

2014 ANNUAL REPORT

PRINCETON



A unique trans-generational effort in the tradition of

**“Princeton in the nation’s service
and in the service of all nations”**

Princeton ReachOut56-81-06
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Our Mission Statement

ReachOut is a partnership of three generations of Princeton alumni spanning five decades and united in our mission to enhance the capacity of Princeton students and graduates to have a positive influence on the world. We leverage professional experience, financial resources and personal networks in support of the energy, enthusiasm and passions of the Princeton community to make a difference.

ReachOut has three signature initiatives:

- We have for fourteen years awarded ReachOut Fellowships to Princeton seniors to implement in the year after graduation self-designed public service projects working with social change organizations in the U.S. and abroad.
- Over the same period our College Awareness Program has organized graduate and undergraduate volunteers and friends to mentor disadvantaged students for their lives after high school.
- For five years ReachOut's Social Entrepreneurship Program has sponsored an annual business plan competition for undergraduates on campus and advised students who aspire to build for-profit or non-profit organizations with an explicit social mission.

These three programs are what we have been doing, not who we are. ReachOut is a low cost volunteer group committed to being relevant and compelling to alumni, students and friends. Our initiatives will continue to evolve but the goal will remain the same: to serve members of the Princeton community and others who want to make the world a better place.

December 11, 2014

Dear Princeton classmates of '56, '81, and '06 and friends,

ReachOut is a conduit for classmates of the Princeton Classes of 1956, 1981 and 2006 to participate in identification and implementation of solutions for societal problems and to inspire the talent and energy of classmates of those classes, their spouse and others to achieve such results.

We are achieving these purposes through

- our remarkably successful Fellowship Program led by Jim Freund '56 and Sarah Lederman '81,
- our College Awareness Program functioning in Brooklyn, Trenton and Morristown, N. J. and, led by Derrick Raphael '06, embarking on getting the Program on-line and available globally, and
- our vibrant and expanding Social Entrepreneurship Program led by Marty Johnson '81 and Jon Wonnell '81.

These Programs are described in greater detail in the following pages. The participants are moving the programs ahead, having fun, meeting new people and undertaking new opportunities. We welcome any classmates from our three Great Classes, their spouse and any others who would like to join us.

FY 2014 was highlighted by a Strategic Planning process kicked off at an energizing all-day session in New York City in February. The meeting, masterfully facilitated by Bill Taylor '81, led to Slade Mills and Leon Skornicki preparing a 5-year Strategic Plan, a copy of which is attached to the report.

We had our 2014 Annual Meeting on December 10, 2014.

At the meeting we discussed and approved our financial statements for our fiscal year ending June 30, 2014 and our proposed budget for the current fiscal year. You can find both within. Our remarkable treasurer, Leon Skornicki '06, has worked, with advice from our independent accountant, to produce both.

We elected trustees, both newly appointed and whose terms have expired under our staggered three-year term system. Newly appointed, for three year terms, were Arthur Kopkirk '81 and

Timothy Prugar '06. The terms of Eschenlauer, Fritts, Kopple, Maxine Lewis, Millspaugh, Rosser, Grabowski, Kelly, Ordiway, Wonnell and Raphael expired and all were reappointed for three year terms ending in 2017. We sadly recognized that Louise Henderson, a leader in creating our College Awareness Program, died in May, 2014. We thank Jan Loughran'81 and Lisa McGovern '81 for their service on the Board. Frank Ordiway has regrettably resigned as our President but fortunately has agreed to stay on as a Trustee. We are pleased to announce that Jon Wonnell has become our President and Sarah Lederman our Vice President.

We heard reports on our various activities and, most important of all, brainstormed about where we should be going from here. The five year Plan mentioned above raises interesting issues pointed out in a Note of Our Strategic Plan on Page 10 below.

Best Regards,

John F. Fritts
A. Slade Mills, Jr.
Co- Chairs & CEOs

Our Fellowship Program
Jim Freund '56 Co-Chair
Sarah Lederman '81 Co-Chair
Mariah Steele '81 Co-Chair

This Program, initiated by Jim Freund in 2001 and spearheaded currently by Sarah Lederman, annually sponsors two Princeton graduates with Fellowships in the amount of \$30,000 each. The Fellows work for a year following graduation on socially significant projects of their choice. The projects have been absolutely remarkable.

As seniors at Princeton, our potential Fellows research possible projects. For domestic Fellowships, the candidate and a sponsoring organization create a mutually beneficial project for one year. We favor projects sponsored by needy organizations that would otherwise be unable to fund our Fellow. Candidates for the 1956 ReachOut International Fellowship can present project proposals to be performed anywhere in the world, with or without a sponsoring organization. Special weight is given to projects of social significance that are innovative, creative and entrepreneurial.

In the spring, we introduce the Fellowship opportunity to juniors, and then return in the fall to meet with interested students. The applications are submitted by year-end, interviews are held in January, and decisions made and announced soon thereafter. Numerous '56, '81 and '06 classmates and past Fellows participate in the selection process.

The Program, celebrating its thirteenth year, awarded two Fellowships for the 2014-15 program year.

The ReachOut 56-81-06 Fellowship was awarded to Sacha Finn '14, who is creating the COLAGE 'ART' Guide for youth and young adults born through Assisted Reproductive Technologies with LGBTQ parents.

The 1956 ReachOut International Fellowship was awarded to Harriet Kristin Wilson '14, whose project involves creating reading and writing after-school programs in which successful high school students mentor underserved high school students, organized in conjunction with the LEAP Foundation and Greensprings High School in Lagos, Nigeria.

These outstanding Fellows are the latest in a parade of impressive awardees. Through the efforts of these talented, spirited young alumni – many at the top of their class academically – their exciting projects have impact. For example, they have:

- addressed the tragedy of 9/11 by creating a published literary anthology and sponsorship of green spaces;
- promoted discussion of race relations on college campuses;
- addressed critical community development needs such as housing, health, employment

- and hunger;
- educated the public (through photography and interviews) on the effects of conventional drug policies;
- trained promising but underserved teenagers in music and visual arts;
- offered English training and other help to Latino day laborers;
- prepared a report card on vital aspects of the Chicago public school system;
- created a book about arts and education in American prisons;
- mentored underserved students and motivated them to aim for college;
- managed summer camps for young people with developmental disabilities and special medical needs;
- provided legal services to the homeless in San Antonio;
- assisted in the rehabilitation of torture victims from other countries who seek asylum in the U.S.;
- created on-line accessibility to tribal laws for native Americans;
- helped with the medical needs of political victims of civil war and the cultural problem of premature pregnancy in Sierra Leone;
- created and managed a program that supports youth involved with the criminal justice system in New York City;
- served impoverished and refugee children through educational and other projects in Nablus in the West Bank;
- developed a program for youth aging out of the foster care system in Philadelphia;
- piloted iPad applications at a school for autistic students in Turkey;
- leveraged the network of a women's organization in Nicaragua to provide gender specific healthcare to women in Nicaragua; and
- worked on a monetary and evaluation system of a mentor mother program and birth follow up study in South Africa.

Our Fellows hail from all over the U.S. and as far as India, Sri Lanka and Nigeria. For the past several years, the majority of Fellowship applicants have been women, and this has been reflected in the Fellows selected. We have funded several projects in New York City, but have also had Fellows serving around the U.S. and now around the world. The most popular post-Fellowship paths are law, medicine, and graduate school, often with an ongoing focus on public service activities.

Jim Freund developed a booklet that offers an in-depth look at the Fellows: who they are, what they've accomplished, where they are today, their plans for the future, and how they view the Fellowship experience. Written largely in the words of the Fellows, they will impress you with their eloquence and you'll be pleased with the positive comments of the grateful supervisors for whom they have worked. To obtain a copy, please contact Jim at [917-856-5846](tel:917-856-5846) or jim.freund@mac.com

Our Fellowships are made possible by your donations. Supporting these dedicated, skilled, and energetic young people allows them to achieve their dreams of improving the lives of underserved people around the world. These experiences will stay with the recent graduates for life.

Our College Awareness Program

Jack Fritts '56, Co-Chair

Len Grabowski '81, Co-Chair

This volunteer program brings opportunities for classmates and friends to help make the world a better place. We provide advice, not funding. We bring the skill, energy, expertise and experience of our classmates and, currently, Princeton and Drew University undergraduates and friends to high school students who are undecided about or not interested in going to college or who want to go to college but need help in finding their way through the processes and procedures.

Helping at-risk students and their schools has been our major focus. Our work at Paul Robeson High School ended in 2013 with the closure of the school but we continue with the Academy of Innovative Technology in Brooklyn, headed by Cynthia Fowlkes, our long-time friend from Paul Robeson; the Brooklyn Institute for Liberal Arts, a new high school the head of which is Ann-Marie Henry-Stephens, also a friend and former Paul Robeson teacher; at the Foundation Academy in Trenton, where '56 classmates, Fraser Lewis and Ken Snedeker, and Princeton undergraduates help with essays and other aspects of getting into college; and at the Morristown Neighborhood House which provides social services in Morristown, New Jersey. There Sandy Millspaugh, Len Grabowski and Jack Fritts are working with Drew students to help Morristown High School students find their way through the college admission processes.

Louise Henderson, a ReachOut Board member, long-time college guidance counselor and sadly now deceased, has been our mentor in developing and implementing this Program. The Program involves collaborative presentations to students as well as faculty by ReachOut representatives and school administrators, supported by a DVD *Why College* directed by Tony Potter '56, and currently principally implemented by Princeton and Drew undergraduates. We introduce the Program to students in 9th grade, repeat it in 10th and then conduct expanded sessions with juniors and seniors. Kristin Wilson, Princeton '14 and one of our Fellows this year, developed a very well done quick guide to getting into college. Her booklet is addressed to high school students in a remarkably refreshing way.

We have long believed that this Program can be usefully expanded to other high schools, settlement houses and the like where there are potential college goers needing a boost.

Led by Derrick Raphael '06, we are now developing a website to make our program accessible to high school students, parents, college guidance directors, high school principals and college students and others around the globe who have questions about whether the high school students should go to college and if so, how to go about it. If you are interested in helping with this new and exciting project, please do not hesitate to call Derrick at 910-476-7421.

Storytelling Arts has been a model for ReachOut activity. We have contributed in corporate direction, mission statement formulation, financial analysis, and fund-raising. Sandy Millspaugh and Dan Gardiner, as Board members, participated in a challenging leadership transition. A new Executive Director, Carrie Wainwright, has now taken over and is making great progress in stabilizing the organization. We continue to strive for the viability of the organization and its mission.

You can view College Awareness and our other Programs, as well as other aspects of ReachOut56-81-06 on our website. College Awareness has been a low budget program, requiring funds for the cost of the Princeton undergraduates' stay in Brooklyn on their fall and spring breaks and various transportation costs. Establishing and implementing our new website will require additional funds. We urge you to learn more and participate in our activities in New York and elsewhere around the world. Please contact:

Jack Fritts
john.fritts@cwt.com
Tel # 212-504-6293

or

Lennard Grabowski
lennardg@aol.com
Tel # 609-213-5353

Our Social Entrepreneurship Competition

Marty Johnson. '81

Jon Wonnell '81

Six years ago, ReachOut partnered with students from the Princeton E-Club who were frustrated that their ideas to form social enterprises were not supported on campus in the annual spring Tiger Launch business plan competition. Out of that frustration came the first Annual Social Entrepreneur Contest (SEC) and the later establishment of the Princeton Social Innovation (PSI), a student club. Since 2008 there have been two competitive tracks for new start up ideas: the traditional for-profit venture and the recent social venture. ReachOut worked to tap two growing movements among today's students – their desire to make the world a better place, and their interest in finding new ways – and businesses - to make that happen.

Members of ReachOut from the Class of '81 organized this first coordinated alumni effort to:

- spark and nurture the social entrepreneur culture across campus (including undergraduates, graduate students, and relevant faculty and staff)
- strengthen student leadership and problem-solving skills by promoting real life social ventures and
- engage members of '81, '56, '06 and other alumni to mentor, judge and financially support students and their startups.

The SEC, now in its seventh year, is open to undergraduate and graduate students. Prize money, up to \$30,000, can be used for seed money, living expenses, travel, supplies, books, data or other working capital to implement winning projects around the world. The Competition is designed to foster "good works" ideas that students care deeply about, but are unable to pursue without start-up funding and the recognition provided by the contest. The Competition encourages creative problem-solving, using the "blank sheet of paper" approach, where contestant teams design projects with few constraints or guidelines. Finalists are judged on originality, feasibility of execution, scalability, and potential impact. Preference is given to projects with the apparent capacity to be sustained over time. In the early years of the competition a total of \$10,000 in prize money was awarded; the last two years, this has been increased to \$30,000 in light of increasing popularity among students. Over the years, this money has been raised largely from members of the class of '81.

ReachOut's support has expanded in recent years to Princeton Pitch, an "elevator pitch" competition held by students in the fall. This is a chance for student teams to test high level innovative ideas in 60 second "pitches" to a student audience (along with judges). Similar to the structure for the SEC, there are two tracks for the Princeton Pitch competition--for profit and not for profit. Because these are very early stage sketches of ideas, prize money is limited: \$1500 is divided among the winners for each track. For the past four years, ReachOut has provided judges for the social, non-profit track.

In a new development, at the request of the student organizers, this past spring we also sponsored a \$1000 Social Entrepreneurship Prize in the HackPrinceton event (<http://hackprinceton.com/>) held on campus on the weekend of 29/30 March; HackPrinceton is an intense weekend of conceiving, developing and completing the prototype for an "app" that solves a problem. It is engineering and computer science intensive, and the results are astonishing. In 40 hours at Jadwin Gym the 100+ teams from universities all over the East Coast created an astounding range of products and services for phones, tablets and computers. We hope to continue to support this student effort, which places Princeton as a destination for computer science and engineering student innovation.

In another new development this past year, PSI has strengthened its activities on campus to produce TEDx Princeton. TEDx is a localized version of the popular TED Talks, completely organized by the students. ReachOut advised the students, and helped brainstorm ideas for

speakers, but PSI raised the money and produced the event. Incoming President Chris Eisgruber gave a talk at the day-long event. The second TEDx Princeton event was held on November 22, 2014.

Leaders from the Class of '81 include Marty Johnson, Jon Wonnell, Bill Taylor, Jeff Mitchell, Frank Ordiway, Cathy Chute, Jason Gold, and others. Jim Freund '56 and Slade Mills '56 have served as judges. We urge others to contact us to get involved.

Here are the summaries of the top 3 teams from TigerLaunch Social Entrepreneurship Track:

Team: SignSchool

Members: Evan Corden, Colin Lualdi, Jack Hudson, Delaney Granizo-Mackenzie, Liam Hudson

Exec Summary: There are currently millions of deaf and hearing-impaired people around the world who are socially isolated and disadvantaged in the workplace because their friends and coworkers do not know sign language. In many cases, these friends and coworkers wish they could communicate more effectively with the deaf people in their lives, but currently lack an accessible resource for learning sign language. SignSchool is a sign language learning platform that aims to empower the world's deaf community by teaching sign language to those around them. SignSchool will offer a non-linear curriculum based on individual modules that give a quick and thorough understanding of useful sign language for a specific area of life. If a business team has a deaf member, the hearing individuals can complete the first "business meetings" module to quickly communicate more effectively with their colleague. The platform will be based on video instruction and frequent practice exercises. There are 360 million people with some degree of deafness in the world as estimated by the WHO. If each of these people interacts with only 10 others, there are already 3.6 billion people who could potentially use this platform.

Team: Music is Medicine

Members: Leora Friedman, Juliette Levine, Victor Hsiao, Hope Lorah

Exec Summary: Music is Medicine helps artists produce inspiring music experiences for pediatric patients. Specifically, the organization will pair artists with seriously ill children so the artists can write and record original songs of inspiration for those patients. The songs will not only motivate the children to stay strong but will also raise money and awareness for the greater fight against the children's diseases. Several years ago, I piloted a project called Donate a Song, through which a professional artist meets a pediatric cancer patient, writes and records an original song for that patient, and films a music video with the patient for his or her song. The artist then releases the song and its video online to fundraise for medical research to combat childhood cancer and inspire music listeners across the globe. So far, Music is Medicine has helped artists create four songs and music videos for patients, but Music is Medicine only recently acquired 501(c)(3) nonprofit status. To take Music is Medicine to the next level, I am excited to create a sustainable business

model for Donate a Song by engaging corporate sponsors and music industry partners and to involve more artists and patients in the project.

Team: mShiksha

Members: Kasturi Shah, Vaasvi Goyal

Exec Summary: According to a UN report, eighteen percent of students in India drop out before reaching Grade Five. Further, the level of learning for most children is far lower than their grade, despite completion. mShiksha capitalizes on India's telecommunication network of 900 million mobile users, which is the second largest in the world, to bridge this gap. While there has been a boom in the mobile learning industry through smartphone apps in the rest of the world, internet penetration India in only sixteen percent. Thus, our focus is on educational tools that can be administered through mobile phones with basic functionality such as calling and texting. mShiksha provides audio learning in English and Math via phone calls and texts as a supplement to government school education in India. We target students, particularly girls, learning at levels from Grade 3 to Grade 5. We plan on setting up a toll free number to provide students from all income levels with equal access to mShiksha and testing them through text messages. A vast selection of short pre-recorded lessons will be available on this toll free number.

Two of these teams, Music is Medicine and Sign School won university support in the summer-long "elab" program. "e Lab" is a three year old effort by the University to support entrepreneurship during summer breaks (seed funded by an alum Peter Kellner '91 whom we recruited as a keynote speaker for our first TigerLaunch participation 6 years ago). Now the University provides housing and a generous summer stipend to student teams awarded places in the program. The Keller Center provides weekly talks and mentorship by start-up veterans. The teams also meet with faculty in relevant domains.

In addition, the leader, Meg Partridge, of another team, Deia, won a ReachOut SEC prize two years ago in a previous incarnation of the project, then called "Stitch Your Story." Marty Johnson and Jon Wonnell met several times with these teams to help them along in their development.

Finally, here is a summary of the HackPrinceton Social Entrepreneurship winner, "Photon":

We made an Android app called Photon to allow people to use Spritz to read any printed text. Spritz is a speed reading technique that recently came out that flashes one word at a time to let people read faster and with less distraction. Before our app, there was no good way to use Spritz to read text that was not already in an electronic form. Photon takes a picture of some text, sends it to our server for computation and then Spritzes the text to the user. This lets people read faster, and it helps people with reading disabilities such as dyslexia read printed text.

University Committee Studying Entrepreneurship

Early in 2014, President Eisgruber formed a broad-based committee to study how Princeton should support entrepreneurship on campus and beyond. During the course of the year, ReachOut has provided input to the committee on social entrepreneurship. Their recommendations are due at the end of 2014.

We are excited that the University will likely provide more resources supporting entrepreneurship, and we will continue to be opportunistic in helping students where there are gaps in support.

Looking Forward

In 2015, we look forward to growing the SEC and supporting other efforts on campus ahead. Princeton students are extraordinary – we intend to help give them tools and connections to apply their talents to great new works.

If you are interested in partnering with us on this exciting venture, contact PSEI at <http://princetonsei.org> or Marty Johnson, Tel #609-462-8123 or e-mail: MJohnson@isles.org or Jon Wonnell, Tel # 609-213-5353 or email: jon@one1asia.com.

The Dan Gardiner '56 Public Service Award

You will recall that Jim Freund '56 proposed this award in recognition of Dan's enormous contributions to ReachOut,. Grants are not scheduled but are made for appropriate activities which come to the Board's attention for which funding is available and the Board approves.

In 2012 we awarded \$12,000 to Hanna Katz who following her RO Fellowship at the Stanley M. Isaacs Neighborhood Center desired to work with Youth Represent to provide legal service to disadvantaged young people in New York City. We awarded her \$12,000 to help her undertake that worthy cause.

In 2014 we awarded the Princeton Class of '06 ReachOut representatives \$5,000 as seed money for their developing ReachOut programs.

Note on the Strategic Plan

Several of us have been discussing the Strategic Plan since it emerged, principally on concepts on how to deal with the projected losses in light of our desire that RO continue its ways sine die.

One possibility of course is to follow our past, which has been to raise funds annually and fortunately finding very substantial help from very generous people to cover some of the larger

sums. Another is to undertake a capital campaign, which would require more work than most of us have time for. We have come to what we think is a middle ground, a “soft” campaign where interested classmates of each of our three classes would speak to potential donors about giving funds or other property above their annual gifts, either currently, by pledges over time or by will or trusts, for the purpose of building up a reserve, the earnings from which and, if appropriate, some of the amounts donated could be used by the Board to shore up continue on-going programs where we are short of funds, for seed money for new programs and to expand existing programs. At the Annual Meeting we discussed this issue at length and concluded that we agree in principal that such a reserve should be created.

Our Committee Structure

As you may recall, we last year expanded our Committee structure. Our current committees, with current memberships, are:

1. Executive
John F. Fritts and A. Slade Mills, Jr., Chairmen & CEOs
Jon Wonnell, President
Derrick Raphael, Executive Vice President
Sarah H. Lederman, Vice President
Leon Skornicki, Treasurer
Joyce Gardiner, Secretary
James C. Freund
Martin P. Johnson
Krista Brune
2. Fellowships
James C. Freund (Co-Ch)
Sarah H. Lederman (Co-Ch)
Mariah Steele (Co-Ch)
Arthur Hopkirk
Frank B. Ordiway
3. Mentors
John F. Fritts (Co-Ch)
Len Grabowski (Co-Ch)
Derrick Raphael
4. Contests
Martin P. Johnson (Co-Ch)
Jon Wonnell (Co-Ch)
James C. Freund
Jeffrey Mitchell
William Taylor
5. Finance
A. Slade Mills, Jr. (Ch)
Frank Ordiway
Leon Skornicki
6. Fundraising
Royce N. Flippin (Ch)
Cathy Chute
Derrick Raphael
7. Website
Cathy Chute (Ch)
Derrick Raphael
Leon Skornicki
Jon Wonnell
8. Programs
William C. Rosser (Ch)
Frank B. Ordiway
Derrick Raphael
Krista Brune
9. Princeton
Royce N. Flippin (Ch)
James C. Freund
Fraser Lewis
Martin P. Johnson
10. Succession
James C. Freund (Ch)
Martin P. Johnson
Brendon Williams
11. Reserve Fund
John F. Fritts (Ch)
Leon Skornicki
Jonathan Wonnell

In the hurly-burly of life, these Committees have not been noticeably active in the last year. There are important issues within the mandate of each committee, and we urge the chairs and co-chairs to invigorate their committees. Of course anyone desiring to serve on any of the Committees should speak to the Chairperson of the relevant Committee. Anyone curious about a Committee's mandate should call Slade Mills, (212) 369-0628 or Jack Fritts, (646) 932-9167.

Unaudited Financial Statements

Below are ReachOut's balance sheet and income statement as of June 30, 2014 and budget for FY2015. Please direct any questions to Leon Skornicki '06 at (305) 335-2341.

<u>BALANCE SHEET</u>	<u>11/30/2014</u>	<u>INCOME STATEMENT</u>	<u>11/30/2014</u>
	<u>6/30/2014</u>	<u>Actual</u>	<u>Budget</u>
		<u>FY14</u>	<u>FY15</u>
<u>ASSETS</u>		<u>INCOME</u>	
<u>Current Assets</u>		<u>Contributions</u>	\$113090
Cash	\$ 101895	<u>Investment Income</u>	0
		<u>Total Income</u>	<u>113 090</u>
<u>Other Current Assets</u>			
<u>Pledges Receivable</u>	105000	<u>EXPENSE</u>	
<u>(Reserve)*</u>	<u>-105000</u>	<u>Fellowships</u>	
<u>Net Pledges Receivable</u>	<u>0</u>	Awards	60000
Prepaid Expenses	0	<u>Fellowship Dinners</u>	<u>1796</u>
Securities	<u>0</u>	<u>Total Fellowships</u>	<u>61796</u>
<u>Total - Other Current Assets</u>	<u>0</u>		<u>62000</u>
		<u>Programs</u>	
<u>TOTAL ASSETS</u>	<u>101895</u>	College Awareness	10904
		<u>Social Entrepreneurship</u>	<u>31000</u>
<u>LIABILITIES & EQUITY</u>		<u>Total Programs</u>	<u>41904</u>
<u>Current Liabilities</u>		<u>Other Awards</u>	0
Accrued expenses	3400		0
<u>Fellowships Awarded</u>	<u>39500</u>	<u>Operations</u>	
<u>Total Current Liabilities</u>	<u>42900</u>	Copying, postage & supplies	1121
		Transportation, food & phone	1051
<u>TOTAL LIABILITIES</u>	<u>42900</u>	Professional Fees	2625
		Administrative Services	781
<u>EQUITY</u>		Insurance	3137
Net Assets	56436	<u>Wire Fees</u>	<u>115</u>
<u>Net Income</u>	<u>559</u>	<u>Total Operations</u>	<u>8830</u>
		<u>TOTAL EXPENSE</u>	<u>112531</u>
<u>TOTAL EQUITY</u>	<u>58995</u>	<u>NET INCOME/(DEFICIT)</u>	<u>559</u>
<u>TOTAL LIABILITIES & EQUITY</u>	<u>101895</u>		<u>23500</u>

**"Reserve" refers to funds pledged or otherwise committed which our independent public accountant tells us cannot properly be counted as assets until actually in ReachOut's hands.

PRINCETON RO '56-'81-'06**FIVE YEAR PLAN FY14-18****BACKGROUND****(1) FINANCIAL RESULTS**

	<u>FY 14</u>		<u>FY 13</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
INCOME	\$ 112000	113090	132308
<u>EXPENSES</u>	<u>117500</u>	<u>112531</u>	<u>122279</u>
<u>SURPLUS /(DEFICIT)</u>	<u>(5500)</u>	<u>559</u>	<u>10029</u>

(2) STRATEGIC PLAN

The planning meeting in February 2014 provided the context for drafting a Five Year Plan, to extend beyond the date of the handover by '56 at the Annual Meeting in 2016, which should reflect a consensus among the constituents of RO 56-81-06 about the future of the enterprise.

ASSUMPTIONS

The basic assumptions reflected in the attached Plan are:

- (1) The three classes agree that the three existing programs – FELLOWSHIPS, COLLEGE AWARENESS and SOCIAL ENTREPRENEURSHIP – should be carried forward.
- (2) The “'06 PROJECT” proposed at the Strategic Planning session in February 2014 will become an integral element in the RO platform of programs.
- (3) While growth is not an end in itself, RO should take advantage of opportunities for growth as they are identified within the financial capacity of the organization.

INCOME

CONTRIBUTIONS BY CLASS (excluding major donors)

'56: FY 14 - \$39,200
FY 15-18 – the plan assumes gradual annual decline.

'81: FY 14 – 15,440
FY 15-18 – the plan assumes gradual annual increase through 6-30-18.

'06: FY 14 - 3,450
FY 15-18 – the plan assumes steady annual increase through 6-30-18.

While RO members will have the opportunity to continue contributing to the Dan Gardiner Public Service Award in FY 15-18 it is assumed that whatever money is raised in Dan's name is included in the contributions per class shown above.

CONTRIBUTIONS BY MAJOR DONORS

'56 – Donor A is committed to maintain annual gift of \$30,000 through FY 17, and will provide in FY 18 up to \$15,000 in matching contributions.

'81 - Donor B is committed at an annual rate of \$25,000 through FY 15.

'81 - Donor C is committed to pay \$25,000 annually through FY 15. No further payments from this donor are assumed.

EXPENSE

PROGRAMS

Fellowships – There will continue to be two fellowships annually of \$30000 each, one international and one domestic.

Social Entrepreneurshio (SE) – Projection assumes one SE competition per annum through FY15 to be underwritten by RO56-81-06 – total annual award \$30,000. RO will continue to underwrite Princeton Pitch at \$1,000 per annum. Opportunity for growth is assumed to exist through addition of one SE competition annually as envisioned by the Director of the Keller Center, requiring an increased contribution from RO of \$30,000 per annum. It is forecast that this will occur in FY 16 assuming that funding is available.

College Awareness/Access (CA) – The projection assumes continuation of two programs in Brooklyn and one in Morristown, NJ. The Brooklyn programs will continue to draw on Princeton undergraduate mentors who will commit their fall and spring breaks to CA. It is assumed that a fourth CA program will be undertaken in FY 15 (Newark or elsewhere) which will also engage Princeton undergraduates.

Class of '06 Project - It is assumed that '06 leadership will use the \$5,000 award approved by the RO Board – equal amounts to be paid out in FY 16 and 17. This will be brought forward if the Project is implemented in FY 15.

Other – RO volunteers will continue to provide assistance in Trenton schools with minimal cost to RO. RO will seek in FY 16 to support the Virtual Enterprise program in one or more New York high schools, also at minimal cost.

OPERATIONS

General Expenses RO expenses (meals, telephone, annual report, etc.) not attributable directly to programs will remain at \$1,400-1,500 per annum throughout the period.

Professional Fees Annual cost of external accounting review was higher than budget in FY 14 - \$2,625 vs. \$ 1,500 – due to cost of report filings (\$1,125 for 990 and State of NJ). Future estimate of \$2,500 is conservative.

Administrative Services The projection of \$500 per annum during the period FY 15-18 reflects the assumption that modest support for the Treasurer will be required.

Insurance Assumed to increase with inflation.

FUTURE FUNDING REQUIREMENTS

Implementation of a second Social Entrepreneurship Competition at a cost to RO of \$30,000 and the startup of the '06 Project (\$2,500 per annum), both of which are forecast to occur in FY 16, will require increased annual income for RO over and above existing commitments from major donors and the total expected annual giving amounts from the three classes which are projected in the Income Statement for FY 15 – 18 (page 17). It is assumed that the increase in funding required will result from a combination of growing contributions from '81 and '06 as well as from income generated by a Reserve Fund which the three classes have agreed to establish.

RO '56-'81-'06
FIVE YEAR PLAN FY 14-15-16-17-18
INCOME STATEMENT

Dec 14

	Actual				
	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16</u>	<u>FY 17</u>	<u>FY 18</u>
<u>INCOME</u>					
<u>CONTRIBUTED INCOME</u>					
<u>'56</u>					
MAJOR DONOR A	\$ 30000	30000	30000	30000	15000
<u>GENERAL GIVING</u>	<u>39200</u>	<u>39000</u>	<u>36000</u>	<u>33000</u>	<u>31000</u>
<u>SUBTOTAL</u>	<u>69200</u>	<u>69000</u>	<u>65000</u>	<u>63000</u>	<u>46000</u>
<u>'81</u>					
MAJOR DONOR B		25000	25000	25000	25000
MAJOR DONOR C	25000	25000	0	0	0
<u>GENERAL GIVING</u>	<u>15440</u>	<u>18000</u>	<u>20000</u>	<u>22000</u>	<u>24000</u>
<u>SUBTOTAL</u>	<u>40440</u>	<u>68000</u>	<u>45000</u>	<u>47000</u>	<u>48000</u>
<u>'06</u>					
	<u>3450</u>	<u>4000</u>	<u>6000</u>	<u>8000</u>	<u>9000</u>
TOTAL INCOME					
General Giving	58090	61000	62000	63000	64000
<u>Major Gifts</u>	<u>55000</u>	<u>80000</u>	<u>55000</u>	<u>55000</u>	<u>40000</u>
TOTAL INCOME - SUBTOTAL	113090	141000	117000	118000	104000
<u>Additional Income Needed – All Sources</u>			<u>34400</u>	<u>34500</u>	<u>49600</u>
TOTAL INCOME	113090	141000	151400	152500	153600
<u>TOTAL EXPENSE</u>	<u>112531</u>	<u>117500</u>	<u>151400</u>	<u>152500</u>	<u>153600</u>
<u>SURPLUS</u>	<u>559</u>	<u>23500</u>	<u>0</u>	<u>0</u>	<u>0</u>

RO '56-'81-'06
FIVE YEAR PLAN FY 14-15-16-17-18
INCOME STATEMENT

Dec 14

	<u>FY 14</u>	<u>FY 15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>
<u>EXPENSE</u>					
<u>PROGRAMS</u>					
<u>FELLOWSHIPS</u>					
Awards	\$ 60000	60000	60000	60000	60000
Fellowship Dinners	<u>1796</u>	<u>2000</u>	<u>2000</u>	<u>2000</u>	<u>2000</u>
<u>Total Fellowships</u>	<u>61796</u>	<u>62000</u>	<u>62000</u>	<u>62000</u>	<u>62000</u>
<u>SOCIAL ENTREPRENEURSHIP</u>					
SE Competition Awards	30000	30000	60000	60000	60000
Princeton Pitch	<u>1000</u>	<u>1000</u>	<u>1000</u>	<u>1000</u>	<u>1000</u>
<u>Total Social Entrepreneurship</u>	<u>31000</u>	<u>31000</u>	<u>61000</u>	<u>61000</u>	<u>61000</u>
<u>COLLEGE AWARENESS</u>					
Mentors - housing, food, travel		15000	16000	17000	18000
RO Support - travel, food, misc.		<u>1700</u>	<u>2000</u>	<u>2000</u>	<u>2000</u>
<u>Total College Awareness</u>	<u>10904</u>	<u>16700</u>	<u>18000</u>	<u>19000</u>	<u>20000</u>
<u>GARDINER AWARD – '06 PROGRAM</u>					
			<u>2500</u>	<u>2500</u>	<u>2500</u>
<u>TOTAL PROGRAMS</u>	<u>103700</u>	<u>109700</u>	<u>143500</u>	<u>144500</u>	<u>145500</u>
<u>OPERATIONS</u>					
Copying, postage & supplies	1121	800	800	800	800
Transportation, food & phone	1051	700	700	700	700
Professional fees	2625	2500	2500	2500	2500
Administrative services	781	500	500	500	500
Insurance	3137	3200	3300	3400	3500
Wire Fees	<u>115</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
<u>TOTAL OPERATIONS</u>	<u>8830</u>	<u>7800</u>	<u>7900</u>	<u>8000</u>	<u>8100</u>
<u>TOTAL EXPENSE</u>	<u>112530</u>	<u>117500</u>	<u>151400</u>	<u>152500</u>	<u>153600</u>

Princeton ReachOut56-81-06

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