



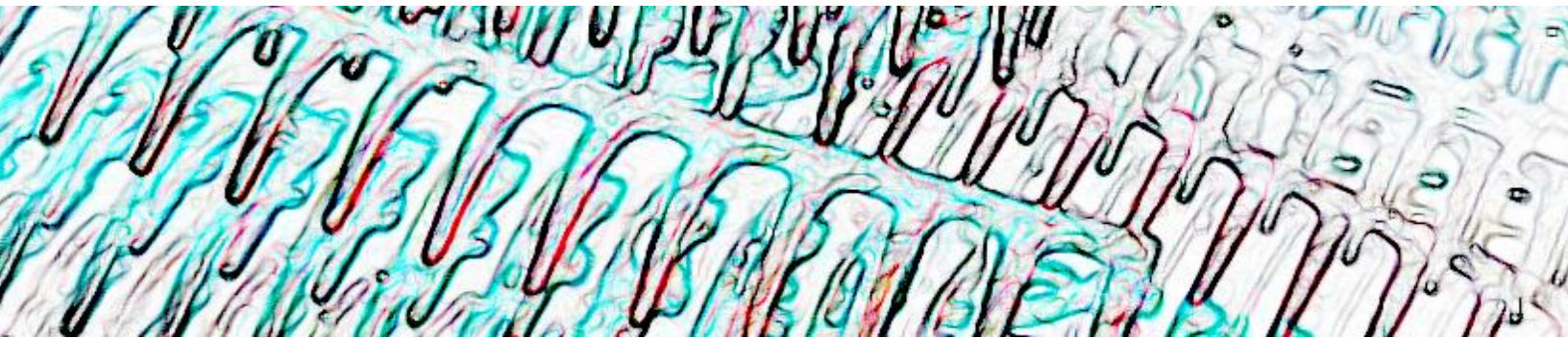
2011 Annual Report



2011 Annual Report Table of Contents

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ToolBank USA strengthens local communities through the collaborative establishment of ToolBanks across the United States, and the provision of infrastructure support to promote consistency and excellence for all ToolBanks.



Letter from the President

Transformation was the key theme for ToolBank USA in 2011. Our transformation from a beloved local institution could only occur when the Atlanta ToolBank could claim its first fellow affiliate. We opened the doors of our first pilot affiliate in Charlotte, replicating the ToolBank model and beginning the journey of building out the national network of ToolBanks.

The national ToolBank movement has the power to transform the way volunteers serve their communities. Envision a day when abundant access to high-quality equipment is never again a barrier to citizen service in schools, parks and neighborhoods. Envision a day when volunteering is a more richly satisfying endeavor for people of all skill levels. Envision a day when nonprofits everywhere make more effective use of their resources by borrowing tools only when needed, leaving inventory and maintenance expenses to their local ToolBank.

The network of leaders in the ToolBank movement grew at a greater pace in 2011 than ever before. With the opening of the Charlotte ToolBank, the network of users and fans of the ToolBank has begun to grow across the nation as well. We count you among our supporters and we thank you for taking the time to look back at 2011 with us.

Respectfully,

A handwritten signature in black ink, appearing to read 'Nick Costides', with a long, sweeping horizontal stroke extending to the right.

Nick Costides

2012 ToolBank USA Board President

Letter from the CEO

The ToolBank is a very simple idea. Its simplicity sparkles irresistibly, like a diamond, attracting new champions from parts unknown every day.

It's ironic that, for all its simplicity, the ToolBank style of tool sharing is the product of staggering complexity. National replication, multiple volunteer boards, cross-sector network cultivation, and brand management somehow mesh together to fortify - and protect - the simplicity of the ToolBank. Somehow, it all works.

Here's the best part: *it really works!* This was my realization as we cheered for the Grand Opening of the Charlotte ToolBank in March of 2011. The brave Charlotte ToolBank Board and staff competently navigated a road map, drawn - and revised almost daily - by ToolBank USA, to a place none of us had been: *a brand new ToolBank*. Their pride in ownership is palpable, having loaned nearly \$100,000 in tools to Charlotte charities in 2011.

We're on the verge of grand openings in Baltimore and Cincinnati. The Atlanta ToolBank continues to inspire new ToolBanks, lending over a million dollars in tools in 2011 and working tirelessly with ToolBank USA to nail down policy. Lessons aren't simply learned: lessons are meticulously documented and shared with ToolBank champions in new cities. Growing tool abundance is fortified by growing program experience. Each ToolBank is brought online faster and with greater efficiency through the sharing of ToolBank wisdom and the collaborative spirit. We have grown from a small group of hopefuls to hundreds of avid ToolBankers in cities from coast to coast, all marveling at ToolBank simplicity and the realized potential of the ToolBank network's impact.

The timing simply couldn't be better, as our country turns the page in search of brighter days. The ToolBank is ready to get to work across America, in partnership with citizens who yearn for a stronger community. It's that simple.



Mark Brodbeck
CEO ToolBank USA

2011 Board of Directors

As of Dec 31, 2011

Corky Martin

President

The Home Depot
Product Development Merchant:
Global Sourcing

Nick Costides

Vice President

UPS
Information Technology Executive

Dan Webber

Treasurer

Prime Holdings BV
Chief Information Officer

Andrew Sohn

Secretary

Bank of America
SVP, Technologies Strategy

Rupert Barkoff

Kilpatrick Townsend LLP
Partner

Steve Deputy

BlueLinx
Regional Vice President

Betsy Holland

Turner Broadcasting System
Director of Corporate Responsibility

Robert Mason

REM Enterprise Solutions
Chief Executive Officer

Adria Perez

Kilpatrick Townsend LLP
Attorney

Timothy Perra

Stanley Black & Decker
Director, Global Communications

Regenia R. Sanders

Accenture
Senior Manager

John E. Walker

Syniverse
VP, Marketing Communications

Affiliate Boards of Directors

As of Dec 31, 2011

Atlanta

Cavelle Benjamin , President GE Energy	Andrew R. Allen Alston + Bird LLP	Robert Lanier Sto Corp	Brad Sand UPS
Thomas Kesler , Vice President Kilpatrick Townsend LLP	Louise Cherry Earthlink	LaTasha McKenzie Mack, Ph.D. Veteran's Health Administration	Chris J. Sears SunTrust Community Capital, LLC
Marsha Ward , VP Capital Development Attorney	Patricia Darroch Verizon Services Operations	Jim Montembeau AES Executive Search	Mike Shanlever Alston + Bird LLP
Kelli Bourgeois , Secretary Community Volunteer	Cynthia C. Goodwin Federal Reserve Bank of Atlanta	Cary W. Potts Woodland Capital	Chas White Stanley Black & Decker
Eileen O'Connor Doran , Treasurer Federal Home Loan Bank of Atlanta	Jefferson T. Hancock Accenture	Jim Recore The Home Depot	Dave Woelber ALLURE Event & Meeting Productions
	Shana Keith Cbeyond		

Baltimore

Robert Raff , President Stanley Black & Decker	Robert Cattaneo , Secretary Miles & Stockbridge, LLP	Kristi Betz IMRE Marketing	David Gibbons LGM International
Steve Anstett , Vice President American Wood Moulding	John Bacci Foundation Financial Advisors	Chris Dyckman Mercer HR & Benefits	Les Ireland Consultant
Michele Ivy , Treasurer UPS	Jennifer Bernhard Kerner Maryland Governor's Office on Service & Volunteerism	Jim Emge The Home Depot	Paul Rishar M & T Bank
		John Enny Baltimore Red Line	

Charlotte

Mark A. Ortiz , President The Home Depot	Kelly Jo Caldwell Balfour Beatty Construction	Drew Leyes Alston & Bird LLP	Bill Pitesa Duke Energy
John Reinke , Vice President The Home Depot	Maria D. Curran , SPHR Patterson Pope	Bryan Manges Piedmont Natural Gas	Leslie Rink United Way Central Carolinas
Susan Nunamaker , Treasurer Grant Thornton LLP	Brian M. Davis Virtual Law Partners LLP	Raj Natarajan McGuireWoods LLP	Brian Whisnant Deloitte and Touche LLP
Doug M. Smith , Secretary Fifth Third Bank	Doug Hulse Bank of America		

Cincinnati

Douglas Adams , President PNC Bank	Doug Brauch Scripps Networks Interactive	Ron Henlein	Jim Leister GE Aviation
Jeff Soulé , Vice President UPS	Gerald Checco Cincinnati Parks Board	Brie Janke Procter & Gamble	Jim Neyer Al. Neyer Inc.
Robert Ramsay , Treasurer Barnes Dennig	Katie Flynn Marsh & McLennan	Dennis Loje Ethicon Endo-Surgery Inc.	Johnmark Oudersluys Citylink Center
Joe Hansbauer , Secretary UGIVE.org	Paul Haitsch The Home Depot	Jeff Moore Baldwin Gilman LLC	Mike Schneider Baker Concrete
Allison Kloos Macy's			

Achievements

ToolBank USA enjoyed several milestones in 2011. The year began with the Grand Opening of the Charlotte ToolBank, and ended with the 20th Anniversary celebration for the Atlanta ToolBank. The ToolBank USA Operations Manual was further improved, with input from each affiliate into the blueprint for ToolBank replication nationwide, while more than half a dozen local leadership teams worked on developing Formation Stage ToolBanks.

Affiliate #001: Atlanta Community ToolBank

The Atlanta ToolBank celebrated its 20th Anniversary during 2011 and continued their active engagement in the strengthening of the ToolBank network. Part of aligning the unique legacy of the Atlanta ToolBank with the national ToolBank network included the release of a home repair program external to its core function of tool lending. Under the leadership of Board President Cavelle Benjamin of GE Energy and Executive Director Patty Russart, the Atlanta ToolBank continued the alignment of program operations with the ToolBank USA Operations Manual in order to serve as an example for fellow affiliates. The Atlanta ToolBank also served as the network's training ground by hosting the first ToolBank University, where new affiliate executive directors experience on-the-job training. As the charter affiliate of ToolBank USA, the Atlanta Community ToolBank served as an invaluable policy consultant on mature aspects of the ToolBank model. Their program impact continues to inspire new ToolBanks, equipping 46,401 volunteers and lending more than a million dollars in equipment in 2011.

Affiliate #002: Charlotte Community ToolBank

As the first new affiliate of ToolBank USA, the Charlotte ToolBank began lending tools in spring 2011. Having served as the pilot for the ToolBank replication process, the Charlotte leadership provided a test case for enhancement of the model throughout the year. Executive Director Angela Parks and Board President Brian Davis of Virtual Law Partners provided invaluable feedback to ToolBank USA and laid the groundwork for expanded resource development in the areas of training, outreach, fundraising and board management - all of which were successfully integrated into the development of the Baltimore and Cincinnati affiliates. As the first new ToolBank USA Affiliate, the Charlotte ToolBank was the perfect setting to isolate and address areas needing strategic development in the replication and operations model. By successfully addressing those items, the foundation for success for the Charlotte Community ToolBank has been established as they prepare to celebrate their 1 year

anniversary in March 2012. The Charlotte ToolBank enjoyed impact of its own, equipping 5,589 volunteers and lending over \$93,000 worth of tools to the Charlotte community.

Affiliate #003: Baltimore Community ToolBank

The Baltimore ToolBank offers a glimpse of the enhanced and improved replication model developed through key lessons from the establishment of the Charlotte ToolBank. The Baltimore ToolBank, with Stanley Black & Decker's Robert Raff serving as Board President, experienced great momentum during the Procurement Stage, in which the board raised over \$175,000 to cover startup expenses and twelve months of program operations. This achievement unlocked a key step in the replication road map: Baltimore ToolBank Executive Director Cassi Champion was hired in November. Ms. Champion received her initial ToolBank University training at the Atlanta Community ToolBank in the fourth quarter, and returned home to finalize their facility acquisition process. The Baltimore ToolBank Board and staff are working closely with ToolBank USA to achieve their Grand Opening in the summer of 2012.

Affiliate #004: Cincinnati Community ToolBank

The fourth ToolBank affiliate in the ever-expanding network, Cincinnati capitalized on all previous lessons and set new records for startup formation timing and fundraising goals. Local ToolBank champions assembled a body of 20 directors in almost 60 days, incorporated in March, and had secured \$175,000 in initial funds by December 2011. With these critical steps completed in record time, Board President Doug Adams of PNC Bank and the Board conducted a rigorous recruitment process, identifying Kat Pepmeyer as their Executive Director. Kat will start her new role in January 2012, leading the board toward a Grand Opening in the summer.

Network-wide tool tracking platform

In August of 2011, ToolBank USA's scalable, web-based tool tracking platform known as LFNT (borrowing from the adage that 'an elephant never forgets') turned one year old. ToolBank USA administers and develops the LFNT platform, reducing cost and time expenses for each ToolBank USA Affiliate. LFNT encompasses membership management, manages online tool orders, sends email alerts to borrowers in the event of overdue tools, and boasts a robust reporting capacity. The Atlanta ToolBank staffers were the sole users during LFNT's first six months of operations, providing an invaluable stream of "in the field" testing and improvement ideas. In March of 2011, the platform's scalability was demonstrated when the Charlotte ToolBank opened its doors. ToolBank USA will initiate purposeful and continuous

platform improvement dialogues with its affiliates in 2012, now that the core functionality of the platform has been thoroughly field-tested.

LFNt was designed by a volunteer team of UPS IT specialists led by led by Nick Costides, and Dan Webber of the ToolBank USA Board. The UPS Foundation invested \$135,000 in September 2009 to fully cover the platform's initial construction. REM Enterprise Solutions performed the lion's share of initial LFNt development and has energetically championed its progress, donating nearly a quarter of a million dollars in development services to date.

A Growing Team

ToolBank USA welcomed Jill Redman to the team as the second Director of Affiliates in 2011. Jill assumed responsibility for shepherding the newly incorporated Cincinnati Community ToolBank through its early stages of raising requisite funds to begin tool lending operations. Jill has been a fundraising officer for more than 10 years with affiliates of national nonprofits in the housing development and youth services fields.

The ToolBank network welcomed volunteer leaders in many markets. New directors joined the Board of ToolBank USA and each of its operating and incorporated affiliates as well as the formation teams working to establish ToolBanks in expansion markets.

Innovation Fund

The Innovation Fund is a tool created by ToolBank USA to encourage and reward innovative thinking and action across the national ToolBank network. The ToolBank movement will honor our roots by instilling and supporting a culture of continuous improvement across the network. ToolBank USA established the Innovation Fund in 2011 with the backing of The Home Depot Foundation. The Innovation Fund is a competitive capital source that is used to fund proposals from ToolBanks for new ideas. The Charlotte ToolBank received a \$15,000 Innovation Fund investment to reach new customers through advertising techniques. The Atlanta ToolBank received a \$15,000 Innovation Fund investment to develop and implement a single constituent relationship management system.

Fundraising

ToolBank USA raised \$625,718 in 2011, which is a 9% growth in revenue realized, compared to 2010. Major corporate partnerships, including those with The Home Depot, Stanley Black &

Decker and UPS, again led the way with the largest donations to ToolBank USA. Of the total fundraising revenue ToolBank USA achieved in 2011, corporate sponsorships comprised 96% of the total, which mirrors 2010.

Several significant contributions came in the form of donations of integral services, including Datapipe's donation of managed hosting valued at \$25,000 a year, Kilpatrick Townsend's donation of office and meeting space as well as pro bono counsel, REM Enterprise Solutions donation of enterprise software development valued at \$103,000, Edelman's donation of P.R. services, and MultiPoint Communications' donation of teleconferencing services. In-kind donations have allowed ToolBank USA to operate with an efficiency and professionalism beyond the norm for an organization of its size.

In 2012 ToolBank USA will work to continue to grow overall fundraising revenues by achieving increased investment from each market segment (corporations, foundations and individuals), and to continue to diversify and balance its portfolio of investors to sustain long-term growth and mitigate risk related to concentration of revenue sources.

2011 Donors



Founding funder

StanleyBlack&Decker



\$5000+ Timothy Perra

\$2000+ Corky Martin
Neal & Lisa Newsome Fund

Adria Perez

\$1000+ Bank of America
Mark & Stacy Brodbeck
Steve Deputy
Robert & Wanda Mason

MultiPoint Communications
Andrew Sohn
John E. Walker

\$500+ BlueLinx Corp.
Tom & Kristin Clyde
Nick Costides
Michelle & Michael Hawkins

Karen & Eugene Lynch
Staci & Kevin Lynch
Regenia Sanders
Dan Webber

\$100+ Ann Elliott
Steve & Marla Grove
Len Al Haas

Jennifer & Chris Higgins
Jill Redman
Eric Rosen

Financial Summaries

Statement of Financial Position

Year Ended 12/31

	<u>2011</u>	<u>2010</u>
ASSETS		
Total Cash & Equivalents	440,663.83	390,265.41
Other Current Assets		
Contribution Receivable	0.00	100,000.00
Due from Affiliates	1,578.75	0.00
Pledge Receivable	<u>600,000.00</u>	<u>800,000.00</u>
Total Other Current Assets	<u>601,578.75</u>	<u>900,000.00</u>
 Total Current Assets	 1,042,242.58	 1,290,265.41
 Fixed Assets		
Accumulated Amortization	-90,166.67	-27,500.00
Accumulated Depreciation	-1,180.72	-799.29
Furniture and Equipment	1,907.11	1,907.11
Software	<u>291,750.00</u>	<u>188,000.00</u>
Total Fixed Assets	<u>202,309.72</u>	<u>161,607.82</u>
 TOTAL ASSETS	 <u>1,244,552.30</u>	 <u>1,451,873.23</u>
 LIABILITIES & EQUITY		
Equity		
Unrestricted Net Assets	1,451,873.23	367,429.99
Net Income	<u>-207,320.93</u>	<u>1,084,443.24</u>
Total Equity	<u>1,244,552.30</u>	<u>1,451,873.23</u>
 TOTAL LIABILITIES & EQUITY	 <u>1,244,552.30</u>	 <u>1,451,873.23</u>

Financial Summaries

Statement of Activities

Year Ended 12/31

	<u>2,011</u>	<u>2,010</u>
Income		
Contributions - In Kind	165,177	14,000
Contributions - Restricted	210,760	146,040
Contributions - Unrestricted	354,305	446,750
Other Income	<u>1,525</u>	<u>487</u>
Total Income	731,767	607,277
Expense		
Total Direct Program Costs	417,614	277,226
Total Support Services Costs	221,472	129,700
Total Expense	<u>639,086</u>	<u>406,926</u>
Net Income	<u>92,681</u>	<u>200,351</u>

Accounting performed by

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