

Annual Report to Our Membership 2009

THE SUPREME COUNCIL, 33°, S.J., U.S.A., serves a membership of 238,000, covering an incredibly broad geographic area, from Orients in the Pacific, through the southern and western United States, stretching through Orients in the Atlantic to NATO bases in Europe. This report to our membership is intended to highlight our efforts on behalf of our members.

Scottish Rite in the Southern Jurisdiction is actually served by three distinct legal entities, The Supreme Council itself, which is the fraternal organization and two public charities, the House of the Temple Historic Preservation Foundation, Inc. and the Scottish Rite Foundation, Inc.

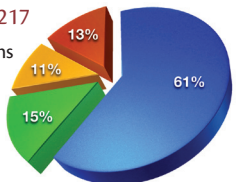


Funds from the Scottish Rite Foundation help thousands of children throughout the United States per year.

SUPREME COUNCIL REVENUE

Revenue: \$4,497,217

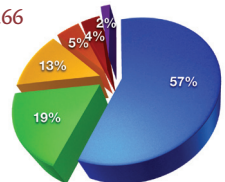
- Dues & Initiations
- Interest & Dividends
- Affinity Programs
- Other



HOUSE OF THE TEMPLE REVENUE

Revenue: \$2,698,266

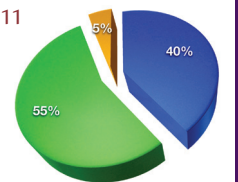
- Contributions
- S. C. Grant
- Interest & Divid.
- Bldg. Rental
- SRF Grant
- Other



SCOTTISH RITE FOUNDATION REVENUE

Revenue: \$1,214,711

- Contributions & Bequests
- Interest & Dividends
- Other



THE SUPREME COUNCIL, 33°

The Supreme Council is responsible for supporting the fraternal activities of Scottish Rite. In doing so 37 staff are employed at the headquarters in Washington, D.C. to provide support to the Valleys of the Rite and to our individual members.

THE HOUSE OF THE TEMPLE HISTORIC PRESERVATION FOUNDATION, INC.

This Foundation, recognized by the IRS as a public charity, is responsible for raising money to insure the long term viability of one of the most outstanding Masonic structures in the world.

SCOTTISH RITE FOUNDATION, INC.

This Foundation, also recognized by the IRS as a public charity, is responsible for raising money to support RiteCare and provide scholarships to deserving students. With 173 RiteCare programs, located throughout the Jurisdiction, we serve the childhood language disorders of more than 43,000 children annually.

Of course, not to be overlooked is the additional support of \$13 million annually provided by our individual Orients to support RiteCare.

INVESTMENTS

Investment income comprises an important component of the revenue sources for each of our three entities. Our combined investments were valued at \$38 million at December 31, 2008, composed of \$15 million for the Supreme Council, \$15 million for the Scottish Rite Foundation and \$8 million for the House of the Temple. It is important to realize that our intent is to use only a portion of the income derived from these investments. It would not be prudent to erode our investment base by using too much of the income or by using principal, since this would rob our ability to finance the operations into the future. Our investment strategy is closely monitored by our Finance Committee, which is well served by an independent outside investment analyst.

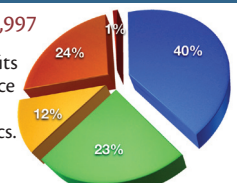
DEVELOPMENT

Generous gifts from members and friends were the original source of most of our investment portfolio, providing a stream of annual income to support the operations outlined here. These tax-deductible gifts make a difference. In 2008, over 40,000 donors made gifts to our charities, ranging from \$1 to \$158,000. In fact, Development staff initiatives resulted in 4,423 new donors joining our ranks in 2008. Additionally, we received almost \$1.3 million of pledges and planned gifts. ✚

SUPREME COUNCIL EXPENSES

Expenses: \$4,318,997

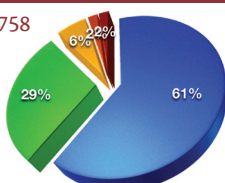
- Salaries & benefits
- Admin. & Finance
- Contributions
- Membership Svcs. & Journal
- Other



HOUSE OF THE TEMPLE EXPENSES

Expenses: \$3,188,758

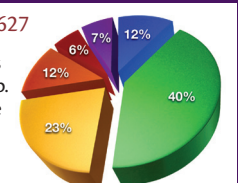
- Operations
- Fundraising
- Trust Expenses
- Library
- Administrative



SCOTTISH RITE FOUNDATION EXPENSES

Expenses: \$1,672,627

- Program Services
- Trust/Annuity Exp.
- Scholar/RiteCare
- Fundraising
- HOT Grant
- Administrative



Please note the above charts reflect 2008 data.