

SINCE 1887



# *A Solution for Kids in Crisis*

## **Mercy Home for Boys & Girls 2011 Annual Report**



This report covers Mercy Home's fiscal year,  
which ran from July 1, 2010 through June 30, 2011.



Strength is in the Balance



Rev. L. Scott Donahue  
President & CEO

Darryl G. Schimeck  
Board Chairman

A good annual report should be more than a balance sheet. It should be a balanced picture of an organization.

Balance is the watchword for an institution that has thrived for 125 years and continues to grow. One might even say this balance is grounded in our historic motto, which says that we help children in crisis by providing them both “roots and wings.”

Mercy Home continues to be a well-balanced leader in childcare, giving our young people the tools they need to help themselves by using wisely those resources that are entrusted to us by donors. We balance a business environment that demands metrics to measure performance while keeping sight of the fact that we are in the mission of saving the lives of individual boys and girls.

While the headwinds of the economy have challenged many non profits — or even shuttered them — Mercy Home has balanced prudence with confidence in the ways that we invest in our young people and in their futures. The building of our Legacy of Learning fund, which will ensure that we can cover the education costs for every child who comes to us now and in the future, reflects this important balance of priorities.

Finally, we continue to be flexible enough to respond to the needs of those we serve and balance the debt we owe to our proud history and tradition. That is why, thanks to a donation of a 22-unit vacant apartment building on Chicago’s South Side, we will open a new supportive housing facility that will create permanent self-reliance for our After-Care youth.

We encourage you to read between the data and the charts on these pages to get a more balanced, more complete picture of how our life-saving work and support is saving the lives of children in our community.

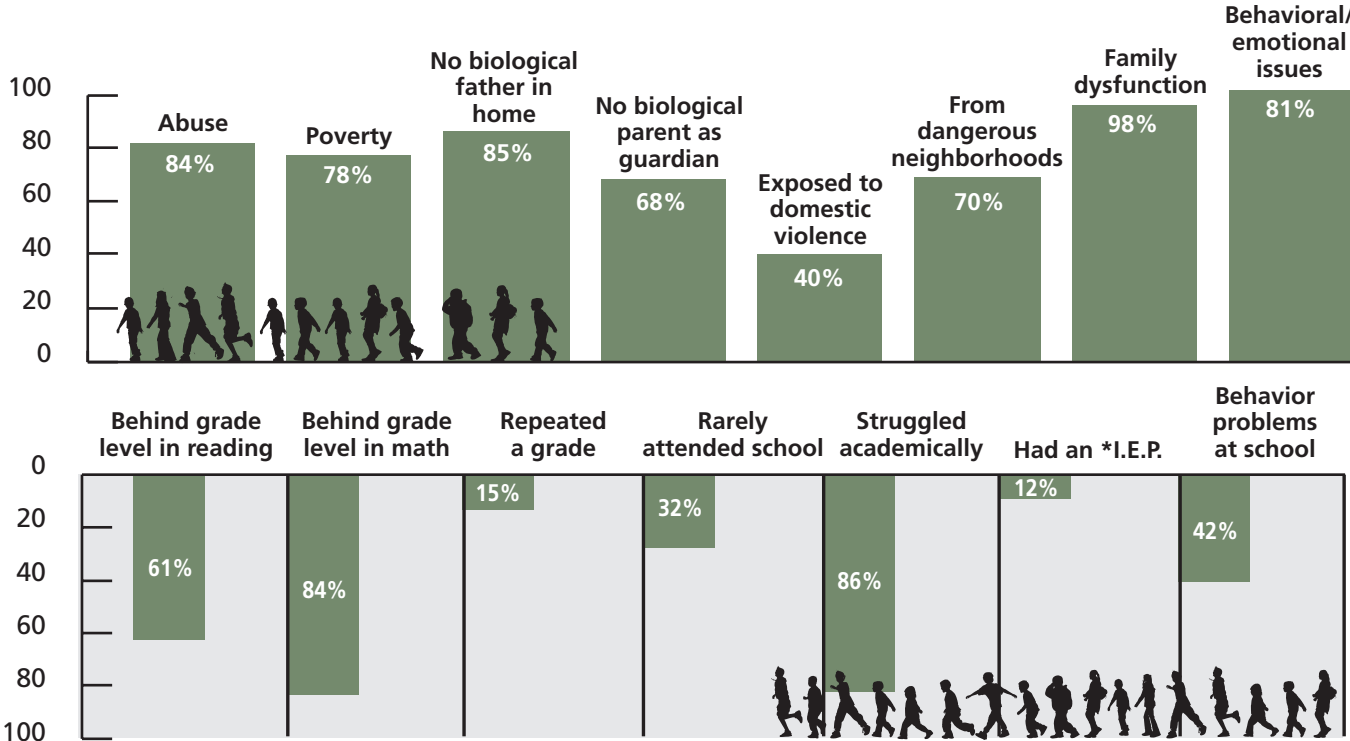


A Solution

In addition to giving kids in crisis a safe and secure home, we provide them with the tools they need to heal and build long-term success, including healthcare, therapy, education and career guidance and job experience. Our assessment of our programs last year yielded the following outcomes.

Kids In Crisis

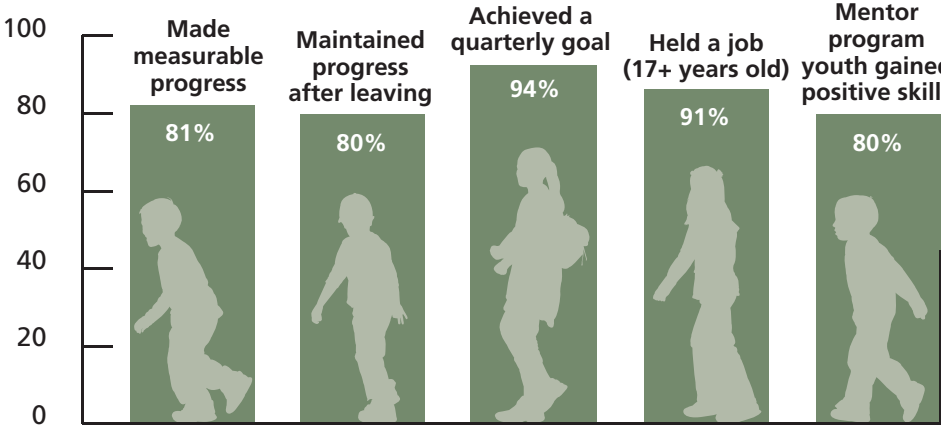
Before entering Mercy Home, each child receives a thorough assessment to help us create an individualized treatment plan with goals and timetables. The data that results from this process tells us the following about what these children have endured, where they come from, and the challenges they face.



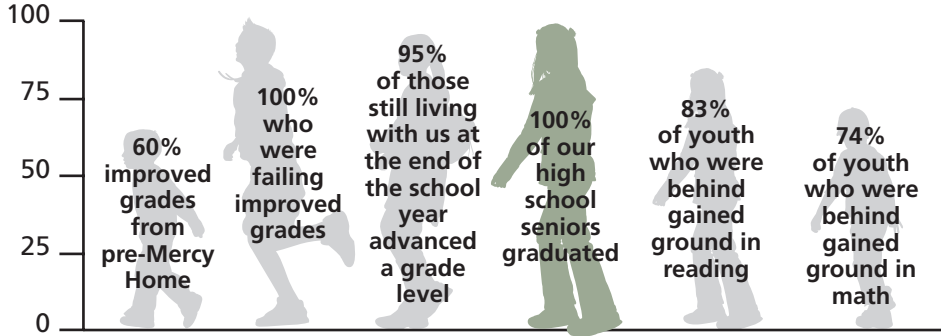
Young people came to us an average of 3 years behind in reading and 3.4 years behind in math.

\* An individualized Education Plan is provided by the Chicago Public Schools for every student who has been determined to require special education and related services.

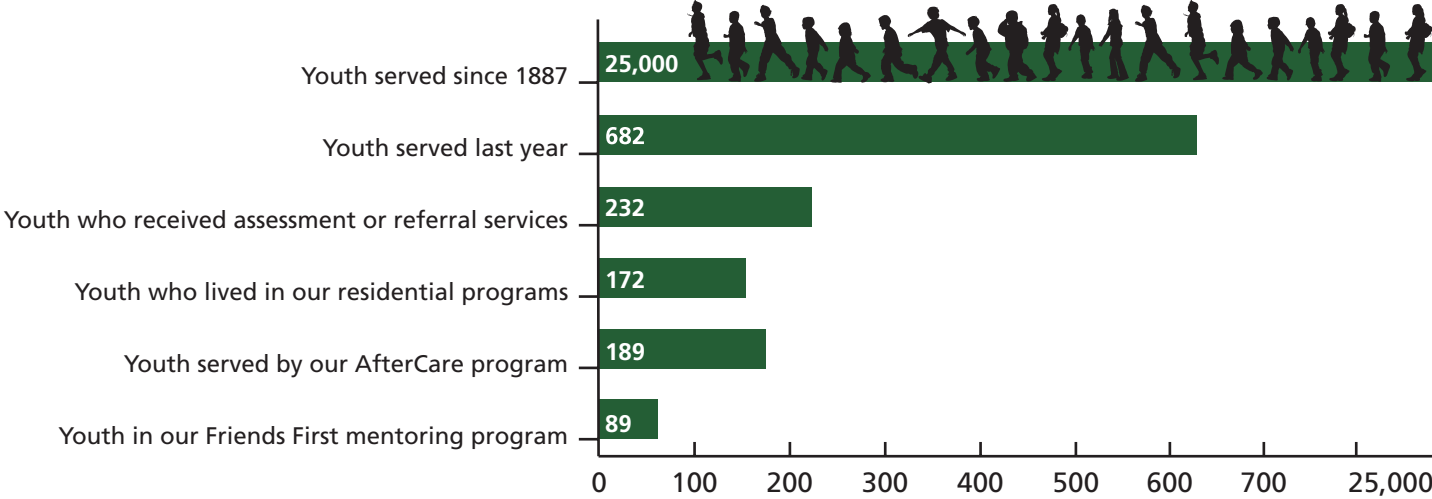
Personal Progress



Educational Success



We Served



## Governance

Chairman - Darryl G. Schimeck,  
Veolia ES Industrial Services  
President - Rev. L. Scott Donahue,  
Mercy Home for Boys & Girls  
Secretary - Mary Pat Hay  
Treasurer - Robert Greco  
Patrick H. Arbor,  
Macquarie Futures USA, Inc.  
Rev. Michael Boland,  
Archdiocese of Chicago  
Rich Daniels,  
City Lights Music Inc.  
Edward J. Noha,  
CNA Financial Corporation  
Mercy Home is nationally accredited by  
the Council of Accreditation of Services  
for Families and Children, Inc. (COA)



## FINANCIAL STATEMENT

### OPERATING REVENUE

Support from donors	29,638,603	85.4%
Sale of printing services	941,325	2.7%
Government revenue	3,392,643	9.8%
Family support	46,783	.1%
Other	672,007	2.0%
<b>Total</b>	<b>34,691,361</b>	<b>100%</b>

### OPERATING EXPENSES

Program services		
Youth care programs	18,289,603	66.8%
Mission press	1,102,243	4.0%
Televised Sunday Mass	824,050	3.0%
Total program services	20,215,896	73.8%
Fundraising	6,508,621	23.8%
Management and general	651,820	2.4%
Total current year operating expenses	27,376,337	100%
Program enhancement	7,315,024	
<b>Total</b>	<b>34,691,361</b>	

### ASSETS

Current assets	5,459,809
Investments	78,791,554
Fixed assets	33,936,081
Other	1,929,508
<b>Total assets</b>	<b>120,116,952</b>

### LIABILITIES

Accounts payable and accrued expenses	1,482,473
Gift annuities payable, charitable trusts and asset retirement obligations	9,924,394
<b>Total liabilities</b>	<b>11,406,867</b>

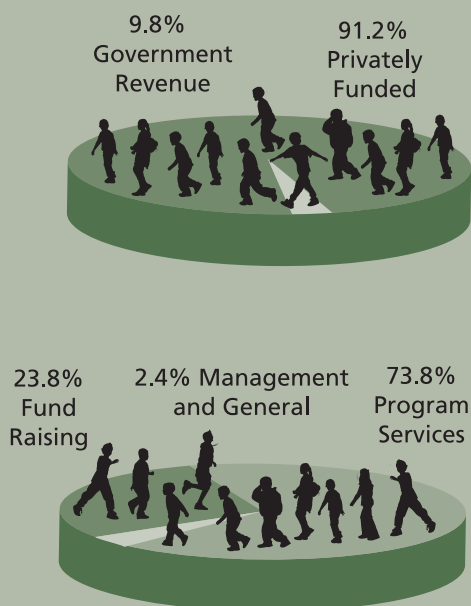
### NET ASSETS (Assets Minus Liabilities)

Unrestricted	90,252,023
Board designated for annuity and trust obligations	9,654,176
Temporarily restricted	2,923,376
Permanently restricted	5,880,510
<b>Total net assets</b>	<b>108,710,085</b>

### A CLOSER LOOK AT 2010 — 2011

Mercy Home raised 91.2% of its operating revenue privately. This includes support from donors, sale of printing services, family support and other miscellaneous sources.

Approximately 73 cents of every dollar spent on operating expenses went toward program services.



Mercy Home's fundraising ratio, defined as fundraising expenses as a percentage of support from donors, was 22%. That is lower than the 35% recommended by the Better Business Bureau's Wise Giving Alliance.

### INVESTMENTS

Total investments	78,791,554
Permanently restricted funds for scholarships	5,543,915
Board designated for annuity and trust obligations	9,699,275
Other restricted funds	237,325
Unrestricted investments available for future operations	63,311,039

One way we honor our commitment to the children we care for is by maintaining an endowment, which provides a safety net. The funds from the endowment are invested and overseen by our Board. As of June 30, 2011, our Unrestricted Endowment would cover operating expenses for up to 28 months.