



People Who Change Lives



2008 Annual Report



Our Mission Statement

The American Red Cross, a humanitarian organization led by volunteers and guided by its Congressional Charter and the Fundamental Principles of the International Red Cross Movement, will provide relief to victims of disaster and help people prevent, prepare for and respond to emergencies.

Fundamental Principles of the International Red Cross and Red Crescent Movement

Humanity ▪ Impartiality ▪ Neutrality ▪ Independence
Voluntary Service ▪ Unity ▪ Universality

Learn more about Red Cross volunteer Maria Hartley, shown on the cover, on page 10.

A Message From the Chairman

The past year was one of the most challenging times in the history of our great nation, and those challenges increased demands on the American Red Cross. It is such challenges, however, that reveal the true spirit of America. Our spirit of humanitarianism is at its best when times are at their worst, with neighbors helping neighbors around the corner and around the world.

Last year, the American Red Cross responded to 70 national disasters and nearly 71,000 local disasters. Those included the devastating California wildfires, a record number of tornadoes and some of the worst flooding in Midwest history. Together with your support, we helped to mend lives torn apart by disaster, served more than 2 million hot meals and snacks and provided shelter for nearly 54,000 people across the nation.

The international demands were also unprecedented. The American Red Cross led international responses to assist the victims of the cyclone in Myanmar, the floods in Ecuador and the earthquake in China.

Despite all the trials, there have also been triumphs. One of the greatest successes has been our work with the Measles Initiative, which has reduced measles deaths in Africa by almost 90 percent. Much work is still to be done, as more than 500 children die each day from this preventable disease, but great progress has already been made.

Another major achievement was the launch of the American Red Cross Humanitarian Prize. This year, Dr. Noam Yifrach, Chairman of the Israeli Society, Magen David Adom, and Mr. Younis Al-Khatib, President of the Palestine Red Crescent Society, were honored for their courageous and selfless humanitarian partnership. These leaders demonstrated the potential of the human spirit to heal one of the world's deepest divides.

The American Red Cross continues to be a symbol of hope and comfort around the world because of our dedicated volunteers who give so generously of themselves and their resources. This annual report details many of the successes that the Red Cross has achieved with your compassionate support. However, we also know that the "privilege of much good work" has yet to be completely fulfilled, both here and abroad.

The Board of Governors enthusiastically supports the important work being done under the strong leadership of President and CEO Gail McGovern. In her capable hands, the future of the American Red Cross has never looked brighter and more limitless. Thank you again for your continued partnership.

With great appreciation,



A handwritten signature in black ink that reads "Bonnie McElveen-Hunter". The signature is written in a cursive, flowing style.

Bonnie McElveen-Hunter
Chairman

A Message From the President and CEO

Since joining the American Red Cross, it has been my privilege to witness the positive effect that our mission has on individual lives. The importance of the Red Cross mission is exemplified by the selfless people who live it every day: the person who donates blood and saves three lives; the volunteer who helps feed, shelter and comfort a family during a disaster; the passerby trained in CPR who saves a heart-attack victim; and the Red Cross worker who relays important news from home to a service member stationed overseas.

I have been impressed by the incredible devotion that our employees and volunteers have for the Red Cross. They show a level of dedication I have witnessed nowhere else. Our people, who reflect the diversity of our nation, are the strength of our organization. We rely on their enthusiasm and giving spirit to move us forward and to change lives in every community.

While we treasure the historical legacy of the Red Cross, we are also committed to standing firmly in the 21st century. One of our

goals is to revitalize our image so we can better connect with the innovation and optimism of young people. I want the Red Cross to be on the cutting edge of new media practices and to be quick to adopt technologies that will help us reach more people.

During these difficult economic times, we need to improve our financial performance by cutting costs and increasing our donor base—all while improving our services to the public. The Red Cross also has a major responsibility as the provider of nearly half of the nation's blood supply. We will continue to work closely with the FDA to ensure that this blood remains among the safest in the world.

The American Red Cross is more than 125 years old, but the desire to help our fellow human beings has existed throughout history. It is a timeless feeling and a timeless mission. I hope that you will join us in embracing the mission of the American Red Cross and becoming part of the world's largest humanitarian movement.



A handwritten signature in black ink that reads "Gail McGovern". The signature is fluid and cursive.

Gail McGovern
President and CEO

In these turbulent times, one thing you can count on is the American Red Cross.

The past year saw an increase in disasters, which was coupled with a struggling economy. Through it all, the Red Cross, despite financial challenges, continued its mission to change lives.

For 127 years, we have partnered with you to prepare for crises and respond to disasters—across our country and abroad. To do our work, we count on people like you. We change lives through you.

How? In many ways. One pint of your blood can help save up to three lives. Your \$25 donation can provide five blankets for a family waiting out a storm in a Red Cross shelter. A single dollar funds a measles vaccination, which can make all the difference in the survival of an African child. In fact, an average of 90 cents of every dollar you donate is invested directly in our humanitarian services.

Still another way you can join us in making the world a better place is by donating your time. Our volunteers typically start out giving a few hours for a special project or a few weeks to help respond to a disaster. Most end up staying a lifetime. They give, and receive in return, and so keep on giving.

If you don't have time to volunteer, you can still team with us to change lives. Any donation of money or blood makes a world of difference to people everywhere, from all walks of life. To those of you who journeyed with us in our humanitarian cause this year, we want to extend a special word of thanks. To those of you who would like to join with us, we extend a warm invitation. Your time, money, blood and heart will connect with people just like you who need your help. You count on us, and we know we can count on you. Together, we can do so much.

The following pages will show you firsthand what a difference people made this year and how you can help.

The American Red Cross provides disaster assistance to people in need—free of charge—every single day. This year, we responded to nearly 71,000 calls for help, ranging from home fires to hurricanes, floods to tornadoes. The Red Cross rose to the challenges, helping those whose homes and security had been unexpectedly snatched away from them.

People of all ages and backgrounds turn their desire to help into action through the American Red Cross.



2008 at a Glance

70,917 disasters nationwide

60,236 localized disasters (home fires, flooding, etc.)

10,681 disasters larger than one chapter could handle

70 disasters requiring the support of national systems and resources

More than **54,000** people received shelter



In October 2007, wildfires in California swept across 500,000 acres and damaged or destroyed nearly 3,000 buildings, most of them homes. The fires prompted the largest evacuation in the state's history—displacing about half a million people. The Red Cross opened 40 evacuation centers in the San Bernardino and San Diego areas, providing 1.35 million meals and snacks. After the fires were contained, the Red Cross worked with families to assess the damage and help them rebuild their homes and lives. Toyota Motor Sales, U.S.A., Inc. was one of the leaders in support of Red Cross wildfire relief efforts, donating more than \$2 million through contributions from its corporate headquarters in Torrance, California, and its subsidiaries all over the country.

Then in the spring and early summer of 2008, we dealt with 36 severe-weather emergencies in only 10 weeks, including flooding and tornadoes in the Midwest. We opened 126 shelters, providing 13,000 overnight stays and more than 1 million meals and snacks.

We also wound down our services in states affected by Hurricanes Katrina, Rita and Wilma as local leaders and grassroots initiatives appropriately took over the ongoing recovery process.

Strengthening Our Core

How do we do it? We continue to increase the number of trained volunteers and pre-position inventories of supplies. Involving community partners in planning and managing our response allows us to address potential gaps in service. This year, we worked with our partners to expand our ability to serve diverse and hard-to-reach populations, assess and increase our sheltering capacity, test a paperless damage assessment process and develop an approach to better determine and

meet the needs of people with disabilities entering our shelters.

We also enhanced our resources, improving our human resources system to allow for the speedier deployment of up to 4,000 disaster workers per day.

Expanding Our Network and Strengthening Our Systems

Our National Shelter System has increased the network of Red Cross and partner shelters that can be opened in time of disaster. This system, now used on all disaster relief operations, contains data that details the location, capacity, inventory and facilities of more than 52,000 shelters. We trained more than 2,000 Red Cross workers this year to use this system, enabling us to disseminate more timely and accurate information about our shelters to the media, government and displaced people. We also added communications equipment in 42 high-risk areas to ensure that critical communications can continue during a disaster that affects phone lines and cell towers.

“The American Red Cross Disaster Relief Fund is an extension of our company’s promise to our customers. We’re proud to work alongside the American Red Cross as we help our customers and their communities when disasters strike. Our associates count on us to partner with the local Red Cross chapters in their communities as they work to help our customers.”

— **Chad Jester, President,
Nationwide Foundation**

Nationwide Foundation gives annual grants to the American Red Cross Disaster Relief Fund and provides additional funding during disasters. Nationwide employees also support the Red Cross as blood donors, chapter board members and more.

A Challenging Hurricane Season

From July 2007 through June 2008—fiscal year 2008—the nation experienced nearly 71,000 disasters. While this report covers that period, the hard-hitting hurricanes of late summer and early fall must be addressed. Hurricanes Gustav and Ike became the largest relief efforts the American Red Cross had faced since Hurricane Katrina, from which the Gulf Coast was still recovering.

For the people who lost their homes and livelihoods, these storms, along with Tropical Storms Dolly and Fay, and Hurricane Hanna, were not near misses—they were direct hits. While most of the nation was breathing a sigh of relief, many along the Gulf Coast were wondering when they'd be able to return home and begin to patch their lives together. Many were bracing for another storm warning. Those affected by Hurricane Gustav returned home, only to find they had to retrace their steps back to out-of-state shelters. The Red Cross was there to help them.

In response to Hurricanes Gustav and Ike, the Red Cross opened more than 800 shelters, served more than 14 million meals and snacks and provided physical and mental health services to more than 100,000 people. Some 21,000 volunteers provided much-needed services, and helped provide more than 435,000 overnight stays across 17 states. We distributed more than 100,000 comfort kits, which contain soap, toothpaste and other toiletries, and the same number of clean-up kits, which contain disinfectant, mops and buckets.

To provide free disaster assistance, the Red Cross relies on the generosity of the American public to support our Disaster Relief Fund. A record-breaking tornado season,



“My fellow Red Cross workers inspire me to do my best.”

I joined the Red Cross because they try to help no matter what a person's situation is. Some organizations are so specialized—they help people with a particular disease or a certain age group. The Red Cross helps people from all walks of life, no matter what their crisis. The Red Cross has trained me to increase my expertise, and I've met some great people. My chapter has been incredibly flexible with my time. As a volunteer, I've helped people

at their lowest. My fellow Red Cross workers inspire me to do my best. We have our problems, too, but helping others can help you overcome those problems.

— Patrick Henderson
“Rookie Volunteer for 2008”
South Central Mississippi Chapter
Hattiesburg, Mississippi

the worst flooding to hit the Midwest in more than a decade and an early wildfire season in 2007, in addition to wildfires in autumn 2008, drained Red Cross coffers. Red Cross chapters also responded to thousands of more-contained but costly disasters, like house fires, explosions and industrial accidents. Quiet but steady preparation—we have thousands of volunteers at the ready to mobilize within 48 hours—costs money, too.

Preparation and response to the storms that followed an already costly year depleted already strained resources. An extremely active year of disasters and a faltering national economy—which led to a decrease in charitable donations—left us unable to balance our budget and forced us to borrow money to continue providing disaster relief.

“I found out first-hand what a difference the Red Cross can make when my home burned. I will never forget the help we were offered, and I wanted to give something back. I volunteer to let our community know how much we all benefit if we work together through the Red Cross.”

— Tamara

We dramatically reduced national headquarters' expenses and trimmed staff there by a third. We consolidated operational overhead, reduced travel expenses and asked for and received federal support of \$100 million. Then in September 2008, we launched the Campaign for Disaster Relief to raise \$100 million for the Disaster Relief Fund.

No matter our financial circumstances, the American Red Cross will always be there to help people in crisis—it is our mission. In these precarious times, we want to thank our friends and donors for their generous support. With your help, we are able to offer the scale and scope of services to which Americans have been accustomed for 127 years.

As we prepare to respond to the disasters of 2009, we are calling on everyone to support the Disaster Relief Fund, which allows the Red Cross to provide help whenever and wherever disasters occur.



“You may think you don't have time to volunteer with the Red Cross, but we're here to tell you, you do. We'll show you how you can have fun using your own talents and resources to make a difference.”

— Jennifer

Tamara Tachdjian (left) and Jennifer Suemnicht (right) team with Tyler Dittman (facing page) to lead Professionals in Action (PiA) at the American Red Cross chapter in Seattle. PiA raises funds, promotes involvement and builds awareness of the Red Cross in greater Seattle.

“It’s all about people.”

Multitasking usually comes easily to young professionals, but excitement and flexibility are essential to their work. That’s the premise behind a program called Up the Ante, created by Professionals in Action, a team that got its start at the American Red Cross chapter in Seattle, Washington. The program was launched last year in an effort to involve people under 40.

The chapter provided seed money to interested young supporters, who then used the funds to create their own cutting-edge fundraising campaigns.

“We wanted to appeal to this demographic’s desire to do something different, creative and fun,” says Red Cross volunteer Tyler Dittman, a 35-year-old attorney employed by a Seattle-based foundation, who became interested in volunteering for the Red Cross when Hurricane Katrina devastated America’s Gulf Coast.

Participants met the challenges of Up the Ante with a great competitive spirit, empowered by the freedom and creative license the project gave them. One young philanthropist designed an auction at her workplace in which employees could purchase senior management’s time—for everything from a mentoring session to washing cars. All proceeds went to the American Red Cross.

“I see promise in this approach, and I’m so positive about the Red Cross,” Tyler says. “It’s not what I expected. You’d like to say it’s all about its mission, which is huge, or its reputation as a quality service provider. Yet the real reason I feel so connected to the Red Cross is so much more. It’s all about people.”



**Tyler Dittman, Volunteer
American Red Cross Serving King & Kitsap Counties
Seattle, Washington**

Preparedness Is Crucial

The American Red Cross continues to help people get ready for disasters and other emergencies. Being prepared is crucial at home, work and school. A day spent in a CPR/AED training seminar today may save someone from dying from a heart attack tomorrow. Taking time to prepare your family or business for a potential emergency now will make you, your colleagues and your loved ones safer should a disaster strike home. We work closely with local, state and national partners to help Americans individualize their planned response to natural hazards. We want Americans to realize that the risk of a potential disaster exists for each and every one of us and to prepare themselves and their families for hazards, customizing their disaster plans to fit their communities and individual circumstances. Together, we can help communities become safer and even more prepared.



Make a Plan.



Build a Kit.



Keep Informed.



CPR/AED training courses combine lecture, demonstrations and video with hands-on training.

We continually look for new ways to extend our reach. We seek partnerships—like our partnership with Etón Corporation—that will help people prepare themselves and their families. The American Red Cross and Etón Corporation have joined forces to offer emergency radios to help people stay prepared and informed during times of emergencies.

Building a Culture of Prevention

The Red Cross has always been a front-runner in preventing and preparing for emergencies, and our training is second to none. This year, we trained more than 15 million people in preparedness and health and safety courses and presentations. We also continue to improve our offerings—making them more contemporary, interactive and available to all. We revised our Babysitters Training course, which reaches more than 100,000 youth annually. We also revised four reference guides with self-paced DVDs for people who can't take a traditional class. Many of our products are now available in Spanish, Chinese, Korean, Vietnamese and French.

2008 at a Glance

36% of Americans prepared a disaster supplies kit.

32% of Americans made an emergency communication plan.

24% of Americans practiced an emergency drill.

15.6 million people took part in preparedness and health and safety courses and presentations.



Bridging Preparedness Gaps

Despite our nation's renewed emphasis on safety awareness, many Americans are still not prepared for an emergency. A survey conducted by the Red Cross and the Council for Excellence in Government found that the nation's collective level of preparedness decreased—on a scale of 1-10—from 4.14 last year to 3.57 this year.

Americans with higher incomes and non-Hispanic whites showed the largest decline in readiness last year. Businesses, schools and daycare centers continue to have an important role in readying themselves and their employees. For example, 73 percent of employees report their employer has an emergency plan.

Yet American families could be doing better. About 10 million people enrolled in Red Cross health and safety courses last year, but that leaves a lot of untrained Americans. In fact, only 36 percent of the nation took a first aid or CPR course in the past five years.

Leading the Way

Our courses, interactive training and online materials can bridge the current gaps in skills, helping to save lives. Every year, we update materials, making them more accessible and user friendly. Seeing the huge public concern for animals during a disaster, we now have dog and cat first aid manuals, providing pet owners with emergency procedures to follow until a veterinarian is available.

Our popular training for babysitters gives 11-15 year olds the skills and confidence they need in caregiving, decision-making and safety skills. The hands-on activities and interactive video help babysitters to develop their business skills and generate more income while they keep the children they care for safe.

Our New Consumer Products

Family Caregiving

Learn how to:

- Care for elderly or ill loved ones.
- Prepare healthy meals.
- Handle legal and financial issues.
- Deal with dementia.
- Care for yourself while caring for others.



Dog and Cat First Aid

Learn how to:

- Recognize a pet emergency.
- Administer medications.
- Perform pet CPR.
- Stock a pet first aid kit.



Visit our online store on RedCross.org to learn more.



“I get to help others, and who doesn’t like that?”

Environmental ecologist Maria Hartley, a Disaster Action Team member in Houston, joined the Red Cross because of its historic roots and its international reputation. “When I pull on my vest with the Red Cross emblem, I feel such pride,” she says. “I’m part of something so much bigger than myself.”

Despite a rigorous work schedule, Maria remains committed to the Red Cross because she gets great satisfaction from changing lives by connecting people with much-needed assistance. Her work has left her with many memories—the help people have received the same night they lost their homes to disaster, or the hours spent with a single mom and her disabled son, who in the end, needed her support more than they needed any referrals. “Sometimes just being there is what people need,” she says. “It may be the worst experience they’ve ever encountered, and they don’t want to face it by themselves.”

Maria also helped survivors of Hurricane Ike. She was touched forever by the devastation. “Bits and pieces of people’s lives were scattered over miles,” she says. “Houses were reduced to a few posts. Whole marinas were run aground. It was an honor to help these people pick up the pieces. People see the Red Cross, and they know they’re not alone.”

**Maria Hartley, Volunteer
Greater Houston Chapter
Houston, Texas**



“If you can get kids to empathize with others, it can change their lives.”

I've been working with the Red Cross since I was young. We pair at-risk Chinese-Americans with elderly Chinese adults who need their help. The young people don't realize how much they'll get in return at first, but most leave knowing it. They develop respect for their elders, empathy for others, preparedness skills, self-confidence and lots of life wisdom.

If you can get kids to empathize with others, it can change their lives. One former volunteer returned to tell me the program not only kept

him away from the gangs; it also kept him in school. He's now a college graduate.

The Red Cross changes lives, including my own. My Red Cross experience led me to my career as a sociologist and influenced me to focus on helping gang members and addicts.

— Michael Jang
Volunteer and Board Member
American Red Cross of the Bay Area
San Francisco, California

We're in New Spaces!

Over the last two years, the American Red Cross has joined the world of social media as a new way of interacting with our supporters and attracting new ones.

What is social media? Any online space where people can interact with one another is considered part of the social web. Social media tools are easy-to-use platforms that allow people to connect online.

Here are just some of the sites where you'll find us:

- Facebook
- Flickr
- Twitter
- Red Cross Disaster Online Newsroom

To find our sites, go to RedCross.org and click on *Connect*.

Social media tools allow us to connect with people on an individual basis at the place where their life intersects with our mission. Every day, several hundred people talk online about how they have interacted with the Red Cross. We read and learn from every conversation. By adopting social media, we're making it easier for people to tell us how to make the Red Cross a better organization.

At the American Red Cross, we're constantly looking for new ways to connect with people and provide services to individuals and communities more effectively and efficiently. Stay tuned.

Our Global Reach

The American Red Cross, as part of the largest humanitarian network in the world, strives to empower vulnerable people and communities to meet the challenges of disasters and diseases worldwide by mobilizing the power of humanity. The American Red Cross, as part of this global network, is seen as the world's helping hand in time of crucial need. This year, the American Red Cross responded to crises in 45 countries, quickly providing our partners in the International Red Cross and Red Crescent Movement with the resources required to respond to urgent needs. Our five largest disaster responses combined cash, relief supplies and human resources, and empowered communities to recover from crisis and prepare for future emergencies.

2008 at a Glance

45 countries received disaster assistance

7 million people benefited from disaster assistance¹

300,000 relief items delivered

12 national societies benefited from preparedness programs

\$75 million in assistance provided or pledged²

¹ Made possible through joint contributions by the American Red Cross and our Red Cross and Red Crescent Movement partners.

² This does not include assistance provided or pledged through the Tsunami Recovery Program.

Responding to Disasters

This year alone, we supported our Red Cross and Red Crescent partners around the world by committing \$75 million, dozens of disaster response workers and 300,000 relief items—from blankets and kitchen sets to hygiene kits and water containers. We were able to rapidly deploy most of these items thanks to our supplies that are pre-positioned in Panama, Dubai and Malaysia. We responded to the earthquake in Sichuan Province in China, which left 15 million homeless and caused powerful aftershocks for months afterward.

We aided those affected by the worst earthquake to hit Peru in 37 years, and those devastated by Cyclone Sidr, which struck Bangladesh with a 16-foot tidal surge. We were there, helping, after torrential rains inundated the Mexican city of Villahermosa, and when Cyclone Nargis ravaged Myanmar, leaving more than 130,000 people dead or missing. Together, with our Red Cross and Red Crescent partners, we helped provide relief to more than 7 million people affected by disasters.

What we provide depends on our partners' needs and requests. For example, we worked hand in hand with the Peruvian Red Cross to provide transitional shelters, strengthen disaster preparedness and offer psychosocial support. We sent more than \$1 million to the Bangladesh Red Crescent to provide relief items, shelter and water and sanitation services.

The scale of the Myanmar Cyclone has been



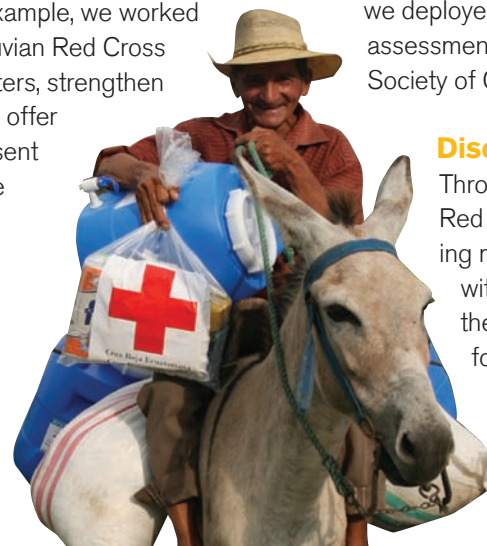
Supplies are loaded for shipment to Myanmar, heavily damaged by Cyclone Nargis.

compared to the devastation of the Indian Ocean tsunami of 2004. More than 2 million people were left without shelter, food or water. The American Red Cross gave more than \$3 million in financial resources and relief items ranging from mosquito nets to booklets on psychological first aid. Within days of the earthquake in China, the American Red Cross sent \$10 million in cash assistance. We later contributed \$4 million to restore the vaccination delivery system disrupted by the disaster, and we deployed three disaster response workers to support assessments. We will continue to assist the Red Cross Society of China for the next three years.

Disease Prevention

Through the Measles Initiative, the American Red Cross continues its commitment to reducing measles deaths globally in our partnership with the United Nations Foundation, UNICEF, the World Health Organization and the Centers for Disease Control and Prevention. Since

This resident of the flooded state of Tabasco, Mexico, carries home food for his family.



“Through the American Red Cross, the Hewlett-Packard Company Foundation and HP employees around the world were able to quickly respond to the needs of those affected by the China earthquake. HP values good global citizenship and embraces organizations that exemplify the same, which is why we are proud to support the American Red Cross in its disaster relief efforts.”

— **Marcela Perez de Alonso,**
Chair of the Hewlett-Packard Company
Foundation Board

The foundation, together with Hewlett-Packard Company employees in the United States and China, raised more than \$1.5 million for China earthquake relief.

2001, this initiative has saved more than 3.6 million people, most of them children. Last year, we supported the vaccination of more than 106 million children in 32 countries. In particular, the American Red Cross provided support so local volunteers could go house-to-house to educate families about immunization and upcoming vaccination campaigns in Congo, Gabon, Madagascar and Pakistan.

Making a Long-Term Difference

Our work with communities affected by the December 2004 tsunami will continue through 2010. We have helped more than 3 million people recover from the disaster, through programs providing psychosocial support, health care, water and sanitation services, shelter reconstruction, livelihoods support and training to prepare for future disasters. We have also reached more than 111 million people with disease-prevention activities. Thanks to generous individuals and corporations, we received about \$581 million, of which \$405 million has been spent.



“I can send my children to school.”

“I’m glad because I can now send my children to school,” says Mariani, a 27-year-old mother of four. Mariani received a series of loans through a project in Indonesia funded by the American Red Cross Tsunami Recovery Program. The loans have helped support her small business, allowing her to expand

it to include a small grocery shop. Mariani’s increased income means that she can now pay her children’s school fees. “My husband and I only completed junior high school,” she says. “But I hope that my children will be more educated.”

Five Largest International Disaster Responses



Mexico Floods

Fall 2007

1 million people affected

15,000 relief items

2 response workers to assist with communications and monitor distributions and early recovery programs

Cash to support relief operations and strengthen preparedness for future disasters

\$1.9 million in total funding



Peru Earthquake

August 2007

655,000 people affected

16,000 relief items

6 response workers to manage the distribution of relief supplies, provide psychosocial support and monitor progress

Cash to provide basic health services, shelter, clean water and education on hygiene and sanitation practices

\$3.4 million in total funding



Bangladesh Cyclone

November 2007

8.5 million people affected

35,000 relief items

4 response workers to support shelter, water and sanitation and early recovery activities

Cash to provide shelter and water and sanitation services

\$1.4 million in total funding



China Earthquake

May 2008

15 million people affected

4 response workers to help assess needs and monitor progress

Cash for relief, shelter reconstruction, restoration of water supplies and preparedness for future disasters

\$50 million in total funding



Myanmar Cyclone

May 2008

2.4 million people affected

200,000 relief items

1 response worker to support monitoring and evaluation

Cash for relief and recovery operations

\$3.4 million in total funding



Red Cross volunteer Molly Morgan and her pet therapy dog, Cordy May, visit with a service member at a physical therapy clinic at Walter Reed Army Medical Center in Washington, D.C.

Support for Military Families and Veterans

The American Red Cross works with U.S. service members and their families every day. Last year, 54 American Red Cross staff members lived in Afghanistan, Iraq and Kuwait, while other staff and volunteers handled emergency communications and provided casework, counseling, social services referrals and emergency financial assistance back home. When the worst occurred, we reached out to nearly 700 families of fallen service members, offering comfort and guidance. Additionally, we assisted more than 50 immediate family members in reaching their loved one's bedside or attending a funeral.

Keeping Families in Touch

Service members can have peace of mind knowing that when they are on a mission, in training or stationed far from home—and leaving cell phones and e-mails behind—they are still connected to home. Red Cross workers in hundreds of chapters and on military installations worldwide briefed 975,000 departing service members and their families regarding available support services, and they explained how the Red Cross may assist them during the deployment. While abroad, service members can stop by a Red Cross office for a break, and can even witness the birth of a child or talk with their loved ones via Web cam.

Increased Demand for Services

Conflict overseas has increased U.S. service members' needs each year, and the Red Cross has extended its reach accordingly. For example, beginning last year, the Red Cross partnered with the U.S. Department of Defense in their Joint Family Support Assistance Program. This two-year pilot initiative augments existing family programs to meet the needs of active duty National Guard and Reserve family members who don't reside near large military installations and often don't know where to turn for help.

2008 at a Glance

More than **630,000** emergency communication services for 173,000 military families.

\$5.8 million in emergency financial assistance delivered to more than 5,000 individuals or families on behalf of military aid societies.

More than **7,000** donated calling cards and **150,000** pounds of donated coffee distributed to deployed troops.

The American Red Cross also helps service members and their families with the frequent transitions they undergo as they deploy, reintegrate back into work and family life, and then often redeploy, which can cause family stress, job loss and financial duress.

Helping—At Home and Abroad

Last year, we teamed up with Pitney Bowes in a Holiday Mail for Heroes campaign, which collected more than half a million holiday cards from people across the United States. The cards were screened and sorted by Red Cross volunteers and delivered to wounded warriors, service members, military families and veterans.

Our support doesn't stop when service members return home. We have thousands of volunteers serving in Red Cross chapters and on military installations. They can be found in military and veterans hospitals around the country, working with patients, helping in pharmacies and physical rehabilitation centers and providing hospitality and special event services.

The Red Cross has expanded our work in military hospitals to support the newly created Wounded Warrior units. These units help service members as they recover from injuries that often require many surgeries, long recovery periods and rehabilitation. In addition to volunteer time, we provided more than \$100,000 in materials such as sweat suits, shoes and toiletry items. We also offer services that include providing transportation from medical facilities to home or base lodging, pet therapy programs or coordinating of events to raise morale or welcome troops home.



How to Access Red Cross Assistance

- Active duty service members stationed in the United States and their immediate family members may call American Red Cross Service to the Armed Forces centers for help 7 days a week, 24 hours a day, 365 days a year. The toll-free number is **(877) 272-7337**. Overseas personnel stationed on military installations should call the base or installation operator or, in selected locations, the on-base Red Cross office.
- Other family members who do not reside in the service member's household, members of the National Guard and Reserves, retirees and civilians may access Red Cross services through their local Red Cross chapter, which is listed in local telephone books and at **www.RedCross.org/where**.

Blood—Ensuring That It's Available and Safe

The American Red Cross is dedicated to ensuring that the United States has a safe blood supply, whenever and wherever it's needed. We're equally committed to providing our blood donors with a safe and relaxed environment. Providing this lifeline motivates us every day—to seek new ways to improve our operations and to improve the donor experience, build lasting relationships with our hospital customers and constantly improve our compliance with all blood banking regulations and standards.



Millions of Americans change lives each year through the simple act of donating blood.

Satisfied Blood Donors

Our caring blood donors make our blood services possible. We hope they realize—as they return to home, school or office—that their blood donation means life to those who depend on them. A 2008 survey of donors indicates that 94 percent were satisfied with their experience, and 82 percent are extremely likely to donate again. We are dedicated to enhancing customer service and ensuring compliance with federal blood banking regulations.

**The need is constant.
The gratification is instant.
Give blood.™**

More Donations

Thanks to our 3.8 million donors, we were able to distribute more blood products this year than at any time in Red Cross history. Our work to increase participation within minority communities has also paid dividends with a 5 percent increase in donations, and our outreach

to young donors saw a 5.5 percent jump in donations at high school and college blood drives. A safe and adequate blood supply depends on our generous donors. We thank you for taking an hour of your time to help save a life.

Improved Performance

Our top priority is the safety of the blood supply. The Red Cross is committed to making it as safe as it can possibly be. As a leader in the blood banking industry, the Red Cross has pioneered state-of-the-art testing to advance the safety of blood donors and patients. We will continue to lead the way in testing, because this research helps save lives and results in a safer blood supply.

The Red Cross is also committed to a sustained effort to reduce problems with the blood supply to an absolute minimum. While we have made significant progress, we recognize that there is more work to do, and we will continue to make this effort our top priority.



5.5% Increase
Blood Donations
High School and College

FY07	FY08
985,993	1,040,230

“If you roll up your sleeve,
you’ll be someone’s hero.”

When Karen and Roree Kerr were expecting son Branden, Karen was admitted to the hospital when she was 17 weeks pregnant. Eight weeks later, her condition worsened and her doctors debated the risks of an emergency cesarean section. If they didn’t operate, Karen would probably die. If they performed the surgery, her baby had little chance of survival. For seven hours, the doctors waited, because every precious second counted for Branden. Karen lost a lot of blood, and, therefore, received many transfusions.

When her premature son was delivered, he weighed two pounds. Imagine holding two pounds of butter. The tiny newborn had bleeding in his brain, a hole in his heart and undeveloped lungs. The doctors predicted a 20 percent chance of survival.

Fast forward 14 years. Today, Branden is a tall, healthy, handsome high school freshman with a varsity letter in golf. Karen Kerr is a dedicated blood donor and blood donation advocate. “I fully came to understand what it means to ‘give the gift of life,’” she says. “Therefore, I’ve never missed an opportunity to donate blood or to talk about donating blood. Tomorrow is not promised. You never know when you might be the one on that operating table needing a transfusion. Trust me. This I know: If you roll up your sleeve, you’ll be someone’s hero.”

Karen Kerr, Blood Donor
Greater Chesapeake and Potomac Blood Services Region
Bethesda, Maryland



2008 at a Glance

3.8 million people donated blood.

We received nearly **7 million** donations of blood, platelets and plasma.

We provided **42 percent** of the nation's blood supply.

We served **3,000** hospitals and transfusion centers .



Get the Facts

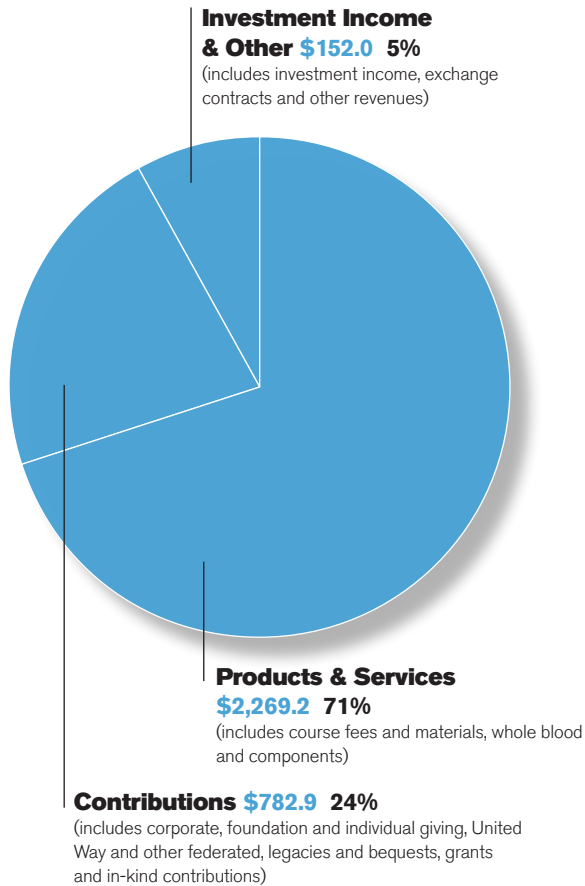
- Four million people need blood every year. That's one person every 2 seconds.
- Students donate about 20 percent of the blood used in the U.S.
- Blood donors must be at least 17 years old (in some states 16 years old with parental permission). Donors must be in good health and weigh at least 110 pounds.
- You can't get HIV from giving blood.
- You can donate blood every 56 days.
- You can make an appointment to give blood by calling 1-800-GIVE LIFE.

Sources of Financial Support

American Red Cross operating funds come from three main funding sources: contributions, revenues from products and services, investment income and other sources. Total Red Cross operating revenues and gains for fiscal year 2008 were \$3,204.1 million. Net assets were \$2,559.6 million.

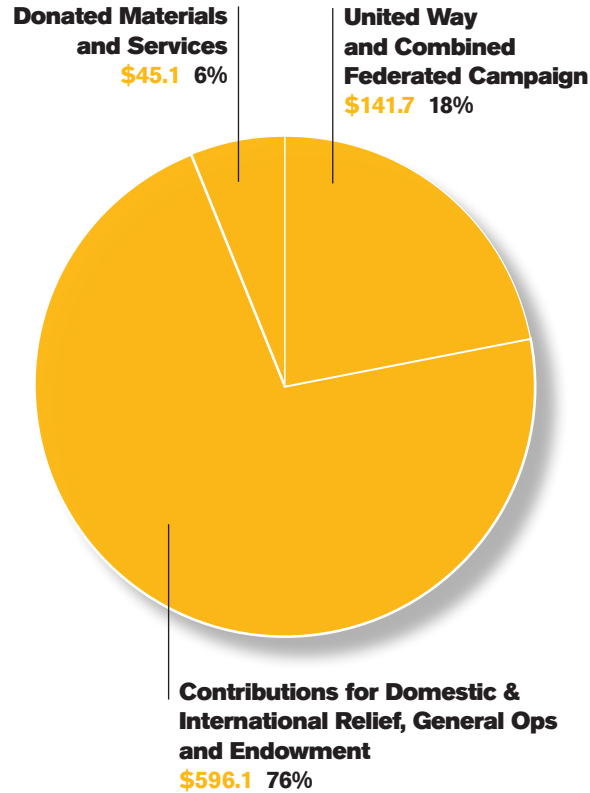
Operating Revenues and Gains (in millions)

Total \$3,204.1



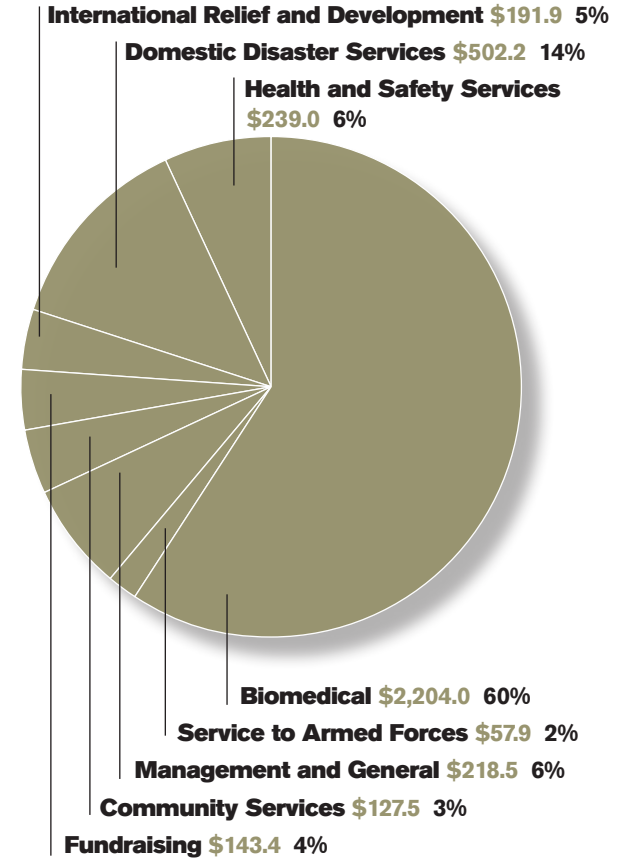
Contributions (in millions)

Total \$782.9



Operating Expenses (in millions)

Total \$3,684.4



Statement of Functional Expenses

Year ended June 30, 2008

(with summarized information for the year ended June 30, 2007)

(In millions)

	Program Services						Total Program Services
	Services to Armed Forces	Biomedical Services	Community Services	Domestic Disaster Services	Health and Safety Services	Int'l Relief & Development Services	
Salaries and wages	\$30.9	\$926.3	\$51.8	\$111.3	\$112.4	\$21.0	\$1,253.7
Employee benefits	8.4	267.6	13.6	30.1	28.9	6.1	354.7
Subtotal	39.3	1,193.9	65.4	141.4	141.3	27.1	1,608.4
Travel and maintenance	1.3	32.9	2.8	31.3	4.0	4.0	76.3
Equipment maintenance and rental	1.1	68.5	6.2	16.6	5.4	1.5	99.3
Supplies and materials	1.9	519.0	15.3	13.2	37.2	1.7	588.3
Contractual services	11.1	315.4	20.3	78.9	39.0	19.6	484.3
Financial and material assistance	1.9	15.0	12.9	207.6	4.2	137.5	379.1
Depreciation and amortization	1.3	59.3	4.6	13.2	7.9	0.5	86.8
Total expenses	\$57.9	\$2,204.0	\$127.5	\$502.2	\$239.0	\$191.9	\$3,322.5

	Supporting Services			Total Expenses	
	Fund Raising	Management and General	Total Supporting Services	2008	2007
Salaries and wages	\$57.5	\$82.8	\$140.3	\$1,394.0	\$1,317.1
Employee benefits	15.2	23.2	38.4	393.1	372.0
Subtotal	72.7	106.0	178.7	1,787.1	1,689.1
Travel and maintenance	3.8	4.7	8.5	84.8	80.9
Equipment maintenance and rental	1.8	4.2	6.0	105.3	106.8
Supplies and materials	16.1	3.6	19.7	607.9	611.9
Contractual services	42.9	75.1	118.0	602.4	605.4
Financial and material assistance	3.4	2.4	5.8	384.8	261.5
Depreciation and amortization	2.6	22.6	25.1	112.0	95.7
Total expenses	\$143.4	\$218.5	\$361.9	\$3,684.4	\$3,451.3

NOTE: The complete audited consolidated financial statements of the American Red Cross for fiscal 2008 may be obtained online at www.redcross.org/pubs/#report or by contacting the American Red Cross Inquiry Center, 2025 E Street, N.W., Washington, DC 20006, (202) 303-4498.

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Learn More About the American Red Cross

If you are interested in learning more about our work, contact your local Red Cross chapter or Blood Services region or:

American Red Cross
Inquiry Center
2025 E Street, N.W.
Washington, DC 20006
(202) 303-4498
info@usa.redcross.org.

Information about the Red Cross, including the location of local units, is also available on RedCross.org.

This report was produced by the Communication and Marketing Department of the American Red Cross:

Roger Lowe
Senior Vice President
Communications

Brian McArthur
Vice President
Communication and
Marketing Operations

Carol Robinson
Director, Creative Resources

Kathy Ramsperger
Writer

John Rodgers
Art Director

Terence Feheley
Editor

Jeanette Ortiz-Osorio
Photography Manager

Arline Williams
Print Production Coordinator

Photography Credits

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We thank our Annual Disaster Giving Program members for generous contributions that help the American Red Cross respond immediately to individuals and families affected by disaster anywhere in the country, regardless of cost. Each of these organizations has made a multi-year financial commitment to the Red Cross Disaster Relief Fund, which enables the Red Cross to provide shelter, food, counseling and other assistance to those in need.

2008 Annual Disaster Giving Program (ADGP) Members

American Express

AT&T

AXA Foundation

ConAgra Foods

FedEx Corporation

JCPenney Company Fund

Kimberly-Clark Corporation

Merck & Co, Inc.

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We've been there, helping our neighbors, since 1881, in times of disaster and national calamity, in peacetime as well as during war. We're there still—whether we're distributing blood products to hospitals and transfusion centers, teaching CPR classes, sheltering the suddenly homeless or informing people about the Geneva Conventions.

Please know your neighbor needs your help.
You're more than welcome to join us.

We know you'll be glad you did.



**American
Red Cross**