

2011: A Watershed Year

Dear Friends,

It was five years after our launch in 2002, when we hit our first \$5 million donation volume milestone. Since then, we have seen exponential growth; between 2010 and 2011, our annual volume nearly doubled from \$10.8 million to \$20.5 million, putting our cumulative donation volume at \$81 million at the end of 2011. 2011 alone also brought in 93,000 new donors and 777 new organizations to our global platform.

Further, we ended the year covering just over 100% of our costs through earned income, well ahead of our target projection of reaching self-sufficiency by 2013. Beating our own estimates was made possible by the unprecedented role we played in directing funds to the Japan disaster—the Japan Center for International Exchange has calculated that GlobalGiving was among the top ten organizations directing funds to Japan from the US, alongside organizations like the American Red Cross, Save the Children, and World Vision. We plan to hit at least 100% cost recovery this year as well, creating a firm foundation of sustainability going forward. This will give us—and our partner organizations—the assurance that we are here for the long haul and that we can spend a lot more of our attention on catalyzing higher performance for every dollar we intermediate. It's our bet that if we can deliver an effective fundraising platform to thousands of grassroots organizations while also catalyzing higher performance, we will be in a good position to not only increase the flow of money in aid and philanthropy, but also to democratize it.

We are proud to share some of our latest achievements in this report and we hope we can encourage you to join our efforts in creating a global market of goodness. Together, we can make positive change happen.

Sincerely,

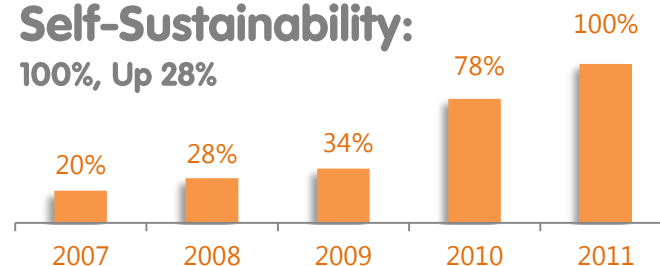


Mari Kuraishi,
Co-Founder and President



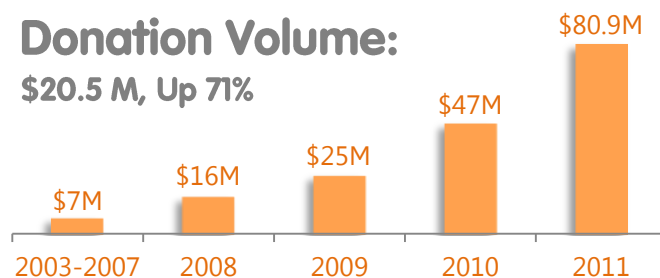
Self-Sustainability:

100%, Up 28%



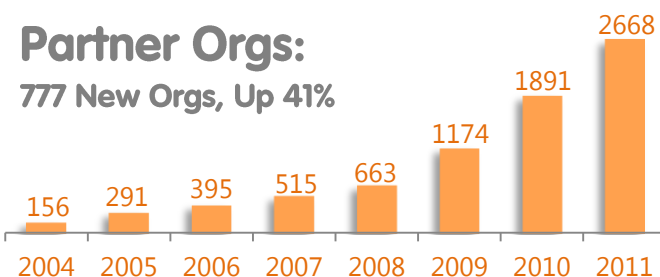
Donation Volume:

\$20.5 M, Up 71%



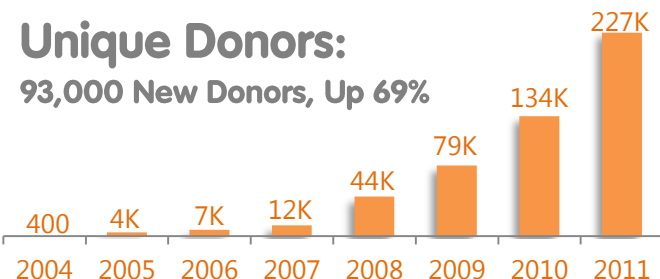
Partner Orgs:

777 New Orgs, Up 41%



Unique Donors:

93,000 New Donors, Up 69%





Our Vision and Mission

GlobalGiving is a charity fundraising web site that gives social entrepreneurs and non-profits from anywhere in the world a chance to raise the money that they need to improve their communities. Since 2002, GlobalGiving has raised over \$80 million from 273,039 donors who have supported 5,899 projects.

Our Vision

Unleashed potential of people to make positive change happen

Our Mission

To catalyze a global market for ideas, information, and money that democratizes aid and philanthropy

Our Theory of Change

Organizations around the world are doing innovative social impact work without the benefit of necessary resources; donors around the world seek more impact. Using a technology-enabled platform to efficiently connect them – and others – will foster access, growth, learning, and effectiveness at a global scale.

Our Core Values

- **Always Open.** We believe in the power of great ideas and that these ideas can come from anyone, anywhere, at any time.
- **Listen. Act. Learn. Repeat.** We continually experiment. We fail quickly and productively. We use data and feedback to guide our course.
- **Never Settle.** We have an obligation to question the rules, change them for the better, raise the bar, play a different game, and play it better than anyone thinks is possible.
- **Committed to WOW.** We act promptly, enthusiastically, and professionally so people are WOW-ed by their interactions with us.

Our history

In 1997, World Bank executives Mari Kuraishi and Dennis Whittle were asked to develop innovative ways to combat poverty. They created the World Bank's Development Marketplace, a first-of-its-kind event where people from around the world competed for World Bank funds. The event's success unveiled the enormous potential of a global marketplace for philanthropy, and participants asked for a real marketplace that was open year round and operated virtually. Mari and Dennis saw the brilliance of this idea, left the World Bank and launched GlobalGiving.

The GlobalGiving Impact



\$23,426 has enabled 414 children and the community of Chukmuk in Guatemala access a new library with over 3000 books



\$63,936 is helping 2,500 kids fight cancer by giving them the healing power of music around Portland, OR



\$10 is providing an insecticide treated mosquito net to save hundreds of lives from Malaria in Sierra Leone



\$3M provided shelter, blankets, heaters, medicine and food to thousands of people in the immediate aftermath of the Earthquake and Tsunami in Japan



\$15,000 is providing access to health and nutrition services for more than 602,000 people in Kenya, Somalia and Ethiopia



\$11,396 is helping nearly 2,000 families in the Philadelphia area put food on their table



\$6,260 has provided solar energy to 250 disadvantaged rural students in India, making night class possible for the first time



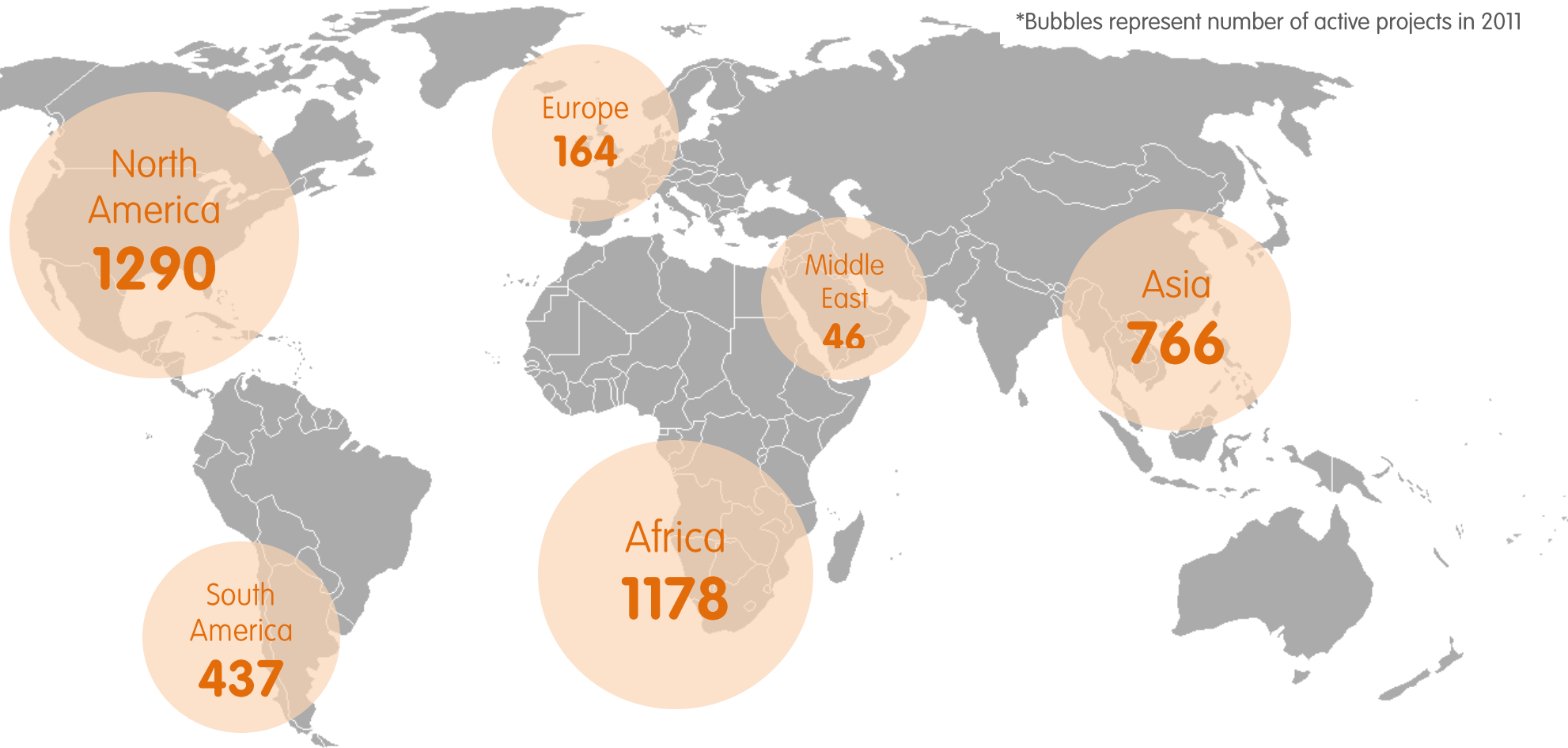
\$2,300 can provide clean water for 2,300 children in Cambodia



\$10 has supplied hundreds of women like Fatima take a six-month tailoring course to help raise income for their families

Our Global Network

*Bubbles represent number of active projects in 2011



Our global network extends to over 38,000 projects run by 2000 organizations and growing. 66% of our partners are based in the developing world while our largest share of partners is located in the U.S.

At GlobalGiving, we are open to working with as many organizations as we can. More than half of the organizations that apply to get on GlobalGiving are organizations based in the developing world with no access to the generosity of US philanthropists. Three to four times a year, we invite all of these organizations to submit their documentation,

and if they meet all requirements, we grant them a 30-day trial period. During this period each organization is challenged to raise \$4,000 from 50 donors within a month for their project by reaching out to existing supporters and prospective donors. Each Open Challenge includes training sessions, tips, and support.

2011-2012 Highlights



Mari Chosen as One of the Top 100 Global Thinkers in 2011 by Foreign Policy

Our Co-Founder and President, Mari, was chosen as one of the [Top 100 Global Thinkers of 2011](#) for her work in “crowdsourcing worldsaving.” The list includes activists from the Arab Spring to world-leading politicians and famous Economists. FP writes “Mari Kuraishi has proved that, thanks to the Internet, everyone can be a philanthropist.”



Mari speaks at BIF-7 Summit

Mari spoke at [BIF-7 Summit](#) in front of 400 innovators, entrepreneurs, and inventors from around the world, sharing her story of how she became a social entrepreneur herself.



GlobalGiving Receives 4-star Rating from Charity Navigator

GlobalGiving received Charity Navigator’s highest ranking of [4 stars](#) for sound fiscal management and commitment to accountability and transparency. 4 stars is considered the “Exceptional” rating, meaning an organization “exceeds industry standards and outperforms most charities in its cause.” We are also an accredited charity according to the Better Business Bureau’s Wise Giving Alliance—which means we meet all 20 standards for accountability.



GlobalGiving Named One of the “Top 10 Startups Changing the World”

GlobalGiving was honored to be #3 on *Forbes* list of [“10 Startups Changing the World and What We Can Learn from Them.”](#) Among impressive organizations ranging from Zappos to Instagram, author Ilya Pozin credited GlobalGiving with transforming the way people invest in the developing world.



Celebrating GlobalGiving’s 10 Year Anniversary

GlobalGiving is turning 10 years old in 2012. Throughout the year, we will be [“celebrating 10 lessons learned over 10 years”](#) on our globalgoodness blog.



In April 2012, we held a small celebration with our friends from our New York Leadership Council. GlobalGiving was grateful to welcome keynote speaker and former head of the World Bank, James Wolfensohn, who generously discussed GlobalGiving’s significance to the international development sector. It was an honor to have Mr. Wolfensohn join us for this event.

Disaster Relief

Half of all donations in 2011 were directed towards disaster relief activities, especially towards recovery efforts for the Great East Japan Earthquake and Tsunami. This is what we learned.

The Importance of Speed

We set up the Japan Earthquake and Tsunami Relief Fund on the morning of the 11th, about six hours after the actual tsunami. We pushed the fund out on social media, which led to the fund being relayed later by professional broadcasters (including traditional media like as *The New York Times*, ABC News, Fox News, NPR, and CNN). The resulting traffic of about 700,000 visits a month was definitely a record.

Japan Still Needs Your Help

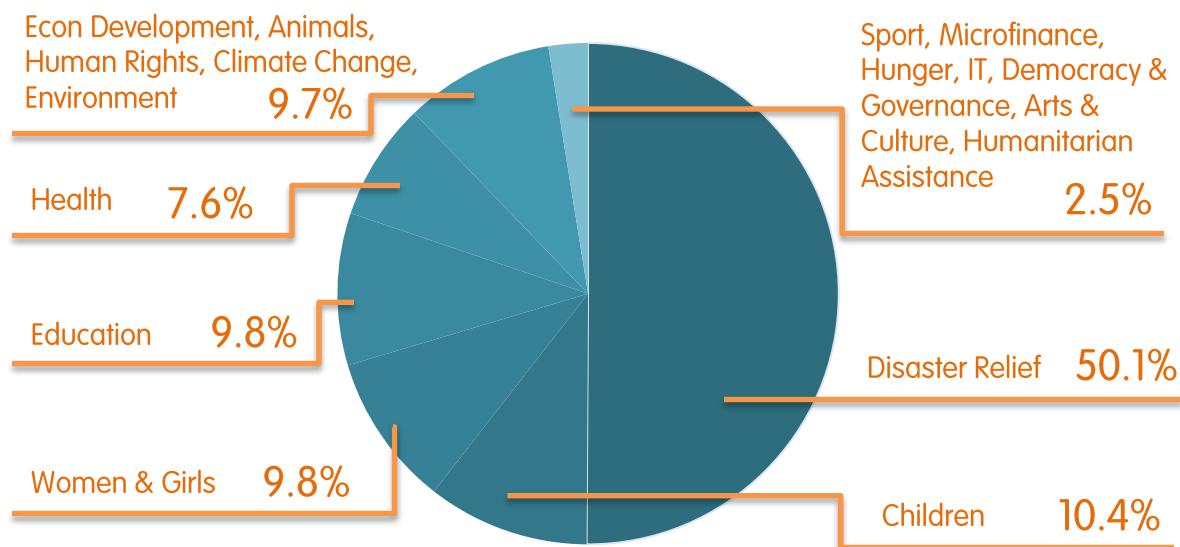
A year after March 2011, we collected messages of encouragement for the victims of the triple disaster via Facebook and delivered them along with hand folded origami cranes on paper developed by one of our corporate partners, Dentsu. The afflicted were delighted by our hand-delivered delicate messages, in sharp contrast to the landscape of the northeastern coast of Japan which still looks like an open wound. While no one is homeless as a result of the disaster, temporary housing is limited to 329 sq ft per household (3-4 people), and is deliberately located in areas far away from their original communities. Added to this politically generated uncertainty about whether people will be allowed to rebuild on their land, or as it looks increasingly likely will have to start over again to rebuild their homes and livelihoods from scratch.

The Importance of Standing Out

Very few of the umbrella emergency relief orgs were in a position to channel funds to local organizations. At the same time, Japanese NGOs did not have an easy way to reach out to US based donors. GlobalGiving very quickly became that bridge, and we were able to provide real-time information to donors about how their funds were being used. This made it possible for amplification from the initial pool of donors who in turn spread the word via their own social networks. In one month, GlobalGiving collected more than \$150,000 from 2,500 donors over Facebook and \$47,000 from 900 donors via Twitter.

Mass Begets Critical Mass

It was also interesting to see how the immediate consumer traction translated into enhanced programs with existing partners. For example, Gap, promoted GlobalGiving donation buttons on banner ads on every page of their web properties (Gap, Old Navy, Banana Republic). The disaster also got us in front of a significant number of new corporate partners with whom we had had some conversations, but had not yet converted them into active partners. This, in turn, put us in front of additional consumers—because many of the partners opted to use GlobalGiving in as an employee giving option.



Sector Breakdown of Donations in 2011

People Who Make It Happen

We would not be here today without the dozens of people who believed, guided and supported our efforts to make positive change happen.

GlobalGiving Supporters (2002-2012)

AOL
B Lab Boston Foundation
Blank Foundation
Case Foundation
Dillabough Family
Gates Foundation
Hewlett Foundation
Hewlett-Packard Company
Kellogg Foundation
Legatum Capital
Mott Foundation
Omidyar Family
Omidyar Network
Pettus-Crowe Foundation
Packard Foundation
Rockefeller Foundation
Sall Family
Seven Fund
Skoll Foundation
Summit Fund
US Agency for International Development
Yellow Chair Foundation

Board of Directors

Thomas Bird (Chair)
Suhas Apte
Maulik Doshi
Fran Hauser
A. J. Wasserstein
Dennis Whittle
Chris Wolz

New York Leadership Council

Beth Mitchell
Fran Hauser
Alice Korngold
Brian Lakamp
Claire Lyons
Hannah Milman
Frank Pasquale
Michael Pollack
Jonathan Roberts
Brian Walsh
Stephanie Whittier



Our Team

Cooper Breeden - Grants Associate
Ariel Bright - Partner Services Associate
Donna Callejon - Chief Business Officer
Alison Carlman - Unmarketing Manager
Kevin Conroy - Director of User Experience and Product Development
Barrett Cope - Operations Analyst
KC Ellis - Champion for Customer Bliss
Ingrid Embree - Director of Strategic Partnerships
Marisa Glassman - Senior Business Partnerships Manager
Nick Hamlin - Operations Associate
John Hecklinger - Chief Program Officer
Nicole Kukowski - Business Partnerships Manager
Mari Kuraishi - Co-Founder and President
Britt Lake - Director of Programs
Adrien Lamoureux - Software Engineer for Good (Contractor)
Sonja Lehner - Program Associate
Marc Maxson - Innovation Consultant
Manmeet Mehta - Senior Program Manager
Davor Mrkoci - Senior Software Engineer for Good
Sudeshna Mukherjee - Atlas Corp Fellow
Alexis Nadin - Senior Program Associate
Linda Shaffer Oatley - Senior Manager, Partner Services Team
Steve Rogers - Director of Engineering
Jay Rosenthal - Business Intelligence Analyst
Justin Rupp - Systems Ninja
Mariya Rusciano - Transaction Czarina
Jennifer Sigler - Chief Operating Officer & Chief Financial Officer
Angela Wu - Business Partnerships Associate



Corporate Partners





Financial Highlights

GLOBALGIVING FOUNDATION, INC. AND SUBSIDIARIES CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2011

	2011			2010
	Unrestricted	Temporarily Restricted	Total	Total
REVENUE				
Grants	\$ 510,621	\$ 497,787	\$ 1,008,408	\$ 1,291,780
Project contributions	2,240,860	20,559,444	22,800,304	11,267,899
Professional services	1,489,781	-	1,489,781	1,456,252
Interest income	9,449	-	9,449	21,228
Contributed services and materials (Note 5)	110,238	-	110,238	151,109
Other revenue	33,220	-	33,220	139,878
Net assets released from donor restrictions (Note 4)	<u>17,843,932</u>	<u>(17,843,932)</u>	<u>-</u>	<u>-</u>
Total revenue	<u>22,238,101</u>	<u>3,213,299</u>	<u>25,451,400</u>	<u>14,328,146</u>
EXPENSES				
Project distributions	17,122,767	-	17,122,767	9,671,965
Salaries and benefits	2,676,093	-	2,676,093	2,755,526
Professional fees and services	454,509	-	454,509	431,939
General and administration	279,197	-	279,197	145,921
Legal and registration fees	361,279	-	361,279	387,289
Telephone	29,221	-	29,221	24,274
Travel	135,422	-	135,422	117,966
Rent (Note 8)	214,424	-	214,424	176,084
Office supplies, printing and reproduction	89,699	-	89,699	66,338
Depreciation and amortization	88,882	-	88,882	78,146
Insurance	6,349	-	6,349	5,208
Other	<u>137,256</u>	<u>-</u>	<u>137,256</u>	<u>69,191</u>
Total expenses (Note 12)	<u>21,595,098</u>	<u>-</u>	<u>21,595,098</u>	<u>13,929,847</u>
Change in net assets before income tax expense	643,003	3,213,299	3,856,302	398,299
Income tax expense (Note 6)	<u>(36,000)</u>	<u>-</u>	<u>(36,000)</u>	<u>(72,000)</u>
Change in net assets	607,003	3,213,299	3,820,302	326,299
Net assets at beginning of year, as restated (Note 13)	<u>814,698</u>	<u>4,054,578</u>	<u>4,869,276</u>	<u>4,542,977</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,421,701</u>	<u>\$ 7,267,877</u>	<u>\$ 8,689,578</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, 2011

ASSETS			
		<u>2011</u>	<u>2010</u>
CURRENT ASSETS			
Cash and cash equivalents	\$	7,312,630	\$ 4,247,075
Accounts receivable		1,949,146	1,051,513
Prepaid expenses and other assets		<u>34,876</u>	<u>28,933</u>
Total current assets		<u>9,296,652</u>	<u>5,327,521</u>
FIXED ASSETS			
Fixed assets, net of accumulated depreciation and amortization of \$291,959 (Note 9)		<u>215,625</u>	<u>227,485</u>
OTHER ASSETS			
Note receivable, related party (Note 2)		50,625	50,625
Deposits		<u>16,413</u>	<u>16,413</u>
Total other assets		<u>67,038</u>	<u>67,038</u>
TOTAL ASSETS	\$	<u>9,579,315</u>	<u>\$ 5,622,044</u>
LIABILITIES AND NET ASSETS			
		<u>2011</u>	<u>2010</u>
CURRENT LIABILITIES			
Accounts payable and accrued expenses (Note 6)	\$	174,317	\$ 201,721
Accrued payroll liabilities		91,073	133,071
Deposits		27,570	27,535
Deferred revenue		<u>516,038</u>	<u>303,423</u>
Total current liabilities		<u>808,998</u>	<u>665,750</u>
NON-CURRENT LIABILITIES			
Deferred rent (Note 8)		<u>80,739</u>	<u>87,018</u>
Total liabilities		<u>889,737</u>	<u>752,768</u>
NET ASSETS			
Unrestricted:			
Unrestricted		1,421,301	813,838
Non-controlling interest (Note 7)		<u>400</u>	<u>860</u>
Total unrestricted net assets		1,421,701	814,698
Temporarily restricted (Note 3)		<u>7,267,877</u>	<u>4,054,578</u>
Total net assets		<u>8,689,578</u>	<u>4,869,276</u>
TOTAL LIABILITIES AND NET ASSETS	\$	<u>9,579,315</u>	<u>\$ 5,622,044</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, 2011

	Program Expense	Management and General	Fundraising	Total Supporting Services	Total Expenses
Project distributions	\$ 17,122,767	\$ -	\$ -	\$ -	\$ 17,122,767
Salaries and benefits	1,830,448	717,193	128,452	845,645	2,676,093
Professional fees and services	350,157	88,501	15,851	104,352	454,509
General and administration	190,971	74,825	13,401	88,226	279,197
Legal and registration fees	247,115	96,823	17,341	114,164	361,279
Telephone	19,987	7,831	1,403	9,234	29,221
Travel	99,892	30,133	5,397	35,530	135,422
Rent	146,666	57,466	10,292	67,758	214,424
Office supplies, printing and reproduction	61,494	23,921	4,284	28,205	89,699
Depreciation and amortization	60,796	23,820	4,266	28,086	88,882
Insurance	4,342	1,702	305	2,007	6,349
Other	95,080	35,770	6,406	42,176	137,256
TOTAL EXPENSES	\$ 20,229,715	\$ 1,157,985	\$ 207,398	\$ 1,365,383	\$ 21,595,098
PERCENT	94%	5%	1%	6%	100%

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