



2012 ANNUAL REPORT

ToolBank USA strengthens local communities

ATLANTA GA

through the collaborative establishment

CHARLOTTE NC

of ToolBanks across the United States

BALTIMORE MD

and the provision of infrastructure support

CINCINNATI OH

to promote consistency and excellence

HOUSTON TX

for all local ToolBanks.

PORTLAND OR





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The Cincinnati Community ToolBank Board of Directors and Executive Director Kat Pepmeyer (C) celebrate their grand opening in June 2012

From the President

There is a nearly universal reaction when the representative of a nonprofit visits their local ToolBank for the first time. Prior to becoming a member and actually borrowing ToolBank tools, their expectations can best be described as “cautious”. They might ask “Will we be able to borrow five shovels and five wheelbarrows? It’s a big project.” Then they come to the ToolBank to pick up the tools - and everything changes.

The ToolBank has become synonymous with “tool abundance”, the name we have for access to virtually limitless tools available at a nominal cost. Tool abundance transforms the way charities and their volunteers approach service to their communities. However, the truly disruptive effect that ToolBanks have on the nonprofit sector is by removing traditional obstacles to nonprofit effectiveness. By ensuring that clean, operational, and high-quality tools are always ready for service, ToolBanks elevate the expectations of the service sector for what can be achieved.

A ToolBank is much more than a warehouse stuffed with tools, and staffers dedicated to providing exceptional customer service. The ToolBank is an invitation to America’s service sector to transcend expectations. The ToolBank is a challenge to all of us – to think bigger, bolder and braver than ever before.



Nick Costides

2012 ToolBank USA Board President



ToolBank USA President Nick Costides (L), Baltimore Mayor Stephanie Rawlings - Blake, and ToolBank USA CEO Mark Brodbeck at the grand opening of the Baltimore Community ToolBank in June 2012

From the CEO

I am delighted to share with you the achievements of ToolBank USA and our incredible network in 2012. The ToolBank movement is one of the most powerful forces shaping American volunteerism today. Over the course of a single year, the number of ToolBanks open for lending has doubled, and the number of ToolBanks in the development pipeline also doubled. We have high hopes that another geometric increase of operating ToolBanks will take place in the next two years, as we race to meet demand.

ToolBank USA board and staff work feverishly to articulate and operationalize our unique position as a scaling instrument. We pursue the benefits of purchasing power, field-tested practices, and active sharing of proven development strategies. Between actions, we spend an inordinate amount of time listening to and observing our customers - the ToolBanks themselves - for a better understanding of their unique needs, limitations, and interests.

All the while, ToolBanks loaned more than \$1.6 million worth of tools to organizations working to build, strengthen and revitalize their communities. The presence of ToolBanks is transforming how Americans engage in civic service. And while ToolBanks define nonprofit excellence in their local community, ToolBank USA strives to define excellence on the national stage. Thank you for participating in this exciting movement!



Mark Brodbeck

Chief Executive Officer, ToolBank USA

**Dozens of Home Depot volunteers and blue tools
from the Charlotte Community ToolBank
beautify a public school**





In its first 12 months of tool lending, the Charlotte ToolBank loaned \$95,000 worth of tools to local charities. Year 2 brought that total to \$278,000, a 193% increase

Achievements

Growing ToolBank Impact

ToolBank tools are fueling more projects every year in new cities across the country, and 2012 was no exception. More than \$1.66 million worth of tools and equipment left ToolBanks in the hands of 72,658 volunteers for community revitalization projects – and then came back! Volunteer demand for ToolBank tools in 2012 increased 39% over 2011. This dramatic growth was a result of two components. The first was increased impact at both the Atlanta and Charlotte ToolBanks, and the second was the advent of two new ToolBanks lending tools in Baltimore and Cincinnati.

The spark that inspired the four operating ToolBanks leapt to other cities in 2012. Leadership teams in Houston and Portland, OR kicked off the development of their ToolBanks with inaugural board meetings and official incorporation into the ToolBank network.

Supporting the ToolBank Network

Affiliate Development Team Expansion

ToolBank USA's affiliate development team is comprised of replication experts, each of whom is responsible for a portfolio of operating and new ToolBanks. The team grew to three members in 2012, with the hire of Sam Aubrey in Phoenix to serve ToolBanks in the mountain-west region. Each Director of Affiliates acts as a mentor and coach to executive directors and board members in each ToolBank, helping all ToolBanks harness the power of the network.

Effectiveness and Value through Scaling

Each ToolBank provides superior customer service to their nonprofit members, and ToolBank USA offers the same for ToolBanks. ToolBank USA's provision of administrative services and operational resources to ToolBanks empowers local staff to focus less on the paperwork, and more on the customer. Our scale allows ToolBanks to enjoy marketing and communications resources such as no-cost website hosting and brochure design, along with training resources for directors and staff alike.

In addition to support services, ToolBank USA fuels the ToolBank network with direct resources. In 2012, ToolBank USA invested \$225,000 in cash and an additional \$210,000 in critical in-kind goods and services directly into ToolBanks, ranging from software development and support, warehouse security system installation and service, IT services and hosting, teleconference hosting, and large-volume tool donations.

ToolBank USA also identifies trusted vendors of goods and services on behalf of the network, and leverages the purchasing power of the growing ToolBank network in support of lower costs. In 2012, ToolBank USA evaluated and selected a trusted audit and tax provider at the request of the ToolBanks.

Standardizing the ToolBank brand and system is one of ToolBank USA's most important responsibilities, embodied in the second release of a fully expanded and revised ToolBank USA Affiliate Operations Manual in October 2012. The Operations Manual is the ToolBank Bible, ensuring that the ToolBank brand and system is expressed consistently and with excellence, regardless of location.

Buckhead Church of Atlanta GA continues to be one of the Atlanta ToolBank's most active member agencies, borrowing \$28,386 worth of tools to equip 1,249 volunteers in several projects throughout 2012



The Innovation Fund

Initially seeded by a generous grant from The Home Depot Foundation in 2011, ToolBank USA created The Innovation Fund to promote replicable ideas at the local level that would strengthen the ToolBank system across the entire network. Projects funded in 2011 include a customization of the Salesforce.com customer relationship management system, pioneered by the Atlanta ToolBank. During the 2012 round of funding, the ToolBank USA Advisory Council awarded a total of \$40,000 in Innovation Fund grants, investing in projects ranging from the development of a robust tool dictionary to targeted professional development opportunities for ToolBank Executive Directors.

ToolBank Network Summit

In February 2012, ToolBank USA held the first annual ToolBank Network Summit, drawing veteran and emerging leaders from seven cities. ToolBank directors and staff gathered in Atlanta for 2 ½ days of leadership training, best practices dissemination, and inspiring fellowship with those who share the ToolBank passion.

Strengthening the National Organization

Board Development

2012 saw the addition of two new directors and the conclusion of service for two long-serving directors. Shelley Goodman was elected to the board in February. Shelley is VP of Sales Operations for **AT&T**, based out of Chicago. ToolBank USA also welcomed Helen Vollmer to the board; Helen is president of **Edelman's** southwest region and is based out of Houston.

Betsy Holland and Corky Martin bid farewell to the board in 2012. Betsy had served as President of the Atlanta ToolBank prior to serving on the ToolBank USA board; and Corky was ToolBank USA's Immediate Past President during 2012.



**The inaugural board
of the Houston Community
ToolBank, incorporated
in September 2012**

ToolBank Disaster Services

In 2012 ToolBank USA undertook a comprehensive evaluation of our potential entrance into disaster response and recovery services. Local ToolBanks have been lending tools to volunteer organizations responding to disasters, but the feasibility of delivering *Tools for Change* to disaster sites far from any ToolBank remained out of reach. With support from **The UPS Foundation** and **Stanley Black & Decker**, ToolBank USA commissioned a study by **Booz Allen Hamilton** to explore the feasibility and structure of disaster response programming. The Booz Allen study collected input from potential partners in business, nonprofits, federal, state and local government and the military. The board decided that a disaster services program was firmly within ToolBank USA's mission, and would be a valuable addition to the nation's disaster response infrastructure. Before the end of 2012, ToolBank USA had purchased and began customizing a 53' trailer that will serve as the first-ever mobile response ToolBank, set for launch in 2013.

Fundraising

ToolBank USA enjoyed modest development success in 2012, with a 6% increase in development income over the prior year. Our core investors re-upped during the year: **Stanley Black & Decker**, **The UPS Foundation** and the **Home Depot Foundation** collectively provided more than \$500,000 in direct cash investment, as well as significant in-kind contributions. **REM Enterprise Solutions** reprised its lead role in donating more than \$100,000 in software development and support services to the ToolBank network, and generous donations from **Kilpatrick Townsend**, **Datapipe**, **Salesforce.com**, **Stanley Convergent Security Solutions**, and **MultiPoint Communications** kept ToolBank growth soundly supported.



Cincinnati ToolBank tools and volunteers from The Brickman Group and United Way of Greater Cincinnati and the Long Term Recovery Committee in Northern Kentucky planted trees for the families affected by a tornado that struck in March 2012.

Board of Directors

As of Dec 31 2012

Nick Costides

President

UPS

I.T. Executive

Rupert Barkoff

Kilpatrick Townsend LLP

Partner

Robert Mason

REM Enterprise Solutions

Chief Executive Officer

Timothy Perra

Vice President

Stanley Black & Decker

Director, Global Communications

Steve Deputy

BlueLinx

Regional Vice President

Andrew Sohn

Bank of America

SVP, Technologies Strategy

Shelley Goodman

AT&T

VP, Sales Ops

John E. Walker

Syniverse

VP, Marketing Communications

Dan Webber

Treasurer

Prime Holding BV

Chief Information Officer

Corky Martin

The Home Depot

Director, Global Sourcing

Regenia R. Sanders

Secretary

SSA & Company

Senior Director

Advisory Council

Bob Burman

UPS

Jennifer Higgins

J. Allen Mast

SunTrust

Adria Perez Douglas

Kilpatrick Townsend LLP

Heather Pritchard

The Home Depot

Len Al Haas

Haas Consulting

Affiliate Board Officers

As of Dec 31 2012

Atlanta GA

Chris J. Sears President SunTrust Community Capital, LLC	Thomas Kesler Vice President Kilpatrick Townsend LLP	Eileen O'Connor Doran Treasurer Federal Home Loan Bank of Atlanta	Kelli Bourgeois, Secretary Extended Stay Hotels
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Baltimore MD

Robert Raff President Stanley Black & Decker	Steve Anstett Vice President American Wood Moulding	Michele Ivy Treasurer UPS	Robert Cattaneo Secretary Miles & Stockbridge, LLP
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Charlotte NC

John Reinke President The Home Depot	Raj Natarajan Vice President McGuireWoods LLP	Doug M. Smith Treasurer Fifth Third Bank	Drew Leyes Secretary Womble Carlyle
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Cincinnati OH

Douglas Adams President PNC Bank	Jeff Soulé Vice President UPS	Robert Ramsay Treasurer Barnes Dennig	Joe Hansbauer Secretary UGIVE.org
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Houston TX

Brian Liczwek President The Home Depot	Alex Hernandez Vice President Scott's Miracle-Gro	Lance Cumberland Treasurer Bank of America	Jaime Martinez Secretary Spectrum Brands
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Portland OR

Chris Reinkemeyer President UPS	John Wied Vice President Walsh Construction	Kevin Tabor Treasurer TransAmerica	Erin Bullard Secretary Travelers
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2012 Statement of Activity

Revised September 2014

	<u>Unrestricted Net Assets</u>	<u>Temporarily Restricted Net Assets</u>	<u>Total Net Assets</u>
<u>Support and revenue:</u>			
Contributions	\$ 532,701	201,757	\$ 734,458
Interest income	<u>244</u>	<u>-</u>	<u>244</u>
Total support and revenues	532,945	201,757	734,702
Net assets released from restriction	<u>486,246</u>	<u>(486,246)</u>	<u>-</u>
Total support, revenue and net assets released from restriction	<u>1,019,191</u>	<u>(284,489)</u>	<u>734,702</u>
<u>Expenses:</u>			
Program	710,695	-	710,695
General and administrative	85,515	-	85,515
Fundraising	<u>51,509</u>	<u>-</u>	<u>51,509</u>
Total expenses	<u>847,719</u>	<u>-</u>	<u>847,719</u>
Increase (decrease) in net assets	171,472	(284,489)	(113,017)
Net assets, beginning of year	<u>351,033</u>	<u>860,045</u>	<u>1,211,078</u>
Net assets, end of year	<u>\$ 522,505</u>	<u>\$ 575,556</u>	<u>\$ 1,098,061</u>

2012 Functional Expenses

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>
Advertising and promotion	\$ -	\$ 567	\$ 567
Bank service charges	-	420	-
Board expenses	-	260	-
Computer equipment and software	19,915	-	-
Depreciation	140,649	-	-
Direct program costs	229,922	-	-
Dues and subscriptions	-	767	-
Insurance	-	2,855	-
Miscellaneous administrative	-	2,294	-
Office rent	4,810	1,690	1,300
Office expenses	-	624	-
Payroll and benefits	259,131	65,894	49,483
Professional services	20,646	9,825	-
Training	1,530	-	-
Travel	31,301	-	-
Utilities	<u>2,791</u>	<u>319</u>	<u>159</u>
Total expenses	<u>\$ 710,695</u>	<u>\$ 85,515</u>	<u>\$ 51,509</u>

Investors



Founding funder

StanleyBlack&Decker



\$5000+ Timothy Perra

Anonymous

\$2500+ MultiPoint Communications

Adria Perez Douglas

\$1000+ Rupert Barkoff
Mark & Stacy Brodbeck
Nick Costides
Steve Deputy

Robert & Wanda Mason
Regenia Sanders
John E. Walker

\$500+ BlueLinx Corp.
Tom & Kristin Clyde
Shelley Goodman
Michelle & Michael Hawkins

Karen & Eugene Lynch
Staci & Kevin Lynch
Andrew Sohn
Dan Webber

\$100+ Sam Aubrey
Len Al Haas
Turner Broadcasting System

Andy & Ana Ivey
Jill Redman