
Gift Shop & Building Rental	25,225		1,606	27					501	206		27,565
Employer Contribution		4,300										4,300
Capital Projects											21,076	21,076
Totals	<u>\$37,311</u>	<u>\$ 4,300</u>	<u>\$11,906</u>	<u>\$ 89</u>	<u>\$ 2,203</u>	<u>\$ 396</u>	<u>\$ 248</u>	<u>\$ 316</u>	<u>\$ 501</u>	<u>\$ 206</u>	<u>\$21,076</u>	<u>\$78,552</u>

Exhibit D-II

OLD EXCHANGE BUILDING COMMISSION  
Sources of Revenue  
Year Ended June 30, 1989

Admissions	\$ 48,590
Gift Shop	4,127
Building Rentals (net)	42,690
Dear Charleston	8,100
Miscellaneous	478
Insurance Refund	500
	<hr/>
Total Revenue	<u><u>\$104,485</u></u>

**Old Exchange Building Commission**  
**Notes to Financial Statement**  
**June 30, 1989**

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 classified for accounting and reporting purposes 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 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 was given operative and administrative control of the Building. 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 of 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, 1989. All revenues earned and to be carried over for use in subsequent years are shown as the fund balance.

Note 2 - Retirement Plan

Permanent employees and some temporary employees are covered by a retirement plan through the South Carolina Retirement System. It was not feasible to separately identify current year retirement plan cost included as a portion of employer contributions in the accompanying financial statements.

Information regarding the excess, if any, applicable to the Commission of the actuarially computed value of vested benefits over the total of the pension fund and any balance sheet accruals, less any pension pre-payments of deferred charges is not available. By State Law, the Commission's liability under the retirement plan is limited to the amounts appropriated therefore in the South Carolina Appropriation Act, plus the amount paid from other revenue sources for the current year. Accordingly the Commission recognizes no contingent liability for unfunded costs associated with participation in the plan.

Note 3 - Changes in General Fixed Assets

Changes in general fixed assets for the year ended June 30, 1989 are as follows:

	Balance <u>7/1/88</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6/30/89</u>
Equipment	\$34,255	\$361	\$-0-	\$34,616

The beginning balance and deletions for FY89 have not been verified at June 30, 1989 and as such are for general information only.