Philanthropy’s Role in Today’s World

Philanthropy enables the development of innovative, sustainable solutions to the world’s problems. As governments around the world tighten their belts, social development programs are often most affected. This raises concerns about the effects of the current economic crisis on the 182 million people living in poverty and 71 million in extreme poverty in Latin America, as experts warn that poverty levels may increase by 15% in 2009. (Rebecca Grynspan, UNDP, 2/6/09).

It is during times like these that strategic, broad-based philanthropy can be most effective. Such philanthropy is reflective of decentralized models; it engages all stakeholders—beneficiaries (participants), communities, nongovernmental organizations (NGOs), the private sector (donors, corporations, individuals, etc.), and in some cases the public sector. It does not depend on any one of these but rather on the collaboration of all.

The Resource Foundation has found that the most effective models leverage the human capital of participants, dedication and know-how of local NGOs, and experience and support of donors to produce a lasting impact. This has been our methodology for the past 21 years and now more than ever, it is essential to the future of Latin America’s less fortunate.

Through organizations such as Tierra Viva in Venezuela, which trains rural farmers on sustainable farming and production so they can sell their goods in the fair trade market; UNETE in Mexico, which brings technology to low-income public schools; and FINCA in Costa Rica, which creates community banks that promote savings and education, TRF has seen the substantial impact this methodology can yield. In each of these, participants are challenged to capitalize on the skills gained by participating in programs developed by experienced local NGOs with the support of the private sector to improve their lives and thus positively impact their communities.

By supporting local NGOs familiar with the needs of the population they serve and experienced enough to know what strategies or combination of strategies will work, donors can help foster inclusive and long-term solutions to the region’s myriad of problems. These solutions result in empowered and productive citizens, strong communities, and healthy environments.

Whether your interest is children, health, job creation, the environment, or simply creating a better future, we urge you to get involved. Contact us to learn how you can participate in this new era of social engagement.
Dear Friends:

We enter the New Year invigorated by the successes of 2008, as well as the challenges that we have set for ourselves in 2009.

We intend to build upon the energies created, especially during the last half of 2008, when we moved into new offices in NYC, added an important new staff member, formed new partnerships with Deutsche Bank Americas Foundation, Deutsche Bank Private Bank, American Express and the Kellogg Company, updated and improved our website and received a coveted 4-Star rating (the highest) from Charity Navigator.

From our vantage point, we see more of the same ahead. We began the year with a new set of officers, led by Chairman José M. de Lasa, who has been a member of the Board since 1990. We have also added two new Board Members (Dr. Adrian McKemey and Alison Rende, Esq.), as part of our efforts to attract a new generation of committed individuals to our Board.

The Staff has set any number of important goals for itself during 2009, starting with giving this newsletter and our logo a facelift. We hope you like it. On a more substantive level, we seek to significantly grow the impact of our work by making a renewed effort to engage an increased number of individual donors to not only financially support worthy projects in Latin America and the Caribbean, but to also take an active interest in the progress made by specific communities and/or groups of beneficiaries. We further plan to encourage some of our current major donors, as well as new ones, to consider support for regional programs, rather than just contributing to individual projects in specific countries. And speaking of new major donors, we are well down the road in our conversations with more than a half dozen potential corporate partners.

We hope to build on last year's successes, and will strive to accomplish our goals for 2009 in order to increase the average $50,000 that we sent to each of the 150 organizations in 22 countries in Latin America and the Caribbean in 2008.

The Board and Staff of The Resource Foundation are very positive about what can be accomplished in 2009, and we wish you the very same in the months to come. As always, we seek your continued support, for without it, we would not be able to do what we do to give those in need, a helping hand, and not a handout.

Sincerely yours,

Loren Finnell

In Memoriam: Nicolas A. Rey

It is with deep sadness that The Resource Foundation conveys its heartfelt condolences to the family of Ambassador Nicolas A. Rey, who passed away on January 14, 2009, after a brief bout with cancer.

Ambassador Rey was one of the Foundation’s early Directors, having served on the Board from 1989 to 1993. He and his wife Lisa became part of the family of The Resource Foundation and helped to guide us through our nascent years as we developed our focus and methodology. His solid managerial and business acumen, and his support and ability to attract others, were critically important to our survival. In 1993, Ambassador Rey resigned from our Board after being appointed by President Clinton to serve as his envoy to Poland.

Ambassador Rey will always have a permanent place in The Resource Foundation’s history for his leadership, support, and commitment to improving the lives of the disadvantaged.
**Greatest Needs Funds**

 Vulnerable families in Latin America and the Caribbean are facing tremendous challenges due to the growing economic crisis. The International Labor Organization estimates that 2.4 million workers could lose their jobs, while experts project that rising unemployment and inadequate social services will push millions of individuals even deeper into poverty. Every day, vulnerable families struggle to survive.

In light of these challenges, The Resource Foundation has created seven Greatest Needs Funds to assist vulnerable families and communities. The funds address the most pressing issues in the region such as education, job training, health care, clean drinking water, and more.

The Healthy Futures Fund, for example, supports diverse initiatives including maternal-infant health care programs in Mexico, HIV and AIDS prevention efforts in Argentina, and nutrition programs for low-income children in El Salvador. Other funds include the Child and Youth Education Fund, the Clean Drinking Water Fund, and the Opportunity Gateway Fund. Contact us for more information.

**InterActuar: New Job Training Program in Colombia**

Medellín has become one of Latin America’s prime tourist destinations. At one time, the city had the world’s highest murder rates. Thanks to improvements in security, decreased violence, and refurbished public spaces, today the tourism industry is booming.

To capitalize on this opportunity, InterActuar, one of Colombia’s leading microfinance institutions and an affiliate of The Resource Foundation, is piloting an innovative Culinary and Tourism Training Program to help alleviate unemployment in low-income communities. The program will provide high-quality vocational training to prepare individuals to work in tourism, and business development assistance for micro-entrepreneurs seeking to open tourism businesses.

InterActuar developed this program after discovering that there were few professional training and support programs for small business owners in the sector. It conducted a detailed analysis, developed the program, and began construction on a new building, which is set to open in July 2009.

The new center will be the first of its kind in Medellín. During the pilot phase, InterActuar will recruit and train 300 individuals. It will offer courses in culinary skills, bartending, housekeeping and food services, as well as hotel management. Those who are interested in starting a microenterprise will also have access to business administration courses and technical assistance.

**New Website Launched**

The Resource Foundation is pleased to announce the launch of its new website.

The site offers visitors a detailed look at The Resource Foundation’s expertise in connecting donors to effective development projects in Latin America and the Caribbean and up-to-date information on recent developments at the Foundation.

The website makes it easier for corporations, foundations, and individual donors to partner with The Resource Foundation through several new giving options and volunteer opportunities.

It highlights The Resource Foundation’s diverse program areas including: affordable housing, disaster relief, education, environment, health care, and microenterprise development. It also profiles program beneficiaries in Chile, Honduras, and Mexico.

Visitors can now navigate easily through the site’s pages of information, learn about how to become involved, securely make a donation, sign-up for periodic updates and e-newsletters, and read about several featured projects. For more information, visit www.resourcefnd.org.
New Partnerships

The Resource Foundation is proud to announce its recent partnerships with the Deutsche Bank Americas Foundation and Kellogg Company.

Deutsche Bank Americas Foundation supports nonprofit organizations that concentrate on community development, education, and the arts. It has provided critical support for programs that provide quality education and training to low income children, youth, and disabled individuals in Argentina, Brazil, Chile, Mexico, and Peru.

Kellogg Company supports important programs in Mexico that combat the growing rates of child obesity and seek to prevent diabetes mellitus.

The Resource Foundation is proud to collaborate with these industry leaders to promote the development of the communities where they operate.

Using Technology to Improve Lives

Technology plays a substantial role in development projects. It increases efficiency and enables people of limited economic means to implement novel ideas with minimal expense. Three of The Resource Foundation’s affiliates have developed unique methods that utilize technology in a significant way.

In Venezuela, Tierra Viva’s approach highlights the relationship between community, production, and the environment. Thanks to a project that builds artisanal machinery and provides agro-ecological training conducive to organic certification, 35 family microenterprises raised their cacao production by 25% and the price of their products by 9% over a five-year period, thereby achieving productive efficiency and significantly increasing income. By revaluing traditional eco-friendly techniques, technology has helped secure the program’s sustainability.

In Caracas, Superatec works with low-income youth to help them improve their quality of life by offering computer and technology training so they can successfully enter the job market. Through its four educational centers, Superatec supplements the basic education of over 1,500 youth with a comprehensive program that includes personal development, computer training, and access to a job bank.

Similarly in Brazil, AVAPE provides computer and business training to persons with disabilities so they can form their own microenterprises. This also helps them achieve significant levels of economic autonomy and greater social inclusion.

When incorporated in an effective way, technology is a valuable resource for people who have the initiative and drive to work hard and improve their lives, despite economic limitations.

Study: Social Impact in Latin America

Based on more than 20 years of experience supporting development projects throughout Latin America and the Caribbean, The Resource Foundation has begun compiling data on the social impact of all the projects it supports.

As agencies report on their projects’ progress, they have also begun including demographic information about the main program beneficiaries and the impact of the program on individuals and communities at-large.

Agencies are also providing the estimated number of indirect beneficiaries. While these individuals do not receive the direct benefits of the programs, they are an essential part of what is often referred to as the “Rainmaker Effect,” which is the way increased information and awareness multiplies the impact of a development program throughout a community.

We are currently in the early stages of this social impact study, but we are excited to analyze the data and better understand the reach and impact of our work. Look for information on the results of this research in our next newsletter.
From the Field: Milagros Tenicela Travels to Peru

On a recent trip to Peru, I had the wonderful opportunity to visit two agencies supported by The Resource Foundation: Agualimpia and Grupo ACP. At each NGO I was warmly welcomed by the program directors who explained each of the projects they are currently carrying out with support from our donors.

Agualimpia and Grupo ACP Aprenda both offer education and training to people from the most impoverished areas of Peru. With Deutsche Bank’s support, Agualimpia is developing an “Education & Awareness Program” on the benefits, uses, cost and maintenance of potable water services in Cocachara. In and around Lima, Aprenda provides training to low-income micro-entrepreneurs with support from the Citi Foundation. Similar programs are also being carried out in Pisco, the region devastated by the 2007 earthquake, with support from donors such as Johnson & Johnson.

My visits to these programs were rewarding and insightful, and they reaffirmed my belief that our donors’ contributions offer invaluable opportunities to improve the lives of countless people in Latin America. – Milagros Tenicela is The Resource Foundation’s Marketing Director.

Maximizing Your Contributions

Appreciated Securities: Save on income tax and capital gains tax by donating publicly-traded securities. The firm of Ingalls and Snyder offers a special trading account for stock and bond donations. Contact Bruce Molinaroli at (212) 269-7657.

Depreciated Securities: If you own securities that have decreased in value since you bought them, you may wish to consider selling them and making a gift of cash. You may then claim a capital loss as well as a charitable donation for your gift.

Matching Gifts: Ask your company to match your contribution. Many companies will double or triple your gift.

To support The Resource Foundation’s mission by making a gift from your IRA with an IRA Charitable Rollover Gift, please call your IRA plan administrator to arrange for a direct transfer to TRF and notify our Deputy Executive Director of your plans at (212) 675-6170.

This information is intended to provide general guidance and is not a substitute for professional counsel. Consult your tax or legal advisor for professional guidance.
"WE MAKE A LIVING BY WHAT WE GET, BUT WE MAKE A LIFE BY WHAT WE GIVE."
- WINSTON CHURCHILL

Letter from Board Member, Bill Hockman

Dear Friends,

I joined the Board of Directors of The Resource Foundation 15 years ago at the suggestion of my friend Larry Prince, who knew of my many years doing business in Latin America. Shortly after joining the Board, Loren Finnell and I took a trip through Central America to visit Texaco’s country managers, most of whom I knew, to discuss expanding Texaco Foundation’s involvement with TRF. We spent time with many agencies and witnessed the admirable work they were doing despite difficult circumstances. Over the next several years, I continued visiting our agencies.

In Costa Rica, I attended a ‘shareholders’ meeting of a new community bank organized by FINCA. The meeting involved the six owners, many of whom were also loan recipients, gathering under a tree in the town square. As most were virtually illiterate, their wives wrote and read the minutes at each meeting. This bank’s obvious success and the pride and gratitude of the farmers who benefited from it choked me up, especially when I realized how many people FINCA’s then 250 banks throughout Costa Rica had helped become self-sufficient.

In El Salvador, I also witnessed the work of many organizations including SalvaNATURA, OEF and CREFAC, which work to protect the environment, promote eco-friendly initiatives, provide low-income families with health, education, microenterprise training, and teach women job skills so they can earn more and limit their dependence on unreliable spouses. To see these projects first-hand is to marvel at the difference private funding can make and its potential to help people lift themselves out of poverty, keep families together, improve health, and hope for a better future.

Today, a great deal of our funding comes from major American corporations who see value in helping the poor in Latin America. Their contributions are not advertisements to increase sales but rather representations of good corporate citizenship that provides the building blocks for the growth of a prosperous and healthy population. On a personal level, my family is also involved through our annual 4th of July party and fundraiser for the Foundation. Through this event, many of our friends have taken interest in TRF’s work, especially as migration from Latin America to the US has highlighted the plight of thousands of individuals who leave their families to find work.

Each day, the world is getting smaller and we are more interconnected. It is no longer a choice to be involved in the issues of other countries and cultures, it is an everyday reality. As individuals or as companies we can do a lot to ameliorate poverty in Latin America by supporting and encouraging the entrepreneurial spirit of its people. This is the daily work of The Resource Foundation, and I am proud to be involved. We still have much to do and we need everyone’s help.

Sincerely,
Bill Hockman

Welcome New Member, Hogar Bambi Colombia

With an estimated 2 to 3 million internally displaced persons, Colombia has the second largest displaced population in the world after Sudan. Of those displaced, approximately 200,000 are children under the age of four.

Children live in extreme poverty, are malnourished, and lack access to opportunities that would facilitate their physical and mental development.

Hogar Bambi Colombia, one of The Resource Foundation’s newest affiliates, cares for and promotes the rights of displaced and vulnerable children in its eight homes. Its program is based on a comprehensive model that provides children with shelter, care, educational programs, and medical services, all of which are grounded in a human rights perspective.

The program currently benefits 750 children from birth to age six. It is the only organization of its kind in Colombia, offering vocational training programs to parents, mostly single mothers, in order to achieve lasting change in the children’s lives.
Special Thanks for Essential General Support

<table>
<thead>
<tr>
<th>Corporation/Charity</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alcatel-Lucent</td>
<td>$18,640</td>
</tr>
<tr>
<td>American Express</td>
<td>$5,300</td>
</tr>
<tr>
<td>BEA Corporation</td>
<td>$2,400</td>
</tr>
<tr>
<td>Board Members</td>
<td>$125,000</td>
</tr>
<tr>
<td>Citi Foundation</td>
<td>$20,000</td>
</tr>
<tr>
<td>Deutsche Bank Americas Foundation</td>
<td>$39,014</td>
</tr>
<tr>
<td>Dow Chemical Foundation</td>
<td>$60,532</td>
</tr>
<tr>
<td>EMCB</td>
<td>$2,177</td>
</tr>
<tr>
<td>Gunnerson Family Foundation</td>
<td>$3,000</td>
</tr>
<tr>
<td>Individual Contributors</td>
<td>$70,000</td>
</tr>
<tr>
<td>Intervine, Inc.</td>
<td>$1,000</td>
</tr>
<tr>
<td>Johnson &amp; Johnson</td>
<td>$129,630</td>
</tr>
<tr>
<td>Kellogg</td>
<td>$34,020</td>
</tr>
<tr>
<td>MacDonald Foundation</td>
<td>$1,000</td>
</tr>
<tr>
<td>May Foundation Trust</td>
<td>$2,500</td>
</tr>
<tr>
<td>Marion Community Foundation</td>
<td>$250</td>
</tr>
<tr>
<td>MasterCard International</td>
<td>$5,000</td>
</tr>
<tr>
<td>May Foundation Trust</td>
<td>$2,500</td>
</tr>
<tr>
<td>Pfizer Animal Health</td>
<td>$39,800</td>
</tr>
<tr>
<td>Pfizer Foundation</td>
<td>$48,800</td>
</tr>
<tr>
<td>Princeton Class of 1969</td>
<td>$1,500</td>
</tr>
<tr>
<td>Starbucks</td>
<td>$7,407</td>
</tr>
<tr>
<td>Starfish Group</td>
<td>$1,250</td>
</tr>
<tr>
<td>Toledo Community Foundation</td>
<td>$250</td>
</tr>
<tr>
<td>Unanue Foundation</td>
<td>$10,000</td>
</tr>
</tbody>
</table>

CORPORATIONS / FOUNDATIONS

<table>
<thead>
<tr>
<th>Corporation/Charity</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alcatel-Lucent</td>
<td>$25,000</td>
</tr>
<tr>
<td>American Express Foundation</td>
<td>$56,700</td>
</tr>
<tr>
<td>Bay and Paul Foundations</td>
<td>$10,000</td>
</tr>
<tr>
<td>Brush Foundation</td>
<td>$25,000</td>
</tr>
<tr>
<td>Caddick Co.</td>
<td>$2,000</td>
</tr>
<tr>
<td>Campbell Hall</td>
<td>$8,000</td>
</tr>
<tr>
<td>Citi Foundation</td>
<td>$298,500</td>
</tr>
<tr>
<td>Collier Community Foundation</td>
<td>$13,800</td>
</tr>
<tr>
<td>DelMar Foundation</td>
<td>$4,000</td>
</tr>
<tr>
<td>Deutsche Bank Americas Foundation</td>
<td>$530,757</td>
</tr>
<tr>
<td>Deutsche Bank Private Bank</td>
<td>$50,000</td>
</tr>
<tr>
<td>Dow Chemical Foundation</td>
<td>$74,994</td>
</tr>
<tr>
<td>Emerging Markets Charity Benefit EMCB</td>
<td>$75,000</td>
</tr>
<tr>
<td>Gunnerson Family Foundation</td>
<td>$5,500</td>
</tr>
<tr>
<td>Institute for Bird Populations</td>
<td>$11,785</td>
</tr>
<tr>
<td>International Foundation</td>
<td>$10,000</td>
</tr>
<tr>
<td>Intervine, Inc.</td>
<td>$5,000</td>
</tr>
<tr>
<td>Jerry Grubauagh Mem. Fund</td>
<td>$5,250</td>
</tr>
<tr>
<td>Marion Community Foundation</td>
<td>$1,887,480</td>
</tr>
<tr>
<td>Jewish Community Endowment Fund</td>
<td>$10,000</td>
</tr>
<tr>
<td>Juniper Networks</td>
<td>$20,000</td>
</tr>
<tr>
<td>Johnson &amp; Johnson</td>
<td>$1,887,480</td>
</tr>
<tr>
<td>Kellogg Company</td>
<td>$48,590</td>
</tr>
<tr>
<td>May Foundation Trust</td>
<td>$12,500</td>
</tr>
<tr>
<td>Pfizer Animal Health</td>
<td>$358,200</td>
</tr>
<tr>
<td>Pfizer Foundation</td>
<td>$140,000</td>
</tr>
<tr>
<td>Procter &amp; Gamble</td>
<td>$35,000</td>
</tr>
<tr>
<td>South American Secrets</td>
<td>$3,760</td>
</tr>
<tr>
<td>Starbucks Foundation</td>
<td>$100,000</td>
</tr>
<tr>
<td>Toledo Community Foundation</td>
<td>$2,500</td>
</tr>
<tr>
<td>Various Donors (6)</td>
<td>$17,450</td>
</tr>
<tr>
<td>West Foundation</td>
<td>$8,000</td>
</tr>
<tr>
<td>Women Donors Network</td>
<td>$4,500</td>
</tr>
<tr>
<td>CHURCHES / RELIGIOUS ORGANIZATIONS</td>
<td></td>
</tr>
<tr>
<td>Special Thanks for Essential General Support</td>
<td></td>
</tr>
</tbody>
</table>

Thank you to our Donors and Contributors

WITH CREDIT RECEIVED
17 YEARS AGO, TODAY WE OWN A FAMILY BUSINESS THAT ORGANIZES CHILDREN'S SHOWS. I AM VERY PROUD OF ALL WE'VE ACHIEVED AND I HOPE TO WORK AND SUPPORT MY FAMILY AS LONG AS I LIVE.

- MARIA DEL CARMEN GARCÍA FLORES, NICARAGUA
The Resource Foundation, a 501(c)(3) tax-exempt organization, is a leader in philanthropic giving to Latin America and the Caribbean. It partners with corporate, foundation and individual donors, and experienced NGOs in 25 countries in Latin America and the Caribbean to increase opportunities and improve living standards for the region’s disadvantaged.

Board of Directors

DIRECTOR EMERITUS

Rev. Alberto Jiménez, S.J.
Former Executive Director & Founder
Servivienda
Bogotá, Colombia

DIRECTORS

Michael Archer
SVP, Managing Director
MasterCard International

Alejandro Bernal
Area President, Canada and LatAm
Pfizer Animal Health

Jovita Castillo
President
For a Better World Productions

Alain Concher
VP, Global Procurement
L’Oréal USA

José M. de Lasa (Chairman)
Of Counsel
Baker & McKenzie LLP

Loren Finnell
President & CEO
The Resource Foundation

María A. García
Director, Emerging Markets
Barclays Capital

Rafael Guardans Cambó
Executive President
FUNDESO
Madrid, Spain

William Hackman
Chairman and CEO
Hockman - Lewis Limited

Darryl Hunt
Public Relations Consultant

Rudolf Laager
President
LuKaDa International LLC

Christina Leijonhufvud
Managing Director
Social Sector Finance
J.P. Morgan Chase & Co.

Pedro Lichtinger
President and General Manager
Primary Care Unit
Pfizer Inc

Colleen May
Owner/Chairperson
Intervine, Inc.

Adrian McKemey
Managing Director
Quintiles Global Consulting

Carl Muñana
Development Finance Consultant
Madrid, Spain

Carla Volpe Porter
General Counsel
Renaissance Technologies Corp.

Lawrence Prince
Chairman
J.B. Prince Co.

Alison Rende
Attorney
IBM Americas

Kenneth Ricci
Principal
Ricci Greene Associates

Carmen Unanue
President
The C & J Unanue Foundation

John Welch
Chief Economist
Banco Itaú
São Paulo, Brazil

Peter O. Wirth
President
TWT Ltd.