

Annual Report 2008-09



OPERATION
Breakthrough

3039 Troost Avenue • Kansas City, MO 64109 • www.operationbreakthrough.org

Looking to the Future

This fiscal year was the year of The Future at Operation Breakthrough. All year long, our staff and board of directors met to hammer out Operation Breakthrough's strategic plan. While responding to the children's needs for care and education in the moment, we worked to ensure that Operation Breakthrough can meet their needs in three years, five years, a decade from now.



Succession planning was a major focus. A vital Operation Breakthrough depends on wise, visionary and energetic leadership. We are blessed to be overseeing the cultivation of a whole new generation of such leaders, dedicated staff members who are already at work at Operation Breakthrough. Their input has been an important part of the planning that took place this year.

Any discussion of Operation Breakthrough's future must include the role of government. Twenty years ago, Operation Breakthrough operated almost solely on government funding. Today, less than half of our budget comes from government sources, primarily due to cutbacks and antiquated guidelines that determine the eligibility of low-income families for childcare assistance.

Spurred by the fact that Missouri ranks 49th in the nation for giving low-income families



access to state childcare subsidies, we created an advocacy committee and re-doubled our efforts to bring the needs of our families to the attention of lawmakers. We made numerous trips to the Missouri Capitol, meeting informally with legislators and testifying on the floor of the Legislature about the fact that outdated income guidelines are forcing our parents to turn down raises and promotions for fear of losing their state childcare assistance. By year's end, we could point to some individual successes, but overall there was no change in the state's childcare assistance policies, making continued education and advocacy on child welfare issues a top priority for Operation Breakthrough's future.

Looking ahead also calls for a certain amount of looking back. When we think about Operation Breakthrough's profile in the community 40, 30, 20 – even 10 – years ago, we are simply amazed at how far Operation Breakthrough has come.

This fiscal year, we attended benefits for our children at both Arrowhead and Kauffman stadiums. Talk about pinching yourself to make sure you're not dreaming! Our entire staff takes tremendous pride in and comfort from this community's wholehearted embrace of Operation Breakthrough's children.

Whatever the future holds for Operation Breakthrough, we hope we can continue to count on you to work with us. Your support makes all the difference!

With thanks for all you do,


Sister Corita Bussanmas
Co-Director


Sister Berta Sailer
Co-Director

A Year of Progress

EARLY CHILDHOOD

This year, the Early Childhood Education Department added new structure to its interdisciplinary team approach. The department's 22 early childhood classrooms are divided among four neighborhoods. Under the new structure, each neighborhood is supported by its own education coordinator, social worker and play therapist with support from the agency's health & disabilities coordinator, speech therapist, occupational therapist and



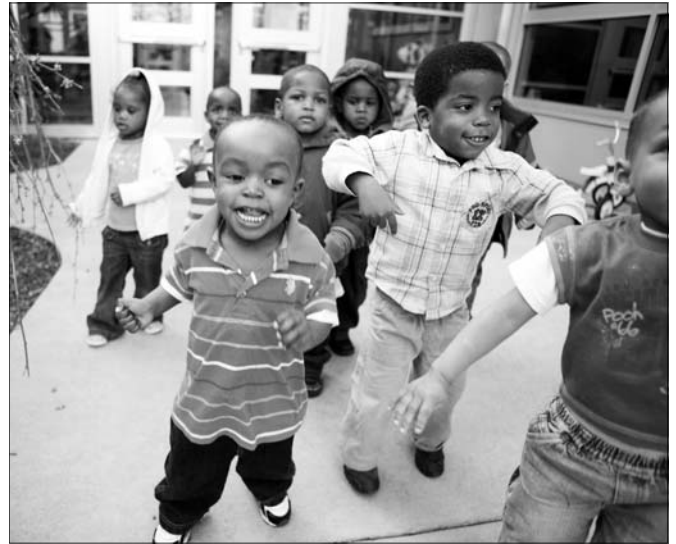
other health services. This structure allows us to target the individual needs of children and families and address those needs

holistically. Inside the classrooms, education coordinators completed developmental assessments on each child, which helps teachers plan activities based on children's areas of interest as well as their developmental level. A newly developed portfolio system helps teachers communicate what the students are learning. Also new this year were display boards in our hallways that allow teachers to showcase children's work and learning processes. Parents had several special

opportunities to be involved in and learn about their children's progress this year, including parent-teacher conferences held in the fall, winter and spring.

SOCIAL WORK

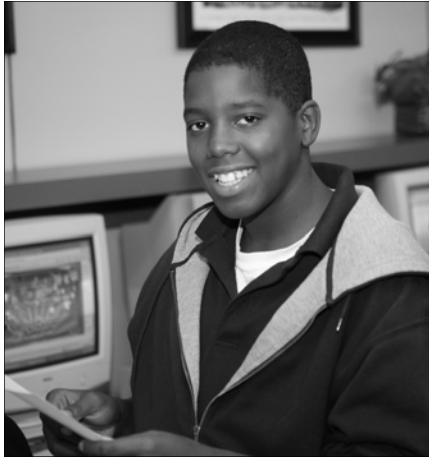
The Social Service Department expanded to include five family advocates - one for each of the four neighborhoods in the early childhood center and one for the school-age program. The department assisted more than 350 families with rent, emergency food, clothing, furniture and other necessities. Family advocates provided crisis intervention and on-going case management to families in need of services. The advocates have organized and implemented parenting programs throughout the year, including Child Advocacy Day, Head Start Meetings, parent support groups, legal assistance and HPV clinics. Four graduate and undergraduate students from local universities spent the past nine months doing a social work practicum at Operation Breakthrough. The department created and launched a supportive housing program at 27th and Troost, which currently serves six previously homeless families facing mental health and recovery challenges.



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COLLEGE PREPARATION

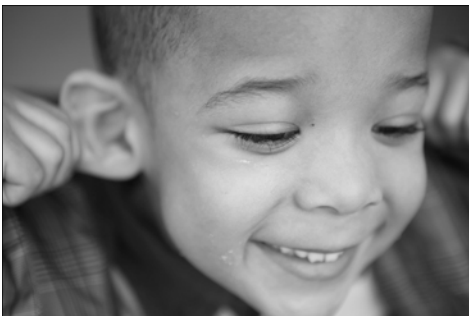
The program continued to include preparation for the ACT exam, college visits, completion of financial aid and admissions applications, college selection workshops and other opportunities for high school students to progress toward college. The addition of a partnership between Operation Breakthrough and



the Duke Alumni Association of Greater Kansas City in 2008 enhanced the program by giving students one-on-one guidance. In 2009, four graduating seniors were awarded scholarships, thanks to funders of Operation Breakthrough. These first-generation high school graduates attended four-year institutions including Northwest Missouri State, University of Central Missouri, and University of Missouri-Kansas City.

PARENTS AS TEACHERS

Parents as Teachers continued to be offered to families on a monthly basis on-site. Seventeen infant and toddlers teachers maintain certification as parent educators to lead visits with parents of children in their classrooms.



HEALTH SERVICES

Major foundation support made it possible for the dental clinic to expand its operating hours from one day a week to three days a week and to serve both children and parents. A new vision clinic opened in December 2008 and gives free exams and glasses. The vision clinic has served over 300 children and parents this year. The number of children under 6 receiving in-house therapy for speech or motor issues increased to 78.

CLINICAL DEPARTMENT

The clinical department provided individual play therapy to 135 children and psychiatric services to 67 children. It also provided weekly violence prevention lessons for 150 preschoolers and weekly psychosocial peer groups for 3for 30 children. The music therapy program continued to include regular sessions in infant, toddler and preschool classrooms as well as individual music therapy for 10 children. The adult therapy program marked its first full year with a full-time therapist and expanded its reach in our parent community with the creation of the Coffee Club, a drop-in group that emphasizes self-esteem, healthy relationships and creative expression.



SCHOOL-AGE PROGRAM

The school age program provided before/after school, summer and holiday care to more than 420 school-age children attending school in eight districts around the metro area. The school-age program established partnerships with over 50 different community businesses and organizations to provide quality enrichment programming, extracurricular experiences and camp opportunities. School-age children visited 80 local attractions (including museums, parks, art centers, zoos/farms, nature centers and sports facilities). Mentoring opportunities were organized for approximately 25 children. All the teachers in the school-age program have earned their Youth Development Credential. This certification denotes over 135 hours of training specific to youth programming. The knowledge gleaned through this coursework is applied to daily enrichment activities in the classrooms before and after school as well as on school holidays and during summer programming.



DEVELOPMENT

This year, Operation Breakthrough successfully applied for more than \$1,518,000 in competitive grants. Our 10th-annual fundraiser, "Over the Rainbow," hosted more than 900 guests, raising over \$500,000. This year, the Kansas City Royals chose our children to benefit from their "Diamond of Dreams" fundraiser. This event brought in \$150,000 for Operation Breakthrough. Other successful benefits included Farm Fest and The Breakthrough Tour. In December 2008, the Center's annual holiday adoption program provided gifts for more than 2,800 children. This year the Operation Breakthrough "Circle of Friendship" auxiliary began with over 200 members.

VOLUNTEERS

Individual volunteers gave 30,301 hours of service to Operation Breakthrough this fiscal year. In addition, more than 150 groups volunteered time at Operation Breakthrough. This year, volunteers created a playground in a day and finished our outdoor garden classroom as well as TLC for all of our underprivileged children. Volunteers of all ages, from young school age children, college students to the elderly, our volunteers provide much needed assistance in building playgrounds, providing new educational and social opportunities for our children, and assist in many other ways.



Financial Analysis

The following information is from our audited financial statements for the fiscal year ending October 31, 2009.

During the year, Operation Breakthrough had total revenues of \$7,890,108 and expenses of \$7,104,532. These figures include approximately \$500,000 of capital funds, used to retire the remaining debt on our building. The final payment on the mortgage was made early in 2010.

Approximately 40% of our revenue is from government sources, including state of Missouri child care payments, the city of Kansas



City, Missouri child care supplements, and state and federal Head Start funds. The remainder derives from foundations, corporate grants, and individual private donations.

Operation Breakthrough had its annual dinner and auction at the Muehlebach Hotel in downtown Kansas City in April. In addition, the Kansas City Royals named us as one of the beneficiaries of its Diamonds of Dreams fundraising event held in June.

We continued to have significant support from foundations and corporations even in an economic climate of crisis. Operation Breakthrough continues to rely on the generosity of individuals, foundations, and corporations to provide high quality early education and family support in the inner city of Kansas City. Government payments for child care have not kept pace with the increases in costs over the past twenty-five years. In addition, Missouri ranks near the bottom nationally for providing low-income families access to childcare subsidies because the state's income eligibility guidelines are so outdated. Addressing the inequities in the state's funding for child care has been a major priority as we attempt to educate the public and our legislature on the needs of our families.

Audited Financials 2008-09

Income

Contributions	\$3,722,558
Day care/Transportation Fees	59,440
Contracts	
Social Services (MO)	\$1,233,771
City of Kansas City Child Care	\$128,648
Homeless Child Care & Transportation	\$84,153
U.S. Department of Agriculture	398,508
Grants	1,518,512
Investment Income	1,907
Fundraising	730,452
Miscellaneous	12,159
	7,890,108

Expenditures

Salaries and related expenses

Salaries	3,757,958
Payroll Taxes	293,231
Retirement Plan Contributions	19,735
Health and Life Insurance	405,603

Direct Care

Cafeteria Foods	319,008
Cafeteria Non-Food Items	47,570
Field Trips	48,005
Education Supplies	73,263
Hygiene Supplies	14,244
Medical and Dental Supplies	45,663
Diapers	19,802
Laundry	19,383
Clothing, Food & Materials to Families	110,718
Contract Services	272,856
Housing Expenses	0

Transportation and equipment

Small Equipment Purchases	3,799
Equipment Rent	894
Bus Rental	2,329
Maintenance and Repair	110,786
Gas and Parking	31,290

Facility

Utilities	127,080
Maintenance and Repair	137,758
Warehousing & Rent	31,682
Maintenance Supplies	77,899
Trash and Exterminating	26,697
Security	0
Depreciation	492,296

Fundraising

	166,377
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Administrative

Bank Charges	13,555
Insurance	169,520
Interest Expense	28,925
Office Supplies	43,783
Postage	4,037
Professional Services	42,540
Computer Expenses	27,596
Telephone	36,710
Training and Conference	17,566
Miscellaneous	64,374

Total expenditures **7,104,532**

Change in net assets **785,576**

Net assets beginning of year **13,109,299**

Net assets at end of year **13,894,875**

Board of Directors 2008-09



Sister Corita Bussanmas
Operation Breakthrough (Ex-Officio)
Sister Berta Sailer
Operation Breakthrough (Ex-Officio)
Brad Boers (Treasurer)
Lockton Companies
Lori Dean (Secretary)
Dean Machinery

Sharil Parente (Chair)
Honeywell, FM&T
Dr. Elisa Silverstein (President)
Children's Mercy Hospital
Susan Stanton (Vice President)
Consultant

David André
Attorney and Counselor at Law
Lajuana Counts
Asst. US Attorney for Western District of MO
Tad DeOrio
TAS Insurance Group
John Griggs
H & R Block
Carol Hallquist
Hallmark Cards, Inc.
Perry Hodgden
Oppenheimer & Company
Josephine Njoroge
Kansas City, MO School District

Dorene Shipley
Carondelet Health Systems
Judge Christine Sill-Rogers
Div. 31, JACO Circuit Court
Carol Smith
Creative Candles
Steve Soden
Shook, Hardy and Bacon, LLP
Jim Stacy
DST Systems, Inc.
Katie Stilwell
MarketSphere Consulting