MESSAGE FROM OUR CEO

Friends, supporters, & volunteers

Peace be Upon You All

It’s hard to believe that half of 2020 has already passed. To say this year has been tumultuous would be an understatement. The global outbreak of the deadly coronavirus alongside the reemergence of the Black Lives Matter movement has served to underline the injustice of inequality.

As an organization we are committed to the struggle for racial and economic equality. The spread of COVID-19 has served to highlight massive socio-economic inequalities. Before COVID-19, the world was struggling to reach the 2030 UN target of eradicating extreme poverty worldwide. The economic impact of the outbreak is now threatening to push over 70 million people back into extreme poverty in what would be the biggest set back in the fight against poverty since the late 1990s.

As an organization committed to fighting poverty, we know that we cannot achieve our vision without successfully dismantling the racist structures that keep entire communities disenfranchised in the first place. The data is clear, structural racism in the United States is one of the major obstacles to helping Black individuals and communities escape poverty and achieve socio-economic equality. Whether as individuals or organizations, we must all do more to end inequality in all of its forms.

I hope you enjoy reading this report and learning about our work this year. One of our motivational factors behind launching Penny Appeal USA in 2016 was the desire to encourage more transparency within the nonprofit sector. This first semi-annual report therefore is our attempt to live our values and to increase our transparency. While it’s standard practice for organizations to produce an annual report each year, we hope these quarterly reports will provide you with more regular updates about the work you all make possible.

Despite the impact of the coronavirus pandemic on our fundraising plans, the first half of this year proved to be our strongest to date. While there is still much uncertainty about the months to come, our responsible management of funds means we have a healthy cash reserve that enables us to continue to fight against poverty in the months and years to come.

Thank you again for your support.

Sincerely,

Oussama Mezoui
President & CEO
Syria Emergency Response

ON-GOING

North East Syria - Raqqa and Deir
June 2020

What We’re Doing
We’re helping 150 internally displaced families, approximately 1,000 individuals in total, settle into safe tents built for longevity, along with water, sanitation, and hygiene (WASH) facilities.

Why We’re Doing it
Over 2.8 million internally displaced persons (IDPs) are living in north-west Syria, including 960,000 people who have been newly displaced since December as a consequence of the latest escalation in conflict. Shelter options are extremely limited.

International Distributions

ON-GOING

Syria, Gaza, Mozambique, Bangladesh, Palestine, Pakistan, South Africa, Jordan, Lebanon, Afghanistan, Djibouti, Indonesia, Somalia, Sudan, Yemen and Uganda
March 2020 - Present

What We’re Doing
We’re distributing food parcels, personal protective equipment, hygiene kits, and hot meals to communities across the globe who were hit the hardest by the COVID-19 outbreak.

Why We’re Doing it
Internally displaced persons across the globe who have had to flee their homes are not able to social distance in refugee camps. Overcrowding, poor healthcare and lack of access to PPE has increased the impact of COVID-19 for vulnerable communities across the globe.

What We Achieved So Far
We provided over 209,680 families across the globe with over 13,660 food packs and hot meals, 177,260 masks, 31,460 hygiene packs, 4,640 testing kits, 1,000 farming kits, 245 hand washing water tanks, 100 testing tents, and 100 shelters. We also provided support to 25 hospitals.

In mid-March, COVID-19 cases began to spread rapidly across the United States. Within a week, with your outpouring of support, we began responding by providing families in need with access to food, hygiene products, protective equipment and financial assistance in the form of hardship grants.

16 Countries
209,680 Families
13,660 Food Packs & Hot Meals
177,000 Masks
31,460 Testing Tents
4,660 Testing Kits
100 Shelters
25 Hospitals
COVID-19 Financial Grants

United States
March - June 2020

What We Did
In partnership with Celebrate Mercy, The Bay Area Zakat Collective, Zakat Fund of NYC, and ICNYU, we have committed over $1,477,450 to helping American families who have been financially impacted by COVID-19. We’ve provided cash assistance to families most in need. These checks enabled families to pay for their rent, utilities, medication and transportation.

Why We Did It
As a result of the COVID-19 outbreak, over 45.7 million Americans have filed for unemployment. These families lost their income, are forced to take unpaid sick leave, face food insecurity, and lack access to healthcare.

What We Achieved
We gave out over $1,477,450 in financial assistance grants to 1,396 families, benefitting 4,262 Americans. Assistance was given to families in 37 states across the country, with the majority of recipients in New York, Texas, and California. 1,052 recipients have an income of less than $1,000 per month. Over 4,000 applications were submitted, underlining the need for assistance.

COVID-19 Domestic Food Distributions

North Carolina, Florida, Virginia, Texas, California, Maryland, Georgia
April 2020 – June 2020

What We Did
In partnership with Peacetrain, we conducted an emergency food project to alleviate the effects of food insecurity on vulnerable communities who have been financially impacted by COVID-19. Through 13 separate distributions, we provided food packs including rice, oil, pasta, tomato sauce, flour, canned green beans, canned corn, black beans, oatmeal and many other nonperishable ingredients to feed families for two weeks to one month.

Why We Did It
According to Feeding America, more than 54 million people, including 18 million children, may experience food insecurity in 2020. This number has significantly increased since only last year. In 2019, 37 million people struggled with hunger in the United States, including more than 11 million children. COVID-19 has caused American families who have never needed help before to become food insecure.

What We Achieved
We provided 995 food boxes, 38 food gift cards, and 937 meals to 1,970 families (4,032 individuals) through 13 food distributions across 12 cities in seven states.

990 Food Boxes
38 Gift Cards
937 Meals to 1,970 Families
13 Food Distributions

My children require and deserve my love, dedication, attention, and best self. Your gift allows me to continue to provide the stability that they deserve to function, grow, thrive, and succeed every day. Know that you are helping to create lasting lifelong changes in our journey!

JAMI, COVID-19 Grant Recipient

COVID-19 Distribution in Falls Church, VA
Friends of the Blind
Ramallah, Palestine

What We’re Doing
We’re ensuring that Al-Qabas school has the right physical environment to help 65 blind or vision-impaired children overcome their disability while getting a customized education. We are renovating the indoor yard so it can be used as a multipurpose space for the children and we will install an elevator to help with their mobility.

Why We’re Doing It
Palestinian children with these disabilities are often denied access to education, increasing illiteracy of the disabled in the region.

Achieved So Far:
The courtyard refurbishment is complete. The elevator is installed and final touches are being added to ensure completion within the next quarter.

Expected Completion:
August 2020

Inside of the NC Domestic Violence Shelter

NC Domestic Violence Shelter
Charlotte, NC

What We’re Doing
We are opening the only Muslim-led domestic violence shelter in the Carolinas, focused on providing culturally-sensitive care to all women, regardless of faith. We are making minor repairs to the home to bring it up to code including installing a sprinkler system and ADA compliant. Updates are currently ongoing and we’re planning for a fall or winter opening.

We have also announced a new domestic violence hotline to serve the increasing cases of domestic abuse due to the COVID-19 outbreak.

Why We’re Doing It
On average, nearly 20 people per minute are physically abused by an intimate partner with the United States, which equates to nearly 10 million people. Every 9 seconds, a woman is being assaulted. Intimate partner violence accounts for 15% of all violent crimes and 19% of domestic violence involves a weapon.

COVID-19 has only increased these statistics. People are forced to be quarantined with an abuser and this has exacerbated relationships that were already abusive before the outbreak. The pandemic has served as yet another barrier to safety for victims of domestic abuse.

HOTLINE INFO
The hotline is open 24/7, call or text (704) 764-1773 to talk to our experienced counselor.

Water Wells & Hand Pumps
Sri Lanka, Bangladesh, Pakistan, India, Afghanistan, Nepal, Somalia

What We’re Doing
Construction on 174 tube wells and 64 deep wells has begun. Construction was halted in March due to COVID-19, but has resumed in June for most countries as they reopen and find safe ways to continue operations.

Why We’re Doing It
According to the World Health Organization, 1 in 3 people globally do not have access to safe drinking water - about 2.2 billion people worldwide. Drinking contaminated water can cause diseases like cholera, diarrhea, hepatitis A and polio. 829,000 people are estimated to die each year from diarrhea as a result of unsafe drinking-water, sanitation, and hygiene.
Aqiqah

**Sri Lanka**

**What We're Doing**
This project provided nutritious food to vulnerable Sri Lankan communities through Aqiqah gifts.

**Why We're Doing It**
Aqiqah is the Islamic tradition of the sacrifice of an animal on the occasion of a child’s birth.

**What We Achieved So Far**
Through Aqiqah gifts made by new parents, we sacrificed 70 goats which provided 910 meals for 1,200 Sri Lankans across 7 villages in Musali Division.

- **70 Goats**
- **910 Meals**
- **1,200 Individuals**

Zakat al Fitr

**ON-GOING**

**Uganda, Lebanon and United States**

**May - June 2020**

**What We Did**
In Uganda, your Zakat al-Fitr provided cash assistance to 315 vulnerable families (1,900 individuals) in four villages in Panyimur subcounty in Pakwach district, Uganda to help them pay for their basic needs. In partnership with Medrar Foundation, we provided 1,435 food parcels to deprived Lebanese families who are living below the poverty line. We partnered with 16 organizations across the US to help 668 American families celebrate Eid with gifts, meals and gifts cards through your Zakat al-Fitr donations.

**Why We Did it**
Uganda is one of the most impoverished nations in the world. Despite making enormous progress in reducing the countrywide poverty incidence, from 56% of the population in 1992 to 24.5% in 2009, poverty remains deep-rooted in the country.

Lebanon is currently undergoing an economic crisis that has only been made worse by the spread of COVID-19 and nearly half of its population is living below the poverty line. There is a huge deficit of food and medicine in most areas throughout the country.

**What We Achieved**
Throughout the US, Uganda, and Lebanon, your Zakat al-Fitr provided cash assistance, food parcels and/or Eid gifts to 2,418 families.

Sponsorships

- Pakistan, Bangladesh, Palestine, Syria, India, Gambia, Senegal, Sri Lanka, Sudan, South Africa

**What We Did**
Your monthly sponsorship combined with the generosity of others has helped provide nutritious meals, clothes, healthcare and an education to orphaned children.

**Why We Did It**
According to UNICEF, there are 153 million orphaned children worldwide. Every day, an estimated 5,700 more children become orphans. Children suffer the most during conflicts and natural disasters and are the most vulnerable to poverty, disease, stigma, and medical needs.

**What We Achieved**
1,126 orphaned children are being collectively sponsored from the generous donations of 744 individuals. In this quarter, 279 individuals sponsored 542 orphaned children.
**Food Distributions**

Somalia, Djibouti, South Africa, Swaziland, Zimbabwe, Yemen, Pakistan, Bangladesh

April - May 2020

**What We Did**

We provided food packs to families in eight countries across the globe. We also adapted to ongoing needs by delivering hygiene essentials in some of these countries in addition to necessary food items. All of our partners followed safe distribution guidance while implementing our Feed Our World projects. We ensured that social distancing was observed, and limited risk was posed on staff and beneficiaries.

**Why We Did It**

Worldwide, hunger has been on the rise over the past three years putting the achievement of the second Sustainable Development Goal by the UN: Zero Hunger, at risk. In addition to this, the Coronavirus pandemic has and will continue to have a catastrophic effect on food insecurity. Lockdown measures and economic recessions are expected to lead to a major loss of income among the working class, reducing their purchasing power. These disruptions will also impact the transport and processing of food and other critical goods, reducing the availability of even the most basic food items. Policies such as tariffs and export bans could also drive up food prices in countries that rely heavily on food imports.

**What We Achieved**

We provided 6,127 people in eight countries with 515 hygiene kits and 946 food packs.

+6,120 People  
+500 Hygiene Kits  
+940 Food Packs

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**Al-Salaam Job Center**

Emergency Response

Due to the COVID-19 pandemic and decisions made by Greek authorities Goodwill Caravan has suspended parts of its initial plans and moved towards using The Center as a hub for support to vulnerable refugees who are suffering from the effects of COVID-19.

**Pakistan OrphanKind Complex**

Orphankind

The construction of Mera Apna Ghar (My Own Home), an OrphanKind complex has been halted and delayed due to COVID-19. Once the complex is built, it will help transform the lives of orphaned children for a better future in a family setting.

**Brazil Women’s Empowerment**

Income Generation

We’re promoting the growth and sustainability of 10 microbusinesses run by women who come from some of the most vulnerable communities in the state of Paraíba, northeast of Brazil, the most underdeveloped region.

**9 Pakistan Solar Power and Water Centers**

Thirst Relief

The construction of nine solar power and water centers in Tharparkar, Pakistan is currently on hold due to COVID-19. While the project was initially slated for completion this summer, a new completion date is to be determined. Once completed, nine villages in Tharparkar will have access to clean water and electricity.

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Food Distribution in Sanaa, Yemen
In Other News

Ramadan Recap
Because of your efforts this Ramadan, we’ve raised over $3.9 million to help feed warm meals to some of the 800 million people across the globe who suffer from food insecurity, build hand pumps, deep wells and solar powered wells for some of the 2.2 billion people worldwide who do not have access to clean water, provide hygiene kits to people in the wake of a pandemic, and invest in orphaned children’s health and success.

Virtual Iftar Galas
Due to the COVID-19 pandemic, we brought the spirit of Ramadan banquets to you and your family in the comfort of your home! Thank you for joining us and some of your favorite speakers, including Ustadh AbdelRahman Murphy, Ustadh Hisham Mahmoud, Dr. Abdul El-Sayed, Imam Khalid Latif, Yasmin Elhady, and Faisal Latif. All proceeds went towards our Heal Humanity appeal that provides much needed healthcare facilities and medical aid to people worldwide.
Penny Appeal USA stands firmly in solidarity with all those calling for justice and equality.

The Penny Appeal family was deeply saddened to see the blatant disregard for the sanctity of a human life shown by members of the Minneapolis police force on May 25. Our prayers and thoughts are with Mr. Floyd’s family and friends, as well as the wider Black community.

As an organization committed to fighting poverty and creating the best communities we can, we know that we cannot achieve our vision without successfully dismantling the very structures that keep entire communities disenfranchised in the first place. The data is clear. Structural racism in the United States is indeed one of the major obstacles to helping Black individuals and communities escape poverty and achieve socio-economic equality.

The formalization of a set of institutional, historical, cultural, and interpersonal practices within our society has put White Americans in a better position to succeed and at the same time has disadvantaged Black Americans in a consistent and constant manner that has created significant disparities in every aspect of life.

- Black families are significantly more likely to be unemployed, they earn substantially less than White families when they are employed and therefore own substantially less wealth than their White counterparts.

- Black individuals are more likely to be arrested for committing the same crimes as White people and are far more likely to be convicted. They also suffer from tougher sentencing.

- Black students experience more disciplinary measures at school for the same behavior as their White peers and are less likely to graduate from high school and college. When they do graduate, they struggle to find employment.

These are only a few of the many inequalities that exist to help fuel poverty inequalities which have persisted for centuries. We know that there are also disparities in healthcare, housing and many other areas. Structural racism perpetuates a cycle of poverty in Black communities and makes it substantially harder for individuals to achieve social mobility.

It’s important that non-Black individuals and communities acknowledge, embrace, understand, and develop cultural literacy of the Black community and the historical disenfranchisement it has faced in the United States. Without this effort, we will continue to see the systemic racism that is corrosive and widespread in our society, and that perpetuates the cycle of poverty amongst too many Black communities across our nation.

#TEAMORANGE GOES VIRTUAL

This Ramadan, #TeamOrange volunteers went above and beyond. Together, they raised over $90,000 through LaunchGood:

1. A Month of Mercy: $31,900
   The "A Month of Mercy" campaign run by Makke Daklaoui, raised over $31,900 in Emergency Response funding to provide families in need with access to food, hygiene tools and PPE in the US, Syria, Gaza, Pakistan, Bangladesh, Mozambique, and Uganda.

2. Yemen Emergency Response: $31,900
   Founding Chapter Omega Beta ETA, an Arab Fraternity INC based in Dearborn, Michigan raised over $15,200 for shelter, medical assistance, food and water for Yemeni refugees.

3. Water Saves Lives: $10,300
   The "Flowing Beyond Scarcity: Water Saves Lives" campaign run by Asma Hajebi, raised over $10,300 to help bring clean water to communities in need across the globe.

In addition to raising money for those in need, #TeamOrange didn't let the quarantine stop them from connecting virtually through games like Mafia and bingo, telethons and talent shows.
OUR PARTNERS

- Al Iman
- American Relief Agency for the Horn of Africa (ARAH)
- The Bay Area Zakat Collective
- Burmese Rohingya Community of Georgia
- Celebrate Mercy
- Cornerstone Marriage & Family
- Dar al Taqwa
- Downtown Islamic Center - Feed the Hungry
- Goodwill Caravan
- Islamic Medical Association of North America
- Islamic Association of Raleigh
- Islamic Center of New York University
- Islamic Center of the Triad
- MAS-DC
- Masjid Muhammad

- Medrar Foundation
- MOZAHIC
- Muslim Women’s Organization
- Muslim Community of Western Suburbs
- Noor Family Services
- O’People Foundation
- Oasis Initiative Foundation
- Palestinian American Community Center
- Peacetrain
- Refugee Women’s Network
- Sahaba Initiative
- Syrian Community Network - Atlanta
- Syrian Community Network - Chicago
- Wakaf Al Aoun Al Isami
- Welcome Home
- Zakat Fund of NYC

Proud to join the Alliance

In May, we were given the honor of joining the Alliance to End Hunger. The Alliance is a coalition of over 90 members—corporations, nonprofits, faith-based organizations, universities, foundations, international organizations, and individuals committed to the mission to build the public and political will to end hunger at home and abroad. We know that we cannot fight hunger alone and we are grateful for the opportunity to collaborate with other members of The Alliance in our shared efforts to end hunger for good.

FINANCES*

* Since these financials are up-to-date for 2020 (both Quarter 1+2), numbers are not final. Final Report and financials will be published in 2021.

Revenue $6.1 MILLION

- Grants: $61,043
- Corporate Match: $275,035
- Corporate Sponsorships: $5,000
- Special Events: $16,486
- Individual Contributions: $5,762,670

TOTAL $6,120,234

Expenditure

- Programs: $3,376,616
- Fundraising: $1,264,157
- General Management: $168,148

Bank Balance: $3,590,245

* Due to a successful Ramadan, we will be working hard in the next few months to spend these funds in a diligent and effective way. Program delays due to covid-19 may impact the amount we are able to put into programs this year.

Transparency is very important to all of us here at Penny Appeal USA. While some nonprofits will hide the real cost of their overhead and fundraising costs through a number of questionable, yet legal, gimmicks, we are presenting you with the real cost of running an organization. You can see that as a young organization we have strategically invested in our infrastructure and growth to ensure organizational sustainability and to ensure we provide our donors and beneficiaries with the highest level of service for many years to come. Sustainable solutions to poverty eradication can only come from organizations which are in themselves sustainable. We anticipate investment in development will decrease each year as we become more established and our base of regular supporters grows. To find out more about the importance of overhead costs, visit PENNYAPPEALUSA.ORG/OVERHEAD
After 8 years of conflict, the humanitarian crisis in Syria reached unprecedented levels of need. The winter is especially difficult for families that have been displaced, with weather conditions being wet and reaching temperatures below freezing. Of the 6.2 million internally displaced peoples (IDPs), most do not have adequate housing or their basic needs met. Lack of adequate shelter makes these families particularly vulnerable to adverse weather conditions and the freezing temperatures.