

2018

ANNUAL REPORT



THIS REPORT COVERS MERCY HOME'S FISCAL YEAR, WHICH RAN FROM JULY 1, 2017 THROUGH JUNE 30, 2018.

Mercy Home for Boys & Girls

Mercy Home for Boys & Girls has been a solution for kids in crisis since 1887.

We provide life-changing care and support services to abused and at-risk children while promoting healing for families and communities.

By the Numbers During fiscal year 2018:

196

Youth lived with us

167

Family members
were involved

340

Former residents &
family members were
provided ongoing support

30

Former residents &
families lived in our
supportive housing
building

88

Youth were mentored
by volunteers

311

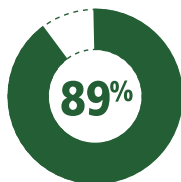
Youth had in-person
consultation with our
admissions staff

962 Total unique individuals* served *Some individuals received multiple services

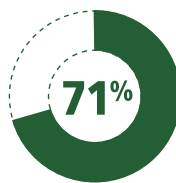
Youth after coming to Mercy Home



H.S. seniors
graduated



Advanced to
next grade



H.S./GED graduates
planned to enroll in
post-secondary education

We Provided During fiscal year 2018:



4,074

Individual therapy
sessions

124

Pre-admission clinical
assessments

543

Family therapy sessions

5,667

Contacts with former residents



Rev. L. Scott Donahue
President & CEO



Joseph P. Nolan
Board Chairman

A Legacy of Trust

What drives our coworkers to do their best? Why have they helped us make the Chicago Tribune's list of the area's Top 100 workplaces every year since 2012? And how are they so effective in helping children heal from profound challenges and build lasting independence?

Our coworkers' commitment to saving children's lives is one answer to these questions. The sense that they are joined to an extended and loving Mercy Home family is another.

But if there's one thing above all else that lies behind their success, it has to be the unwavering support of our donors.

Your friendship assures our coworkers that what they do for our kids every day matters deeply to so many people beyond these walls. It helps them appreciate the difference that they are making through their dedication and their service. And it enables them to address the unique needs of each and every child in our care.

The loyalty of our donors is a truly a blessing. But it is also the result of our careful stewardship of the resources that they entrust to us. That trust is strengthened year after year by the results that we are able to achieve.

This report is just a snapshot of what we have been able to accomplish during the past year. We pray that you will continue to place your trust in us to bring hope to children in crisis.

Rev. Scott

Governance 2017–2018

Chairman - Joe Nolan
Beverly Capital

President - Rev. L. Scott Donahue
Mercy Home for Boys & Girls

Secretary - Rich Daniels
City Lights Music, Inc.

Treasurer - Robert Greco

Rev. Michael Boland
Archdiocese of Chicago

Johanna Rahal
Bobby Rahal Foundation
Patricia Walsh

James H. Williams
Anchor/Reporter, CBS2 Chicago

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 | 35,346,381 | 94.9% |
| Sale of printing services | 1,120,049 | 3.0% |
| Government revenue | 21,900 | 0.0% |
| Family support | 43,124 | .1% |
| Other | 724,704 | 2.0% |
| Total | 37,256,158 | 100.0% |

OPERATING EXPENSES

| | | |
|--|-------------------|---------------|
| Program services | | |
| Youth care programs | 25,396,462 | 69.6% |
| Mission press | 1,272,879 | 3.5% |
| Televised Sunday Mass | 835,743 | 2.3% |
| Total program services | 27,505,084 | 75.4% |
| Fundraising | 7,785,881 | 21.3% |
| Management and general | 1,199,572 | 3.3% |
| Total current year operating expenses | 36,490,537 | 100.0% |

ASSETS

| | |
|---------------------|--------------------|
| Current assets | 7,911,510 |
| Investments | 110,710,061 |
| Fixed assets | 47,277,584 |
| Other | 372,608 |
| Total assets | 166,271,763 |

LIABILITIES

| | |
|--|-------------------|
| Accounts payable and accrued expenses | 2,103,165 |
| Line of credit payable | 250,000 |
| Gift annuities payable, charitable trusts and asset retirement obligations | 10,448,230 |
| Total liabilities | 12,801,395 |

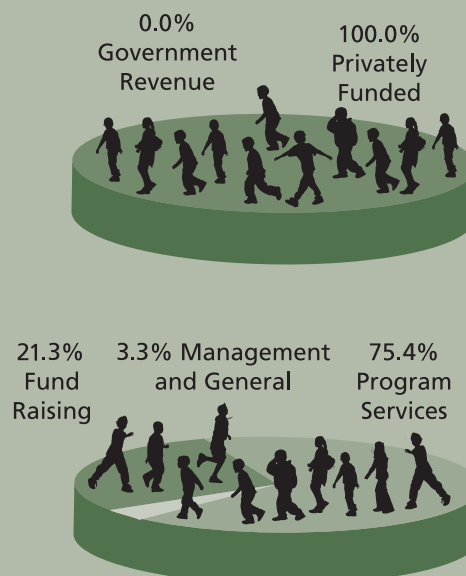
NET ASSETS (Assets Minus Liabilities)

| | |
|--|--------------------|
| Unrestricted | 116,138,033 |
| Board designated for annuity and trust obligations | 10,147,355 |
| Temporarily restricted | 5,736,132 |
| Permanently restricted | 21,448,848 |
| Total net assets | 153,470,368 |

A CLOSER LOOK AT 2017 — 2018

Mercy home raised 100% of its operating revenue privately. This includes support from donors, sale of printing services, family support and other miscellaneous sources.

Approximately 75 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 22.0%. That is lower than the 35% recommended by the Better Business Bureau's Wise Giving Alliance.

INVESTMENTS

| | |
|--|-------------|
| Total investments | 110,710,061 |
| Permanently restricted funds for scholarships | 21,207,103 |
| Board designated for annuity and trust obligations | 10,147,355 |
| Other donor imposed restricted funds | 1,258,379 |
| Unrestricted investments available for future operations (endowment) | *78,097,224 |

* 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, 2018, our Unrestricted Endowment would cover operating expenses for up to 26 months.