



Annual Report

For the year ended June 30, 2013

PURPOSE: To build a healthy and sustainable environment.

MISSION: To connect individuals and organizations with EarthShare's member charities through engagement opportunities and philanthropic support.

EarthShare continued to pursue its mission of engaging individuals and organizations in creating a healthy and sustainable environment. Our network undertook numerous initiatives in 2013 aimed at benefiting EarthShare member charities, employer partners, and individuals, while encouraging sustainability and environmental health at all levels.

The EarthShare network delivered more than \$7 million in funding to America's most respected and responsible environmental and conservation charities in 2013. The nationwide EarthShare network now represents almost 600 state-based, national and international U.S. charities, and benefits them through the EarthShare @ Work program. EarthShare @ Work engaged tens of thousands of American employees in philanthropic activities in 2013, helping to support critical missions focused on protecting public health and our air, land, water and wildlife.

In its first year of managing the world's largest workplace giving campaign, the Combined Federal Campaign (CFC) of the National Capital area, we raised more than \$51,200,000 from the federal and military workforce during one of the most challenging fundraising environments in the history of the campaign. Unfortunately, due to the pressures of the recession on public sector and federal employees, EarthShare experienced another year of overall pledge decline in government campaigns.

EarthShare has earned the Better Business Bureau's Wise Giving Alliance Seal for six consecutive years, an achievement attained by less than five percent of the charities rated. EarthShare's accomplishments during the year also included:

- Thanks to our Give@TheOffice online pledging system, EarthShare expanded its direct management of government and private campaigns, and EarthShare's annual processing volume will be in excess of \$60 million by the end of 2014. This has helped reduce the overhead burden charged to the EarthShare member charities, while providing the opportunity to manage and impact America's largest workplace giving campaign and gain important experience in learning how to help employers reverse participation trends.

Other managed public sector campaigns now include the New York City and Sullivan/Ulster Counties in the New York state employees' campaigns; the City University of NY, and the State of Georgia employees' campaign. Staff also managed the online giving for Long Island in the New York state employees' campaign, as well as the New Jersey state employees' campaign.

- EarthShare partnered with many new forward-thinking American workplaces in 2013 to engage their employees through the EarthShare @ Work program, including **BJ's Wholesale, Contently, Foursquare, Metropolitan Group, MongoDB, Sailthru** and an expansion of our **Thomson Reuters** campaign.
- EarthShare continued to co-sponsor, develop and facilitate the annual **Charities @ Work Best Practices Summit on Employee Engagement and Corporate Citizenship**. The 2013 event attracted increased attendance and participation from companies including JPMorgan Chase, Microsoft, Thomson Reuters and Prudential. Corporate participants have called the event "...a peer-to-peer summit unlike other educational forums on employee engagement, and valuable for both seasoned professionals and newcomers."
- Development of EarthShare Chapters continued with the conversion of Illinois and New York to chapters, as well as the addition of new local and regional environmental and conservation charities in Florida, Michigan, the Mid-Atlantic, Ohio, Pennsylvania and Wisconsin.
- We continued to expand adoption of EarthShare @ Work (ES@W), EarthShare's employee philanthropy, volunteerism and engagement program. ES@W offers a range of tools to connect and educate employees, including expanded volunteer opportunities and environmental experiences; interactive discussion courses about sustainability at work and home for employee groups; fresh content about environmental and conservation news and accomplishments, provided in a variety of formats; and the ability to donate to a full range of environmental and conservation causes simply and effectively.
- EarthShare continued to grow and engage its online community through its e-newsletter and social media outreach, and the number of subscribers, friends and fans, and website visits increased dramatically during 2013.

Overall, and despite the tough economy, we are pleased with the progress we have made and where we are currently:

- EarthShare represents the most respected and well-known local and national environmental and conservation organizations in the country.
- We have established a presence in hundreds of workplace giving campaigns across the country, encompassing everything from small public agencies and colleges and universities, to large multinational corporations.
- EarthShare has a strong name and brand, and a solid and well-established reputation for sound fiscal operations.
- Our network of state affiliates and local representatives are supporting campaign and business development efforts in most major metropolitan areas across the country.

2013 EarthShare Supported Accomplishments

Preserving and protecting the environment requires determination, dedication, and, of course, the support and commitment of many people. There is no other cause arena that directly impacts the health and well-being of every living creature on the planet. EarthShare is proud to help provide the necessary funding that allows its benefiting member organizations to continue the work they do every day. From addressing climate change and pollution, to protecting habitat and farmland, to working closely with the private sector on sustainability goals, the issues addressed by EarthShare members represent some of society's most pressing and urgent challenges.

EarthShare's member organizations continued to forge ahead on behalf of all life on Earth in 2013. Thanks to our partners and supporters, environmental organizations of every size are achieving victories in the fight for a healthy future and livable world for tomorrow's generations. **Our National Members accomplished numerous victories last year, thanks in large part to the support of EarthShare donors. Here are just a few:**

* **American Forests** established projects that will plant 1.8 million trees across the U.S. and around the world. Trees are often referred to as the "lungs of the planet" thanks to the oxygen they provide to other living things. In fact, urban trees and forests are saving an average of one life every year per city because of the particulates that they remove from the air. Forests also provide natural filtration and storage systems that process nearly two-thirds of the water supply in the United States. Trees are also credited with absorbing carbon dioxide, increasing property values, aiding in temperature and flood control, and improving mental health.



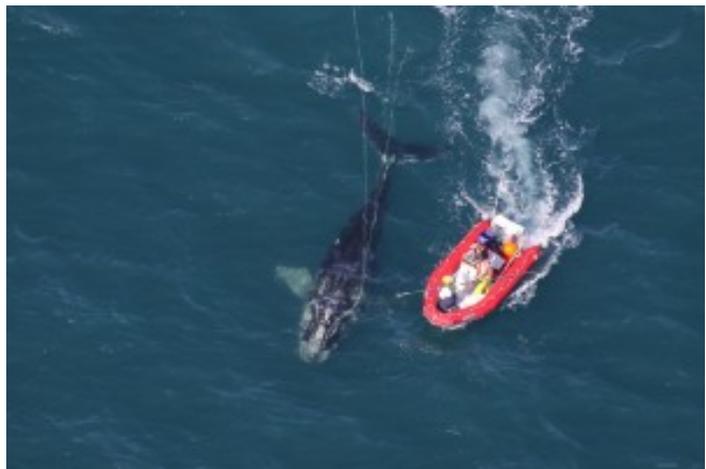
* **American Farmland Trust** reached a milestone by achieving permanent protection for five million acres of agricultural land in the U.S. in 2013. American Farmland Trust is the only national conservation organization dedicated to saving the land that sustains and feeds all of us, while promoting sound farming practices and keeping farmers and their families on the land.

* Many EarthShare members work closely with the private sector to find solutions to the sustainability challenges businesses face today. **Environmental Defense Fund (EDF)** helped McDonald's transition away from polystyrene foam cups in favor of more sustainable fiber-based paper cups at its 14,000 U.S. restaurants. Twenty-three years ago, EDF embarked on a partnership with the fast food chain that ultimately phased out the old fashioned foam clamshell food containers at McDonald's restaurants, eliminating more than 300 million pounds of packaging, recycling 1 million tons of corrugated boxes, and reducing waste by 30 percent over a decade. Phasing out foam beverage cups is an important next step for McDonald's and the industry as a whole, especially given the popularity of coffee culture. MacDonal'd's also began offering **Rainforest Alliance** Certified sustainably and responsibly-sourced espresso for its beverages across the U.S. in 2013.

* EarthShare members were hard at work winning protections for our public lands and special places, too, including one of America's natural wonders, the Grand Canyon. **Earthjustice** successfully defended a ban on new uranium mining on one million acres near the Grand Canyon in 2013, an important win for the canyon, rivers, wildlife and communities across the West. Perhaps even more critically, the ruling protects not only the Grand Canyon's watershed, but millions of acres of other public land from destructive mining practices.

* **Beyond Pesticides** and **Food and Water Watch** were instrumental in compelling personal care companies like Procter and Gamble to drop the chemical triclosan from its products in 2013. Triclosan, a harmful and unnecessary antibacterial found in common products such as soaps, clothing, kitchenware and cosmetics, has been linked to adverse impacts on both human and environmental health. One study revealed that triclosan alters the composition of bacterial communities in streams and can lead to bacterial resistance; wastewater treatment plants are unable to effectively filter out the chemical. Researchers also found that triclosan impairs muscle function in fish and mice and stated that the results they found show "strong evidence that triclosan could have effects on animal and human health at current levels of exposure."

***Defenders of Wildlife** achieved a vital victory in the ongoing battle to protect critically endangered North Atlantic right whales from lethal entanglements in commercial lobster fishing gear. The North Atlantic right whale is one of the most critically imperiled whale species in the world. Out of a population once numbering in the tens of thousands, fewer than 500 right whales survive. The loss of even a single right whale pushes the species ever closer to the brink of extinction. This victory was also an important step forward in protecting humpback, fin, and sei whales, all endangered and all at risk of entanglement.



* In the wake of one of the most devastating storms to hit the East Coast, **The Student Conservation Association** has been leading the ongoing Sandy Recovery Effort at parks across New York and New Jersey. The organization has rallied hundreds of volunteers to the Atlantic Coast for Hurricane Sandy relief efforts that include removing debris, repairing storm damage, planting trees, laying the groundwork for new trails, and more.

* **World Resources Institute, WWF China** and other organizations launched a new Greenhouse Gas Protocol tool in 2013 to help Chinese cities measure and manage their greenhouse gas emissions. China surpassed the U.S. as the world's largest emitter of carbon dioxide long ago and is already struggling with some of the economic, health and environmental impacts of climate change. Low-carbon development has become the core theme of the country's urbanization and is one of the country's key strategies to achieve its target of reducing carbon intensity by 40-45 percent by 2020.



* **Natural Resources Defense Council (NRDC)** launched its first crowd-funding campaign to help schools around the country go solar. Thanks to plummeting solar prices, high electric costs, and public policies that promote clean energy, solar is creating powerful new opportunities for cash-strapped schools, freeing funds for music, art, and other vital programs, and providing a real-world learning experience for students. Yet many schools need guidance and support to get involved. NRDC's initiative, *Solar Schools: Powering Classrooms, Empowering Communities*, is aimed at helping every American

school that wants solar power to get it, along with all the educational, environmental, and financial benefits, by providing the tools, training and guidance necessary to implement a solar project.

These are just some of the victories achieved by EarthShare benefiting member organizations for our air, land, water and wildlife in 2013. They wouldn't be possible without the support of EarthShare workplace giving donors and our supporters' willingness to invest in a healthy, sustainable future. Visit our website story archive for more good news about how workplace giving is building a better tomorrow for all.

Board of Directors

As of June 30, 2013

Executive Committee

Marci Reed, Chair, *American Institute of Architects*
Steve Blank, Vice Chair, *Surfrider Foundation*
Mark Carlson, Treasurer, *Consultant*
Lynn Werner, Secretary, *Housatonic Valley Association*
Deb Furry, *Consultant*
Paul Lambert, *Retired*
Jon Scott, *Clean Water Fund*
Tom Woiwode, *Community Foundation for Southeastern Michigan*

Directors

Lee Bodner, *Arabella Advisors*
Michael Carren, *JP Morgan Chase*
Marie Curtis, *EarthShare New Jersey*
Jay Feldman, *Beyond Pesticides*
Martha Field, *Thomson Reuters*
Sergio Furman, *Wildlife Conservation Society*
Alan Gray, *Accenture*
Keith Groty, *Retired*
Elizabeth Hitchcock, *Safer Chemicals Healthy Families*
Mike Lynch, *Izaak Walton League of America*
Terry Macko, *World Wildlife Fund*
Howard Majors, *EarthShare New York*
John O'Connell, *Friends of the Parks*
William Peck, *Organizational Solutions*
Crista Peterson, *Center for Health, Environment & Justice*
Jerry Rampelt, *Ohio to Erie Trail Fund*
Martin Rosen, *Retired*
Michelle Smith, *Retired*
Pat Smith, *EarthShare California*
Robert Stokes, *Galveston Bay Foundation*
Ana Paula Tavares, *Rainforest Alliance*
Begona Vazquez-Santos, *The Nature Conservancy*
Jeff Whitton, *EarthShare Washington*
Matt Wolcott, *Student Conservation Association*

National Staff
As of June 30, 2013

EarthShare

Leslie Bethke-Pope, *Accounting Manager*
Paul Bingle, *Director of Fiscal Services*
Perry Bird, *Director, Member Services*
Cheron Carlson, *National Campaign Director*
Miriam Davidson, *Manager, Public Campaigns*
Paul Fitzpatrick, *MIS*
Erica Flock, *Online Manager*
Beth Gunter, *Campaign Associate*
Steven Kravitz, *Chief Financial Officer*
Mary MacDonald, *Senior Vice President for National Business Development*
Sharon McCay, *Development Associate*
Alyson March, *Campaign Assistant*
Robin Perkins, *Director, Communications & Marketing*
Brooke Roman, *Donor Choice Analyst*
Kalman Stein, *President and CEO*
Etta Tegegn, *Accounting Assistant*

Campaign Management Services

Joan Alvarez, *Campaign Assistant*
Tyra Archer, *Communications Coordinator*
Michael Baver, *Campaign Associate CFC NYC*
Terry Belt, *Associate Director*
Andrea Chaloux, *New York State SEFA Council Assistant*
Lauren Cox, *Customer Support Specialist*
Amy Ginsburg, *Marketing Director*
India Gordon, *Reception*
Lindsey Hinman, *Program and Meeting Coordinator*
Sundani Knowles, *Campaign Assistant*
John Loyd, *Director of Information Systems*
Suzanne Maloney, *New York State SEFA Council Director*
Rich Nightingale, *Senior Agency Support Specialist*
Lou Nistler, *Executive Director, CFC, National Capital Area*
Sheila O'Connor, *Director of Campaign Management Services*
Edith Parrish, *Associate Director*
Linda Paul, *Managing Director, EarthShare Ohio*
Annece Perry, *Associate Director*
Lisa Phillips, *CFC Accounting Manager*
Henry Rubin, *Associate Director*
Janet Sobie, *CFC Accounting Assistant*
Jennifer White, *Senior Manager for Operations*
Jessica Wozniak, *Managing Director, EarthShare New England*

Statement of Revenues and Expenses:

EarthShare's primary method of fundraising is through workplace giving campaigns with governments, corporations, and other institutions. EarthShare functions as the representative of its member charities in these campaigns.

EarthShare's member charities are credited with 100% of all contributions designated to them by donors. Shares of funds donated directly to EarthShare, as well as the costs of EarthShare's services, are shared among the charity members in differing proportions based on each member's designated donations from all workplace campaigns and its leadership role or other contributions to the functioning of EarthShare.

For the fiscal year ended June 30, 2013, EarthShare raised \$11,055,443 in total contributions from public and private sector employees, corporate gifts and matches, and on-line donations; and had administrative, fundraising and general expenses of \$597,098 (5.4%) that were charged to the member charities for EarthShare's services. All of EarthShare member charities participate in the Combined Federal Campaign.

The Board of Directors of EarthShare, which includes representatives from the member charities and workplace campaign sponsors, approves the budget and all expenditures.

EarthShare is audited annually. Its Annual Report, Conflict of Interest Policy, Guidestar financial profile, and IRS Form 990 are available at www.earthshare.org/about-earthshare.html.

EarthShare meets all of the financial and accountability standards of the Better Business Bureau's Wise Giving Alliance.

Statement of Financial Position (as of June 30, 2013)

Assets

	\$
Cash and Cash equivalents	1,044,960
Accounts receivable	246,738
Affiliation fees receivable	212,115
Pledges receivable (net of shrinkage of \$1,403,772)	6,622,001
Prepaid expenses	16,620
Due from Combined Federal Campaigns	972,361
Property and equipment, net	8,932
Other assets	32,636
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	\$
Total Assets	9,156,363
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Liabilities and Net Assets

Liabilities

	\$
Line of credit	691,211
Accounts payable and accrued expenses	236,228
Campaign funds payable to member agencies	8,131,080
Deferred rent	47,844
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Total Liabilities	9,106,363
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Net Assets - Unrestricted	50,000
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Total Net Assets	50,000
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	\$
Total Liabilities and Net Assets	9,156,363
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Statement of Activities (for year ending June 30, 2013)

Public Support and Revenue

Amounts raised in campaigns (less campaign expenses & allowance for uncollectible pledges)	\$ 9,478,615
Less amount designated to member charities	<u>(7,732,640)</u>
Public Support Designated to EarthShare	1,745,975
Administrative charges for raising funds on behalf of others	2,172,514
Other revenue	93,960
Member assessment	<u>205,690</u>
Total Public Support and Revenue	4,218,139

Expenses

Total program services	3,554,061
Management and general	366,102
Fundraising	<u>230,996</u>
Total Expenses	<u>\$ 4,151,159.00</u>
Change In net assets	<u><u>\$ 66,980</u></u>