

---

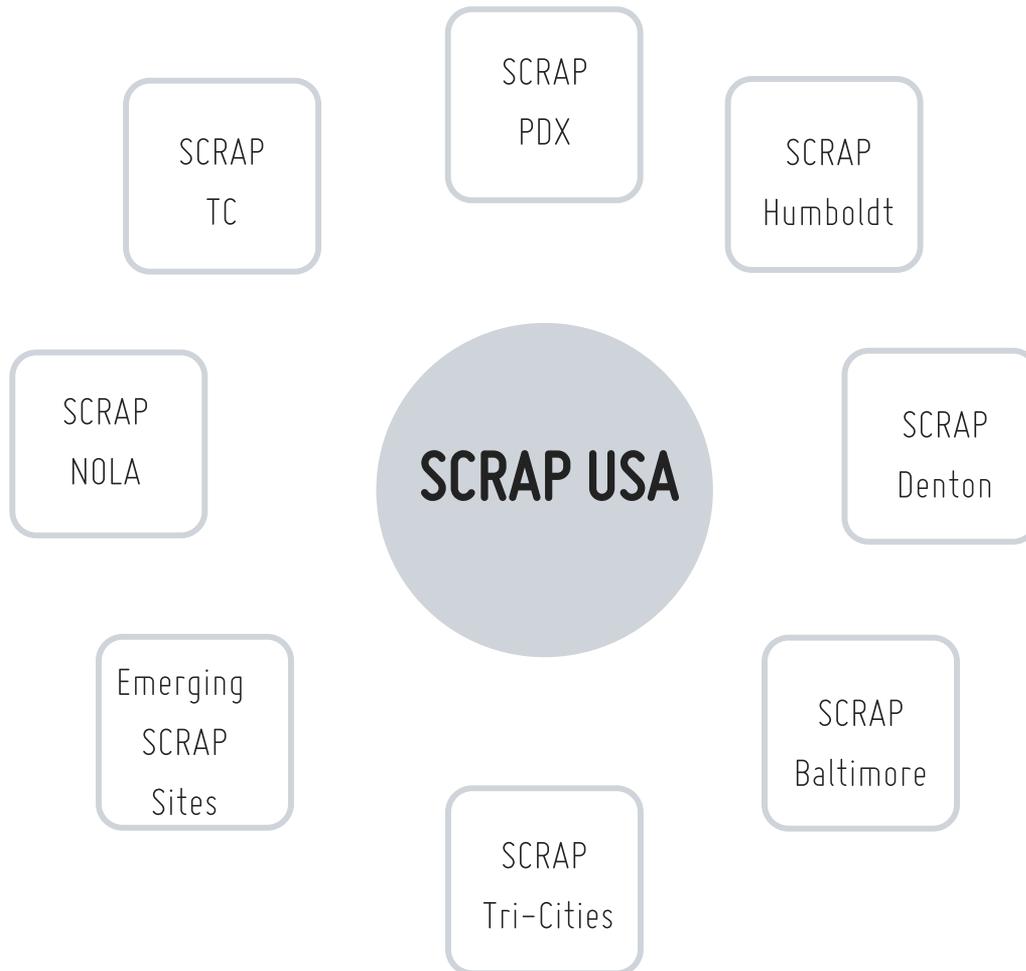
## ANNUAL REPORT FY2016



# OUR NETWORK

---

Our national network of Creative Reuse Centers all radiate around our SCRAP USA administrative and financial hub.



# A Letter from our Board Chair and our National Executive Director

Dear Friends, Fans and Supporters

We are thrilled to share the story of SCRAP for our Fiscal Year 2016 (July 1, 2015 - June 30, 2016). We achieved landmark goals in our history. We educated more children about the wealth of creative resources we find at home, in the trash and recycling bins and at reuse depots. We trained educators to create sustainable projects for all STEAM curricula with reused materials. We shared the love of resourcefulness, reuse, upcycled art, creative expression, and planful consumption with more people in more communities than ever in our history. We became leaders of creative reuse expansion. We also reflected, re-evaluated, course-corrected, and pioneered new ways of quantifying our reuse success. We deepened our commitment to outstanding business practices. And, we got to know more of you - our friends, fans, supporters, and colleagues. Thank you for a great year of creative reuse.



FY 2016

# CORPORATE MATERIAL DONORS

Anthropology  
Aztech Signs  
Azumano Company  
Best Window Coverings  
Black Rock Roasting  
Boora Architects  
Boothster  
Cargo  
Cascadian Fabrications  
City of Beaverton  
CMD  
Convergent Wealth  
Danner Shoe Mfg  
Digital Vision Inc  
Dragonfly Chai  
Floor Solutions  
Green DepotHop  
Hop Works  
Idea  
Ivey Performance Mktg  
Jantzen Sportswear  
Karol Niemi Assocs  
Legacy Environmental  
LRS Architects

Metro Central Haz Waste  
Metro South Haz Waste  
Moonstruck Chocolates  
Multnomah Cnty Library  
Nest Showroom  
Nike  
NW Paperbox  
Oregon Convention Center  
Pendleton  
Poly-Flow  
Portland Art Museum  
Portland Bureau of Planning  
and Sustainability  
Premier Press  
Purdy Professional Painting  
Rose City Labels  
Schoolhouse Supplies  
Sera Architects  
SRG Partnership  
St. Johns Racquet Center  
Tanner Goods  
The Standard  
ZGF Architects

Donations made to SCRAP  
diverted 292,000 lbs of  
usable, creative material from  
the waste stream in FY 16

## PROGRAMS

---

# REUSE AND RECOVERY

Our heart & soul, bread & butter, our raison d'etre are our reuse and recovery programs. In other words, it's all happening at our Creative Reuse Centers. In those hustling, bustling beehives of activity, we took in 292,000 pounds of usable creative material in FY16 and put it in the hands of educators, families, students, crafters, makers, creative entrepreneurs, and tinkerers. This means that 292,000 pounds of material were diverted from the waste stream. And, we sell this amazing array of goods at an average of 1/3 the retail price. Everybody is a winner. And so is the community.

Visiting one of our Creative Reuse Centers (locations in Portland OR, Kennewick WA, Arcata CA, Denton TX, Traverse City MI, Baltimore MD) is entering an expanse of colors, textures, and shiny things.

Sales of these items at a deeply discounted price encourages and enables creative expression at any income level. And the sales of materials supports 75% of SCRAP's operating budget.

"Back in the olden days it was so clean and there weren't landfills. We should be like that then but still have phones."  
Jerod, 4th Grade

"I'm happy that when I donate to SCRAP, some of the materials I've loved will be loved by someone else."

Material Donor  
2016

74% of material donations to SCRAP are made from members of the community who are cleaning out their craft rooms, yarn stashes, fabric leftovers, art closets, students off to college, estate collections, unfinished projects, and other goldmines. In other words, we take the things people no longer need or want and make them available to others.



## PROGRAMS

---

# EDUCATION

We recognize that in order for our communities - and our lives - to be preserved and enriched, we must offer creative reuse opportunities to the next generation of caring, creative and resourceful people. We are dedicated to ensuring that we reach children in our communities with exceptional education programs. These programs are focused on integrating the values of creative reuse into every day activities at home and in the classroom. Kids who participate in SCRAP's educational offerings are better prepared to make choices based on the good of the environment and the neighborhood. Reducing waste becomes a realistic goal for these kids - who are known to scold parents and siblings for disposing of items with potential creative value. When random pieces of fabric and doorknobs become new, handcrafted stuffed animals and bottle caps become model car wheels, those "throw away" items take on new meaning. And we are proud to participate in the development of these amazing creative thinkers. SCRAP educated 7,348 kids in FY16.

*"We love SCRAP because they love the earth."  
Kelsey, 4th Grade*

# CAMP SCRAP

Camp SCRAP is held during the summer and often during school holidays and teacher-training days for kids entering first through sixth grade. It is the only camp of its kind that is designed for exploration of creative reuse solutions to everyday challenges. With sustainable, hands-on activities, kids learn about the origin of materials (e.g. plastic, textiles, paper), their uses, and what happens at the end of an item's lifespan. Along the way, they learn stewardship, leadership, and leveraging their creative power to transform seeming throw-away objects into sustainable items for use or aesthetic value. With a scholarship program generously supported by the community, Camp SCRAP is accessible to all.

Teacher: "On a scale from 1-10, 10 being the best, how would you rate Camp SCRAP?"

Camper: "The closest thing to 10."

Noah Fitsimmons, Camp SCRAP Denton, TX

# P R O G R A M S

---

## Fill Minds Not Landfills

According to the City of Portland, Bureau of Planning and Sustainability, 54% of the city's solid waste is created by the business (commercial) sector (2013). And only 58% of that commercial waste is recovered. SCRAP PDX\* helps lower that figure by providing free material pick-ups to businesses that have volumes of usable materials. This program puts over-runs, misprints, and other high-quality and usable material into the hands of our creative community and keeps it from rotting in the landfill. We think that is a classic win-win.

\*NOTE: This program is currently only available in PDX

## PROGRAMS

---

# VOLUNTEERS

We are proud of the volunteer teams who invest their valuable time and talent in SCRAP. We can't accomplish the great things we do for the community without dedicated volunteers. We strive to create an environment where volunteers are highly valued, well-trained, appreciated, and have the opportunity to develop new skills. Volunteering is great for the community. Those who give of their time are healthier, more employable, and increase their friendship circles. (Haldane, 2014)

In FY16, volunteers generously gave 20,650 hours of their time to SCRAP. That is the equivalent of nearly 10 full-time employees. And that means dozens of people from our communities who are healthier, more employable, and have more friends.

# OUR AMAZING SUPPORTERS

The Starseed Foundation  
Ken and Annie Edwards  
City of Portland  
City of Denton, TX  
Greater Denton Arts Commission

Keep Denton Beautiful  
The Denton Benefit League  
Humboldt Area Foundation  
The Autzen Foundation  
AT&T

Thanks to the State of California Statewide Arts initiative and the William and Flora Hewlitt Foundation for funding through the Creativity at the Core program to produce a professional learning module for all schools in California incorporating creative reuse as a key element in the STEAM curricula.

# FY16 Financials

In the pages following, we share our revenue and cash flow for FY16.

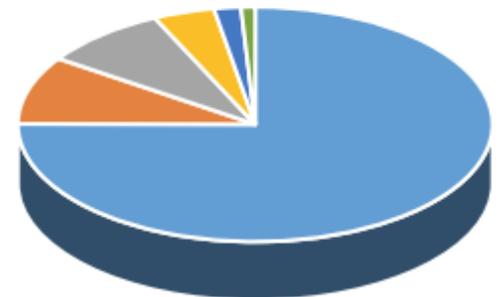
For more financial information about SCRAP, our Guidestar Gold profile is available at [www.guidestar.org/profile/93-1270807](http://www.guidestar.org/profile/93-1270807).

# FY16 Revenue

- Our revenue directly funds our mission.
- During fiscal year 2016, SCRAP generated positive cash flow through continued growth in store sales and education program income. These programs provide sustainable income streams to fund our core operations. At the same time, 2016 grant funding allowed SCRAP to continue to grow the infrastructure, which provides critical support and stability for our current and future sites.
- Overall, SCRAP continues to invest in core programming with direct program expense accounting for over 80% of the annual spend.

Creative Center Sales	\$ 699,713	75%
Education Program Fees	\$ 87,586	9%
Grants	\$ 80,150	9%
Donations	\$ 38,815	4%
Events	\$ 17,088	2%
Other	\$ 8,932	1%
<b>TOTAL REVENUE</b>	<b>\$932,283</b>	

2016 SCRAP Revenue



FY16 numbers are pending any final adjustments prior to 990 filing.

# Cash Flow FY16

In the current fiscal year our cash balance has increased by \$42,587 from a starting balance of \$73,389 to a yearend balance of \$115,976.

This increase in cash is due to the following:

Cash from operating activities \$59,997

Cash from financing activities (\$17,410)

Cash from operating activities is a result of strong ongoing cash flow from store sales and education program receipts.

Cash from financing activities reflects the net use of cash received from grant and other specific fund financing.

In the current year we have secured additional grant funding, as reflected in our receivables (short term and long term). This includes financing of \$75K over the next three years, which will reflect in our annual cash flow over 2016, 2017, and 2018. This dedicated funding only serves to strengthen and enhance our already strong cash flow from basic operations.

Our cash inflow is primarily from store sales, education program fees, donations, and grant funding. Our cash outflow is primarily from salaries, and operational overhead (rent and utilities). Our basic source of income (store sales) is generated through donated materials.

The nature of our business provides strong ongoing cash flow from basic operations. The utilization of volunteer hours and community engagement provides for relatively low operating overhead, and the ability to quickly respond to economic headwinds.

We are backed by dedicated grant funding, a national network of cash flow positive creative reuse centers, and the support of our board, active and engaged professionals with a commitment to the long term success of the organization

FY16 numbers are pending any final adjustments prior to 990 filing.

# INDIVIDUAL SITE STATS

NOTE: Full Year statistics are not available for  
SCRAP NOLA and SCRAP B-More

# SCRAP USA

## FY16

National Executive Director: Kelley Carmichael Casey

Location: Boulder, CO

Year Established: 1999 (in Portland, OR)

Total Income	\$931,755
Total Expenses	\$883,438
Net Income	\$ 48,318
Total Store Sales	\$695,576
# Adults Served (workshops)	763
# Kids Served (education program)	7,438
Total Volume of Waste Diverted (lbs)	291,828
Total Volunteer Hours	20,650

# SCRAP PDX FY16

Director: Elizabeth Start

Location: Portland OR

Year Established: 1999

Total Income	\$461,505
Total Expenses	\$433,336
Net Income	\$ 28,169
Total Store Sales	\$393,273
# Adults Served (workshops)	72
# Kids Served (education program)	4,535
Total Volume of Waste Diverted (lbs)	173,526
Total Volunteer Hours	6,700

# SCRAP DENTON FY16

Director: Kari Meyercord-Westerman

Location: Denton. TX

Year Established: 2012

Total Income	\$170,004
Total Expenses	\$163,116
Net Income	\$ 6,888
Total Store Sales	\$133,414
# Adults Served (workshops)	136
# Kids Served (education program)	999
Total Volume of Waste Diverted (lbs)	55,408
Total Volunteer Hours	3,940

# SCRAP HUMBOLDT FY16

Director: Mindy Hiley

Location: Arcata, CA

Year Established: 2011

Total Income	\$ 95,637
Total Expenses	\$ 94,314
Net Income	\$ 1,322
Total Store Sales	\$ 53,541
# Adults Served (workshops)	382
# Kids Served (education program)	1,350
Total Volume of Waste Diverted	17,332
Total Volunteer Hours	1,497

# SCRAP TC FY16

Director: Rose Zivkovich

Location: Traverse City, MI

Year Established: 2010

Total Income	\$ 13,383
Total Expenses	\$ 14,496
Net Income	\$ 1,113
Total Store Sales	\$ 11,478
# Adults Served (workshops)	23
# Kids Served (education program)	42
Total Volume of Waste Diverted (lbs)	2,428
Total Volunteer Hours	1,566

# SCRAP TRI-CITIES FY16

Co-Directors: Rachael Gale and Chrissa Terrell

Location: Kennewick, WA

Year Established: 2015

Total Income	\$ 27,416
Total Expenses	\$ 20,376
Net Income	\$ 7,040
Total Store Sales	\$ 27,033
# Adults Served (workshops)	102
# Kids Served (education program)	188
Total Volume of Waste Diverted (lbs)	6,200
Total Volunteer Hours	3,373

# SCRAP BOARD OF DIRECTORS - FY16

Kate Stock, CPA, CMA	Chair, Corporate Comptroller, Transpak
Elizabeth Hawthorne, PhD	Vice Chair, Higher Education
Karen Rivenburg, CPA	Treasurer, Retired Financial Executive
MaryEllen Etienne	Secretary, Principal, Reuse Institute
Ken Edwards	At Large, Foundation Chairman
Nate Funk	At Large, Business Attorney
Kimberly Hanson	At Large, Leadership Consultant
Ian Moise	At Large, Founder, Kuttlefish Inc.

## SCRAP Key Staff - FY16

Kelley Carmichael Casey, PsyD	National Executive Director
Lili Bowers	Operations Manager
Tibora Girczyc-Blum	Special Projects
Lisa LeDoux	Education Program Director
Elizabeth Start	Director, SCRAP PDX
Kari Meyercord-Westerman	Director, SCRAP Denton
Mindy Hiley	Director, SCRAP Humboldt
Rachael Gale & Chrissa Terrell	Co-Directors, SCRAP Tri-Cities
Nancy Hotchkiss	Director, SCRAP B-More
Rose Zivkovich	Director, SCRAP TC

SCRAPUSA.ORG

4670 Holiday Drive #204

Boulder CO 80304

971-678-8847