A Message From the President and CEO

The 2008 hurricane season was one of the most destructive and costliest seasons in history. Eight named storms struck the U.S. coast, with powerful winds and surging floodwaters forcing millions of residents to abandon their homes and cherished possessions. Your generosity enabled the American Red Cross to help them with shelter, food and other essentials.

As we prepare for the 2009 hurricane season, which begins June 1, we want to acknowledge the generous individuals, corporations and foundations that supported our emergency response this past year. We have prepared this report to let you know how your dollars made a difference.

Not long after the back-to-back onslaughts of Hurricanes Gustav and Ike last September, I traveled to Texas to witness the amazing work of the Red Cross. In response to the eight named storms, more than 26,000 Red Cross employees and volunteers deployed to help those affected by the storms. Thanks to your support, the Red Cross provided relief and replenished spirits by—

- Opening more than 1,000 shelters and providing more than 497,000 overnight stays.
- Serving more than 16 million meals and snacks to first responders and affected residents.
- Offering more than 54,000 mental health contacts.
- Distributing more than 232,000 clean-up and comfort kits.
- Partnering with the more than 100 government representatives stationed in various local, state and federal emergency operation centers.

A humanitarian relief effort of this magnitude was a beautiful thing to behold, and it would not have been possible without you.

Our experiences from the 2008 hurricanes will enhance our ability to respond quickly and effectively this hurricane season. We are building our volunteer leadership ranks nationwide, evaluating client and volunteer feedback to help improve our processes and services, and developing more partnerships with community-level agencies to coordinate our responses.

Thanks for your trust and support. I hope we can continue to count on your help in 2009.

Gail McGovern
President and CEO
The Red Cross response begins well before a disaster strikes. When it appears that a hurricane may threaten the United States or its territories, the Red Cross mobilizes on all fronts. The scope and magnitude of human needs resulting from a major hurricane triggers the rapid deployment of resources to the affected region. Red Cross disaster workers deploy to safe areas within close proximity to the communities that might be affected by the storms, thus ensuring immediate help for residents. We pre-position relief supplies such as clean-up and comfort kits, mobilize more than 300 emergency response vehicles (ERVs) and identify post-landfall shelter locations, while also opening shelters for residents heeding evacuation orders. Red Cross emergency communication response vehicles (ECRVs) mobilize to provide uninterrupted communications during and after a disaster, when the normal communications infrastructure might be down.

Using all available resources, the Red Cross can provide up to 900,000 hot meals a day within 48 hours by utilizing—

- Five mobile kitchens that can produce a total of 50,000 meals per day.
- National partner kitchens, such as Southern Baptist Convention kitchens that can serve up to 850,000 meals a day.
- Partnerships with community vendors and caterers.
- Six million shelf-stable meals stored in warehouses across the country.

Prior to Hurricane Dolly, which was the first hurricane to make landfall in the United States in 2008, the Red Cross pre-positioned 39 ERVs, 45,000 shelf-stable meals, 48,000 blankets, 22,000 cots and 48,000 comfort kits in the San Antonio area. Once it was safe, we moved resources to southeastern Texas. The day after the storm hit, we deployed more than 150 disaster workers from across Texas to help feed and shelter those affected.

Experience during previous storms has equipped the Red Cross with the skills and resources that ensure swift support is delivered to those in the path of the storms.

Prior to Hurricane Gustav, the Red Cross mounted a massive relief effort across 12 states to feed and shelter those whose homes were damaged or without electricity. At the same time, the Red Cross effectively managed two other large-scale operations: positioning staff and supplies to help those in the path of Tropical Storm Hanna and preparing for Hurricane Ike as it brewed in the Atlantic.

Our efficient response to the hurricanes required collaboration with local, state and federal governments, as well as with a number of nonprofit partner organizations that share our commitment to serving disaster-affected communities.

The important services we provide to our clients are a testament to the strength of our partnerships. By joining our resources and expertise with that of our partners, we provide the best possible response and service to the people we help.

The American Red Cross responded to eight named storms in 2008—Dolly, Edouard, Fay, Gustav, Hanna, Ike, Lowell and Omar—five of which were major hurricanes with winds of 130 mph or higher. Due to the widespread devastation caused by these storms, the Red Cross established 54 relief operations in 19 states, plus Puerto Rico and the Virgin Islands, between July and November. Many of these operations occurred simultaneously, requiring expert logistics, pre-positioning of supplies and the quick mobilization of disaster workers.

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On the heels of Hurricane Gustav, Ike ripped homes from their foundations, scattered irreplaceable keepsakes and displaced residents for several weeks. For Hurricanes Gustav and Ike alone, Red Cross shelters provided more than 468,000 overnight stays. “The last few days have been a life-changing experience,” said Jerry Hasselmeier, shelter resident in Pasadena, Tex. “I always looked to my faith and religion for guidance. The Red Cross volunteers proved that through simple acts of human kindness, faith lives.”

Red Cross shelters provide more than just a place to wait out the storms. We strive to create a haven where those affected by disaster can mend, regroup and begin the recovery process.
Red Crossers can be among the first on the scene, delivering clean-up supplies and comfort kits to residents who are beginning to pick up the pieces.

Willy Matthews, a San Antonio resident and Red Cross volunteer for three years, is trained in disaster assessment. He is responsible for assessing damage to homes after a disaster and ensuring that our clients are able to access assistance—such as short-term shelter, food, clothing, medication and emotional support—in coordination with other agencies. Matthews did this after several disasters, including Hurricanes Katrina, Dolly and Gustav. “We are all helping each other to help our clients,” Matthews said. The people served are grateful, and he believes the work he and his fellow volunteers perform is “good for the American people.”

In addition to Disaster Assessment Teams, Red Cross Welfare Information Teams are also on the ground helping people get an “I’m okay” message to loved ones. When disaster strikes, Welfare Information Teams respond to requests from anxious friends and family, searching for those who are especially vulnerable during times of disaster—the elderly and people with serious health or mental health conditions. Following Hurricanes Gustav and Ike, Welfare Information Teams responded to 278 such requests. They also coordinated medical evacuations and helped to locate an additional 100 people in Galveston, Tex.

When normal communication is disrupted, people look to the Red Cross Safe and Well Web site, www.safeandwell.org. With one simple registration, someone can post a message about their well-being and provide peace of mind to many people at once. During Gustav and Ike, there were more than 12,000 such registrations.

Entire communities are affected both physically and emotionally after a major disaster like a hurricane. People struggle with their losses and with their overwhelming insecurity about the future. After Gustav and Ike, our disaster mental health volunteers conducted more than 22,000 contacts with residents of Louisiana who were emotionally distressed. Certified health professionals are trained by the Red Cross to provide initial crisis counseling, assess health needs and make appropriate referrals to community doctors for long-term care.

Looking Forward

After each hurricane season, the Red Cross carefully examines its response to determine what worked well and, just as importantly, identify areas where we can improve our response. One of the most important metrics we use to gauge our success is client, volunteer and partner satisfaction. Over the past year, we have conducted interviews and analyzed surveys to determine areas for improvement.

Overall, the satisfaction among clients, volunteers and partners during the 2008 season was overwhelmingly high—nonetheless, there were lessons to be learned. For example, mobilizing more local volunteers is one strategy to increase satisfaction among clients, volunteers and partners, especially on larger relief operations where these ratings tend to decrease slightly. Listed below are some of the lessons being incorporated into our planning for the 2009 hurricane season:

- **Building local capacity.** We are focused on growing local partnerships to further reduce redundancies and provide the most effective care to our clients, while also decreasing the costs of delivering those services.
- **Realigning resources closer to local chapters and increasing our inventory of essential recovery items.** Keeping items such as clean-up kits, which include mops, garbage bags and bleach, close at hand helps the Red Cross respond faster and more efficiently to client needs.
- **Identifying a more effective way to help clients access resources provided by government and partner relief agencies.** To ensure clients receive benefits available to them, we will guide them through the sometimes confusing and overwhelming process of receiving assistance from multiple programs administered by other agencies.

The Red Cross is even stronger today because of the experience and lessons we learned from the hurricanes of 2008.
Food and Shelter
The Red Cross provides regular meals in its shelters as well as through mobile distribution and additional fixed sites for affected residents and responders. Through effective partnerships with government and community organizations, the Red Cross ensures that shelters meet the needs of individual communities.

**COST:** $54,311,000

Logistical Support
A disaster relief response requires a vast reserve of resources and volunteers. Managing these resources requires real estate, logistical support and vendor agreements that exceed local capabilities. Associated costs include, but are not limited to, rented space for shelter facilities, disaster response headquarters and warehousing, vehicle rental, fleet management, fuel and other necessities.

**COST:** $17,652,000

Readiness and Partnering
The Red Cross provides planning and preparedness for disasters. Readiness and capacity development provides a means to actively build capacity and to evaluate the potential needs of the community ahead of events. The Red Cross also focuses on capacity enhancement of relationships with both government and non-government organizations to ensure a coordinated, immediate and effective response.

**COST:** $11,687,000

Fundraising Costs/Management and General
The Red Cross manages a large number of contributions from philanthropic donors who help meet the costs of relief operations. These costs include essential services in support of the Red Cross disaster relief effort, such as finance and accounting, legal and auditing fees, and public information outreach. These contributions enable the Red Cross to respond to disasters and to fulfill our mission.

**COST:** $10,437,000

Disaster Operations Management
The Red Cross has a team of people who coordinate the response to national disaster by deploying human and material resources for disaster response. They also provide guidance and support on a 24/7 basis to disaster relief operations and share critical information with partners in government and voluntary disaster relief agencies.

**COST:** $8,601,000

Emergency Assistance to Families and Individuals
Red Cross client caseworkers met with families and individuals affected by the hurricanes to offer assistance and identify any special needs to ensure that they were safely accommodated.

**COST:** $5,782,000

Emergency Call Centers and Communications
Costs include people and resources used to provide critical information, including locations of Red Cross service sites for shelter, food and distribution of emergency relief items.

**COST:** $5,689,000

Disaster Systems
Costs include the IT systems to record casework and recruit, manage and deploy volunteers.

**COST:** $4,336,000

Physical and Mental Health Services
Costs may include basic first aid, replacing prescriptions and emotional support.

**COST:** $1,337,000

Disaster Welfare Information
Costs include the maintenance and operation of the Red Cross Safe and Well Web site and a toll-free information line.

**COST:** $130,000

Estimated cost of hurricanes of 2008: $120 million
Funds designated by donors for the hurricanes of 2008: $40,279,684
Funds designated by donors for the Disaster Relief Fund: $41,314,317

The past year has been an extremely active one for disasters. In addition to the 34 hurricane-related operations, the American Red Cross Disaster Relief Fund paid for more than 130 other large-scale relief operations in 2008, including 40 tornadoes, 23 floods and 10 wildfires. Every year, the Red Cross spends an average of $100 million on its disaster services program.

All of these disaster relief services were paid for by the Disaster Relief Fund, and made possible by the generous support of corporations, foundations and individuals. However, the cost of providing this critical disaster relief for hurricanes and other disasters in 2008 rapidly outpaced contributions to the Red Cross, depleting our Disaster Relief Fund. In September 2008, the Red Cross launched the Campaign for Disaster Relief to raise $100 million for the Disaster Relief Fund. As of April 2009, we have raised more than $89 million.
Thank You!

The mission of The Meadows Foundation is to improve the quality and circumstances of life for present and future generations of Texans. It recognizes that the Red Cross is among the foremost first responders in times of crisis. The Foundation shares a common goal with the Red Cross to offer hope and help to those in need and has contributed nearly $4 million in recent years, including $1.3 million for Red Cross disaster relief facility improvements and expansions in Dallas and Houston.

When Hurricane Ike struck the Texas Gulf Coast, more than 53,000 homes were affected—nearly 20,000 of which were destroyed or suffered major damage. The Houston Chapter of the Red Cross was there within hours to provide food, clothing and comfort to those affected by the storm. “To support Red Cross efforts and ensure that funds exist to meet future needs, The Meadows Foundation awarded $350,000 to help replenish the Disaster Relief Fund so that the Red Cross can continue to help communities prepare for and respond to disasters,” said Foundation President Linda Perryman Evans.

Target has been a long-standing supporter of the Red Cross for 22 years. It generously supports the Red Cross through its membership in the Annual Disaster Giving Program (ADGP) by contributing $500,000 annually. In addition to its ADGP contribution last year, Target donated $250,000 to international humanitarian efforts in China after the Sichuan Earthquake, $200,000 to hurricane relief in 2008, more than $700,000 worth of product donations to domestic disaster relief, and countless team member volunteer hours.

“Supporting communities in times of need, through volunteerism as well as financial contributions, is a shared commitment of Target and the Red Cross,” said Laysha Ward, President, Community Relations, Target. “Target is proud of our long-standing partnership with the Red Cross on disaster-relief efforts in the U.S. and abroad.”

Honoring Volunteers

On August 30, 300 evacuees from Hurricane Gustav left their homes in New Orleans for Nashville, Tenn. They were quickly followed by more than 2,200 evacuees, resulting in the largest mass-care operation in the history of the Red Cross in Tennessee, requiring 1,100 volunteers and 13 shelters.

“The amazing work of our local Red Cross volunteers was inspirational,” said John Ingram, a member of the Nashville Area Chapter’s Board of Directors and a long-time Red Cross supporter. “Through the chapter’s innovative volunteer recruitment program, Join the 10,000, our community was able to provide critical services without outside help.”

The phrase ‘Neighbors Helping Neighbors’ captures the essence of the Red Cross mission and inspires many people to support our volunteers.

“Of course you want to be there for your neighbors who lose everything in a disaster, but these amazing men and women of the Red Cross stopped their holiday weekend plans to help strangers from hundreds of miles away,” said Ingram. “We are proud to support the Red Cross.”
Because of You, We Were There

A part of the American Red Cross humanitarian mission is to readily respond with critical care for communities struck by disaster. The Red Cross not only responds to large, highly visible disasters like hurricanes, wildfires and tornadoes, but to thousands of smaller disasters in communities across the country, like house and apartment fires. There are more than half a million volunteers from more than 700 chapters across the country, selfless with their time, ready to mobilize to help those facing disaster.

To learn more, please visit us at RedCross.org, where you can find our Disaster Online Newsroom, or at your favorite networking site such as Flickr, Twitter, Facebook, YouTube, LinkedIn and SocialVibe.

Your gift gives the Red Cross the capacity to prepare communities for disasters and to be among the first on the scene after disaster strikes. Thank you for your support of the lifesaving mission of the American Red Cross.

“ It is overwhelming to watch the faces of folks being displaced by the hurricane. I watched as they got off the many buses, looking confused and alone. I am so proud to be part of the Red Cross effort to help these people who suffered such devastating losses from Hurricane Ike.”

—Cathy Lewis, a Red Cross volunteer for more than 20 years