



SPORTS CHARITIES USA

2010 ANNUAL REPORT TO THE PUBLIC

(5/1/09 – 4/30/10)

OUR MISSION

Sports Charities USA is an IRS-recognized tax-exempt federated group representing charitable organizations that specialize in athletic endeavors. Its mission is to organize and prepare its member charities for effective participation in at-work employee charitable fund drives and other types of fundraising activities, 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, Sports Charities USA will expand into fund drives conducted by state and municipal governments, United Ways, and corporations, either by representing its members directly or by cooperating with other federated groups.

PROGRAM SERVICES

To accomplish its mission, Sports Charities USA 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, if requested, and accounting for and transmitting gift funds, with annual audit.

THE YEAR IN REVIEW

Sports Charities USA approved and certified 38 members in the Fall 2009/2010 fund drive campaign year and raised \$725,000 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.sportscharities.org.

Either directly or through cooperative arrangements with other federations, members were presented in workplace fund drives reaching as many as 10 million 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, 2010

Public support:

Combined Federal Campaign	\$725,858
State Employees & Corporate campaigns	1,327
Online Giving System donations	9,738
Less estimated uncollectible pledges	(145,312)
Less amounts distributed to member agencies	<u>(575,061)</u>
Total public support	16,550

Revenue:

Charges to member agencies	<u>83,415</u>
Total support & revenue	99,965

Expenses:

Program services	53,647
Administration	13,161
Fundraising	<u>33,157</u>
Total expenses	99,965

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, CPAs, headquartered in Pleasant Hill,, California.

A complete copy of their report for the fiscal year ended 4/30/10 is available on request.

A copy of the federation's Form 990 IRS tax return is available on our web site.

MEMBER CHARITY FEES

For the fiscal year 2009/2010, federation expenses exceeded revenue by \$83,415. Total costs to members thus equaled 11.3% of revenue.

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.

The proportionate formula notwithstanding, for the fiscal year 2009/2010, the federation "capped" fees that any individual member charity could be assessed. For revenue generated through the Combined Federal Campaign, there was a cap of \$12,500. For revenue from other fund drives, the cap was ten percent of gifts, with no minimum fixed dollar amount. Regardless of its respective gift totals, a member cannot be assessed an amount larger than this cap.

MEMBER CHARITY RESULTS – FALL 2009 CFC

	DESIGNATIONS	FEEES
Bikes Belong Foundation	\$19,837	\$2,249
Breckenridge Outdoor Education Center (BOEC)	9,434	1,073
Disabled Sports USA	25,127	2,878
Fishing Has No Boundaries	23,570	2,640
International Mountain Bicycling Association	30,782	3,498
NASCAR Foundation	53,824	6,011
National Alliance For Youth Sports	17,529	1,995
National Archery Association of the United States	7,287	827
Paralyzed Veterans of America Outdoor Recreation Heritage Fund	86,497	10,012
PeacePlayers International	1,093	135
Recreational Boating and Fishing Foundation	6,674	762
Right To Play	22,430	2,546
Soccer In The Streets	23,589	2,674
Ultimate Players Association	6,739	765
United States Association of Blind Athletes	4,842	542
United States Fencing Association	10,977	1,269
United States Field Hockey Association	2,453	293
United States Handball Association	2,348	267
United States Luge Association, Inc.	833	96
United States of America Wrestling Association	24,973	2,809
United States Racquetball Association	4,030	466
United States Ski Team Foundation	4,230	481
United States Soccer Federation Foundation	22,239	2,544
United States Soccer Federation, Inc.	28,065	3,198
United States Youth Soccer Association, Inc.	32,727	3,711
USA Badminton	4,490	516
USA Basketball	21,482	2,386
USA Boxing	16,660	1,842
USA Canoe/Kayak	790	90
USA Rugby	31,750	3,659
USA Shooting	25,207	2,865
USA Swimming	28,931	3,329
USA Track & Field	42,512	4,829
USA Triathlon	14,153	1,582
USA Volleyball	13,954	1,584
USA Weightlifting	6,706	745
Wheelchair Sports, USA	16,378	1,852
Women's Sports Foundation	18,260	2,090

GOVERNANCE AND STAFF

Sports Charities USA is governed by an all-volunteer board of directors who receive no compensation for their services.

Matt Kass, President
Vern Roberts, Vice President
Jerome McLaughlin, Treasurer
Andrew Kluger, Secretary
Kerry Klostermann, Member

The federation does not retain regular staff employees but instead retains outside service providers under the supervision of the Board of Directors. The two principal outside service providers are Maguire/Maguire Association Management, for membership and campaign support services, and Local Independent Charities of America for fiscal agent services.