

Annual Report
2007



Letter from the Executive Director

April 1, 2008

Dear Friends, Partners, and Contributors:

I am pleased to present the 2007 Annual Report of the Kids In Need Foundation.

We are most grateful to the companies and individuals who assist us in achieving our mission with financial contributions and donations of time, talent, and in-kind product and services. Through the Foundation's three programs, National Network of Resource Centers, Teacher Grants, and School Box, we provide 1.5 million children and 100,000 teachers annually with free school supplies and classroom materials.

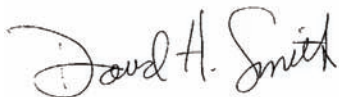
Every year brings change to the Foundation, and this past year was no exception. In 2007, the Board of Directors of the Foundation determined that we had achieved a level of maturity that allowed us to accomplish our mission more efficiently independent of the School, Home, & Office Products Association. We requested and were granted a release from SHOPA and are thriving and growing as an independent organization.

We are eager to develop new opportunities, and we cast a wide net when we are exploring potential donors. For instance, a new partnership has been formed with Promotional Products Association International (PPAI), and its member companies have already donated thousands of dollars worth of product which will greatly enhance many children's classroom experiences.

In addition to the worthiness of our cause, two other factors highly recommend us for support: effective use of our financial resources – 96 percent of our revenue goes directly to programs; and the high yield we are able to retrieve from contributions – every \$1 donated is converted into \$25 worth of product.

The Kids In Need Foundation Board of Directors and staff are poised to reach an increased number of children who need our help. We thank you for your past participation and are counting on your future support to help us make a difference in more children's lives.

Sincerely,



David H. Smith
Executive Director



Mission and Programs

The mission of the Kids In Need Foundation is to ensure that every child is prepared to learn and succeed by providing free school supplies nationally to students most in need.

Programs



Kids In Need National Network of Resource Centers

Providing free school supplies to students who cannot afford to purchase them and providing classroom supplies to teachers in underfunded schools.

School Box

Serving children not located near Resource Centers by offering communities the opportunity to conduct school supply giveaways.



Kids In Need Teacher Grants

Funding innovative, meritorious ideas for classroom projects for certified K-12 teachers who lack the budgets to bring them to life.



2007 Statistics

Kids In Need National Network

- 24 Resource Centers
- \$32 Million in Product Distributed to Resource Centers
- Served: 3,000 Schools
100,000 Teachers
1.5 Million Children
- 10th Summit attended by 83 people, representing 37 Centers



School Box Program

- 14,000 Children Served



Teacher Grants Program

- \$102,000 Awarded To Teachers



Firsts and Milestones

These positive changes and accomplishments helped further the mission of providing school supplies to kids and teachers in 2007.

Firsts

- ▶ Acquired first national sponsor of the Kids In Need National Network of Resource Centers, Target.
- ▶ Held first Gala independent of a tradeshow, “Education Celebration,” emphasizing the impact having school supplies makes on the success of students in the classroom.
- ▶ Was first charitable organization to be honored by the newly founded Cynopsis Foundation.



Milestones

- ▶ Provided school supplies to the 10 millionth student through the National Network of Resource Centers.
- ▶ Reached the \$1 million mark in grants awarded to teachers over the life of the program.
- ▶ Conducted 10th Summit for employees and volunteers from the National Network and other free stores for teachers in the U.S.
- ▶ Added School Tools Resource Center in Rancho Cucamonga, CA, to the National Network, bringing the total number of affiliates to 24.
- ▶ Separated from founding organization, the School, Home, & Office Products Association (SHOPA) and, thus, changed the organization’s name to Kids In Need Foundation.
- ▶ Adopted a new logo and color scheme.

The Summit



Karen Calder (standing) of Classroom Central facilitates a breakout session at the 2007 Summit

Since 1999, the Kids In Need Foundation has gathered people together from all over the U.S. who work in facilities or wish to start facilities from which teachers and students can obtain free school supplies. We call this the Summit.

The Summit is a means of exchanging ideas and information about operating a free store for teachers. It is an arena for exchanging best practices, solving problems, bragging a bit about successes, and gaining new insight into the challenges of operating a Resource Center.

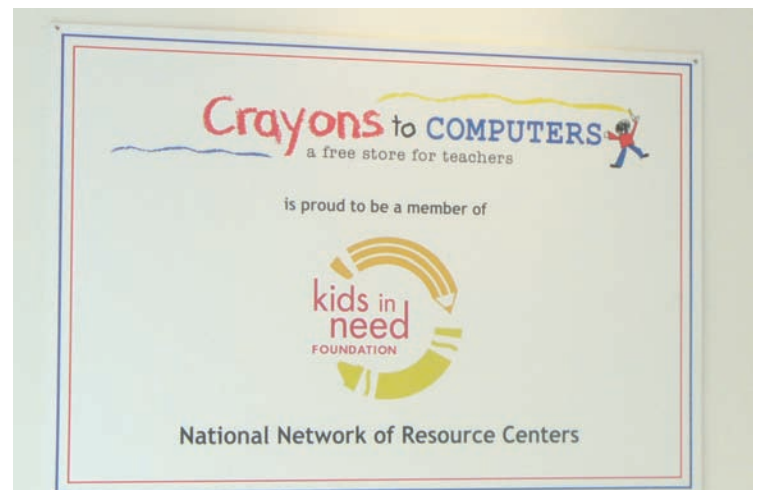
The first Summit was held in Cincinnati in 1999 and was attended by 12 people representing nine organizations. Each year, the Summit is held in a different city to give attendees the opportunity to visit different Resource Centers in the Kids In Need National Network. In 2007, we returned to Cincinnati for the 10th Summit (two Summits were conducted in 1999). Eighty-three people attended. Thirty-seven different organizations were represented.

“There are many people who wish to start these grassroots, community-based projects but don’t necessarily have the resources. By teaming with the Kids In Need Foundation and joining their National Network of Centers, **these folks can find best practice information** and receive support on a national scale. If someone in Poughkeepsie hears about one of the Resource Centers and wants to create something in their community, Kids In Need provides a mechanism to facilitate that activity.”

-- Gary Landwirth, founder, A Gift For Teaching

At the 2007 Summit, a comprehensive, three-part manual published by the Kids In Need Foundation about how to start a Resource Center was introduced. The manual is available on the Web site, www.kidsinneed.net.

The enthusiasm and hard work of the staffs and volunteers of the Resource Centers are the keys to any Center’s survival, but Kids In Need can be the conduit of information, product, and other resources.



Crayons to Computers hosted the Summit in 2007

Kids In Need National Network of Resource Centers

School Tools Resource Center
Inland Empire United Way
Rancho Cucamonga, CA

A Gift for Teaching
Orlando, FL

Kids In Need Resource Center
Fort Lauderdale, FL

Teaching Tools for Hillsborough Schools
Tampa, FL

Kids In Need Resource Center
Atlanta, GA

Teachers' Treasures
Indianapolis, IN

Kids In Need Resource Center
Cleveland, OH

Crayons to Computers
Cincinnati, OH

Ruth's Reusable Resources
Portland, ME

KidSmart – Tools for Learning
St. Louis, MO

Tools 4 Schools
Community FoodBank of New Jersey
Hillside, NJ

Classroom Central
Charlotte, NC

School Tools
Southeast Texas Food Bank
Beaumont, TX

Teacher Resource Center
The Storehouse
Los Angeles, CA

Teacher Resource Center
The Storehouse
Washington, DC

Teacher Resource Center
The Storehouse
Albany, GA

Teacher Resource Center
The Storehouse
Chicago, IL

Teacher Resource Center
The Storehouse
Detroit, MI

Teacher Resource Center
The Storehouse
Minneapolis, MN

Teacher Resource Center
The Storehouse
Picayune, MS

New York Storehouse
Bronx, NY

North Texas Teacher Resource Center
The Storehouse
Dallas, TX

Teacher Resource Center
The Storehouse
Seattle, WA

Teacher Resource Center
The Storehouse
Philippi, WV

The Year in Pictures



↑ Donald Currie, CEO of Dixon Ticonderoga Company, introduced guest speaker Erin Gruwell at the 2007 Gala. Ms. Gruwell's appearance was sponsored by Dixon Ticonderoga Company



↑ Gruwell (center), subject of the film "Freedom Writers," poses with Gala attendees after her inspiring speech.



↑ School Tools Resource Center in Rancho Cucamonga, CA, became a member of the Kids In Need National Network of Resource Centers.



Kids at Patterson Kennedy Elementary in Dayton, OH, are all smiles after receiving supplies from the School Box program. →

Board members, Committee members, and staff represented the Kids In Need Foundation at the Cynopsis Foundation gala in New York City. →



Sponsors

Sponsor of the Kids In Need National Network of Resource Centers



National Product Sponsor



National Sponsors of the Kids In Need Teacher Grants Program



Regional Sponsors of Resource Centers



Regional Sponsors of the Kids In Need Teacher Grants Program



With us, it's personal.



Charity of Choice

The Kids In Need Foundation hopes to become your **CHARITY OF CHOICE**, as we have for many other corporations, including ArtSkills, Dixon Ticonderoga Company, MeadWestvaco, and Target.



- 96% of every dollar donated goes to programs
- for every \$1 donated, we provide \$25 worth of free school supplies to students and teachers

Companies and individuals can make donations online at www.kidsinneed.net, or complete the form below and mail or fax it to the Kids In Need Foundation.

Corporate

- \$25,000 \$20,000 \$15,000 \$10,000
 \$5,000 \$2,500 \$1,000 Other _____

Individual

- \$10,000 \$5,000 \$2,500 \$1,000
 \$500 \$250 \$100 Other _____

Please check method of payment.

Check is enclosed. *(Please make checks payable to Kids In Need Foundation.)*

Please send invoice.

Credit Card payment. MC Visa AmEx

Name on Card: *(Please Print)* _____

Card No.: _____ Exp. Date: _____

Signature: _____ Date: _____

Under what name do you want this donation acknowledged on the Foundation Honor Roll?

Donor Name: _____ Title: _____

Company: _____

Address: _____ City: _____ State: _____ Zip: _____

Phone Number: _____ Email: _____

We greatly appreciate your support of the Kids In Need Foundation. Thank You.

Kids In Need Foundation

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Email: stever@kidsinneed.net | Web site: www.kidsinneed.net | Tax # 31-1437587

Honor Roll

The following corporations and individuals made financial contributions to the Kids In Need Foundation between January 1, 2007, and December 31, 2007, categorized by cumulative total since 1995.

Golden Rule (\$100,000 & Above)

3M Foundation
City of Dayton
The Coca-Cola Company
Jo-Ann Fabric and Craft Stores
MeadWestvaco Foundation
Office Depot Foundation
OfficeMax, Inc.
Target

School Board (\$75,000 to \$99,000)

Fred Meyer Fund
Staples Foundation for Learning

Superintendent (\$50,000 to \$74,999)

Principal (\$25,000 to \$49,999)

Mr. Dick Bere
Ms. Shannon Carter
CH Robinson Worldwide
Henkel Corporation
LexisNexis
Publix Supermarkets, Inc.
Rite-Aid Foundation

Summa Cum Laude (\$15,000 to \$24,999)

The Iams Company
Sherman Standard Register Foundation
Standard Register
Vectren

Magna Cum Laude (\$7,500 to \$14,999)

The Berry Company
Mr. Paul Bierhaus
CorePlus FCU
Cynopsis Foundation
William & Alice Douthit
ECRM
M*A*S Marketing Network
Marion School Employees FCU
McElrone Sales
Miller-Valentine-Walsh Fund
SCMCEED
Sebaly, Shillito and Dyer
Dave & Wendy Smith
The Voice of the Children Foundation

Cum Laude (\$5,000 to \$7,499)

GE Consumer Finance
Master Manufacturing
Mr. Al Nelson
Parker Hannifini Foundation
Mr. Phil Wenzell

Dean's List (\$2,500 to \$4,999)

Mr. James A. Beitz
Mr. Frank Jelnicky
Reynolds & Reynolds
Sav-On Office Supplies
Brian & Lisa Vulpitta

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Honor Roll

Senior

(\$1,500 to \$2,499)

Mr. Don Currie
Mr. Brad Demsky/ArtSkills
Dan & Anne Legg
Tombow
Weyerhaeuser Company Foundation

Junior

(\$500 to \$1,499)

David & Robin Brous
Mr. Tom Caulfield
Sean & Mary Clark
Mr. David Covitz
Mr. Mark Davis
Ms. Martina Derra
Dollar Bank
GFG Group
Kathy & John Hirko
IdeaStream Consumer Products
Mr. John Johnson
Mr. Steve Kouroupas
Mr. Gary Landwirth
MadeSmart
Ms. Michelle Miladinov
Mr. Dean Mitchell
Ms. Brenda Nachreiner
Mr. Steve Rubenstein
Scholastic, Inc.
Ms. Angela Sheehan
Mr. Alan Silverman
Zebra Pen Corporation

Sophomore

(\$250 to \$499)

ADOC
Di Laura Sales Associates
Ms. Penny Hawk
Ms. Jessica Johannes
Mr. Patrick Lynch
VidMar Company
Ms. Maureen Wilt

Freshman

(Up to \$250)

50's Diner
ADMA
Ms. Katherine Bachman
Mr. Kevin Bachman
Baumgarten's
Carey Blando
Chernette Associates
Class Act Stationery & Accessories
Cosmo Fiber Corp
Mr. Terry Erdman
FMM Moscoe Group
Fran Goldman Associates Inc.
Ms. Lauren Gellert - Turner
Mr. & Mrs. Jack Hirsch
Ms. Denise Howard
Ms. Diane Kahl
Ms. Jennifer Lehman
Mr. Jay Long
Mr. Steven Mawhorter
Ms. Phyllis Neff
Mr. Michael Nieset
Office Harbor
Ms. Deborah Platon
Ms. Jacqueline Rozic
Liggett Stashower
Mr. Greg Strohm
Texas Instruments
UpHill Corporation
Mr. Devon Wright
Ms. Reyna Zeh

Product Donors

The following corporations made donations of product to the Kids In Need Foundation from January 1, 2007, to December 31, 2007.

3M Corporation	Neighborhood Leadership Institute
A&W Products Company, Inc.	Nestle Purina Petcare Co.
ACCO Brands	NORCOM
Acme United Corporation	Office Depot Foundation
Advantus Corp.	OfficeMax, Inc.
Applied Industrial Technologies	Parents Action for Children
ArtSkills	Paris Business Products, Inc.
Boise Paper	Payne Publishers, Inc.
Chernett Associates Inc	Pierce & Associates, Inc.
Chris Eastman	Pilot Pen Corporation of America
Clarence J Venne, LLC	Progressive Insurance
Corporate Express	Ricola
Cosgrove Sales, Inc.	S.P. Richards Co.
Craft Marketing Connections	Sakura of America
Dart Manufacturing Co.	Scholls Inc.
Deflecto Corporation	Simmons Outdoor Corp.
Dirk Kettlewell	Smead Manufacturing Company
DiversaFile Everett, LLC	Staples, Inc.
Dixon Ticonderoga Company	Sue Samide
DURABLE Office Products Corp	Summit Marketing
Esselte Corporation	Target
Estee Lauder Companies	The Village Co.
Fibre-Craft Materials	United Stationers
Fiskars Brands Inc.	Utrecht Art Supplies
Gartner Studios Inc.	Walden Media
Glue Dots International	Wal-Mart
Guernsey Office Products	Warner Brothers
Henkel Corporation	World Trend, Inc.
InkStop	
InnoDesk, Inc.	
Innovative Storage Designs, Inc.	
International Sales Consultants	
It's Academic	
KAZ Company	
LightWedge LLC	
Maple Ridge Supply, Inc	
Marathon Services, Inc.	
Maybe it's time, inc.	
MeadWestvaco	
Minstrel Trading Co	
MMF Industries	
Morex Corporation	

Financial Statements

FINANCIAL STATEMENTS

We have reviewed the statements of financial position of Kids in Need Foundation as of December 31, 2007 and 2006, and the related statements of activities and cash flows for the years then ended (not presented herein), in accordance with Statement of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Kids in Needs Foundation.

A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, with the exception of the matter described in the following paragraph, we are not aware of any material modifications that should be made to the accompanying financial statement in order for them to be in conformity with generally accepted accounting principles.

The condensed financial statements presented herein are presented as a summary and, therefore, do not include statement of cash flows or note disclosures required by accounting principles generally accepted in the United States of America.

A full reviewed financial statement is available at Kids In Need Foundation.

Brady Ware & Schoenfeld, Inc.

CONDENSED STATEMENTS OF ACTIVITIES

	<u>12/31/2007</u>	<u>12/31/2006</u>		<u>12/31/2007</u>	<u>12/31/2006</u>
Cash	\$ 190,135	\$ 186,530	UNRESTRICTED NET ASSETS		
Pledge Receivables	12,640	59,061	Support and Revenue	\$ 33,799,919	\$ 29,664,745
Prepaid Expenses	12,103	9,040	Net Assets Released from Restrictions	100,000	40,000
Investments	138,603	233,537		<u>33,899,919</u>	<u>29,704,745</u>
Equipment, net	23,647	1,822	Expenses -		
Other assets	<u>2,346</u>	<u>318</u>	Program Services		
			Materials-in-kind - Kids in Need	32,675,467	28,523,881
			Resource Center - Kids in Need	269,336	625,459
			Teacher grants	100,499	118,117
			Other programs	70,309	81,924
			Supporting Services		
			Management and General	550,217	625,751
			Fund Development	65,644	241,333
			Total Expenses	<u>33,731,472</u>	<u>30,216,465</u>
			(Decrease) Increase in Unrestricted Net Asset	<u>168,447</u>	<u>(511,720)</u>
			RESTRICTED NET ASSETS		
			Support and Revenue	-	100,000
			Net Assets Released from Restrictions	<u>(100,000)</u>	<u>(40,000)</u>
			(Decrease) Increase in Temporarily Restricted Net Assets	<u>(100,000)</u>	<u>60,000</u>
			CHANGE IN NET ASSETS	<u>\$ 68,447</u>	<u>\$ (451,720)</u>
Total Assets	<u>\$ 379,474</u>	<u>\$ 490,308</u>			
Current Liabilities	\$ 237,963	\$ 417,244			
Net assets - Unrestricted	136,511	(31,936)			
Net assets - Temporarily Restricted	-	100,000			
Net assets - Permanently Restricted	<u>5,000</u>	<u>5,000</u>			
Total Liabilities and Net Assets	<u>\$ 379,474</u>	<u>\$ 490,308</u>			

Volunteers

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- **Kathy Hirko, Chair**
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Founder, *A Gift For Teaching*
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Accounting Director

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