



globalgiving



The world's marketplace
for giving



globalgiving

Annual Report 2010



Our Community Continues to Grow

GlobalGiving's mission is to build an efficient, thriving marketplace that connects people who have community and world-changing ideas with people who can support them. Notwithstanding an uncertain global financial environment, our organization experienced tremendous growth in 2010, a 22% growth in volume over 2009, and we expect to surpass our goals in the year ahead.

In 2010 we processed over \$11 million in donations, which pushed our cumulative volume by the end of 2010 to over \$36 million since our inception in 2003. Donations from more than 65,000 individual donors made this possible in 2010—this represents a 76% increase over 2009. We are also proud to report that the breadth of our community's impact truly reached new levels in 2010. Grants were made to 1,346 organizations running 2,158 unique projects. The earthquake in Haiti elicited a generous response from our donors as GlobalGiving took on an active role in the disaster relief effort. This surge in volume and impact have gone hand-in-hand with an increase in operational efficiency, and we continue to lower our costs as our revenue grows. In 2010 we covered 78% of our costs (up from 35% in 2009), which puts us well on track to meeting our goal of obtaining operational self-sufficiency by 2013.

Reaching Financial Sustainability

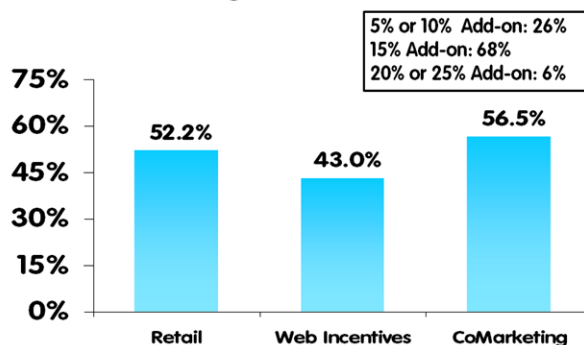
In late 2009, we increased our transaction fees on individual donations from 10% to 15% in order to more adequately cover our operational costs.

We simultaneously created the option of the "add-on," which gives donors the chance to fund GlobalGiving's operational expenses to ensure that 100% of their donations go to projects in the field.

We are pleased to report that the response to the add-on option has been overwhelmingly positive, with over 50% of checkouts containing some form of add-on in 2010.



Donors Choosing to "Add-On"



*Excludes Workplace, Managed, and Missionfish

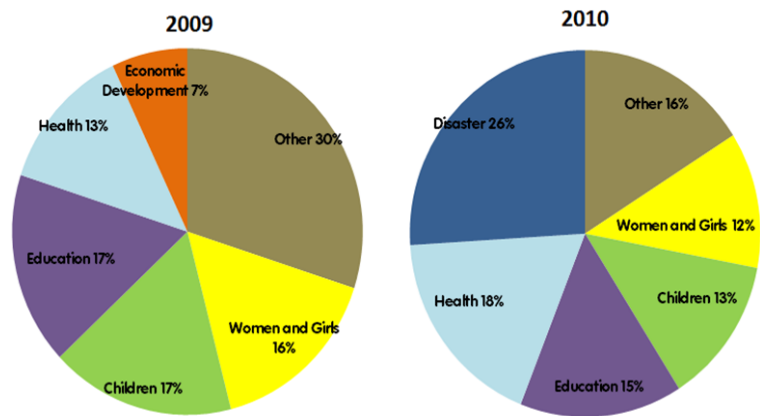
Creating an Environment for Innovation and Social Impact

We believe that by providing legitimate organizations on the periphery access to financial resources and tools for greater effectiveness, we are creating an environment for innovation in fighting poverty. We focused on a number of activities in 2010 intended to expand both our reach and impact to projects on the ground: 1) increasing the amount of qualified traffic converting into donors through our platform; 2) lowering barriers to entry for organizations to access our platform; 3) leveraging our grant-making capabilities to partner with like-minded corporate partners; and 4) improving Project Leader performance.

Increased Visibility and Higher Conversion

The number of visitors to our GlobalGiving US site has increased dramatically over the past few years, the total number of unique visitors increasing 17% from 2009 levels. As visitors have become more aware of our platform through media recognition, word of mouth, tailored donor outreach efforts, and our own improvements to the homepage and project pages, we have seen a sharp increase not only in the number of visitors, but in our conversion rates as well; the percentage of visitors that became donors has risen steadily from 0.9% in 2007 to 6.9% in 2010.

Donations by Project Theme



While we saw an increase in baseline retail donations across the board in 2010, disaster giving was particularly strong, motivated by the earthquake in Haiti.

HAITI EARTHQUAKE RELIEF globalgiving

The earthquake of January 12, 2010 in Haiti triggered a generous response for disaster relief and support from individual donors and corporate partners, alike. In the first month after the disaster, we collected \$1.1 million in relief funds.

As an early responder, our organization created the **GlobalGiving Relief Fund for Haiti Earthquake**, which supported comprehensive emergency relief and recovery efforts being undertaken by 18 partner organizations on the ground.



Lowering Barriers to Entry

Our vision is to make it possible for any qualifying group to get access to funding and other support. We have worked on this goal by offering a number of "open access" challenges which have on-boarded hundreds of new organizations onto our platform. In fact, the number of organizations receiving support through GlobalGiving in 2010 was 10x the number it was in 2004. The number of organizations with active projects nearly doubled in 2010 from 2009 levels. We are also continuously extending the breadth of our impact, as projects in more than 120 countries have received support since our inception. And we look forward to exponentially increasing the number of organizations and projects on our platform in the upcoming years.

Working with More Corporate Partners

In 2010 GlobalGiving continued its groundbreaking work with companies like Nike, Pepsi, and Discovery Communications through multi-year partnerships to broaden our mission of connecting world-changing ideas with people who can support them. We have been able to leverage our core competence around sourcing, vetting, and monitoring projects to prove our value-add to the corporate world. New partnerships with institutional and corporate giants like Cummins, Eli Lilly, and Brown-Forman demonstrate the widespread recognition that the services we offer are unrivaled. Our work with corporate partners contributed over \$1.4 million in earned revenue to cover GlobalGiving's operating costs. As the concept of corporate social responsibility continues to gain priority, GlobalGiving is well-positioned to remain a leader in the field.



Through its partnership with GlobalGiving, Nike has re-launched its generous employee giving program; the GlobalGiving-built "WE Giving" portal is a key component of Nike's worldwide employee programs. In addition to simplifying and centralizing Nike's workplace giving program, **GlobalGiving built new features to customize the experience**, including automating Nike's matching gifts program - enabling employees to double their contributions and give more to their favorite projects or spread the matched money to new organizations.

We are proud to announce that in 2010 we raised **\$1.3 million** through the "WE Giving" portal, which supported **908 projects** in **56 countries!**

Neutrogena Wave for Change 2010

In 2010, Neutrogena pledged to donate \$1 for every Wave® Sonic Power-Cleaner and Oil-Free Acne Wash Pink Grapefruit product sold. By visiting the Neutrogena Facebook page, teens were then given the power to determine how the funds were distributed to each cause—environment, education, and disaster relief.

Neutrogena launched a vast marketing campaign with the promotion. We were fortunate to be featured in their advertisements on MTV, and even highlighted on MTV's *MADE "Giving Back"* episode segments.

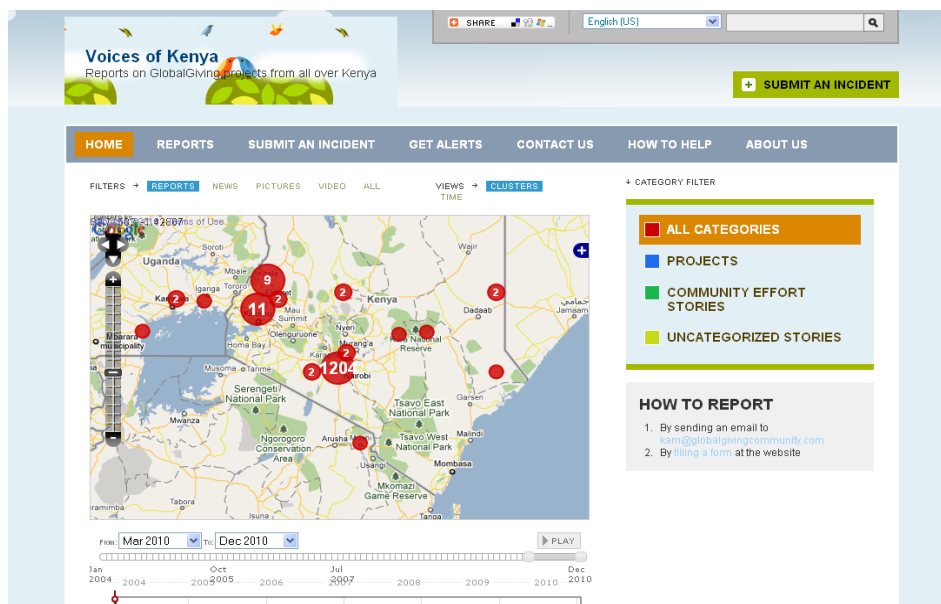
The graphic is a promotional poster for the Neutrogena Wave for Change 2010 campaign. At the top left is the Neutrogena logo with the tagline "In skin health, we're committed." Next to it is the GlobalGiving logo. To the right, the text "Neutrogena's Wave for Change!" is written in a pink, cursive font. The main headline reads "Just one product can make a world of difference" in a white, handwritten-style font. Below this, there are three small photographs: a man in a hat, a forest scene, and a group of people. To the right of these photos, there is text explaining the campaign: "Congratulations. Now that you're part of the Wave for Change, you can help make a big impact in the world. How? When you buy certain Neutrogena products, we will donate money to GlobalGiving, an incredible program that connects causes to people like you who want to help. With the help of GlobalGiving, you and Neutrogena will be supporting groups focused on environmental, educational, and disaster relief efforts. Want to learn more about these amazing causes?" At the bottom left, a blue circular badge says "WE WILL DONATE UP TO \$200,000 TO GLOBALGIVING!". At the bottom right, there is a button that says "Check out some GlobalGiving Projects >".

Improving Project Leader Toolkits and Performance

If we can make it easier for our growing community of project leaders to do their work, we are contributing hugely to the impact of every dollar given by a donor on GlobalGiving. The tools and dashboards we have developed for project leaders are just the beginning—and they continue to improve.

As the final element of our strategy in 2010, GlobalGiving launched a pilot that acquires and analyzes local insights, then uses this knowledge to strengthen Project Leader performance. Adequately using this strategy can help organizations learn to be more effective to those they strive to serve.

Because social challenges are complex, organizations, from local implementers to institutional funders, must pinpoint community needs and provide the right solutions. Yet far too often local voices are missing. This pilot attempts to circumvent this shortfall by asking people to tell stories about what they see happening in their communities, and we ask them to tag their own stories in a structured way. We can then map trends, similarities, and differences in how community members see social challenges and the people and organizations trying to solve them. By deploying smart technology and local champions, this process happens continuously in real time, enabling organizations to adjust projects during implementation, not years after a formal evaluation.



This novel model has helped GlobalGiving make sense of the [information generated by its network of partners in Kenya](#). GlobalGiving's local partners are responding to community needs more effectively by listening to stories reported by the community itself.

We want to expand this story collecting

work in 2011 throughout GlobalGiving's global network of organizations. This would allow any organizations within GlobalGiving to understand how they are performing on the ground.

This is potentially attractive to donors—but more importantly, it is critical information for organizations to learn whether they are having the impact they desire. User feedback is often taken for granted in some sectors but the infrastructure to systematically collect and analyze data is still out of reach for many social enterprises, particularly those operating in the developing world. If we can make this sort of information a matter of course, we can see that over time, the dynamic impact will be huge. It's one of the most exciting things we are undertaking from an impact point of view.



Staff and Boards



Staff

Mari Kuraishi – President and Co-Founder, GlobalGiving Foundation
Dennis Whittle – CEO and Co-Founder, GlobalGiving Foundation
Cooper Breeden – Grants Associate
Ariel Bright – Partner Services Associate
Donna Callejon – Chief Business Officer
Kevin Conroy – Director of User Experience and Product Development
Eula Dyson – Controller
KC Ellis – Grants Administrator
Ingrid Embree – Director of Strategic Partnerships
Victoria Gandy – Partner Services Associate
Marisa Glassman – Senior Business Partnerships Manager
John Hecklinger – Chief Program Officer
Nicole Kukowski – Business Partnership Manager
Britt Lake – Director of Programs
Manmeet Mehta – Senior Program Manager
Alexis Nadin – Program Associate
Linda Shaffer Oatley – Senior Manager, Partner Services Team
Steve Rogers – Director of Engineering
Justin Rupp – Systems Ninja
Jennifer Sigler – Chief Operating Officer & Chief Financial Officer
Joan Ochi – Director of Communications
Robert Dubois – Creative Manager
Saima Zaman – Program Officer
George Apitz – Java Web Developer
Nancy Neuman – Business Development Fellow
Andrew Baltes – Donor and Marketing Communications Associate
Marc Maxson – Performance and Impact Manager
Jonathon Shirley – Program Operations Associate
Suzanne Garza – Office Manager
Robyn Flemming – Business Intelligence Analyst
Alison McQuade – Marketing Manager
Michael Nolan – Data & Analytics Manager

Extended Team

James Beresh – Financial Systems Contractor
Adrien Lamoureux – Web Consultant
Marcelo Barth – Web Consultant

Board of Directors

CHAIR: Tom Bird – Founder and President of Farm Capital Services, LLC
A.J. Wasserstein – Private Investor & Founder of ArchivesOne
Dennis Whittle – Co-Founder of GlobalGiving
Chris Wolz – President and CEO of Forum One Communications
Debra Dunn – Treasurer

GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUE			
Grants	\$ 907,500	\$ 384,280	\$ 1,291,780
Project contributions	1,148,380	10,119,519	11,267,899
Professional services	1,456,252	-	1,456,252
Interest income	21,228	-	21,228
Contributed services (Note 5)	151,109	-	151,109
Other revenue	139,878	-	139,878
Net assets released from donor restrictions (Note 4)	<u>9,886,040</u>	<u>(9,886,040)</u>	<u>-</u>
Total revenue	<u>13,710,387</u>	<u>617,759</u>	<u>14,328,146</u>
EXPENSES			
Project distributions	9,671,965	-	9,671,965
Salaries and benefits	2,755,526	-	2,755,526
Professional fees and services	431,939	-	431,939
General and administration	145,921	-	145,921
Legal and registration fees	387,289	-	387,289
Telephone	24,274	-	24,274
Travel	117,966	-	117,966
Rent (Note 8)	176,084	-	176,084
Office supplies, printing and reproduction	66,338	-	66,338
Depreciation and amortization	78,146	-	78,146
Insurance	5,208	-	5,208
Other	<u>69,191</u>	<u>-</u>	<u>69,191</u>
Total expenses	<u>13,929,847</u>	<u>-</u>	<u>13,929,847</u>
Change in net assets before income tax expense	(219,460)	617,759	398,299
Income tax expense (Note 6)	<u>(72,000)</u>	<u>-</u>	<u>(72,000)</u>
Change in net assets	(291,460)	617,759	326,299
Net assets at beginning of year, as restated (Note 13)	<u>1,178,806</u>	<u>3,364,171</u>	<u>4,542,977</u>
NET ASSETS AT END OF YEAR	<u>\$ 887,346</u>	<u>\$ 3,981,930</u>	<u>\$ 4,869,276</u>

Complete audited financial statements for the GlobalGiving Foundation given upon request.

GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2010

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 4,247,075
Accounts receivable	1,051,513
Prepaid expenses and other assets	<u>28,933</u>
Total current assets	<u>5,327,521</u>
FIXED ASSETS	
Fixed assets, net of accumulated depreciation and amortization of \$211,864 (Note 9)	<u>227,485</u>
OTHER ASSETS	
Note receivable, related party (Note 2)	50,625
Deposit	<u>16,413</u>
Total other assets	<u>67,038</u>
TOTAL ASSETS	<u>\$ 5,622,044</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts payable and accrued expenses (Note 6)	\$ 201,721
Accrued payroll liabilities	133,071
Deposit	27,535
Refundable advances	<u>303,423</u>
Total current liabilities	665,750
NON-CURRENT LIABILITIES	
Deferred rent (Note 8)	<u>87,018</u>
Total liabilities	<u>752,768</u>
NET ASSETS	
Unrestricted:	
Unrestricted	886,486
Non-controlling interest (Note 7)	<u>860</u>
Total unrestricted net assets	887,346
Temporarily restricted (Note 3)	<u>3,981,930</u>
Total net assets	<u>4,869,276</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,622,044</u>

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