



FeelGood
Results of Operation
Fiscal Year Ending December 31, 2007

SUMMARY:

2007 marks another year of impressive achievement both in terms of dollars raised and progress made toward targets set within our 5 year strategic plan. The following results are an example of the successes and challenges met during fiscal 2007.

CONTRIBUTIONS:

Total contributions increased by 62% or \$52,000 over last year, excluding funds raised through sales of apparel and special events. Most impressive within this category of direct contributions were 1) concession sales, 2) direct donor support and 3) our new fundraising campaign:

1) Concession sales by Universities – University contributions were up 67% or \$14,500 over last year. This was due, in part to continued stellar leadership at the University of Vermont as well as the launching of 11 new University Chapters. Although many of these new universities will take some time to get up and running at a profit, their addition has bolstered the morale of our existing universities and has energized the entire community of student leaders.

2) Non University Donor Support - Broadening the base of support by non university donors is an important area of growth for FeelGood and which serves as a measure of successful advocacy and support for Smart Development. Growth in this area was 38% or \$23,000 over last year.

Concession Sales University			
	Clemson University		1,228.35
	Columbia University		1,719.80
	University of Texas		3,437.74
	University of Texas		29,282.46
	Total for Concession Sales University		\$35,668.35

3) New Fundraising Initiative - During the year, FeelGood participated in launching a new fundraising initiative; called the “In My Lifetime Campaign” (IMLC or “Campaign”) which generated \$15,230 this year in contributions to the general operating fund. The Campaign is a strategic alliance between The Hunger Project, two Hunger Project Investors and FeelGood, The Campaign is designed to fund up to 10 Hunger Project epicenters. Under the guidelines of the Campaign, FeelGood will be soliciting donors which would not otherwise be able to donate to an epicenter under the current policies of the Hunger Project. Current Hunger Project policy limits earmarking of contributions to



epicenters to single major donors. Due to the scalable nature of the FeelGood community, the Hunger Project has made an exception for the In My Lifetime Campaign and looks to FeelGood as the single provider of any and all pledges and donations less than the requisite \$500,000. Once the total \$500,000 has been identified, including combined pledges and gifts, the Hunger Project begins the process of securing a location and commits to building an epicenter. With each dollar raised under the IMLC 80% goes directly to funding the epicenter, 10% to The Hunger Project's annual fund and 10% to FeelGood's annual fund.

Donor Detail:

During the current year, Feel Good made some administrative improvements which allows them to more easily track and communicate with their donors. This was accomplished by launching Quickbooks Online in addition to the Salesforce customer relationship module. The web development provided by CITI also now enables the executive director to make modifications on an as needed basis which reduces costs overall. In summary, the break out of our donors is as follows:

<u>Constituencies</u>	<u># of Donors</u>	<u>\$ Raised</u>
Universities	4 (of 17)	\$35,668
Donors	111	81,761
Campaign Donors	24	15,230
Facebook – Just Give	69	1,395
Total Contributing Units:	208	\$134,054

In My Lifetime Campaign

As of 12/31/07, the Campaign has raised \$1,248,750 in support and pledges, broken down into the following categories:

Designated Epicenters	Total 5 Year Pledge	Payments held by FG for THP	Direct Payments to THP	FeelGood % to Operating Fund
Bentley Family	\$ 500,000		\$ 90,000	\$ 10,000
Bentley Company	\$ 61,150	\$ 25,380		\$ 2,820
Bryn Athyn Community	\$ 187,600	\$ 21,690		\$ 2,410
Lemole Family	\$ 500,000			
Grand Total	\$1,248,750	\$ 47,070	\$ 90,000	\$ 15,230

This broadening of public support has provided synergy to both The Hunger Project, introducing them to new and loyal donors, and to FeelGood, by increasing the awareness of chronic hunger and which organizations are most effective in eliminating it through their smart development methodologies.

Other Sources of Funds from Events and Apparel dropped off significantly from the prior year. Where as last year a major donor had offered a significant donation of wine for the purpose of holding a wine auction, there was not a similar opportunity in 2007.



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This event generated \$14,000 in proceeds last year. Given the demands of the IMLC, maintaining the annual fund drive, launching a new website and supporting the recruitment of 11 new university chapters, it was decided that there were not enough resources or staff to hold any significant fundraising events.

For many of the same reasons as stated above, little effort was made to bolster apparel sales during 2007. Apparel sales dropped by just over \$7,000 which was a 71% drop from last year. In 2008, we will need to explore how we can focus some attention in this area, as it has been something that continues to support the FeelGood brand in addition to providing some reasonable margin. It may be especially advantageous to improve in this area, as it provides a good opportunity for those universities that want to get involved but do not have the time or interest in launching a deli. In addition, the apparel serves as a wonderful marketing tool both on the FeelGood website as well as on a growing number of proud FeelGood students, family and friends.

EXPENSES:

2007 was an impressive year from the stand point of controlling costs. Total expenses before distributions increased only 3% from the prior year while contributions increased by 65% during the same period.

Cost of Sales

Total Cost of Goods Sold decreased by just over \$4,000 which is entirely due to the drop in Apparel sales as discussed above.

Cost of Events:

Consistent with the drop in event revenue, the cost of events dropped by just under \$4,000 during 2007

Kiosk Expense:

Kiosk expense dropped by \$6,000, due to a more cost effective solution found in 2007 for the University of Columbia.

Travel, Education & Conference Expenses:

Travel expenses represented 7% of our budget with just over \$5,000. It is becoming increasingly apparent that the growth of the organization depends on making a travel budget available for the executive director to visit universities, assist and inspire students in their commitment to running campus delis, and to attend industry seminars and ongoing education. Our hope is that with organic growth we will be able to meet these demands. This year nothing could have driven this point home more than the positive results we had in funding the travel of our students to attend the annual FeelGood summit in New York City. This event served as a kick off to the In My Lifetime Campaign, to the launching of the FeelGood For Life alumni organization and the strategic session where each University set their financial goals for the Campaign. Clearly we need to have more funds available if we are going to continue to have the kind of success we have had so far.



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Administration Expenses:

Administrative expenses represented 8% of our overall budget which is 2% less than the year before. The total increase in dollars was just over \$2,000 and primarily the result of supporting some or all of the 11 new university chapters acquired this year.

Marketing Expenses:

This year the organization launched its new website and customer relationship management system, which has and will continue to position FeelGoodt to respond to the demands of a growing online community of university students, social networks, (i.e. facebook), and online soliciting for the FeelGood - In My Lifetime Campaign, to fund the FeelGood Epicenter. The cost of this infrastructure was approximately \$8,500.

Payroll Costs:

Payroll remained flat over the year with no new hires and no pay raises. It will be necessary in 2008 to correct this situation with both an increase to the Directors salary and to the possible hiring of support staff.

Distribution to our Strategic Partners

Direct distributions to our Strategic partners increased by approximately \$3,300. FeelGood made a donation of \$42,650 out of the general fund to The Hunger Project in 2007. In addition to this contribution, the Hunger Project received \$90,000 as a result of the In My Lifetime Campaign, in addition to \$40,070 that is being held in a restricted fund on their behalf. In addition to this, the Hunger Project will be receiving the balance of the respective campaign pledges so far or approximately \$987,000 over the next 4-5 years. We expect this amount to increase as we continue our commitment to raising funds and awareness under the umbrella of the In My Lifetime Campaign.

In summary 2007 has been an exciting and eventful year. We are extremely pleased with the financial results and feel comfortable that we are on the path to growth and sustainability.

Respectfully Submitted,

Wendy Walter
Chair, Finance Committee