



TOGETHER WE CAN.

2011 ANNUAL REPORT



MCKENNA
FOUNDATION

TOGETHER WE CAN

The world we live in today is a volatile one. An unstable economy, wavering housing market and an increasing number of children growing up in poverty are parts of the underpinning of our communities. New Braunfels and Comal County are not immune to this strife; struggling families are our friends and neighbors.

Eliminating the gap of social, economic, health care and educational disparity is indeed a tall order. This disparity did not get here overnight and it will not disappear overnight. The McKenna Foundation is about making life more abundant for the citizens of the New Braunfels area and we graciously applaud those community partners who join us in the spirit of "If not us, who? If not now, when?"

Together we can identify key elements that create the conditions a community needs to thrive: fulfillment of basic needs, educational opportunities for all ages, access to medical care, healing children who are broken and creating for families a future that is bright and prosperous.

In 2011 the McKenna Foundation developed deeper relationships with local mission-driven organizations whose services make an impact on our community. First we listened, and then we provided resources for those organizations that are making a difference. That individual assistance makes up our 2011 grant making portfolio that in our highest hopes will begin to transform our community.



This report is not one of a job complete. Instead it is a chapter of the McKenna Foundation's journey with the community to create success for all in the future. Our constant focus will remain on creating hope where there is none and turning ideas into action.

Wes Studdard
Board Chairman

Jerry Major
President/CEO

2011 MCKENNA SYSTEM BOARD OF DIRECTORS

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Stephen Ousley, M.D., Vice Chairman
Mitch Sacco, D.D.S., Secretary
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2011 MCKENNA FOUNDATION BOARD OF TRUSTEES

Michael Spain, Chairman
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David Way, M.D.
Jim Wesson

2011 MCKENNA FOUNDATION TEAM MEMBERS

Jerry Major, President/CEO
Jennifer Collier, Program Director
Chandy Engelke, Director of Accounting
Alice Jewell, Program Director

MISSION STATEMENT

The mission of McKenna is to advance the well-being of the New Braunfels community.

VISION STATEMENT

McKenna will be active in providing services to enhance the health and well-being of the New Braunfels community, serving as a partner and resource to others who share that goal, now and for future generations.

GUIDING PRINCIPLES

Stewardship

Serve as a good steward of the assets for the long term benefit of the New Braunfels community.

Resource

Be a leading resource to residents, non profits, and local government.

Partner

Actively seek to partner with others to maximize the impact on those we serve.

Integrity

Act honestly and fairly in all endeavors.

Accountable

Measure and evaluate grants and services to most effectively meet the needs of the community.

2011 IN REVIEW

In 2011, the McKenna Foundation issued grants to 42 nonprofit organizations for a total of **\$2,729,269** for community resources ranging from student dropout prevention programs to development of an affordable home ownership neighborhood for New Braunfels families.

Efficient but effective. Nonprofit organizations are constantly striving toward the goal of using their precious resources for maximum benefit of the population they serve. Fortunately, McKenna helps local nonprofits move toward this goal in ways other than financial support through grant making. We help them from the ground up by lessening or eliminating some of their basic operating expenses that are required but not directly program related.

Nonprofits can utilize space for meetings, trainings or fundraisers within the McKenna Events Center at no charge or a nominal fee. In 2011, room rental donations and discounts saved 60 local nonprofits \$235,400 in facility rental fees which could be redirected toward their mission-based programs for the community.

Support for building Information Technology capacity is also provided through grants and by McKenna staff at no charge. McKenna assistance with computer hardware, software, phones, websites and other Information Technology needs saved 10 local nonprofits \$116,338 in 2011.





MEETING NEEDS



McKenna supports local nonprofit organizations by trying to understand the scope of their operational needs. Consistently, nonprofit staff voiced the need for accessible, low cost meeting space. As a multi-purpose community facility in downtown New Braunfels that can accommodate groups small and large, the McKenna Events Center was opened to local nonprofits for no charge or a discounted rate to fill this need.

Whether it is a board meeting, continuing education workshop or large annual fundraiser, local nonprofits can coordinate with McKenna Events Center staff to execute their perfect event. This can allow these organizations to meet multiple goals. By eliminating facility rental cost from their budgets, organizations improve their bottom line with the freedom to use these funds toward directly serving our community. The availability of McKenna Events Center gives some a fresh, high-tech space to exchange ideas and strategically plan for the future during board meetings. Community education workshops and services are held in spacious rooms with plentiful restroom and parking facilities which improves overall service delivery.

In 2011, the McKenna Events Center provided **\$235,400** in no-charge and discounted space rental to **60** local nonprofit organizations, including:

Hope Hospice	Communities In Schools	AlzCare
AARP Foundation	CentroMed	Comal County Child Welfare Board
Connections Individual and Family Services	Comal County Habitat for Humanity	CASA of Central Texas
Parkinsons Support Group	New Braunfels Christian Ministries	Salvation Army
American Cancer Society	Central Texas Advocates for Seniors	Big Brothers Big Sisters



NON PROFIT

◀ New Braunfels Kids' Club

Technology progresses whether you have the funds to keep up with the latest hardware and software or not, and many local nonprofits neglect advancement of their Information Technology systems for the benefit of those in need in our community. In turn, McKenna provides Information Technology capacity building grants and services to those nonprofit organizations whose systems need an upgrade.

Big Brothers Big Sisters of Comal and Guadalupe Counties needed tools to make presentations to local organizations and recruit professional volunteer mentors for at-risk kids. McKenna gave them a laptop, portable projector and screen to take their message on the road.

Kids' Club needed computers to help the kids in their after school program with their homework and continuing education. McKenna gave them 14 desktop computers and software to keep the kids on-line.

CASA of Central Texas needed document management software to organize their confidential paperwork and assist their advocate volunteers in completion of court-ordered reports on kids in the Child Protective Services system. McKenna funded their system upgrade and opened up their virtual world.

Options for Women needed a way to disseminate their parenting education material in-house and advance their website to meet the needs of a young, tech-savvy generation. McKenna provided televisions and blu-ray players to help new moms and dads as well as development of a refreshed website that vulnerable, scared, pregnant teens can trust.

These are four examples of the **10** organizations who received **\$116,337** in Information Technology grants and services from McKenna in 2011.

GRANT GUIDELINES & APPLICATION PROCEDURES

In 2011 the McKenna Foundation welcomed applications from any 501(c) (3) nonprofit organization that served residents of the New Braunfels area with health, education, or well-being services. Grant applications were accepted for funding of existing or new programs.

The grant calendar was introduced early in 2011 which included an application submission deadline of March 18th. Application forms were posted online at mckennalegacyfoundation.org for easy review and download. Nonprofit organizations were invited to contact a Program Director with any questions concerning the application process.

McKenna Foundation Program Directors conducted site visits of all qualified applicants. Applications were reviewed by the Grants Committee and submitted to the McKenna Foundation Board of Trustees in June. The Board made all final decisions regarding funding, and each applicant received written notification of their funding decision. Awarded grant payments were issued in July.



A STRONGER COMMUNITY THROUGH THE MCKENNA FOUNDATION

The McKenna Foundation exists to improve the well-being of the New Braunfels community. A total of **\$2,729,269** was committed to the following **42** organizations to provide strategic support for program initiatives in our community.

Any Baby Can	\$40,000	To serve families with children facing serious health or developmental problems
Big Brothers Big Sisters of South Texas	\$15,000	To help children reach their potential through professionally supported one-to-one mentoring relationships with measurable outcomes
Brauntex Performing Arts Theatre	\$50,000	To provide cultural and entertainment experiences for all residents while serving as a catalyst for the cultural growth of the region
Brighton School, Inc.	\$6,300	To improve the quality of life for children with disabilities
Bulverde Senior Center	\$15,000	To serve the needs of senior citizens in rural areas through educational programs, health and exercise programs and opportunities for socialization and community service
Bulverde-Spring Branch EMS	\$33,956	To identify and serve the needs of humanity as an award winning emergency service provider and through educational and innovative health service programs
CASA of Central Texas, Inc.	\$25,000	To advocate for abused and neglected children in the court system by recruiting, training and supporting community volunteers

Children's Advocacy Center of Comal County, Inc.	\$170,000	To provide a neutral, child-friendly agency to the community that facilitates a multidisciplinary approach in the prevention, detection, investigation and treatment of child abuse
Circle Arts Theatre	\$10,000	To enrich lives through excellence in stage productions for the education of performers and patrons
Comal County Senior Citizens' Foundation	\$40,000	To offer programs and services to senior adults to enrich the quality of their lives
Communities in Schools	\$162,100	To provide school based social services that help students to succeed in school and make positive life choices
Community Resource and Recreation Center	\$25,000	To serve the residents of Canyon Lake by providing vital social service resources as well as life enriching recreational and educational opportunities
Connections Individual and Family Services, Inc.	\$40,000	To provide youth, families and communities of South Central Texas opportunities for a brighter future
Crisis Center of Comal County	\$40,000	To establish within the jurisdiction of Comal County a network of services for the victims or potential victims of family violence and sexual assault
El Centro Del Barrio (CentroMed)	\$100,000	To be an integrated health care system that provides accessible services of superior quality
Family Life Center	\$20,000	To assist the under-resourced and help facilitate an efficient and effective system to steward the resources of the community
Habitat for Humanity of Comal County	\$175,000	To build simple, decent homes for families in need

Habitat for Safe Seniors	\$15,000	To alleviate food deficit among the elderly and low income population in the Canyon Lake area by providing food to those in need
Harvest Food Pantry	\$5,000	To provide healthy meals to our neighbors in need in the New Braunfels community
Hope Hospice	\$60,000	To provide exemplary care, comfort and education to all affected by life-limiting illness, grief and loss
Kids' Club	\$40,000	To help transform at-risk students who appear to be destined for failure into children with hope, confidence and passing grades
McKenna Children's Museum	\$239,124	To provide a comfortable and creative learning environment for kids and families
McKenna Events Center	\$235,400	To provide an accessible and professional facility for the community to come together
New Braunfels Citizens Police Academy Alumni Association	\$5,000	To promote, support and assist the New Braunfels Police Department with operation of charitable programs
New Braunfels Public Library Foundation	\$10,000	To enhance library services and provide books and other much-needed learning resources for the New Braunfels Public Library
New BraunFit Gym	\$266,240	To provide low-cost, enriching fitness activities for all ages
New BraunFit Outreach and Education	\$222,797	To provide nutrition, wellness, and safety services to individuals and families
Options for Women	\$25,000	To empower women with knowledge to make the best decision when facing an unplanned pregnancy

Precious Minds New Connections Parenting Program at McKenna	\$136,669	To educate and support families from pregnancy until their child turns three with positive early childhood development information
Prescription Access	\$65,508	To facilitate the receipt of free prescription medications for those with limited resources
RavenStar Outdoor Education	\$30,000	To provide innovative, hands-on education in the field with the purpose of connecting children and families with nature by providing hands-on and experiential learning opportunities
Retired and Senior Volunteer Program	\$10,175	To provide diverse volunteer opportunities for people 55 and older
River City Advocacy, Inc.	\$31,000	To encourage, educate, train and organize people who have received services from mental health systems to advocate for themselves and to support each other
Salvation Army of Comal County	\$120,000	To meet the emergency needs of qualifying clients in the Comal County and New Braunfels region
San Antonio Food Bank	\$20,000	To fight hunger in Southwest Texas through food distribution, programs, education and advocacy
San Antonio Lighthouse for the Blind	\$15,000	To create individual independence by providing rehabilitation programs and employment opportunities that measurably improve the lives of blind and visually impaired individuals
St. Jude's Ranch for Children – Bulverde	\$30,000	To rescue abused, abandoned, and neglected children of all races and faiths from the vicious cycle of child abuse

St. Jude's Ranch for Children – New Braunfels	\$30,000	To rescue abused, abandoned, and neglected children of all races and faiths from the vicious cycle of child abuse
Texas Ramp Project	\$10,000	To offer freedom to homebound individuals
The Gabriel Project	\$30,000	To help women in crisis pregnancies and to support families in desperate need who have small children
The Heritage Museum of the Texas Hill Country	\$10,000	To preserve and display the cultural and natural history of the Texas Hill Country
Volunteers in Medicine	\$100,000	To serve the health and wellness needs of the medically underserved in our community by providing quality, compassionate and personalized care in a faith-based, caring environment



A CENTER FOR THE COMMUNITY

The McKenna Center, located at 801 West San Antonio Street in New Braunfels, serves as a community center and the flagship for all McKenna operations. McKenna Services began years ago as a unique and targeted approach to specific community health, education and well-being needs. While all McKenna Services programs are initiated and executed by McKenna team members, we partner with as many community organizations as possible to ensure the following programs are accessible, affordable, and successful.

McKenna Children's Museum

Total attendance in 2011: 63,377

New BraunFit Education and Outreach

Total number of individuals served with nutrition education, car seat installations, and other services in 2011: 639

New BraunFit Gym

Total gym entries in 2011: 33,106

Prescription Access

Total number of clients served in 2011: 1,347

Total prescription savings provided in 2011: \$2,894,262

McKenna Parenting Program

Total family participants in 2011: 313

McKenna Events Center

Total savings to nonprofits through free rental in 2011: \$235,400



AUDITOR LETTER



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Independent Accountants' Report

Board of Directors
The McKenna System
New Braunfels, Texas

We have audited the accompanying consolidated statement of financial position of The McKenna System (the System) as of December 31, 2011, and the related consolidated statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the System's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The McKenna System as of December 31, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

BKD, LLP

April 19, 2012

experience **BKD**

Praxity
MEMBERS
GLOBAL ALLIANCE OF
INDEPENDENT FIRM

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, DECEMBER 31, 2011

The McKenna Foundation is the primary subsidiary of the McKenna System. The Assets and Liabilities of the McKenna System are detailed below.

ASSETS

Current Assets	
Cash and Cash Equivalents	\$ 1,410,463
Pledges and Accounts Receivable	2,003,892
Prepaid Expenses and Other Current Assets	139,698
Total Current Assets	3,554,053
OTHER ASSETS	
Long Term Investments	53,280,745
Assets Limited as to Use	2,388,363
Pledges and Other Receivables	5,545,750
Total Other Assets	61,214,858
Property, Plant and Equipment, less accumulated depreciation of \$3,497,387	9,700,789
Total Assets	74,469,700

CONSOLIDATED STATEMENT OF FINANCIAL POSITION | DECEMBER 31, 2011

Liabilities and Net Assets

Current Liabilities	
Accounts Payable and Accrued Expenses	\$ 120,249
Grants Payable	395,400
Other Liabilities	297,770
Total Current Liabilities	813,419
Net Assets	
Unrestricted	71,251,929
Temporarily or Permanently Restricted	2,404,352
Total Net Assets	73,656,281
Total Liabilities and Net Assets	74,469,700



MCKENNA
FOUNDATION

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