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*The* FOUNDATION *for*  
PUBLIC EDUCATION

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S U P P O R T I N G P V U S D

An independent 501c3 charitable organization

# 2009 Annual Report

# Mission & Vision

- ▶ **Mission**

Fostering Excellence in Public Education.

- ▶ **Vision**

The Foundation envisions a future in which Arizona becomes nationally distinguished by the quality and rigor of the education it affords every dedicated student.

# Values

- ▶ *We Will Promote Clarity, Consistency, and Quality by:*
  - Measuring and reporting the performance of The Foundation and the programs it supports
  - Being involved, prepared, and committed
  - Ensuring the sustainability of The Foundation and the programs it supports
  - Striving to optimize allocation of funds
  - Achieving operational effectiveness and efficiency
  - Governing with professionalism, transparency, and accountability

# Values

- ▶ *We Will Abide by High Ethical Standards by:*
  - Leading by example
  - Being open and honest
  - Respecting each other although we may not always agree
  - Being wise stewards of the funds entrusted to The Foundation
  - Aligning our actions and goals with our shared vision and values
  - Declaring conflicts of interest and acting accordingly

# Values

- ▶ *We will instill our Foundation Spirit in our work by:*
  - Fostering collaboration through building trust
  - Promoting inclusiveness in the decision making process
  - Honoring our diversity
  - Promoting teamwork and team spirit
  - Celebrating our successes
  - Seeking partnerships while maintaining our independence

# Strategic Objectives

- ▶ Marshal private funding and other resources in support of public education
- ▶ Support Paradise Valley School District's innovative, sustainable, and viable programs designed to enhance academic quality
- ▶ Promote a "college-going" culture

# FY08-09 Goals and Accomplishments

- ▶ Hired staff
- ▶ Secured major gift towards Capital Campaign
- ▶ Provided professional services for CREST engineering pathway
- ▶ Partnered with Alumni Services industry leader
- ▶ Cultivated relationships with Valley non-profit and education leaders
- ▶ Increased cash grants to PVUSD almost threefold
- ▶ Implemented new accounting software
- ▶ Acquired donor relationship management software
- ▶ Improved transparency and accountability
  - Recognized by Guidestar

# FY08-FY09 Income & Expense

Revenue	
Contributions	214,378
Investment Income	3,325
Net Income from Special Events (Golf Tournament)	3,314
Other Revenue	(4,457)
<b>Total Revenue</b>	<b>\$ 216,560</b>

Source: The Foundation's 2008 IRS 990 Return for period 7/1/2008 to 6/30/2009.

# FY08-09 Revenue and Expenses (Con't)

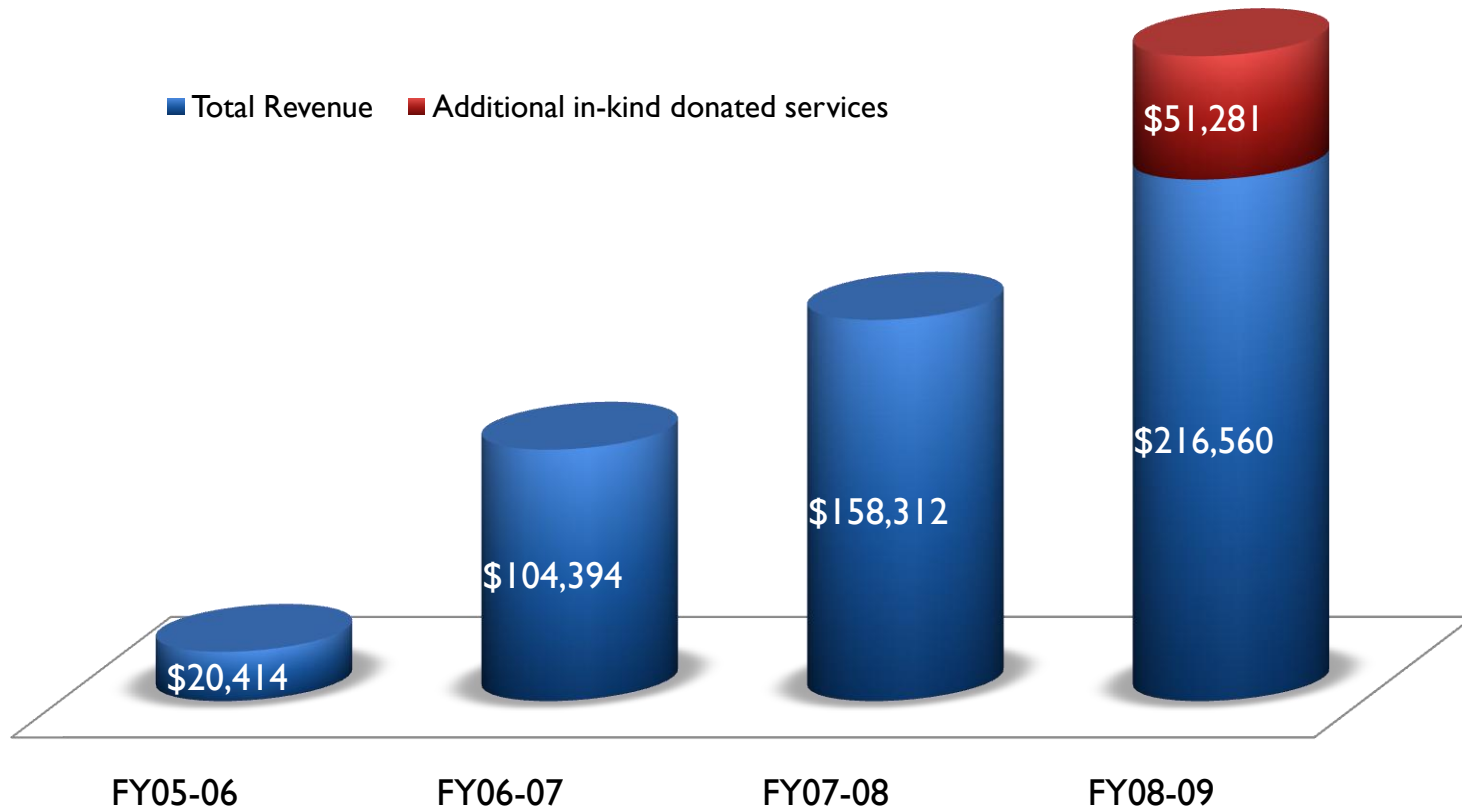
Expenses	
Grants and similar amounts paid	\$ 135,000
Salaries, other comp, and employee benefits	\$ 48,834
Professional Fees to Independent Contractors	\$ 4,234
Printing, publications, postage, and shipping	\$ 1,933
Other expenses	\$ 21,139
<b>Total Expenses</b>	<b>\$ 211,140</b>
<b>Net Income</b>	<b>\$ 5,420</b>

Source: The Foundation's 2008 IRS 990 Return for 7/1/2008 to 6/30/2009 period.

# Financial Summary

	FY 2008	FY 2009	\$ Change	% Change
<b>Revenue</b>	\$158,312	\$216,560	\$58,248	37%
<b>Program Expenses</b>	\$51,492	\$159,417	\$107,725	209%
<b>Fundraising/Admin Expenses</b>	\$2,588	\$51,723	\$49,135	1900%
<b>Year End Balance</b>	\$104,232	\$5,420		
<b>Net Assets</b>	\$245,977	\$251,397	\$5,420	2%

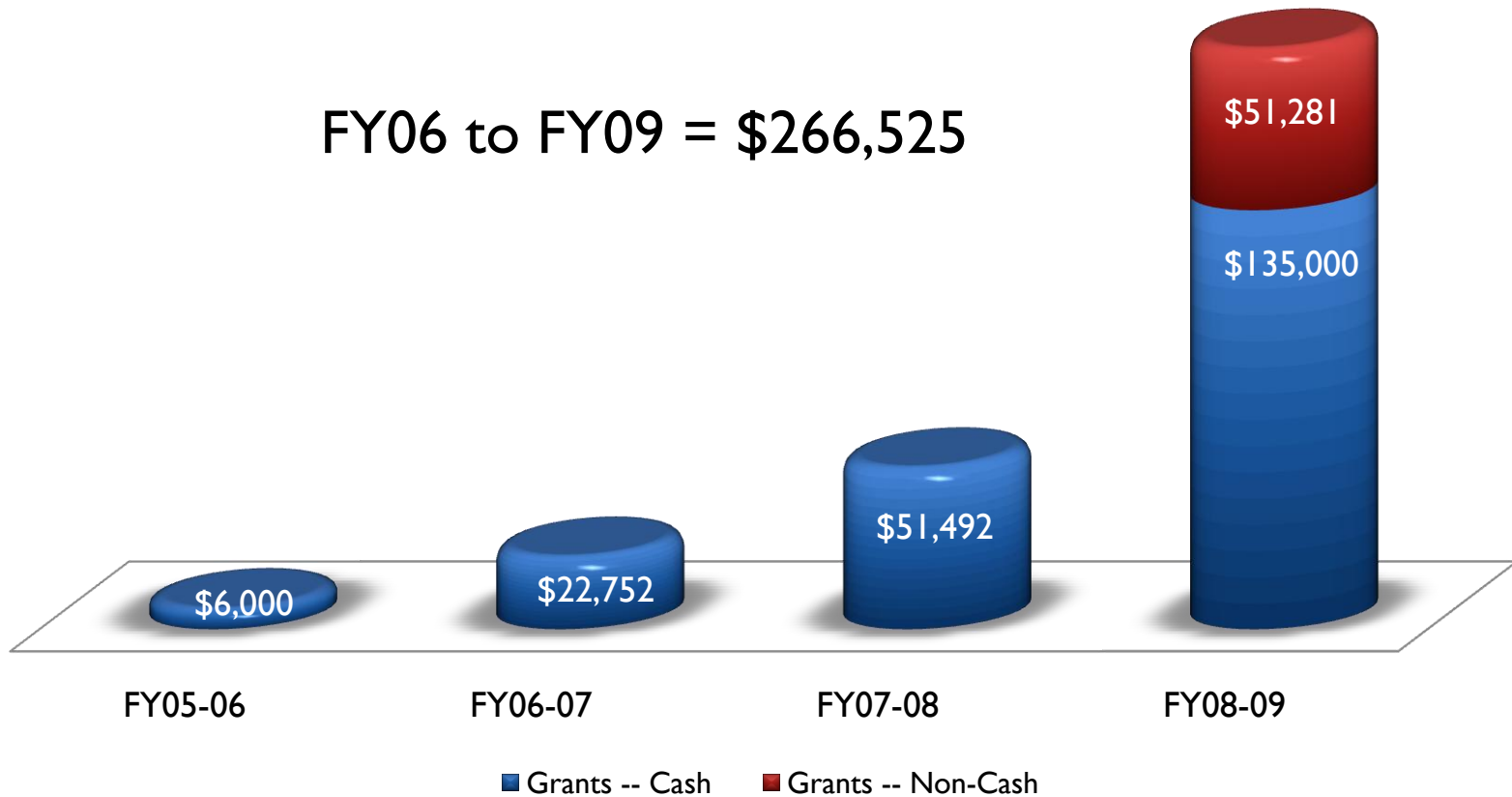
# TFPE Total Revenue Four Year Trend (FY06 - FY09)



Source: Foundation's IRS Form 990's and financial statements

# Grants to Paradise Valley Schools Four Year Trend (FY06 – FY09)

FY06 to FY09 = \$266,525

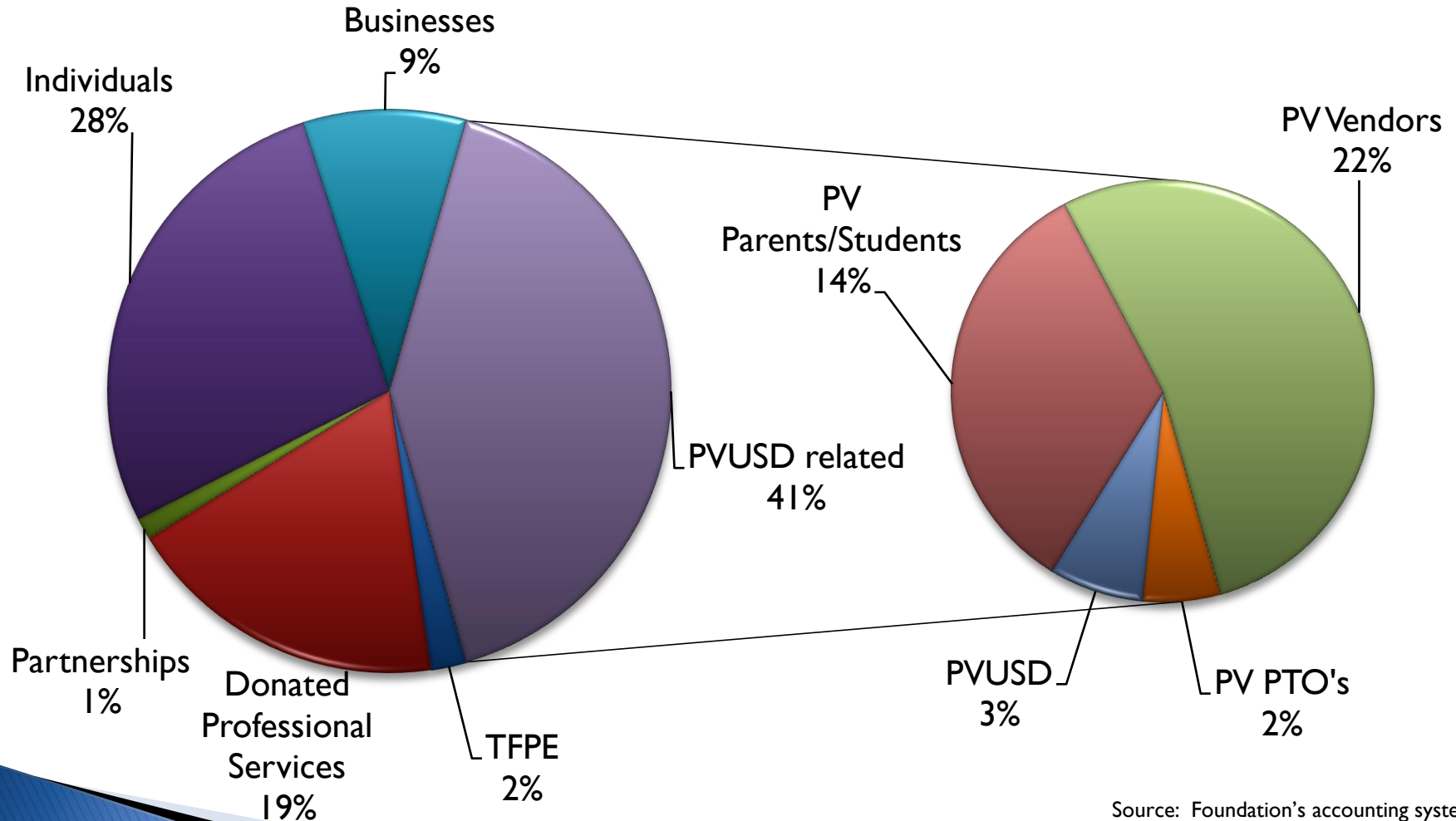


Source: Foundation's IRS Form 990's and financial statements

# FY08-09 Program Focus and Strategic Alignment with PVUSD's Vision and Goals

- ▶ Advance science and technology education and, in general, critical thinking and lifetime learning
  - Hands On Science Program and Center -- \$78,000 grant
  - CREST curriculum development -- \$51,281 professional services
  
- ▶ Support professional development (teachers & principals)
  - Professional Development Program -- \$50,000 grant
  
- ▶ Manage funds for established scholarship program
  - Yes I Can Scholarship Fund -- \$7,000

# FY08-FY09 Sources of Contributions



Source: Foundation's accounting system

# Going Forward



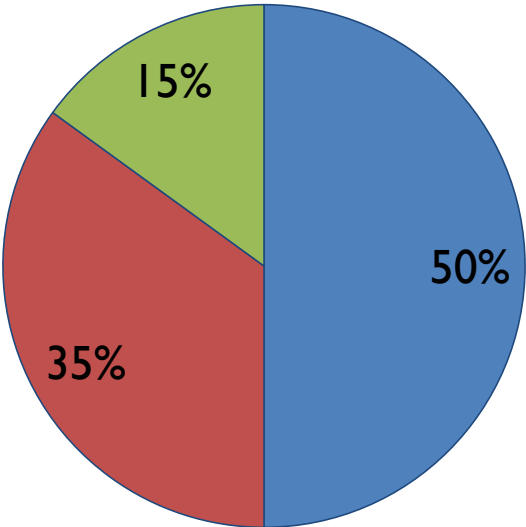
**For Discussion Only**

# FY09-10 Development Plan

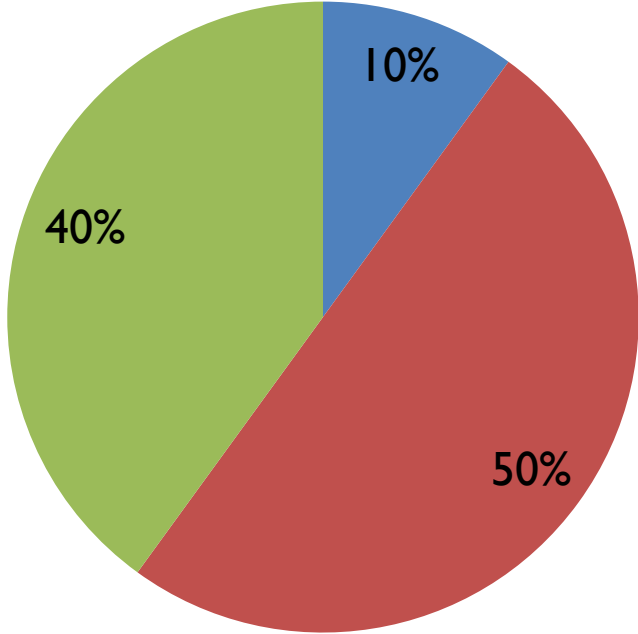
- ▶ Initiate STEM Capital Campaign
- ▶ Build Donor Base
  - Initiate Annual Campaign
  - Include Alumni Database
- ▶ Reduce Reliance on Events
  - Transition from special events to donor and volunteer recognition events

# Development Plan - Transition

**FY 2009**



**FY 2010**



■ Events ■ Capital Campaign ■ Annual Campaign

# Projected Budget

## Level of IMPACT, Sustainability, and Accountability

	Small	Medium	Large
Annual Budget	<\$100K	\$100K-500K	> \$500K
Primary Sources of Revenue	Special Events	Annual Campaign (\$50-400K) Special Events (\$50-100K)	Annual Campaign, Planned Giving, Grants, Investment Income
Grants	Mini-grants	Partial support of select programs – e.g., college-going (\$70-350K)	Major District-wide impact – e.g., STEM
Fundraising/ Administration	Volunteers	Small staff (\$30-150K)	Specialists, departments
Board	5-7: Hands-on	7-9: Planning; Oversight	9-15 Oversight, Planning, Governance
Governance	Minimal	Initiate formal planning and policy development	Formal policies and internal controls, audit committee
Financial Reporting	Form 990 EZ	Form 990 and Reviewed Financial Statement	Form 990 and Audited Financial Statement

Note: Projections are subject to change due to economic and other external conditions

# 2009 Gartner Survey – Hard Times for Charitable Organizations

Period Covered by Survey	Contributions Decreased	Contributions Stayed about the Same	Contributions Increased	Don't Know
October 2008-February 2009	52%	27%	20%	1%
January-September 2008	35%	25%	38%	2%
January-September 2007	19%	25%	52%	4%

"Organizations that build robust infrastructure—which includes sturdy information technology systems, financial systems, skills training, fundraising processes, and other essential overhead—are more likely to succeed than those that do not. This is not news, and nonprofits are no exception to the rule."

The Nonprofit Starvation Cycle, Stanford Social Innovation Review, 8-2009

# Board Development

- ▶ Seeking candidates
  - Non-profit, Education, Business, and Community Leaders
  - Prior Board experience
  - Prior major fundraising experience

*Thank You to All FY 2009 Foundation Donors and Volunteers, including:*

<b>\$ 10,000 or greater</b>	<b>\$1,000 to \$2,500</b>	<b>\$1,000 to \$2,500</b>
Thomas E. Weintraub Foundation	Grayhawk PTO	United Healthcare
Quantum Engineering	Grayhawk SC	Get Away Today
Adolfson Peterson	Mountain Trail PTSO	Gilleland Brubaker
Core Construction	Pinnacle Peak PTA	Starways
Network Infrastructure Corp	Westcor – PV Mall	Smith Construction
Salesforce.com Foundation	Gust Rosenfeld	ABM
<b>\$2,500 to \$10,000</b>	IKON Office Solutions	Jeffrey Smith
DLR	McCarthy Bldg	<b>Committee Chairs</b>
Valley Schools Management	Wedbush Morgan	Skip Brown
Smart Schools Plus	HAD Architects	Terri Calascibetta
Microsoft	Low Mountain Construction	Paula Fry
Progressive Roofing	Lake Powell Sports	
Riddle Painting	Chasse Bldg Team	