

# ANNUAL REPORT

2013-2014

READING MATTERS



**S M A R T**  
START MAKING A READER TODAY®

# MESSAGE FROM OUR BOARD CHAIR



Dear Friends:

Thanks to you and your support, SMART enhanced the lives of 9,115 Oregon children during the 2013-14 school year. Because of you, over 4,600 caring adults sat down with these children each week throughout the school year, sharing a positive experience with books and helping them enter a life of reading enjoyment, learning, and confidence. Because of your generosity, these children received over 100,000 books to keep and build their home libraries.

In addition to an impressive year of mission-focused service, 2013-14 marked the launch of SMART's statewide marketing campaign to bring awareness to the vital importance of reading with children: Reading Matters.

Through Reading Matters, SMART gathered dozens of powerful testimonials about the importance of reading from Oregon business and community leaders; gave our cadre of 5,000 volunteers statewide tools to promote SMART and the importance of reading in their communities; and importantly, gave SMART parents resources to encourage their children's reading development and excitement at home.

The 2013-14 year also brought the successful conclusion of our three-year strategic plan and the creation of another. I'm honored to be at the helm of this organization as we embark on the next phase of growth and development for SMART.

Over the past two decades, SMART has served over 170,000 children. As we head into our 23rd year, we are even more focused on applying what we have learned to provide the highest quality programs that deliver strong student outcomes. From volunteer recruitment and training, to culturally inclusive and responsive practices, to professional development and enrichment opportunities for staff, SMART's 2014-17 strategic plan is committed to building the strongest, most effective organization possible with an unwavering focus on the children we serve.

Thank you for your support of SMART. Reading is the gateway to learning and, in no small way, you are helping thousands of Oregon children step across the threshold of literacy into brighter, more successful futures.

Sincerely,

Elizabeth Large  
Chair, SMART Board of Directors  
Executive Vice President and General Counsel, Knowledge Universe

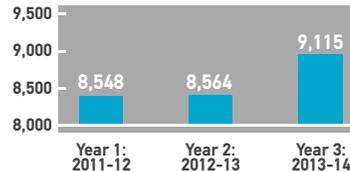
# UPDATE FROM OUR EXECUTIVE DIRECTOR

## 2011-14 STRATEGIC PLAN RESULTS



Chris Otis  
Executive Director

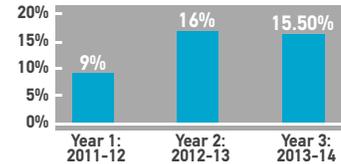
**Goal #1: 8,500 children are served, en route to 10,000**



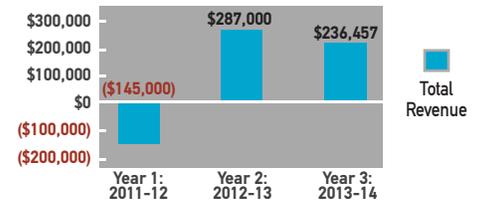
**Goal #3: The organization is perceived as #1 in driving reading readiness**

- In surveys to SMART parents, educators and volunteers, 90 percent of respondents see SMART as a leader in driving reading readiness.
- The state legislature gave SMART an allocation of funds in 2012-13, a hearty validation of our work to prepare kids for reading success.
- A survey administered to over 500 Oregonians found that 50 percent were aware of SMART.

**Goal #2: Service to PreK has been expanded to 10-20 percent of total children served**



**Goal #4: Financial stability leads to a 5 percent contribution to reserve funds**



## 2014-2017 STRATEGIC PLAN OVERVIEW

In April 2014, SMART's Board of Directors and staff leadership met to refresh SMART's strategic plan. In developing the 2014-17 plan, the guiding themes of our past three years remain relevant and continue to be at the heart of our work:

- 1 Program Relevancy and Growth
- 2 Program Evaluation and Validation
- 3 Thought Leadership
- 4 Sustainability

## FOCUS AREAS

**Reach: Serve more children and sites that need us with the highest quality program possible**

1. *Equity*: Ensure our work is culturally responsive and inclusive at every level.
2. *Efficacy*: Identify gaps in program data and conduct research to deepen knowledge of our program outcomes, and how to improve quality.
3. *Growth*: Develop and implement a responsive growth strategy, expanding where and for whom we can have maximum impact.

**Awareness: Build our statewide profile as a leader in preparing children for reading and learning success**

4. *Leadership* -- Assume our role as a leader and convener on childhood literacy.

5. *Return On Investment* -- Explore the long-term outcomes, impacts and value of our work.

**Sustainability: Enrich organizational culture and staff in a way that leads to ongoing sustainability**

6. *Staff Development* -- Invest in staff training and enrichment.
7. *Philanthropic Culture* -- Evolve our fundraising work to create a philanthropic culture that spans the entire organization.
8. *Supporting Infrastructure* -- Make the necessary investments to make this growth and improvement possible, including staff and infrastructure.

To view SMART's complete 2014-17 Strategic Plan Overview, visit [www.getSMARToregon.org/2014-17-strategic-plan](http://www.getSMARToregon.org/2014-17-strategic-plan).

# STATEMENT OF FINANCIAL POSITION

June 30, 2014 (With Comparative Amount for 2013)

Assets	2014	2013
Cash and cash equivalents	\$734,076	\$345,492
Investments	841,917	777,968
Contributions and grants receivable - net	616,512	1,048,686
Prepaid expenses	55,380	42,236
Beneficial interest in assets held by Oregon Community Foundation	1,283,623	1,107,753
Furniture and equipment - net	18,305	27,903
<b>Total Assets:</b>	<b>3,549,813</b>	<b>3,350,038</b>
Liabilities	2014	2013
Accounts payable	30,626	21,163
Accrued payroll expenses	121,927	104,769
<b>Total liabilities:</b>	<b>152,553</b>	<b>125,932</b>
Net Assets	2014	2013
Undesignated	1,263,420	900,814
Designated by Board for endowment	946,638	817,630
Net investment in furniture and equipment	18,305	27,903
<b>Total unrestricted</b>	<b>2,228,363</b>	<b>1,746,347</b>
Temporarily restricted	977,037	1,286,899
Permanently restricted	191,860	190,860
<b>Total net assets</b>	<b>3,397,260</b>	<b>3,224,106</b>
<b>Total liabilities and net assets</b>	<b>\$3,549,813</b>	<b>\$3,350,038</b>



# STATEMENT OF ACTIVITIES

Year Ended June 30, 2014 (With Comparative Totals for 2013)

Operating revenues, gains, and other support:	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	
				2014	2013
Contributions and grants	\$1,600,640	\$328,949	\$1,000	\$1,930,589	\$2,313,872
In-kind contributions	581,224	-	-	581,224	522,267
Special events - net of cost	496,619	2,000	-	498,619	363,167
Other revenue	888	-	-	888	2,516
<b>Net operating revenues, gains, and other support</b>	<b>2,679,371</b>	<b>330,949</b>	<b>1,000</b>	<b>3,011,320</b>	<b>3,201,822</b>
Net assets released from restrictions	686,673	(686,673)	-	-	-
<b>Total Operating Revenue</b>	<b>3,366,044</b>	<b>(355,724)</b>	<b>1,000</b>		

Operating Expenses	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	
				2014	2013
SMART program	2,133,800	-	-	2,133,800	2,009,506
Supporting services:					
Management and general	323,127	-	-	323,127	317,757
Fundraising	672,660	-	-	672,660	587,541
<b>Total operating expenses</b>	<b>3,129,587</b>	<b>-</b>	<b>-</b>	<b>3,129,587</b>	<b>2,914,804</b>
<b>Increase (decrease) in net assets from operations</b>	<b>236,457</b>	<b>(355,724)</b>	<b>1,000</b>	<b>(118,267)</b>	<b>287,018</b>

Non-Operating Items	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	
				2014	2013
<b>Non-operating items:</b>					
Investment income	13,891	-	-	13,891	14,585
Net increase in fair value of investment	102,660	-	-	102,660	60,186
Net increase in beneficial interest in assets held by Oregon Community Foundation	129,008	45,862	-	174,870	95,949
<b>Total non-operating items</b>	<b>245,559</b>	<b>45,862</b>	<b>-</b>	<b>291,421</b>	<b>170,720</b>
<b>Increase (decrease) in net assets</b>	<b>482,016</b>	<b>(309,862)</b>	<b>1,000</b>	<b>173,154</b>	<b>457,738</b>
Net assets, beginning of year	1,746,347	1,286,899	190,860	3,224,106	2,766,368
<b>Net assets, end of year</b>	<b>\$2,228,363</b>	<b>\$977,037</b>	<b>\$191,860</b>	<b>\$3,397,260</b>	<b>\$3,224,106</b>

# SMART BY THE NUMBERS

## 2013-14 SERVICE



251  
sites



4,969  
volunteers



9,115  
students



155,012  
volunteer hours



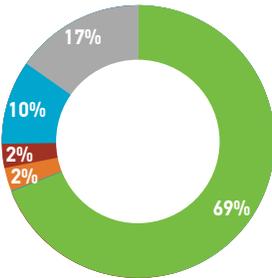
\$3,309,506  
donated value  
of volunteer  
hours



103,250  
books given

## SMART EXPENSES

2013-14 Cost Per Child: \$300



- Office Expenses
- Books for Local Students
- Travel and Meetings
- Background Checks
- Volunteer recruitment, training, recognition and management, program management and design; program research, evaluation, data collection and analysis; fundraising; and administration



## SMART OUTCOMES

According to 2013-14 SMART Student Milestones forms, which reflect data for 5,461 SMART students:



**91%** show improved attitude towards school.

**90%** show a longer attention span.

**96%** show more enthusiasm about reading.



**95%** show greater confidence and self-esteem.

**92%** are better at pretending to read or reading from memory.

**89%** are better at using story context to understand unknown words.



**90%** read more fluently.

**96%** show increased knowledge of alphabet and letter sounds.

**93%** are better at giving appropriate detail when retelling a story.



**94%** show increased interest in learning new subjects.

**93%** make better story predictions and are better at identifying more words by sight.

**97%** show increased comfort with books and demonstrate increased eagerness to interact with books.



**94%** demonstrate improved vocabulary.

**95%** show greater comfort in conversation.

**99%** are enthusiastic about receiving SMART books!

Additionally, at the beginning of the year, approximately 18% of students met or exceeded the reading benchmark level. By the end of the year, nearly 50% of students met or exceeded benchmark.

Per Student Milestone forms, of the SMART students needing to improve in each of these areas, at the end of the SMART program year the above percentage showed "some" to "significant" improvement.

# SMART INITIATIVES

## Sponsor a SMART School

Our Sponsor a SMART School program has continued its strong start with businesses, foundations and individuals across Oregon stepping up to help sites in their communities thrive by providing volunteers and financial support. Thank you to our 2013-14 SMART School Sponsors:

### EMPOWERMENT TO SUCCEED SCHOOL SPONSORS:

First Tech Federal Credit Union – Beaverton  
Iberdrola Renewables – Klamath Falls and Portland  
L.P. Brown Foundation – Portland

### LEADING FOR LITERACY SCHOOL SPONSORS:

Nike – Beaverton  
Oregon Health & Science University – Portland

### BUILDING SELF-CONFIDENCE SCHOOL SPONSORS:

G5 – Bend  
InnSight Hotel Management Group – Springfield  
Kiwanis Club of Klamath Falls – Klamath Falls  
Moda Health – Medford  
Sterling Bank – Coos Bay  
Wieden+Kennedy – Portland

## SMART Giving Societies

In 2013-14, nearly 140 individuals and families made gifts of \$1,000 or more to bring the SMART program to children in their local communities. We recognize these donors as members of the SMART Circle, a special group of committed supporters across the state. We are sincerely grateful for their generosity.

Leaders for Literacy is SMART's special giving society that recognizes our most generous individual supporters each year. In 2013-14, nearly 30 individuals and families made significant investments in SMART in their local communities; we are truly grateful for their partnership as we work to bring SMART to more children across Oregon.

To learn more about the SMART Circle or Leaders for Literacy, contact your local office. For a full list of SMART's major supporters, please visit [www.getSMARToregon.org/our-community/supporters](http://www.getSMARToregon.org/our-community/supporters).



LEADERS  
for LITERACY



Reading is the key to success in learning. Why is reading so critical?

- Reading is the most important subject in school. A child needs reading in order to master most of the other subjects.
- In third grade, students transition from learning to read to reading to learn.
- Third-graders who aren't reading at grade level are four times more likely to drop out of high school than their reading proficient peers.
  - **Right now in Oregon, 14,000 third-graders aren't reading at grade level.**
- It's estimated that over \$2 billion is spent each year on students who repeat a grade because they have reading problems.

2013-14 marked the first year of SMART's three-year statewide marketing campaign that brings awareness to the importance of reading with children, *Reading Matters*. To learn more about *Reading Matters*, visit [www.getSMARToregon.org](http://www.getSMARToregon.org).



**S M A R T**  
START MAKING A READER TODAY™

101 SW Market St.  
Portland, OR 97201  
877-598-4633  
[www.getSMARToregon.org](http://www.getSMARToregon.org)

Inspire a child's next chapter.

## Our Mission

We engage community volunteers to read one-on-one with PreK through third-grade children who need literacy support. Participating children also receive new books each month to keep and read with their families.

## Our Vision

An Oregon where every child can read and is empowered to succeed.



Printing made possible by:



**Regence**



## THANK YOU

To our thousands of volunteers, supporters and donors across the state, we extend a hearty thank you! Our important work simply wouldn't be possible without you. For a list of SMART's top supporters, please visit [www.getSMARToregon.org/our-community/supporters](http://www.getSMARToregon.org/our-community/supporters).

### Executive Staff

*Chris Otis, Executive Director*  
*Jessica Corcoran, Communications Director*  
*Rachel Lawrence, Program Director*  
*Nell Whitman, Director of Finance and Administration*

### Board of Directors

**Officers**  
*Elizabeth Large, Chair*  
*Margaret (Peggy) Maguire, Vice Chair*  
*Kent Lewis, Secretary*  
*Tom O'Keefe, Treasurer*  
*Mary Wilcox, Immediate Past Chair*

### Directors

<i>Mary Boyle</i>	<i>Behzad Hosseini</i>
<i>Terri Browning</i>	<i>Anna Hutson</i>
<i>Greg Chaillé</i>	<i>Hank Sigmon</i>
<i>Michele Daterman</i>	<i>Janae Sorenson</i>
<i>José Gonzalez</i>	<i>Jane Teater</i>
<i>Monique Hayward</i>	<i>Andy Vobora</i>
<i>Lyn Hennion</i>	<i>DJ Wilson</i>
<i>Karin Holsinger</i>	<i>Steve Wynne</i>