



TrueGift Donations

2011 Annual Report For TrueGift Donations

Prepared by Marshal L. Merriam, Treasurer

1/2/12

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. Some teachers can’t, or won’t, bear this expense. Their students simply live without. 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.

Primarily, 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 whenever possible. For example, the donor can select a state, district, school or classroom to which contributions are directed†.

This is working well. In 2011, cash donations totaled \$7891 from 20 individuals, 5 of whom donated through PG&E’s Campaign For The Community. This compares to \$4275 in 2010 and \$2802 in 2009. 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 2011. About two thirds of the contributions came from individuals other than the founders. Figure 2 shows contribution and delivery levels over the last several years.

In 2011, the amount spent on supplies was about 92% of total contributions. Fundraising was about 2%, packing supplies (ie boxes and tape) were 1%, and 5% was held over to 2012. Since its inception, TrueGift has delivered supplies totaling over 90% of total contributions. No one at TrueGift is paid.

Funds obtained in 2011 were used to purchase, pack and deliver supplies to 167 teachers in 41 schools, most of which were in the San Francisco Bay Area. TrueGift provided or

* 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.



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facilitated donations of approximately \$7249 worth of school supplies in 2011. Many of this year's donations were shipped in the fall when supplies are cheaper and the needs are acute. The balance was shipped in the spring as opportunities arose. In 2012 we are planning one round of deliveries in the spring.

Part of our process involves packing parties at which volunteers pack the supplies for 50 teachers in a few hours. 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.

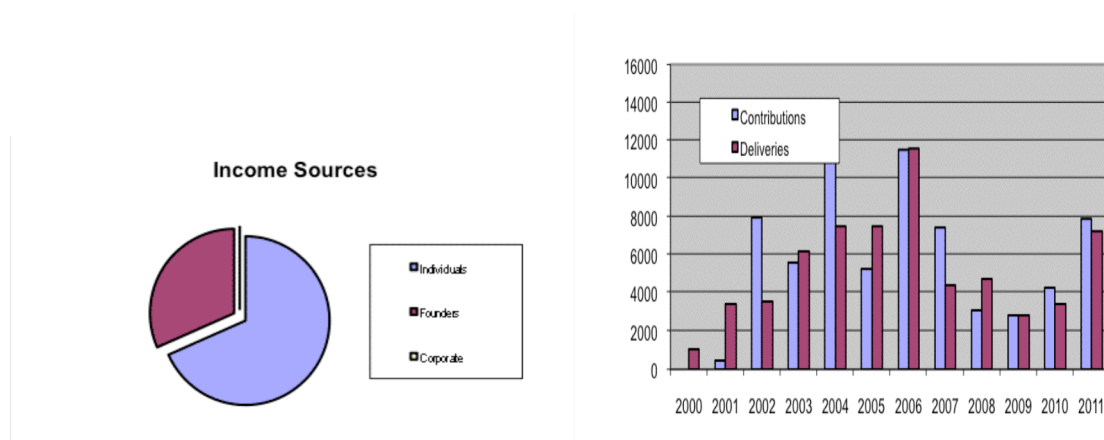


Figure 1. Individual Contributions were key. Figure 2. 2011 marks 12 years in Operation

The cost of packaging and postage for deliveries made through the US Mail has increased and can exceed the cost of the supplies. With this in mind, the bulk of all donations went to schools in the San Francisco Bay Area where deliveries could be made in person. We will travel anywhere within two hours of San Jose.

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, and it promotes more communication between donors and teachers.

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. Due to our seasonal sale shopping and bulk purchases, TrueGift can often get twice as many supplies for the same amount of money.



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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 website 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 was kind enough to bring frequent updates to our site this year. At year end, the site had registered 205 teachers from 79 schools in 16 states. Because of our emphasis on local delivery, out-of-state registrations benefit mostly from local donors delivering directly.

TrueGift sent out flyers in pursuit of additional funding this year. This endeavor resulted in a number of new donors for which we are most grateful.

Calendar year 2011 marked the twelfth year of operation for TrueGift Donations. We expect TrueGift to continue operations in 2012. The challenge is to provide maximum efficiency for our donors while continuing to provide critically needed supplies to America's schools.



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Financial Statement 1/1/2011-12/31/2011

Source of Funds

Opening Balance	1500
Direct Contributions	7891
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Total funds Available	9391

Uses of Funds

Supplies Delivered	7249
Fundraising	184
Packing Supplies	86
Year End Balance	1824
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Change in inventory (presumed) ¹	48
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	9391

1. No physical inventory was performed. The presumed \$48 drop in inventory looks plausible. That is, the shelves are about as full as they were at the beginning of the year.



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.