



TrueGift Donations

2006 Annual Report For TrueGift Donations

TrueGift Donations was founded with the mission of filling a critical need – the need for ordinary supplies such as pencils, glue and construction paper in our nation’s schools. Our research indicates that this need is only superficially addressed in the budgets of school districts nationwide. Nearly every teacher we surveyed spent substantial amounts, sometimes 5% of gross salary, simply to supply their classroom with the basic implements of their trade. TrueGift believes that our children can be better served.

TrueGift provides, as a service to the community, an internet based registry of the supplies needed most urgently by each participating classroom. The teachers articulate these needs to form the registry, and the registry is updated as supplies are delivered. The TrueGift business model provides two ways for donors to contribute.

First, TrueGift functions as a conventional charity. Cash donations are made to TrueGift as a 501 (c) (3) corporation*. Individual contributions may sometimes be matched by corporate employers. These contributions are then used to purchase and deliver school supplies. The donor’s wishes, if expressed, are generally followed if this is possible. For example, the donor can select a state, district, school or classroom to which contributions are directed†. TrueGift provides a way for recipients to send thank you notes to individual donors and many such notes have been received. Donors seem to enjoy the feedback.

This is working well. In 2006, cash donations totaled \$11486 from 28 individuals, corporations, and charitable organizations. This is about twice as well as we did in 2005. The increase is attributed to a direct mail fundraising campaign. TrueGift continues to look for ways to purchase larger quantities of goods at lower prices, ship them most efficiently, and simplify the company recordkeeping. Figure 1. shows contributions by source in 2006. Figure 2 shows contribution and shipping levels over the last several years.

Funds obtained in 2006 were used to purchase, pack and ship supplies to 214 teachers in 91 schools in 10 states nationwide. TrueGift provided or facilitated donations of approximately \$11574 worth of school supplies in 2006, a 55% increase over 2005. In a developing trend, 80% of the year’s donations were shipped in the fall when supplies are cheaper and the needs are acute. We rely on monthly events where volunteers pack the supplies for 50 teachers each month. Its always fun, we take pictures and keep track of

* TrueGift received 501 (c)(3) authorization in 2005. The advance ruling letter was received in April of 2002, and applies retroactively to all donations made since August 8, 2000.

† Although TrueGift generally respects the wishes of donors, it retains the final decision about where to place the donations. For example, when a list is filled by several donors, TrueGift selects nearby classrooms and schools to receive the excess donations.



TrueGift Donations

the poundage (typically 2000 pounds). It makes an impressive pile of boxes in our front hallway.

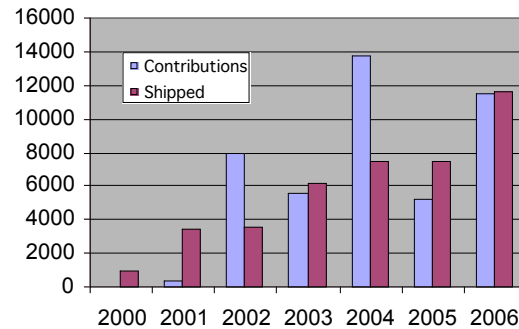
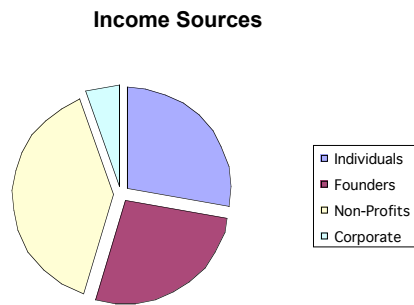


Figure 1. Individual Contributions were key. Figure 2. Much better than last year

Non-local deliveries were made through U.S. Mail and by major office supply stores such as Staples and Office Depot. Some deliveries were made by TrueGift supporters in Davis and San Andreas to save driving. The cost of packaging and postage is significant, amounting to 10% of our program this year. With this in mind, the bulk of all donations went to schools in the San Francisco Bay Area, such as Cabrillo Middle School in Santa Clara and Pioneer High School in San Jose, where deliveries could be made in person. The balance went to other schools in California and 9 other states with one or two schools each. By June of 2006, TrueGift had provided supplies to every listed teacher for which hand delivery was possible. That won't happen in 2007; more teachers have signed up.

This year was notable for contributions from PG&E's Black Employees Association and the Hayward/Castro Valley Kiwanis Club. In both cases, TrueGift augmented their contributions, to the benefit of particular schools in San Francisco, Castro Valley, and Hayward. Several donors have developed an affinity for particular schools or school districts. Some come by to help with the packing.

TrueGift also facilitates, through its online registry, in-kind donations of supplies directly to classrooms. Donations to accredited schools are usually tax deductible. By delivering supplies themselves or via U.S. mail, donors can make certain that 100% of their contribution reaches the desired classroom(s). By informing TrueGift of their donation, they can help keep the registry up to date. TrueGift likes this approach because it accomplishes our mission without requiring any effort from us. This year we received word of two donations via this model, amounting to an estimated \$200 worth of supplies. However, there may have been other donations not mentioned to us.



TrueGift Donations

We are unsure of the reasons for the 50-to-1 preference that donors have for simply writing a check instead of shopping. Certainly convenience is a factor. Perhaps efficiency is too. TrueGift can often get twice as many supplies for the same contribution.

Both donation methods rely on an accurate registry and a reliable way of keeping it up to date. Since TrueGift is an all volunteer organization, the registry must be more or less automatic. It was up and running at the start of the school year, thanks to the continuing efforts of Charles Merriam. The site also works as an effective way to explain TrueGift's mission and provides a tangible presence for the organization. With this in mind, Jennifer Merriam (Graphic Design major, Cal Poly SLO) was kind enough to bring a new look and frequent updates to our site this year. By Christmas of 2006, the site contained lists for 563 teachers in 242 schools in 35 states.

Calendar year 2006 marked the seventh year of operation for TrueGift Donations. We expect TrueGift to continue operations in 2007 and donate approximately \$15,000 worth of supplies to various schools. The steadily increasing size of TrueGift makes fundraising an ever more critical part of TrueGift's operations. The challenge is to provide maximum efficiency for our donors while continuing to provide critically needed supplies to America's Schools



TrueGift Donations

Financial Statement

1/1/2006-12/31/2006

Source of Funds

Opening Balance	1483
Opening Inventory	3994
Direct Contributions	11486
In Kind Contributions *	20
<hr/> Total funds Available	<hr/> 16983

Uses of Funds

Supplies Delivered	10483
Shipping ¹	1123
Fundraising and Overhead Expenses ²	143
Accounting Variance ³	548
Year End Inventory	3320
Year End Balance ⁴	1366
<hr/> Total Liabilities	<hr/> 16983

Treasurer's Notes

1. This is simply the cost of shipping supplies to teachers when delivery in person is impractical. It was larger this year because our volume has necessitated purchasing boxes and because of donor preferences for certain out-of-town schools

2. Fundraising consisted of a single mailing and associated correspondence, plus fees charged by PayPal for taking credit cards. Overhead consists of various internet related fees connected with the website, and was provided to TrueGift without cost. TrueGift is an all-volunteer organization

3. The main source of this variance is record loss, due to a computer problem in August. These have been reconstructed to the best of our ability, but uncertainty remains. There is also some uncertainty in inventory. In prior years, the accounting variance has been about 3-5% of the supplies delivered, so this is a bit high. Next year will be better.

4. This includes checks written and received, but not cleared, by 12/31/06.

* The value of in-kind contributions is estimated, but not included in the sum.



TrueGift Donations

Corporate and Non-Profit Sponsors



Pacific Gas and Electric Company

Pacific Gas and Electric Company- PG&E has been a strong supporter for the previous three years.



The California Community Forest Foundation and TrueGift Donations have partnered to enhance participation, by California schools, in the National Arbor Day Poster Contest.



WELCOME TO THE KIWANIS INTERNATIONAL FOUNDATION
"Assisting Kiwanis International to Serve the Children of the World"

The Castro Valley Hayward Kiwanis club supports schools in Hayward and Castro Valley.



PG&E's Black Employee Association supports Malcolm X school in San Francisco



TrueGift Donations

Volunteer Honor Roll

- Mike Tanenbaum- PG&E
- The Guerrieri's. Sunnyvale Presbyterian Church
- The Klein's. Sunnyvale Presbyterian Church
- The Plant's. Sunnyvale Presbyterian Church