

2011 ANNUAL REPORT



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WHO KNOWS WHAT: UNDERSTANDING VULNERABLE CHILDREN

By Sterling Speirn
president and CEO



As the voices captured in this annual report suggest, inherent in the work to create pathways to success for vulnerable children are exhilarating opportunities: to generate new insights; to strengthen existing partnerships and build new ones; to inspire creative new approaches; to benefit from knowledge shared. We'll work to leverage all of these opportunities as we move into 2012.



JUSTINE BECKETT

These are indeed challenging times, especially for those who share our commitment to creating pathways to success for vulnerable children. While many current books and articles focus on the skills necessary to lead in times of great uncertainty, we are equally challenged to lead in the face of some new and undeniable certainties.

It seems clear that the nation has entered an era of fiscal constraint and relative austerity that is likely to last for some time. Economic pressures almost certainly will result in reduced public sector funding, and as a result for the issues that are critically important to the future of our children: education; food, health and well-being; family economic security; community and civic engagement; and racial equity. In the process, the nation's 31 million vulnerable children will become even more numerous and more vulnerable. And the global magnitude of the current economic crisis suggests that the same will be true for vulnerable children everywhere.

As a foundation, we are addressing this challenge, first by ensuring that our limited resources work as effectively and efficiently as possible. Fortunately for us, we are in a position to confront the negative external inflection point of increasingly stark realities facing children and families with an offsetting positive internal inflection point resulting from several years of repositioning and refocusing the foundation's efforts.

The unusual, newspaper-like design of this annual report and the new logo on the cover are much more than simply creative execution. In fact, they visually represent the results of a comprehensive, multi-year organizational assessment that has produced a strategic framework, a mission statement, a statement of values, a new place-based strategy and an internal process of identifying and validating the core convictions and aspirations that make us uniquely who we are.

This has been fundamental, definitional work. It has been consistently challenging, occasionally frustrating and ultimately rewarding. More than once, it has caused me to reflect on something I said when I first joined the Kellogg Foundation six years ago. From people inside and outside the foundation, the first question I was asked was 'How are you going

to change the foundation?' I responded instantly because I wanted my motivations and intentions to be perfectly clear. I said I hadn't come to change the foundation; I had come to change the world.

As it turns out, it is of course hard to accomplish one without the other. The journey is proving more complex, more ambitious and, I believe, more durable. As a board and staff, we are changing the foundation, and we are doing so in order to change the world. Importantly, the changes at the foundation aren't changes in direction. On the contrary, as a series of legacy essays coming to our website will make clear, our direction has remained remarkably consistent throughout the 81 years of the foundation's existence. Instead, the changes we have implemented and are implementing are aimed at the ways in which we work and communicate with each other, our communities, grantees, partners, fellow funders, policy-makers, opinion leaders and other stakeholders. The intent of those changes is to make us more focused, more coherent, more integrated, more connected and more aligned with our long-term direction and with our ultimate goals.

The theme of this annual report, "Who Knows What: Understanding Vulnerable Children," also reflects the organizational evolution that is producing these changes. It presents a high-altitude view of what we have learned and are learning about creating pathways to success, including what we have learned and are learning about ourselves, our communities, our common beliefs, our shared cultures and our relationships. And it presents that view through the eyes of the members of the community that surround a child – including primary caregivers, educators, health care providers and others. In doing so, it mirrors our conviction that the most effective pathways are those created in and by the community.

Of course, an annual report is necessarily a snapshot, not a complete portrait. While this report includes sample lists of the grants made during the year, it can't begin to detail the full range of internal and external efforts on which we've worked.

For example, one internal project I am particularly excited about is called "Great Service." Through that project, we are leveraging the knowledge and experience of one of the for-profit world's esteemed service

providers – Zingerman's, of Ann Arbor, Mich. – to help us build, from the inside out, a culture in which the reality of our relationships more accurately reflects our vision of what those relationships should be.

The foundation's sponsorship of MSNBC's second annual education special, "A Stronger America: Making the Grade," was another effort that holds great promise. The two-hour town hall event, broadcast live from the Detroit School of Arts, and the daily MSNBC segments leading up to the event, constituted a unique opportunity to focus national attention on education, and to shift national perceptions of issues such as early learning and underserved youth.

There was, of course, much more activity during 2011 to be proud of, and from which to learn. A short list would have to include:

- Strengthening and expanding the racial healing and equity movement via the foundation's America Healing initiative;
- Increasing public awareness about oral health access and the potential of mid-level providers;
- Launching the New Options initiative aimed at connecting 16- to 24-year-old young adults who are out of school and work with meaningful career opportunities, while creating economic gain for employers;
- Supporting the Partnership for a Healthier America's efforts to work with the private sector to ensure the health of our nation's youth and reduce childhood obesity.

Each of these efforts, and others too numerous to mention here, reflect what we know about vulnerable children; what we know about communities and creating the conditions of success for vulnerable children, and what we know about ourselves and advancing our craft of philanthropy. Together these create the opportunities for the practical application of knowledge that can fuel the process of helping people help themselves.

Maximizing both the knowledge and the opportunities will be essential in responding to the challenges of the near-term future.

Sterling K. Speirn

EDITOR'S NOTE:

In addition to ongoing work within our strategic areas and in our places, the W.K. Kellogg Foundation spent much of 2011 reflecting on and reaffirming our core convictions and aspirations, and exploring ways to communicate them more effectively and with greater clarity. This annual report is one of the first products of that process. For example, at the heart of our emphasis on working in community is respect for the people who comprise a community, and belief in the value of their insights and collective wisdom. By capturing voices representing the "community" surrounding a vulnerable child – some of them belonging to grantees (who are identified as such), others belonging to engaged community members – this report seeks to share that wisdom, acknowledge that respect, and illustrate the reasons for it. In its news-like layout and application of the foundation's new logo and vibrant, warm color palette, the report also conveys the foundation's forward-facing culture, and the premium it places on learning and sharing knowledge.

Joanne Krell, vice president for communications

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INVESTING IN CHILDREN YIELDS RETURNS FOR ALL OF US

By Cornelia Grumman, executive director, First Five Years Fund, Chicago



RICHARD LILLASH

Talk to any kindergarten teacher who serves vulnerable children and you will often hear heart-rending stories about how unprepared some of their charges are to learn. One teacher said some of her students enter kindergarten having never held a crayon. Another recounted how some students each year arrive never having been read a book. Other teachers tell of their charges living amid an ongoing soundtrack of admonishments, stress and TV noise.

Too often, children enter kindergarten so far behind that it becomes increasingly difficult and costly later to get them caught up. And yet, that's how our education system works. It is premised around the notion that a child's brain suddenly switches "on" at the age of 5.

Even though very young children may look like cooing, adorable little blobs, as we've learned from neuroscientists in recent decades, what goes on in those young brains is extraordinary. The first three years in particular is the time of greatest brain growth, when millions of neural connections are formed, and when the quality and endurance of those connections is physiologically affected by the kinds of interactions that child receives from her primary caregivers. For children, the "on" switch flips long before their first cry.

The problem is, too many vulnerable children don't receive the kind of positive interactions and stimulation they need in those first five years. In some cases, their parents don't have the wherewithal or additional support they need to provide everything their child needs.

And while we don't start paying close attention to the educational achievement gap until around third grade – because that happens to be when we really start assessing children – the educational achievement gap can be detected as early as 18 months of age. Recent research suggests the gap becomes evident even earlier, at 9 months.

Here's the upshot: We spend enormous public resources in the short-term on grade repetition, special education referrals, juvenile corrections and high school truancy officers. Then we spend even more in the long-term on lower adult earnings and a lesser-skilled workforce.

It's time to stop playing catch-up.

We know what kind of early childhood education programs can deliver results, and their key ingredient is, unsurprisingly, well-trained and well-supported teachers. Teachers, not babysitters – the kind of smart, thoughtful, engaged professionals who know to decorate their classrooms with child-generated art and charts instead of store-bought cartoon characters, who probe their young students with questions that can't be answered with a "yes" or "no," who focus and plan every aspect of a hectic preschool day around a series of learning objectives and instilling a love of learning.

That kind of teaching can transform a lifetime of outcomes for vulnerable children, and too few of them have access to it. Too few parents even know what that kind of teaching looks like, let alone have the resources to seek it out. And in a time of budget cutting, until

there's an uprising from parents and voting citizens demanding what a raft of scientific, education and economic research tells us our society needs, resources won't keep pace.

Congress and the Obama administration took an important first step toward righting that wrong when they established the Early Learning Challenge as part of the Race to the Top education reform initiative in early 2011. With a \$500 million infusion of cash, 35 states plus the District of Columbia and Puerto Rico scrambled to articulate plans for designing more efficient, cohesive and accountable systems that would meaningfully boost the quality of programs and the training of high-caliber teachers. In the grand scheme of what vulnerable children need, it is just one step, but it's an important one – and one that we should all rally to sustain.

The First Five Years Fund is a W.K. Kellogg Foundation grantee that helps America achieve better results in education, health and economic productivity through investments in quality early childhood education for disadvantaged children from birth to age five.

READING IS AN Rx FOR SUCCESS

Q&A WITH EARL MARTIN PHALEN, CHIEF EXECUTIVE OFFICER, REACH OUT AND READ

WKKF: What have your experiences taught you about vulnerable children?

EP: I've learned that, at the core, it's all about relationships. Ultimately all children are stronger, more resilient and manage their risks, challenges and obstacles better when they have a strong social network. I don't mean Facebook. I'm talking about mentors, coaches, teachers, neighbors, community center leaders and, of course, parents, who connect with them and care about them. The stronger those connections, the more likely those children are going to be successful.

WKKF: How does your work at Reach Out and Read connect you to that understanding?

EP: With Reach Out and Read, we attempt to help parents step into their role. Parents are our children's most important teachers. The problem is that many parents are uncomfortable in that role. They may feel that they don't have enough education themselves; that teaching and education is something that happens in a school building. Reach Out and Read gives parents, through that trusted source (pediatric care providers), the confidence and then the tools to realize that there is no greater teacher than themselves.

WKKF: How do doctors instill that confidence in parents?

EP: It happens by providers saying, "To be successful, all you have to do is make the time – 15, 20 or 30 minutes a day." Every parent can do that. Talk to your children, listen to your children and emphasize to them through your actions and your words that their education and success is important to you. Medical providers also provide families with a new, developmentally appropriate book during the visit and they model a literacy-rich environment in their waiting rooms.

WKKF: So how has the program reached vulnerable children and their caregivers?

EP: In 1998, the American Academy of Pediatrics officially endorsed the Reach Out and Read model of early literacy promotion. Since then, 90 percent of pediatric residencies and more than 50 percent of family medicine residencies have incorporated Reach Out and Read into the curriculum, and more and more health care providers have realized the importance of integrating the message of literacy into the checkup. Today, Reach Out and Read has a volunteer network of 28,000 pediatricians, family physicians and nurse practitioners. These trusted messengers provide unparalleled access to young children living in poverty to promote that message of early literacy.

WKKF: What do you know about vulnerable children that gives you hope?

EP: I know that they have incredible strength and resilience. They've had to go through these tough experiences, feeling unsafe going to school, after school and at night, and they still have found a way to succeed. When we just give them little pockets of opportunities to be successful, it's amazing what our children can do.

Based in Boston and a W.K. Kellogg Foundation grantee, Reach Out and Read is a nonprofit organization promoting early literacy and school readiness in pediatric exam rooms nationwide, by giving new books to children and advice to parents about the importance of reading aloud. Earl Martin Phalen was born into a foster care system in which 70 percent of his African American male peers ended up in jail. As a result of being adopted by parents who shared their passion for reading and education, he graduated from Yale University and Harvard Law School. Having witnessed the transformative power of education and family involvement, he has dedicated the past 20 years of his life to expanding life opportunities for children through learning and academic engagement.

QUALITY CARE BEGINS WITH TRUST

AN INTERVIEW WITH DR. LORETTA AU, CHIEF OF PEDIATRICS, CHARLES B. WANG COMMUNITY HEALTH CENTER

As a physician and the chief of pediatrics at New York City's Charles B. Wang Community Health Center, Dr. Loretta Au finds herself frequently serving as a "point of entry" into the lives of vulnerable families.

"We're often in a unique position of trust," she said of herself and her staff.

The Charles B. Wang Community Health Center provides health and social services to a community comprised largely of low-income Chinese-American immigrant families in New York's Chinatown, Manhattan and Flushing, Queens.

As in the past, many families come to New York because they have families here, according to Au. But local employment is not as readily available as it once was. While some are able to find jobs in local restaurants and garment factories, others have to seek jobs outside of their neighborhoods. Parents often have to work long hours at these low-wage jobs, sometimes even seven days a week.

The economic pressure faced by many Chinese-American immigrant families constrains their ability to spend time with and care for their children. Older children may see their parents as infrequently as once a month, while their residence and daily care are provided by grandparents, other relatives, or, in some cases, networks of extended family with whom they live on a rotating basis.

When no extended family is available, very young children may be sent back to China to live with relatives until they are 4- or 5-years-old and presumed ready for school. Rather than one major transition early in life, that can mean two or three.

In such a complex family environment, said Au, there is a tendency on the part of both immediate caregivers and loving but often absent parents to measure their children's development according to the most visible manifestations of the child's health.

"Their focus is on things like, is the child tall enough? Does she weigh enough? Is she eating well?"

"The doctor in this type of community plays a very important role," said Au.

The provision of regular medical care brings children and caregivers into the office, sets the foundation for a trust-based relationship and creates an opportunity both to observe the child and to probe into her overall development and the caregiver's ability to actively support and nurture that development.

"Families come to us for reassurance that the child is doing well," said Au. And that confers an opportunity, and an obligation.

"When we see a family that comes in often with minor complaints, or a child who's brought in by a different caregiver every time we see her, there's something behind that – some disorganization in the family, maybe some kind of stress," Au said.

"Because we're trusted, we're able to ask questions and get answers."

Au believes it's essential to probe beyond the child's physical health, to manifestations of development that may be less readily apparent, even to a doctor. "Are the children sociable? Do they know how to play? Can they share, and count? Do they know their ABCs?"

"What's obvious to us may not be obvious to the family. If we don't raise these kinds of issues, a lot of parents or caregivers will just assume that school will take care of things."

When children aren't developing as fully as they should, according to Au, the physicians at the Charles B. Wang Community Health Center are often the people who first identify and address the problem.

"We're able to do this better because we're multi-disciplinary," said Au, emphasizing the Health Center's role as a conduit for a wide range of relevant information. "These aren't people who have the time and the resources to spend the afternoon on the Internet researching the information they need."

The center provides a wide range of services: dental, mental and pediatric health care; internal medicine and women's health services; social work case management; individual and family counseling; health education; and teen health services, all tailored to a community that is largely linguistically isolated, often with no adults who speak English.

The benefit, said Au, is more than just a wide range of disparate services. It's also the ability to deliver a message centered on the healthy development of the whole child.

Why does a multi-disciplinary approach work? Au believes consistent reinforcement is essential. "Because I deliver the message. Because my nurse delivers the same message. Because our care manager delivers the same message. Because everybody they encounter delivers the same message."

The Charles B. Wang Community Health Center is a W.K. Kellogg Foundation grantee.

SHAPING MINDS, BODIES AND SPIRITS

By Luz Maria Olvera, grandmother, Battle Creek, Mich.

As grandmother of two boys (Ivan Alexander, 4, and Ja'Rod Orenzo, 5), with another on the way, I hold an amazing privilege and responsibility: to help support, prepare and shape the minds, bodies and spirits of my grandchildren. Thankfully, my time is more flexible at this stage of my life – so I get to do all the things with them I was pressed to find the time to do with my own kids when they were growing up, because I was working all the time.

As a trusted elder of the family, I'm an additional set of hands, eyes and ears to help guard over my grandkids. This is especially helpful because both sets of parents work so much, as I did. That means I'm at school with the kids as much as possible and take them to participate in various activities. But that's just the beginning.

I show them – no, I shower them with affection. In addition to helping create a sense of belonging, my special way of nurturing forms the roots for them learning how to respect and love others. It's a skill that one day will extend beyond their family. Simple gestures like my being on the floor with them during playtime or inviting them in the kitchen while I prepare Grandmother's Special Soup create connections: loving bonds in their youth that will mature into values that last a lifetime.

It's also important to show them productive and honorable ways of living. This is particularly important if they're going to develop meaningful relationships as they grow. My modeling desirable qualities daily can

have lasting effects, and provides life lessons we grandparents are uniquely qualified to hand down through the generations.

Equally vital is getting my grandkids to understand just how critical they are to the family. Kids need to know who they are and where they come from. They help maintain the circle of life. With their perspective, grandparents are in a good position to help connect the dots for them. I also share how important it is for them to recognize and acknowledge the significance of their elders. All this interaction works to strengthen family relationships. Understanding their heritage, their family and cultural traditions helps give them a sense of self-assurance and confidence. That becomes an essential foundation for them when they become adults and start forging outside relationships. It gives them a reference point.

My hope is that my grandchildren develop a strong sense of right and wrong, take it into the world with them and, one day, shape their own families. My dream for them is this: I want the best that is possible for them. I want them to study, help humanity, keep moving forward and pray I can be there to see it all unfold.

Ms. Olvera and her grandsons attend programs at VOCES (which means "voices" in Spanish), a W.K. Kellogg Foundation grantee organization working to build a community of opportunity, inclusion and well-being for Latinos/Hispanics in Battle Creek.

KINDERGARTEN IS NO LONGER THE "FIRST DAY OF SCHOOL"

By Erin Griffith, kindergarten teacher, Belden Elementary, Canton, Ohio

This is my sixth year at Belden. The first four years I taught preschool, and these last two years I've taught kindergarten, so I've been able to see the progress of some of my former preschool students. There is one little boy whose story stands out for me. Jamar came to me as a 3-year-old. His language skills were extremely limited, he lacked basic academic skills and he was a behavior problem. The first few months of preschool, I was calling his mom on a daily basis. She didn't know what to do with him and was at her wits' end.


It was the first year that we were a SPARK school, and I asked his mom if she'd be willing to try it. Jamar was assigned a parent partner who met with him and his mom once a month. The parent partner would take him books and school supplies and work with him, and she'd give his mom tools to manage his behavior at home. I worked with Jamar's mom, and gave her SPARK activity kits and tips on how to use them with Jamar, to continue to build his academic skills at home. She and Jamar were consistently engaged while he was a

3- and 4-year old, and then he participated in Get Ready for School in August before kindergarten started.

Now Jamar is a completely different child. I'm so excited about his progress. He is more of a leader now, whereas before he was a follower. He is the child I can count on in kindergarten to show other children how to follow instructions and engage in learning activities in the classroom. Jamar's transformation has been so dramatic that I have to wonder where he'd be academically if he had not had that extra support during those two preschool years. His mother also has grown with the extra support. Before she would brace herself for negative news when I approached her, but now she is open and she initiates conversations with me about Jamar; she asks me what she can do to continue his progress.

I always can tell which of my students have had those important supports before entering kindergarten. I'm excited that our school is able to offer an early childhood program like SPARK because it is so beneficial to our students and their families.

What does WKKF know about vulnerable children?



Watch this!

SPARK (Supporting Partnerships to Assure Ready Kids) is a W.K. Kellogg Foundation initiative that aims to link the pre-K and kindergarten worlds as a way to position vulnerable children for greater success in early grades.

EDUCATION & LEARNING



THE HEADS OF STATE

BUSINESSES CAN DRIVE SOCIAL CHANGE

By Aaron Lieberman, chief executive officer, Acelero Learning, Harlem, N.Y.

Last summer, Bonnie St. John, a Head Start graduate, Rhodes scholar, and one-legged Paralympic medalist spoke to our leadership staff. She described the moment when she first found out about a boarding school for high school students that did extensive downhill ski training. At the time she got the application, she was living in poverty in San Diego, with almost no resources to help her with this awesome task. Her response: "This is impossible. And I've got to get started right away." We've recently had a similar moment here at Acelero Learning, where we serve more than 4,000 low-income children enrolled in our Early Head Start and Head Start programs in New Jersey, Pennsylvania and Nevada.

Two years ago, we began to identify closing the achievement gap as a goal for our company. We worked to develop a mission that clearly articulated who we are, and our aspirations for making a difference in the lives of children. The result: "Our mission is to bring a relentless focus on positive child and family outcomes to close the achievement gap for the children, families and communities served by the Head Start program."

As is always the case, writing the mission was the easy part – accomplishing it has proven much more difficult. As we dug into the data, we were struck by how few organizations serving young children clearly know where they stand in terms of closing the achievement gap. We ended up selecting the Peabody Picture Vocabulary Test (PPVT) as our measure, in part because of its strength in predicting later school success, and in part because considerable data is available on other programs' PPVT performance.

The mean score on the PPVT is 100 – meaning that 100 is where the average child scores, adjusted for age. The achievement gap is defined as one standard deviation below the mean, or a score of 85. As a frame of reference, using this measurement, the Perry Preschool closed 80 percent of the achievement gap, gaining 12 points, meaning children were scoring a 97 at the end of the program. The very high-quality Abbott pre-K program in New Jersey closes 40 percent of the gap for children enrolled more than two years. The Head Start Impact Study showed an average gain of 13 percent. By comparison, our goal is for every child to gain 15 points, thus closing 100 percent of the gap.

Throughout the last year, as we recognized how large this gap is, we began to ask the same question in every area of our program: how will activity here help us close the achievement gap? In education, we quickly realized we would need a more structured curriculum, with more intensive coaching and clearer expectations for teachers. For family services, we realized we needed to focus more on communicating to our families what causes the achievement gap (insufficient exposure to

books, print and language), and to engage them in specific activities (consistent family routines, positive guidance and discipline, expressive language and exposure to books) that research shows will make a difference. Overall, we came to recognize that closing the achievement gap will not happen because of one choice that we make, but because of thousands of choices, large and small, we make each day.

A few weeks ago, we received our PPVT results from the first year of our formal evaluation. While we nearly doubled the effect size of the Head Start Impact Study with a 20 percent gain, children left our program scoring on average just three points better than when they started. Twelve more to go.

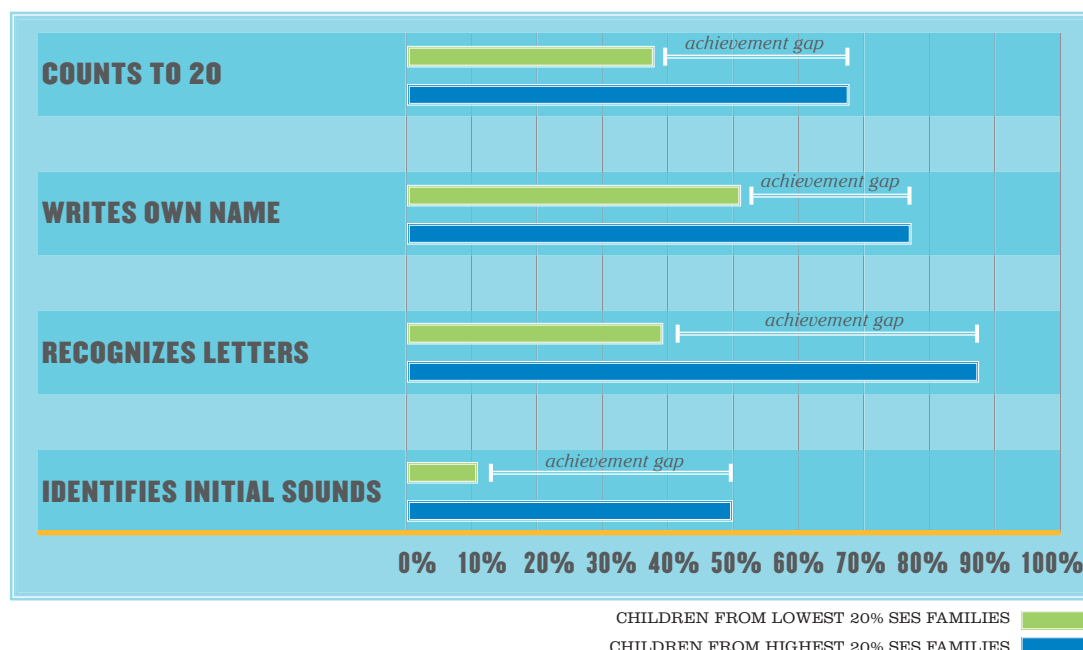
It seems like an impossible task. And we're getting started righted away.

Acelero Learning receives investments from the W.K. Kellogg Foundation's mission-driven investing efforts.

WHAT DOES THE ACHIEVEMENT GAP LOOK LIKE?*

	CHILDREN FROM HIGHEST 20% SES*	CHILDREN FROM LOWEST 20% SES*
COUNTS TO 20	68%	48%
WRITES OWN NAME	76%	54%
RECOGNIZES LETTERS OF THE ALPHABET	85%	39%
IDENTIFIES INITIAL SOUNDS OF WORDS	51%	10%

*Social Economic Status
* Source: Acelero Learning



SUPPORT CHILDREN BY SUPPORTING NEW MOMS

By Olayeela Daste, "SisterFriend,"
Birthing Project, New Orleans

Earlier in life, I delivered babies. Now, I have six grown children of my own and I've spent the past 22 years working with Agenda for Children, advocating on behalf of children throughout Louisiana. I'm a storyteller, it's how I share values with children, and I'm a convener. When people in my community need to get together, they call on me, because when Mama O says, "come," people come.



THE HEADS OF STATE

I have a daughter who grew up with special needs, and when she turned to the Birthing Project for support beyond even what our family could give her, I saw how this created a village around her pregnancy and the birth of my grandchild. In the room with her at the birth, besides me, were her husband, my mother, several doulas, a midwife and her SisterFriend, a woman not much older than her who to this day is her companion, mentor and emotional supporter.

SisterFriends are the hallmark of Birthing Project USA, which began in California in 1988 and has served as a model for more than 90 similar programs across the country. When its founder, Kathryn Hall-Trujillo started a Birthing Project in New Orleans shortly after Katrina, she turned to me as a convener to get things started. After the birth of my grandchild, I decided to be paired as a SisterFriend to Kiskey.

Kiskey is in her early 30s, and I'm nearing 60, so that puts more years between us than is typical, but it felt right to both of us. By the time I got involved, Kiskey had just delivered her baby, unexpectedly early, induced by the stress of learning her brother had been shot and killed. The baby was so small and fragile he had to stay at the hospital, and Kiskey had to stay there with him. My first conversation with Kiskey was by phone, and I offered to go to her brother's funeral on her behalf. I met a whole community of people before I met Kiskey herself or her husband or the baby, who is named Don Christopher – Don for his father, Christopher for his departed uncle. When I finally saw Don Christopher, he was hooked up to machines, tubes running all over him. Kiskey was there to hold him and pump breastmilk to feed him, his best chance for survival against very long odds.

It's been a long year since then. Kiskey stayed at the hospital the whole time. She couldn't hold on to her job as a bus driver, and her husband left their marriage. Her mother is ill but helps to care for Don Christopher, who is home now but still in need of extra care. Kiskey and I talk on the phone often and we trade messages on Facebook. I visit as I can. One day during the year she was at the hospital, I said to her, "Do you know what a good mother you are to sit there and feed that baby and keep him alive." "You think so?" she asked. I said, "I know so." Sometimes it is the emotional support we can provide that makes all the difference.

Birthing Project USA is an African-American maternal and child health program with branches throughout the United States, Canada and Latin America. Begun in California in 1988 by Kathryn Hall-Trujillo, the Birthing Project has grown into a nationally recognized model that has been replicated in more than 70 communities. A W.K. Kellogg Foundation grantee, Birthing Project USA leads an effort to encourage better birth outcomes by providing practical support to women during pregnancy and for one year after the birth of their children. The Birthing Project relies on volunteer "SisterFriends," who provide direction, emotional support and education to new mothers. Each "SisterFriend" is responsible for one pregnant mother. Together the network of "SisterFriends" serves as an extended family that has become known as "the underground railroad for new life."

PREPARING FAMILY MEALS: MORE THAN MEMORIES

By Deena Anderson, mother, Southfield, Mich.

Growing up in Southfield, Mich., where I still live, my family had three home-cooked meals a day, thanks to my mother. She was a stay-at-home mom and she made sure we had plenty of healthy food to eat. Even breakfast was a full-course meal, with hot cereal, eggs, cheese, fruit, vegetables, bagels and more. We came home to a nice after-school meal, and then there was dinner.

I'm 27 now, and I have children of my own – Kayla, who is seven, and Nylah, who is two. The way my mom raised me, that's the way I'm raising my daughters. As a single mother, it would be so easy to stop and grab fast food, but I like to cook and I want what's best for my kids. I want my girls to eat well and also to know their mom cooked at home and gave them good, fresh food to eat.

I work at an assisted living facility on a contingent basis. I take on as many hours as I can get, but usually not as many as I need. So it's a big help to have a Michigan Bridge Card to stretch my food budget. This past summer, my sister told me about a flier she saw for

ACCESS TO DENTAL CARE IS ANOTHER GAP TO CLOSE

By Terry Batliner, D.D.S., Aurora, Colo.

In South Dakota, about 30,000 people live on the Pine Ridge Indian Reservation, an area the size of Connecticut that is framed by rolling hills, pine trees and the majestic Badlands.

But the physical beauty is fractured by small villages with modest houses and some decrepit structures that pose as homes for 10 or even 20 people at a time. Unemployment hovers around 80 percent, and the counties making up this "third-world" corner of America are among the poorest in the nation.

A year ago, Maxine Brings Him Back-Janis and I, both American Indians who have provided dental care on the Pine Ridge Indian Reservation in the past, went there to assess oral health conditions.

The shocking details of what we encountered are reported in the Oct. 2011 issue of *Health Affairs*: 90 percent of children and adults had active decay, three times the incidence typically found in the United States. About half were missing teeth – front teeth that were not replaced with bridges, dentures or implants – or had no teeth at all. A large percentage of the people we saw had emergent problems, active infections and wrenching pain.

Many of the kids we surveyed said they had never met a dentist before, and their dental condition corroborated the story: much decay and multiple teeth that were causing pain.

There are too few dentists on the reservation, and the distances are too great to ensure these kids can regularly get basic dental services. Ten dentists working in three locations serve 30,000 people, an average of 3,000 patients each, half-again as many as could be seen in an entire year of back-to-back one-hour visits. In the summer, it can be an hour drive to a dentist. In the winter, the weather can make it impossible to get to one of the dental clinics.

To put it bluntly, oral disease is rampant at Pine Ridge, and access to dental care is a cruel joke. But Pine Ridge is not alone when it comes to dental access problems. Virtually every state in the country has a dental shortage area, and close to 50 million people can't get dental care in their own communities.

What can be done? We need to expand the dental workforce and look at adding new providers to the dental team. It is our best hope of increasing access.

Alaska has done just that. The Alaska Native Tribal Health Consortium developed a program in which local Native people are hired and trained to provide basic dental care in villages around Alaska. The therapists work under the supervision of dentists at distant locations. Some procedures can be done without consultation, and others require a discussion with the supervisor before proceeding.

Now, instead of seeing a dentist once every couple of years, many people can get routine care when they need it, not just when the dentist flies into the village. This approach is desperately needed in Native communities and others throughout the country. However, there are some that say that only dentists should treat dental disease – an idea that was proved ridiculous long ago when the profession of dental hygiene emerged.

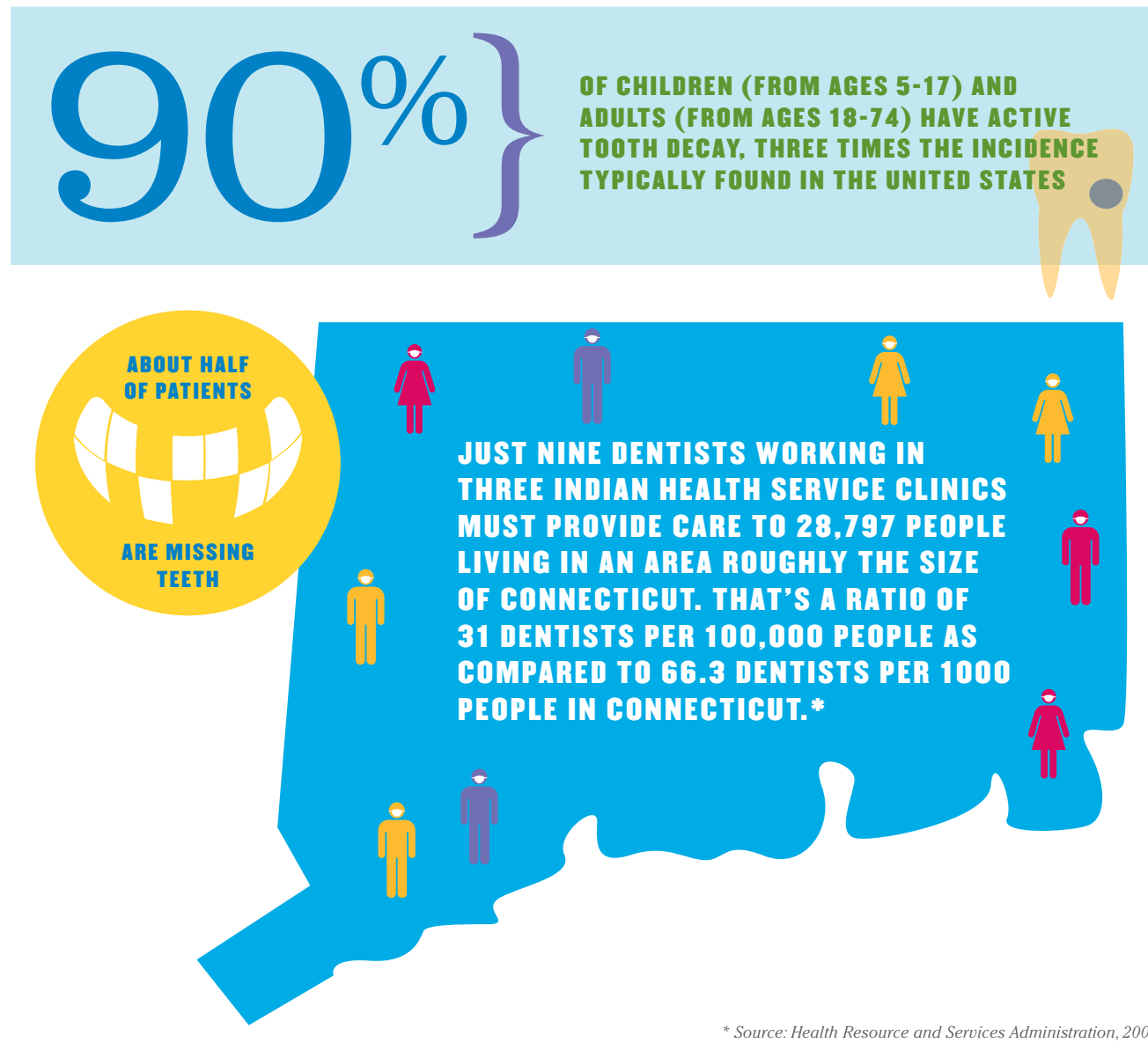
Dental therapists have worked in Alaska for years. The idea has worked in other countries for decades, and it can work in the United States.

It is my hope that someday, children and adults on the Pine Ridge Indian Reservation, in downtown Detroit or in any other location that has a hard time attracting and retaining dentists, can get the preventive care that they need to avoid big problems and the basic dental care that they need to keep routine disease from becoming an emergency.

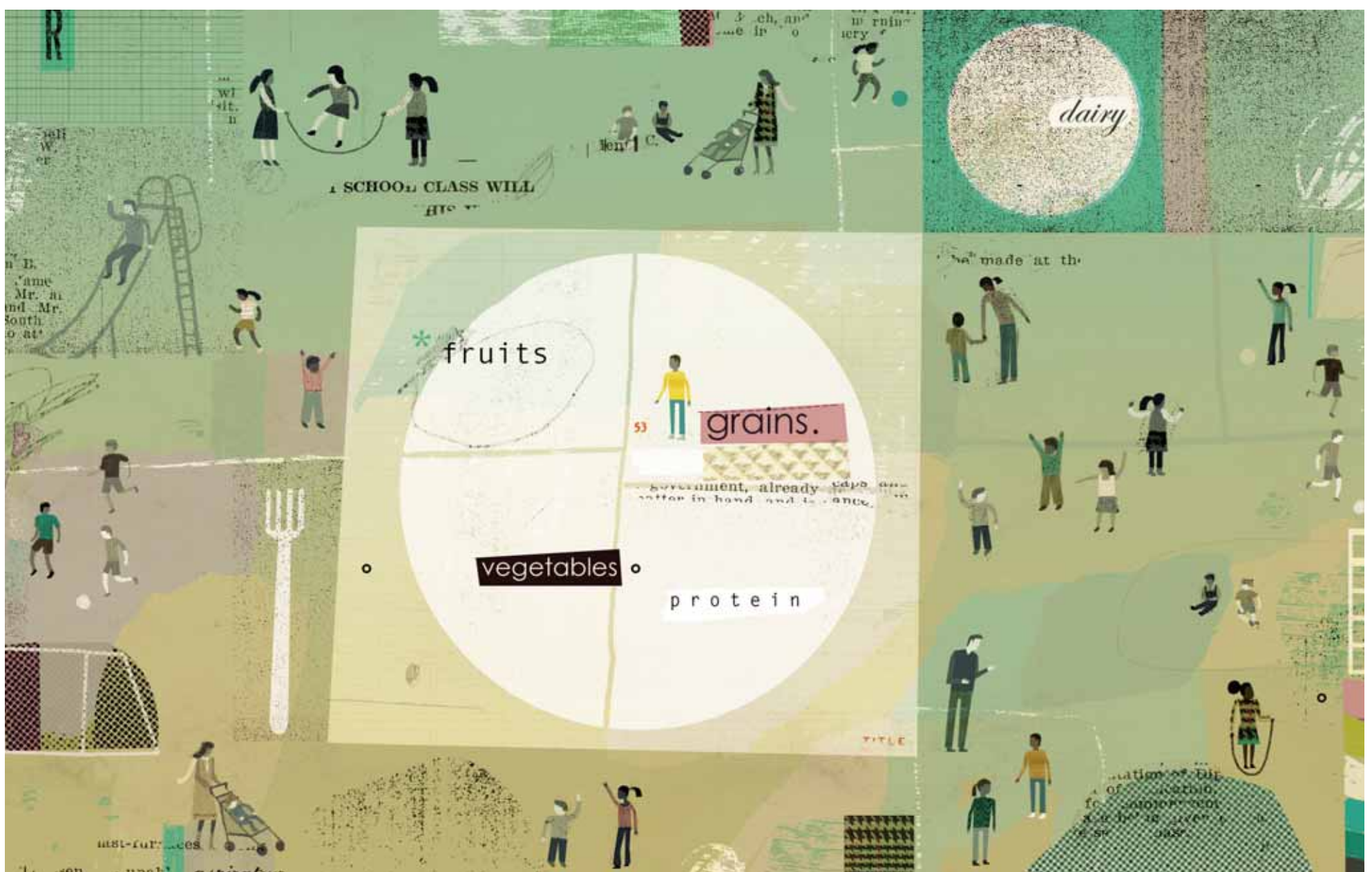
Dr. Batliner previously worked for the Indian Health Service on the Pine Ridge Indian Reservation.



ON THE PINE RIDGE RESERVATION, HOME TO THE OGLALA LAKOTA NATION:



FOOD, HEALTH & WELL-BEING



DANTE TERZIGNI

SCHOOL MEALS MATTER

By Louise Esaian, director of logistics and head of school nutrition, Chicago Public Schools

I don't see school meals as a problem; I see them as an opportunity.

When I took a position five years ago at the helm of the Chicago Public Schools Nutrition Support Services, I didn't discount anything previous leaders had accomplished and I didn't attempt to go it alone. Early in my tenure, I partnered with the Chicago-based Healthy Schools Campaign (HSC). HSC was already advocating for revitalized school meals, increased opportunities for physical activity and healthy school environments.

With HSC, we worked to leverage existing relationships with parents and school administrators as we began, quietly, to make small changes to the 160,000 breakfasts and 280,000 lunches we serve each day. We switched to nonfat milk. We began offering fresh fruit every day as an option. We removed deep-fat fryers from our kitchens. Beyond these quick fixes, it became a challenge to stay within our means, but we kept going. We placed limits on juice at breakfast; we stopped using canned vegetables; we increased servings of whole grains and fiber; we eliminated trans fats and we introduced salad bars.

Yet I've come to realize that food is only one part of the equation. If we're not educating students about healthy eating, we've lost an opportunity to build on what we started in the cafeteria. So I brought on a district-wide manager of health and wellness; we've begun identifying a wellness champion at each school; and we require schools requesting a salad bar to offer nutrition education in the classroom.

This year we introduced the Breakfast in the Classroom program, which offers all elementary students, regardless of their families' income, a free breakfast when they arrive at school. A parent wrote recently to say, "My son feels healthier during the day and has a lot more energy because of this program." But my favorite comment came from one little boy who told me he liked breakfast in the classroom because he enjoyed the quiet

time of everyone eating together. I thought that was a remarkable insight coming from a child.

One of the most successful and gratifying programs we've participated in with HSC is Cooking Up Change, an annual contest in which teams of high school students compete to create a healthy school meal. The meals have to meet our nutritional standards, use ingredients from our list, have no more than six preparation steps and cost a dollar or less per serving for ingredients. The winning team serves its meal to the mayor, city hall and the school board, and the meal is served in cafeterias throughout our school district. This year's winning team prepared bone-in chicken, rolled in flour and crushed Rice Krispies and baked, along with a sweet potato salad and a side dish of cabbage and kale they called Cousins.

The winner from two years ago – chicken jambalaya with jalapeno cornbread and cucumber salad – is still on the menu. Students talk about the winners, word gets around. This is how change happens.

The Chicago Public Schools Nutrition Support Services (CPS-NSS) aims to provide all students in the nation's third largest school district with nutritious, appetizing meals that contribute to their success in the learning environment. Its "Go for the Gold" initiative in partnership with the Healthy Schools Campaign (a W.K. Kellogg Foundation grantee) will help it meet the highest standard of the USDA's "HealthierUS" School Challenge.

ELEMENTARY LUNCH MENU *** CHICAGO PUBLIC SCHOOLS *** TUESDAY, OCTOBER 25, 2011

ENTRÉE OPTIONS (CHOOSE ONE):

- BBQ BAKED BONE-IN CHICKEN W/DINNER ROLL (WHOLE GRAIN ITEM)
- VEGGIE BURGER ON A BUN (WHOLE GRAIN ITEM)
- PEANUT BUTTER & JELLY SANDWICH (WHOLE GRAIN ITEM)
- COBB CHEF SALAD W/CROUTONS

SIDE OPTIONS (CHOOSE TWO):

- SEASONED COLLARD GREENS
- BAKED SWEET POTATO
- ASSORTED FRESH FRUIT & CUPPED FRUIT

STUDENTS MUST TAKE A MINIMUM OF 3 FOOD ITEMS. STUDENTS MAY DECLINE UP TO 2 FOOD ITEMS. MILK CHOICES INCLUDE SKIM WHITE, 1% WHITE OR SKIM CHOCOLATE. DAILY FRESH FRUIT SELECTION MAY INCLUDE PEARS, BANANAS, ORANGES AND LOCAL MICHIGAN APPLES. THIS MENU MEETS THE "HEALTHIERUS" SCHOOL CHALLENGE GOLD STANDARD!

SEGREGATED SPACES CREATE HEALTH RISKS

By Brian D. Smedley, Ph.D., director, Health Policy Institute, Joint Center for Political and Economic Studies, Washington, D.C.

The spaces and places where families live, work and play powerfully shape the opportunities that children have to achieve good health. Community conditions can overwhelm even the most persistent and determined efforts of children and families to take steps to improve their health.

Neighborhoods characterized by high rates of poverty are disproportionately burdened by health risks, such as environmental degradation often brought about by a high density of polluting industries. It's harder to eat right in these communities because there are fewer grocery stores offering fresh fruits and vegetables.

These same communities typically have poorer quality housing and transportation options. Many of these neighborhoods also experience high rates of crime and violence, which affect even those who are not directly victimized, as a result of stress and an inability to exercise or play outside.

Children of color disproportionately live, go to school and play in unhealthy communities, and these differences in neighborhood characteristics are a major factor that explains the poorer health of many minority children relative to national averages.

New research released by the Joint Center for Political and Economic Studies, working in collaboration with the Poverty and Race Research Action Council, finds that concentrated poverty has risen substantially

since 2000. About one in 11 residents of American metropolitan areas, or 22.3 million people, now live in a neighborhood where 30 percent or more of their neighbors live in poverty – the very communities beset with multiple problems of the kind described above.

The report finds that African-Americans, Hispanics and American Indians are substantially more likely to live in high-poverty neighborhoods than white non-Hispanics. One in four African-Americans, one in six Hispanics and one in eight American Indians in metropolitan America lives in a census tract in which 30 percent or more of the population is in poverty. These rates starkly contrast with the estimated one in 25 non-Hispanic whites who live in these tracts.

Children and families of color are more likely to live in high-poverty neighborhoods because of a host of historic and contemporary factors that facilitate segregation, such as the ripple effects of Jim Crow segregation, "redlining" – the now-banned but persistent practice of disinvestment and economic discrimination against communities of color – and contemporary discrimination such as steering of minority potential home-buyers or renters away from majority white communities.

Federal laws that prohibit housing discrimination effectively helped to promote integration in many American cities. But segregation continues to be a

predictor of significant child health disparities. "Segregated Spaces, Risky Places," a report released by the Joint Center in Sept. 2011 powerfully illustrates this point: the report's simulation of how varying levels of segregation affect racial gaps in infant mortality estimated that complete black-white residential integration would have averted more than 2,800 black infant deaths in 2008. With full integration, Hispanics would have a lower rate of infant mortality than whites.

Since 2006, the Joint Center's PLACE MATTERS initiative, supported by the W.K. Kellogg Foundation, has worked to address these and other community conditions that shape the health of vulnerable children. PLACE MATTERS teams, composed of local community, public health and academic leaders, are working to improve vulnerable children's access to health-enhancing resources, like healthy food and access to safe parks, while working to reduce the burden of environmental degradation.



I will do everything I can to
get my child ready for school.

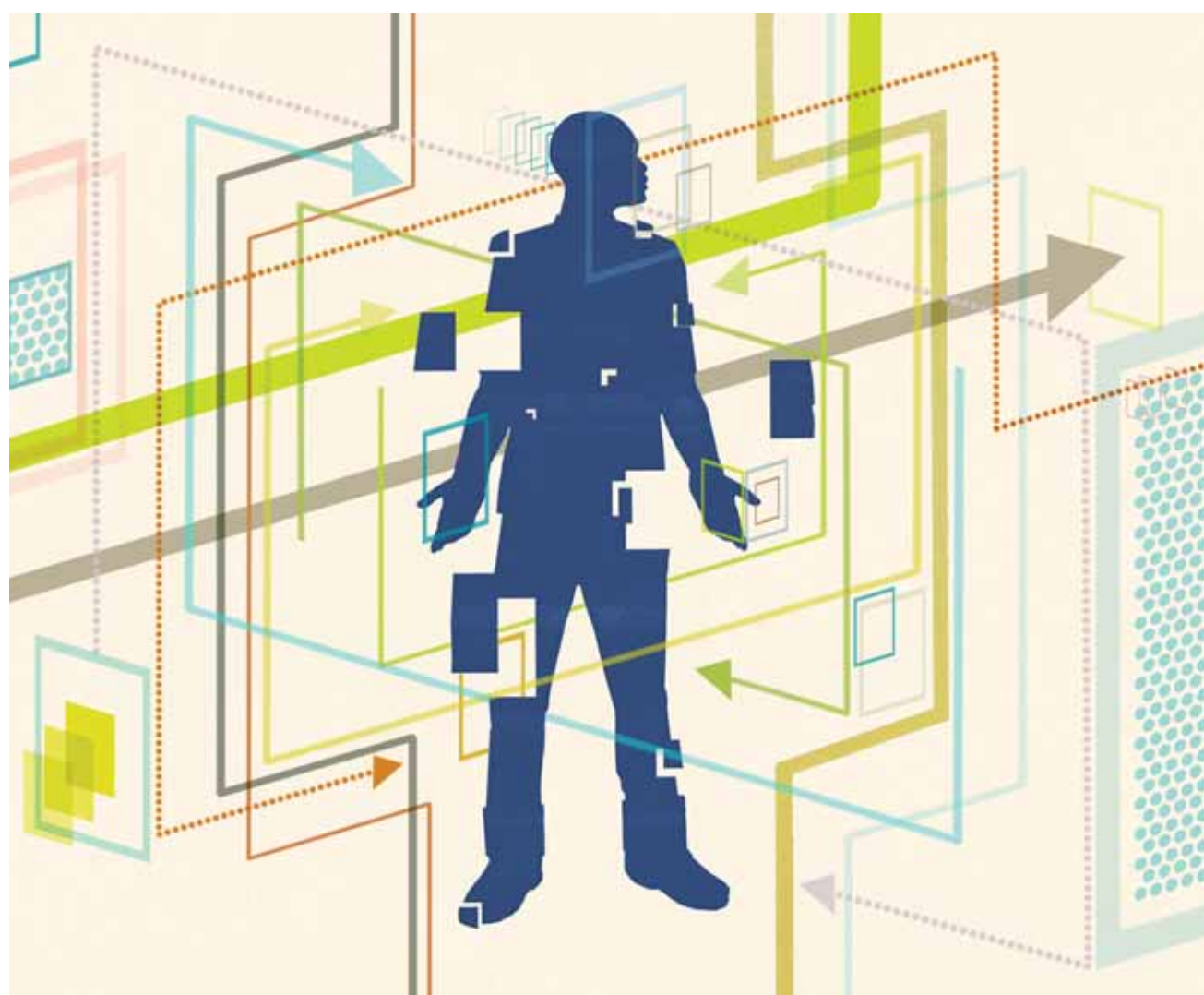
At the W.K. Kellogg Foundation, we understand
that parents are their children's first teachers.

We also know that children who receive high-quality care and early education are more likely to be ready for kindergarten, perform better academically and graduate from high school. Armed with what we know, the Kellogg Foundation supports early childhood programs like Reach Out and Read, Avance, First Five Years Fund, Thrive by Five Washington and Raising a Reader that help parents prepare their children for school.



Learn more about our work in Education & Learning
annualreport.wkkf.org/school

FAMILY ECONOMIC SECURITY



MARK ALLEN MILLER

VULNERABILITY CAN LEAD TO STRENGTH

By Tyrone Williams, Fresh Start graduate, Baltimore

My mom was and still is battling with substance abuse, and my dad was just not in the picture. At age 11, I was introduced to the drug trade. I became a runner for the older drug dealers, making as much as \$500 a week depending on how jamming it was. I used the money to support myself and help out my mom.

I caught my first serious drug charge at 13, when I was caught with 80 bags of dope. I attended school once a week and even passed to high school. My son was born when I was 15. Money became more important, so I stopped going to school and started grinding even more. I got locked up again at 16 and was placed into the drug court program and then referred to Living Classrooms Foundation's Fresh Start program.

When I first enrolled in Fresh Start I did not trust the program or staff. Also, I did not like my drug court probation officers or the drug court requirements. I was constantly getting suspended from Fresh Start for not attending or for my behavior. But for some strange reason, Fresh Start kept believing in me and encouraging me. I started to realize that these two organizations really cared about me. I looked at Fresh Start as being the motivator and drug court as being the disciplinarian, and this formula kept me focused.

While at Fresh Start I was able to get my high school diploma (GED), obtain an ID and learner's permit, attend driving school and obtain a job. While at drug court I learned how drugs are destroying my community, including my mother, and how in essence I was partic-

ipating in the destruction of my mother. If it was not for the encouragement of Fresh Start and their staff showing me that I am much more than an eight-ball, I would be dead or locked up.

The key to success for struggling youths like me is a good support network of people they can talk to, who can encourage them not to give up. Even though I have graduated from Fresh Start, I still keep in contact with them, at least every two weeks. I need that burst of inspiration they give me to keep moving.

I am 18 now. I go to work everyday on time. I complete everything that my supervisor asks of me, and I have a smile on my face most days.

I think any youth who has been through the same things I have also gains some unrecognized skills, like commitment, compassion, tenacity and reliability. You need those when your family is relying on you to find something to eat every night. But if my supervisor had met me three years ago, he might have had a different opinion of my skills.

My goals include working to provide for my son, attending a trade school and providing a positive and healthy support structure for my son. If it was not for the support system that Fresh Start is still providing for me, I would not be thinking about a future right now.

Tyrone Williams is a graduate of Fresh Start, a job skills training program run by Living Classrooms, a W.K. Kellogg Foundation New Options Project anchor organization in Baltimore and Washington, D.C.

STRESS IMPACTS GOOD PARENTING THE BEHAVIORAL ECONOMISTS' PERSPECTIVE

By Sendhil Mullainathan, professor of economics, Harvard University, and scientific director and founder, ideas42 and Saugato Datta, vice president, ideas42, Cambridge, Mass.

Should parents be strict or permissive? Do "tiger moms" and "helicopter parents" raise more successful, happier, well-adjusted children than "slacker parents" do? These kinds of debates regularly litter popular magazines, parenting books and even the scientific literature. There is no formula for how to raise children well, and likely there never will be. Yet the science does tell us how not to raise children. Don't be inattentive. Don't be inconsistent. Don't be disengaged. Don't place them in intellectually pallid environments.

The science doesn't just agree on what not to do. Sadly it agrees on something else: low-income parents are much more likely to do these things. We know children born to low-income families do poorly on average. And one culprit seems to be the behavior of low-income parents.

While there is agreement on the behavior, there is little agreement on why. Why are low-income parents not giving their children as much attention, help and encouragement as they need? Different ends of the political spectrum point in different directions. The left tends to see a lack of parenting skills. They look for solutions that emphasize improving these skills. The right tends to see more personal failures. They look for solutions that emphasize getting parents to take more responsibility.

As behavioral economists, we believe something else is going on.

Picture this: you have a deadline looming over you for an important project. Missing it or cutting corners is simply not an option. As you head out the door to go home, you realize one of your team members has made a big mistake, putting the deadline at serious risk. That night, only a part of you is at home. The other part is still ruminating on the deadline. Your child makes a small, innocuous mistake that evening; maybe she knocks her glass off the table while playing with her food. Annoyed, you snap at her. You are all too loud and needlessly send her to her room. Later that night, you regret it.

Being a good parent, even when you know what to do, is hard. It requires constant attention, effort and stead-

fastness. Children need to be motivated to do things they dislike (like homework or learning their tables); appointments have to be kept; activities chosen and planned; children ferried to classes and games. Teachers have to be met; their feedback incorporated; tutoring or extra help provided or procured. Children's social lives and how they spend their spare time has to be kept track of.

Good parenting requires psychic resources. Complex decisions must be made. Sacrifices must be made in the moment. This is hard for anyone, whatever their income: we all have limited reserves of self-control, and attention and other psychic resources. In that moment, fretting about the deadline, your psychic resources were depleted. Facing pressure at work, you did not have the freedom of mind needed to exercise patience, prioritize and do what you knew to be right. To an outsider, in that moment, you would look like a bad parent.

Low-income parents, however, also face a tax on their psychic resources. Many things that are trifling and routine to the well-off give sleepless nights to those less fortunate. To take a simple example, everyone may face the same bank overdraft fees – but steering clear of them is pretty easy for the well-off, while for the poor it requires constant attention, steely resolve and enormous amounts of self-control. For the well-off, monthly bills are automatically deducted and there is still some slack left over. For those with less income, finding ways to ensure that rent, utilities and phone bills are paid for out of small, irregular paychecks is an act of complicated financial juggling.

Shocks get magnified. For the well-off, a broken-down car is little more than a temporary annoyance; if needed, they can "just take a cab." For those with less income, it necessitates real, meaningful trade-offs and painful sacrifices. If taking a cab becomes unavoidable, it may mean having to spend less on groceries. It may mean cutting back on the time spent with a child on account of having to work extra hours to make up for the unexpected expense. Equally, trying to avoid shelling out the cab fare may mean taking an extra couple of

FAMILIES CAN SAVE MORE THAN MONEY AN INTERVIEW WITH HANK HUBBARD, PRESIDENT, COMMUNICATING ARTS CREDIT UNION, DETROIT

Economic insecurity. It seems the most intractable of challenges facing vulnerable families.

"The people we serve rely on check cashers, payday lenders and corner lots that charge 25 percent for a car loan," according to Hank Hubbard, president of the Communicating Arts Credit Union in Detroit and Highland Park, Mich.

"What we're trying to do is show our members that a savings habit is not as painful as they think."

Over 20 years, the credit union has built nationally recognized expertise in working with people with low income and credit scores. For example, it was one of the original eight credit unions – and the only one focused on low- to moderate-income people – to pilot the Doorway to Dreams Fund's "Save to Win" program. "Save to Win" is based on a prize-linked savings concept championed by Harvard Business School Professor Peter Tufano, which seeks to motivate new savings.

"We had an extraordinary takeup in the first year," said Hubbard. "About 14 percent of our members started an account."

Yet two years later, enrollment is down to about seven percent, reflecting the daily reality of the people the credit union serves. "It's expensive to be poor," said Hubbard.

"Save to Win" is just one of the techniques the credit union employs. Others are homegrown, and include customer counseling, community and student education efforts.

"I'm haunted by the fact that I can't get people to put something away," Hubbard said. "So we created a certificate program to entice people to save, with a 10 percent rate. The board thought I was crazy, and wanted to put all kinds of limits on eligibility."

As it turned out, over-enrollment was not a problem.

"We have fewer than 200 people enrolled. Our customers can't scrape together \$500. And if they could, their reaction is, 'Why should I lock my money up for a year for \$50? Fifty dollars is nothing.'"

Hubbard paints a picture of success in which even a rudimentary savings habit increases stability and security:

"The hot water heater goes out. Someone who's built \$700 in a "Save to Win" account can apply that money to a replacement. They don't have to go to a payday lender loaning at 300 percent, forcing them to renew the loan over and over again and maybe never catch up."

But he acknowledges that success is complicated by the reality, as he puts it, that "Low income people spend as much as they bring in. If they're lucky."

Communicating Arts Credit Union is a partner with the Doorways to Dreams Fund, a W.K. Kellogg Foundation grantee.

hours to get to work, with less time and energy left over for other things, not least supervising a child's school-work and keeping tabs on his social life.

When cash is tight, that feeling you have when that deadline was looming, becomes a constant mental state. Well-off people have the luxury of freedom of mind. Their psychic resources are reserved for "difficult," "important" things that have a big impact on their well-being in the long run. But those with less income are not as fortunate. They have the same (limited) capacity for self-control and attention – but are forced to expend a large fraction of it on dealing with the ups and downs of everyday life. Simply managing the basics of life uses psychic resources.

This leaves less psychic resources for the important things in life. Part of the mind is constantly fretting about putting food on the table. Put in this light, is it any surprise that low-income parents look like worse parents?

This has dramatic implications for policy. For instance, many standard policies that aim to improve outcomes for children from low-income families impose additional conditions – take your child to an additional program, monitor his progress, attend regular meetings – that amount to a further tax on already limited available mental bandwidth. Behavioral science thus suggests that such policies by themselves are unlikely to be as successful as one might hope.

Instead, a very good parenting program may not look like one at all. Deal with the economic instability that taxes psychic resources. For example, stabilize incomes, provide low-income credit alternatives to deal with the ups and downs of life, or ensure stable housing. These may not be "parenting" programs in the conventional sense of the term. But by freeing up psychic resources they allow people to be the parents they want to be. They allow more traditional parental skills programs to be more successful.

So, what does it take to be a good parent? Freedom of mind. And that is a luxury low-income parents often cannot afford.

Supported by the W.K. Kellogg Foundation, ideas42 is a social science research and development laboratory at Harvard University that uses scientific insights to design innovative policies and products, domestically and internationally.

HOPE CREATES CHANGE IN SAN CRISTÓBAL DE LAS CASAS

By Margarita Ruiz, mother, Chiapas, Mexico

I am a 23-year-old Tzotzil woman, born in Bayalemo, Larrainzar, Chiapas, who speaks from experience. Growing up in Chiapas means feeling fortunate to grow among great cultures and traditions. Nonetheless, it is not easy to be a Tzotzil girl. Our parents tell us that we can't or we don't know or we're poor or we'll never amount to anything. We doubt ourselves whenever we want to do something different from what is expected of us. When we ask why we must live like this, they tell us, "That's the way it should be."

I found another answer: one can indeed get ahead, even as a girl. One must struggle, find allies. Those allies helped me understand that history can be changed and were with me when I doubted myself. Sometimes, all we need is someone to accompany us in our professional and emotional growth. We don't want customs to be lost. But it is possible to value my own culture, and also to learn about other worlds. We must respect our parents, but work with them so that they help their children fulfill their dreams and have a better quality of life.

It is a priority to work with the indigenous children in Chiapas. There is a lot that must be done in the communities, especially regarding education. Our parents teach us to speak Tzotzil and our teachers teach us to speak in Spanish – a huge barrier that makes us feel ignorant. In school it is difficult for us to understand. Many children no longer want to go to school because they are scared of being dumb and ignorant. What is not working is the method of teaching; the way our indigenous children are viewed. I live this still. In many places, children grow up with computers and the Internet. When we go to university or are employed, we

realize that no one taught us how to use technology. Even years later we have to struggle against this disadvantage.

It is time for us to work together so that the indigenous communities of Chiapas have a better quality of life, so that the children can fulfill their dreams.



DANTE TERZIGNI

THE GREATEST LOVE A LATIN AMERICAN PERSPECTIVE

By Alejandro Villanueva, regional director of Latin America and Caribbean programs, W.K. Kellogg Foundation, México City

In Haiti, one sees few acts of physical affection. Couples rarely hold hands, few teenagers exchange furtive kisses, parents do not regularly embrace their children. A professional Haitian colleague explained that people prefer to show their love through actions. He cited the effort every parent makes to send their children to school, calling it "the greatest act of love."

To understand, one must look at some figures: 40 percent unemployment, 80 percent of the population living below poverty and even public schools require payment and student uniforms.

These challenges often make it difficult for parents to even consider sending their children to school. Yet, according to Jean François Wilson, mayor of the Commune of Arcahaie, part of a WKKF micro-region, even when parents make big efforts to send children to school, they often still don't find what they are looking for because only about 5 percent of teachers in Haiti are qualified to provide quality education, including those in the more expensive, private schools.

Additionally, rural children, about two-thirds of the population, walk long distances to overcrowded buildings in poor conditions. "Some of the schools here are built with palm tree branches," explains Mayor Beni Cederat from Boucan Carré, also a WKKF micro-region.

When my colleagues and I asked students and community members what they know and experience, we heard the following:



Samuel, age 16, attends a middle school class in Mirebalais with more than 60 students, making it difficult to hear his teacher. "I wish we had a computer lab so we could learn to use the Internet and research more for our homework," Samuel says. While there are efforts to bring technology to students, few have access to a computer, and even fewer, to the Internet.

Children who finish school face a grim future due to the lack of universities and technical schools outside of Port-au-Prince, Haiti's capital. Wilson explains that youth in Arcahaie leave to find more opportunities in the capital.

Respeito para todos

Translated to

Dignity for all



Baobá
FUND FOR RACIAL EQUITY

Founded in Feb. 2011, the Baobá Fund for Racial Equity is a new independent organization that seeks to mobilize individuals and financial resources toward supporting racial equity projects in Brazil, especially those that promote the full inclusion of Afro-descendant populations (now 51.7 percent of the population). The fund also seeks to stimulate the growth of social justice philanthropy in Brazil that is efficient, responsive and ethical.

As part of the legacy of its decades-long work in Brazil, the W.K. Kellogg Foundation has pledged to help establish an endowment with the Baobá Fund dedicated to racial equity for all Brazilians. The foundation is offering a 1:1 challenge endowment, up to \$25 million, in order to achieve an initial \$50 million endowment in five years.

Learn more at:
<http://www.baoba.org.br/>

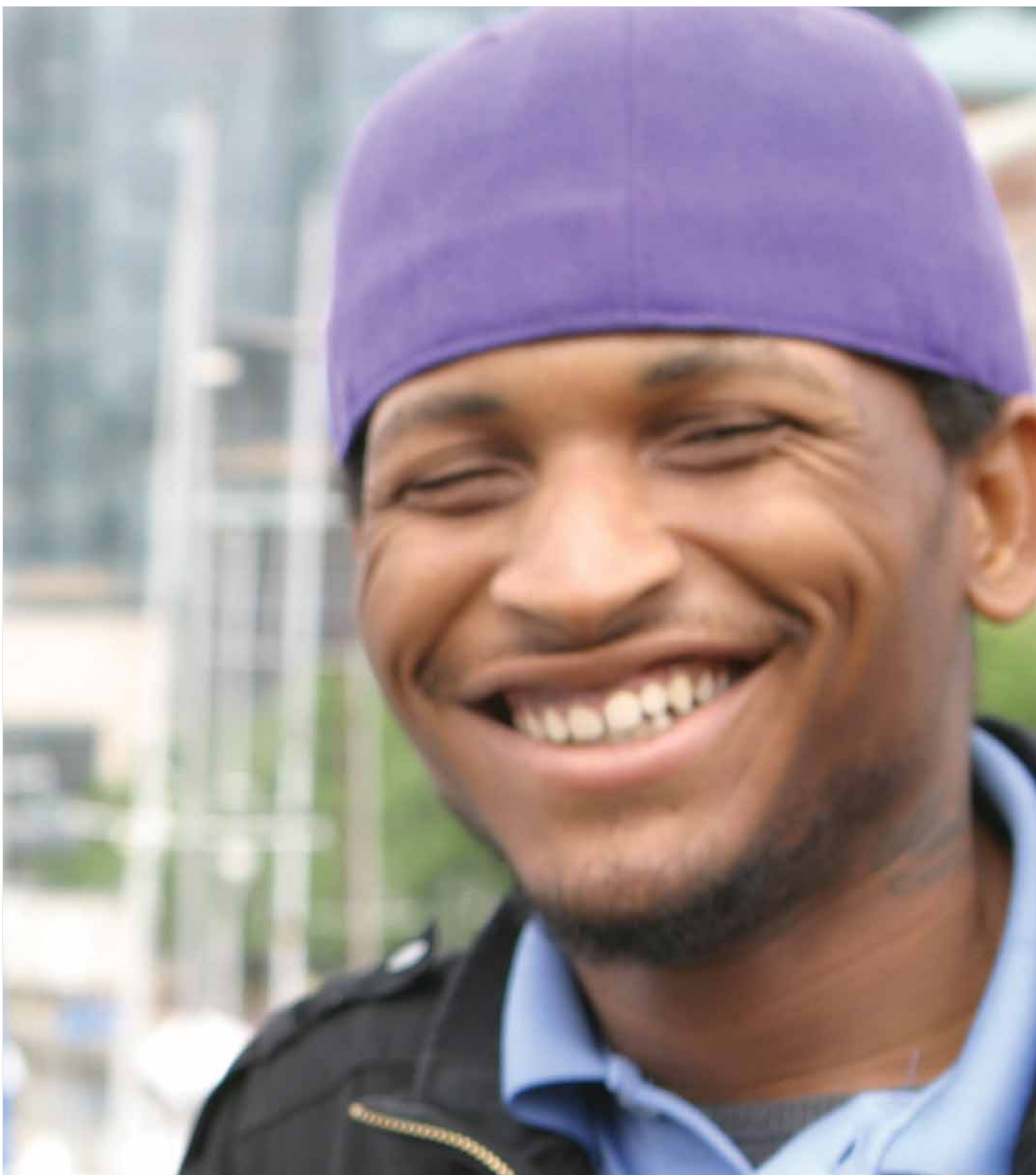
Those who stay will rarely find a decent job.

Education not only represents a tool for a better future in Haiti; it is also a life-long, widely understood symbol of class status. Asked why school is important, Jean-Onel, age 9, says, "So people can respect me."

Mona Gefrand, a 32-year-old merchant who has never attended school, brings adult experience to a similar perspective: "If I had gone to school I would know how to read, I would have studied something and would be someone."

As these perspectives and stories illustrate, the opportunity for a quality education is indeed the greatest act of love a parent can give a child.

In 2011, the W.K. Kellogg Foundation identified two micro-regions in Haiti in which to focus its efforts: the Central Area (including Arcahaie, Boucan-Carré, LaChapelle, Mirebalais and Saut d'Eau) and the Southwest Corridor (including Aquin, Cavailon, Ile à Vache, Les Cayes, Maniche and St-Louis-du Sud).



The W.K. Kellogg Foundation recognizes that strong, stable families and communities can raise happy, healthy, successful children.

This is the face of financial independence.

That's why we support the Family Independence Initiative, a national anti-poverty center that supports families working collectively to overcome challenges, build financial stability, strengthen their communities and prepare the next generation to grow, contribute and lead. Additional resources we support include the Doorways to Dreams (D2D) Fund, the National Community Tax Coalition and the Consortium for Community Development.



Learn more about our work in Family Economic Security
annualreport.wkcf.org/financialindependence

GOVERNANCE



W.K. Kellogg Foundation Board of Trustees, Sept. 2011

Pictured from left to right: Wenda Weekes Moore, Minneapolis; Sterling K. Speirn, Augusta, Mich.; Roderick D. Gillum, Detroit; Hanmin Liu, San Francisco; Cynthia H. Milligan, Lincoln, Neb.; Ramón Murguía, Kansas City, Kan.; Joseph M. Stewart, Battle Creek, Mich.; Fred P. Keller, Grand Rapids, Mich.; Dorothy A. Johnson, Grand Haven, Mich.; Richard M. Tsoumas, Battle Creek, Mich.; Bobby D. Moser, Columbus, Ohio

BOARD OVERSIGHT

As fiduciaries, the board provides oversight to all aspects of the foundation's activities. To provide program oversight, trustees engage in on-going reviews of grant-making, and on-going evaluation of the impact made by the foundation's work and grants. The board provides fiscal and legal oversight via the work of its five standing committees: the audit committee, the board development committee, the budget committee, the CEO compensation committee and the finance committee. The board chair appoints committee members annually in consultation with the president.

PRESIDENT AND CEO

Our board of trustees elects the president and CEO to execute a mutually articulated and agreed upon strategy for the foundation. The president and CEO, in turn, works closely with an executive council composed of staff leaders to implement policy, support oversight and evaluation, and execute strategic direction through grantmaking, communications and related activities. In addition, the president and CEO actively shares and applies the foundation's institutional skill and knowledge externally. Through continual conversation with business, government, community and philanthropic leaders, policymakers, grantees, researchers and others, the president and CEO identifies opportunities to further the foundation's goals, and oversees direction of foundation personnel in pursuit of those opportunities.

BOARD OF TRUSTEES

The W.K. Kellogg Foundation is governed by an 11-member board of trustees that includes the foundation president and CEO. We elect our trustees from a variety of backgrounds and professional disciplines. Each trustee brings wisdom, insight, diverse perspectives and a wealth of experience to the boardroom. The board's shared dedication to our mission and strong commitment to honoring our donor's intent is essential to the successful governance of the foundation. Trustees meet monthly with one meeting each year reserved for strengthening governance practice and another reserved for site visits in the field. During site visits, trustees meet with community members, grantees, government and business leaders and other partners. The visits familiarize trustees with the challenges and opportunities facing the communities that are the focus of our grantmaking. The board governs in accordance with the foundation bylaws, committee charters, policies and a written code of ethics. Each document guides the foundation strategically, facilitating the successful pursuit of our mission to propel vulnerable children to lifelong success.

COMMITTEES AND MEMBERS

AUDIT

RAMÓN MURGUÍA*
DOROTHY JOHNSON
WENDA WEEKES MOORE
RICHARD TSOUMAS
STERLING SPEIRN**
FRED KELLER**

BOARD DEVELOPMENT

CYNTHIA MILLIGAN*
DOROTHY JOHNSON
HANMIN LIU
RAMÓN MURGUÍA
JOSEPH STEWART
STERLING SPEIRN**
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CYNTHIA MILLIGAN
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BOBBY MOSER
JOSEPH STEWART
STERLING SPEIRN**
FRED KELLER**

*CHAIR

**EX-OFFICIO

ENGAGING IN COMMUNITY

A Message from Fred Keller, board chair

In last year's annual report, I wrote of my excitement about a transformative period for the foundation. Among other things, I noted the expanded role of the program officer, and a new set of guidelines that essentially challenges program officers: not only to invest, but to be involved in the community's processes of change making. In our evolving conception, it is the community that needs to drive its own change in ways that it prioritizes and carries out. The key is in how a community describes itself; who is the community; what changes are needed and who is best able to describe and carry out the solutions to those needs.

There is an underlying urgency to this work, stemming from what Sterling Speirn, in his current president's letter, calls "an era of fiscal constraint," and its likely impact on efforts to propel vulnerable children to success.

There are at least three ways to view our focus on vulnerable children. One view is through "social responsibility." While noble in nature, I often see this played out as a kind of nagging guilt-trip, an obligation that the more fortunate should feel for the less. Another is more psychological – even biological – that suggests, based on considerable research, that to some extent we are wired for compassion and empathy, predisposed as a species to nurture the most vulnerable among us. The often-told story of W.K. Kellogg's frustration with his inability to find appropriate educational resources for his severely injured grandson may be one apt example.

But for the Kellogg Foundation there is a third lens: the belief that a community's commitment to nurture its vulnerable children is an important barometer of its strength, health and capacity for improvement. A pragmatic corollary follows: the extent to which a community recognizes all its members – including and especially its vulnerable children – are invaluable assets, is the key to its ability to thrive in the future. Increasingly our own experience and that of many of our grantees supports this thesis.

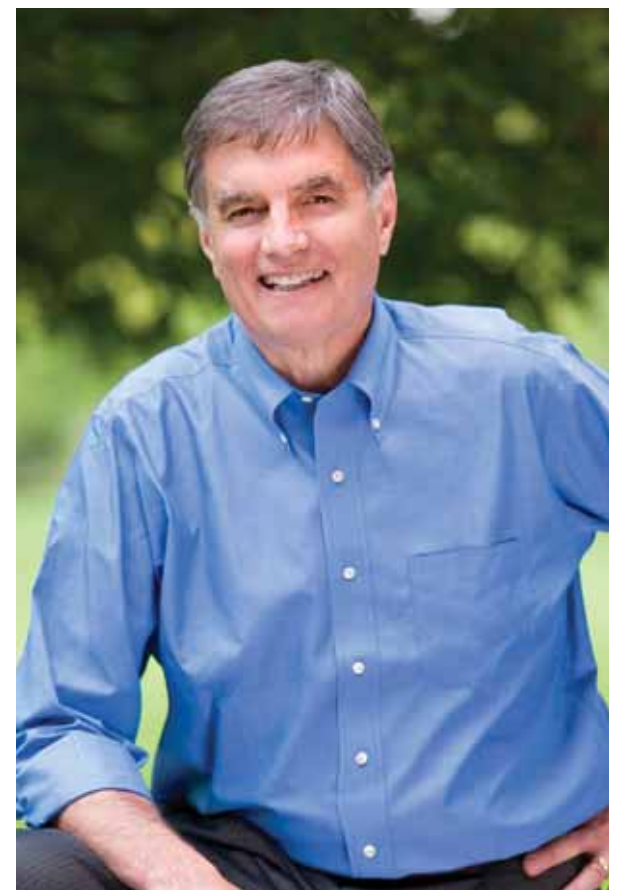
Much needs to be done to understand: how to effectively engage a community so as to not disrupt power distribution inappropriately; how to effectively provide the knowledge from others that leads to effective change; how to most appropriately and effectively assist in racial healing in all of our work.

Of course, measuring the benefit of specific social impact strategies remains a challenge. But, our commitment to doing so is greater than ever. If we can demonstrate true outcomes it has been my experience that governments can more readily accept the innovations, especially when they are in dire need of remedies.

The fact of our country's economic stress makes the case for increased effectiveness of philanthropic investments. It also underscores the importance of the role of impact-provider being played by philanthropies like the Kellogg Foundation.

As incoming board chair, Rod Gillum assumes his new role in an environment in which creative, insightful, potentially transformative efforts like some of those being attempted at the foundation today become even more important. I'm pleased to extend my best wishes for his leadership in this exciting period.

Fred P. Keller
 Fred P. Keller



WHAT WE SUPPORT

WHOLE CHILD DEVELOPMENT

The W.K. Kellogg Foundation supports children, families and communities as they strengthen and create conditions that propel vulnerable children to achieve success as individuals and as contributors to the larger community and society. Our integrated approach centers on whole child development – ensuring the emotional, social, cognitive, physical, cultural and civic development of young children, with a special emphasis on prenatal to age 8, within the context of families and communities.

OUR GOALS

Our work is carried out by partners and programs that help us achieve our three organizational goals and embody our commitments to community and civic engagement, and to racial equity.

WHERE WE WORK

NATIONALLY (UNITED STATES)

PRIORITY PLACES

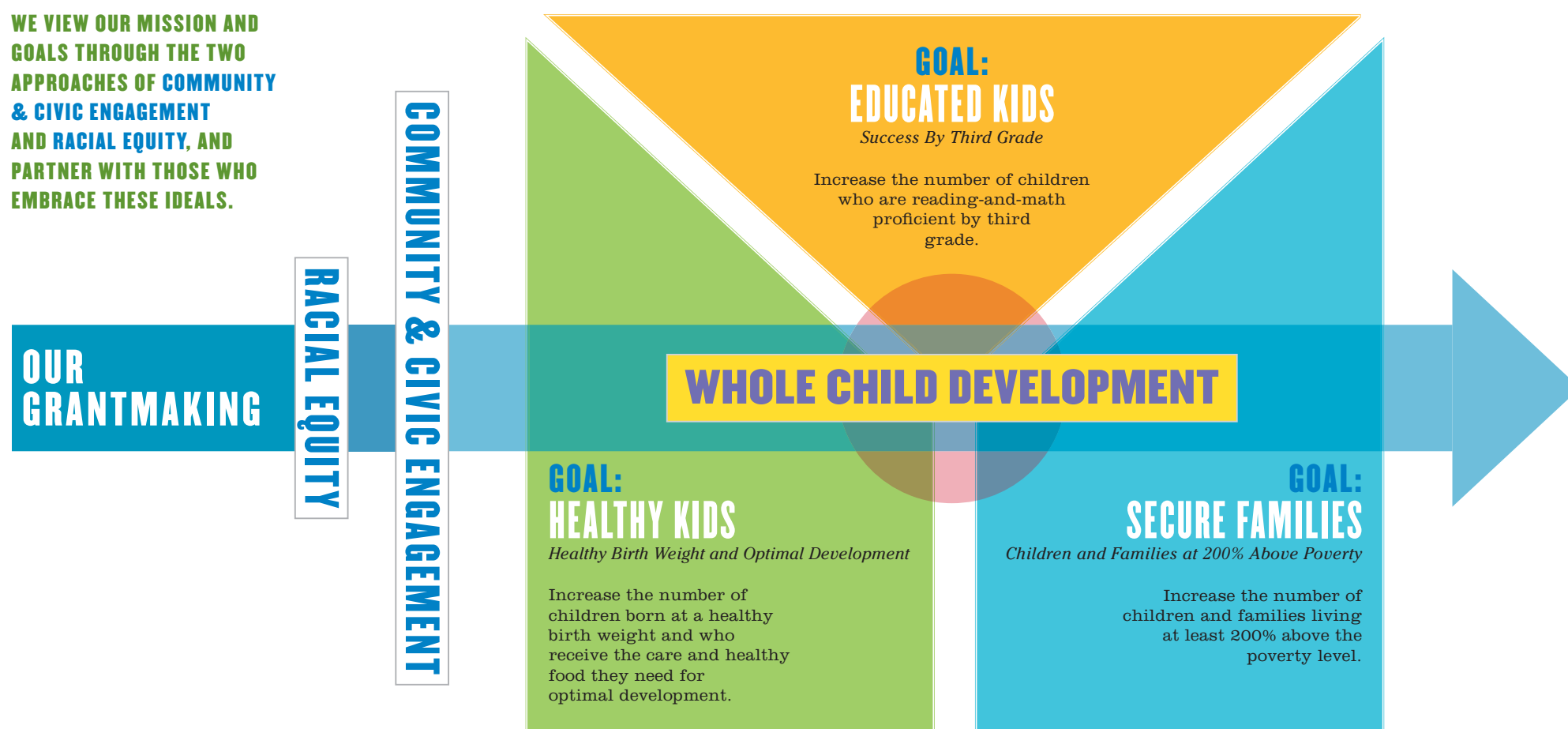
- MICHIGAN
- MISSISSIPPI
- NEW MEXICO
- NEW ORLEANS

INTERNATIONALLY (LATIN AMERICA, THE CARIBBEAN, NORTHEASTERN BRAZIL, SOUTHERN AFRICA)

PRIORITY PLACES

- MEXICO (CHIAPAS HIGHLANDS, INNER LANDS OF THE YUCATÁN PENINSULA)
- HAITI (CENTRAL AREA, SOUTHWEST CORRIDOR)

WE VIEW OUR MISSION AND GOALS THROUGH THE TWO APPROACHES OF COMMUNITY & CIVIC ENGAGEMENT AND RACIAL EQUITY, AND PARTNER WITH THOSE WHO EMBRACE THESE IDEALS.



2011 PROGRAMMING AND NEW COMMITMENTS

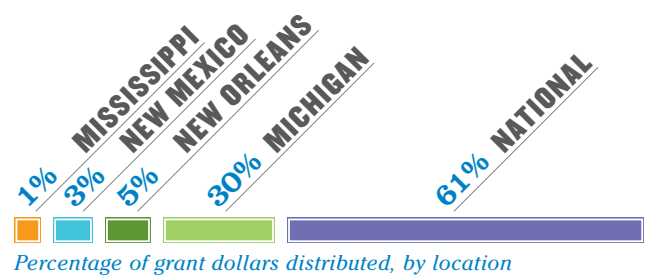
During the past fiscal year, Sept. 1, 2010, through Aug. 31, 2011, the foundation made \$306,877,193 in new commitments to 631 new projects and paid grant and program expenditures of \$316,755,984 to its 1,080 active projects. Our grantmaking is divided into five primary program areas: Education & Learning (E&L); Food, Health & Well-Being (FHWB); Family Economic Security (FES); Community & Civic Engagement (C&CE); and Racial Equity (RE). Over time, we envision 60 percent of grantmaking dollars going to our priority places.

MICHIGAN	\$83	Million
NEW MEXICO	\$17	Million
MISSISSIPPI	\$20	Million
NEW ORLEANS	\$12	Million
NATIONAL	\$160	Million
INTERNATIONAL	\$14	Million



SAMPLE GRANTS EDUCATION & LEARNING (E&L)

All children need the support of parents, caretakers and the community to ensure their healthy development and education and build a strong platform for success in school, work and life. We partner with organizations focused on early childhood education, with commitments to parental engagement, teacher quality, aligning formal and informal systems, educational advocacy, lifelong learning and efforts to address racial equity in education and learning.



AHA PUNANA LEO

Hilo, Hawaii | \$4,572,370

Build native Hawaiian preschoolers' school readiness by expanding the Punana Leo Hawaiian Medium preschool program through innovations in academic rigor, teacher development, family resources and site accreditations.

AMERICAN CIVIL LIBERTIES UNION FUND OF MICHIGAN

Detroit, Mich. | \$390,000

Promote equal access to education by working to reduce the suspension and expulsion rates of children, and limit the number of referrals of children to law enforcement agencies.

AMERICAN INDIAN COLLEGE FUND

Denver, Colo. | \$5,000,000

Substantially improve learning outcomes for vulnerable children living in Native communities by working with select Tribal Colleges to develop programs in school readiness and success by third grade.

AUGSBURG COLLEGE

Minneapolis, Minn. | \$399,960

Reform education and learning for children and families through the creation of a shared vision and community of practice for a coordinated, city-wide system connecting in-school and out-of-school learning in St. Paul, Minn.

BLACK FAMILY DEVELOPMENT, INC.

Detroit, Mich. | \$500,000

Improve academic, health, economic and other outcomes for children by supporting the planning activities for a Promise Neighborhood in two Detroit communities.

CHILD AND FAMILY POLICY CENTER

Des Moines, Iowa | \$400,000

Support bottom-up and top-down programmatic efforts in accurately tracking PreK-6 chronic absence and effectively engaging parents/community agencies to improve vulnerable children's early school success.

CHILDREN'S DEFENSE FUND

Washington, D.C. | \$400,000

Provide activities and services to support successful early educational achievement for young children attending eight charter elementary schools in New Orleans.

COLLEGE FOR CREATIVE STUDIES

Detroit, Mich. | \$2,000,000

Improve the academic performance and career pathways of vulnerable students through the creation of an integrated campus for kindergarten through masters-level collegiate art and design students and expansion of a community arts program.

EFFORTS OF GRACE, INC.

New Orleans, La. | \$150,000

Improve educational outcomes for vulnerable African-American children by enhancing culture competence of early childhood teachers in metropolitan New Orleans.

EXCELLENT SCHOOLS DETROIT

Detroit, Mich. | \$872,500

Improve educational outcomes for vulnerable children in Detroit by supporting the creation of new, high-quality schools, the closing of low-performing schools and increasing human capital talent.

FIRST CONGREGATIONAL UNITED CHURCH OF CHRIST

Battle Creek, Mich. | \$400,000

Support the development of healthy, educated Burmese children and families by creating a local center, which addresses needs while fostering community engagement and self-determination.

GERONTOLOGY NETWORK

Grand Rapids, Mich. | \$800,000

Increase literacy skills of elementary students in four Grand Rapids neighborhoods through the expansion of the Experience Corps Literacy Program.



GRANTMAKERS FOR EDUCATION

Portland, Ore. | \$300,000

Increase philanthropic capacity and investment in closing the achievement gap for young English Language Learners, immigrant children and students of color.

INSTITUTE FOR EDUCATIONAL LEADERSHIP, INC.

Washington, D.C. | \$260,000

Create strategic linkages between a range of high quality, community-based health opportunities; effective education and learning practices; and targeted family and civic engagement which lead to student success.

JUSTICE MATTERS INSTITUTE

Oakland, Calif. | \$500,000

Strengthen and create conditions for families and communities to support the success of students of color through teacher effectiveness and replicable models for parental leadership and engagement.

KALAMAZOO COMMUNITY FOUNDATION

Kalamazoo, Mich. | \$6,000,000

Enhance literacy achievement of students, especially those in low-income families, and enable every child to become college-, career- and world-ready, by supporting early childhood innovation as part of a comprehensive, long-term community transformation.

KENT INTERMEDIATE SCHOOL DISTRICT

Grand Rapids, Mich. | \$1,200,000

Strengthen services to children and families by expanding the Kent School Services Network to additional schools in Kent County.

KIDS RETHINK NEW ORLEANS SCHOOLS

New Orleans, La. | \$75,000

Engage middle school youth in identifying areas for improvement within individual schools and the school system as a whole, developing innovative solutions and acting to make those solutions a reality.

MANAUS FUND

Carbondale, Colo. | \$149,583

Develop the Valley Settlement Project that will lead to educational and workforce opportunities for at-risk families and quality early education for young children, targeting recent immigrant families with incomes below 300% poverty.

NATIONAL LATINO EDUCATION RESEARCH AND POLICY, INC.

Carrollton, Texas | \$400,000

Address the teacher preparation and retention crisis in our country, as well as the underrepresentation of Latino and Latina teachers.

NATIVE AMERICAN COMMUNITY ACADEMY

Albuquerque, N.M. | \$250,000

Increase the number of Native American K-12 educators who are trained in the Community Led Schools Model and Indigenous Education in New Mexico.

NEW MEXICO PUBLIC EDUCATION DEPARTMENT

Santa Fe, N.M. | \$350,000

Implement the Common Core Standards in New Mexico for a generational change that will ensure all students are prepared for success in postsecondary education and/or the workforce.

OPERATION REACH, INC.

New Orleans, La. | \$200,000

Improve the educational and developmental outcomes of children in the Central City community of New Orleans, by developing a plan for the delivery of a prenatal-to-college and career pipeline of coordinated services by multiple agencies.

ORLEANS PUBLIC EDUCATION NETWORK

New Orleans, La. | \$150,000

Build a vision of public education which aims to increase educational achievement of the city's predominately poor and minority students who attend public schools in New Orleans.

PARTNERSHIP FOR COMMUNITY ACTION

Albuquerque, N.M. | \$300,000

Increase quality early learning and childhood development for New Mexican children by supporting a comprehensive parent engagement and leadership program with a focus on Hispanic families that builds upon existing cultural strengths.

SOUTHWEST CREATIONS COLLABORATIVE

Albuquerque, N.M. | \$100,000

Increase the educational achievement of Latino and immigrant students in Albuquerque and New Mexico by supporting the expansion of the Buena Fe program.

\$98,616,999

NEW E&L COMMITMENT AMOUNT

116

TOTAL NUMBER OF 2011 E&L GRANTS

SOUTHWESTERN MICHIGAN URBAN LEAGUE

Battle Creek, Mich. | \$150,000

Improve academic performance, increase access to higher education and create a culture of positive advocacy for vulnerable and disadvantaged youth in Battle Creek by supporting the Family Focus Project.

TEACH FOR AMERICA, INC.

New York, N.Y. | \$3,000,000

Improve educational outcomes for Detroit students by providing high-quality teachers to supplement the existing teacher corps in Detroit charter and district schools.

UNITED METHODIST COMMUNITY HOUSE

Grand Rapids, Mich. | \$500,000

Help sustain the Early Learning Neighborhood Collaborative's agenda to prepare young children in targeted neighborhoods in Grand Rapids, by strengthening the organizational capacity of United Methodist Community House and Baxter Community Center.

UNITED WAY OF SANTA FE COUNTY

Santa Fe, New Mexico | \$25,000

Support community and parent engagement to raise awareness about issues and opportunities for students and their families within the Santa Fe Public School system.

UNIVERSITY OF FLORIDA FOUNDATION, INC.

Gainesville, Fla. | \$2,000,000

Advance existing Ready Schools work and create national models on four fronts: racial equity, teacher leadership, early childhood and children's health.

VOCES

Battle Creek, Mich. | \$225,000

Support Voces's organizational development and programs that promote family well-being and school success for young Latino/Hispanic children in greater Battle Creek.

WASHINGTON EARLY LEARNING FUND

Seattle, Wash. | \$2,000,000

Advance racial equity, remove system barriers, cultivate a diverse set of leaders and advocate for services beginning at birth to improve the lives of vulnerable children and their families.

WAY TO GROW

Minneapolis, Minn. | \$125,000

Enhance school readiness and ensure children remain on track from kindergarten-entry through third grade by extending home-visitation services to additional children and developing and implementing expanded and age-appropriate curriculum.

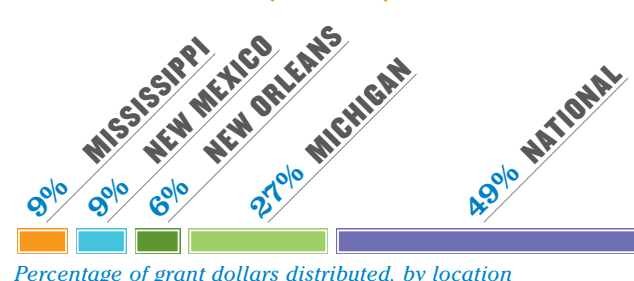
WOODROW WILSON NATIONAL FELLOWSHIP FOUNDATION

Princeton, N.J. | \$1,330,000

Transform public education through redesigned, innovative teacher preparation programs in Michigan's higher education institutions.

SAMPLE GRANTS FOOD, HEALTH & WELL-BEING (FHWB)

Children deserve good food, stimulation, healthy living conditions and access to quality health care. We help children get a healthy start by supporting organizations working to improve birth outcomes and first food experiences, create access to healthy foods and educate mothers, families and communities about the interrelated factors that determine well-being. We especially focus on children who are disadvantaged by multiple societal factors, a disproportionate percentage of whom are children of color. We also support efforts to improve access to quality health care and public health systems.



ACADEMY OF BREASTFEEDING MEDICINE

New Rochelle, N.Y. | \$200,000

Improve breastfeeding rates and reduce breastfeeding disparities and identify persistent racial and geographical gaps in policies and practices.

ADLER SCHOOL OF PROFESSIONAL PSYCHOLOGY

Chicago, Ill. | \$150,000

Develop, implement and evaluate a Mental Health Impact Assessment tool that assesses the impacts of public decisions and actions on the social determinants of mental health in low-income communities.

AMERICA'S PROMISE THE ALLIANCE FOR YOUTH

Washington, D.C. | \$400,000

Create a web-based resource for state policies related to the well-being of military families and implement a home visitation program for new mothers in military families.



MARK ALLEN MILLER

BARAGA HOUGHTON KEWEENAW CHILD DEVELOPMENT BOARD

Houghton, Mich. | \$318,691

Provide comprehensive intervention for preschoolers and their families by increasing parent/child knowledge about healthy eating, physical activity and preventive care in the Copper Country region of Michigan.

BATTLE CREEK COMMUNITY FOUNDATION

Battle Creek, Mich. | \$1,200,000

Address health disparities among vulnerable populations in Calhoun County, by enabling the Regional Health Alliance to develop and implement strategies that will lead to improved health outcomes.

BOSTON MEDICAL CENTER CORPORATION

Boston, Mass. | \$175,000

Enhance program capacity to sustain public and policy focus on food insecurity and its relationship to health, well-being and optimum growth and development of vulnerable children.

CHERRY STREET SERVICES, INC.

Grand Rapids, Mich. | \$500,000

Strengthen child health services and outcomes in Grand Rapids through the establishment of the Children's Health Improvement Project.

CHILDREN'S ALLIANCE

Seattle, Wash. | \$450,000

Improve the oral health of vulnerable children and families in the state of Washington by transforming the dental health workforce through the establishment of midlevel dental providers.

COALITION OF IMMOKALEE WORKERS, INC.

Immokalee, Fla. | \$320,000

Develop a pilot program for the implementation and monitoring of human rights agreements with corporate buyers and growers which includes a piece-rate auditing system, complaint investigation and resolution mechanism and worker education strategy.

COASTAL FAMILY HEALTH CENTER

Biloxi, Miss. | \$1,330,336

Increase community access to affordable primary prenatal, integrated pediatric mental health and medical services for children and families in East Biloxi and the Gulf Coast region.

COMMUNITY FOUNDATION OF NORTHWEST MISSISSIPPI

Hernando, Miss. | \$340,000

Improve the plight of vulnerable children and their families in the Mississippi Delta by addressing the sparse services, fragmented systems and lack of cultural competency.

CON ALMA HEALTH FOUNDATION, INC.

Santa Fe, N.M. | \$300,000

Support the planning of a community engagement and capacity-building strategy in Bernalillo, Dona Ana, San Juan and McKinley counties to influence health care reform implementation in New Mexico on behalf of vulnerable children and families.

DETROIT BLACK COMMUNITY FOOD SECURITY NETWORK

Detroit, Mich. | \$350,000

Transform the community food system in Detroit so vulnerable children and families will benefit.

EASTERN MARKET CORPORATION

Detroit, Mich. | \$1,000,000

Enhance ability to incubate community kitchens projects to locally process food grown in the region and increase access to good food by vulnerable children in schools and the community.

ENVIRONMENTAL HEALTH FUND, INC.

Jamaica Plain, Mass. | \$150,000

Enhance the way toxic chemicals are manufactured and regulated in the United States through the Safer Chemicals Healthy Families Campaign.

FARMWORKER ASSOCIATION OF FLORIDA, INC.

Apopka, Fla. | \$300,000

Engage farmworker communities to assess the local food needs and develop a community farm project to increase their access to affordable, healthy and fresh food.

HEALTH CARE WITHOUT HARM

Reston, Va. | \$400,000

Build a powerful and united voice in hospitals and health care systems on local and national food policy that benefits vulnerable children and families.

HEALTHY HEARTS PLUS II, INC.

Richmond, Va. | \$73,000

Expand the proven pre-natal nutrition program, the ABC's of Breastfeeding, to help reduce infant mortality rates.

HEALTHY SCHOOLS NETWORK, INC.

Albany, N.Y. | \$20,000

Enhance children's environmental health at school by harnessing public-interest expertise to support the Environmental Protection Agency's leadership role in implementing federal guidelines.

JACKSON MEDICAL MALL FOUNDATION

Jackson, Miss. | \$400,000

Reduce childhood obesity and build self-esteem and character in youth and their families through support of physical activity and life skills training programs.

LA SEMILLA FOOD CENTER

Mesilla, N.M. | \$432,680

Foster a socially equitable and economically viable regional food system in the Paso del Norte region of southern New Mexico and El Paso County, Texas, by strengthening organizational capacity of the La Semilla Food Center.



\$91,540,322

NEW FHWB COMMITMENT AMOUNT

149 } TOTAL NUMBER OF 2011 FHWB GRANTS

LATINOS FARMERS COOPERATIVE OF LOUISIANA, INC.

Saint Rose, La. | \$77,490

Increase food security and economic opportunities for disadvantaged, under-served Latino immigrant families by building upon the success of an urban agriculture production pilot program.

MATERNITY CARE COALITION

Philadelphia, Pa. | \$75,000

Develop and implement an enhanced breastfeeding intervention in the North Central Philadelphia area.

MIDTOWN NEIGHBORHOOD ASSOCIATION

Grand Rapids, Mich. | \$100,000

Increase access to fresh, locally-grown food in low- and moderate-income neighborhoods by expanding facilities and year-round operations of the Fulton Street Farmers Market.

MISSISSIPPI FOOD NETWORK, INC.

Jackson, Miss. | \$100,000

Promote obesity prevention and treatment in the primary care setting, particularly settings that serve children from low-income families, by implementing an intervention tool set.

NATIONAL CENTER ON FAMILY HOMELESSNESS, INC.

Needham, Mass. | \$50,000

Increase the rates of breastfeeding among homeless women in Mississippi by collecting, reviewing and analyzing data and information that can inform policy and practice.

NATIVIDAD MEDICAL FOUNDATION, INC.

Salinas, Calif. | \$48,500

Improve breastfeeding rates of low income, Latina mothers, to ensure most women delivering at Natividad Medical Center are exclusively breastfeeding at discharge to give every baby the best beginning in life.

NEW MEXICO ASSOCIATION OF SOIL AND WATER CONSERVATION DISTRICTS

Carlsbad, N.M. | \$300,000

Enable underserved farmers and ranchers to apply and receive assistance through the United States Department of Agriculture Farm Bill programs by providing technical assistance.

OREGON ENVIRONMENTAL COUNCIL, INC.

Portland, Ore. | \$80,000

Create toxic-free environments for children at home, in child care settings and at school through education, engagement and working collaboratively to advance policy reform.

PARTNERSHIP FOR A HEALTHIER AMERICA

Washington, D.C. | \$250,000

Establish a new, independent, nonpartisan organization to convene public, private and nonprofit support and commitments to reverse the epidemic of childhood obesity within a generation.

PB&J FAMILY SERVICES, INC.

Albuquerque, N.M. | \$599,423

Improve healthy family functioning and access to health care for children and families in the underserved neighborhoods of Albuquerque's International District and South Valley by creating a community wellness center.

PROVINCE OF ST. JOSEPH OF THE CAPUCHIN ORDER

Detroit, Mich. | \$180,000

Continue efforts to address the role of race in the food system that impacts Detroit residents and build a more just food system.

ST. JOHN HOSPITAL AND MEDICAL CENTER

Detroit, Mich. | \$1,200,000

Implement a comprehensive breastfeeding program providing direct health services and community based programming along with the development of best practices and "Baby Friendly" designation.

UNIVERSITY OF NORTHERN IOWA

Cedar Falls, Iowa | \$64,949

Develop local economies while improving school children's health by planning, developing and implementing a model program of healthy meals featuring as many local, seasonal ingredients as possible, and continue the development of a school garden.

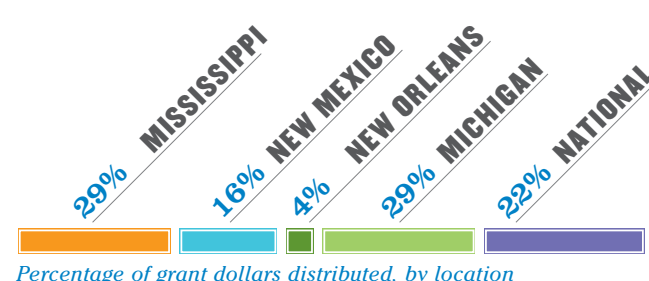
VOICES FOR AMERICA'S CHILDREN

Washington, D.C. | \$1,800,000

Ensure effective implementation of the Affordable Care Act in the states, expand the number of baby-friendly hospitals and promote public education around the importance of mother's milk for proper development and a healthy start.

SAMPLE GRANTS FAMILY ECONOMIC SECURITY (FES)

In an era when the United States is moving toward a new economy, we want to ensure that all families achieve the economic security they need to provide a strong foundation for their children. We recognize that the primary needs of the family must be addressed to create pathways out of poverty for children. We support programs that foster quality jobs, careers and entrepreneurship; develop marketable cross-sector workforce skills; and promote postsecondary achievement and financial independence. We also support efforts that increase assets, income and aspirations of vulnerable children and their families and reduce disparities based on class, gender and race.



ACCION NEW MEXICO

Albuquerque, N.M. | \$400,000

Strengthen delivery of vital business credit and financial literacy training to underserved entrepreneurs and their families in New Mexico.

BARELAS COMMUNITY COALITION, INC.

Albuquerque, N.M. | \$100,000

Organize neighborhood residents and implement a community-based planning strategy in Barelas that supports economic stability among low-income families.

CENTER ON BUDGET AND POLICY PRIORITIES

Washington, D.C. | \$800,000

Expand access to earned benefits and tax credits that build assets for low-income families through national and state policy innovations and practices.

CENTRAL CITY RENAISSANCE ALLIANCE

New Orleans, La. | \$300,000

Build the community as a learning campus and develop a community culture in which residents value and actively participate in formal lifelong learning opportunities.

CENTRAL NEW MEXICO COMMUNITY COLLEGE FOUNDATION, INC.

Albuquerque, N.M. | \$1,282,722

Increase graduation rates and career ladder opportunities for low-income students to help them move toward financial security by aiding in the expansion of bundled student-support services to all six Central New Mexico Community College campuses.

COMMUNITY ACTION AGENCY OF SOUTHERN NEW MEXICO TERRITORY

Las Cruces, N.M. | \$200,000

Enhance asset development work in southern New Mexico among low-income children and families and develop a working model around scaling asset development.

COMMUNITY ECONOMIC DEVELOPMENT ASSOCIATION OF MICHIGAN

Lansing, Mich. | \$150,000

Enable the organization to achieve its mission of helping vulnerable families obtain financial security by providing general operating support.

CORPORATION FOR ENTERPRISE DEVELOPMENT

Washington, D.C. | \$400,000

Support asset development tools and strategies for low-income families through the 1:1 Fund, a social venture to generate charitable donations that double the savings of individuals, particularly students, who are saving for college and/or other secondary education.

COUNCIL OF MICHIGAN FOUNDATIONS, INC.

Grand Haven, Mich. | \$150,000

Impact the financial stability of low-income families and individuals in Michigan's urban/metropolitan areas by supporting the development of the Office of Urban and Metropolitan Initiatives.

DELTA HEALTH ALLIANCE, INC.

Stoneville, Miss. | \$5,000,000

Support low-income children and families in Indianola, Miss., by planning and developing the federal Promise Neighborhood model.

DETROIT HISPANIC DEVELOPMENT CORPORATION

Detroit, Mich. | \$238,992

Improve educational, financial and health outcomes for children in southwest Detroit by improving mothers' financial literacy, health education and educational advocacy skills through a facilitated peer network.

DETROIT MIDTOWN MICRO-ENTERPRISE FUND CORPORATION

Detroit, Mich. | \$50,000

Enable families to lift themselves out of poverty by providing financing and technical assistance to women entrepreneurs in depressed Detroit communities.

FIRST NATIONS DEVELOPMENT INSTITUTE

Longmont, Colo. | \$1,350,000

Enhance the lives of vulnerable Indian families, children and youth by developing model projects for community asset building in Native communities nationwide, particularly in New Mexico and Michigan, and provide capacity-building support for the establishment of the New Mexico All Indian Community Foundation.

FOCUS: HOPE

Detroit, Mich. | \$125,000

Improve the lives of vulnerable children in the 100-square block area around the campus of Focus: HOPE in Detroit, by improving the capacity to implement the HOPE Village Initiative.

GIRLS INCORPORATED

New York, N.Y. | \$125,000

Enable vulnerable girls to overcome barriers to reaching their full potential by implementing a broad-based organizational strategic planning process for developing the strategies and actions that will help accomplish these objectives.

GLEANERS COMMUNITY FOOD BANK, INC.

Detroit, Mich. | \$150,000

Provide job skills to marginalized individuals by building the capacity of the Earthworks Agricultural Training program.

GOODWILL INDUSTRIES OF CENTRAL MICHIGAN'S HEARTLAND, INC.

Battle Creek, Mich. | \$149,630

Create and maintain new jobs and career ladders that lead to higher paying employment opportunities for individuals in Battle Creek living 200% below poverty.

GOODWILL INDUSTRIES OF GREATER GRAND RAPIDS, INC.

Grandville, Mich. | \$120,000

Build organizational capacity around racial equity by the implementation of a professional development pipeline that attracts and retains professionals of color.



HOPE COMMUNITY DEVELOPMENT AGENCY

Biloxi, Miss. | \$200,000

Enable the organization to achieve its mission of stabilizing low-income families in communities along the Gulf Coast, with a specific focus on East Biloxi by providing general operating support.

JACKSON STATE UNIVERSITY

Jackson, Miss. | \$700,000

Expand the Mississippi Learning Institute to work with families with children, ages 0-5, in the Washington Addition neighborhood to establish "parents as first teachers" program and provide technical assistance to the neighborhood's childcare providers and parents in preparing children for kindergarten.

JOBS FOR THE FUTURE, INC.

Boston, Mass. | \$200,000

Develop a comprehensive plan for redesign of the state community college system's delivery of occupational and technical career pathways serving lower-skilled adult students by supporting the planning and design efforts of the "ABE to Credentials" adult basic education initiative in New Mexico.

KELLOGG COMMUNITY COLLEGE

Battle Creek, Mich. | \$760,000

Structure and deliver a developmental curriculum to meet the diverse and complex needs of at-risk students.

KOREATOWN YOUTH AND COMMUNITY CENTER

Los Angeles, Calif. | \$450,000

Support the planning and development of a community-based center for low-income immigrant families that bundles support services to increase family stability and reduce poverty.

LA PLAZA DE ENCUENTRO GATHERING PLACE

Albuquerque, N.M. | \$841,500

Increase family stability by engaging low-income Latino immigrants in Albuquerque at a multi-service organization promoting parent engagement, education and economic stability.

LIBERTY'S KITCHEN, INC.

New Orleans, La. | \$150,000

Teach youth how to succeed in the world of work by expanding both employment and training opportunities through the new Healthy School Lunch Program.

LOCAL INITIATIVES SUPPORT CORPORATION

New York, N.Y. | \$500,000

Assist families in becoming economically self-sufficient by supporting the expansion and development of Centers for Working Families in Detroit.

\$31,927,322

NEW FES COMMITMENT AMOUNT

61 } TOTAL NUMBER OF 2011 FES GRANTS

MISSISSIPPI CENTER FOR JUSTICE

Jackson, Miss. | \$2,000,000

Expand educational opportunity for low-income Mississippi children, especially children of color, by scaling legal and policy advocacy statewide, with an emphasis on Jackson, the South Delta and the Mississippi Coast.

MOVN COMMUNITY DEVELOPMENT CORPORATION

New Orleans, La. | \$350,000

Strengthen efforts to provide health care, education and social service programs and create new and sustained jobs for low-income Vietnamese, African-American and Latino families by supporting the organization's capacity.

MS. FOUNDATION FOR WOMEN, INC.

Brooklyn, N.Y. | \$100,000

Invest in nontraditional occupations and green jobs training and education for women.

NEIGHBORHOODS, INC. OF BATTLE CREEK

Battle Creek, Mich. | \$275,000

Provide financial literacy, homeownership, foreclosure mitigation education and counseling and other neighborhood services to residents of Battle Creek, with an emphasis on the most economically vulnerable neighborhoods.

NEW MEXICO CENTER ON LAW AND POVERTY, INC.

Albuquerque, N.M. | \$795,000

Enable the organization to achieve its mission to improve the health, nutrition, economic security and welfare of low-income New Mexicans statewide by providing general operating support.

OPPORTUNITY FUND NORTHERN CALIFORNIA

San Jose, Calif. | \$50,000

Use behavioral economics to design, implement and track innovations around income and asset development for low-income families that yield robust data and learning for the field.

SOUTHWEST CREATIONS COLLABORATIVE

Albuquerque, N.M. | \$100,000

Reduce poverty and build intergenerational wealth in New Mexico by creating dignified living wage jobs for Hispanic women through a sustainable social enterprise that engages its employees, customers and community in building secure families.

URBAN STRATEGIES, INC.

St. Louis, Mo. | \$500,000

Provide additional capacity and access to quality early education in Central City New Orleans by expanding workforce programs and training programs and develop and implement an Early Childhood Learning Center.

VISIONS OF HOPE, INC.

Biloxi, Miss. | \$253,559

Provide pre- and post-homebuyer and credit counseling to Biloxi residents referred by housing partners in Harrison County and provide General Equivalency Diploma and Volunteer Income Tax Assistance services to residents of Biloxi.



SAMPLE GRANTS COMMUNITY & CIVIC ENGAGEMENT (C&CE)

We believe that people have the inherent capacity to solve their own problems and that social transformation is within the reach of all communities. We partner with those committed to inclusion, impact and innovation in solving challenges. We seek engagement through dialogue, leadership development, collaboration and new models of organizing. We amplify voices and support the civic and philanthropic infrastructures that help propel vulnerable children and communities forward. By partnering with diverse communities, we support new solutions tailored to meet the needs of children and families who are most vulnerable.

100% NATIONAL

Percentage of grant dollars distributed, by location

ALLIANCE FOR CHILDREN AND FAMILIES, INC.

Milwaukee, Wis. | \$290,686

Establish a national benchmarking initiative to provide comparative data measuring the impact and identifying the best practices of civic engagement.

AMERICA'S PROMISE THE ALLIANCE FOR YOUTH

Washington, D.C. | \$50,000

Provide funds to support a charitable event, the Returned Peace Corps Volunteer Survey.

AMERICASPEAKS, INC.

Washington, D.C. | \$100,000

Strengthen the capacity of the democracy reform movement to address the needs of vulnerable communities by fostering collaboration between traditional democracy reform institutions and organizations that champion racial equity and inclusion.



ASIAN AMERICANS-PACIFIC ISLANDERS IN PHILANTHROPY

San Francisco, Calif. | \$1,500,000

Advance philanthropic efforts in Asian-American/Pacific Islander communities and build a national grassroots giving circle movement by strengthening organizational capacity and identifying key partnerships with high-end donors and corporate, entrepreneurial, governmental and philanthropic field allies.

ASSOCIATION OF BLACK FOUNDATION EXECUTIVES, INC.

New York, N.Y. | \$1,500,000

Develop and implement a business plan, launch a place-based strategy for promoting philanthropy in black communities, and create a Knowledge Center focused on issues affecting black communities.

COMMUNITY PARTNERS

Los Angeles, Calif. | \$240,000

Increase community engagement and public accountability by documenting a leadership model for community residents and their elected leaders and supporting its implementation in select communities.

CONNECTICUT COMMISSION ON CHILDREN

Hartford, Conn. | \$1,200,000

Strengthen civic engagement skills of parents by supporting the national expansion of the Parent Leadership Training Institute.

GRASSROOTS GRANTMAKERS

Hallettsville, Texas | \$300,000

Enable the organization to achieve its mission of increasing the effectiveness of place-based philanthropy by providing general operating support.

HISPANICS IN PHILANTHROPY

San Francisco, Calif. | \$1,400,000

Enable the organization to achieve its mission by providing general operating support.

INDEPENDENT SECTOR

Washington, D.C. | \$400,000

Support policy analysis, awareness and advocacy efforts to help the nonprofit and philanthropic sectors improve the effectiveness of tax exemptions and incentives for charitable giving.

KELLOGG FELLOWS LEADERSHIP ALLIANCE, INC.

Denver, Colo. | \$20,000

Provide funds to support charitable events, 2011 Fellows' Forum and Racial Unity and Community Healing.

MIKVA CHALLENGE GRANT FOUNDATION INC.

Chicago, Ill. | \$550,000

Support next generation leadership development and civic engagement by developing and implementing a citywide youth council governance strategy within Chicago public schools.

MOREHOUSE COLLEGE

Atlanta, Ga. | \$100,000

Develop boys and young men of color in south Los Angeles by piloting a neighborhood-based community leadership development program to lead to enhanced civic engagement and dialogue on racial equity.

MS. FOUNDATION FOR WOMEN, INC.

Brooklyn, N.Y. | \$60,000

Support a successful executive leadership transition strategy.

MURRAY-CALLOWAY ENDOWMENT FOR HEALTHCARE

Murray, Ky. | \$210,000

Promote and coordinate civic engagement and philanthropy that improves the health and general quality of life for residents across the region by strengthening organizational capacity.

NATIVE AMERICANS IN PHILANTHROPY

Minneapolis, Minn. | \$1,500,000

Increase organizational capacity by expanding the strategic communications plan and outreach strategies; engagement and promotion of regional connections; and strengthening programming to improve reciprocal relationships with members through the development of the E-network for Native Americans in philanthropy.

PHILANTHROPY FOR ACTIVE CIVIC ENGAGEMENT

Denver, Colo. | \$150,000

Link service to economic security, workforce mobility and educational achievement of disadvantaged youth and youth of color by garnering support for policy paper recommendations.

PUBLIC AGENDA FOUNDATION, INC.

New York, N.Y. | \$100,000

Strengthen organizational capacity building and strategic planning during leadership transition.

\$ 11,835,686

NEW C&CE COMMITMENT AMOUNT

24 TOTAL NUMBER OF 2011 C&CE GRANTS

ROCKEFELLER PHILANTHROPY ADVISORS, INC.

New York, N.Y. | \$1,000,000

Enhance diversity, inclusion and equity across the philanthropic sector and strengthen the collective capacity to benefit all populations by supporting a coordinated plan of action to address cultural and structural barriers that inhibit the field of philanthropy.

THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY

Stanford, Calif. | \$100,000

Support the leveraging and learning of nonprofit sector best practices by investing in the merger of the Stanford Center on Philanthropy and the *Stanford Social Innovation Review*.

TIDES CENTER

San Francisco, Calif. | \$215,000

Promote social justice philanthropy practices, curriculum and training among next generation leaders by providing core operating support.

UNIVERSITY OF ARKANSAS FOUNDATION, INC.

Little Rock, Ark. | \$750,000

Foster an increase in community philanthropy by promoting strategies that build new models, innovations and collaborations to improve the conditions of vulnerable children and families.



RICHARD LILLASH

SAMPLE GRANTS RACIAL EQUITY (RE)

We envision a nation where Americans embrace our common humanity and children of every race and ethnicity have equal opportunities to thrive. We seek to foster racial healing, combat structural racism and overcome unconscious bias to create equitable opportunities for all children in education, health and well-being and economic security. We support community-based and national organizations whose innovative and effective programs foster racial healing, and through action-oriented research and public policy work, translate insights into new strategies and sustainable solutions.

100% NATIONAL

Percentage of grant dollars distributed, by location

ASPEN INSTITUTE, INC.

Washington, D.C. | \$400,000

Promote racial equity through capacity building of leaders who will influence policies, practices, resources and cultural representations to create successful environments for vulnerable children and youth.

ASSOCIATION OF BLACK FOUNDATION EXECUTIVES, INC.

New York, N.Y. | \$150,000

Promote and identify potential support for racial healing efforts by linking donors and nonprofits working on dismantling systemic barriers impeding the success of vulnerable children and their families.

BARNARD COLLEGE

New York, N.Y. | \$54,565

Prepare facilitators for interracial community work throughout Mississippi by developing and filming a training workshop on successful interracial dialogue for use by the William Winter Institute for Racial Reconciliation in Mississippi.

BLACK ADMINISTRATORS IN CHILD WELFARE, INC.

Washington, D.C. | \$400,000

Develop and integrate best practice strategies to minimize the factors that contribute to African-American minority child overrepresentation in the child welfare system.

BUILDING BRIDGES OF ASHEVILLE, INC.

Asheville, N.C. | \$55,000

Train facilitators and encourage dialogue about the effects of racism in the schools and develop strategies to address negative effects of poor race relations in the school system.

CENTER FOR ASSESSMENT AND POLICY DEVELOPMENT

Conshohocken, Pa. | \$400,000

Develop, pilot test and begin implementation of the Transforming White Privilege comprehensive curriculum and resource framework designed for leadership development programs working with non profit and community leaders.

CENTER FOR NEW COMMUNITIES

Arlington, Va. | \$150,000

Improve and impact the lives of low-income Hispanic/Latino children and families by addressing systemic barriers that prevent Hispanic/Latino-led organizations from accessing or competing for public funds and other resources.

CENTRAL CITY RENAISSANCE ALLIANCE

New Orleans, La. | \$88,000

Improve future prospects of vulnerable children and fathers by using advanced technology skills to enhance and expand positive experiences of young people, ages 12-21, and operate as an alternative to crime and substance abuse; and by increasing the presence of fathers in their children's lives, improving the quality of interactions and helping to remove barriers to living-wage employment for former offenders.

FLORIDA CENTER FOR CHILDREN AND YOUTH, INC.

Tallahassee, Fla. | \$75,000

Develop practical policy and fiscal recommendations that advance the health, education, safety and well-being of Florida's children with an emphasis on children of color, with efforts aimed at addressing inadequate investments in children's services and racial equity.

HISPANIC CENTER OF WESTERN MICHIGAN

Grand Rapids, Mich. | \$100,000

Enable the organization to achieve its mission by providing general operating support.

JEWISH FUNDS FOR JUSTICE, INC.

New York, N.Y. | \$200,000

Address and alleviate systemic racism by supporting leaders and their organizations as they advance social and economic justice work for vulnerable children and their families.

LATINO DONOR COLLABORATIVE

Washington, D.C. | \$250,000

Raise a broader public awareness and national conversation around the detrimental effects on immigrant vulnerable children and their families on the changing ethnicity of America conveying the notion that the United States is a stronger nation because of its diversity.

MAIN STREET PROJECT

Minneapolis, Minn. | \$150,000

Build capacity of Latino farmers ("agripreneurs") by creating a community garden program deepening community connections and building new relationships and resources within the community, academic and institutional partnerships as a means to build economic security for children and families.

MOREHOUSE SCHOOL OF MEDICINE

Atlanta, Ga. | \$150,000

Provide an opportunity for ex-offenders to have access to prominent leaders in their respective fields and learn how to reconnect to the work environment as well as with their children and families.

NATIONAL COMPADRES NETWORK, INC.

San Jose, Calif. | \$50,000

Enable the organization to achieve its mission to strengthen, rebalance and/or redevelop the traditional "Compadre" extended family system by providing general operating support.

NATIONAL CONGRESS OF AMERICAN INDIANS

Washington, D.C. | \$1,600,000

Support the efforts of Native American tribes to strengthen their governance.

NATIONAL LAW CENTER ON HOMELESSNESS AND POVERTY

Washington, D.C. | \$200,000

Enable the organization to achieve its mission of preventing homelessness of vulnerable children and their families by providing general operating support.

NORTHEASTERN UNIVERSITY

Boston, Mass. | \$400,000

Enhance understanding on how to improve racial/ethnic equity in housing-related outcomes that are crucial for healthy child development and on making and disseminating recommendations about policy levers to improve housing choices for families of all racial/ethnic backgrounds by conducting a study.

OHIO STATE UNIVERSITY FOUNDATION

Columbus, Ohio | \$1,500,000

Promote equitable economic development for marginalized families and communities by supporting programs of the Kirwan Institute for the Study of Race and Ethnicity.

PACIFIC NEWS SERVICE

San Francisco, Calif. | \$400,000

Expand and develop culturally relevant ethnic media's editorial collaboration and collective presence online to be replicated by ethnic media networks nationwide targeting communities of color for African-Americans, Latinos/Hispanics, Asian-Americans, Native Hawaiians, Pacific Islanders, Middle Eastern and Eastern Europeans.

PRESIDENT AND FELLOWS OF HARVARD COLLEGE

Cambridge, Mass. | \$250,000

Reduce racial disparities disproportionately and negatively impacting children of color by incorporating implicit bias strategies into the juvenile justice systems.

REGENTS OF THE UNIVERSITY OF MICHIGAN

Ann Arbor, Mich. | \$2,135,229

Support and facilitate the measurement of opportunities for children and barriers to opportunities across different communities related to structural racism and other community factors.

\$21,985,213

NEW RE COMMITMENT AMOUNT

54

TOTAL NUMBER OF
2011 RE GRANTS

RESEARCH FOUNDATION OF THE CITY UNIVERSITY OF NEW YORK

New York, N.Y. | \$150,000

Strengthen awareness of the social and structural inequities affecting the health of Latino boys and men of color by publishing and disseminating a practitioner's manual and facilitating dialogue.

RESOLUTION, INC. DBA CALIFORNIA NEWSREEL

San Francisco, Calif. | \$400,000

Raise awareness on issues of race and enhance understanding and action on white privilege and structural racism by developing school curriculums and teacher training, expanding faith-based outreach and connecting with initiatives nationwide concerning the 150th anniversary of the Civil War.

SANTA CRUZ BARRIOS UNIDOS, INC.

Santa Cruz, Calif. | \$100,000

Develop long-term infrastructure to address and prevent violence, heal the community and support the building of a sustainable peace movement by organizing an inter-generational, inter-cultural group of Veteranos/Elder Peacemakers in Santa Cruz.

SOUTHWEST GEORGIA PROJECT FOR COMMUNITY EDUCATION, INC.

Albany, Ga. | \$591,450

Address structural challenges to quality food access by developing a mutual, intergenerational understanding of how the past impacts current circumstances among blacks in southwest Georgia while building a cadre of leadership equipped to lead communities in healing dialogue and social and economic empowerment activities.

THE BROTHERHOOD/SISTER SOL, INC.

New York, N.Y. | \$250,000

Support the growth and development of black and Latino youth, ages 6-21, through comprehensive, holistic and long-term support services.

THE SMILEY GROUP

Los Angeles, Calif. | \$150,000

Address the problems black boys face in the 21st century through production of a PBS documentary and website on the health and educational disparities facing African-American boys in the United States that will begin a national dialogue to find solutions

TIDES CENTER

San Francisco, Calif. | \$600,000

Enhance grassroots leaders' and advocacy organizations' efforts to improve social and economic conditions in marginal communities and increase the likelihood of success for vulnerable children, particularly in the Gulf Coast region, by providing communications and messaging support through The Opportunity Agenda project.

TIME DOLLAR INSTITUTE, INC.

Washington, D.C. | \$100,000

Advance, educate and promote an innovative strategy to address structural racism in juvenile justice, child welfare and special education and reduce harmful practices to vulnerable children.

TWENTY-FIRST CENTURY FOUNDATION

New York, N.Y. | \$400,000

Improve conditions for black men and boys by strengthening awareness of the positive and adverse effects of current policies and by providing community engagement and outreach strategy training to local impact sites.

URU THE RIGHT TO BE, INC.

West Haven, Conn. | \$75,000

Ensure that all children receive culturally competent health care in order to achieve optimal health.

VETERANS OF HOPE PROJECT

Denver, Colo. | \$300,000

Build replicable models of intergenerational, social justice-leadership training based in communities and share the experiences of the marginalized poor and working-class African-American, Latino American and Native American youth.

VIGOROUS INTERVENTIONS IN ONGOING NATURAL SETTINGS, INC.

Roxbury, Mass. | \$150,000

Support leadership development among African-American, Native American and white grassroots leaders in Halifax County, North Carolina, by creating a unified vision for improving the county's schools.

WASHINGTON KOEN MEDIA

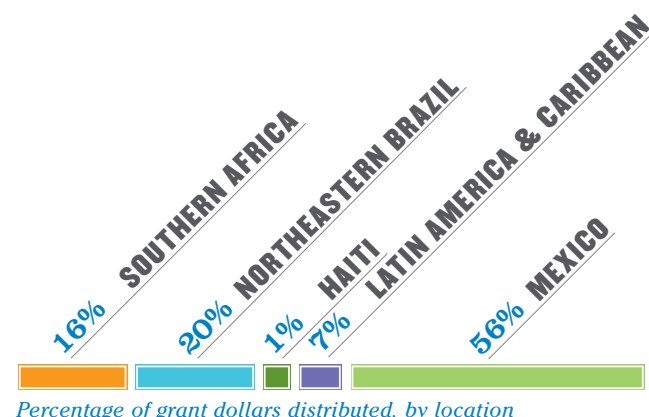
New York, N.Y. | \$100,000

Promote solutions for consistently low performance of black boys in the public school system by supporting a documentary film project, action toolkits and national community engagement campaign.



SAMPLE GRANTS INTERNATIONAL (INTL)

We remain focused on supporting organizations and programs in Latin America, the Caribbean, northeastern Brazil and southern Africa that work to boost education and nutrition; reduce domestic violence and child abuse; increase community engagement and action; and build meaningful partnerships to propel vulnerable children and their families to success.



Percentage of grant dollars distributed, by location

AFRICA CRAFT TRUST

Johannesburg, South Africa | \$150,000

Improve the lives of families and children by strengthening Africa Craft Trust's capacity to support women in the rural craft entrepreneur sector.

AGÊNCIA DE NOTÍCIAS DOS DIREITOS DA INFÂNCIA

Brasília, Brazil | \$150,000

Promote racial equity in the news media by developing methodologies to monitor and analyze Brazilian press coverage.

ALDESUS, A.C.

México City, Mexico | \$50,055

Improve the quality of life for indigenous populations in Calakmul, Campeche, through sustainable tourism, community development and cultural preservation.

ALTERNATIVAS Y CAPACIDADES A.C.

México City, Mexico | \$55,145

Create a database of civil society and donor organizations in Mexico to strengthen the philanthropic sector.

ASESORÍA, CAPACITACIÓN Y ASISTENCIA EN SALUD, A.C.

San Cristóbal de las Casas, Mexico | \$50,000

Ensure better maternal and neonatal outcomes through efforts to organize, promote and regulate professional midwives in public and private health services throughout Mexico.

ASOCIACIÓN DE AYUDA A NIÑOS EN ESTADO CRÍTICO A.B.P.

Monterrey, Mexico | \$17,520

Increase access to tertiary care for children with congenital heart disease in Chiapas and Yucatán, Mexico, by providing a specialized training program for regional health professionals.

ASOCIACIÓN MEXICANA PARA LAS NACIONES UNIDAS, A.C.

México City, Mexico | \$24,555

Promote civic and social engagement among youth, ages 6-15, in six indigenous primary schools in Yucatán, Mexico, through a variety of educational and physical engagement activities.

CARITAS DE SAN CRISTÓBAL DE LAS CASAS, A.C.

San Cristóbal de las Casas, Mexico | \$32,751

Strengthen food security and family economic development in Chiapas, Mexico, through family orchard development.

CENTRO DE ESTUDOS E DESENVOLVIMENTO DE ARTESANATO

Maputo, Mozambique | \$400,000

Increase income for Mozambican artists and their communities through training, marketing and artistic design capacity development.

CENTRO DE NEGOCIOS SUSTENTABLES, A.C.

México City, Mexico | \$25,000

Promote the social enterprise sector and investment impact in southern Mexico by supporting the organization of the first Latin America Business Forum on Development.

CENTRO PARA LOS ADOLESCENTES DE SAN MIGUEL DE ALLENDE, A.C.

San Miguel de Allende, Mexico | \$100,000

Improve infant mortality and morbidity rates through the establishment of the first school of professional midwifery of Chiapas, Mexico, and the promotion of professional midwifery as a career for indigenous women.

COMMUNITY AND INDIVIDUAL DEVELOPMENT ASSOCIATION

Johannesburg, South Africa | \$180,000

Improve opportunities for youth who have dropped out of formal education by supporting an educational model that allows them to continue their education while earning a basic income.

CONSEJO REGIONAL INDÍGENA Y POPULAR DE XPUJIL S.C.

Calakmul, Mexico | \$50,000

Promote a culture of participatory democracy between citizens and the leadership of the municipality of Calakmul, Campeche, through training and education of citizens regarding indigenous rights and democratic leadership formation.

EL COLEGIO DE LA FRONTERA SUR

Chiapas, Mexico | \$360,000

Increase the economic development of families in the highlands of Chiapas, Mexico, by strengthening the production, commercialization and value-chains of organic coffee cooperatives.

FONDAÇÃO DIGICEL HAITI

Port-au-Prince, Haiti | \$88,590

Improve access to technology and increase computer skills for three rural elementary schools in Ouanaminthe and Les Cayes, Haiti, by establishing solar-powered information technology labs.

FONDATION PROGRÈS ET DÉVELOPPEMENT

Petion-Ville, Haiti | \$22,500

Improve the quality of education in Port au Prince, Haiti, and rural areas by providing teacher training.

FUNDAÇÃO DE DESENVOLVIMENTO DA PESQUISA

Belo Horizonte-MG, Brazil | \$38,252

Improve racial equity and social inclusion in northeast Brazil through leadership development and mobilization of local resources.

FUNDACIÓN DEL EMPRESARIADO EN MÉXICO A.C.

México City, Mexico | \$391,717

Promote economic development and employment opportunities in Chiapas and Yucatán, Mexico, through capacity building and technical assistance to strengthen income-generating projects.

FUNDACIÓN HACIENDAS DEL MUNDO MAYA A.C.

México City, Mexico | \$18,664

Increase community participation and school performance in selected communities of Tekom, Tixcacalcupul and Chikindzonot in Yucatán, Mexico, through the establishment of a mobile library and the creation of reading clubs.

FUNDACIÓN LUIS MARÍA MARTÍNEZ, I.A.P.

México City, Mexico | \$41,665

Improve family access to healthy food in selected communities of Chenalhó and Aldama in Chiapas, Mexico, through agroecological training and educational programs.

FUNDACIÓN PROEMPLEO PRODUCTIVO A.C.

México City, Mexico | \$100,272

Advance local capacities and stimulate local economic activity by providing training to initiate or improve microenterprises.

FUNDACIÓN TELEVISIVA, A.C.

México City, Mexico | \$502,666

Increase school retention for low-income, indigenous middle and high school students in Campeche, Chiapas and Yucatán by establishing a private-public fund to provide scholarship assistance and educational development programs.



\$14,404,516

NEW INTL COMMITMENT AMOUNT

99 } TOTAL NUMBER OF 2011 INTL GRANTS

FUNDO ÂNGELA BORBA DE RECURSOS PARA MULHERES

Rio de Janeiro, Brazil | \$315,498

Promote visibility and the institutional development of black women's organizations and projects in northeast Brazil.

INNOVACIÓN Y APOYO EDUCATIVO, A.C.

San Cristóbal de las Casas, Mexico | \$249,300

Improve the quality of K-12 education in select municipalities in Chiapas, Mexico, by strengthening the intercultural and bilingual competencies and education practices of teachers.

INSTITUTO CULTURAL BENEFICENTE STEVE BIKO

Salvador, Brazil | \$569,626

Promote black leadership for racial equity and social justice through implementation of a leadership program in northeast Brazil.

INSTITUTO MEXICANO DE INVESTIGACIÓN DE FAMILIA Y POBLACIÓN, A.C.

México City, Mexico | \$30,171

Promote cognitive development, life skills, and good health in rural children, ages 0-10, in Tenejapa, Chiapas, by establishing a community-run child development center.

INTERNATIONAL INSTITUTE FOR DEVELOPMENT FACILITATION (IIDF) TRUST

Mutare, Zimbabwe | \$515,000

Improve the livelihood of families living in the Mhawe ward, with a focus on children, by supporting programs for family-based enterprises, early learning, strengthening institutions and leadership.

IPAS MEXICO, A.C.

México City, Mexico | \$50,000

Increase maternal-infant health and access to educational institutions for indigenous Mayan women, ages 12-29, in Peto and Tahdziu in Yucatán, Mexico, by providing intervention services provided by community extension agents who are linked to families.

NELSON MANDELA CHILDREN'S FUND

Johannesburg, South Africa | \$468,652

Facilitate hospital development for Nelson Mandela Children's Hospital by conducting a gap analysis.

OBSERVATÓRIO NEGRO

Recife, Brazil | \$56,908

Support the research and analysis of racial disparities in northeast Brazil.

PATRONATO PRO EDUCACIÓN MEXICANO A.C.

México City, Mexico | \$14,035

Improve the health services provided by the Clinical Laboratory in Guatequepec, Mexico, by incorporating methods of bacterial analysis and providing technical training for personnel.

PROGRAMA DE LAS NACIONES UNIDAS PARA EL DESARROLLO

México City, Mexico | \$281,500

Strengthen local capacity for disaster risk management in select municipalities in Campeche and Yucatán, Mexico, through development of community contingency plans, networking and by strengthening the capacity of civil society organizations.

SANUT, A.C.

México City, Mexico | \$300,000

Improve the health of children and their families in Calakmul in Campeche, Mexico, through the production and implementation of rain water cisterns to capture drinking water and through training of safe water handling.

UNIÓN DE ORGANIZACIONES INDÍGENAS PARA BIENESTAR SOCIAL, A.C.

San Cristóbal de las Casas, Mexico | \$14,363

Promote economic stability among indigenous, low-income families and enhance their ability to become self-sustaining by providing training on beekeeping and the production of organic honey.

YAAXIL TU SER, DESARROLLO E INTEGRIDAD, A.C.

Distrito Federal, Benito Juárez, Mexico | \$50,000

Promote youth participation and improve their life skills in select municipalities of Campeche and Yucatán, Mexico, by providing human and sexual rights training to youth promoters.

REPORT OF THE TREASURER

The W.K. Kellogg Foundation continues to execute the disciplined investment strategy which has guided us through this volatile period. Anchored in sound fundamentals and risk management, we are financially well-positioned to meet the needs of our partner grantees. Program payments during the year totaled \$317 million. Current and future year grant commitments totaled \$306 million; and the board appropriated \$375 million for new grants and direct charitable activities. Cash distributions for the fiscal year totaled \$356 million for programs and operations.

Combined assets of the foundation and the trust totaled \$7.7 billion at Aug. 31, 2011, an increase of 6 percent from the previous year.

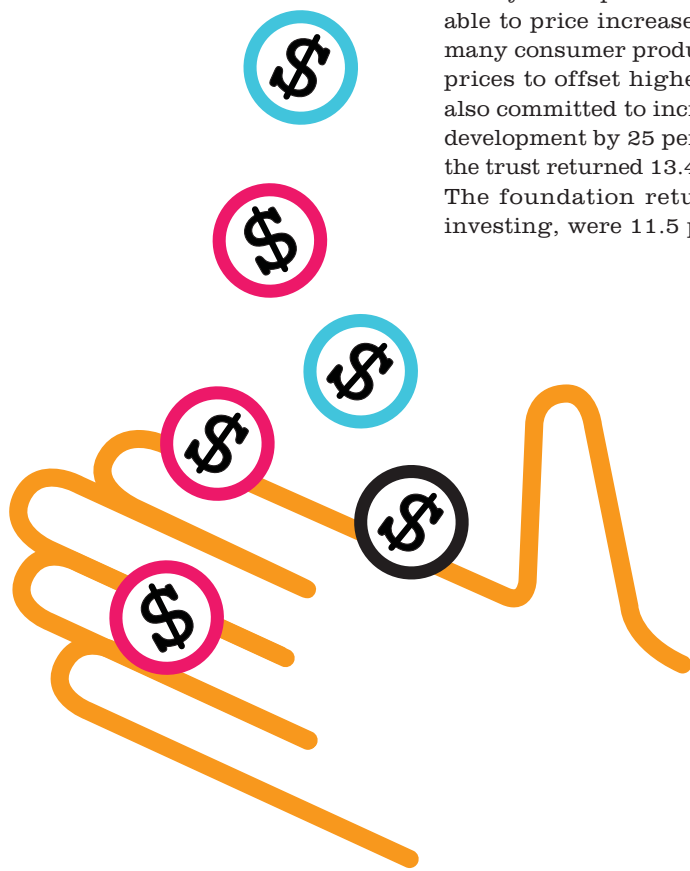
Kellogg Company stock posted returns of approximately 12.75 percent during the year, largely attributable to price increases and higher sales volume. Like many consumer products companies, Kellogg raised its prices to offset higher commodity costs. Kellogg has also committed to increase investments in new product development by 25 percent. The diversified portfolios of the trust returned 13.4 percent, excluding Kellogg stock. The foundation returns, excluding mission-driven investing, were 11.5 percent for the fiscal year.

The foundation's mission-driven investment (MDI) portfolio is 65 percent invested and had a positive return of 5.3 percent, net of fees. This impressive performance resulted from the diversification of the portfolio from primarily cash equivalents to include allocations to fixed income and private equity. During the fiscal year, the foundation received its first capital distribution from one of our education investments, clearly validating the foundation's MDI premise that certain investments can deliver both social and financial returns. We are committed to partnering with our program staff to continue identifying opportunities that allow us to increase our ability to favorably affect the well-being of vulnerable children, their families and their communities.

Detailed financial statements are presented to the foundation's board of trustees bimonthly. Fiscal operating plans prepared by management are reviewed by the budget committee and then forwarded to the full board for approval. An audit committee of the board reviews the results of the independent accountants' and the foundation internal audit office's examinations. Mitchell & Titus, LLP serves as the independent accountants for the foundation and the trust.



La June Montgomery Tabron
chief operating officer and treasurer



W.K. KELLOGG FOUNDATION AND W.K. KELLOGG FOUNDATION TRUST

CONDENSED AND COMBINED FINANCIAL INFORMATION

FOR THE YEARS ENDED AUG. 31, 2011 AND 2010

STATEMENT OF FINANCIAL POSITION

	2011			2010		
	COMBINED	W.K. KELLOGG FOUNDATION	W.K. KELLOGG FOUNDATION TRUST	COMBINED	W.K. KELLOGG FOUNDATION	W.K. KELLOGG FOUNDATION TRUST
ASSETS	\$ 7,696,627,040	\$ 465,120,045	\$ 7,231,506,995	\$ 7,238,160,845	\$ 442,172,466	\$ 6,795,988,379
LIABILITIES	521,127,405	316,213,885	204,913,520	556,730,356	294,870,181	261,860,175
NET ASSETS	7,175,499,635	148,906,160	7,026,593,475	6,681,430,489	147,302,285	6,534,128,204
TOTAL LIABILITIES AND NET ASSETS	\$ 7,696,627,040	\$ 465,120,045	\$ 7,231,506,995	\$ 7,238,160,845	\$ 442,172,466	\$ 6,795,988,379

STATEMENT OF ACTIVITIES

	2011			2010		
	COMBINED	W.K. KELLOGG FOUNDATION	W.K. KELLOGG FOUNDATION TRUST	COMBINED	W.K. KELLOGG FOUNDATION	W.K. KELLOGG FOUNDATION TRUST
CONTRIBUTIONS FROM W.K. KELLOGG FOUNDATION TRUST*	\$ -	\$ 338,000,000	\$ -	\$ -	\$ 313,000,000	\$ -
INVESTMENT REVENUES—NET OF COST OF EARNING INCOME	877,418,229	36,197,000	841,221,229	585,908,118	20,468,865	565,439,253
OTHER REVENUE	6,746,621	6,746,621	-	3,492,455	3,492,455	-
TOTAL REVENUES	884,164,849	380,943,621	841,221,229	589,400,573	336,961,320	565,439,253
CONTRIBUTIONS TO THE W.K. KELLOGG FOUNDATION*	-	-	338,000,000	-	-	313,000,000
GRANT EXPENSE	306,511,063	306,511,063	-	343,010,338	343,010,338	-
PROGRAM ACTIVITIES	25,543,622	25,543,622	-	19,145,742	19,145,742	-
GENERAL OPERATIONS	43,484,762	43,484,762	-	61,029,923	61,029,923	-
DEPRECIATION	3,298,703	3,298,703	-	3,814,339	3,814,339	-
FEDERAL EXCISE TAX PROVISIONS	11,257,554	501,595	10,755,959	6,560,575	174,366	6,386,209
TOTAL EXPENSES	390,095,704	379,339,746	348,755,959	433,560,917	427,174,708	319,386,209
CHANGE IN NET ASSETS	494,069,145	1,603,875	492,465,270	155,839,656	(90,213,388)	246,053,044
NET ASSETS AT BEGINNING OF YEAR	6,681,430,489	147,302,285	6,534,128,204	6,525,590,833	237,515,673	6,288,075,160
NET ASSETS AT END OF YEAR	\$ 7,175,499,634	\$ 148,906,160	\$ 7,026,593,474	\$ 6,681,430,489	\$ 147,302,285	\$ 6,534,128,204

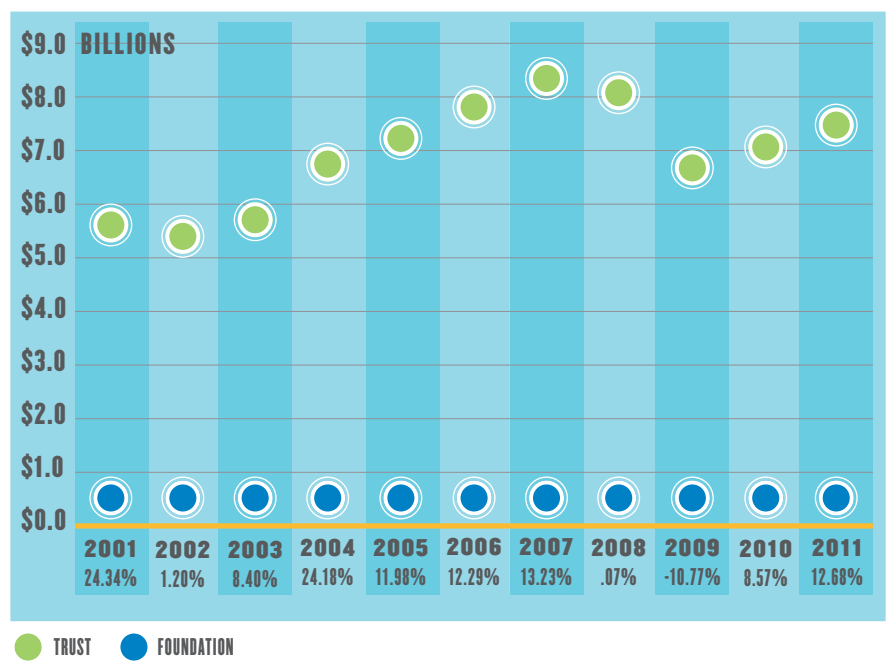
*Intercompany contributions and distribution of \$338,000,000 and \$313,000,000 for the years ended Aug. 31, 2011 and 2010, respectively, have been eliminated in the combined totals

The W.K. Kellogg Foundation's and W.K. Kellogg Foundation Trust's financial statements are audited by Mitchell & Titus, LLP. A full set of the audited version of these financial statements is available on the foundation's website at www.wkkf.org

SUMMARY OF INVESTMENTS

INVESTMENT ASSET VALUES AND RETURN ON ASSETS BY YEAR

YEAR	ROA	FOUNDATION	TRUST	TOTAL
2001	24.34%	\$ 290,378,485	\$ 5,281,783,001	\$ 5,572,161,486
2002	1.20%	281,625,584	5,105,130,631	5,386,756,215
2003	8.40%	320,411,035	5,267,277,187	5,587,688,222
2004	24.18%	387,890,987	6,268,687,860	6,656,578,847
2005	11.98%	350,227,506	6,796,072,705	7,146,300,211
2006	12.29%	384,395,869	7,263,425,219	7,647,821,088
2007	13.23%	430,995,061	7,798,733,829	8,229,728,890
2008	.07%	429,534,145	7,478,548,285	7,908,082,430
2009	-10.77%	309,059,236	6,293,862,729	6,602,921,965
2010	8.57%	310,944,822	6,548,114,152	6,859,058,974
2011	12.68%	396,532,820	6,997,685,489	7,394,218,309

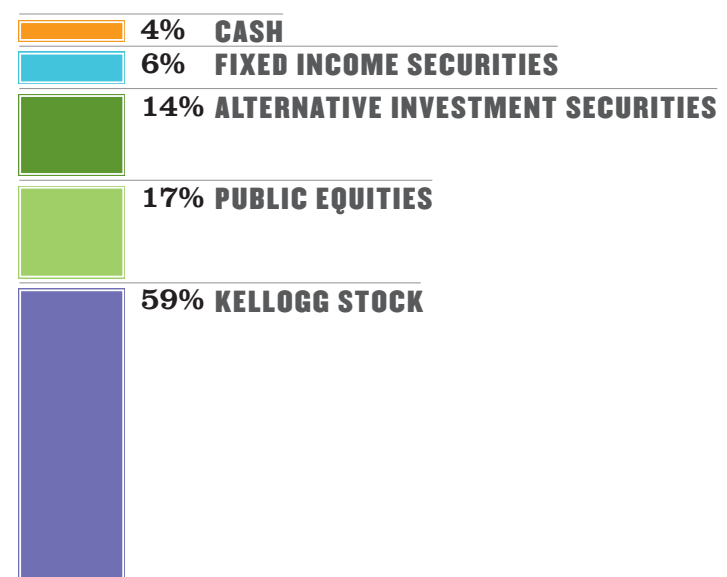


2011 INVESTMENT ASSET ALLOCATION

TRUST		
CASH	3%	\$ 209,930,564
KELLOGG STOCK	62%	4,338,565,003
PUBLIC EQUITIES	17%	1,175,611,162
FIXED INCOME SECURITIES	5%	314,895,847
ALTERNATIVE INVESTMENT SECURITIES	14%	958,682,911
	100%	6,997,685,489

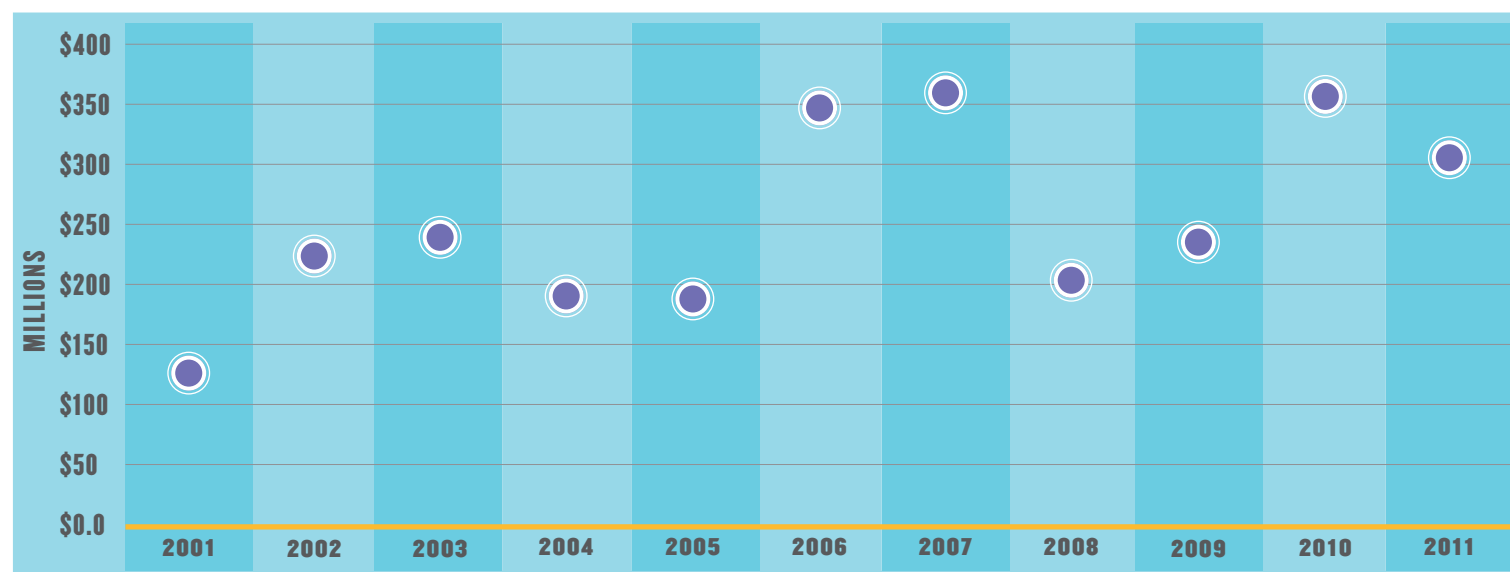
FOUNDATION		
CASH	16%	\$ 62,263,746
PUBLIC EQUITIES	26%	101,108,103
FIXED INCOME SECURITIES	29%	116,396,858
ALTERNATIVE INVESTMENT SECURITIES	29%	116,764,113
	100%	396,532,820

COMBINED FOUNDATION AND TRUST ASSET ALLOCATION



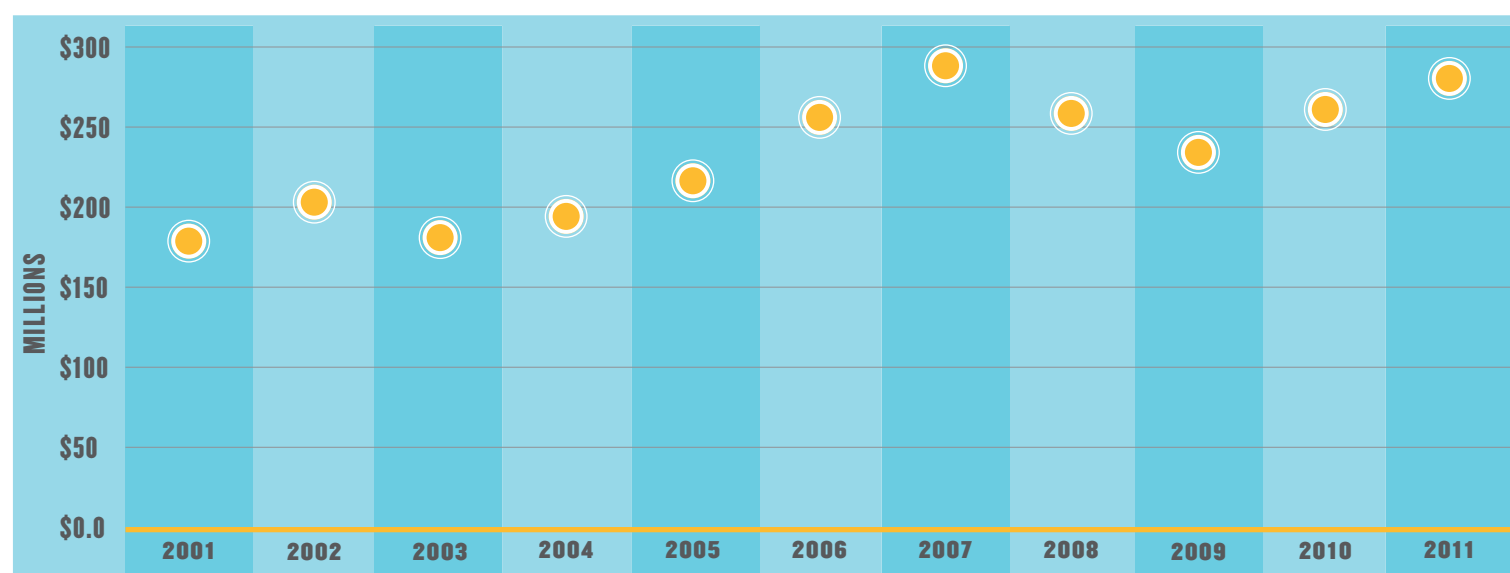
SUMMARY OF GRANTS

GRANT COMMITMENTS BY YEAR



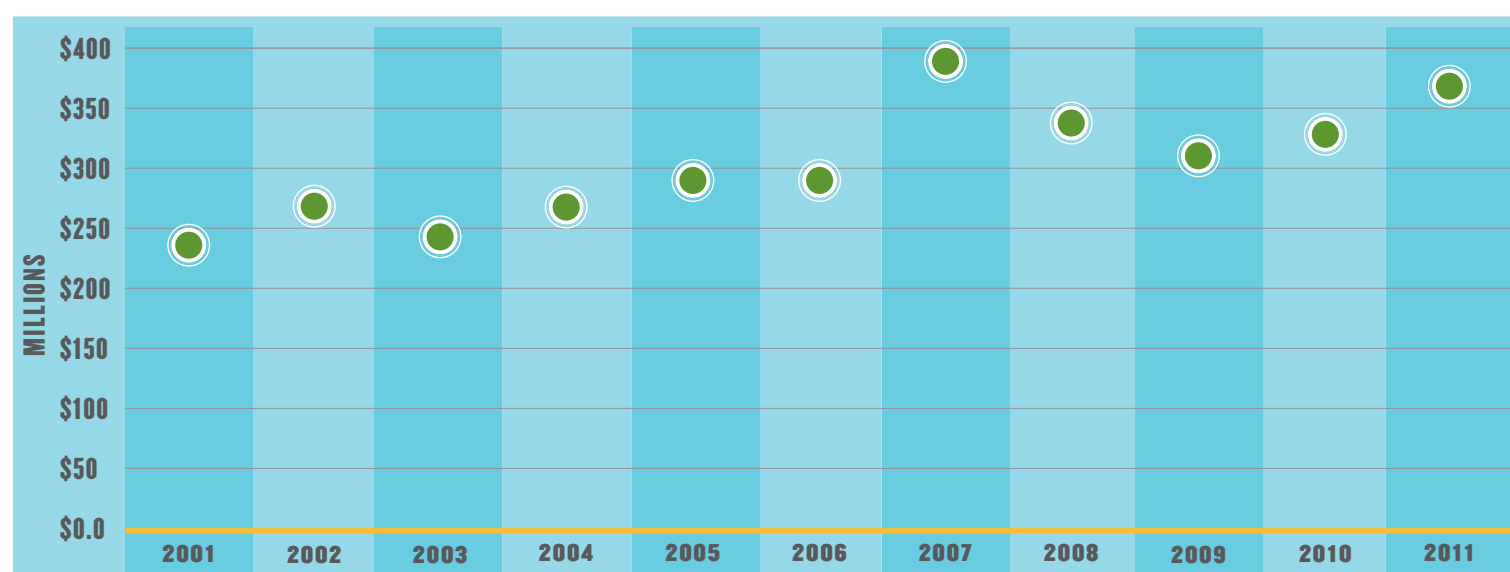
YEAR	DATA
2001	\$ 136,259,138
2002	221,522,283
2003	230,838,680
2004	192,806,707
2005	187,589,673
2006	346,632,494
2007	358,890,687
2008	203,845,798
2009	224,670,257
2010	360,000,857
2011	306,877,193

GRANT PAYMENTS BY YEAR



YEAR	DATA
2001	\$ 178,739,742
2002	200,745,771
2003	176,303,269
2004	195,007,421
2005	219,862,847
2006	262,809,343
2007	302,844,012
2008	272,511,562
2009	244,511,126
2010	270,011,667
2011	291,212,363

FOUNDATION PAYOUT BY YEAR



YEAR	DATA
2001	\$ 229,979,512
2002	257,826,158
2003	237,249,174
2004	259,585,656
2005	285,275,828
2006	285,275,828
2007	374,633,330
2008	350,215,787
2009	321,052,905
2010	336,126,232
2011	355,647,496*

* Estimated based on FY10-11



¿Cómo se da su hortaliza?

How does your garden grow?

El calculo es muy sencillo: para criar niños saludables, hay que cultivar en ellos las buenas costumbres alimentarias, lo cual incluye el conocimiento del origen de nuestros alimentos. Por esta razón, la Fundación W.K. Kellogg apoya a fuertes becarios quienes se esfuerzan por establecer una relación perdurable con el alimento saludable y fresco, como lo son El Centro de Alimentos La Semilla y la Campaña pro Escuelas Saludables. Juntos, obramos para asegurar que todo niño y niña prospere en la escuela, en sus quehaceres, y en sus vidas.

Aprenda mas tocante a nuestra obra en el campo de Alimento, Salud y Bienestar ingresando a: annualreport.wkkf.org/food

It's a simple equation: if you want to grow healthy kids, you also need to grow healthy eaters that know where their food comes from. To demonstrate our commitment to these priorities, the W.K. Kellogg Foundation supports organizations like FoodCorps, National Farm to School Network, School Food FOCUS, La Semilla Food Center and Healthy Schools Campaign to give kids an enduring relationship with fresh, healthy food. Together, we're working to ensure that all kids thrive in school, work and life.

Learn more about our work in Food, Health & Well-Being by visiting annualreport.wkkf.org/food



CAN A ZIP CODE ::: *determine the* ::: Health OF A GENERATION?

Where you live determines if doctors and dentists are available to provide care. It can mean more pollution in the air and water. It can dictate whether healthy, fresh and affordable food is available. And because a zip code can have a lasting impact on the health and opportunities of a child and his or her family, the Joint Center for Political and Economic Studies' PLACE MATTERS initiative, a grantee of the W.K. Kellogg Foundation, is working in 24 communities across America to create neighborhood-based conditions that propel children into a healthy future.

For more information regarding our work, go to
annualreport.wkkf.org/health