



Assuring help for people in need.

2002 ANNUAL REPORT

GLOBAL
IMPACT

*formerly known as
International Service Agencies*

Global Impact, formerly known as International Service Agencies, is a not-for-profit organization dedicated to helping the poorest people on earth. Founded in 1956, Global Impact represents 50 of the most respected U.S.-based international charities in workplace giving campaigns across the nation. Among its programs, it also manages the workplace giving campaign for the Department of Defense. Each year, Global Impact and its member agencies build pride, hope and trust in millions of lives affected by poverty, disaster and neglect.



A MESSAGE FROM THE CHAIR

Since our founding 46 years ago, Global Impact has raised \$343 million for U.S.–based charities that are the premier presence around the world. Recently, our growth was fueled by a spirit of caring that has swept the nation since the September 11, 2001 attacks on America. Because people who support international causes also support local charities, people are giving both globally and locally to solve problems.

This year you will notice that we have changed our name from International Service Agencies to Global Impact. Our new name better describes our organization's purpose to make a tangible difference in the lives of the world's most vulnerable citizens. It also reflects the growing desire our donors have to assure help to those in need wherever they may live.

Industry indicators show a growing future for international giving. According to *Giving USA 2002*, a leading tracker of charitable information, support of international affairs organizations rose 13 percent from the previous year while growth in total giving was only one half of a percent.

International philanthropy also supports our global economy. According to *International Economic Policy in an Age of Globalization*, a recent report from the U.S. Department of the Treasury, "As countries escape from poverty, they become the fastest-growing markets for U.S. products. Already, developing countries account for some 42 percent of U.S. exports." Without a doubt, in this environment, Global Impact is positioned for continued and sustained growth in both our workplace campaign revenue and new sources of income.

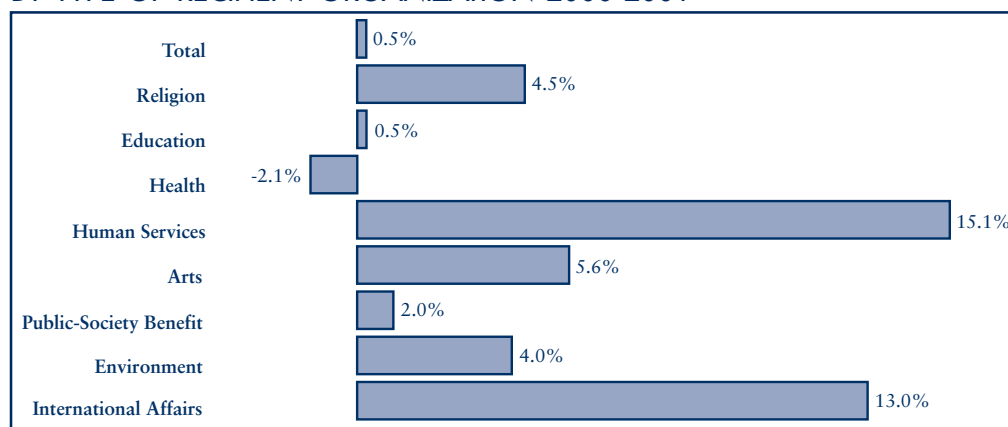
While our name is new, our focus remains the same: To provide a trustworthy, effective and efficient organization through which Americans can direct charitable contributions toward programs that nurture the poorest among us and have a Global Impact.

Sincerely,



David J. Zuercher

CHANGES IN GIVING IN THE U.S. BY TYPE OF RECIENT ORGANIZATION 2000-2001



Percentage Change from Previous Year
Source: AAFRC Trust for Philanthropy/*Giving USA 2002*

A MESSAGE FROM THE PRESIDENT

In a world marked by economic instability and escalating global conflicts, Global Impact, formerly known as International Service Agencies, continues to provide the best way for American citizens and companies to care for the poorest people on earth.

Already much has been done to equip people in need with the education, skills and tools necessary to make progress and build a better future. Our funding contributes to outcomes such as:

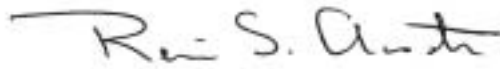
- *Improving Health:* Life expectancy in the developing world over the last 25 years is up 33 percent. Immunizations save 3 million children's lives every year. When children and families are healthy, deadly diseases are reduced or eliminated and our global health improves.
- *Reducing Hunger:* The world's chronically undernourished population has been reduced by 50 percent over the past 20 years. Eradicating hunger helps increase life expectancy and improves productivity.

- *Advancing Literacy:* Literacy rates have increased by 33 percent and primary school enrollment has tripled over the last 25 years. Children who are educated stand a good chance of breaking the cycle of poverty.

- *Providing Jobs:* Small loan programs have helped millions of families start or expand small businesses. With repayment rates typically around 97 percent, these successful programs make self-sufficiency possible.

Each encouraging statistic and success story motivates us to continue. Thanks to our supporters, the future for Global Impact will always be philanthropy without borders and caring without limits. Join us in making a world of difference.

With regards,



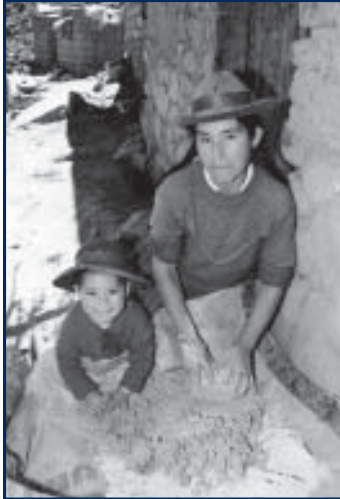
Renée S. Acosta

When children and families are healthy, deadly diseases are reduced or eliminated and our global health improves.



RECENT ACCOMPLISHMENTS

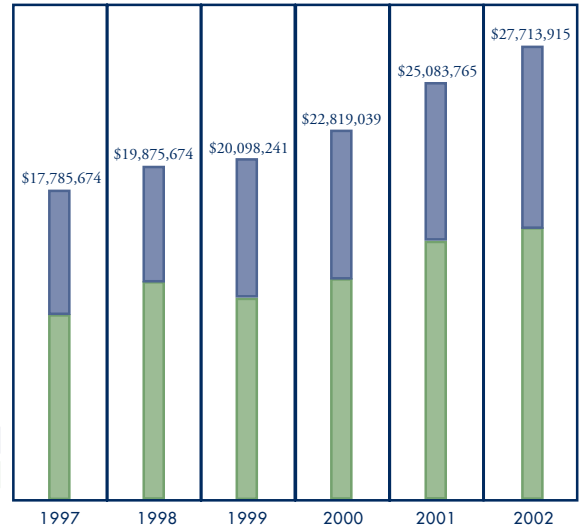
For Global Impact, each fundraising goal it achieves translates into more programs for the poorest people on earth. Every dollar means fewer children will die from preventable diseases. More families will gain economic independence through small business loan programs. Communities will recover more successfully from a disaster. Global Impact is proud to report the following accomplishments for the fiscal year ended June 30, 2002.



Women in developing countries account for two-thirds of today's 900 million illiterate adults. Global Impact member agencies offer literacy classes finding that mothers who attend literacy classes have healthier children.

\$27 MILLION HITS ALL-TIME HIGH MARK

Global Impact raised more than \$27 million during the 2002 fiscal year. The amount raised, which was an increase of 10.5 percent over the previous year, includes \$11.1 million raised as the manager of the Combined Federal Campaign-Overseas.

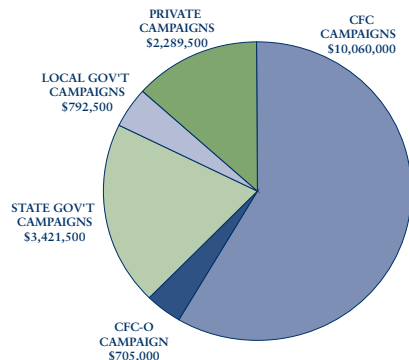


CFC-O Campaign
Domestic Campaign Revenue

WORKPLACE GIVING ON THE RISE

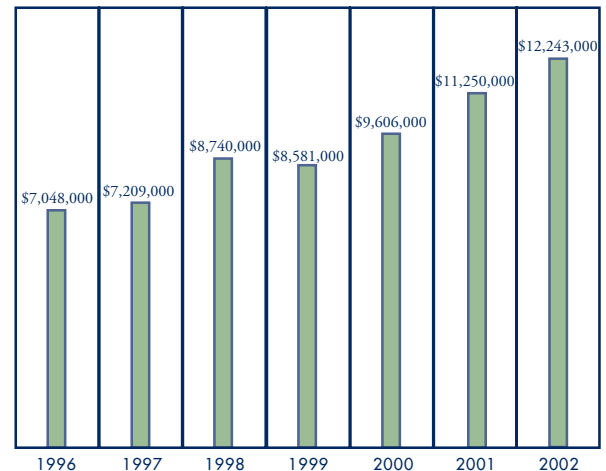
Global Impact benefited from healthy increases in many of its campaign categories this year. Total workplace giving revenue increased by 8.4 percent led by a strong showing in the public sector. Pledges from the federal government's Combined Federal Campaign increased by 11.4 percent, state government pledges increased by 6.2 percent and local government pledges increase by 16.2 percent.

Total Pledges to Global Impact and Member Agencies = \$17,268,500



DISTRIBUTIONS TO MEMBER AGENCIES INCREASE

As a result of Global Impact's commitment to seeking new sources of revenue and its steady focus on the bottom line, Global Impact increased its distribution to its member agencies by nearly \$1 million. This amount directly translates into more programs for people.



GLOBAL IMPACT RUNS EFFICIENTLY

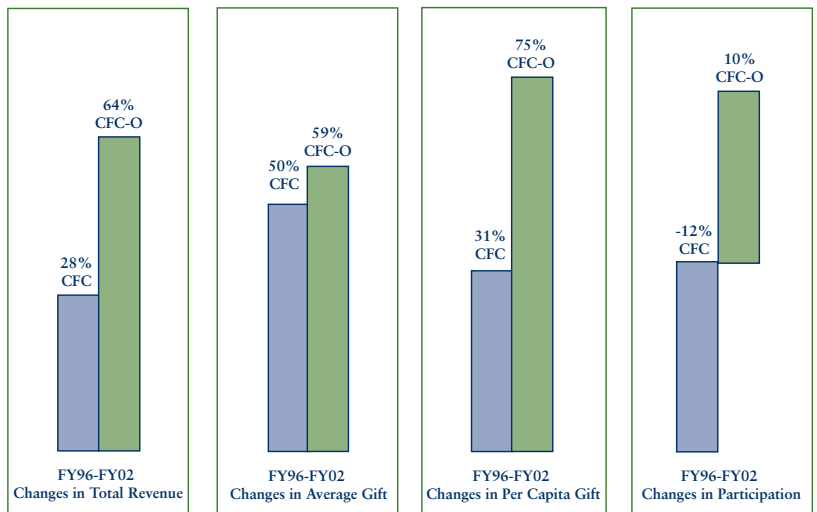
As the workplace giving fundraiser for 50 of America's most respected international agencies, Global Impact's cost-effective management results in more programs for people in need. Global Impact does not charge membership dues or service fees. It simply distributes 82 percent of the contributions it receives to its member agencies. The remainder covers Global Impact's overhead of 12.2 percent, which is substantially under the guidelines established by the Better Business Bureau's BBB Wise Giving Alliance of 35 percent, and its operating costs.

DEPARTMENT OF DEFENSE (DoD) APPOINTS GLOBAL IMPACT TO RUN GIVING CAMPAIGN

For seven consecutive years, DoD has appointed Global Impact to manage the Combined Federal Campaign-Overseas (CFC-O). The CFC-O is the second largest workplace giving campaign out of 360 in the federal system. Since Global Impact assumed management of the campaign, total revenue has increased by 64 percent. The CFC-O also outperforms the federal campaign system average in key categories such as average gift donated, per capita gift and employee participation.

GLOBAL IMPACT SHOWS COMMITMENT

Recognizing the need to lead by example, Global Impact instituted its own workplace giving campaign in 1993. Since then, Global Impact employees have responded generously. Last year, a full 100 percent of the employees participated in the campaign, providing a record-breaking average gift of \$1,232 for a total of \$34,522. Adding to Global Impact's success, its Board of Directors pledged \$39,000.



Global Impact member agencies teach farming techniques and livestock breeding so families have the tools to become self-sufficient.



A SPECIAL THANKS

GLOBAL IMPACT'S DONORS AND VOLUNTEERS

Global Impact is grateful to employee donors and those who served in campaign leadership roles for taking an important, active role in supporting our global community. It takes a special kind of person to help someone in another country you may never meet.

CORPORATE LEADERS

Global Impact extends special recognition to the growing number of companies who are responding to the philanthropic desires and diversity of their employees by offering international giving options. Global Impact thanks the following corporate leaders:

3 Com Corporation
ABN AMRO North America, Inc.
Adobe
Ambrust, Brown & Davis
American Airlines
American Express
AMN-Info Marketing
AT&T
Avon
Axio Research Corporation
Baxter International
CBIZ Business Services, Inc.
CH2M Hill
CNA Insurance
Committee for Children
Consumer's Union
Credit Union of the Pacific
Dell Computer Corporation
Earth Share of Washington
Ecolab
Edison International
Fluor
Fred Hutchinson Cancer Research
Gannett Corporation
Gillette
IBM, Rochester, Minnesota
ICOS Corporation
ING Northern Annuity
International Community Health Services
Keane, Inc.
Lawson Software



Global Impact member agencies help children through sponsorships, education and healthcare programs so they can grow up to lead productive lives.

Please consider adding Global Impact to your workplace giving campaign.

MacArthur Foundation
Microsoft
MillerZell
Molbak's
National Semiconductor
Northeastern University
Novell
Onvia
Padilla Speer Beardsley Inc.
Page Southland Page
Pike Place Market Foundation
Polaroid
Redback Networks
Rockey Company
Sacramento Municipal Utility District (SMUD)
Samsung Austin Semiconductor
Sears, Roebuck and Company
Seattle Cancer Care Alliance
Siemens
State Journal Register
Swidler Berlin Shereff Friedman, LLP
The Write Stuff
Tufts University
USA Today
Vignette
Washingtonpost.com
Wells Fargo
West Group
Wilson, Sonsini, Goodrich & Rosati
Wizards of the Coast
Women's Funding Alliance
Zymo Genetics

UNITED WAY PARTNERSHIPS

Global Impact would like to thank the thousands of employees throughout America who have supported Global Impact and its member agencies through their local United Way. In particular, Global Impact would like to acknowledge four United Ways who have made a world of difference:

United Way of the National Capital Area (Washington, D.C.)
The United Way (San Francisco, CA)
Long Island's United Way (Long Island, NY)
United Way of Southeastern New England (Providence, RI)

MEMBER AGENCIES

ACCION International
 Africa-America Institute
 African Medical & Research Foundation (AMREF)
 Africare
 American Ireland Fund
 American Jewish World Service
 American Leprosy Foundation
 American Near East Refugee Aid (ANERA)
 American Refugee Committee
 AmeriCares
 Boy Scouts of America – Far East Council*
 Boy Scouts of America – Transatlantic Council*
 CARE
 Catholic Relief Services - USCC
 Childreach
 Children, Incorporated
 Children International
 Christian Children's Fund
 Christian Reformed World Relief Committee (CRWRC)
 Church World Service/CROP
 Doctors Without Borders USA
 ECHO
 FINCA International
 Freedom from Hunger
 Girl Scouts of the USA - Overseas*
 Goodwill Global, Inc.
 Health Volunteers Overseas

Heifer Project International
 Helen Keller Worldwide
 International Eye Foundation
 International Orthodox Christian Charities
 International Relief Teams
 International Rescue Committee
 International Youth Foundation
 Lutheran World Relief
 Mercy Corps International
 Near East Foundation
 Opportunity International
 Oxfam America
 Pan American Development Foundation
 Planned Parenthood - World Population
 Population Communications International
 Project HOPE
 Rotary Foundation of Rotary International
 Salvation Army World Service Office (SAWSO)
 Save the Children
 TechnoServe
 UNICEF, U.S. Fund for
 Unitarian Universalist Service Committee
 United Methodist Committee on Relief
 United Seamen's Service
 World Relief Corporation
 World Vision

** Agencies participate in Global Impact only through the Combined Federal Campaign—Overseas (CFC-O)*



With the help of a small loan from a Global Impact member agency, this woman started her own tortilla making business to support her family and take the first steps out of poverty.

MEMBER AGENCY AWARDS AND HONORS

Global Impact member agencies are recognized as some of the best not-for-profit organizations in the country. Below is a partial list of recent awards and honors Global Impact member agencies have received in recognition of their outstanding work:

ACCION International

- One of *Worth Magazine's* 100 Best Charities

African Medical & Research Foundation (AMREF)

- Conrad N. Hilton Humanitarian Prize

Africare

- An American Institute of Philanthropy's Top-Rated Charity

American Near East Refugee Aid (ANERA)

- An American Institute of Philanthropy's Top-Rated Charity

American Refugee Committee

- One of *Worth Magazine's* 100 Best Charities
- An American Institute of Philanthropy's Top-Rated Charity

Catholic Relief Services - USCC

- An American Institute of Philanthropy's Top-Rated Charity

CARE

- One of *Worth Magazine's* 100 Best Charities

Doctors Without Borders USA

- One of *Worth Magazine's* 100 Best Charities
- An American Institute of Philanthropy's Top-Rated Charity
- 1999 Nobel Peace Prize
- Conrad N. Hilton Humanitarian Prize

FINCA International

- One of *Worth Magazine's* 100 Best Charities

Freedom From Hunger

- One of *Worth Magazine's* 100 Best Charities
- An American Institute of Philanthropy's Top-Rated Charity

Heifer Project International

- One of *Worth Magazine's* 100 Best Charities

Health Volunteers Overseas

- Winner of the Associations Advance America Award of Excellence
- Awarded the Daily Points of Light Award

Helen Keller Worldwide

- Global Health Council's Best Practices in Global Health Award

International Rescue Committee

- One of *Worth Magazine's* 100 Best Charities
- An American Institute of Philanthropy's Top-Rated Charity
- Conrad N. Hilton Humanitarian Prize

Mercy Corps International

- One of *Worth Magazine's* 100 Best Charities
- An American Institute of Philanthropy's Top-Rated Charity

Oxfam America

- One of *Worth Magazine's* 100 Best Charities
- An American Institute of Philanthropy's Top-Rated Charity

Population Communications International

- A PCI television drama in China has won six awards, including the equivalent of the Emmy Award for best serial drama
- PCI's program in Kenya won the Population Institute's 22nd Global Media Award in the category of Best Radio Program

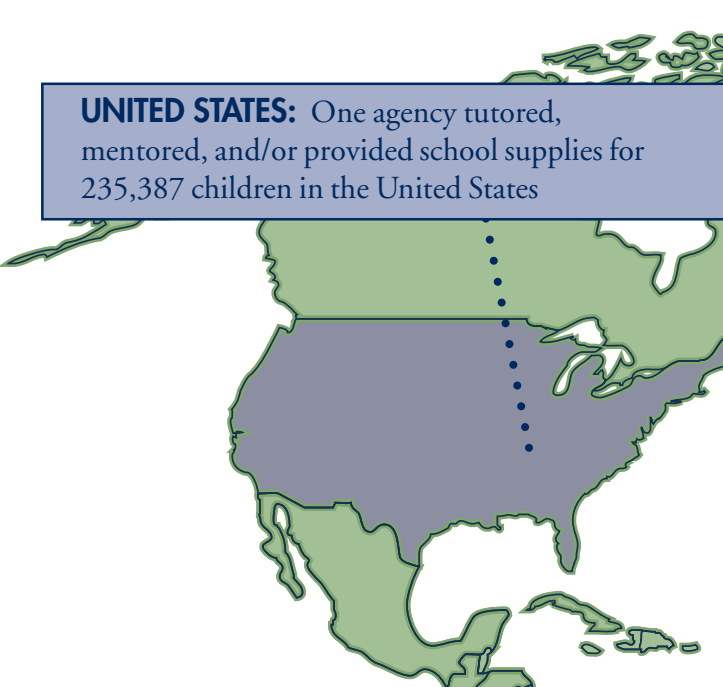
TechnoServe

- One of *Worth Magazine's* 100 Best Charities
- An American Institute of Philanthropy's Top-Rated Charity

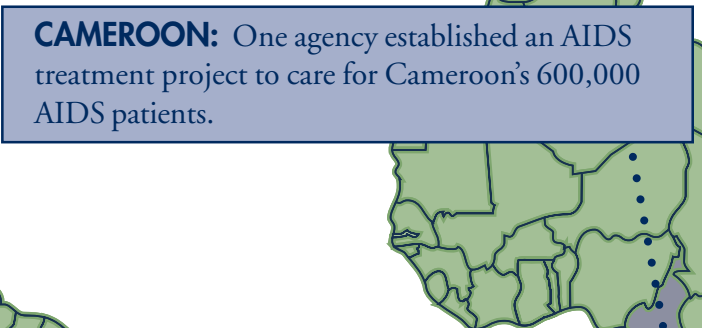
U.S. Fund for UNICEF

- One of *Worth Magazine's* 100 Best Charities

EXAMPLES OF HOW GLOBAL IMPACT MEMBER AGENCIES MAKE A WORLD OF DIFFERENCE



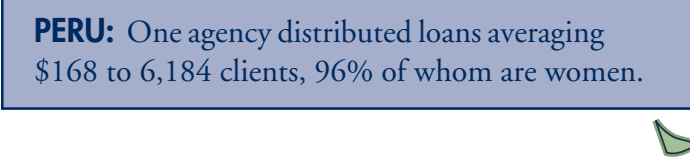
UNITED STATES: One agency tutored, mentored, and/or provided school supplies for 235,387 children in the United States



CAMEROON: One agency established an AIDS treatment project to care for Cameroon's 600,000 AIDS patients.



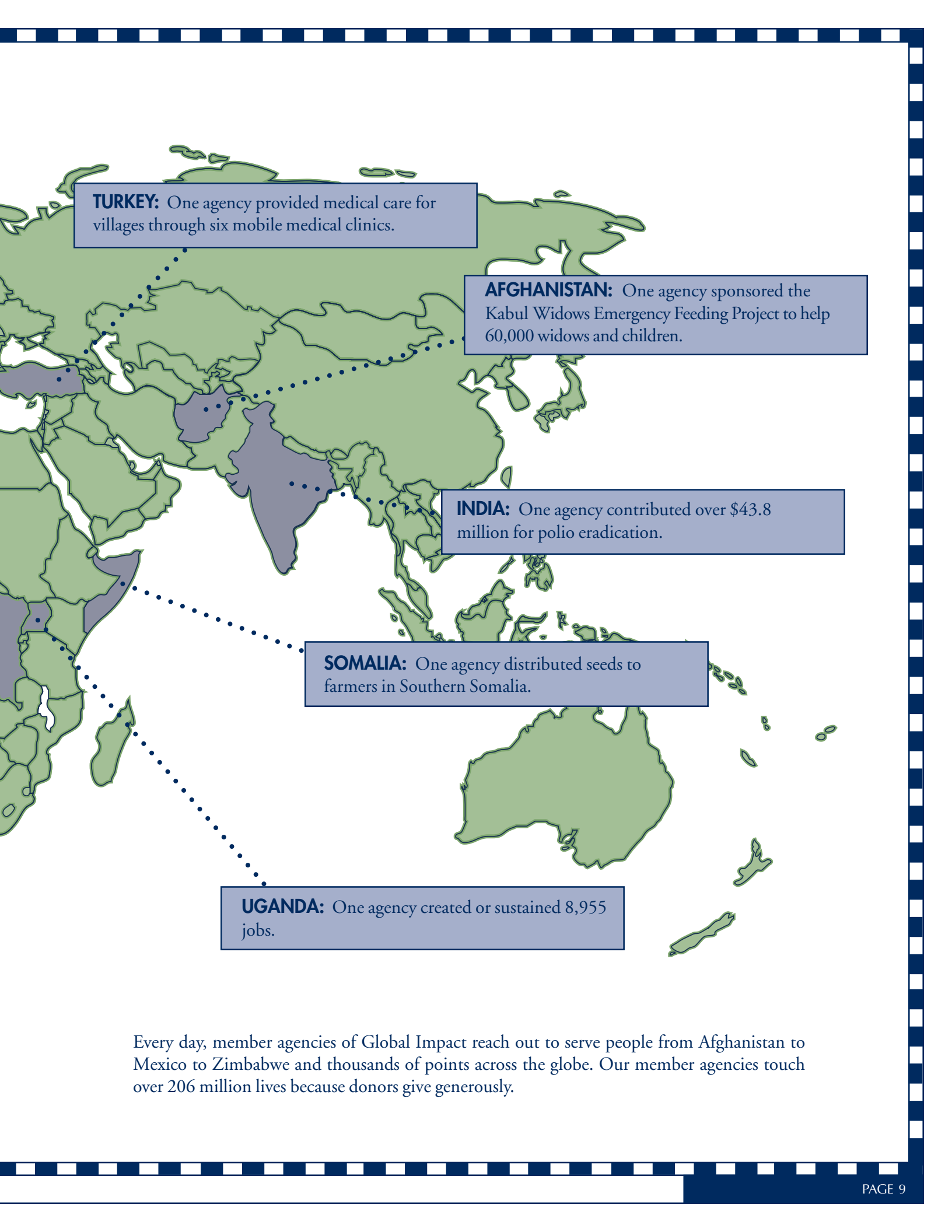
COLOMBIA: One agency sponsored 45,438 children.



PERU: One agency distributed loans averaging \$168 to 6,184 clients, 96% of whom are women.



DEMOCRATIC REPUBLIC OF THE CONGO: One agency provided nutritional care to over 27,000 children.



TURKEY: One agency provided medical care for villages through six mobile medical clinics.

AFGHANISTAN: One agency sponsored the Kabul Widows Emergency Feeding Project to help 60,000 widows and children.

INDIA: One agency contributed over \$43.8 million for polio eradication.

SOMALIA: One agency distributed seeds to farmers in Southern Somalia.

UGANDA: One agency created or sustained 8,955 jobs.

Every day, member agencies of Global Impact reach out to serve people from Afghanistan to Mexico to Zimbabwe and thousands of points across the globe. Our member agencies touch over 206 million lives because donors give generously.

BOARD OF DIRECTORS AND OFFICERS



Mr. David J. Zuercher
Global Impact Board Chair
Executive Vice President & Group Head
Wells Fargo Insurance Services &
International Group



Mr. John Beardsley, APR
Global Impact Board Vice Chair
Counselor in Public Relations



Mr. H. Kenneth Fleishman
Global Impact Board Secretary/Treasurer
President
CBIZ Business Services, Inc.



Ms. Renée Acosta
President
Global Impact

Mr. Albert E. Brill
Deputy Executive Director
Catholic Relief Services - USCC

Mr. Scott Jackson
Senior Vice President Regional Ministry and
Resource Development
World Vision

Ms. Karen R. Johnson
President/CEO
United Ways of Texas

General George A. Joulwan, USA Retired
Arlington, VA

Ms. Nancy A. Kelly
Executive Director
Health Volunteers Overseas

Ms. Maryon Davies Lewis
San Francisco, CA

Mr. Stephen F. Ristow
Falls Church, VA

Mr. William J. Underwood
Sacramento, CA

General Counsel

Mr. Kenneth I. Schaner, Esq.
Swidler Berlin Shereff Friedman, LLP

Global Impact Chief Administrative Personnel

Veronica Miller
Vice President of Marketing/Communications

Stephanie Murphy, CPA
Vice President of Operations

Tom Tobin
Vice President of Resource Development

Melissa Kidder
Combined Federal Campaign-Overseas Director

GLOBAL IMPACT STATEMENTS OF FINANCIAL POSITION AND ACTIVITIES

STATEMENTS OF FINANCIAL POSITION AS OF JUNE 30	2002	2001
ASSETS		
Cash and cash equivalents	\$1,727,892	\$2,462,217
Pledges receivable (net of allowance for uncollectible pledges of \$999,890 and \$980,358, respectively)	10,531,907	9,761,765
Contribution receivable	125,583	-
Due from Combined Federal Campaign-Overseas	1,239,497	126,369
Prepaid expenses and other assets	287,569	152,192
Investments	441,768	447,679
Investments - deferred compensation	285,000	-
Property and equipment, net	78,116	103,117
Total assets	\$14,717,332	\$13,053,339
LIABILITIES AND NET ASSETS		
<i>Liabilities</i>		
Accounts payable	\$103,397	\$201,881
Accrued expenses	146,886	130,540
Deferred compensation liability	285,000	-
Campaign funds payable to member agencies	11,782,501	11,227,651
Line-of-credit	976,803	-
Deferred revenue	84,427	71,985
Deferred rent	8,311	12,298
Capital lease obligations	20,531	23,962
Total liabilities	\$13,407,856	\$11,668,317
<i>Net Assets</i>		
Available for general use	\$432,054	\$633,183
Opportunity fund	751,839	751,839
Total unrestricted net assets	1,183,893	1,385,022
Temporarily restricted	125,583	-
Total net assets	\$1,309,476	\$1,385,022
Total liabilities and net assets	\$14,717,332	\$13,053,339
STATEMENTS OF ACTIVITIES FOR THE YEAR ENDED JUNE 30	2002	2001
CHANGES IN UNRESTRICTED NET ASSETS		
Amounts Raised in Campaigns <i>(net of campaign expenses and shrinkage)</i>		
Amount raised as Principal Combined Fund Organization for the Combined Federal Campaign-Overseas	\$8,327,699	\$7,300,684
Less amounts designated by donors to specific participating charities	\$7,802,213	\$6,727,776
Combined Federal Campaign-Overseas	525,486	572,908
Combined Federal Campaign-Domestic	8,648,634	7,766,861
State employee campaigns	3,001,371	2,841,447
Local employee campaigns	753,301	591,956
Private sector campaigns	1,962,706	1,945,809
Total net amounts raised in campaigns	14,891,498	13,718,981
Less amounts raised on behalf of others	14,144,649	12,854,742
Public support designated to Global Impact	\$746,849	\$864,239
REVENUE, GAINS, AND OTHER SUPPORT		
Administrative charges for raising funds on behalf of others	\$1,901,556	\$1,605,762
Cost share reimbursement	188,698	93,500
Other revenue	137,067	141,910
Investment income	43,350	112,019
In-kind contributions	3,000	-
Total revenue, gains, and other support	\$2,273,671	\$1,953,191
Total public support, revenue, gains, and other support	\$3,020,520	\$2,817,430
EXPENSES		
<i>Program services</i>		
Campaign support	\$1,347,519	\$1,530,746
<i>Supporting services</i>		
Management and general	1,145,528	890,817
Fundraising	728,602	411,582
Total expenses	\$3,221,649	\$2,833,145
CHANGE IN UNRESTRICTED NET ASSETS	(201,129)	(15,715)
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS		
Contribution	125,583	-
CHANGE IN NET ASSETS	\$(75,546)	\$(15,715)

2002 AUDITED FINANCIAL STATEMENTS, BDO SEIDMAN, LLP. COMPLETE FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST

COMBINED FEDERAL CAMPAIGN-OVERSEAS STATEMENTS OF FINANCIAL POSITION AND ACTIVITIES

STATEMENTS OF FINANCIAL POSITION AS OF JUNE 30	2002	2001
ASSETS		
Cash and cash equivalents	\$1,333,664	\$1,201,941
Pledges receivable (net of allowance for uncollectible pledges of \$1,727,223 and \$1,478,570, respectively)	4,688,703	3,935,475
Prepaid expenses	158,541	153,030
Travel advances	-	2,000
Total assets	\$6,180,908	\$5,292,446
LIABILITIES AND NET ASSETS		
<i>Liabilities</i>		
Accounts payable	\$39,865	\$35,644
Due to Global Impact	1,239,497	126,369
Distributions payable	4,901,546	5,130,433
Total liabilities	\$6,180,908	\$5,292,446
<i>Net Assets</i>		
Total liabilities and net assets	\$6,180,908	\$5,292,446
STATEMENTS OF ACTIVITIES FOR THE YEAR ENDED JUNE 30	2002	2001
REVENUE AND OTHER SUPPORT		
Public Support		
Pledges	\$11,143,374	\$9,857,133
Less provision for uncollectible pledges	<u>(1,727,223)</u>	<u>(1,478,570)</u>
Net Pledges	9,416,151	8,378,563
Designations to participating agencies	<u>(8,327,699)</u>	<u>(7,300,684)</u>
Public support net of designations	1,088,452	1,077,879
Interest income	7,064	31,551
Total revenue and other support	\$1,095,516	\$1,109,430
EXPENSES		
Campaign costs	<u>(\$1,095,516)</u>	<u>(\$1,109,430)</u>
CHANGE IN NET ASSETS	-	-
NET ASSETS, beginning of year	-	-
NET ASSETS, end of year	-	-

2002 AUDITED FINANCIAL STATEMENTS, BDO SEIDMAN, LLP. COMPLETE FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST



*Over the past 50 years,
because of programs such as
those conducted by Global
Impact member agencies,
infant and child death rates in
the developing world have
been cut by 50 percent.*

GLOBAL
IMPACT

66 Canal Center Plaza, Suite 310

Alexandria, VA 22314

800-638-8079

isa@charity.org

www.charity.org