



TrueGift Donations

2007 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 2007, cash donations totaled \$7446.58 from 13 individuals, corporations, and charitable organizations. This is about half as well as we did in 2006. The difference is attributed to a direct mail fundraising campaign in 2006 that was not carried out in 2007. 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 2007. 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 138 teachers in 37 schools, all of which were in the San Francisco Bay Area. TrueGift provided or facilitated donations of approximately \$4363 worth of school supplies in 2007, a 62% decrease over 2006‡. All of this 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

* 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.

‡ We believe that more supplies than this were actually delivered. Deliveries without confirmation were not counted. See Financial notes.



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the supplies for 50 teachers each month. Its always fun and makes an impressive pile of boxes in our front hallway. Several donors have developed an affinity for particular schools or school districts. Some come by to help with the packing.

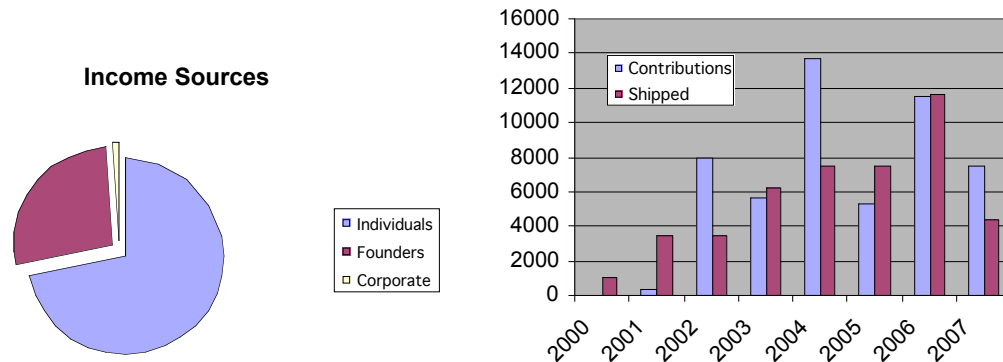


Figure 1. Individual Contributions were key. Figure 2. 2007 marks 8 years in Operation

Some deliveries were made by TrueGift supporters in Davis and San Andreas to save driving. The cost of packaging and postage for deliveries made through the US Mail can exceed the cost of the supplies shipped. 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.

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 our CEO, Charles Merriam, donated over \$900 worth of supplies to schools in East Palo Alto by this method. There may have been other donations not mentioned to us.

We are unsure of the reasons for the substantial 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



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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. At year end, the site had registered 462 teachers from 173 schools in 30 states.

Calendar year 2007 marked the eighth year of operation for TrueGift Donations. We expect TrueGift to continue operations in 2008 and donate approximately \$5,000 worth of supplies to various schools. 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 1/1/2007-12/31/2007

Source of Funds

Opening Balance	1366
Opening Inventory	3320
Direct Contributions	7447
In Kind Contributions *	
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Total funds Available	12133

Uses of Funds

Supplies Delivered	4363
Fundraising and Overhead Expenses ²	143
Accounting Variance ³	3419
Year End Inventory	2843
Accounts Payable ⁵	(1725)
Year End Balance ⁴	3090
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Total Liabilities	8571

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 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. This number is too high. I believe that it represents supplies delivered, for which no records were kept. This can occur when Truegift associates helpfully deliver supplies after a packing party but do not return the delivery confirmation. Next year will be better.
4. This includes checks written and received, but not cleared, by 12/31/07.
5. This sum was reimbursed to Hugh Merriam after 1/1/08. Paid for supplies purchased.

* 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 since 2003.



The Black Employees' Association (BEA) of Pacific Gas and Electric Company understands that today's job market is very competitive. Education is the key that opens doors closed to those that do not possess the educational experiences necessary to compete in the highly technical business community. The Black Employee Association supports Malcolm X school in San Francisco.

TrueGift donations as their Albertson's Club Card. 4% of purchases to TrueGift.



Albertson's Community Partners program allows shoppers to specify community partner through Albertson's donates up to

Volunteer Honor Roll

- Mike Tanenbaum-

PG&E