Report to the Community 2007
Advancing Pediatric Care, Research & Training

Development

Since 1997, the Foundation has raised funds to ensure that Lucile Packard Children’s Hospital and the pediatric programs at Stanford University School of Medicine are able to provide the finest, family-centered care to children; train the next generation of pediatric medical leaders; and conduct research into treatments and cures for diseases that affect children throughout the world. Growth in community support over the last decade has helped transform Packard Children’s into one of the nation’s top children’s hospitals, and has sustained its commitment to care for any child in the community, including those without health insurance.

See more on fundraising achievements in 2007

Pediatric Medical Affairs

In addition to its work as the fundraiser for Packard Children’s and Stanford’s pediatric programs, the Foundation is responsible for granting and overseeing $300 million of the more than $500 million raised through the first Campaign for Lucile Packard Children’s Hospital, launched in 2001 in concert with the David and Lucile Packard Foundation. During 2007, the Foundation awarded and oversaw grants totaling $19 million to advance children’s health.
An Evolving Program

The Grantmaking program underwent a major shift in 2007, when the Board of Directors decided to phase out funding in the area of prevention of abuse and neglect of young children. The decision, which took effect in 2008, came after an extensive assessment of the Grantmaking program, which had funded in the 0-to-5 age group for seven years. The board recognized that in recent years significant attention and funding has been brought to bear on young children, most notably through First 5, and that throughout its history the Grantmaking program has received far fewer requests in this area than in the realm of preteen emotional health. Based on that, the board decided to focus more attention on preteens in the future.

During 2007, the Foundation made 27 grants totaling $2.5 million to community partners in Santa Clara and San Mateo counties that worked in the 0 to 5 and preteen age ranges.

In the young child area, one notable grant was the International Children’s Assistance Network’s program to develop workshop leaders for a culturally and linguistically appropriate child abuse prevention program for Vietnamese families with children under the age of 5. The curriculum proved so popular that requests came in from all over the United States, from Vietnam, and from other countries with large numbers of Vietnamese immigrants.

Two grants in the preteen area were intended to have a major impact on after-school and youth development programs. Funding for the California School-Age Consortium supported Developing a Quality After School Workforce, to address the needs for trained, qualified entry-level workers. The Youth Development Integration & Alignment Project at the John Gardner Center for Youth and their Communities is a three-year pilot to plan, implement, evaluate, and disseminate a curriculum and tool kit to train adults who work in schools and after-school programs on effective youth development practices.

In addition to the grants for young children and preteens, the Foundation contributed $1.37 million to two joint grants with Lucile Packard Children’s Hospital. One of these is funding a five-year pilot program to place nurses in four San Jose public schools, and the other contributed to a Packard Hospital program that offers weight control assistance in the community for children and youth.

The Foundation also awarded six special grants totaling $242,500. For more information about the grantmaking program, see www.lpfch.org/grantmaking/.
Expanding Our Focus on Children’s Health

In 2007, the Foundation’s Information Program broadened its efforts on behalf of children to encompass four new counties (Alameda, Contra Costa, Marin, and San Francisco) in addition to its original two-county area (Santa Clara and San Mateo).

Wide-ranging data on the 1.4 million children who reside in this six-county region now are easily accessible on a revised and expanded kidsdata.org, the program’s flagship website. The Foundation also launched a pilot version of kidsdata.org in Santa Barbara County in 2007.

A survey of 1,800 Bay Area parents released in 2007 helped shed light on how parents think their kids are faring across a wide spectrum of issues, from asthma and obesity to sleep and the effects of media. The survey found that while most parents generally viewed their child’s overall health as excellent, they were less optimistic about emotional health issues.

The foundation continued to promote the well being of children in San Mateo and Santa Clara counties by leading collaboratives that produced reports tracking indicators of children’s health and well being in each of these counties. The Information Program also shed light on the status of children’s oral health in San Mateo and Santa Clara counties through an online issue brief.

As part of its work of drawing attention to the status of preteens, the Information Program inaugurated a series of lunchtime discussions for the 1,000-plus members of the Preteen Alliance and funded a study that assessed various methods researchers can use for interviewing preteens.

Several conferences, radio shows, surveys, and studies also received Information Program support in 2007, all with the goal of raising the profile of children’s health in the Bay Area and increasing knowledge about the region’s children.

For information on other Information Program projects, see www.lpfch.org/informed/.
Breaking New Ground

Dear Friends,

With new leadership at the helm, 2007 was bound to be a year of transitions for the Foundation. While we made some changes and anticipate more, our guiding principle continues to be advancing the health and well being of children.

In May, we made a major commitment by launching the $300 million Breaking New Ground fundraising campaign for Lucile Packard Children’s Hospital and the pediatric programs of the Stanford School of Medicine. Packard has become one of the nation's top children’s hospitals in recent years, thanks to the generosity of our donors. Due to this success, an expansion is needed so that the hospital will be able to care for increasing numbers of children while continuing to make advances in research and training. These advances can best be made by recruiting outstanding post-doctoral fellows and faculty in the early stages of their career. Toward that end, the campaign is seeking a number of endowed post-doctoral fellowships and faculty scholar awards that will provide salary and research support. By the end of 2007, the campaign had reached $198 million toward its $300 million goal.

The Foundation’s fundraising total for 2007 was $46 million, and a record 8,691 individuals, foundations and corporations made gifts. Among the efforts these funds helped support were a newly opened Packard South Bay Specialty Center in Los Gatos, and an interactive, bilingual website for children ages 5 to 12 to help prepare them for their hospital visit.

Our Grantmaking Program underwent a transition, as the board decided to phase out our support of community programs to prevent abuse and neglect of children ages 0 to 5. While this is, of course, a vitally important area of child health, the board recognized that other funders have entered this field over the past several years, and that our Foundation historically has received many more requests to support work with preteens.

After a careful assessment, the board chose to make the change beginning in 2008. This decision opened up new opportunities for investment in children’s health, and we have begun a strategic planning process, involving board, staff and the community, to explore new ideas. These may include taking a stronger advocacy role, and addressing children’s health issues that are in closer
alignment with our partners at Packard Hospital and the Stanford School of Medicine.

During 2007, the Grantmaking Program invested $2.5 million in 27 local agencies that offered a variety of programs. In the 0-5 area, for example, one notable grant helped develop workshop leaders for a culturally appropriate child abuse prevention program for Vietnamese families. The curriculum proved so popular that requests came in from all over the United States, from Vietnam, and from other counties with large numbers of Vietnamese immigrants.

One of our preteen grants supported a project to develop trained, qualified entry-level workers for after-school programs, work that can have statewide applicability.

Our Information Program took a leap by expanding our www.kidsdata.org site to encompass six Bay Area counties.

While this extension of our data and information broadens the reach and influence of the Foundation, we also retained our original focus on Santa Clara and San Mateo counties by producing county-specific reports that track indicators of the health and well being of children.

We look forward to embarking on new endeavors to improve the health of children, and we thank you for your interest and support.

Sincerely,

David Alexander, MD  
*President and CEO*

Matt James  
*Chairman, Board of Directors*
About the Foundation

The Lucile Packard Foundation for Children’s Health is devoted exclusively to promoting, protecting, and sustaining the physical, mental, emotional, and behavioral health of children, with a focus on Santa Clara and San Mateo counties in California.

The Foundation is a public charity, established in 1996 and named for Lucile Salter Packard (1914-1987) to honor her lifelong commitment to the well-being of children.

Mrs. Packard and her husband, David (1912-1996), co-founder of Hewlett Packard Company, championed establishment of Lucile Packard Children’s Hospital at Stanford, from which the Foundation evolved.

The Foundation pursues its mission through three separate yet complementary programs:

- Support for pediatric care, research, and training through Fundraising for Lucile Packard Children's Hospital and the pediatric programs at the Stanford University School of Medicine
- Grantmaking for Lucile Packard Children's Hospital and the pediatric programs at the Stanford University School of Medicine
- Community Grantmaking to promote the health and well-being of children through partnerships with community organizations in San Mateo and Santa Clara counties;
- Public Information and education to raise awareness about the state of children’s health, and encourage positive change in policy and personal behavior.

For more information about the Foundation, see www.lpfch.org.
Board of Directors, 2007

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Matt James

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Jose Manuel Pena, M.D., M.P.H.
Financial Statements  

**Year Ended December 31, 2007**

### Statements of Activities

#### Changes in unrestricted net assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
</tr>
<tr>
<td>Investment income and gains, net</td>
<td>14,055,480</td>
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<tr>
<td>Fundraising fees</td>
<td>7,359,647</td>
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<tr>
<td>Other Income</td>
<td>467,254</td>
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<tr>
<td>Net assets released from restrictions</td>
<td>19,821,540</td>
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<tr>
<td><strong>Total unrestricted revenues</strong></td>
<td>41,703,921</td>
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<tr>
<td><strong>Expenses</strong></td>
<td></td>
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<tr>
<td>Children’s Health Initiative grants</td>
<td>19,134,049</td>
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<tr>
<td>Children's Health Initiative oversight</td>
<td>687,491</td>
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<tr>
<td>Programs &amp; Grants</td>
<td>4,450,273</td>
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<td>Communication/Information Program</td>
<td>1,254,272</td>
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<tr>
<td>Administration</td>
<td>945,706</td>
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<tr>
<td>Development</td>
<td>7,547,300</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td>34,019,091</td>
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<tr>
<td><strong>Change in unrestricted net assets</strong></td>
<td>7,684,830</td>
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#### Changes in temporarily restricted net assets

<table>
<thead>
<tr>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Investment income and gains, net</td>
<td>2,392,738</td>
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<tr>
<td>Net assets released from restrictions</td>
<td>(19,821,540)</td>
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<td><strong>Change in temporarily restricted net assets</strong></td>
<td>(17,428,802)</td>
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<tr>
<td>(Increase) Decrease in net assets</td>
<td>(9,743,972)</td>
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<tr>
<td><strong>Total net assets, beginning of year</strong></td>
<td>170,240,875</td>
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<tr>
<td><strong>Total net assets, end of year</strong></td>
<td>$160,496,903</td>
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</table>

### Statements of Financial Position

#### 2007

<table>
<thead>
<tr>
<th>Description</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>13,973,355</td>
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<tr>
<td><strong>Pledges designated for others</strong></td>
<td>34,420,733</td>
</tr>
<tr>
<td><strong>Investments</strong></td>
<td>184,660,639</td>
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<tr>
<td><strong>Other assets</strong></td>
<td>10,011,770</td>
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<tr>
<td><strong>Total assets</strong></td>
<td>$243,066,497</td>
</tr>
</tbody>
</table>

**Liabilities and net assets**

**Liabilities**

- Accounts payable and accrued expenses: 1,722,554
- Deferred rent: 195,420

**Grants payable**

- Community grants: 2,271,092
- Children's Health Initiative grants: 5,530,128
- Funds designated for others: 63,850,400

**Total liabilities**: $73,569,594

**Net assets**

- Unrestricted net assets: 112,160,276
- Temporarily restricted net assets: 48,336,627

**Total net assets**: $160,496,903

**Total liabilities and net assets**: $234,066,497

Note: The notes that accompany the financial report are an integral part of the financial statements and are required for a full presentation. They are not included here. A copy of the audited financial statement is available on request.