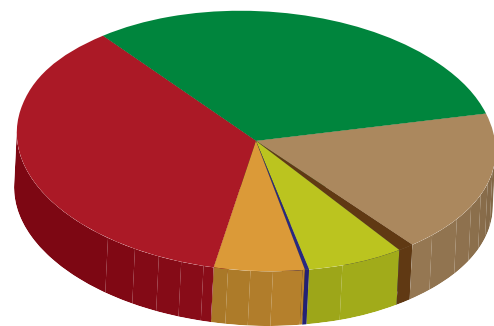
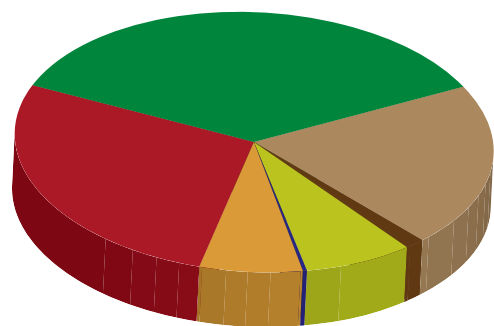
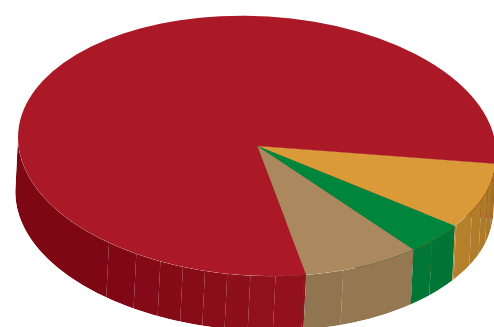
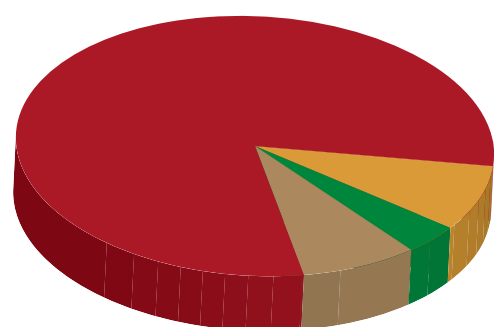


Financials

Fiscal Year July 1, 2009 - June 30, 2010



Revenue:	Accrual Basis*	Cash Basis**
Foundations & Grants	116,633	116,633
Board of Directors	461,060	685,379
Mentorship	596,085	596,085
Annual Fund, Bequest & Individual Donors	341,938	341,938
Other Income	21,992	21,992
Campaign	1,013	1,013
Return on Investments	127,874	127,874
Total Revenue	1,666,595	1,890,914



Expenses:	Accrual Basis*	Cash Basis**
Community Programs	1,595,073	1,531,135
Public Education	164,698	161,099
Management & General	79,881	77,199
Fundraising	157,773	153,892
Total Expenses	1,997,425	1,923,325
Net Income/(Loss)	(330,830)	(32,411)

* Accrual statements do not reflect \$224,319 cash received on 5-year campaign pledges revenue that was previously recognized in 2009.

** Cash basis statements include \$224,319 cash received on 5-year campaign pledges from 2009 and removes \$74,100 of noncash depreciation expense.



Foundation and Corporate Giving

- | | |
|---|---|
| Adam Albright 1996 Charitable Trust #20 | Lockheed Martin |
| Adam Albright 1996 Charitable Trust #25 | Madden Communications, Inc. |
| Actna Foundation | Many Farms Chapter |
| Applied Materials HQ Group | Melnsess Foundation |
| Aria Foundation | Merrill Lynch Matching Gift Program |
| Bank of the West Employee Giving Program | Native American Affairs |
| Barry S & Evelyn M Strauch Foundation | Network for Good |
| BD Group | Northern Trust Company |
| Blue Heron Foundation | Northwest Natural Gas Company |
| Boye Foundation, Inc. | Penitentiary of New Mexico Inmate Trust Account |
| Carson-Pfafflin Family Foundation | Pfizer Foundation Matching Gifts Program |
| Catholic Community of Pleasanton | Pitney Bowes World Headquarters |
| Cissy Patterson Foundation | RBC Wealth Management |
| Claire Giannini Fund | Robert C and Nani S Warren Foundation |
| Community Foundation of Central Illinois | Rundgren Foundation |
| Crown Clothing Corp. | SAD Foundation |
| Del Norte Rotary Foundation | Salem Electric |
| Denver Foundation | Samuel Rapaport Jr Foundation |
| Dorsey & Whitney Foundation | San Manuel Band of Mission Indians |
| Enivar Charitable Fund | Santa Fe Community Foundation |
| Estate of Thelma Kenison | SAP Matching Gift Program |
| Fidelity Charitable Gift Fund | Schwab Charitable Fund |
| Follett Corporation | Scoggin-Blue & Associates |
| Fred and Hinda Shuman Foundation | St Paul's Evangelical Lutheran Church |
| Gold Family Foundation | Stephen and Audry Marmon Gift Fund |
| Goodrich Foundation Partners in Giving | Tamaya Enterprises Inc Santa Ana Star Casino |
| Grace Lutheran Bible Class | The Pittsburgh Foundation |
| Hancock Family Foundation | The Reidler Foundation |
| Intel Volunteer Grant Program | United Way California Capital Region |
| John H Breck and Barbara N Breck Fdn | United Way of Central NM |
| JustGive | Zaydas Native American Fund |
| Kabana Inc. | |
| Leonard J & Ethel E. Smith Charitable Fdn | |
| Liberty Savings Bank Bank for a Cause | |
| Local Independent Charities of America | |

FUTURES FOR CHILDREN
9600 Tennyson St NE
Albuquerque NM 87122-2282
www.FuturesForChildren.org



Where Native Youth become Tomorrow's Leaders!

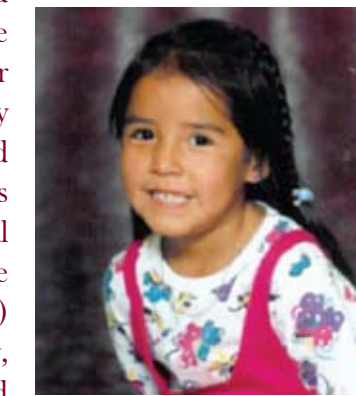


2010 Annual Report

Photos © 2008 Kim Ashley

Transforming into Role Models

Years ago, Sharon and Don Wright were choosing to mentor a child together. They flipped through a binder filled with pictures and profiles of American Indian children who were waiting for mentors, and both Sharon and Don, without knowledge of each other's decision, chose Olivia Redhorse in Chinle, Arizona. When they first saw Olivia's picture—with her pink outfit and braided hair—they could not have known they would see her graduate from elementary school, high school, and college, become a Systems Analyst for the National Aeronautics and Space Administration (NASA) White Sands Test Facility, and also become a board member of Futures for Children. They saw her transform from a kindergarten student into the successful, confident, young Navajo woman she is now.



The coincidence that Sharon and Don each independently chose Olivia was only the first in a series of three events that show that this mentorship was meant to be.

The second event began during Olivia's school days. As she sat at her desk doing homework, she used to imagine herself all grown up and speaking in a room filled with people who wanted to know how she had become successful. This dream gave her the determination to continue with her schoolwork, but it would not reveal its significance until years later. Then in 2008, Olivia was asked to be a speaker at a Futures for Children dinner. She found herself in a room like the one she imagined and was sharing her mentorship success story. It seems her childhood imagining was really a glimpse into her future.

After college, the third event set her on a successful career path: Olivia left the company for which she had been working and the very next week had an interview

with NASA. Because Futures for Children and her mentors had been asking her about her interests and talents for years, Olivia was well-prepared for the questions. Her career at NASA would prove to be a perfect match for her personality and skills. Now, she loves working there, has received promotions and special recognition, and says that her job "was in the cards. It was just meant to happen." If Olivia had never been mentored at Futures for Children, she would not have had the same educational opportunities and would never have met her wonderful mentors. Even though mentorships officially end after students graduate, Olivia does not feel her mentorship ever ended. She still stays in contact with the Wrights because they have formed a lasting friendship.

Sharon and Don would not have experienced Olivia's Navajo culture were it not for their mentorship. Olivia's loving family welcomed Sharon and Don during their visits, and they were able to witness traditional cultural values. Sharon and Don noticed the "reverence for nature and man's relationship to it" and "the importance of closeness of family." Mentoring Olivia, say Sharon and Don has "changed [their] lives for the better, without question."

Olivia is determined to preserve her culture and has dreamed of returning to her reservation to teach children the Navajo language or to use her technological skills to improve school computer databases.

Although three events show that her mentorship was "in the cards," it certainly is not by chance that Olivia has become successful in her modern career while preserving her Navajo identity. Through the support of her family, her mentorship with the Wrights, and her own strength of spirit, she is a role model for all American Indian students and for everyone who hears her story.





President's Message

These are challenging times for every non-profit, a tune that the reader of this annual report has heard numerous times over the last two years. However, I am pleased that our financial update for FY 2010 reflects a 12% administration rate – making an investment in Futures for Children both effective and efficient. But, the financial update is only one part of the picture of Futures for Children in FY 2010. I would like to celebrate the story of the many other assets from which Futures has benefitted over the last year.

I will begin with the Board of Directors of Futures for Children – a board that is skilled, hard working and fully committed to the work of Futures. The Chairman's message below is a perfect example of the level of board expertise enjoyed by Futures for Children. There is no ghost writing involved, so Peter's message reflects the high level of leadership and the deep commitment of the Board of Futures to our work and the young people we serve.

The story of Olivia Redhorse in this Annual Report reflects the hard work and determination of our students. In the face of overwhelming odds, young people just like Olivia breathe their hopes and dreams into our work. In the face of the many mundane and difficult tasks faced by our wonderful staff to deliver programs over a 3,000 square mile area, it is the students that inspire us on a daily basis.

Whether one starts with the children and journeys to the board members, or follows the reverse trail does not matter, because Futures for Children is a huge circle of support surrounding native students. In addition to determined students and committed board members there are approximately 1,075 volunteers (177 community volunteers and almost 900 mentors), and many generous donors that together forge a track record of success. The people in this circle who contribute time, money, and energy are the building blocks for future growth. There are many more American Indian young people who are poised and ready to turn the legacy of destruction they have been handed into a legacy of a brighter future.

Jim West



Chairman's Message

Over the last year, the board and the staff of Futures for Children have been diligently working on and implementing a number of strategic changes to the Futures program. At a board retreat and planning session in January, the policy basis for a shift in emphasis among our three programs, Friendship, Youth Leadership, and Families in Action was developed. For the first time in our history, the number of youth participating in our Youth Leadership Program equaled the number of youth in our Friendship Program. Clearly, change was in the air and we needed to respond.

At that January board meeting, we outlined three goals for the organization: 1) to develop our Youth Leadership Program into the priority program at Futures; 2) to develop our Friendship Program into a financially self-sustaining entity; 3) to develop a strategy for raising and maintaining the financial resources necessary to sustain the growth and continued development of the programs offered by Futures for Children.

We have spent the greater part of this year working on and implementing these strategies. For a number of years we have been financially subsidizing our Friendship Program. Those of you who have a sponsored student know that we now offer a less costly and more education-orientated sponsorship level than our previous program. All new sponsors will be in this program. It is an economically-sustainable program for Futures and one that offers significant educational tools to the student. With these changes we hope to increase the number of Friendship students.

As the number of students enrolled in our Youth Leadership Program has dramatically increased in recent years, the board sees the wisdom of devoting more of Futures assets toward these students. The need for developing leadership in the youth of America is a paramount challenge for our country. It is even more so in Indian country. I wish each of you could experience the growth of these children that attend our programs. It is incredible to witness. In fact you can. We now have a new DVD that tells a story of a young lady from Monument Valley in Arizona. It is on Facebook, YouTube, our website, or available from our office. The title of the DVD is "Glenna's Story". Call and ask for one to view. It is very inspiring, and once you have seen it, why not organize a gathering to show it to your friends? Futures would be very happy to assist. My wife Janet and I are doing this. It's easy and fun and can surely help Futures.

We have built the Youth Leadership Program and the Friendship Program into nationally- recognized youth enhancement programs. We are working at doing the same thing with Families in Action, for without the support of their families, Native American children will find it extremely hard to break out of the cycle of unemployment and poverty.

Your board has had a very busy and productive year. We are very excited about the future. We thank you for your support and look forward to it in the future. Stay involved, there is much to do.

Peter J. Fagan



Transforming into Leaders

Giant puzzles on the floor? Bare feet? Bingo? Could this be the Youth Leadership Project Coach Training?!

At Futures for Children, we believe that experiential learning is essential for American Indian youth leadership development. What is experiential learning? It has been called "the process whereby knowledge is created through the transformation of experience."¹ Our Project Coaches and Youth Leadership students participate in experiential learning to transform their experiences into knowledge and to transform themselves into leaders of their communities. The Project Coaches learn to lead a group of students, and the students learn to become leaders by organizing projects for positive change within their American Indian reservation communities.

But it is difficult to help a group of these Futures for Children students with the projects while allowing them to become self-reliant. Too much direction from an adult may cause the children to feel dependent and helpless to become leaders; too little direction, and a creative group of children may never become organized enough to work together effectively. Finding a balance so that the young leaders are given enough assistance to be efficient, while still being independent, is the responsibility entrusted to our Youth Leadership Project Coaches.

In order to help Project Coaches with their task, Futures for Children hosts volunteers for two-day Youth Leadership Project Coach Trainings. During these trainings at Futures for Children's headquarters in Albuquerque, NM, the volunteer Project Coaches learn to lead a group of Youth Leadership students by

listening to presentations and participating in group activities. Because these adults experience the very same activities that are recommended for use in student groups, Project Coaches gain the confidence to assist the children with their community service projects. Herbert Manheimer, Futures for Children's Director of Program Field Services and a Regional Coordinator, comments that experiential learning is useful because "a lot of our Native People learn by doing." The skills that he hopes the volunteers develop during trainings are "understanding of the self-help process, debriefing, evaluating, [and the] confidence to facilitate activities."

That's where a modified version of Bingo comes in. Students and Project Coaches can use this activity as an icebreaker to become acquainted with their peers and to form cooperative relationships. And the giant puzzles? This team building activity allows students to work together on a simple task so that they can tackle larger service projects. What about the activity "Bare Feet?" In this exercise, children trace their footprints and label them with different steps toward a goal. The students learn to make realistic plans for improvements within their communities.

Thanks to the wonderful Regional Coordinators who conduct these events, trainings are highly successful. The Regional Coordinators' guidance allows the Project Coaches to participate in experiential learning and to become comfortable using this method with their student groups. Through Youth Leadership Project Coach Trainings, both volunteers and students are given the opportunity to transform into leaders who will assist American Indian communities on their paths to the future.

¹ Kolb, David A. Experiential Learning: Experience as the Source of Learning and Development. New Jersey: Prentice Hall, Inc., 1984.

2010 Fiscal Yearend Statistical Highlights

- In over 40 years FFC has helped over 20,000 American Indian students.
- 141 program sites across New Mexico & Arizona.
 - 105 Friendship
 - 28 Youth Leadership
 - 8 Families in Action
- 177 trained volunteers deliver the Three Circles of Support to their communities.
 - 134 Friendship
 - 31 Youth Leadership
 - 12 Families in Action
- 2,178 current American Indian students in the Three Circles of Support.
- 967 American Indian students participate in Youth Leadership where they learn skills to address community needs, develop their ideas, and put them into action.
 - 1,076 American Indian students receive education support, encouragement, and guidance from mentors from all across the world.
- 135 families participate in Families in Action programs; learning ways to lead that positively affect their child's academic success.
- FFC Regional Coordinators cover over 3,000 sq miles.
 - Two Youth Leadership Summits were held to bring students from various tribes and communities together to enhance their leadership skills, share ideas, and develop understanding and awareness of each other's cultures. 110 students attended.
 - 14 high school students took part in College Horizons 2010, a pre-college preparatory week hosted by Lawrence University in Wisconsin and the University of Puget Sound in Washington.
 - Class of 2010 was comprised of 127 students. 120 graduated. 95% graduation rate. This compares to an AZ/NM average for American Indian students of 50%.
 - Of the 127 graduates, 26 have confirmed that they are continuing with post-secondary pursuits.

executive committee

- Peter Fagan - Chairman**
Sedona, AZ
- Jeff Blade**
Treasurer and Finance Chair
Indianapolis, IN
- Mary Anne Larsen - Secretary**
Santa Fe, NM
- Mike Eagle**
Member at Large and Development Chair
Rancho Santa Fe, CA
- Dr. David Beaulieu, Ph.D Governance Chair**
Milwaukee, WI
Tribal Affiliation: Minnesota Chippewa, White Earth Reservation
- James L. West**
President/CEO - Tijeras, NM
Tribal Affiliation: Cheyenne

Board of Directors

board members

- Roger Abelson - Glen Cove, NY**
- Joyce E. Chelberg - Chicago, IL**
- James P. Donahugh - Wood Dale, IL**
- Michael E. Godwin - Audit Chair**
Albuquerque, NM
- Elza Bergeron Gross**
La Canada Flintridge, CA
- Margaret Hartman - Program Chair**
Dallas, TX
- Veronica Gonzales - Albuquerque, NM**
- Tracy Stanhoff**
Huntington Beach, CA
Tribal Affiliation: Prairie Band Potawatomi Nation
- Lisa Wallender**
Manhattan Beach, CA
- Denise Joe - Kirtland, NM**
Tribal Affiliation: Navajo
- Olivia Redhorse - Las Cruces, NM**
Tribal Affiliation: Navajo
- Elizabeth Duggal**
Washington, DC
- Terri Parsons - Congerville, IL**