



## **LOCAL INDEPENDENT CHARITIES OF AMERICA 2009 ANNUAL REPORT TO THE PUBLIC (5/1/08 – 4/30/09)**

### **OUR MISSION**

Local Independent Charities of America is an IRS-recognized tax-exempt federated group representing charitable organizations that specialize in areas such as feeding the hungry, sheltering the homeless, protecting children, healing the sick, and defending animals, as well as helping to inform, educate, and empower people across the nation. It's mission is to organize and prepare its member charities for effective participation in at-work employee charitable fund drives, to screen and certify these charities to assure they meet the eligibility criteria to participate in these fund drives, to help educate contributors about the work of these worthy causes, and to provide for the secure, accurate, and timely transmission of contributions from the fund drives to the recipient charities. And to do all the above as cost-effectively as possible consistent with delivering quality service.

Originally established to help charities participate more effectively in the U.S. Government's annual employee fund drive, the Combined Federal Campaign, Local Independent Charities of America now participates in fund drives conducted by state and municipal governments, United Ways, and corporations, either by representing its member directly or by cooperating with other federated groups.

### **PROGRAM SERVICES**

- To accomplish its mission, Local Independent Charities of America provides the following programs and services to its members and to the giving public:
- Fund drive application assistance.
- Review and certification of charitable agency eligibility documentation.
- Representation of the members before fund drive organizing and/or regulatory authorities.
- Disseminating information about the work of the charities to the workplace giving public.
- Organizing member participation in fund drive promotional and educational events.
- Forwarding contributor name and address information, and accounting for and transmitting gift funds, with annual audit.

## **THE YEAR IN REVIEW**

Local Independent Charities of America approved and certified 657 members in the Fall 2008/2009 fund drive campaign year and raised \$7.5 million in cash and pledges. A complete list of the member charities, including descriptions of their programs, addresses and direct contact information is available at [www.lic.org](http://www.lic.org).

Either directly or through cooperative arrangements with other federations, members were presented in workplace fund drives reaching millions of employees. Members also had the option of participating in a variety of non-workplace fund raising programs. A detailed description of member services and benefits is available on the federation's web site.

## **AUDITED FINANCIAL STATEMENTS SUMMARY**

For the year ended April 30, 2009

### Public support:

Combined Federal Campaign	\$4,845,178
State Employees & Corporate campaigns	794,680
Online Giving System donations	1,882,263
Less estimated uncollectible pledges	(844,578)
Less amounts distributed to member agencies	<u>(6,179,566)</u>
Total public support	497,977

### Revenue:

Charges to member agencies	71,397
Fiscal Services	<u>37,063</u>
Total revenue	108,460

Total Public Support and Revenue: 606,437

### Expenses:

Program services	459,841
Administration	48,731
Fundraising	<u>97,865</u>
Total expenses	606,437

Changes in net assets	0
Net assets, May 1st	0
Net assets, April 30th	0

The federation is audited by the firm of Maze & Associates, Certified Public Accountants, headquartered in Walnut Creek, California. A complete copy of their report for the fiscal year ended 4/30/2009 is available on request. A copy of the federation's Form 990 IRS tax return is available on our web site.

## **MEMBER CHARITY FEES**

Member charities share in supporting the operating costs of the federation (“Total Expenses” in the federation audited financial statements) by having membership fees deducted from the donor-designated gifts they receive from the fund drives in which they participate as members of the federation. Fees are determined on a pro rata basis. For example, if gifts made to a member charity represent ten percent of the total of all gifts made to all members, that charity’s share of federation operating costs will be ten percent.

Gifts made to the federation itself (versus gifts made to an individual member agency), and other federation revenue, such as interest income, are shared among all the member charities on the same proportionate basis. For example, if gifts made to a member charity represent ten percent of the total of all gifts made to all members, that charity’s share of federation revenue will be ten percent.

Therefore, as a net result, should the federation’s revenue exceed expenses in any given year, the member charities share the excess income in addition to the donor-designated gifts each has received; the membership fee is effectively zero. Conversely, should the federation’s expenses exceed revenue, fees are apportioned against the members’ donor-designated gifts to cover the net balance.

For the fiscal year 2008/2009, total designations were \$7,522,121 and member fees totaled \$71,397.

## **GOVERNANCE AND STAFF**

Local Independent Charities of America is governed by an all-volunteer board of directors who receive no compensation for their services.

Mr. Don McPartland, President  
Mr. Paul Krantz, Vice President  
Ms. Marganetta Finney, Secretary/Treasurer  
Ms. Dianne Ayon, Member  
Mr. Fred Sonenberg, Member  
Ms. Sandra Hess, Member

The federation does not retain regular staff employees but instead retains outside service providers under the supervision of the Board of Directors. The principal outside service provider is Maguire/Maguire Association Management, for membership and campaign support services. Details regarding these contracts can be found in the audited financial statements.