



June 2007

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Ms. George Stellmach
Kunin Group/Foss Manufacturing
11 Merrill Industrial Dr.
Hampton, NH 03843

Dear George,

"Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever has." *Margaret Mead*

Ten years ago, a small group from Leadership Cincinnati Class XIX made the bold move to open a free store for school teachers. Today, Crayons to Computers (C2C) is thriving and has changed the way teachers provide resources for their needy classrooms and students.

We have made a distinctive impact in the community - \$43 million worth of supplies distributed since 1997. If we did not exist, most teachers would spend \$1,000 or more of their own money annually to keep their classrooms full of the school supplies necessary for learning.

We are proud of our past ten years and all that we have become. We owe our successes to **you** and our other valued donors who have *invested* in us by providing critical product and financial support to serve 75,000 children in our tri-state area.

C2C is a retail store without a cash register, and we operate it like a business. We honor our core values, mission and vision, which never change. We remain focused on what we do best, and have been disciplined in adapting our systematic processes to meet the needs of all our stakeholders. The outcome is superior performance, which we are enthusiastic to share with you.

Our Leadership: Our CEO and COO, both full-time volunteers since inception, put our mission and work before themselves. They have earned the trust of our 15-member Board of Trustees whose strategic focus is centered on our vision "to provide every child with the quantity and quality of supplies needed to succeed in school."

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Our Volunteers: C2C has an army of 152 dedicated “family” volunteers who help us on a regular basis. Because of their teamwork, our operations are highly efficient and organized. Eighty-eight of our family volunteers have committed 5 years or more service to us.

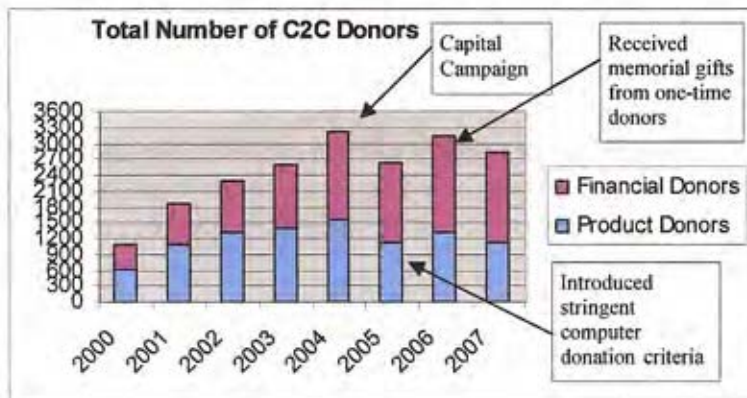
Ethical Accountability: Our stakeholders place high importance on our fiscal and ethical accountability as it relates to our product/service performance. According to the Cincinnati Better Business Bureau’s 2006 Giving Guide, C2C’s 95% “return” on donation dollars is the highest of any education non-profit to meet BBB’s Standards for Charitable Accountability.



Each dollar donated to C2C results in \$10 worth of supplies going into area classrooms.



Customer-focused Performance Results:



C2C works hard to cultivate and maintain a strong donor base. We receive product and financial donations from corporations, foundations and individuals on a continual basis. Many of our loyal donors fund our operations because they feel part of the organization. Our supporters feel appreciated and know their donations are put to good use.

Our customer-focused performance results are the continuous increase in the number of financial and product donors. 45% of donors are repeat “customers.”

Financial Results: C2C is strictly disciplined about our annual budget. Our sources of revenue have always exceeded our expenses. We have an endowment fund of \$3.8 million to help secure our future.

Market Growth and Market Share: We serve an ever-expanding number of needy schools due to increasing poverty and budget cuts in education. Our market includes 359 schools, including preschools, K-12 public, parochial and charter schools in 15 counties in Ohio, Kentucky and Indiana. In 2006/2007, we distributed an unprecedented \$7.5 million worth of product, an increase of 18.63% over last year.

C2C is the business model for 30 other resource centers around the country with whom we share best practices on a regular basis.

A new and expanding market for C2C is in the preschool area. Our Early Learning Tools (ELT) program is an initiative that responds to local and national studies revealing that children must be better prepared for kindergarten if they are to succeed in school. In alignment with the United Way's "Success by Six", C2C provides educational readiness items, such as word recognition flash cards, matching games, and manipulatives, to needy preschools. These items are handcrafted by C2C volunteers and inmates through our Crafts with Conviction program. ELT sales accounted for over \$300,000 worth of product in 2006/2007.

Organizational Effectiveness Results: Every time we deliver on what we promise, we continue to create value for our "customers", resulting in their loyalty and confidence in us. Since 1997, C2C has returned consistent value and impacted the community in the following ways:

Number of People Impacted	Quantitative Results	Qualitative Outcomes
75,000 Children	\$43,000,000 worth of critical educational tools	Motivated to learn
5,835 Teachers	138,861 shopping visits	Feel appreciated
359 Schools	\$477 per shopping trip (average) in 2006/2007	Thankful
6,970 Product Donors	Substantial tonnage diverted from landfills	Satisfied
4,125 Financial Donors	\$5,369,931 raised since 1999	Feel connected
6,183 Volunteers	177,169 Hours over 10 years	Pride
Inmate Volunteers	1.6 million volunteer hours	Self esteem

C2C is a homegrown, *great* organization, built from a simple idea. We have produced measured results year after year, which have attracted increased resources and commitments. We are proud that our donors, like **you**, not only believe in our compelling mission, but also in our ability to deliver on that mission.

Thanks, again, for your investment in us and in the educational success of our children.

Sincerely,

Shannon

Shannon Carter
President & CEO



*George,
teachers love
your feet!
thanks for being such
an important part of our operation.*

