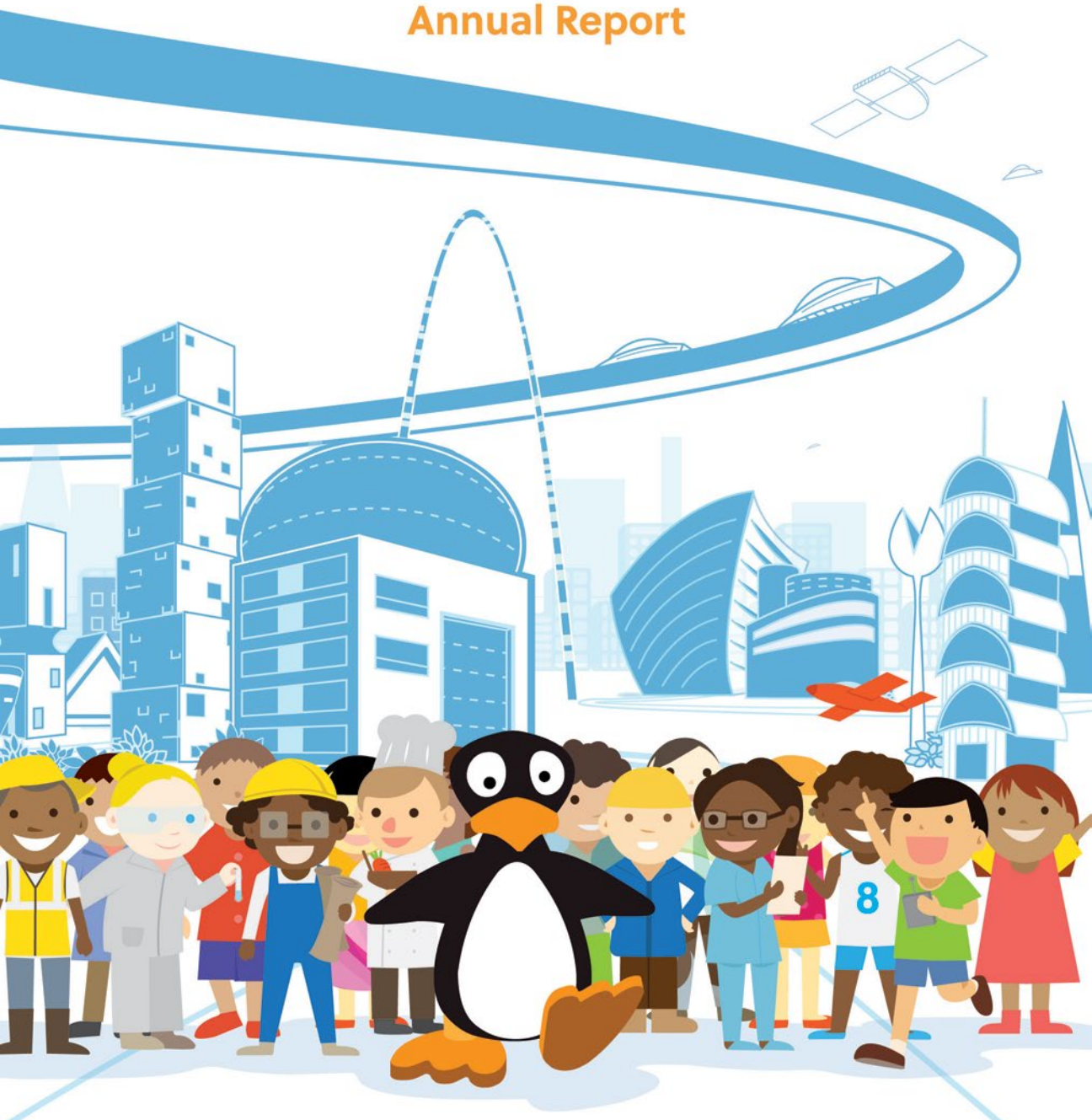


Annual Report



Innovate to Scale

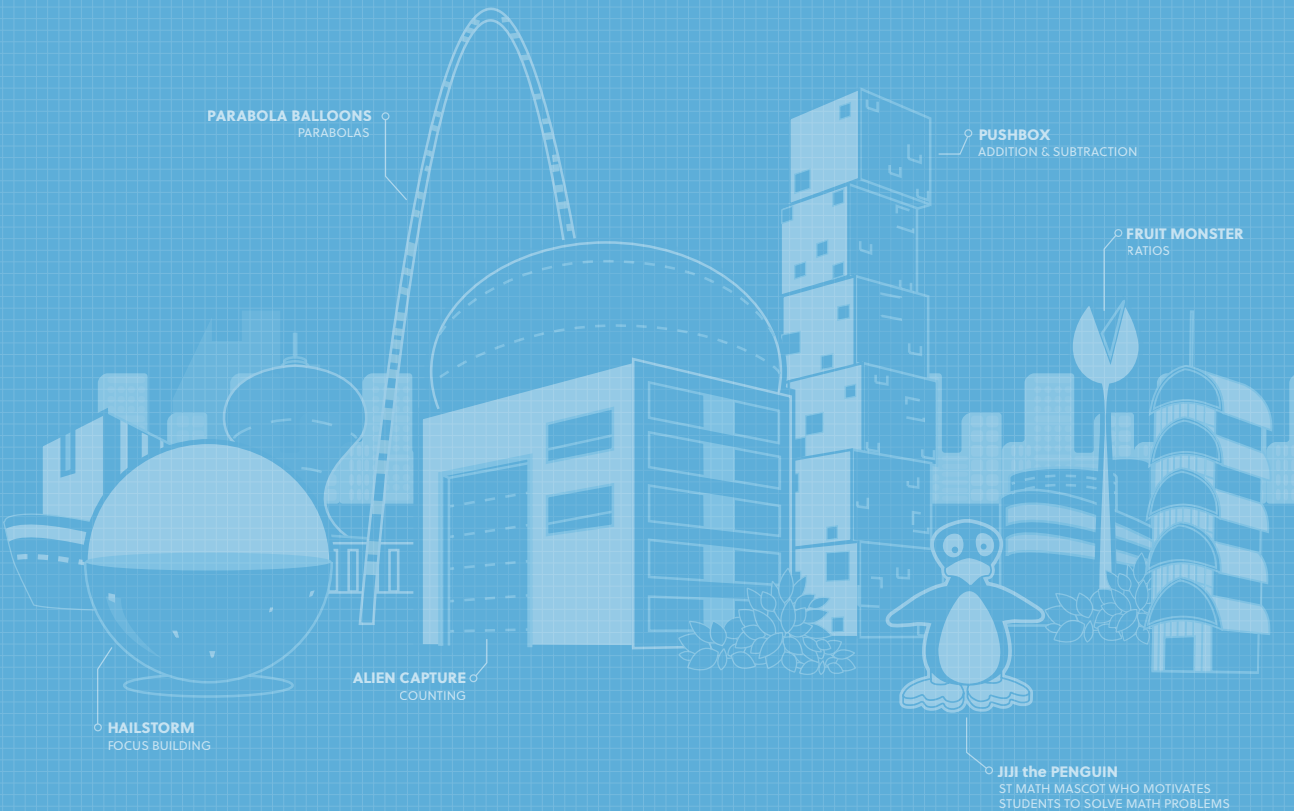
MIND Research Institute

MISSION

Ensure that all students are mathematically equipped to solve the world's most challenging problems.

VALUES

The values we hold as an organization apply to our students, our teachers and ourselves, and are infused throughout our ST Math® programs and services.



PEOPLE

Teamwork & Collaboration. Diversity. Talent. Dignity & Respect. Autonomy.

PROBLEM SOLVING

Creativity. Reasoning. Persistence. Real-world Application.

LEARNING

Life-long. Learning by Doing. Deep. Love of Learning.

LEADING THE WAY

Dear Friends,

MIND Research Institute is leading the learning revolution thanks to flourishing partnerships with school districts and business leaders. The 2013 endorsements of ST Math by the Business Roundtable (BRT), a coalition of CEOs of the nation's leading businesses, and Change the Equation, a separate CEO-led initiative created by the White House, gave us a significant boost in our relationship with Fortune 500 companies. This year, gifts from both BRT and Change the Equation members totaled more than \$6 million.

In 2014, we expanded our ST Math offerings to schools by launching three new programs: ST Math: 6th grade, ST Math: Middle School Supplement, and ST Math: High School Intervention. Providing ST Math programs for increasingly advanced math concepts is central to our mission of ensuring that all children are mathematically equipped to solve the world's most challenging problems.

An important but less visible change to our organization this year was a realignment of our fiscal year to coincide with educational institutions' fiscal year. Therefore, this annual report reflects the period July 1, 2013 through June 30, 2014.

You might notice one more change – our names and new titles at the bottom of this letter. We are deeply grateful for the many contributions of our predecessor Ted Smith, who recently retired as CEO and chairman and continues to serve on our board of directors. He literally put MIND on the national map, and our organization would not be where it is today without him. And we're poised for a tipping point, thanks to supporters like you, who are making possible giant new leaps toward achieving our vision of math success for all.

Sincerely,



Matthew Peterson
Co-founder and CEO



John Phelan
Chairman of the Board



BOARD OF DIRECTORS

John Phelan*

Chairman
MIND Research Institute;
Executive Vice President
Capital Research and Management
Company (Capital Group Companies)

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William Frederick Podlich

Ret. CEO
Pacific Investment Management Co.

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Partner
Sanderson J. Ray Development

Ted Smith*

Immediate Past Chairman
MIND Research Institute

In Memoriam

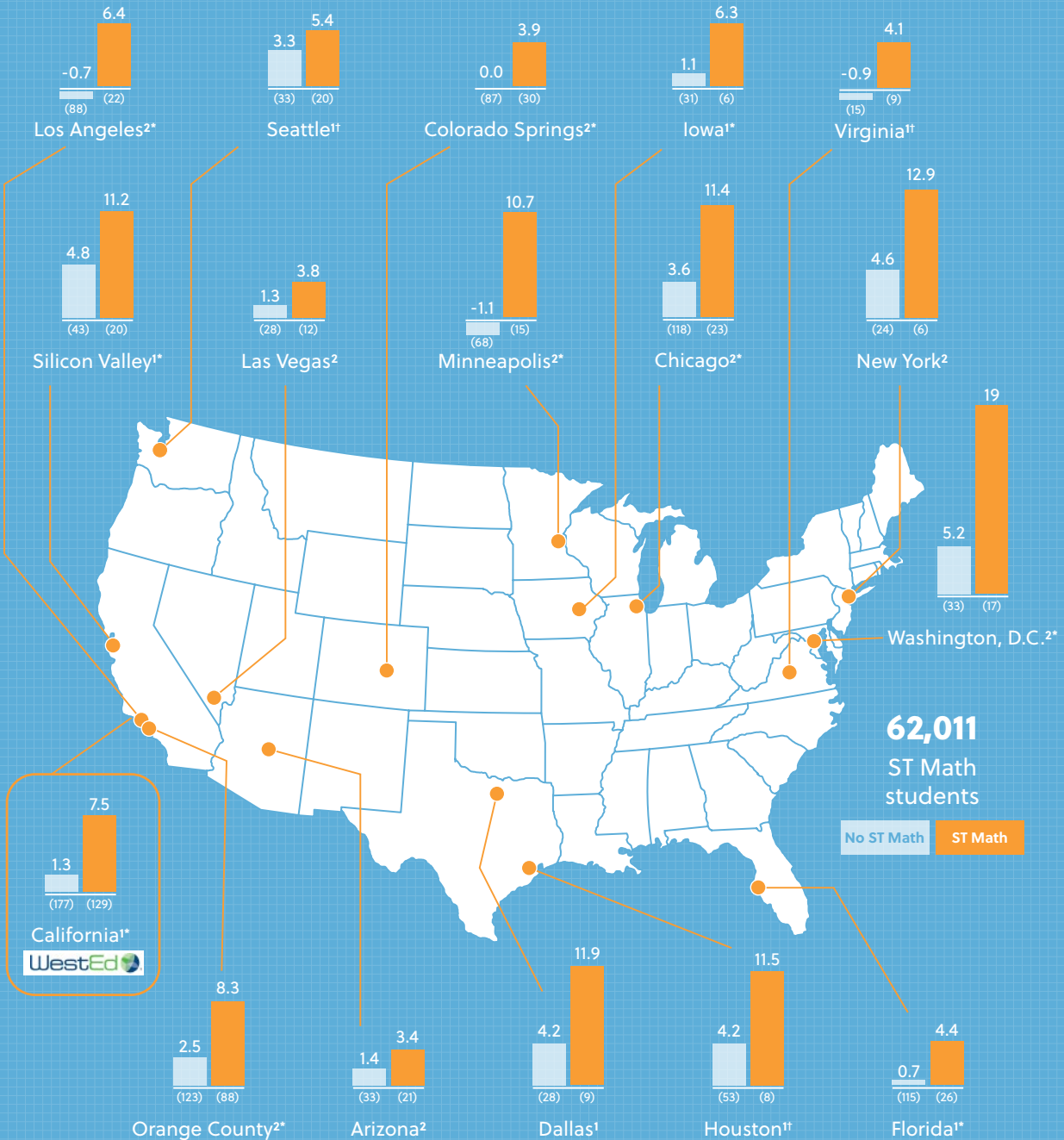
Gordon Shaw, Ph.D., Co-founder,
Chairman Emeritus & Institute Scientist
MIND Research Institute;
Professor Emeritus, Physics
University of California, Irvine

**Executive Committee Member*

RESULTS AT SCALE

Grade-level Growth in State Math Test Proficiency

Reflects change for new, fully implemented grades in average percentage of students Proficient or better



62,011
ST Math
students

No ST Math ST Math

(n) = number of schools 1 one year ST Math use 2 two years ST Math use * p < .05 † Advanced/Commended Schools without ST Math had similar baseline scores to schools with ST Math.

A GROWING IMPACT

ST Math Usage Across the United States

2014*



800,000
students



31,000
teachers



2,500
schools



40
states



630,000
students



25,000
teachers



2,050
schools



35
states

2013

* As of fall 2014



New Research Reveals ST Math's Statewide Impact

Imagine if the right education technology, used the right way for one year, could help a school that was performing at the 50th percentile statewide in math, jump to the 66th percentile. That's what independent research firm WestEd determined to be the impact of ST Math in California schools. WestEd's study published in 2014 included more than 19,980 students at 129 schools.

DEEPER LEARNING



Studying mathematics not only will develop more engineers and scientists, but also produce more citizens who can **learn and think creatively and critically**, no matter their career fields. The workforce of tomorrow, in all fields, will demand it.

— Mike Lefkowitz, The Semel Group

We want our students to be problem solvers and critical thinkers. We don't want to teach them to memorize facts or mindlessly compute numbers without a **conceptual understanding** of what they are doing.



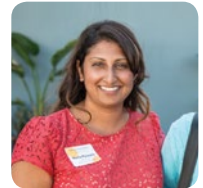
— Erin Dowling and Maxiel Peralta,
PS 310 The Marble Hill School, Bronx, NY



It is rare to find a grantee-partner organization with **such consistent and compelling impact data**, especially when serving economically disadvantaged students. And that clear evidence of increased student achievement is why we have been such committed long term supporters of ST Math.

— Peter Tavernise, Cisco Foundation

As a school, we hope that by providing our students with excellent targeted instruction using **21st century approaches** from an early age, we can help ensure that they never face the achievement gap.



— Neela Parasnis, KIPP Empower Academy



Read more about deeper learning and education technology at our blog, **Sums & Solutions: mindresearch.org/blog**.



“While our students love JiJi the penguin, we knew they were learning math concepts and building important problem-solving skills in the process. Now we see the proof with significantly improved test scores.”

— Scott Brabrand
Superintendent, Lynchburg City Schools, Virginia

READY TO SCALE

In 2013, the Business Roundtable, a network of CEOs of the nation's leading businesses, named ST Math among five education programs with "strong potential for helping prepare more U.S. K-12 students for college and the workforce." At the same time, Change the Equation announced a similar list, and ST Math was the only program recognized by both organizations. Since then, gifts from their member companies to support ST Math have skyrocketed, including gifts from the following:



Crane



Fluor

Guardian

ITC



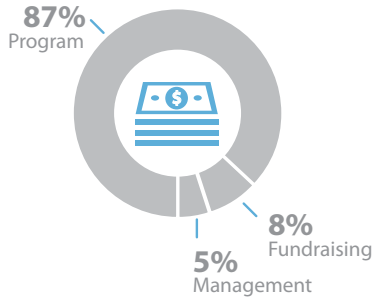
KPMG



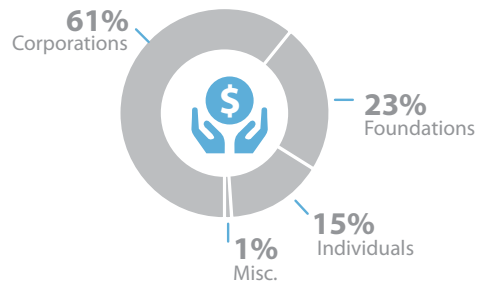
In addition to the above, BRT members who have previously supported MIND Research Institute include: AT&T, Citigroup, IBM, JP Morgan, Northrop Grumman, SAPO and Time Warner Cable.

FINANCIALS

FY 2014 Expenses



FY 2014 Funding by Donor



FY ending June 30, 2014

SUPPORT AND REVENUES

Contributions	\$ 6,558,463
Special Events, Net	467,237
In-kind Revenue	510,090

TOTAL FUNDRAISING AND PHILANTHROPY \$ 7,535,790

Program Support-School Sales	\$ 18,909,812
Gain on Sale of Securities	232

TOTAL SUPPORT AND REVENUES \$ 26,445,834

EXPENSES

Program	\$ 21,896,827
Management	1,318,667
Fundraising	1,989,950

TOTAL EXPENSES \$ 25,205,444

INCREASE IN NET ASSETS 1,240,390

BEGINNING NET ASSETS (DEFICIT) (1,151,150)

NET ASSETS, ENDING \$ 89,240

MIND Research Institute's fiscal year 2014 financial statements were audited by Grant Thornton LLP, certified public accountants. For a complete copy of the 2014 Audited Financial Statements, please email jingram@mindresearch.net or call 949-345-8695.

OUR DONORS

\$ 3 MILLION AND UP



\$ 1 MILLION AND UP



Paul and Margo
Folino

The Horowitz Group

Jim and Sheila
Peterson

\$500,000 and up

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Anonymous (2)
Bank of America
Bloomfield Family Foundation
Boeing Company
Chevron Corporation
Children & Families Commission
of Orange County
Croul Family Foundation
Michael & Susan Dell Foundation
Pacific Life Foundation
Podlich Family Fund
Seaver Institute
Ted and Janice Smith Family Foundation
Toyota USA Foundation
Ueberroth Family Foundation
Whitman-Harsh Family Foundation

\$250,000 and up

Anonymous
Capital Group Companies
Charitable Foundation
Gerard Family Trust
Helping Us Help Ourselves Foundation
Matthew & Roberta Jenkins
Family Foundation
John Deere Foundation
KDK-Harman Foundation
Marion Knott Foundation Inc.
Leonetti/O'Connell Foundation

NAMM
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Sherry and John Phelan
Marjorie T. Rawlins Trust
Janet and James "Walkie" Ray
Segerstrom Foundation
Stern Charitable Trust
University of Phoenix Foundation
Wells Fargo Foundation
Windsong Trust

\$100,000 and up

Ahmanson Foundation
Alcoa Foundation
American Honda Foundation
Annenberg Foundation
Arnold and Mabel Beckman Foundation
Bruce and Karen Cahill
California Community Foundation
Carol and Budge Collins
Carol and James Collins Foundation
Cummins Foundation
Dwight Stuart Youth Fund
Dynamax International Trading Co., Ltd
Edwards Lifesciences Corporation
Kris and Linda Elftmann*
Ella Fitzgerald Charitable Foundation
Fluor Foundation
Green Foundation
Hastings/Quillin Fund
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Hot Topic Foundation
Houston Endowment
Donald P. and Dodo Kennedy
Macy's/Bloomingtondale
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Napa Valley Vintners
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RGK Foundation
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Rose Hills Foundation
S.L. Gimbel Foundation
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Sempra Energy Foundation
Southern California Edison
State Farm
Symantec Foundation
Taco Bell Corporation*
Tarsadia Foundation
TROY Group, Inc.
US Bank
Verizon Foundation
W.M. Keck Foundation
Tim and Jean Weiss
WHH Foundation
Woodbridge Self-Storage*
Xerox Foundation

* Indicates part or all of gift was in-kind
Note: List reflects cumulative giving as of 6/30/2014

\$50,000 and up

Dick and Mary Allen
Beall Family Foundation
Mr. and Mrs. Eric Boden
Emil and Maureen Brolick
John and Constance Chambers
Gilbert & Jacki Cisneros Foundation
Conexant Systems, Inc.
DIRECTV
Experian Americas
Falcon Investment Group
FivePoint Communities
Google AdWords*
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Donald and Constance
Sperling Foundation
Peggy and Robert Sprague
John R. and Elizabeth Stahr
Steinmetz Foundation
Elbridge & Evelyn Stuart Foundation
United Way of Greater Los Angeles
Viejas Entertainment & Productions
Robert E. and Linda F. Yellin

\$25,000 and up

Adams Legacy Foundation
AFCEA
Allergan Foundation
Herb and Carol Amster Philanthropic Fund
Anonymous
AT&T Foundation
John Bishop and Barbara Nieto
Mara W. Breech Foundation
Citigroup
CME Group Foundation
Crevier Classic Cars / Crevier
Sales & Leasing
Dito Devcar Foundation
Benjamin Du
Eisner Foundation
James and Catherine Emmi

First American Corporation
Guardian Life Insurance Company
of America
Otis and Joann Healy
Mr. and Mrs. Lawrence Higby
George Hoag Family Foundation
The Hoag Foundation
IBM Corp.*
Mr. Michael Kaye
Mike and Sheila Lefkowitz
Richard L. and Ginny Linting
Long Beach Community Foundation
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David and Darrellyn Melilli
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National Society of Black Engineers
Hasbun Nazari Charitable Fund
NEC Foundation of America
Opus Community Foundation
Quartics
Roripaugh Family Foundation
SchoolsFirst Federal Credit Union
Leo M. Shortino Foundation
Sutton Family Charitable Fund
Technology for Kids Foundation
Tim J. Molnar, CFP®
Time Warner Cable*
Toshiba America Foundation
TransCanada Pipeline USA
Western Digital Corporation

\$10,000 and up

Allen Charitable Lead Annuity Trust
Anonymous
William C. Bannerman Foundation
Marian and Garth Bergeson
Employees Community Fund of
Boeing California
Erik and Kari Brandi
Richard and Susan Bridgford
Robert and Dallas Celecia*
Bruce Chapman
Commercial Bank of California
Cox Charities
Crane Foundation, Inc.
Dancing Tides Foundation
James W. and Gail Daniels
DaVita Inc.
Dwight Decker
Disneyland Resort
Draper Foundation
Fieldstone Company
FileNet Corporation
Ford Motor Company

Edwin Fuller
Gibson, Dunn & Crutcher
Glynn Orthodontics
Sam Goldstein
Davis Guggenheim and Elisabeth Shue
James P. Hagstrom and Cynthia O'Neill
Haskell & White LLP
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Stephen and Kathy Peterson
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Barbara Roberts
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Edward and Helen Shanbrom Family Fund
Soka University of America
Sooch Foundation
Thomas E. and Gerda Sparks
Glen and Dorothy Stillwell Charitable Trust
TOSA Foundation
UCI Foundation
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United Health Foundation
United Technologies Matching
Gifts Program
Orange County's United Way
Waltmar Foundation
Dan S. and Sharon Whelan
Tiger Woods Foundation
Jane Fugishige Yada
Zeiss Optics Corporation

**Indicates part or all of gift was in-kind
Note: List reflects cumulative giving as of 6/30/2014*

MIND Research Institute

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