Dear SMART Friends,

Thanks to your ongoing partnership, support and generosity, SMART wrapped up another successful year of bringing a love of books and reading to Oregon children.

In my closing remarks to you in this letter last year, I expressed my excitement about the possibility of reaching 10,000 students in the year ahead. I am honored to share that, for the first time in nearly 10 years, SMART exceeded the 10,000 mark and reached 10,101 kids with one-on-one reading support during the 2015-16 school year. We did this with the help of over 4,900 volunteers, who collectively spent 126,750 hours reading with students in 267 sites statewide. SMART students also received 163,577 books to take home and keep.

These numbers alone are impressive, and yet, SMART is so much more. Our 24th year brought continued and intentional growth – not just quantitatively, but qualitatively as well. I’m proud of the steadfast commitment to excellence that increasingly defines SMART. The organization, its staff, and its family of volunteers are devoted to ongoing learning and improvement, and we continually strive to improve outcomes for children and, ultimately, our communities.

In 2015-16, we forged solidly ahead on our strategic plan, with major initiatives focused on quality improvement and equity and inclusion. As a result, in the coming year, we’ll roll out new and improved trainings for volunteers and an expanded book selection for students including more culturally diverse titles. We’ll continue expanding our service growth to reach 10,500 Oregon children with reading support and books to keep. And, importantly, we will commemorate SMART’s 25th anniversary with statewide celebrations focused around Oregon Reads Aloud, SMART’s very own children’s book published to commemorate the milestone and do what SMART does best: get kids excited and motivated about reading.

As we look ahead to the next 25 years, I’m inspired by SMART’s past and am hopeful for its next chapter. Our work to support all kids in reading and learning success is ever-more critical, and I thank you for joining us in making this possible, now and into the future.

Elizabeth Large, Board Chair, 2015-16
2015-16 Strategic Plan Progress and Highlights:
The 2014-17 Strategic Plan set in motion comprehensive initiatives around Program Quality and Equity. Following is a small glimpse of the progress made during our 2015-16 program year:

Process Improvement:
- Increased efficiency and program quality by improving business processes
- Engaged an expert to facilitate process improvements in book-related processes
- Convened project groups to examine book selection, ordering, distribution and inventory using tools from LEAN and Six Sigma

Volunteer Training:
- Improved consistency and quality of SMART’s training program
- Developed six new volunteer training components that will be piloted in January 2017 and launched in fall 2017

Program Evaluation:
- Deepened understanding of how SMART improves children’s literacy and educational equity by enhancing outcomes measurement
- Revised existing outcomes evaluation tool
- Created a dynamic reporting tool on the demographics of students, volunteers, and local communities to help guide volunteer recruitment goals in support of diversity and equity

Quality Assurance:
- Expanded accountability controls and increased support to staff and volunteers to ensure consistently high-quality, inclusive and equitable program implementation
- Developed a Theory of Change* to articulate core strategies and link these strategies to the research-supported outcomes SMART intends to achieve

* Read more about the Theory of Change on page 5.

Book Selection:
- Implemented research-supported reforms to improve children’s access to reading materials that align with best practices in literacy development and reflect diverse identities and experiences
- Retooled vendor negotiation strategy and book ordering guidelines to ensure that each SMART site has a diverse, high-interest collection of books available to each student

Read about updates on SMART’s Equity Initiative on page 5.
**FINANCIAL OVERVIEW**

Assets: $4,551,860 (As of June 30, 2016)

<table>
<thead>
<tr>
<th>Category</th>
<th>FY15 ($3.6M)</th>
<th>FY16 ($3.8M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Mission Support: Fundraising &amp; Partnerships</td>
<td>21%</td>
<td>21%</td>
</tr>
<tr>
<td>Core Mission Support: Finance &amp; Admin</td>
<td>9%</td>
<td>10%</td>
</tr>
<tr>
<td>Direct Program Expenses</td>
<td>70%</td>
<td>69%</td>
</tr>
<tr>
<td>Revenue</td>
<td>$4,088,714</td>
<td></td>
</tr>
</tbody>
</table>

**EXPENSES**

**FY16**

- **Core Mission Support: Fundraising & Partnerships**
  - FY16 ($3.8M)
  - 70%
- **Core Mission Support: Finance & Admin**
  - FY16 ($3.8M)
  - 21%
- **Direct Program Expenses**
  - FY16 ($3.8M)
  - 9%
SMART conducts annual surveys of principals, teachers and parents whose students participate in SMART. The 2015-16 results revealed:

### 2015-16 SMART OUTCOMES

**Children Served**
10,101

**Volunteers**
4,979

**Books Given Away**
163,577

**Volunteers Hours**
126,750

**Books Given Away**
163,577

**Donated Value from Volunteer Hours**
$2,883,562*

* Based on the hourly value of volunteer time of $22.75 from IndependentSector.org

SMART focuses on cultivating reading motivation and enjoyment, and students consistently showed improvement in these measures:

- **87%** of responding educators said SMART contributed significantly to reading motivation and engagement for their students.
- **94%** of responding parents indicated their children significantly benefited from the SMART program.
- **95%** of SMART students consistently showed improvement in measures of literacy development.
- **97%** improved in expressing pleasure in reading or being read to.
- **94%** improved in exhibiting confidence in reading skills.
- Over two-thirds (69%) of SMART students met or exceeded grade-level benchmarks in reading motivation.
- Three-quarters (75%) of SMART students showed improvement toward reading motivation benchmarks.

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SMART THEORY OF CHANGE: HOW WE DO OUR WORK
As part of the Program Quality Initiative, we identified quality assurance measures to expand accountability and increase support to staff and volunteers to ensure consistently high-quality, inclusive, and equitable program implementation. A first step in this process was developing our Theory of Change, which articulates our core strategies and links these strategies to the research-supported outcomes that we intend to achieve. To view the full version, visit www.getSMARToregon.org/Theory-of-Change.

COMMITMENT TO EQUITY AND INCLUSION
Since beginning our equity journey in 2014, we have implemented a number of changes and new activities as a result of deeper knowledge of ourselves and of the inequities and inequalities that exist for populations we serve. Following is a snapshot of what that’s meant at SMART, how it has become part of who we are, and what has changed as a result. For a full report, visit www.getSMARToregon.org/Equity.

Operationalizing Equity. Put systems and processes into place and gathered baseline data to lay foundation for diversity and inclusion at SMART:
Hired equity consultant • Drafted Equity Work Plan • Established Equity Team • Collected student and volunteer demographics • Conducted Equity Audit

Books. Took concrete steps to examine and expand book collection to ensure diversity and inclusiveness:
Held focus groups and book reviews with communities of color • Evaluated books for racist and gender biases • Expanded book ordering and selection to include more underrepresented groups

Staff and Board Development. Provided ongoing opportunities for staff and board to learn about and engage in equity:
Trainings for board and staff • Regional equity meetings with staff statewide • Ongoing equity emphasis and opportunities for staff

Volunteer Training. Revamped volunteer training program to incorporate equity:
Added equity content to all volunteer training tools • Launched new volunteer training pilot with focus on culturally responsive strategies

Partnerships. Seized opportunities to partner with organizations to advance equity work and share our values:
Partnered with Black Parent Initiative on culturally specific Oregon Department of Education grant • Joined and supported culturally specific organizations

External-Facing Work. Articulated SMART’s commitment to equity and spoke publicly and frequently:
Adopted Equity Statement and Q&A • Created Equity section on website • Updated organizational messaging • Created material review process to review messaging and imagery with equity lens
DEVELOPMENT INITIATIVES

**Sponsor a SMART School:** Our Sponsor a SMART School initiative has continued to grow with businesses, foundations and individuals helping sites in their communities thrive by providing volunteers and financial support. **Contact: Denise Harrison, 971-634-1610, dharrison@getsmartoregon.org**

**THANK YOU TO OUR 2015-16 SCHOOL SPONSORS:**

**Leading for Literacy School Sponsors**
- Iberdrola Renewables, Portland and Klamath Falls
- First Tech Federal Credit Union, Beaverton and Salem
- Synopsys, Beaverton
- BRAVO, Bandon
- The Ed & Romell Ackley Foundation, Oregon City

**Empowerment to Succeed School Sponsors**
- Kaiser Permanente, Fairview
- Capitol Subaru, Independence
- Coos Bay Eagles #538, Coos Bay
- Portland General Electric, Salem

**Building Self-Confidence School Sponsors**
- Daimler Trucks North America, Portland
- Applied Materials Foundation, Hillsboro
- Hoover Family Foundation, Milwaukie
- International Paper Foundation, Beaverton
- Pony Village Mall, North Bend
- Portland Police Association, Portland
- TransCanada, Portland
- InnSight Hotel Management Group, Eugene
- Kiwanis Club of Klamath Falls, Klamath Falls
- Statesman Journal, Salem
- Tec Labs, Albany
- Timber Products, Springfield

**SMART Circle:** In 2015-16, nearly 171 individuals and families made gifts of $1,000+ to bring SMART to kids in their local communities. We recognize these donors as part of the SMART Circle, a special group of committed supporters statewide. **Contact: Denise Harrison, 971-634-1610, dharrison@getsmartoregon.org**

**Leaders for Literacy:** This special giving society recognizes our most generous individual supporters. In 2015-16, more than 49 individuals and families made significant investments in SMART in their local communities. **Contact: Sharon Benson, 971-634-1620, sbenson@getsmartoregon.org**

**Legacy Society:** Contributors who include a provision for SMART in their estate plans become members of SMART’s Legacy Society. Estate plans include a will, living trust, life insurance policy or retirement plan. In 2015-16, eight individuals became members. **Contact: Sharon Benson, 971-634-1620, sbenson@getsmartoregon.org**

**Endowment Fund:** A robust endowment provides a steady stream of income, diversifies our funding base, lessens reliance on annual fundraising efforts, and better positions SMART for growth. As of June 30, 2016, the market value of SMART’s endowment is $1.5 million. The fund was established in 1992 and is housed at the Oregon Community Foundation. SMART accepts funds for the endowment through estate gifts or outright gifts. **Contact: Sharon Benson, 971-634-1620, sbenson@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.

We extend our deepest gratitude to our thousands of volunteers, supporters and donors across the state who help us ignite a love of books and reading in Oregon children. To learn more about how SMART is making a difference in the lives of Oregon children, please visit our website at www.getSMARToregon.org.

Thank You

Executive Staff:
Chris Otis, Executive Director
Jessica Bowersox, Communications Director
Beth Katona, Director of Development Operations
Rachel Lawrence, Program Director
Mary Scott, Director of Finance and Administration

2015-16 Board of Directors:
Officers
Elizabeth Large, Chair
Peggy Maguire, Vice Chair
Kent Lewis, Secretary
Hank Sigmon, Treasurer
Mary Wilcox, Immediate Past Chair

Directors
Terri Browning
Greg Chaillé
José Gonzalez
Monique Hayward
Lyn Hennion
Karin Holsinger
Behzad Hosseini
Anna Hutson
Vincent Ircandia
Tom O’Keefe
Connie Seeley
Janae Sorenson
Jane Teater

DJ Wilson
Steve Wynne