



# KIDS NEED TO READ



Inspiring Imagination

## 2011-2012 ANNUAL REPORT





# KIDS NEED TO READ

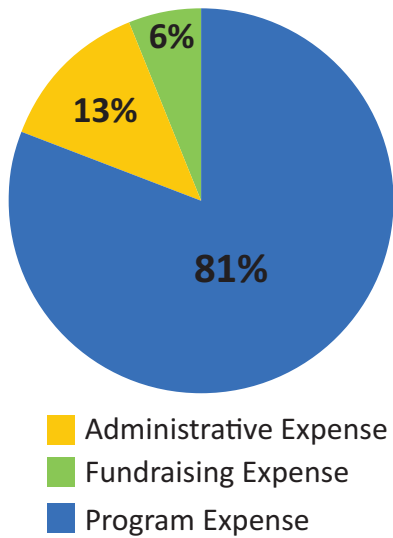


Inspiring Imagination

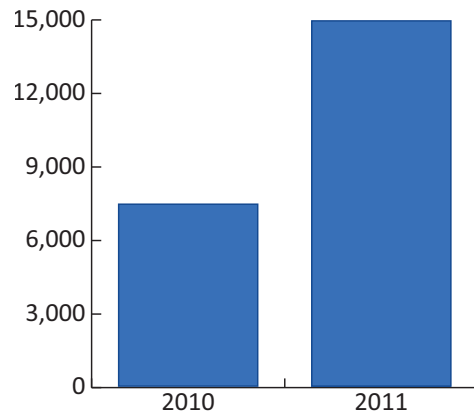
Founded with a passion to improve the lives of disadvantaged children by providing inspiring book collections and engaging literacy programs to underfunded schools, libraries, and organizations across the nation, Kids Need to Read aspires to empower and embolden every last child through a culture of reading. For many of the children it serves, Kids Need to Read represents a crucial second chance at a strong education, and its programs help build and nurture support systems that these children may be lacking elsewhere in their lives. By immersing children in an integrated world of literary experiences that teaches them, firsthand, the impact of reading on every aspect of life, imagination is ignited and confidence is built for a prosperous future, regardless of race, economic status, or personal capabilities.

The following Annual Report and Financial Review reflect a 15-month time period, due to a change in Kids Need to Read’s fiscal year from a calendar year to April 1–March 31. However, for comparison purposes, the financial charts and financial figures quoted within the Annual Report reflect the twelve-month 2011 calendar year. The Financial Review found at the end of the Annual Report includes the 2011 calendar year, plus a 3-month short year from January 1, 2012–March 31, 2012.

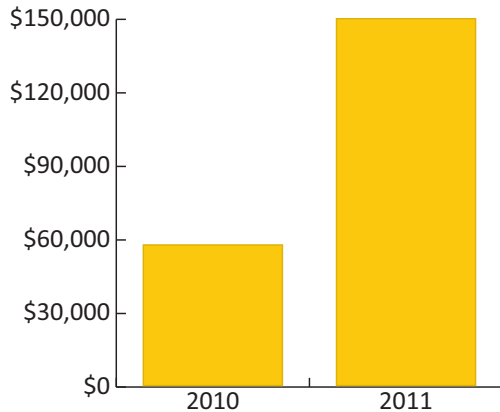
**2011 Expenses**  
(Total Expenses \$250,369.23)



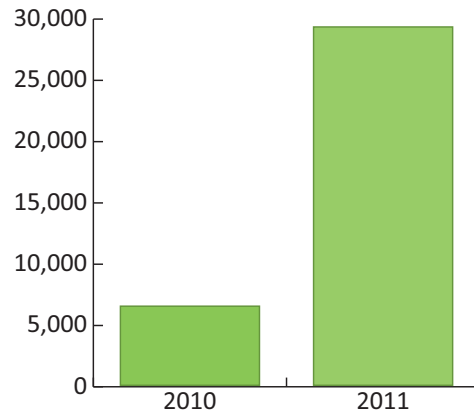
**Total Books Donated**



**Value of Books Donated**



**Children Served**





## LETTER FROM THE CHAIR

Thousands of children were given the gift of reading in 2011 by Kids Need to Read awards. Many schools, libraries, youth service programs and juvenile treatment facilities are in desperate need of new books, and Kids Need to Read is there with a helping hand, supplying materials from a list of award

winning literature generated by experts in the field of children's and adolescent literacy. These book selections are thoughtfully made to pique young readers' interest and imagination and start them on the path to a lifetime of reading. This year's program saw the addition of Reading Revolution, a literacy program providing pedagogical strategies and activities paired with the best in children's literature and professional assistance in implementation of this model for curriculum and instruction. Test results are proving that Reading Revolution makes a difference. As the Kids Need to Read Board of Directors Chairperson, I am thrilled to be a part of such exciting transactions, and my heart soars as I think of each young mind engaging with an inspiring story in a brand-new book. When a child and a book come together, a miracle happens and that child's life suddenly becomes privy to a myriad of great possibilities.

The greatest of thanks goes to Denise Gary, Kids Need to Read Founder and Executive Director, who does the lion's share of the work and lives its mission every hour of her life. Major thanks, as well, to Margaret Bostrom, our most gracious benefactor. Thanks are also due Debbie Brown, Development Director, and Robert Gary, Creative Director; Kristen Klein, Secretary; Debbie O'Neill, Treasurer; and our Board of Directors, composed of F. Diane Elhard, KaaVonia Hinton-Johnson, Teri Lesesne, Marlinda White-Kaulaity, and Tyson Breinholt. In addition, our Kids Need to Read Co-founders and Advisory Council members PJ Haarsma and Nathan Fillion continue to work for the good of kids all over the world in support of literacy. We also appreciate our advisory council of authors, illustrators and experts, including Tom Leveen, Jackie Morris, James A. Owen, Janette Rallison, and Steven Riley.

Best wishes and great books,

James Blasingame

A book is like a garden carried in the pocket. ~ Chinese proverb ~

We work to create a culture of reading for children by providing inspiring books to underfunded schools, libraries, and literacy programs across the United States, especially those serving disadvantaged children.

# MISSION

46 organizations  
we tripled the number of  
organizations served

## LETTER FROM THE EXECUTIVE DIRECTOR

Greetings! The year 2011 was absolutely magical for KNTR! Because of the many supporters who contributed time, funds, or books to this organization in 2011, we were able to substantially increase our program donations, as well as develop new programs aimed at increasing literacy rates across the country. The fact that we devoted a great deal of attention in 2010 toward our structural organization, including building our book distribution system, paid off enormously in 2011, allowing us to focus deeply on developing or expanding programs for maximum impact. We will continue this work in 2012, because we believe the magic of providing books to children lies in how those books are put to use. Here are some of the highlights of our year, accomplished only through the generous support of our cause:

- \* The total number of books we provided doubled from 7,422 in 2010 to **14,901** in 2011. The value of these books more than doubled, from \$57,357 to **\$149,652**. We tripled the number of organizations served to **46**, but most importantly of all, we more than quadrupled the number of children served to an astonishing **29,239** from 6,456 in 2010. Approximately 75 percent of the children we served lived at or below the poverty level.
- \* Kids Need to Read has partnered with Arizona State University and ASU Preparatory Academy to produce Reading Revolution, an innovative program for middle school students aimed at increasing literacy rates and decreasing dropout rates. Developing this 2-year pilot program has been extremely exciting and could potentially have a major impact on literacy rates in failing schools once expanded nationally.
- \* Kids Need to Read won four grants for Reading Revolution during the fifteen-month 2011-2012 fiscal year (totaling \$9,520) and we only began the grant process for this program in the last half of the year. We thank American Woodmark Foundation, Arizona Diamondbacks Foundation, Avnet Contributions Council, and National Home Library Foundation for supporting this important project.
- \* Our Literacy Enrichment Program was implemented in 2011 to ensure the books KNTR provides are constructively used, rather than merely shelved. A list of literacy activities and a program performance survey accompany each of our book donations. This program is catching on to positive results,





especially for those organizations that make the most of the opportunity.

\* Kids Need to Read believes any organization working on behalf of children should do its part to promote peace, leadership, and violence prevention among our youth. Responding to this increasing need, we created Kids Need to Read Peace Packages, which are provided to every organization we assist.

- \* One of our most rewarding projects has been working with the volunteers of SARRC's (Southwest Autism Research & Resource Center) GoodDeedWorks team. They brightened our lives twice in 2011 with their cheerful attitude and work ethic. Of course, they did not leave our office without books in their hands! Another fulfilling experience was chatting about life leadership with teen moms earning their GEDs at Child and Family Resources' dropout recovery program. Naturally, they all received books, too.
- \* Kids Need to Read supports Free Comic Book Day every year, believing comics to be a powerful portal to literacy, as well as a classic art form that should be preserved for future generations. In 2011, we participated in the nationwide celebration at Hero Comics, handing out literacy resources to the many kids who visited the store. Hero Comics later conducted a super exciting Kids Need to Read Day at their store. We were blown away by the enthusiastic support of many of the valley's most incredible artists and costuming groups.
- \* After inhabiting our first office space for only a year, we had to find a larger place. We were busting out of our tiny room and small basement storage area. After searching, we struck a deal for a free standing converted house, which quadrupled our space at nearly the same rent. Now, we can put our books on shelves and find the titles we need. It is a very comfortable "home" and we are so happy to be able to work there. We thank Commercial Properties, Inc for helping to make this location an affordable option for our organization.
- \* Kids Need to Read was extremely pleased to announce the addition of Dr. Marlinda White-Kaulaity and Mr. Tyson Breinholt to the Board of

“

Thank you for sending us those awesome books. My favorite book was the GREEN EGGS AND HAM. I used to have that book, but it got torn up. But since you sent GREEN EGGS AND HAM with the books, I can read them over and over and I still won't get tired of them.

We needed books too. We didn't have money (for) books in our class. You made our day. Thank you very much for bringing those wonderful books!

Carlos, Student,  
Cedar Creek Day  
Treatment Center,  
Montrose, Colorado

”

14,901 books  
the total number of books  
we provided doubled

Directors. Dr. White-Kaulaity is a member of the Diné (Navajo) Nation and an expert in Native American literature. Mr. Breinholt is a Phoenix-area business leader who holds a life-long record of community service. Authors Tom Leveen, Jackie Morris, James A. Owen, Janette Rallison, and Steven Riley graciously accepted appointments to the Kids Need to Read Advisory Council. These new members have consistently demonstrated a commitment to Kids Need to Read, as well as the cause of childhood and adolescent literacy.

- \* There are no words that can adequately express how awe-inspiring Memorial Day weekend was for KNTR at Phoenix Comicon 2011. We were overwhelmed at the outpouring of support we received. All in all, \$20,000 was raised for Kids Need to Read during the event, including \$10,000 raised directly from the KNTR Geek Prom, sponsored by Bookmans. There were so many kind souls who contributed to the success of the weekend and to all of them, we extend our deepest gratitude.
- \* Bookmans continues to be a much appreciated year-round partner, sponsoring the KNTR Geek Prom, a Willie Wonka fundraiser, our volunteer holiday party, and the wonderful goodie backpacks we give to kids at most of our events.
- \* Our 2012 calendar turned out beautifully and was kindly embraced by many independent bookstores. We are so grateful to the talented illustrators who contributed original art pieces to the calendar and all of the sponsors who made the printing possible, especially title sponsor Life Alert Emergency Response.
- \* Carus Publishing joined KNTR as a new partner, providing us with *Cricket* and *Cicada* magazines. We have desired their magazines for two years, as they fill the void for the older kids who have outgrown the *Highlights* magazines we are so fortunate to receive through our continuing partnership with *Highlights for Children*. Not only do we provide these magazines to our benefiting organizations but we often give them to kids at various events.
- \* We were very fortunate to have two Barnes & Noble locations







conduct holiday book drives for us in 2011 (Chandler and Mesa)! They raised thousands of books for KNTR, which has had a significant impact on our giving. As a result, we were able to send book donations to 22 organizations that have long been on our waiting list. Arizona Renaissance Festival also conducted a terrific book drive for KNTR during Pirate Weekend. Not only were several hundred new books donated to KNTR, but we had so much fun just being there.

- \* Author Jeanne McNaney donated over five thousand copies of her books to KNTR (including shipping costs). Mass donations such as this one really help us broaden our giving directly to children as part of special projects and events.
- \* Browncoats and Nathan Fillion fans continue to be a vital source of support for KNTR. The various fan projects and groups raised a total of \$36,504 for KNTR in 2011, contributing enormously to the success of our year.

Finally, I must extend heartfelt thanks to our chairman, Dr. James Blasingame, for everything he brings to Kids Need to Read. Dr. B is ever-supportive, and was instrumental in getting Reading Revolution off the ground and running.

There were so many other people whose dedication made our year successful: volunteers, authors, businesses, groups, and individuals. Please know that every act of kindness and generosity is sincerely appreciated. Your support matters! Every year we are able to further implement our plans to improve our nation's literacy rates, especially among impoverished children and adolescents, and that is because of your time and contributions. We appreciate the many things you do to help us grow. We are on the right path and it is really starting to show!

Most sincerely,

Denise Gary  
Executive Director

“

Thank you for all of the great books that we very much appreciated. So far I have started reading THE 39 CLUES, by Rick Riorodan. Next, I'll read HARRY POTTER AND THE ORDER OF THE PHOENIX, by J.K. Rowling.

Again, thank you so very much for all of the awesome books that you sent to us. You made our day.

Tommy, Student,  
Cedar Creek Day  
Treatment Center,  
Montrose, Colorado

”



## LITERACY PROGRAMS SERVED IN 2011

Kids Need to Read provided new books to 46 literacy programs in 22 states during 2011. Together, these programs received a total of 9,060 books and 5,841 periodicals valued at \$149,652. Approximately 75 percent of the 29,239 children served lived at or below the poverty level.

### ARIZONA

ASU Preparatory Academy

Phoenix, Arizona

(Charter School K-9)

602 children served

83% at or below poverty level

47% Hispanic

40% Caucasian

9% African American

3% American Indian

1% Asian

Child and Family Resources, Inc.

Phoenix, Arizona

(Dropout Recovery Program)

120 children served

95 % at or below poverty level

56 % Hispanic

25 % Caucasian

11 % American Indian

6 % African American

2 % Other

Lyons Elementary School

Tucson, Arizona

(Public School)

350 children served

54% at or below poverty level

48% Caucasian

38% Hispanic

9% African American

3% American Indian

2% Asian

Mesa Lions Clubs Foundation and Charities, Inc.

Mesa, Arizona

(Service Organization)

200 children served

Demographics not available

Salt River Valley Sigma Alpha

Alumni Association

Scottsdale, Arizona

(Service Organization)

3047 children served

100% at or below poverty level

Demographics not available

Sedona Charter School

Sedona, Arizona

(Charter Middle School English Language Arts Program)

45 children served

40% at or below poverty level

77% Caucasian

12% Hispanic

11% Asian

Southwest Autism Research and Resource Center

Phoenix, Arizona

(Autism Service Organization)

29 children Served

Demographics not available

The Odyssey Preparatory Academy

Buckeye, Arizona

(Charter School K-8)

700 students served

2% at or below poverty level

78% Caucasian

15% Hispanic

3% Asian

3% African American

1% American Indian

**ARKANSAS**

Augusta High School  
 Augusta, Arkansas  
 (Public School)  
 200 children served  
 95% at or below poverty level  
 60% African American  
 40% Caucasian

Friends of the Timberwolves  
 Newark, Arkansas  
 (Afterschool Program)  
 850 children served  
 59% at or below poverty level  
 Demographics not available

Rural Special School  
 Fox, Arkansas  
 (Public School K-12)  
 225 children served  
 80% at or below poverty level  
 98% Caucasian  
 2% African American

**CALIFORNIA**

El Dorado Elementary School  
 San Francisco, California  
 (Public School)  
 300 children served  
 80% at or below poverty level  
 38% African American  
 26% Asian  
 23% Hispanic  
 8% Caucasian  
 4% Pacific Islander  
 1% American Indian

Monarch Academy  
 Oakland, California  
 (Charter School K-5)  
 355 children served  
 91% at or below poverty level  
 89% Hispanic  
 10% African American  
 1% Pacific Islander

St. Martin de Porres School  
 Oakland, California

(Parochial School K-8)  
 350 children served  
 92% at or below poverty level  
 54% African American  
 45% Hispanic  
 1% Caucasian

VIP Community Mental Health  
 Center  
 Los Angeles, California  
 (Mental Health Care Facility –  
 Children and Adolescents)  
 1000 children served  
 80% at or below poverty level  
 Demographics not available

**COLORADO**

Cedar Creek Day Treatment  
 Montrose, Colorado  
 (Day Treatment Program –  
 Adolescents)  
 520 children served  
 70% at or below poverty level  
 Demographics not available

**GEORGIA**

J.S. Pate Elementary  
 Cordele, Georgia  
 (Public School)  
 586 children served  
 73% at or below poverty level  
 59% African American  
 36% Caucasian  
 3% Hispanic  
 2% Asian

Macon County Middle School  
 Montezuma, Georgia  
 (Public School)  
 437 children served  
 99% at or below poverty level  
 80% African American  
 13% Caucasian  
 5% Hispanic  
 2% Asian

**HAWAII**

St. Catherine School  
 Kapaa, Hawaii

(Parochial School PK-8)  
 250 children served  
 40% at or below poverty level  
 39% Pacific Islander  
 29% Caucasian  
 24% Asian  
 7% Other  
 1% African American

**ILLINIOS**

Fairview Elementary School  
 Normal, Illinois  
 (Charter School)  
 300 children served  
 44% at or below poverty level  
 53% Caucasian  
 39% African American  
 4% Hispanic  
 3% Asian  
 1% American Indian

Lloyd Elementary School  
 Chicago, Illinois  
 (Public School)  
 1300 children served  
 97% at or below poverty level  
 95% Hispanic  
 4% African American  
 1% Caucasian

**INDIANA**

Special Spaniels Therapy Dogs, Inc.  
 Hobart, Indiana  
 (Therapy Dog Reading Program)  
 359 children served  
 60% at or below poverty level  
 Demographics not available

**KANSAS**

The Learning Center – Girard  
 Girard, Kansas  
 (Special Education Public School 1-  
 12)  
 80 children served  
 100% at or below poverty level  
 95% Caucasian  
 3% African American  
 2% Hispanic

**KENTUCKY**

West Point Elementary School  
 West Point, Kentucky  
 (Public School)  
 150 children served  
 97% at or below poverty level  
 95% Caucasian  
 2% African American  
 2% Hispanic  
 1% Asian

**MARYLAND**

Maritime Industries Academy High  
 School/Middle School  
 Baltimore, Maryland  
 (Public School)  
 502 children served  
 43% at or below poverty level  
 96% African American  
 2% Caucasian  
 1% Asian  
 1% Hispanic

**MICHIGAN**

Dossin Elementary and Middle  
 School  
 Detroit, Michigan  
 (Public School)  
 300 children served  
 90% at or below poverty level  
 98% African American  
 2% Other

Golightly Educational Center  
 Detroit, Michigan  
 (Public School PK-8)  
 788 children served  
 94 % at or below poverty level  
 99 % African American  
 1 % Other

Jerry L. White High School  
 Detroit, Michigan  
 (Special Education Public School)  
 75 children served  
 100% at or below poverty level  
 75% African American  
 15% Arabic  
 5% Caucasian  
 5% Hispanic

Washington-Parks Academy  
 Redford, Michigan  
 (Charter School 1-9)  
 450 children served  
 70% at or below poverty level  
 99% African American  
 1% Caucasian

**MINNESOTA**

Mainstreet School of Performing  
 Arts  
 Hopkins, Minnesota  
 (Charter School 9-12)  
 250 children served  
 20% at or below poverty level  
 73% Caucasian  
 14% African American  
 6% Hispanic  
 5% Asian  
 2% American Indian

Willow River High School  
 Willow River, Minnesota  
 (Public High School English  
 Language Arts Program)  
 90 children served  
 54% at or below poverty level  
 Demographics not available

**MONTANA**

St. Labre Indian Catholic School  
 Ashland, Montana  
 (Parochial School PK-12)  
 360 children served  
 95% at or below poverty level  
 100% American Indian

**NEW JERSEY**

Foster and Adoptive Family Services  
 Monroe, New Jersey  
 (Foster Care Service Organization)  
 200 children served  
 40% at or below poverty level  
 Demographics not available

**NEW MEXICO**

Questa Public Library  
 Questa, New Mexico  
 (Public Library)  
 100 children served

70% at or below poverty level  
 95% Hispanic  
 5% Caucasian

**NORTH CAROLINA**

East McDowell Junior High School  
 Marion, North Carolina  
 (Public School)  
 650 children served  
 60% at or below poverty level  
 80% Caucasian  
 11% Hispanic  
 6% African American  
 3% Asian

**OHIO**

ASL Advocates  
 Euclid, Ohio  
 (Deaf Service Organization)  
 100 children served  
 100% at or below poverty level  
 45% Caucasian  
 20% American Indian  
 19% African American  
 15% Hispanic  
 1% Asian

**PENNSYLVANIA**

Focus on Renewal  
 McKees Rocks, Pennsylvania  
 (Community Healthcare Center)  
 150 children served  
 100% at or below poverty level  
 Demographics not available

Mature Cradle, Inc.  
 Philadelphia, Pennsylvania  
 (Community Center – Youth)  
 188 children served  
 100% at or below poverty level  
 Demographics not available

**TENNESSEE**

Bulls Gap School  
 Bulls Gap, Tennessee  
 (Public School K-8)  
 400 children served  
 83% at or below poverty level  
 99% Caucasian  
 1% African American



Collegiate School of Memphis  
 Memphis, Tennessee  
 (Private Middle School)  
 151 children served  
 68% at or below poverty level  
 59% African American  
 19% Hispanic  
 15% Caucasian  
 4% Asian  
 1% American Indian

Dalewood Middle School  
 Chattanooga, Tennessee  
 (Charter School)  
 288 children served  
 97% at or below poverty level  
 90% African American  
 7% Caucasian  
 2% Asian  
 1% Hispanic

**TEXAS**

Austin Public Library  
 Austin, Texas  
 (Public Library Juvenile Justice  
 Center Program)  
 3500 children served  
 100% at or below poverty level  
 60% Hispanic  
 30% African American  
 10% Caucasian

Lubbock County Juvenile Justice  
 Center  
 Lubbock, Texas  
 (Juvenile Justice Center Charter  
 School 6-12)  
 84 children served  
 80% at or below poverty level  
 Demographics not available

Parkland High School  
 El Paso, Texas  
 (Public School)  
 180 children served  
 76% at or below poverty level  
 81% Hispanic  
 10% African American  
 9% Caucasian

San Antonio State Hospital  
 San Antonio, Texas  
 (Adolescent Psychiatric Ward)  
 360 children served  
 80% at or below poverty level  
 71% Hispanic  
 22% Caucasian  
 6% African American  
 1% Asian

**WASHINGTON**

Swinomish Head Start  
 La Conner, Washington  
 (Head Start Program)  
 40 children served  
 80% at or below poverty level  
 51% Hispanic  
 35% Caucasian  
 9% American Indian  
 3% African American  
 2% Asian



# 29,239

children

we quadrupled the number  
of children served

## READING REVOLUTION

A vibrant imagination, strong character, and the confidence needed for a successful future... So often these basic traits remain under-developed in the very students who need them most. That's why Kids Need to Read is helping to stage a revolution—a Reading Revolution!

In partnership with Arizona State University and ASU Preparatory Academy, Kids Need to Read has developed a uniquely interactive program that immerses middle school students in a world of literary experiences while teaching them, first-hand, the impact of reading on every aspect of life.

With a focus on enhancing literacy skills and nurturing youthful ambitions, the Reading Revolution program aspires to significantly reduce dropout rates among adolescents by empowering them with control over their own bright futures.

Kids Need to Read understands that it is not enough to explain to children the importance and benefits of literacy. That is why Reading Revolution actively accompanies participating students through every step of an integrated, multi-year program. By bringing together various facets of a student's education through projects targeting respect, the need to stay in school, and the importance of reading, this program complements a school's existing curriculum and enriches a child's learning environment by providing ongoing, hands-on project support and the resources necessary to encourage a life-changing love of reading.

Already in action in the greater Phoenix, Arizona area, Reading Revolution is now connecting middle school students to a new life of literacy by engaging them in a series of study units over a three-year period. Many of the students involved entered the program with exceptionally low literacy skills and many come from low income families. For some of these children, interest in reading or academic achievement had long been lost. Through this program, however, Reading Revolution has re-engaged students with an introduction to literacy like nothing they had ever experienced.

The first unit of study is a science fiction-themed project featuring much more than books. In addition to class sets of text, study materials also include computers, eBooks, an online





multimedia game, a live author presentation, and an unexpected visit from "aliens."

This first unit of study further enriches standard curriculum by directly connecting English language arts coursework with science, math, and social studies classes. This diverse network of study provides students with a

daily, real-world emphasis on the importance of reading in every facet of life.

The second unit of study is designed to help students evaluate peaceful means of resolving conflict and overcoming adversity. A study of World War II within the students' social studies curriculum is enhanced by the introduction of class sets of twelve book titles, grouped by similar themes and divided into two different reading levels. Symbolism and theme similarities are explored in English language arts literature circles.

Unit two also features a special, highly-inspirational introduction to *The 7 Habits of Highly Effective Teens*. This presentation encourages students to explore a variety of topics, such as the life-changing power of reading, developing life missions, embracing positive life paradigms, and cultivating a healthy respect for all people.

Second and third year studies will employ a similar cross-curricular method, additional live author presentations, and multimedia methods to teach students the importance of strong character, as well as the value of reading on an imaginative and prosperous future.

With so many distractions vying for an adolescent's attention today, middle school is often a critical time when many children lose interest in reading and academic pursuits. By the time they enter ninth grade, these students often find their deficient skills and scholastic disengagement make it harder and harder to keep up with the curriculum. But tests conducted after the implementation of the Reading Revolution program indicated a significant improvement in reading skills among participating students.

With participating schools providing ongoing research into affected literacy rates, Kids Need to Read and its partners hope to offer proven methods of increasing reading skills and decreasing dropout rates. Future plans include the expansion and adaptation of this "Revolution" throughout the United States to any schools seeking cutting-edge programs to inspire their student body.

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The materials that we received from the Kids Need to Read organization are much needed by the residents of Gardner Betts. Youth at the facility often report reading their first book while incarcerated. The diversity of the materials sent to us by Kids Need to Read will ensure that every reader at Gardner Betts can find a book that interests them.

Kathleen Houlihan,  
Youth Program  
Librarian and Second  
Chance Project  
Coordinator, Austin  
Public Library  
(Gardner Betts  
Juvenile Justice  
Center), Austin, Texas

”

**\$149,652**

value

we more than doubled the  
value of our donated books

## READING REVOLUTION

By teaming up with schools across the country, Kids Need to Read will continue to connect kids with books, and illustrate the connection of books with a brighter future. And by immersing students in such an enriched academic environment, Reading Revolution will help children take a proactive role in their future success while establishing books as a personal and life-long support system.

### Reading Revolution Program Partners

Arizona State University  
ASU Preparatory Academy

### Reading Revolution Funding Partners

American Woodmark Foundation  
Arizona Diamondbacks Foundation  
Avnet Contributions Council  
National Home Library Foundation







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Partners like Kids Need to Read help advance our goal to provide a university-embedded educational experience that prepares all students to complete a four-year college degree. We are thrilled to have Kids Need to Read collaborating with us to improve educational outcomes for the children of Arizona.

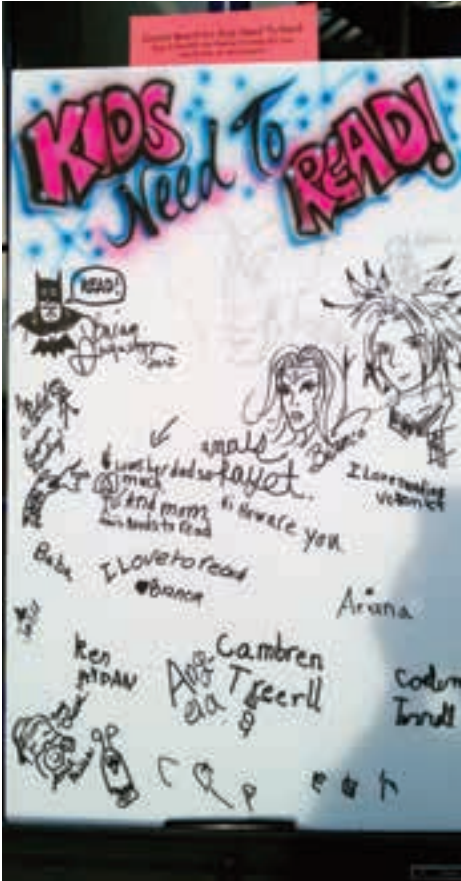
Beatriz Rendon,  
Associate Vice  
President, CEO  
University Public  
Schools, ASU  
Preparatory Academy,  
Tempe, Arizona

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Arizona Renaissance Festival • Mesa 2nd Friday: Word on the Street • Hero Comics Presents: KNTR Day • KNTR Family Day at The Royale • Tucson Comic Con • Fireland Phoenix Faerie Festival • Comics N' Coasters • SARRC GoodDeed Works • Leadership Through Literacy: Child and Family Resources • ASU Preparatory Academy: Fall Festival • Kids Health & Safety Resource Fair • Hero Comics: Free Comic Book Day

# EVENTS





“

We received our box of books from you! They are brand new!!! I wasn't expecting that! The kids are so excited! They already helped me organize them according to their reading level! Thank you so so much! My students and I are so grateful!! What an amazing program!

Toni Stratman,  
Learning Resource  
Teacher, Fairview  
School, Normal,  
Illinois

”

# COMICON 2011

sponsored charity of  
Phoenix Comicon





“

I cannot tell you how big of a help the books that you have already sent have been. I have a whole section of my library dedicated to my KNTR books, and many of my students head directly (and exclusively) to that area when looking for an independent reading book.

I appreciated the high interest fiction!!! Our reading levels literally vary from 2nd grade to 12+. We try to meet all the students' needs, but I simply don't have a library budget.

Jason Mabee, Media Specialist, Maritime Industries Academy / Vanguard Collegiate Middle School, Baltimore City Public Schools, Baltimore, Maryland

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# GEEK PROM 2011

sponsored by  
Bookmans





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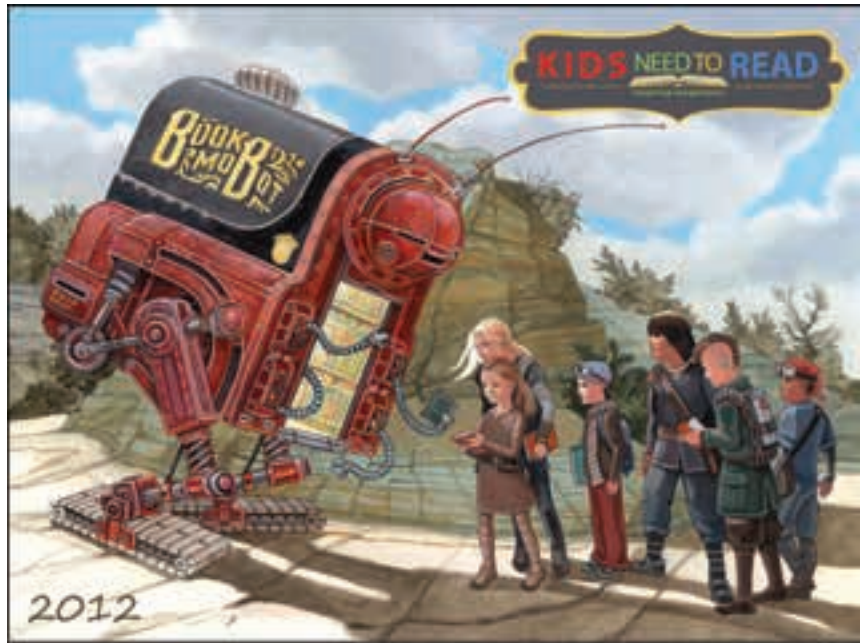
We received the books, and are delighted to be stocking them on bookshelves this week! There was some competition over favorite titles among the staff, and we found so many treasures among the selection. Thank you so much for all you've done to provide us with more reading material. It will make such a difference in our reading/literacy initiative!

Tracy Johnson,  
Science Teacher,  
Mainstreet School of  
Performing Arts,  
Hopkins, Minnesota

”

# CALENDAR 2012

presented by Life Alert  
Emergency Response



Calendar Cover



Nathan Hale



Adam Rex



Jack Gantos



Jason T. Kruse



Jon S. Lewis



Steven Riley



The Kids Need to Read 2012 Calendar is much more than a reminder of dates for your daily life. It represents the hope that literacy brings to the children of the world. The ability to read is not only a gift; it is a necessity for success. Each purchase of a Kids Need to Read literacy-themed calendar will help our organization provide books and literacy programs to children in dire need of literacy intervention.

**Presenting Sponsor**

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Bethany Harowitz

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Jack Libero & the Tampa Life Alert sales office



Chris Gall



Mike Dubisch



Tony Parker



James A. Owen



Marisa Grieco



Jackie Morris



I am excited about receiving new opportunities for the young adults at Maritime Industries Academy to not only experience literature, but also begin to truly love it! We are truly appreciative of your generosity and kind spirit. I believe that knowledge is the most important gift and during this holiday season you provided over 700 students the gift that will keep giving and growing throughout their lives!

Dorian Barnes,  
Principal, Maritime  
Industries Academy  
#431, Baltimore City  
Public Schools,  
Baltimore, Maryland





## KIDS NEED TO READ BOARD OF DIRECTORS

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Associate Professor of English  
Arizona State University

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Executive Director  
Kids Need to Read

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Howard's Brake and Front End  
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Assistant Professor in Teaching &  
Learning  
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### **Director**

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Professor in Department of Library  
Science  
Sam Houston State University

### **Director**

Marlinda White-Kaulaity, Ph.D  
Early College Coordinator  
Window Rock High School

## KIDS NEED TO READ ADVISORY COUNCIL

PJ Haarsma  
Nathan Fillion  
Margaret Bostrom

Tom Leveen  
Jackie Morris  
James A. Owen

Janette Rallison  
Steven Riley

# KIDS NEED TO READ STAFF AND VOLUNTEERS

## STAFF

Denise Gary,  
*Executive Director*

Debbie Brown  
*Development Director*

Robert Gary  
*Creative Director*

## LITERATURE ADVISORY COMMITTEE

Faith Hochhalter, *Chairman*

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Michael Emerson  
Rebecca Palson  
Melissa Tope

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Erin Casey  
Bonnie Lou Coleman  
Brownell Combs  
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Michael Dougherty  
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Joseph Drake  
Michael Emerson  
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Eric Fiallos  
Heather Gahagan  
Ame Galvin  
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Bridget Lloyd  
Jade Lloyd

Marianne Luskey  
SabrinaMaizland  
Bruce Matsunaga  
Crosby Mecham  
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Ash Rhodes  
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Danie Hermes  
Darby Simon  
Zach Snow  
Carol Tabb  
Robert Tabb  
Melissa Tope  
Gary Vaage  
Heather Verley  
Nacole Vickery  
Carl Wagner  
Terra Walker  
Adam Wilson  
Tina Worley





## KIDS NEED TO READ MAJOR DONORS

### **\$50,000 and Above**

Amy B. Morrill Charitable Lead  
Annuity Trust

### **\$10,000 to \$49,999**

Browncoat Big Damn Fan Films

### **\$5,000 to \$9,999**

Arizona Diamondbacks  
California Browncoats

### **\$1,000 to \$4,999**

American Woodmark Foundation  
Avnet Contributions Council  
Bookmans Entertainment Exchange  
Fandom Charities, Inc.  
Colleen Harkins  
Life Alert Emergency Response, Inc.  
National Home Library Foundation  
Phoenix Comicon  
Raleigh NC Browncoats  
Rose Catherine Servos  
ThinkGeek

### **\$500 to \$999**

Alberta Browncoats Society  
Austin Browncoats

Berline  
Randi Ellias  
GFWC Four Corners Jr. Woman's  
Club  
Felicia Johnson  
Keith Leverette  
Mysticon  
OSFest  
San Antonio Browncoats  
Southeastern Browncoats

### **\$100 to \$499**

All Printing Services  
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Anarchy Squared Creations  
Arizona Browncoats  
Jennifer Badger  
Nicola Barnes  
Allen Briggs  
JL Bryan  
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Gabrielle Hernandez  
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Laura Imm  
Angie Jelinek  
Shawn and Kristen Klein  
Rhonda Lane  
Lea's Christmas Ornaments  
Teri Lesesne  
Toni LoTempio  
Samantha Manley  
Marscon  
Dale Mayer

## A SPECIAL THANK YOU

Browncoats and fans of Nathan Fillion are at the very heart of Kids Need to Read. We would like to share the details of their enormous contributions to our cause in 2011. The various fan projects and groups raised a total of \$36,504 for KNTR in 2011, and that amount does not include contributions from individuals. This year, we impacted 29,239 children, more than quadruple the amount of children served in 2010! Browncoat and Fillion fan funds played a large role in that growth. Their funds also made it possible for us to initiate Reading Revolution, a new program developed in partnership with Arizona State University and ASU Preparatory Academy.

Thank you to all who contributed to Kids Need to Read in 2011, whether you are a Browncoat, Fillion fan, or supporter of childhood literacy. Together, all of your contributions enabled KNTR to not only provide a record number of books to children but allowed us to implement important programs to increase the impact of the reading resources we supply.

Anne Mead  
Christiana Miller  
Morgan Stanly Smith Barney,  
Wauwatosa, Wisconsin Office  
North Virginia Browncoats  
Brian O'Callaghan  
Tom Pettit  
Martha Pinchoff  
Rose Pressey  
Ryan Ragsdale  
Edie Ramer  
Terri Reid  
Robert Romano  
Tracey Rutter  
Sax Macy Fromm & Co., PC  
Stephen Schwarz  
Sheelagh Semper  
Rachael Sheldrick  
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US Toner, Inc.

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Christine Williams  
Wonder of Wickless  
Karen Zadina  
**IN-KIND**  
2nd Friday Night Out, Mesa, Arizona  
Arizona Renaissance Festival  
Arizona State Association of  
Physician Assistants  
Arizona State University  
Atomic Comics, Mesa, Arizona  
Barnes & Noble, Dana Park Village  
Square, Mesa, Arizona  
Barnes & Noble, Chandler Fashion  
Mall, Chandler, Arizona  
Big Brain Pictures, LLC.  
Bloomsbury Publishing  
Bookmans Entertainment Exchange  
Robin Brande  
Carus Publishing Company  
Castles and Coasters  
Dark Moon Publishers  
Becca Fitzpatrick  
Shannon Hale  
Dennis Harshbager

HERO Comics  
Highlights for Children, Inc.  
Jesse James Comics, Glendale,  
Arizona  
Libcon 2012  
Marianne Mitchell  
Mojo-Bone Software Studios  
Morgan Stanly Smith Barney,  
Wauwatosa, Wisconsin Office  
Brandon Mull  
Ovation Books  
Phoenix Comicon  
Phoenix Faerie Festival  
Phoenix West Reading Council  
Pop Culture Paradise  
Prairie Divide Productions  
Janette Rallison  
Random House, Inc.  
Samurai Comics, Phoenix, Arizona  
Simon & Schuster, Inc.  
Spazdog Comics, LLC.  
The Perseus Books Group  
Waldenbooks Phoenix  
Kiersten White

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**FINANCIAL STATEMENTS  
(Reviewed)**

**15 MONTHS ENDED MARCH 31, 2012**



**LOHMAN COMPANY, PLLC**  
Certified Public Accountants & Business Consultants

## CONTENTS

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#### *FINANCIAL STATEMENTS*

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**INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

To the Board of Directors  
Kids Need to Read  
Mesa, Arizona

We have reviewed the accompanying statement of financial position of Kids Need to Read as of March 31, 2012, and the related statements of activities, functional expenses and cash flows for the 15 months then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.



Mesa, Arizona  
June 28, 2012

**KIDS NEED TO READ**  
**STATEMENT OF FINANCIAL POSITION**  
**March 31, 2012**

**ASSETS**

**Current assets**

Cash	\$ 674
Books inventory	330,661
Prepaid insurance	<u>1,705</u>

**Total current assets** 333,040

**Property and equipment**

	2,199
Less accumulated depreciation	<u>(1,227)</u>

**Total property and equipment** 972

**Security deposit**

800

**Total assets** \$ 334,812

See accompanying notes and independent accountant's review report

**KIDS NEED TO READ**  
**STATEMENT OF FINANCIAL POSITION (Continued)**  
**March 31, 2012**

**LIABILITIES AND UNRESTRICTED NET ASSETS**

**Current liabilities**

Accounts payable	\$ 983
Accrued expenses	<u>3,050</u>

**Total current liabilities** 4,033

**Commitments**

**Unrestricted net assets** 330,779

**Total liabilities and  
unrestricted net assets** \$ 334,812

See accompanying notes and independent accountant's review report

**KIDS NEED TO READ**  
**STATEMENT OF ACTIVITIES**  
**15 Months Ended March 31, 2012**

**UNRESTRICTED NET ASSETS**

**Support and income**

Books inventory contributed	\$ 200,520
Contributions	133,732
Grants	11,898
Other	6,819
Interest income	179

**Total support and income** 353,148

**Functional expenses**

Program	227,663
Fundraising	20,808
General and administrative	41,291

**Total functional expenses** 289,762

**Increase in unrestricted net assets** 63,386

**Unrestricted net assets, beginning balance** 267,393

**Unrestricted net assets, ending balance** \$ 330,779

See accompanying notes and independent accountant's review report

**KIDS NEED TO READ**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**15 Months Ended March 31, 2012**

	<b>Program Services</b>	<b>Support Services</b>		<b>Total</b>
		<b>Fundraising</b>	<b>General and Administrative</b>	
Distribution of books inventory	\$ 142,396	\$ -	\$ -	\$ 142,396
Salaries	56,680	3,570	29,150	89,400
Payroll taxes and benefits	3,882	246	2,033	6,161
Rent and utilities	10,133	1,126	1,251	12,510
Professional fees	325	7,559	1,630	9,514
Promotion	6,239	-	-	6,239
Other	312	-	3,567	3,879
Fundraising	-	3,590	-	3,590
Fundraising events	-	3,464	-	3,464
Shipping	2,996	163	275	3,434
Materials and supplies	2,254	250	278	2,782
Purchased services	576	703	692	1,971
Insurance	-	-	1,534	1,534
Equipment	1,237	137	153	1,527
Depreciation	-	-	728	728
Travel	633	-	-	633
<b>Total functional expenses</b>	<b>\$ 227,663</b>	<b>\$ 20,808</b>	<b>\$ 41,291</b>	<b>\$ 289,762</b>

See accompanying notes and independent accountant's review report

**KIDS NEED TO READ  
STATEMENT OF CASH FLOWS  
15 Months Ended March 31, 2012**

<b>Cash flows from operating activities</b>	
<i>Increase in unrestricted net assets</i>	\$ 63,386
<i>Adjustments to reconcile increase in unrestricted net assets to net cash used by operating activities</i>	
Books inventory contributed	(200,520)
Distribution of books inventory	142,396
Depreciation	728
<i>(Increase) decrease in:</i>	
Books inventory purchased	(19,555)
Prepaid insurance	(449)
Security deposit	(800)
<i>Increase (decrease) in:</i>	
Accounts payable	983
Accrued expenses	2,075
	(11,756)
<b>Cash flows from investing activities</b>	
Purchase of property and equipment	(969)
	(969)
<b>Net decrease in cash</b>	(12,725)
<b>Cash, beginning balance</b>	13,399
<b>Cash, ending balance</b>	\$ 674

See accompanying notes and independent accountant's review report

**KIDS NEED TO READ**  
**NOTES TO FINANCIAL STATEMENTS**

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**Note 1. Nature of Organization and Summary of Significant Accounting Policies**

***Nature of organization:***

Kids Need to Read (“Organization”) was incorporated on May 29, 2008 as The Kids Need to Read Foundation, a not-for-profit corporation under the laws of the State of California. On December 17, 2009, the Organization amended its articles of incorporation to change its name. The Organization’s administrative office is located in Mesa, Arizona. The mission of Kids Need to Read is to create a culture of reading for children by providing inspiring books to under-funded schools, libraries and literacy programs across the United States, especially those serving disadvantaged children. The Organization is primarily supported by contributions of books from publishing companies and contributions by corporations and individuals.

***Basis of presentation:***

The Organization’s external financial statement presentation is governed by Accounting Standards Codification (“ASC”) Subtopic 205, *Presentation of Financial Statements* (“ASC 205”). Under ASC 205, a not-for-profit organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. ASC 205 establishes a specific financial statement reporting format for not-for-profit organizations and requires the statement of activities to reflect all changes in net assets.

The Organization currently does not have any donor-imposed temporarily or permanently restricted net assets.

***Books inventory:***

Books inventory consists of books and other reading materials. Contributions of books are recorded as support at their estimated fair value at the date of contribution. Contributions of new books are valued at the retail price. Contributions of used books are valued at half the retail price. Contributions of advanced reading copy books are valued at one fourth the retail price. Retail price is based on the publisher’s listed price or, if no listed price, the fair value as reported online at the date of contribution. Contributed books with no identifiable retail price or not usable by the Organization are valued at \$1.

Books purchased by the Organization are valued at cost (first-in, first-out) or market. Market is based on the lower of replacement cost or estimated realizable value. The valuation of books inventory requires management to estimate obsolete or excess inventory. The determination of obsolete or excess inventory requires management to estimate the future demand for the Organization’s books inventory. Management determined that no allowance for inventory obsolescence was necessary at March 31, 2012.

**KIDS NEED TO READ**  
**NOTES TO FINANCIAL STATEMENTS**

---

**Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)**

***Property and equipment:***

The Organization capitalizes all property and equipment with a value greater than \$300 and an estimated useful life of three years or more. Purchased property and equipment are carried at cost. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor.

Depreciation has been provided on the straight-line method over estimated useful lives of three years. When items of property and equipment are sold or retired, the related costs and accumulated depreciation is removed from the accounts and any gain or loss is included in change in unrestricted net assets.

Repairs that significantly extend the lives of property and equipment are capitalized, while routine repairs and maintenance are expensed when incurred.

***Contributions and grants:***

The Organization follows ASC Topic 958, *Not-for-profit entities* (“ASC 958”). In accordance with ASC 958, contributions and grants received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restriction.

All contributions and grants are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted. During the period ended March 31, 2012, all support was unrestricted.

***Contributed goods and services:***

Contributed goods and services are recorded as support at their estimated fair value at the date goods contributed or services rendered. Contributed services are recognized if the services create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and typically need to be purchased if not contributed. Contributed services have not been recorded in the accompanying financial statements since the appropriate criteria for recognizing the services have not been met. Nevertheless, a substantial number of volunteers have contributed significant amounts of their time to the Organization.



**KIDS NEED TO READ**  
**NOTES TO FINANCIAL STATEMENTS**

---

**Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)**

***Functional expenses:***

Expenses that can be identified as a program or fundraising activity are charged directly to their natural expenditure classification. Those expenses which cannot be specifically identified as a program or fundraising activity have been allocated based upon management's best estimate of usage.

***Income taxes:***

The Organization has received from the Internal Revenue Service an exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It has been classified as a public charity under section 509(a)(2). A provision is made in the financial statements for income taxes on unrelated trade or business income earned, when applicable. No significant timing or other difference that would result in a material deferred income tax liability exists.

The Organization adopted the accounting standard on accounting for uncertainty in income taxes. Management evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustment to the accompanying financial statements to comply with the provisions of this guidance. The Organization is not subject to income tax examinations by the U.S. federal, state or local tax authorities prior to the incorporation of the Organization.

***Use of estimates:***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

***Subsequent events:***

The Organization has evaluated subsequent events through June 28, 2012, the date on which the financial statements were available to be issued.

**KIDS NEED TO READ**  
**NOTES TO FINANCIAL STATEMENTS**

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**Note 2. Commitment**

*Operating lease:*

The Organization leases its administrative office under an operating lease that requires monthly payments of \$600, plus sales tax, expiring August 2013.

The future minimum rental payments required under the operating lease is as follows at March 31, 2012:

<u>Years Ending March 31:</u>	
2013	\$ 7,200
2014	<u>3,000</u>
	<u>\$ 10,200</u>

Rental expense was \$8,183 for the period ended March 31, 2012, and is included in functional expenses on the accompanying statement of activities.





## VISION

All children and adolescents will have access to quality books no matter their race, economic status, or capabilities. Further, our organization will provide inspiring programs to increase literacy rates and decrease dropout rates throughout the United States. These programs will be presented in a manner that will foster and uphold dignity and self-respect. We will consistently demonstrate to children and adolescents the need to read, as we believe literacy contributes to school and life success.



### Kids Need to Read

33 South Mesa Drive  
Mesa, Arizona 85210  
480.256.0115

[www.kidsneedtoread.org](http://www.kidsneedtoread.org)  
[info@kidsneedtoread.org](mailto:info@kidsneedtoread.org)

### Follow Us

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