

Annual Report 2009



Founder's Letter

Dear Members, Supporters and Friends,

In 2009 the financial crisis laid its weight upon our backs which made work and life more arduous for many: world hunger now grasps 1 billion people, 100 million more than before the crisis; countries and banks defaulted; unemployment is running high. The Capitalist system faces strong criticism as it fails to produce prosperity and appears to cause pain instead. However, amidst the misery we witnessed progress made possible through the very system that so many want to see dismantled. The small village Altos de los Mores celebrated an increase in successful microloan projects; the women of La Islilla started their own savings-led microfinance scheme and have business aspirations that can change their entire village; Alan Hernandez, orphaned and physically impaired, opened his own restaurant and even created additional employment.

Yes, the Capitalist system is far from perfect but it is the best we know and the only one that works. Ideals are something we strive for, but by definition they are unattainable - there is no perfect system. Rather than abandoning ideals, they have to be held dear in our continuous path of improvement. Life expectancy during the Industrial Revolution in England (1850) was 40; in 2007 in India which accounts for 1/3 of the world's poor, it was 65. This simple comparison shows that our (democratic) governance and economic systems have evolved and improved. Yes, billions of people still suffer in poverty, but a simplistic redistribution of wealth will not alleviate it. No person, no single nation or many nations together, will ever be able to rescue the billions of poor by sharing their wealth, as advocated by non-Capitalist systems. The only viable way is to place within the poor's reach, the rungs of the ladder that have helped billions of people before them climb towards prosperity.

I will close with the words of Andrew Carnegie, Philanthropist and Capitalist of the 19th century.

In bestowing charity, the main consideration should be to help those who will help themselves; to provide part of the means by which those who desire to improve may do so; to give those who desire to rise the aids by which they may rise; to assist, but rarely or never to do all. Neither the individual nor the race is improved by aims-giving. [...] Thus is the problem of Rich and Poor to be solved. The laws of accumulation will be left free; the laws of distribution free. Individualism will continue, but the millionaire will be but a trustee for the poor.

Andrew Carnegie, *Gospel of Wealth*

Thank you for your continued support, and encouragement. PersonalPhilanthropy.org is founded on the participation of its community. Without you, we would not be here.

Sincerely yours,

Mark Regouby
Founder



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Organization

Mission Statement

To add significance to our lives by creating opportunity in the lives of the poor.

Vision

To be a catalyst of change in the eradication of poverty through free market opportunity.

Values

We believe that life is more significant when lived in pursuit of a **purpose**.

We have found joy and fulfillment through our **service** in other countries and would like to share that experience.

We believe that our **responsibility** for our neighbor extends down the street and across the globe

We advocate for the **freedom** of each individual to pursue their own **self-interest**

People

Mark Regouby, President

Former media executive

Education: B.S. in Business, MTS in Philosophy & Economic Development

Patented inventor

Entrepreneur in travel and tourism

Born in Australia, at home in Dallas, TX



Jil Janine Hellmann, Program Coordinator

Lived in Peru 2008/2009 developing network of Local Heroes

Education: BSc Management

Background in Philosophy and Development Economics

Roots in Germany, living in Dallas, TX





Concept

Problem

Developing countries have many ambitious and talented leaders in their communities; many of whom are bootstrapping themselves and others out of poverty, for example through savings groups and local microfinance schemes. While these leaders and their programs often go unnoticed - and unfunded - **large**

We recognize the funding deficit for grassroots programs which are already making a difference in their communities.

development organizations pour money into the creation of similar programs run under foreign leadership. Many times, these programs are **unsuccessful in creating sustainable development** because they are ignorant of the local circumstances and fail to involve the communities who could carry the programs on, once the large organization has left.

We recognize the **funding deficit for grassroots programs** which are already making a difference in their communities. Similarly, the founders have witnessed the damage that well-meaning foreign institutions can create by imposing themselves on local markets and communities.

Solution

We believe that economic development projects are particular to every community because - as with any other project - they depend on the people involved. Therefore, we reject searching for "fit-all, cure-all" solutions and **focus on individual programs that have demonstrated success**. Typically, these programs are implemented and run by locals who have a vested interest in the communities they live in - We call them **Local Heroes**.

Local Heroes know whom they can trust and what measures will have the greatest impact. Their greatest need is funding - and sometimes the professional opinion of a highly trained person who is not commonly found in small communities. The quickest, unbureaucratic and effective way to **provide needed funding and advice** is to partner Local Heroes with like-minded individuals - We call them **Philanthropists**.



Together, **Local Heroes and Philanthropists can take the existing grassroots development programs to the next level.** For example the Philanthropist can

provide capital with which the Local Hero can turn her microbusiness into a small enterprise.

This partnership-based solution is effective because it **combines local leadership with access to capital and networks.**

Furthermore, it is the most fulfilling model on a personal level - both for the Local Hero and the Philanthropist: For Local Heroes because they are given a full voice in the development process.

For Philanthropists because they are allowed to be partners and not just piggy banks.

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Signing a contract with the Local Hero in La Isilla on how to administer funds for school supplies. From left: school boy, Stephen Regouby (philanthropist), Jil Janine Hellmann (Personal Philanthropy), Simona Castillo Lachira (representative of village), Flavio Peña Castillo (Local Hero CEPESER)



Delivery

As outlined above, we focus on growing a large philanthropic network of people who want to support individual projects. There are three main component parts that develop new relationships and deepen existing ones: 1) Personal Philanthropy Summit, 2) Workshops, 3) Expeditions.

Philanthropists are encouraged to visit a project in person to learn more about it. However, PersonalPhilanthropy.org also welcomes donations through our website which allows philanthropists to give microloans, scholarships and other support. All donations are passed on 100% to the projects, less credit card transaction costs.

Personal Philanthropy Summit

Our annual summit brings together members of the personal philanthropy network to incubate private sector solutions to the greatest challenge of our time - global poverty. Instead of focusing on income redistribution, we are committed to personally fostering the conditions necessary for growth and opportunity - without creating dependency.

PersonalPhilanthropy.org builds a network of philanthropists who identify different projects that match their values and they want to engage with.

We are also committed to the full participation of people from the developing world, our neighbors and local heroes - without their local knowledge, all of our talk would be irrelevant. This is also a personal development opportunity to help each participant as we collectively reflect on questions of society, responsibility and prosperity.

Workshops

Workshops are arranged for private groups such as Golf Clubs, Alumni Associations, Financial Planners and Wealth Advisors, and even church groups. They are designed to help attendees develop a philanthropic plan, covering a range of topics, such as: What kind of philanthropy matches attendees' individual values (e.g charity, development, venture philanthropy); and What legacy do attendees' want to leave behind? Workshops are arranged upon request and last between 1h - 3h or consist of a several week curriculum.



Expeditions

Expeditions are for Philanthropists who want to meet with the Local Heroes in person. Experience has shown that once people have visited a project in person they are significantly more likely to support it than if they had learnt about it from afar. They will understand better why the project is important to the community and they learn to trust the people that execute it. Further, personal presence allows Philanthropists to consult directly with the Local Heroes about how to improve or support their work.

Support can be given in-person through our Expeditions or through PersonalPhilanthropy.org which allows Philanthropists to give microloans, scholarships etc. online. All donations are passed on 100%.



Philanthropist John Frederick assessing a truck for use in a water project

Participating in an Expedition often results in a cultural shock for participants as they face language barriers, discomfort from travel and the conditions of a developing country. Removed from their usual environments participants find time for increased reflection. We facilitate reflection time with participants during the Expedition to discuss and think about poverty, work and life.

After an Expedition, participants usually start supporting a Local Hero and his/her project financially and through advice. Tax-deductible donations can be made through

PersonalPhilanthropy.org. We pass 100% of donations on to the projects.

In sum, Expeditions are meant to connect people from different backgrounds who will do greater good by combining their forces. We specifically avoid arbitrary work placements for Philanthropists like building houses and planting trees because we believe that it puts locals out of work while neglecting the real assets a comparatively, high-skilled foreigner has to contribute. Expeditions move beyond "Volunteer-Tourism"; they create long-term value.



Achievements 2009

Although 2009 was only our first year of operations we have a number of successes to record.

1. Donations

We raised a total of **US\$28,516 in donations**. Of these **US\$22,087** are restricted to a certain Project or cause and will be passed on 100%. The rest, US\$6,429 in unrestricted donations is used for projects we determine and to cover administrative costs. Below, major donations have been listed, in the chronological order they were made:

- 1.(1) **US\$4,555** were raised by two Dallas philanthropists for Local Hero Ayni. The amount covers 40% of Ayni's annual budget and went towards a school library, microloans, trees, cocinas mejoradas and scholarships. www.personalphilanthropy.org/ayni
- 1.(2) **US\$1,877** were generously donated by Stephen Regouby to cover all school expenses for 140 children for one year in the village of La Islilla, Peru. The village participates in several projects of Local Hero CEPESER www.personalphilanthropy.org/cepeser
- 1.(3) **US\$20,000** were granted by the Dobson Family Foundation. US\$ 5,000 were allocated to TellTheirStory.org and US\$ 15,000 to PersonalPhilanthropy.org. The money will cover outstanding debt and finance key projects in 2010, namely the Personal Philanthropy Summit in June, Workshop development and scouting activity to identify Local Heroes.

2. Expeditions

- 2.(1) The first Expedition took place in August, going to Peru with 5 Philanthropists. In one week we visited following Local Heroes: Home of Hope, Ayni and two projects operated by CEPESER. It was a profound experience for the participants who got to share several meals with the Local Heroes and their communities and learn much about their projects and lives. After completing the Expedition all Philanthropists chose to support one or several of the Local Heroes. Some



made significant monetary donations, others presented their story in public forums and lobbied for their support.

- 2.(2) The Expedition to Honduras, scheduled for July had to be cancelled due to the political turmoil. *The Department of State alerts U.S. citizens to the current unstable political and security situation in Honduras, and recommends that American citizens defer all non-essential travel to Honduras until further notice.* (US Department of State, Bureau of Consular Affairs, June 29, 2009)
- 2.(3) Before the year ended, three Philanthropists registered for the Expedition to Peru in January. The main focus will be the Water Project organized by Local Hero CEPESER. (www.personalphilanthropy.org/water_business.html)

3. Documentaries

Through TellTheirStory.org we have produced three professional documentaries and three short films about Local Heroes and their projects. It proves that these are extremely helpful for raising awareness for our Local Heroes and gaining support.

- 3.(1) "The Hogar and the Center" (www.personalphilanthropy.org/hogar) Premiered at an Irish benefit gala this documentary helped raise the first big donation towards the project: **US\$ 67,000**
- 3.(2) "Ines and Ayni" (www.personalphilanthropy.org/ayni) Premiered at the fundraiser hosted by two philanthropists, this documentary helped raise 40% of Ayni's annual budget: **US\$, 4,555**
- 3.(3) "CEPESER and La Islilla" (www.personalphilanthropy.org/water_business.html) This documentary draws great attention to CEPESER and the women from La Islilla. It is being showcased at the **Fletcher School of Law and Diplomacy (Tufts University)** and was reviewed by the Dallas Harvard Entrepreneurs Interest Group
- 3.(4) "Dr. Daniel - Triunfo's Olympic Local Hero" (www.personalphilanthropy.org/triunfo.html) Premiered at a meeting with company **PUMA's** US Chief Marketing Officer. As a result **athletic shoes** were granted to all young athletes in Triunfo.



- 3.(5) “Damacia - Local Hero and Waste Management Entrepreneur” (www.personalphilanthropy.org/triunfo.html) Premiered at the first annual Personal Philanthropy Summit; this film was featured as a case study for participants to engage with the difficulties of starting a business in a developing country.
- 3.(6) “Agency, Empowerment and Thrift - the women of COMFEL” (www.personalphilanthropy.org/comfel.html) Premiered at the first annual Personal Philanthropy Summit; this film served as an introduction to extraordinary leader and Local Hero Carmen Del Cid (Nelly)

4. Personal Philanthropy Summit

The first annual summit was held in Dallas in June, with the theme: “Inclusive Capitalism - the way forward?”. Participants and speakers gathered from a range of countries including: Peru, Honduras, Germany, Mexico, Venezuela. Important topics were “*What kind of help is helpful?*”, “*Can free markets free the poor?*” “*Setting up Shop in rural Honduras*”, “*How Philanthropy is transforming Peru*”. Special thanks was extended to keynote speakers Carmen Del Cid, representing the COMFEL group from Honduras, and Kim Wilson, lecturer at the Fletcher School of Law and Diplomacy at Tufts University. The summit introduced participants to market-based forms of sustainable development and also helped them think about their personal, philanthropic motives. In addition, the summit raised US\$1,150 to go towards PersonalPhilanthropy.org’s operating expenses.

5. Miscellaneous achievements

- 5.(1) **Memberships:** At the end of the year we had six members who have contributed an incredible total of US\$4,849 to help PersonalPhilanthropy.org get off the ground. Without this support it would have been significantly harder to accomplish all that we have. Information on memberships can be found under: www.personalphilanthropy.org/members
- 5.(2) **Paper Published:** A paper titled *Seguir Adelante - Empowerment, Agency and Thrift in San Pedro Sula* by Mark Regouby and Jil Hellmann was published at a conference, sponsored by the Bill & Melinda Gates Foundation. It can be found under www.personalphilanthropy.org/resources.html



Financial Statements

Income Statement

Fiscal Year End 12/31	2009	% of Total
Revenue from Donations		
Restricted (passed on 100% to a specific project)	\$22,087	40%
Unrestricted (given without earmark for a specific purpose)	\$6,429	12%
Revenue from Program Related Activities		
Expeditions	\$13,008	23%
Personal Philanthropy Network (memberships)	\$4,849	9%
Personal Philanthropy Summit (sponsorship and admission)	\$9,485	17%
Revenue Other		
Banking (interest)	\$5	0%
Total Revenue	\$55,863	100%
Administrative Expenses		
Administrative (equipment, IRS fees, IT, meetings...)	\$1,682	4%
Program Related Expenses		
Banking (merchant account, credit card and transaction charges...)	\$1,187	3%
Expeditions	\$15,206	37%
Fundraising	\$1,458	4%
Local Hero Support (documentaries, promotion, website ads...)	\$11,296	28%
Personal Philanthropy Network (membership management, gifts...)	\$539	1%
Personal Philanthropy Summit	\$8,857	22%
Personal Philanthropy Workshops	\$477	1%
Total Program Related Expenses	\$39,020	96%
Total Expenses	\$40,702	100%
Net Income	\$15,161	



Balance Sheet

As of 12/31/2009	
Assets	
Cash and Bank Accounts	
Checking	\$1,688
Savings	\$20,636
Total Current Assets	\$22,325
Liabilities	
Accounts Payable (expense reports, expedition advances)	\$6,362
Total Liabilities	\$6,362
Net Assets	\$15,963
Total Liabilities and Net Assets	\$22,325

Note:

The operations and financial results incorporated in this annual report also reflect the activity of our fiscal sponsor, Tell Their Story, Inc. Personal Philanthropy was incorporated in December, 2009 and begins semi-autonomous operations in 2010. Personal Philanthropy, Inc. will continue to operate under a fiscal sponsorship from Tell Their Story, Inc. until it receives a determination from the IRS as a separate 501(c)(3) public charity.

Personal Philanthropy, Inc. is a non-profit Oklahoma corporation.

Tell Their Story, Inc. is a non-profit 501(c)(3) Oklahoma corporation.



Directors and Officers

Edward Barrett

President
Direct Logic Solutions, Inc.
Mt. Laurel, NJ

Board Member Personal Philanthropy, Inc.

Business Relationship: Mark Regouby is currently a paid consultant to Direct Logic Solutions, Inc. There are no paid business relationships between Direct Logic Solutions, Inc. and Personal Philanthropy, Inc., but Direct Logic does donate free email distribution services on behalf of the organization.

Joel Dougherty

Global Director of HR
Nordam
Tulsa, OK

Board Member Personal Philanthropy, Inc.

Business Relationship: None other than as a donor to Personal Philanthropy, Inc.

Stephen Paul Regouby

President
Union Financial Advisors, Inc.
Tulsa, OK

Board Member Personal Philanthropy, Inc.

Business Relationship: None other than as a donor to the organization and a participant on an Expedition.



Jil Janine Hellmann

Analyst
Hellmann Worldwide Logistics, Inc.
Dallas, TX

Duties at Personal Philanthropy, Inc.:

Board Member

Secretary (duties as outlined in Bylaws IV(6))

Program Coordinator: planning of all expeditions, accounting, web design and online promotion, database maintenance, liaison to all Local Heroes

Business Relationship: None

Mark Andrew Regouby

Contract Consultant
Search Dex, Inc.
Dallas, Texas

Duties at Personal Philanthropy, Inc.:

Board Member, Treasurer (duties as outlined in Bylaws IV(5)) , President (duties as outlined in Bylaws IV(3))

Business Relationship: Assigned his rights to PamplonaHousing.com and PamplonaBalconies.com for the year 2010 to the organization to serve as a fundraiser.

Contact

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