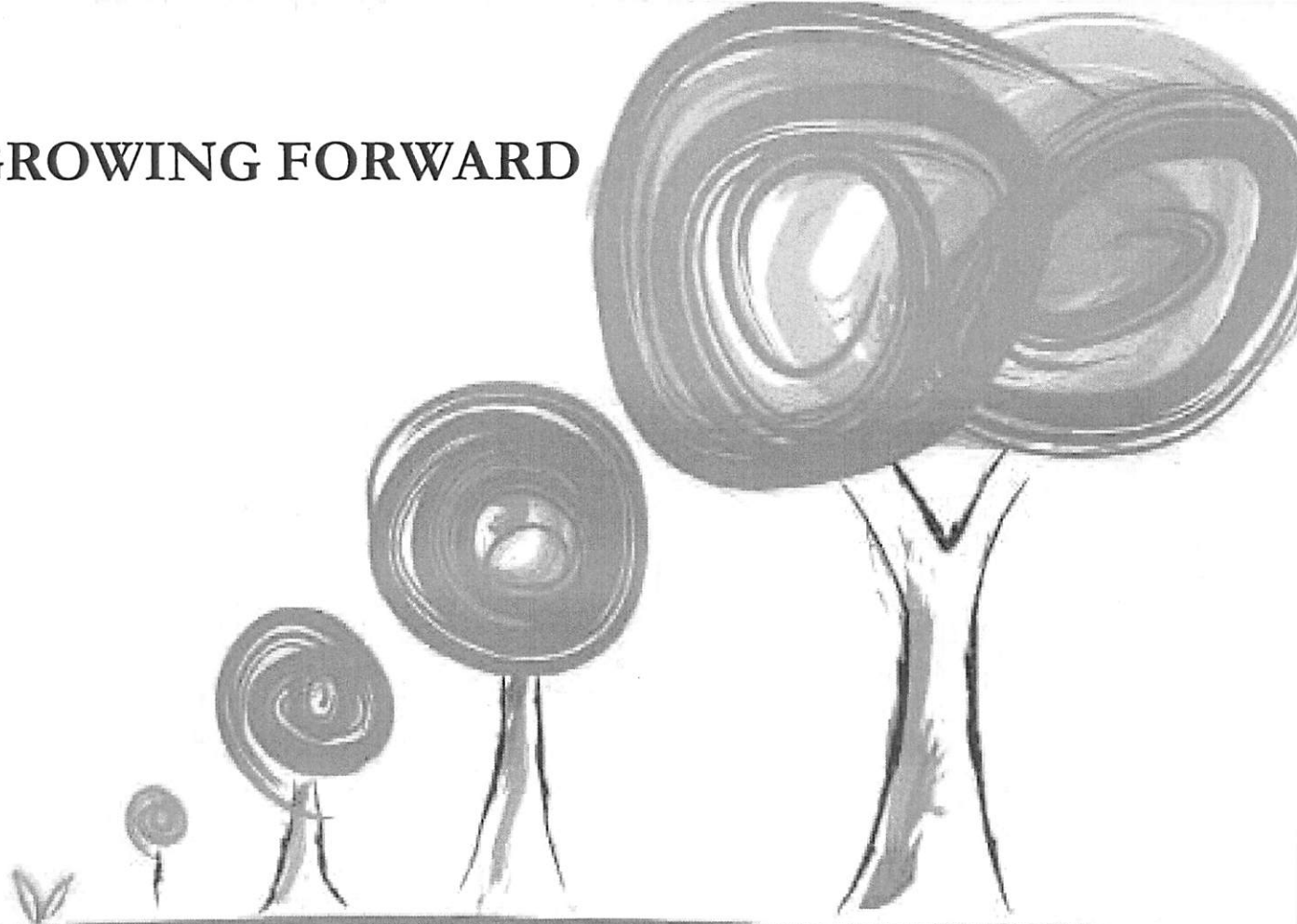


GROWING FORWARD



THE INSTITUTE OF CULTURAL AFFAIRS
IN THE U.S.A.

2008 Annual Report



THE INSTITUTE OF CULTURAL AFFAIRS
IN THE U.S.A.

The Institute of Cultural Affairs (ICA) was incorporated in 1973 in the USA. ICA is a private, non-profit social change organization (IRS designation 501(c)3). Its primary objective is to promote positive, sustainable change in communities, organizations, and individual lives in the USA and throughout the world by helping people visualize, plan, and implement consensus-based strategies aimed at reaching goals they envision for themselves.

WHAT WE DO

The ICA uses highly participatory techniques to foster creative thinking, consensus-based decision-making, and team-building. These proprietary methods--ToP⁺ Facilitation Methods ("Technology of Participation")--were developed and validated over the past thirty-five years in a broad variety of group settings in the USA and throughout the world. ToP⁺ Facilitation Methods generate ownership, create clear goals, open lines of communication, broaden perspectives, and motivate people to adapt to their changing environment while honoring cultural traditions and diversity of all involved.

WHAT WE ARE PROUD OF

More than thirty years of methods testing and refinement have enabled ICA to create and sustain a variety of programs across the USA and abroad which invoke one common principle: the desire to release the creativity of the people, involve them, and allow them to shape their own destiny. The ICA facilitates this creative process so that people can learn for themselves how to plan and lead. Among its many accomplishments, ICA is the only group to have facilitated town hall meetings in every county and in every state in the United States; and to have demonstrated community development projects in every time zone around the world.

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planting of a seed in the blank earth and the result thereof."
- Julie Moir Messervy**

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**"To remain impactful,
ICA must continue to
expand its programs."**

The annual report of the activities of the Insitute of Cultural Affairs for 2008 arrives to you in the midst of one of the most challenging economic crisis in the history of our nation. We are all affected by the emotional and practical ramifications - many of which are yet to unfold. What does that mean for ICA?

Like so many groups charged with making a difference in the world, ICA has had to tighten its belt as our solid and stable investments dwindled during the third quarter of 2008. As a board member, my responsibility is to ensure the organization is financially sound.

However, I am also tasked with helping ICA realize its vision of creating positive social change in communities across the country. This is why I enthusiastically supported the organization's plans to "grow forward", to think through new approaches to social change.

To be clear, we did not plan new initiatives at the expense of our other programs. Indeed, ICA continues to do good work through its early childhood programs, the Learning Basket® and First 5LA. The organization also spreads the seeds of social change via its ToP® Trainers Network and Chicago Nonprofit Center. We made a commitment to develop our Archives and are working to digitize them so that they are widely accessible.

Though we continue to excel and realize our vision, we know that we must not grow complacent. To remain impactful, ICA must continue to expand its programs. We must continue to reach out to communities, providing local residents with valuable tools and resources.

An old African proverb tells us "tomorrow belongs to the people who prepare for it today."

ICA continues to make plans for the future, knowing that, indeed, tomorrow - or next year - will be better than the present. When economic conditions improve, as they always do, we will not have to start at square one, envisioning our organizational future. Instead, we will have already thought through new and fresh programmatic ideas. We will have strategically tested our ideas and will have documented our impact. When the economy is once again vibrant, we will be ready.

Best wishes,

A handwritten signature in dark ink that reads "Doug A. Druckenmiller". The signature is fluid and cursive, with a large, stylized 'D' at the beginning.

Doug Druckenmiller, PhD
Chairman, Board of Directors



"ICA would not have met with such success without the support of its team: ICA colleagues, Board and staff. Their efforts on the organization's behalf are invaluable."

2008 was, in many ways, a year of change.

The downward spiral of the economy left ICA, and numerous nonprofit organizations around the country, in a state of flux, as many funders began to cut back on their grantmaking.

The presidential election left us all inspired and hopeful that the new administration would create an environment in which we could carry out our work.

Both of these events informed the decisions we made in 2008: the election motivated us to do more, to grow our programs so that we might increase our reach. The state of the economy forced us to be frugal, to concentrate on core programming.

So we planned to grow our programs forward.

Certainly, we continued to focus on our key program areas – The Learning Basket®, First 5 L.A., and the Chicago Nonprofit Center. But we also thought about the future, envisioning programs that would make an impact. And we laid the groundwork for what colleagues, Board and staff believe are interesting approaches to social change. We are beginning to see the fruit of that planning now, in our Neighborhood Planning Process in Cedar Rapids, in the launch of our Teen Facilitators Apprenticeship Program, in the development of our micro-lending initiative, and the plan to digitize the Archives. You will learn more about these programs in our print and online newsletters and via our website.

I continue to be proud of the work that we do: our network of 135 proven ToP™ trainers continue to empower individuals and strengthen communities. The early childhood work with the Learning Basket® developing parent skills and the Los Angeles collaboration to improve the lives of young children in eight Service Planning Areas continues. And our Chicago Nonprofit Center continues to provide affordable space to 36 human care tenants that are doing good work locally.

ICA would not have met with such success without the support of its team: ICA colleagues, Board, and staff. Their efforts on the organization's behalf are invaluable. I look forward to the coming year.

Warm regards,

A handwritten signature in dark ink that reads "Nino Tillman".

Nino Tillman, MBA
Executive Director



Dr. Jennifer Obinna began using ToP® training methods in 2003, when her employer was looking for a new tool to evaluate its organizational operations. After seeing how the methods transformed her workplace, Dr. Obinna was convinced they could be used in unique ways to impact change.

Today, Dr. Obinna works within communities in Wisconsin and New York, facilitating conversations with residents on a host of important issues. A lot of her work is focused around domestic violence and has involved Native American communities. She says that, in many ways, the ToP® methods are a natural extension of the tribal tradition of consensus.

"The methods are all about being participatory," Dr. Obinna says. "Community members interact with each other with a higher level of respect once they have been introduced to this tool."

The ToP® methods have also shifted the way Dr. Obinna and her colleagues view domestic violence prevention work.

"I really hope to see more fusion and drilling down within the networks. That's the wave of the future."

"We've adopted the role of advocate because of the methods," she says.

"They caused us to stop for a minute and say 'our relationship with community should not be adversarial and we should not always advocate our point of view'," Dr. Obinna adds.

"We realized that we need to empower and not look at community members as people who need to be educated and trained. Now, we see them as experts who know what they want for themselves, who know their hopes and dreams for a better community. And we merely serve as a tool to help them create their vision".

Dr. Obinna describes the ToP® Trainers Network as a "valuable

resource" and sees great promise in its future. She hopes the Network begins to develop issue area practice groups and regional chapters, allowing for greater networking.

"We must work to show what's unique about our practice; what makes us special," she says. "I really hope to see more fusion and drilling down within the networks. That's the wave of the future."



The Heartland Alliance Health Center serves between seven and eight thousand clients each year, providing case management and primary care health services to homeless and HIV positive men and women. When it came time to expand its offices to include a modern dental facility, Heartland

didn't even consider moving from its 2nd floor offices in ICA's Chicago Nonprofit Center.

"We want to be in the community; our clients know we are here," says Virgina Aviles, Heartland's Director of Business and Health Operations. "It is great that we could stay in our current office and invest in a building that already does so much for the community."

Heartland is spending \$1.25 million on the renovation, the second one Heartland has undergone since it took up residence in the building 15 years ago. The new space will offer a dental clinic, and a waiting area that rivals that of most upscale medical clinics. A new entrance provides a sense of privacy.

"This building is an asset to the community...I wish there were more programs like this."

The upgrades help Heartland ensure they are offering customers the best comprehensive care possible. Its clients are excited about the changes.

"Our clients, because of their circumstances, often feel forgotten. Because we have invested in this space, and in them, they feel important. And they should, because they are."

Aviles says ICA has been an enormous help during the renovation, going above and beyond to make the process run as smoothly as possible.

"The building management and ICA management really 'sees'," says Aviles. "We're not just tenants to them. We are part of a team."

Aviles makes a point that Heartland and ICA teamwork extends beyond the current renovation. "If we want a conference space, they make sure we have one. Our guests are made to feel welcome. It's these things that make this building and what it does so special and so important."

Aviles says Heartland also networks with other tenants in the building, referring clients to those organizations that could best meet their needs.

"We are constantly in touch with other tenants," she says. "We are all part of a team. This building is an asset to the community and, together, we are all working together to do something good."



Learning Basket®

In 2002, when her son was in preschool, Yvette Alvarado was a Learning Basket® participant. She calls the experience eye-opening.

"When you're given this baby in the hospital you're like, 'now what do I do?'" she said. "The Learning Basket® gives you background information you don't normally get, on how a baby's brain develops, on how to bond with your child. It makes you a better parent." At the end of the course Alvarez, along with another parent, was approached to take the facilitators training course.

"I thought what a great thing to be able to share this information and actually be able to be part of the program," she said.

Learning Basket® participants meet weekly for ten to twelve weeks, and discuss topics ranging from the best ways to discipline a child to how play can become an opportunity for learning. At the end of the course, facilitators reach out to one or two of the most active parents and extend to them the opportunity to become facilitators themselves.

This is in keeping with ICA's rich tradition of training people so that they may in turn train others, spreading the seeds of change far and wide.

Alvarado now works with teen moms, sharing with them the same information she believes enhanced her parenting skills. She finds it very rewarding.

"I wish we could take the course and have it in more schools and in daycares - the impact of that would be awesome."

At its core, the Learning Basket® is about giving parents confidence, helping them find their voice. These parents realize that behaviors can be changed, not just theirs or their children, but those of community residents. Without realizing it, many parents who take the course become community activists, speaking out against social inequities they see around them.

"The Learning Basket® is about community," Alvarado says. "Families coming together to change their behaviors. This change then spreads outward. I wish we could take the course and have it in more schools and daycare centers; the impact of that would be awesome."

FIRST 5 LA. ICA maintains a partnership with the First 5 LA Partnership for Families (PFF) Initiative in Los Angeles, California. Through the Initiative, First 5 LA has funded a collaborative of agencies in each of the eight Service Planning Areas in Los Angeles County. ICA provides facilitation support for capacity building for First 5's collaborative programming.

Since 1998, First 5 has invested more than \$699 million in programs that work to improve the lives of young children and their families.

All of the flowers of all the tomorrows are in the seeds of today. - Indian Proverb

CEDAR RAPIDS

Called on by the city of Cedar Rapids to assist with its Neighborhood Planning Process in the wake of the 2008 floods that ravaged the area, ICA spent quite a bit of time in FY2008 planning just how it would make an impact in the city. We worked with city officials to develop a strategy that would utilize ToP* facilitation methods to engage residents in discussions around ways to rebuild and improve the area.

ICA's work on the project included planning public events and mapping out the break out discussions for each event. The organization created a strategy for compiling the information uncovered during the focused conversations so that it may be presented to city leaders. Remaining true to its training roots, ICA also developed a plan for introducing local residents to ToP* facilitation methods, determined to provide them with tools they would need to address any issues they may encounter in the future.

ARCHIVES PROJECT

The intent of this project is to take the basic steps necessary to create a digitized archive of the 170, 5-drawer filing cabinets that contain documents, manuals, reports, course curriculum, letters, speeches, outlines, original songs/plays, publications, posters, pamphlets, meeting notes, photos, videos/audio tapes, and artifacts of ICA and the Ecumenical Institute. Our goal is to have it accessible, digitized and searchable.

ICA's 5,000 Town Meeting reports would assist academics in testing output consistency and assessing the sustainability of outcomes of the community development program. The global social demonstration projects archives contain facilitation notes and valuable research data from the 24 world-wide community development projects (one in every time zone).

Planning began with the creation of an Archives Planning Committee which was tasked with creating a strategy for preserving the materials in the Archives. ICA colleagues were contacted for their input and a workable two year plan was developed. The Committee began implementing the plan at the start of FY2009.

TEEN FACILITATORS

Driven to find solutions to the myriad of social problems facing youth across the country, ICA-USA began having conversations about ways to empower youth to make changes in their communities. Realizing that ToP* facilitation methods were the tool that could help teens change the world around them, the organization began planning its Teen Facilitators Apprenticeship Program. Colleagues, board and staff met to develop a unique program that combined training and work that would not only introduce young people to ToP* methods, but provide them with marketable job experiences.

ICA drew experience from local programs and from those rolled out in other ICA countries to develop the pilot. Conversations with the City of Chicago and organizations and businesses in the area resulted in an exciting program that was launched in the summer of 2009. Teens will learn ToP* methods while working to green ICA's Chicago headquarters. In addition, participants will learn entrepreneurial skills as they reach out to local businesses to conduct green assessments.



In advance of the The ICA International 7th Annual Global Conference on Human Development, ICA held a series of pre-conference workshops between July and October 2008.

These meetings represented a continuation of the important work of ICA in leading the engagement of individuals in human and community development through their own participation.



Pre-conference workshops were held in Troy, NY, Chicago, IL, Washington, D.C., and Sausalito, CA. ICA chose the Persistence of Poverty as the focus of these conversations because the topic is an urgent human challenge both nationally and globally.



The pre-conference workshops used ToP® methods to get input from a broad variety of attendees. Colleagues, host committees, facilitators and area residents came together with ICA Board and staff to voice their concerns about poverty and, more importantly, to discuss ways to alleviate it. The participants demonstrated that the first step to solving a persistent problem like poverty is to raise consciousness about and increase understanding of the issue.



The participatory nature of these conversations resulted in a series of Key Questions for Poverty Alleviation, one of the Ten Central Challenges (topics) of the Global Conference.

The 2008 Global Conference brought together ICA groups from around the world. Organized by The Institute of Cultural Affairs International and ICA Japan, the Conference was a melting pot of cultures, languages and ideas. All of the attendees, representing government, academia and community leaders, shared one common goal: a just, sustainable, peaceful world.

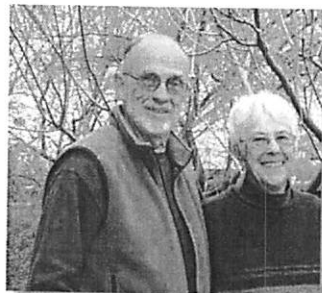
ICA Japan created several opportunities for attendees to experience the country's rich culture. Performances and tours rounded out a conference filled with spirited yet focused discussions around key issues.

The theme, Unlocking the Potential to Create a New World Together, set the stage for a series of conversations that examined why the good work of so many organizations does not fully and wholly create the just, sustainable world we all envision. The pre-conference process engaged participants in shaping the specific focus questions of working groups. The conference sessions were hands-on, with a variety of processes taking place simultaneously in order to realize the paradigms, approaches, alliances, and partnerships needed to address our most urgent human challenges. Additionally, presentations were made on thematic global challenges, which served as input to the working groups.

The Global Conference generated concrete outputs that serve as a roadmap for the creation of a better world.



OUR SUPPORTERS



Norm and Judy Lindblad

"I am grateful beyond words for the role ICA has played in my/our lives, among them the capacity and opportunity to share important work with others that has and will make a difference in all our lives on the planet."

"I am grateful that nearly every decision or discernment process in my life since 1967 has been influenced positively or often enriched creatively by my ICA/EI foundations. For the future I hope we will find ways to do things together in some form that allows us to once again be greater than the sum of our parts.

Our treasures lie in spirit and capacity building and our times call for them to be invested."

Judy Lindblad
ICA Colleague

A FEW WAYS YOU CAN SUPPORT ICA

ICA relies on the generosity of its donors and volunteers. Without your support we could not carry out our mission of releasing the capacity for positive, sustainable futures. To learn more about how you may support our work, visit www.ica-usa.org.

Gifts by Check/Credit Card

The majority of gifts to the Institute of Cultural Affairs-USA are in the form of cash. An unrestricted gift for the greatest needs of the organization is of particular benefit, but gifts may be designated for specific purposes.

Memorial and Honor Gifts

Gifts to remember or honor a relative or friend may be designated for specific purposes, such as Learning Basket®, endowments, or general support of the organization. Acknowledgement will be made to the family of the deceased if the name and address of the closest survivor is provided.

Matching Gifts

Some of our friends are able to increase their gifts to the Institute of Cultural Affairs-USA through their employers' matching gift programs. If your employer has such a program, your gift may be multiplied once, twice or even three times.

VOLUNTEER RESOURCE COMMITTEE

The mission of ICA's volunteer resource committee is to develop channels for two-way communication between ICA and stakeholders, increase event participation by current and new colleagues from across the country and create a potential vetting process for staff proposed programs and initiatives (with opportunities for people to volunteer for limited time frames, on a project by project basis).

Its members are Alan Gammel, Judy Lindblad, Eunice Shankland, Marie Sharp, Karen Snyder, Janice Ulanga and Jim Wiegel.

DONOR LIST

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ICA would like to thank
 Sidley Austin, LLP for their
 pro-bono legal assistance.

IN MEMORY

ICA wishes to honor those colleagues and supporters who passed on:

Audrey Ayres
 Richard Kroeger
 David McCleskey
 Fred McGuire
 Virginia Pierce
 Henrietta Thomas
 Katharine Slattery Townley
 C. David Zollars

COMBINED STATEMENT OF ACTIVITIES

Year Ended December 31, 20

Revenues and Support

Contributions and Grants	\$285,551
Program Service Fees	\$157,136
Rental Revenue	\$1,353,874
Product Revenue	\$151,205
Return on Investments and other income	(\$173,060)
Other Income	\$36,514
Net Assets Released from Restrictions	\$0
TOTAL REVENUE AND SUPPORT	\$1,811,220

Expenses

Total Program Services	\$1,718,165
Management and General	\$727,592
Fundraising	\$67,121
Total Expenses	\$2,512,878
Change in Net Assets	(\$701,658)
NET ASSETS BEGINNING OF YEAR	\$1,334,569
NET ASSETS END OF YEAR	\$632,911

The change in net assets is due to adoption of applicable accounting principals relating to investment activity, extraordinary write-offs of uncollectible prior year pledges, and typical depreciation of aging building and equipment.

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Releasing the capacity for positive, sustainable futures.



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