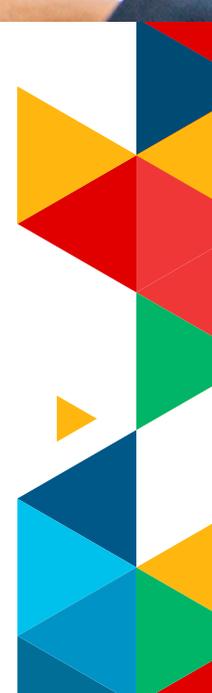




ANNUAL REPORT 2019

# Championing Equal Access to Quality Education for Kids in Need





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## Education Rewrites Futures

My dad was born to a poor family in Ohio. His father was disabled and his mother supported the family as a cleaning lady and a short order cook. I remember the house they lived in — it was Pepto-Bismol pink and had what amounted to an open sewer running along the back of the lot. It was a tough life. Everyone was struggling.

But after serving in World War II, the G.I. Bill gave my dad something he didn't have before — access to education. He went to college and everything changed for him, and in turn, for me and for all my brothers and sisters, and for our children. These breakthrough moments are the times when education rewrites the future for entire families and the generations that follow.

That's why at First Book, we fiercely champion abundant access to quality education. Every child should be able to get a good education, no matter how much money their family has or where they grow up. And stories like my dad's keep us hopeful. Education changes lives, and every year, we continue getting books and resources to kids who need them, and producing research and insights that advance the field. In these pages, you'll read about the milestones we've reached with our comprehensive approach to break down the barriers standing between kids in need and a quality education.

Educational inequity is a complex problem, but addressing it is not impossible — not with an amazing group of partners and supporters, and nearly half a million educators committed to making sure their students reach their fullest potential. We thank each one of you for joining us in our work to help every child have access to a quality education.



With gratitude,  
**Kyle Zimmer**  
President, CEO, Co-founder



## **The Why: Every Child Deserves a Quality Education**

For many children, access to quality education is a given. With books in their backpacks and their stomachs full, they go to schools equipped with the resources and support they need to reach their full potential.

But getting the same kind of educational experience is often out of reach for the more than 50 percent of U.S. public school students that come from low-income communities. For them, books and educational materials — even the basics like food and warm clothes — are scarce and unaffordable. As a result, they are at a disadvantage from the start.

The solution starts with making sure kids have everything they need to learn, and their educators have everything they need to provide the best education possible, from books to backpacks to up-to-date teaching resources. That's where First Book comes in.

# **The How: First Book's Solution to Educational Inequity**

## **Our Model**



Since 1992, First Book has made sure that educators serving kids in need have affordable access to new, high-quality books and resources. But the lack of books isn't the only thing preventing kids in need from getting a quality education.

First Book is tackling the range of barriers to quality education faced by kids in need with an integrated family of complementary social enterprises. Together, the enterprises create a comprehensive solution that works to bring equal access to quality education for all kids, no matter where they live.



## A Family of Social Enterprises

With more than 450,000 educators and 1,000 more joining each week, the First Book Network is the largest and fastest-growing community of educators serving kids in need.



The **First Book Marketplace** provides the First Book Network with thousands of affordable, new, and curated books, educational resources, and basic necessities for kids in need from birth to age 18.



**First Book Research & Insights** aggregates the voices of the First Book Network to assess their needs, inform content on the First Book Marketplace, and generate original data that ultimately advances the fields of education and poverty research.



The **First Book Accelerator** turns current research into actionable tools that are distributed to the more than 450,000 educators in our network — so members don't have to wait months or years to use research-based best practices in their classroom.

### 2019 at a Glance

#### 5 million kids

received brand new books & school supplies

#### 50,000+ educators

joined the First Book Network, bringing the number of educators we serve to more than 450,000

#### 13 million+ books

distributed through the First Book Marketplace

#### \$4.7 million in book credits

distributed through the OMG Books Awards, First Book's largest-ever grant

#### 2x the distribution

of learning games and toys, educational resources, classroom supplies, and everything we do that goes beyond books

#### 28 exclusive

First Book Special Edition titles added to the First Book Marketplace

#### 21 quantitative studies

conducted through First Book Research & Insights

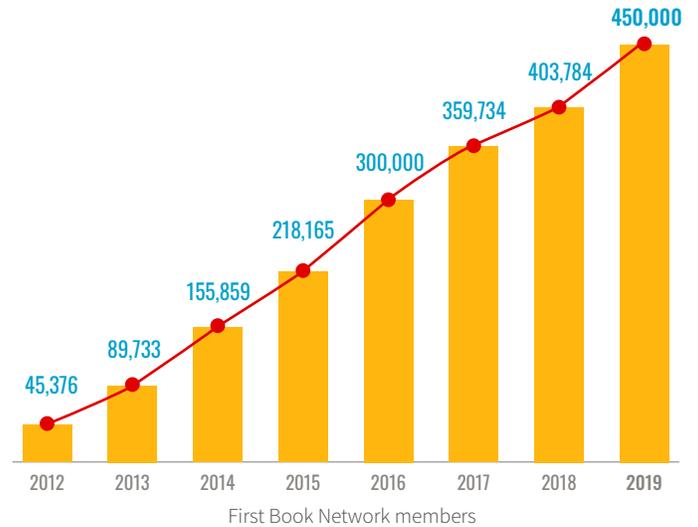
## First Book Network: A Growing Community of Educators Serving Kids in Need

Educators know that First Book is so much more than books: 55 percent of educators list “adding their voice to a movement” as one of the reasons they joined.

It has always been First Book’s priority to develop meaningful relationships with the educators we work with, who serve kids in need day-in and day-out. We’re proud of the **First Book Network’s** uninterrupted growth — and of the stories behind each one of them. In just seven years, the First Book Network grew a whopping **891.7 percent**.

The First Book Network continues to grow at a rate of 1,000 educators each week and has active members in all 50 U.S. states, the District of Columbia and Puerto Rico, and all 10 Canadian provinces.

**In 2019 alone, the First Book Network grew 11 percent, from 403,784 educators to more than 450,000.**





## First Book Marketplace: Relevant, Affordable Books and Resources in the Hands of Kids in Need

The [First Book Marketplace](#) provides the First Book Network with affordable, 24-hour, year-round access to thousands of new, high-quality, curated books — some for just the cost of shipping — educational resources, and basic necessities for kids in need from birth to age 18. This year, the Marketplace more than doubled the distribution of learning games and toys, educational resources, and classroom supplies.

We also added 28 exclusive First Book Special Edition books, which First Book develops in partnership with publishers to ensure educators can access low-cost editions of popular books that are usually only available in expensive formats.

### Impact Numbers

**13 million**  
books and resources distributed

**48%**  
more users on the site  
in 2019 compared to 2018

**\$54.6 million**  
in savings of First Book members  
by shopping on the Marketplace\*

\*This accounts for publisher discounts, donated inventory, and supplemental partner funding.



### JOYCE SAYS:

Whenever I give new books to the kindergarten students at Owens Primary, they can't believe it. They're opening them right away, and they're lying down on their tummies looking at them right away saying, "This is mine, I'm reading it now!" Their parents think it's a mistake.

They bring the books back to school, and I tell them, "No, it's yours to keep!" This happens quite often, and teachers tell me that it still happens. The kids are in awe that these beautiful books are really theirs to keep forever.

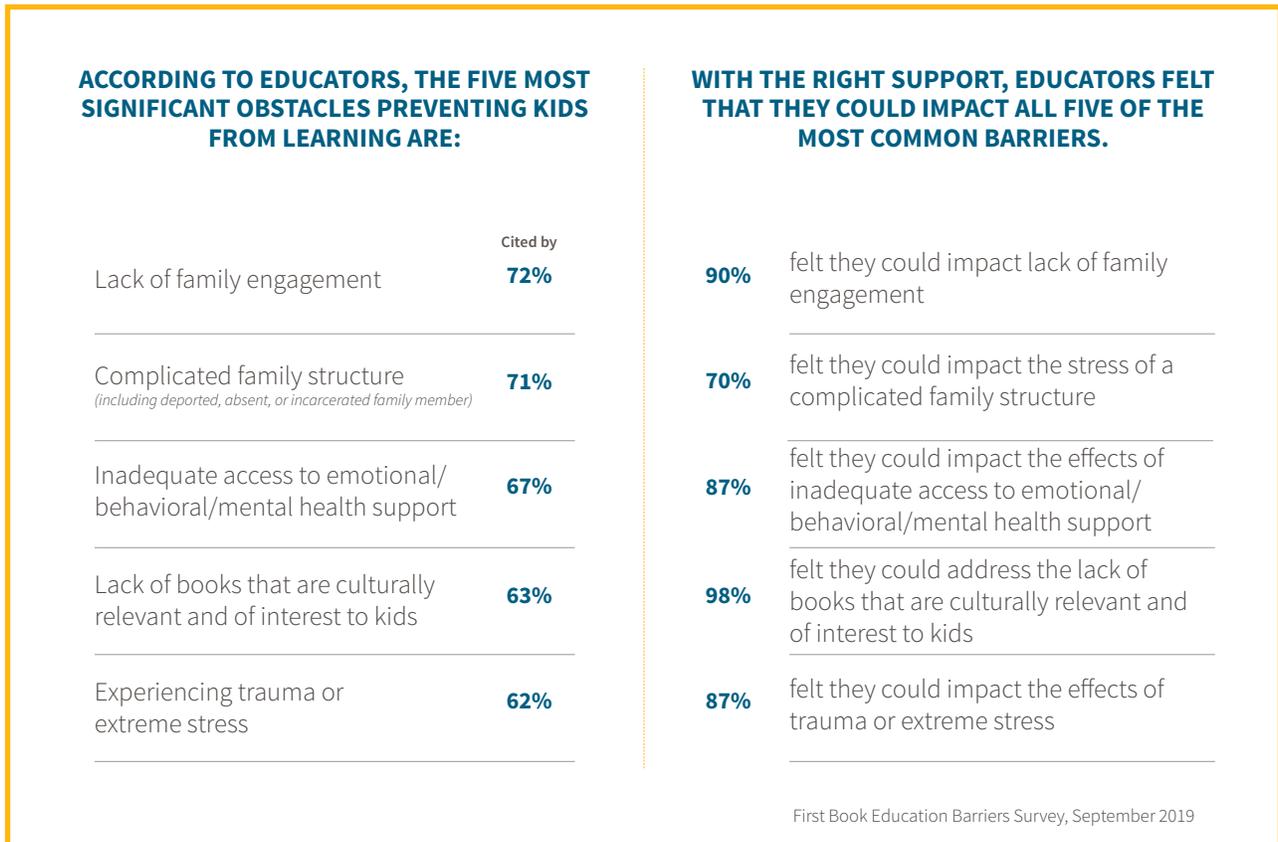
Many parents will speak to me in Spanish, roughly translating to, "Teacher, do I pay you for it? How much is it?" When the parents realize this gift, they're overwhelmed. They tell me, "We love the books so much! We'll take good care of them."

**Joyce Victor, First Book Member,  
Owens Primary School, CA**

## Research & Insights: Advancing the Field by Amplifying Educators' Voices

First Book Research & Insights leverages the extensive knowledge and expertise of the First Book Network to generate original data that advances the fields of education and poverty research. As part of the 21 studies we conducted in 2019, we partnered with ImpactED at the University of Pennsylvania to ask the Network to identify the most common barriers to learning faced by kids in need.

Members reported that the most common barriers faced by their students have nothing to do with what goes on in the classroom — they are all related to the toxic stress of poverty.



” Educators are on the front lines of a crisis in our public schools that has its roots in poverty. We have to equip educators — and schools as a whole — to address the full spectrum of health and social needs that are showing up in their classrooms, or we will lose a generation of kids.

▶▶ Kyle Zimmer, President, CEO, and Co-founder of First Book



## First Book Accelerator: Making Research Work for Educators

The **First Book Accelerator** responds to educators' needs by turning current research into actionable classroom tools. We match the resources with books, and we do it in a matter of weeks — a drastic reduction in the current amount of time it takes for educators to benefit from up-to-date research, which can sometimes take years.

In 2019, the Accelerator responded to educator feedback with toolkits, teaching guides, and a cultural calendar that promote respect, empathy, and diversity, and held standing-room only workshops on the Trauma Toolkit and an unconscious bias self-assessment tool. The Trauma Toolkit, which gives educators guidance and tools for working with kids affected by trauma, has reached nearly half a million children since launching in 2017.

The second edition of the Cultural Calendar, launched in August, reached more than 165,000 children by the end of the year.

### Cultural Calendar Impact Numbers

**90%**

of educators felt more comfortable discussing cultures other than their own, with the help of the calendar

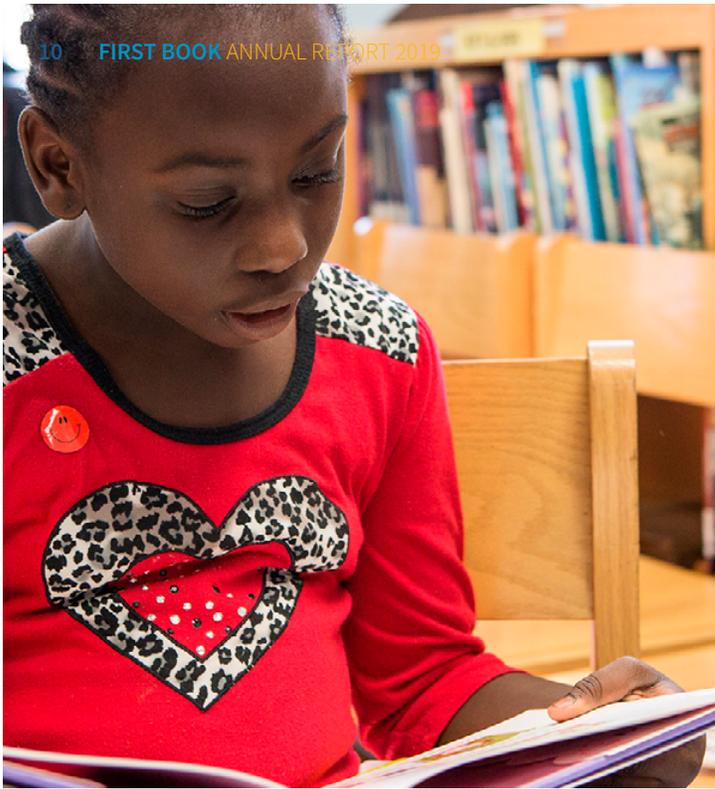
**70%**

of educators shared the calendar with other educators

” Every educator across the country should have this resource in their classroom.

▶▶ First Book Network member on the Trauma Toolkit





### KRISTEN SAYS:

Seeing students light up when they get to pick out their own brand new book never gets old.

It is so important to get as many books into the homes of our students as possible, and this grant is an amazing opportunity to not only fill the home libraries, but to fill them with bright, brand new books.

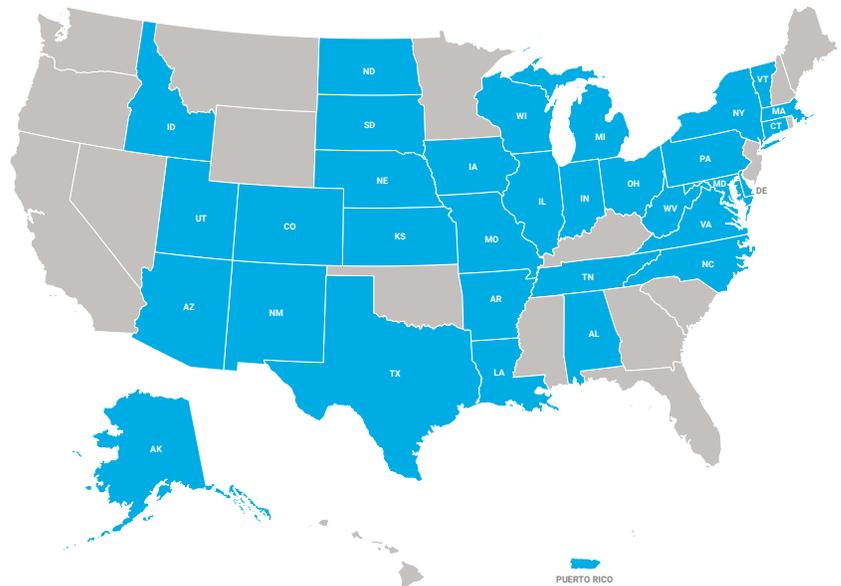
**Kristen McGuire, Teacher,  
Lena Dunn Elementary School,  
Washington, IN**

*\*First Book was selected by the respective 33 Attorneys General to distribute the funds in the eligible states and territories, which can only be used to purchase books and eBooks in those states, implementing a court settlement unrelated to First Book.*

## OMG Books: Offering More Great Books to Spark Innovation

This year, we launched the OMG Books Awards: Offering More Great Books to Spark Innovation — our biggest program yet — and awarded more than \$4.7 million in funding to 20,000 educators across 33 states for brand new books and eBooks.\* Awardees have implemented programs ranging from distributing books out of the trunks of sheriff cars in Alabama, to creating curated collections of contemporary Native American books in a once-empty library on the Uintah and Ouray reservation in Utah.

**In 2019, First Book distributed \$4.7 million in funding to provide 1.5 million books across 33 states and territories in the U.S.**





**OMG Books Impact Numbers**

**Awarded \$4.7 million**

to 81 organizations and 20,000 educators

**Reached 600,000**

kids in need

**Distributed 1.5 million**

culturally relevant, high quality books and eBooks with an estimated value of \$12 million

**Reached 33**

states and territories across the U.S.



**KRISTI SAYS:**

Our school was blessed enough to be included in the grant for multicultural/ bilingual books for our students. Our English Language Learners were so excited to hear about these books. It is important for these students to be recognized and their diversity celebrated. They need to see their own lives and situations mirrored in these amazing stories.

**Kristi Cool, a reading specialist at Municipal Elementary School in Roy, UT**

Kristi is a member of the American Federation of Teachers Utah that received a \$52,000 OMG Books grant for more diverse and bilingual books in the classrooms.



A child's potential is compromised by the absence of resources, but there are educators working to put good books in the right places. Inspiring a lifelong love of reading is essential, and that means creating regular access to books that kids want to read. That's what First Book does, and what the OMG Books Awards program aims to amplify — we spark the innovation that breaks down barriers to education.



Kyle Zimmer, President, CEO, and Co-founder of First Book



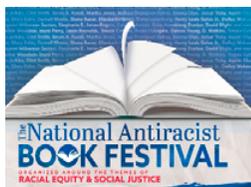
## 2019 Highlights

### Accolades

- First Book becomes a milestone winner in the \$1M Adult Literacy XPRIZE Communities Competition
- First Book and Pizza Hut win the 2019 Silver Halo Award for Best Consumer-Activated Corporate Donation Campaign for raising more than \$800,000 and bringing books to over 750 schools, community organizations, and nonprofit programs

### Events

- First Book co-sponsors the National Antiracist Book Festival, hosted by American University's Antiracist Research and Policy Center



- First Book and Disney bring iconic Star Wars characters and Lucasfilm book illustrator Brian Kesinger to East Los Angeles kindergartners for story time and a drawing lesson

- Former U.S. First Lady Michelle Obama meets 15 girls from Toronto's C.W. Jefferys College in partnership with First Book Canada and a Toronto teen girls' book club
- KPMG's Family for Literacy celebrates their donation of 5 million books to kids in need since the program's founding in 2008 with 85 students from Ignacio Zaragoza Elementary School in Dallas, Texas
- Pi Beta Phi Fraternity for Women hosts their bi-annual convention in Washington, DC, where First Book President and CEO Kyle Zimmer is inducted into the fraternity as an Honorary Alumna

### Partnerships

- Disney|ABC Television and Disney Publishing Worldwide donate 1 million books for 7th Annual Magic of Storytelling Campaign



- Super Bowl Champion Chris Long donates 27,000 Books to kids in Tampa, Los Angeles, Mississippi, and New York
- First Book and The Rise Up Foundation bring \$130,000 in new books to disaster-hit schools and programs
- SHOWTIME's *The Chi*, First Book, and Simon & Schuster Children's Publishing bring 10,000 new and diverse books to public schools in Chicago's South Side
- First Book and the New York Life Foundation bring books and resources on grief to educators



NEW YORK LIFE FOUNDATION

- Chicago Bears' Kyle Long and First Book bring 12,000 new books to Chicago kids
- Penguin Random House and Random House Children's Books create 15,000 copies of a First Book-exclusive paperback edition of *All Are Welcome* to help educators create inclusive classrooms

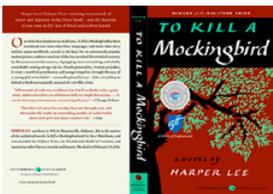




- First Book and the Aerospace Industries Association bring 25,000 new STEM books to kids in need



- Oakland Raiders' Clinton McDonald, First Book, and the University of Memphis bring thousands of books to Memphis kids
- First Book and the American Federation of Teachers distribute 10,000 special edition copies of *To Kill a Mockingbird* to Title I schools



## New Launches

- First Book releases “Title Raves” list: 10 books that make an impact, according to the First Book Network



- Foundation for Appalachian Ohio and First Book launch research to assess needs of kids in rural Appalachia



- First Book Research & Insights and ImpactED at the University of Pennsylvania release the “Education Barriers Study” to identify top barriers to learning for kids in need
- First Book and Games & Learning launch product-testing site for educational digital resources on First Book Marketplace with \$250,000 grant from the National Science Foundation

## OMG Books Awards

- First Book awards more than \$700,000 for new books and eBooks to schools and programs serving kids in need across nine states
- First Book awards Urban Librarians Unite and the REFORMA Children in Crisis Task Force nearly \$100,000 to bring books to migrant children in foster care
- The Jefferson County Sheriff's Office launches “Books Not Bullets,” a community policing effort where Sheriff's deputies hand out books to kids from the trunks of their patrol cars



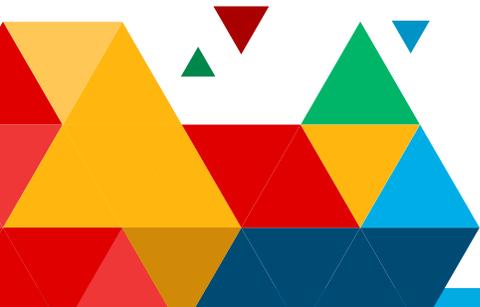


## **About First Book**

First Book believes that all children should be able to get a quality education, no matter where they live or where they go to school. We create access to quality education by making books, educational resources, and basic necessities affordable to educators serving kids in need, advancing the education field with original research, and providing educators with access to the latest educational innovations.

In 1992, First Book President, CEO, and Co-founder Kyle Zimmer — then a private attorney — was a volunteer at Martha's Table, a well-known Washington, D.C.-based organization increasing access to quality education programs, healthy food, and family support resources. From her volunteering experience and after speaking with community leaders, Kyle was struck by the lack of educational materials available to those serving children in need.

With colleagues Peter Gold and Elizabeth Arky, Kyle created a market-driven solution that would provide a supply of books and educational resources to those who need them most. First Book partnered with educators all over the U.S. and realized, based on their feedback and insights, that opportunity gaps keep quality education out of reach for thousands of kids. As a result, First Book has grown into a family of social enterprises that work together to address all the barriers preventing kids from achieving their full potential — from a lack of resources in the classroom to a robust body of research on how to best serve kids in need.



# Financials

## Statement of Financial Position (Unaudited) For December 31, 2019

ASSETS	2019	2018
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 3,040,229	\$ 7,655,268
Accounts receivable	2,192,835	1,947,522
Prepaid expenses	236,274	201,321
Investments	25,851	41,550
Inventory		
Donated (fair market value)	38,222,367	35,534,662
Purchased	2,573,820	2,331,376
<b>TOTAL CURRENT ASSETS</b>	<b>46,291,376</b>	<b>47,711,699</b>
<b>PROPERTY AND EQUIPMENT</b>		
Furniture and equipment	269,308	290,806
Software	29,772	22,622
	299,080	313,428
Less accumulated depreciation and amortization	(141,670)	(201,265)
<b>TOTAL PROPERTY AND EQUIPMENT</b>	<b>157,410</b>	<b>112,163</b>
<b>TOTAL ASSETS</b>	<b>\$ 46,448,786</b>	<b>\$ 47,823,862</b>
<b>LIABILITIES AND NET ASSETS</b>	<b>2019</b>	<b>2018</b>
<b>CURRENT LIABILITIES</b>		
Current maturities of short-term debt	\$ 420,973	\$ 490,768
Accounts payable	3,716,307	2,687,519
Pension payable	298,574	286,483
Accrued expenses	284,140	181,293
<b>TOTAL CURRENT LIABILITIES</b>	<b>4,719,994</b>	<b>3,646,063</b>
LONG-TERM DEBT, less current maturities		465,935
		<b>4,111,998</b>
<b>NET ASSETS</b>		
Without restrictions – cash	2,161,963	1,888,071
Without restrictions – non-cash	38,222,367	35,534,662
Net assets without restrictions	40,384,330	37,422,733
With restrictions – cash	1,344,462	6,289,131
With restrictions – non-cash	-	-
Net assets with restrictions	1,344,462	6,289,131
<b>TOTAL NET ASSETS</b>	<b>41,728,792</b>	<b>43,711,864</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 46,448,786</b>	<b>\$ 47,823,862</b>



Perfect score for accountability and transparency

# BBB

First Book meets the Better Business Bureau's 20 Standards for Charity Accountability.

# Leadership

## Kyle Zimmer

President, CEO, and Co-founder

## Jane Robinson

Chief Strategy Officer and  
Chief Financial Officer

## Daniel Stokes

Chief Administration Officer

## Peter F. Gold

Co-founder and Senior Advisor

## Becki Last

Executive Vice President,  
Network Engagement

## Carey M. Palmquist

Executive Vice President,  
eCommerce and Operations

## Chris Stine

Senior Vice President,  
Information Technology

## Board of Directors

### Dr. Martha Molina Bernadett

Acting Chairman, First Book Board  
of Directors;  
President and Founder,  
The Molina Foundation

### Christopher Cerf

Co-founder and President,  
Sirius Thinking Ltd.

### Libby Doggett

Libby Doggett Consulting

### Kathy Franklin

President, Franchise Development,  
Lightstorm Entertainment

### William Matassoni

Founder and CEO,  
The Glass House Group

### Debbie Hubley Ozanus

Co-chair, KPMG's Family for Literacy

### Karen Kehela Sherwood

Co-chair, Imagine Entertainment

### Paul W. Whetsell

President and CEO,  
Capstar Hotel Company

### Kyle Zimmer

President, CEO, and Co-founder;  
First Book

## Publishing Committee

### Terry Downes

Vice President, Publishing Operations,  
Disney Book Group

### Chip Gibson

### Laura Geringer

### Judith Haut

Senior Vice President and Associate  
Publisher, Random House Children's  
Books

### Susan Katz

Former President and Publisher,  
HarperCollins Children's Books

### Craig Low

President and Owner,  
Lee & Low Books

### Barbara Marcus

President & Publisher,  
Random House Children's Books

### Kristina Peterson

Director, International Publishing;  
Workman, Algonquin, and Artisan  
Books and Calendars; Workman  
Publishing Co., Inc.

### Rick Richter

Literary and Entertainment Agent,  
Aevidas Creative

### Don Weisberg

President, MacMillan Publishers U.S.

## Advisory Council

### Robin Adelson

Executive Director, Books for Kids

### Elizabeth Arky

Co-founder, First Book;  
Principal, Arky Group Consulting, LLC

### Nina Barjesteh

Senior Vice President, Product  
Development & Global Sourcing,  
DICK's Sporting Goods

### Jennifer Bohler

Owner, Alliance Management

### Meghan Bracken

National Director, Corporate  
Responsibility - Citizenship,  
KPMG

## Andrea Camp

### Harold Clarke

Senior Adviser, New Hope Capital, LLC

### David Dotson

President, The Dollywood Foundation

### Julie Baker Finck

President, Barbara Bush Houston  
Literacy Foundation

### Gina Goff

Senior Director,  
Community Involvement,  
C&S Wholesale Grocers, Inc.

### Leslie Goodman

Communications and  
Public Affairs Consultant

### Susan Grode

Partner, Katten Muchin Rosenman  
LLP

### Lisa Holton

President, Classroom, Inc.

### L. Spencer Humphrey

Principal, Rocky Hill Group; Co-chair,  
First Book Advisory Council

### Brian Kagan

Brian Kagan Company

### Ilene Left

Independent Management Consultant

### James M. Loy

Senior Counselor, The Cohen Group

### Colleen Ludington

Co-chair, First Book  
Advisory Council

### Elsa Palanza

Strategic Advisor,  
Bill & Melinda Gates Foundation  
Project Everyone: Goalkeepers

### Jenn Plagman-Galvin

Grand Vice President, Community  
Relations, Pi Beta Phi Fraternity  
for Women

### Carol Rasco

Former President and CEO,  
Reading is Fundamental

### British Robinson

President and CEO, Barbara Bush  
Foundation for Family Literacy

## Susan Roman

Dean and Professor, Graduate School  
of Library and Information Science,  
Dominican University

## Harriett Sanford

Former President and CEO,  
The NEA Foundation

## John Schreiber

CEO, New Jersey Performing Arts  
Centre

## Ralph Smith

Managing Director, Campaign for  
Grade-Level Reading

## Heather Steinmiller

Senior Vice President and General  
Counsel, Conner Strong & Buckelew

## Jamienne S. Studley

Former Deputy Under Secretary  
of Education, U.S. Department of  
Education

## Mary Tatum

## Randi Weingarten

President, American Federation  
of Teachers

## Judee Ann Williams

Co-Executive Director, Creative  
Artists Agency Foundation;  
Co-head, Social Impact,  
Creative Artists Agency

## Ginger Young

Founder and Executive Director,  
Book Harvest

## Judith Zimmer

”

**A book in the hand of a child is an invitation to go anywhere.**

► **April Insley**, *First Book Community Educators*



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