

allowance for good

small dollars. big impact.

DEAR FRIENDS,

In February 2011, Allowance for Good consisted of one woman with a dream. There was no funding, no office space, no website, and no semblance of a team. But, the vision of providing teens with opportunities to be global agents for change had potential to grow — and grow it has. Today, Allowance for Good is a network of U.S. teens that work together to improve the educational potential of youth living in poverty worldwide.

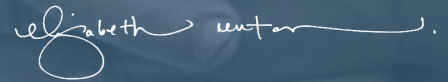
Our ripple effect is beginning to spread: over the past twelve months, Allowance for Good has met meaningful milestones and forged lasting partnerships. Roots are beginning to take hold. Our entrepreneurial team has expanded from one to eight dedicated members. We formed a strategic partnership with The Liger Charitable Foundation, seeking to capitalize on their existing network in Cambodia to bring further change in global education. And in June, we will host the first ever Global Philanthropy Summit for teens in the Chicago area. The purpose of the Summit is to engage youth in a discussion about global citizenship and philanthropy and to demonstrate how American youth can be empowered to make education available to children around the world.

Each Young Catalyst, as we call the youth who participate in our programs, has the opportunity to affect global change. One Young Catalyst co-hosted a Concert for Change, bringing over 250 North Shore, Illinois youth together to raise more than \$400 for our Nueva Santa Rosa, Guatemala education projects. Another Youth Advisory Board member led peers in pizza fundraisers, gum sales, and awareness campaigns in her community for our newest partner, The Liger Learning Center in Phnom Penh, Cambodia.

This is not just my story any longer. It is the story of our Young Catalysts, Board of Directors, Advisory Council, AfG team, and you — our investors who have believed in us along the way. We are pleased with our growing success and the efforts of our Young Catalysts; none of this would be possible without the help of our committed donors. I hope you will consider making an investment in Allowance for Good today to show your ongoing support. With your help, we will continue to cultivate a culture of giving and inspire a ripple of change among American youth.

It is our collective task to reimagine our world — won't you join us?

Warmly,



Elizabeth Newton
Founder & Executive Director,
Allowance for Good

Allowance for Good (AfG) was established in the summer of 2010 to cultivate a culture of giving and to inspire a ripple of change among American youth to become the next generation of engaged global givers and citizens. The organization teaches participants — US youth ages 13 to 18 — that meaningful, thoughtful, and even small contributions to the needs of international communities can make a difference in the education systems of developing countries. Allowance for Good aims to reach students of all socioeconomic backgrounds and demonstrate that participating as a global citizen is not bound by income, race, or culture. We call participants Young Catalysts because we believe in their power to affect change in resource poor communities by investing in global education projects.

2012 Highlights



"As a member of the Youth Advisory Board, I have enjoyed the opportunity of experiencing growth in many different forms. I have seen Allowance for Good itself grow as it adds projects and partnerships, my ambitions as a global citizen and philanthropist have grown from local to global, and with the guidance of the Allowance for Good family, I have grown as a force of good. I have also acquired a new confidence in my ability to change the world because through example, Allowance for Good has proved to me that it is possible."

YOUNG CATALYST TAKES THE LEAD

Glenna Siegel, from New Trier High School in Winnetka, IL, has taken the lead on a number of projects expanding AfG's reach with high school students on the North Shore. She helped initiate a partnership between Allowance for Good and New Trier Interact Club: by holding gum sales at school, sponsoring a pizza benefit night, and collecting donations in the community, the group raised hundreds of dollars for The Liger Learning Center. Glenna's efforts as a leader, Youth Advisory Board member, and Young Catalyst have impacted her own community and those abroad.

ORGANIZATION GROWTH

The AfG team expanded from a team of one at the beginning of FY12 (04.01.11) to eight currently (as of 03.31.12). Team members have brought significant energy and innovation to our work, guiding our Young Catalysts, providing strategic direction, and influencing our day-to-day operations. Our team, Board of Directors, Youth Advisory Board, and Advisory Council committed an estimated 4,022 volunteer hours this year. In addition, the Board of Directors grew from three to four members with the intention of doubling in FY13. The leadership of Executive Director, Elizabeth Newton, has ensured prudent organizational expansion. Because of this, we are delighted that she was honored in Steelcase's 100th Anniversary celebration: 100 Dreams. 100 Minds. 100 Years. alongside world-renowned individuals.

The members* of our Board of Directors, Advisory Council, and Youth Advisory Board are individuals who are deeply committed to the mission of Allowance for Good. They are passionate about empowering youth to be global agents for change, believers in global education equity, and expert contributors to the needs of Allowance for Good. We are indebted to them for sharing their time, their financial gifts, and their enthusiasm for Allowance for Good. * **AS OF 03.31.12**

BOARD OF DIRECTORS

Jessica Jackley, *Collaborative Fund*
Jennifer Mitrenga, *Opportunity International*
Elizabeth Newton, *Allowance for Good*
Kathy Yang, *McKesson*

ADVISORY COUNCIL

Kate Collinson, *Nonprofit Consultant*
Michael Hole, *Stanford University,*
School of Medicine Candidate
Richard Johnson, *Spark Ventures*
Bart Peintner

YOUTH ADVISORY BOARD

Rachel Larson, *Senior at Eastview*
High School in Apple Valley, MN
Kaley Shannon, *Junior at Lyons Township*
High School in La Grange, IL
Glenna Siegel, *Senior at New Trier*
High School in Winnetka, IL

CHART 1 – FY12 Funding Sources

- Young Catalyst Contributions
 - Individual Contributions
 - Foundation Grants
 - Corporate Contributions
 - Special Events
 - Other Income
- TOTAL REVENUES – \$20,337.84**

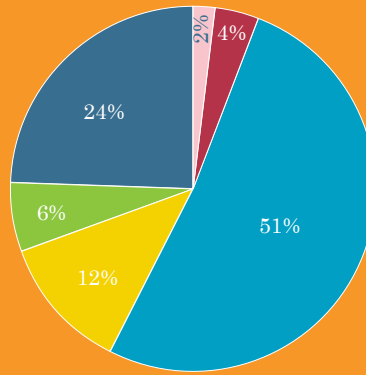


CHART 1 – FY12 Funding Sources

CHART 2 – FY12 Guatemala Projects Funding Levels

- Access to Water
 - Funds for Fun
 - Bricks & Mortar
 - Classroom Materials
 - Youth Health & Hygiene
- TOTAL NEEDED – \$3,185**
- NOTE: TOTAL FUNDS RAISED SINCE INCEPTION.**

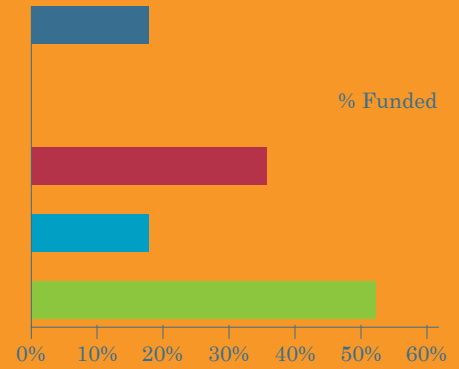


CHART 2 – FY12 Guatemala Projects Funding Levels

2012 Financial Overview

FUNDING SOURCES

FY12 — our first full year of operation — brought meaningful growth to Allowance for Good. Overall the organization increased revenues by 323%, from \$6,303 to \$20,338. (Chart 1) Individual investments exceeded projections for the year. Our newly-minted Development Team will assist in meeting foundation and corporate contribution goals in FY13. They will build relationships with current and potential donors and explore new revenue streams to increase diversification.

PROJECT FUNDING

In FY13, Allowance for Good will begin the distribution of collected funds to our partner community in Nueva Santa Rosa, Guatemala. We anticipate that each of our first five projects will be fully funded by youth contributions by the end of FY13. Over the next year, we will be sharing global education project updates with our US teens and partners who have contributed financial resources to this community. In addition to Allowance for Good’s partner in Guatemala, the recent strategic partnership with The Liger Learning Center in Cambodia should offer even more opportunities for impact in global education. See above for the FY12 end of year funding levels of the Guatemala projects within Allowance for Good’s five areas of focus. (Chart 2)

ALLOWANCE FOR GOOD

STATEMENT OF ACTIVITIES | CREATED ON: 03.31.11 | REPORTING: 04.01.11–03.31.12 | FY 2012

REVENUE & SUPPORT

Young Catalyst contributions	\$ 861
Individual contributions	\$ 10,387
Foundation grants	\$ 2,400
Corporate contributions	\$ 1,251
Special events (net income)	\$ 4,945
Other income	\$ 495
TOTAL REVENUE & SUPPORT	\$ 20,338

EXPENSES

Program Services	\$ 9,341
Non-program Services	\$ 2,606
TOTAL EXPENSES	\$ 11,947
NET INCOME¹	\$ 8,391

¹ Materially large reserve is kept with anticipation of first Global Philanthropy Summit in June FY13.

2012 IN NUMBERS

2	# of international education partners	110	# of students that are part of our global education projects in Guatemala and Cambodia	1,000	\$ cumulatively raised for global education projects in Guatemala and Cambodia
20	# of teens participating in our 1st Annual Global Philanthropy Summit	250	# of US teens engaged with the Allowance for Good mission	20,378	\$ invested by generous individuals, foundations, & corporations to support AfG's first full year of operation

About **AFG**

OUR MISSION

Educate and engage youth in philanthropy to cultivate global citizenship and improve education internationally.

WHO WE ARE

Allowance for Good is a network of US teens that partner together to improve the lives of youth living in poverty globally by investing in their educational potential.



WHAT WE BELIEVE

We believe that each person has the capacity to drive change in global education equity. We believe that education should be a right, not a privilege. We believe that future generations should inherit a better world.

This is why we seek to educate and engage American teens in philanthropy and to extend their perspectives beyond our borders encouraging them to acknowledge the extreme poverty and lack of access to resources faced by youth in other parts of the world. We invite US teens to make personal investments of time and treasure in international education projects — and the inputs therein — because an education is a key to breaking the cycle of poverty. Allowance for Good is preparing and empowering American youth to be global citizens and catalysts that encourage collective action toward global education equity today. Through this process of learning, connecting, and actualization, Allowance for Good seeks to teach Young Catalysts humility, to promote their respect for other cultures and the challenges they face, and to instill within them a commitment to long-term, engaged philanthropy.

WHERE WE'RE HEADED

As Allowance for Good begins to transition from a start-up to a more established social enterprise, the structure of the organization will inevitably change. Through the FY13–15 Strategic Plan that was developed over the previous year, Allowance for Good has identified a number of short- and long-term targets that lay the groundwork for mindful organizational growth. A few of these targets include:

- Building on existing donor relationships and increasing their impact going forward;
- Continuing to seek foundation grants, corporate sponsorships, and donation matching opportunities;
- Monitoring organizational performance quantitatively and qualitatively on a recurring basis;
- Creating a sustainable organizational structure and a culture of accountability at all levels of the organization

JOIN US

Become a part of our future vision by making a contribution to Allowance for Good today. Visit www.allowanceforgood.org and click Donate Now to get started.



anyone can drive global change.

2012 Initiatives

*"I believe that learning what it feels like to give to others is an essential lesson in life. There is nothing more meaningful than knowing you have given someone an opportunity that they would not have had otherwise. Allowance for Good shows young people how to **want** to give, and that is the key when it comes to service. If you are not giving an earnest, honest place in your heart; if you are not one hundred percent sincere in what you do, there will be no impact on others (or on yourself)."*

– Layne Whitted, AfG Young Catalyst



CATALYSTS FOR GOOD PROGRAM

At the core of Allowance for Good is the Catalysts for Good program. The program invites US youth groups to incorporate lessons of global philanthropy and global poverty reduction into their communities. We work side-by-side with and empower youth leaders to develop and execute programming. Each program begins with exploration of macro challenges faced by youth in resource poor communities internationally. Youth leaders then raise awareness for, give their time to, and invite contributions for an international learning center of choice. Teen efforts contribute to one or more of five key project areas: Access to Water, Health & Hygiene, Classroom Materials, Bricks & Mortar, and Funds for Fun.

ONLINE ENGAGEMENT

Over the past year, Allowance for Good crafted new website features under the guidance and expertise of our Advisory Council member, Bart Peintner. Our platform offers teens a unique, one-stop-shop for online philanthropic learning and global giving. Youth can join our online community, learn more about challenges that affect global education, and make small contributions toward educational investments. Teens can make solo contributions or work collectively as a team to reach their goals. Utilizing our online tools, teens

learn that meaningful, thoughtful, and even small pledges of time and treasure to the needs of international communities can broaden their perspectives of the world and help make a difference in the education systems of resource-poor countries. Check out our new website features at www.allowanceforgood.org! Our deepest gratitude to Bart for his immeasurable work improving the site.

GLOBAL PHILANTHROPY SUMMIT

In June, 2012, Allowance for Good will host its first ever Global Philanthropy Summit. Twenty teens from the Chicagoland area will engage in a discussion about what it means to be a global citizen and how American youth can rise to the occasion of making education available to children around the world who are deprived of it. Students will also participate in off-site visits, during which speakers from the Robert R. McCormick Foundation, Google Inc., BMO Harris Bank and GlobeMed will share their sector perspectives on philanthropy. The Summit will culminate in a dynamic, daylong session where teens participate in service, discuss what they have learned, and come to a consensus of how to distribute a \$500 pool of funds. These funds are made possible by a generous contribution from The International Service Committee of the Rotary Club of Evanston Lighthouse.



education is a right, not a privilege.

2012 Contributors

FISCAL YEAR 2012: 4.1.11 – 3.31.12

PARTNERS (\$1,000-\$4,999)

Richard Harris
Thomas & Patricia Macholan
Evan & Elizabeth Newton
The Rotary Club of Evanston
Lighthouse

FRIENDS (\$500-\$999)

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The Dudley Foundation
The William Feldman Family
William & Peggy Grimes
Catherine Kilstrom
Christina Macholan
Daniel & Michelle Nicely
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