



AMERICAN CHARITIES, INC.

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ANNUAL REPORT 2009

CEO/EXECUTIVE OFFICER:

Keith Courlas, Founder/Co-Executive Director
David DiGiorgio, Founder/Co-Executive Director
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American Charities, Inc.

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www.helpamericancharities.org

BRIEF HISTORY:

American Charities, Inc. (ACI) opened its doors in January 2009. We began serving approximately 100 individuals a month. By the end of September, the previous quarter's average number of individuals served was 351 per month.

In October 2009, we began distributing commodities. By the end of December 2009, individuals served by our food pantry and the commodities program averaged 1,475 per month and individuals served in our clothing center average over 1,000 per month.

In the year 2009 American Charities Distributed \$108,839.00 worth of Food and Clothing to Families in need in the Colorado Springs area. For every \$1 donated we provided \$1.97 in food and clothing to those in need.

MISSION:

American Charities, Inc. is a Colorado based non-profit 501 (c) (3) corporation. It is our mission to assist families in need of food and clothing at no charge and with no questions asked. The funds that we raise are directly put to use in the community to help people in need.

BOARD OF DIRECTORS:

David DiGiorgio, President
Keith Courlas, Vice President

PROGRAMS:

FOOD PANTRY: Accessible to all people in need by declaration of need only 4 days a week.

COMMODITIES: USDA qualifications for clients, available to clients who qualify every Monday.

CLOTHING CENTER: Accessible to all people in need by declaration of need only 4 days a week. Each client who comes to ACI may choose any 3 items of clothing, for each family member present. Each client may have up to 3 books and each child 1 toy as long as supplies last.

FUNDRAISING METHODS:

ACI is not funded by any grants at this time. Our reasoning for this is 3-fold:

- Apparently, Since we do not have a large Board and have not been in operation for more than a year we do not qualify for the grants we have applied for and have been turned down by the City of Colorado Springs, El Pomar, Ackerman Fund, Bonfils Stanton Foundation, and have been advised not to apply to the county Block Grants.
- It was our initial intention and we sincerely believe our community can step up to support those who have greater needs and fewer assets.

Our First Annual 5k run to “Feed the Need” from Accolades to Garden of the Gods took place August 29th. Funds raised were approximately \$400.00.

Accolades Fitness Center hosted a donation table the month of August which brought in Approximately 600 pounds of food.

Blondie’s Club downtown hosted a Spring Fashion Show sponsored by American Motorcycle and Beautiful Distraction Modeling Agency which raised approximately \$500.00 in March 2009.

Blondie’s Club hosted a Casino Night which raised approximately \$400.00 in May 2009.

Hog & Rods at Sportsman Warehouse Citadel Mall hosted a Hogs & Rods Event wherein ACI Frito-Lay and Standard Sales Company and McCabe’s Tavern partnered with a booth selling Burgers, chips and cokes which raised approximately \$400.00.

Using ACI’s liquor license and sponsored by American Motorcycle Company and Standard Sales Company we sold drinks during the American Motorcycle Anniversary Event and raised Approximately \$1,400.00.

Infinity Salon hosted a month long food drive and a salon event during which they opened on a Sunday for regular clients, offered them a 20% discount and 100% of the proceeds went to ACI Raising approximately \$1500.00 and 500 pounds of food.

During the Summer Motorcycle Club Event Downtown, hosted by Rum Bays and Blondie’s, ACI Had a booth and sold temporary tattoos, bottled water, soft drinks, energy drinks and had a Bike washes and raised approximately \$200.00.

ACI had a booth on Cinco de Mayo at Memorial Park where we sold coupon books and raised Approximately \$300.00.

ACI created the Springs Spree Karaoke Contest wherein entrants paid a \$10.00 entry fee which Were donated to ACI, raising \$600.00.

ACI opened a booth during Springs Spree offering face painting, animal balloons, etc. raising Approximately \$600.00.

La Rev Salon collected approximately 600 pounds of food for ACI during the Fall-Winter food drive '09.

Bank of Colorado was a drop off point this early winter for food donations.

McCabe's Tavern held a coat drive and collected 50 winter coats for the winter in December 09.

Lands End chose ACI as their recipient of the coat drive for winter 09, using Sears as a drop off point and donated approximately 200 coats.

Natural Grocers allows ACI to host tables in front of their North Store location to collect monetary and food donations.

Wal-Mart allows ACI to host tables in front of all store locations to collect monetary and food donations.

Various McDonalds Restaurants continue to allow us to hold events in-house for monetary donations. During these events we provide volunteers to host our table, face paint, create balloon animals and assist behind the counter.

COLLABORATIVE RELATIONSHIPS:

Care & Share:

Commodities distributor.

Food purchases for price per pound.

United Way 211 referral for commodities and food/clothing.

T.E.S.S.A.: We accept vouchers from T.E.S.S.A. which allow T.E.S.S.A. clients to receive 5 items Of clothing per family member without the family members presenting at ACI.

SET Family Medical Clinics: We accept vouchers from SETS' Ex-offender program to allow Clients with SET'S voucher to collect 5 items of clothing to re-establish themselves in the Community and market themselves more effectively for employment.

Whole Foods: Whole Foods (Powers branch) has agreed to make American Charities the beneficiary of its meals program and has donated several 1,000 pounds of food to ACI all food.

Front Range Community Service: Front Range Community Service sends us their clients so that We may offer them time to volunteer and meet their community service requirements.

Pikes Peak Community College Social Work Program: We are listed with PPCC's Social Work Program as an agency where students may accumulate their needed volunteer/social work Hours to meet the requirements of various classes.

ACCOMPLISHMENTS:

We have collected over \$55,000.00 in monetary donations and over 70,000 pounds of food from private donors and local businesses as of the end of December 2009.

September 1, 2009 we expanded our facilities from 2,000sf to 4,000sf in order to serve our increasing clientele and programs.

ACI strives,

- Through its food pantry, to support the elimination of hunger and poverty in Colorado Springs.
- Through our clothing center, we assist families in providing for their children's daily and school clothing needs thereby increasing the children's confidence, self-esteem and developmental needs to enable them to feel part of the peer-driven aspect of their community.
- Providing clothing for adults, we support these adults in marketing themselves more effectively for employment and also increase their positive self-image and confidence.

The combination of these supportive facets will decrease the number of citizens who currently identify with a victim mentality due to circumstances that may seem out of their control and increase their motivation and confidence to continue to pursue their journey to success and self-sufficiency.

ACCOUNTABILITY REPORT TO COMMUNITY:

ACI has experience significant growth in the number of households and individuals helped through our food pantry and clothing center. In order to keep up with our growing number of clients we experienced physical growth of our facility as well as a continual growth in the number of local business and individual monetary support to our agency. For this we are extremely grateful.

We applied for a number of grants in 2009 and inquired after others. Our proposals were turned down by the City of Colorado Springs, El Pomar Foundation, Ackerman Fund, and the Bonfils Stanton Foundation, and we have been advised not to apply to the county Block Grants since food pantries and clothing centers are not in the Block Grants' focus at this time.

Because of the number of people we serve and the feedback we have received from Care and Share, DHS and our clients about their positive association with ACI, the two Executive Directors, the Program Director and the staff have been working as volunteers. DHS staff has

specifically stated what a relief it is that we do not qualify due to the increasing number of families who need, but cannot receive assistance through other pre-qualifying programs. Our increasing awareness of the need for a pantry that does not qualify per income or zip code, due to the increasing number of unemployed residents who are “falling through these cracks” compels us to do everything possible to keep our programs active. As a result of the lack of funding available through grants, we have relied totally on the community’s and local businesses’ generosity.

In order to remedy the impractical long term status of 100% volunteer staff, and the continual, weekly if not daily struggle to keep the food pantry full, in 2010 we will begin to sell a portion of our donated clothing to textile recycling brokers. All proceeds from this new venture will be used to support much needed consistent staffing and supplies for our programs.

According to Care & Share and United Way records, ACI is the only non-religious, non-qualifying food pantry in Colorado Springs that serves by declaration only and also offers commodities. Since each family may only visit each pantry once a month for 2-4 days of food, that gives us *each* a potential 1,380 (using 29,000 USDA statistic) clients to serve each month (if each pantry served all zip codes, which they don’t). ACI has accepted over 400 applications since October from residents who were previously unaware of the commodities program, so we feel that the 29,000 statistic the USDA presents as those residents in Colorado Springs who qualify for Commodities is very low.

Using our state’s unemployment rate of 8.6% for 500,000 residents in our community, each food pantry has a potential 1,976 individuals to serve a month if each pantry served all zip codes, without qualifying by income, which they don’t. These individuals are precisely why ACI has come to the table with a declaration of need only qualification for our food pantry and clothing center. Most often, according to our contacts at DHS, individuals who collect unemployment often do not qualify by 125% of the poverty level criteria for most food pantries, but are in desperate need of assistance with food and clothes. Pikes Peak Community Action Agency has also found this to be true and for the next year is strongly considering raising their criteria from 125% of the poverty level to 200%.

SHORT TERM GOALS (2010): To grow our newly opened Denver facility to serve 1500 to 2000 people in need in the Denver Metro area.

LONG TERM GOALS (5 YEAR): To open 4-6 additional facilities in underserved areas of the western United States. Our ultimate goal as an organization is provide emergency food and clothing assistance to as many families as possible through community fundraising alone.

Our current financials break down as follows. Please note 2009 is not a full year since we've been open only since the end of January 2009:

January 27-December 31, 2009

<u>BREAK DOWN OF COMMUNITY SERVED:</u>	
<u>FOOD PANTRY</u>	
Individuals	5,300+
<u>CLOTHING</u>	
Individuals	3500+
Clothing Distributed	10,500+
Books and toys	1,600
VOLUNTEER HOURS	2,000+

**FINANCIALS
2009**

<u>INCOME</u>	Totals
Items donated to sell	\$3,026.00
Local Business Contributions	\$11,468.00
Private donors	\$40,501.00
Retail Items Sold	\$352.00
Loans to Corp.	\$2,785.00
TOTAL INCOME	\$58,132.00
<u>EXPENSES</u>	
Advertising	\$5,212.00
Food purchase	\$610.00
Fundraising	\$5,399.00
Furnishings	\$124.00
Insurance	\$679.00
Licenses & Permits	\$883.00
Meetings	\$2,170.00
Office Expense	\$1,558.00
Professional Fees	\$18,198.00
Postage	\$76.00
Sub-Contractor Fees	\$7,119.00
Rent	\$12,259.00
Bank Charges	\$18.00
Vehicle (company owned) Fuel	\$2,381.00
TOTAL EXPENSES	\$56,686.00

PROPOSED BUDGET

January 1 through December 31, 2010

INCOME	
Grants	50,000.00
Items donated to sell	10,000.00
Local Business Contributions	15,000.00
Private Donors	75,000.00
TOTAL INCOME	150,000.00
EXPENSES	
Payroll	77,000.00
Benefits	8,000.00
Payroll Taxes	7,700.00
Bank Charges	24.00
Clothing pick up	500.00
Food Purchases	10,000.00
Fundraising	4,000.00
Furnishings	1,000.00
Gas Vouchers/Bus Tokens	3,000.00
Insurance	1,400.00
Legal & Accounting	1,200.00
Licenses & Permits	1,000.00
Meetings	2,000.00
Office Supplies	2,000.00
Postage	1,000.00
Rent	20,000.00
Technical Supplies	3,000.00
Vehicle (company owned)	2,000.00
Advertising	4,000.00
Education	500.00
TOTAL EXPENSES	149,324.00