

## About Think New Mexico

Think New Mexico is a solution-oriented think tank serving the citizens of New Mexico. We fulfill our mission by educating the public, the media and policymakers about some of the very serious problems facing New Mexico and by developing effective, comprehensive, long-term solutions to those problems.

Our approach is to perform and publish sound, non-partisan research. Unlike many think tanks, Think New Mexico does not subscribe to any particular ideology. Instead, our focus is on promoting solutions.

Consistent with this approach, Think New Mexico's Board is comprised of Democrats, Independents and Republicans. They are statesmen and stateswomen, who have no agenda other than to see New Mexico succeed. They are also the brain trust of this think tank.

As a solution-oriented think tank Think New Mexico measures its success based on changes in law or policy that it is able to help achieve and which make New Mexico an even better place to live. We use advocacy and, as a last resort, legal action but only within the constraints of Federal tax law.

Think New Mexico began its operations on January 1, 1999. It is a nonprofit, tax-exempt organization under section 501(c) (3) of the Internal Revenue Code. Contributions to Think New Mexico are tax-deductible.

## **Letter from the Founder and Executive Director**

To Think New Mexico's friends, partners and investors:

We did exactly what we set out to do in 1999, our first year of operation: make full-day kindergarten accessible to every child in New Mexico.

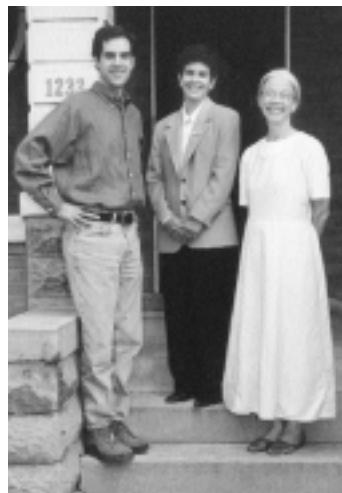
Our goal was greeted with a great deal of skepticism. It was "too ambitious" a project for a new organization to tackle. It had "been tried before several times and had gone nowhere." There was "not the money available to pay for it" and on and on.

We are pleased to report that in its recent session, the New Mexico Legislature passed landmark legislation that will phase in full-day kindergarten over a five-year period. The House vote was 63-4. The Senate vote was 28-8. After initially threatening to veto it, Governor Gary Johnson reconsidered and signed it into law. The \$8.5 million appropriation for the first year of implementation is enough to reach approximately 5,000 five year-olds. By 2004, when the law is fully implemented, it will serve as many as 25,000 kids.

We received lots of help. We are especially grateful to our bipartisan sponsors: Senators Sue Wilson and John Arthur Smith and Representative J. Paul Taylor. They are skilled and savvy legislators and we were fortunate to have them on our side. We are equally grateful to Governor Gary Johnson for signing the legislation. He studied the issue thoroughly and listened to all sides.

We asked the business community to endorse the legislation and we were gratified by the response. The Association of Commerce and Industry and the Hispano Chamber of Commerce, in particular, placed their considerable lobbying muscle behind the legislation. They made a critical difference. We also received strong editorial support from key New Mexico media at crucial times. Some good examples are re-printed throughout this report.

Our mission statement notes that we measure our success based on changes in law or policy which we are able to help achieve. By that standard, 1999 was an extremely successful



#### **Think New Mexico's Staff**

*Fred Nathan, Founder and Executive Director, Carol Romero-Wirth, Assistant Director, and Susan R. Fleischmann, CPA, Chief Financial Officer, in front of the Headquarters of Think New Mexico in the Digneo-Moore House, across the street from the New Mexico State Capitol in Santa Fe.*

year for Think New Mexico. We expect to be held accountable for obtaining good results each year, just like organizations in the private and public sectors.

Our Balance Sheet and Statement of Income and Expenditures for 1999 are re-printed on page 15. The latter shows that we spent slightly more than \$80,000 in 1999. Given the \$8.5 million appropriation, that is a return on investment so far of more than \$100 for each dollar invested in Think New Mexico.

In addition to the full-day kindergarten victory, there were several other significant highlights during our first year of operation:

- We recruited a distinguished and active board of directors. Their brief biographies appear on pages six and seven. It is both fun and an extraordinary privilege to serve with each of them.
- We hired Carol Romero-Wirth as our Assistant Director. Carol is an excellent addition. She is a University of New Mexico trained attorney with a master's degree in public policy from the LBJ School of Public Affairs at the University of Texas. Carol also has experience working in both the legislative and executive branches of New Mexico State government. We were also fortunate to obtain the services of Susan Fleischmann, CPA, who does all of our bookkeeping.
- We moved into a small one-room office on the second floor of the Digneo-Moore House in June. It is directly across the street from the State Capitol, an ideal location.
- We analyzed, researched and wrote two policy reports that made the case for full-day kindergarten. The first, released in September, presented the advantages of full-day kindergarten for New Mexico. The second, released in December, discussed how the State could pay the cost of full-day kindergarten by cutting non-essential and duplicative government services.
- We raised more than \$100,000. Our approach to raising money is simple: do outstanding work and it will take care of itself. On pages 12 and 13, we list our more than 100 individual investors and 10 foundation partners. We are extremely grateful to each one of them. They are all true friends.

We face many new challenges in 2000. First, we want to insure the success of full-day kindergarten. Toward that end, we are planning a "best practices" conference for every full-day kindergarten teacher in the State in the Fall. It will emphasize a child-centered, developmentally appropriate curriculum. We are also closely monitoring the implementation of full-day kindergarten by the State and its 89 school districts.

Second, the Board has selected a second policy initiative that we have already begun to research. It is another education reform topic and it will build on what we have learned from the fight for full-day kindergarten.

Third, we are working to capitalize on the success of our first project by putting into place a stronger financial foundation for Think New Mexico's future. Because we are a small operation, without a professional development officer on staff, all of the time we spend fundraising leaves less time for us to devote to our programmatic work.

If you like what you read in our Annual Report, we hope that you will consider investing in us for the first time or re-investing in us.

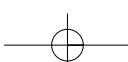


*Fred Nathan*

Fred Nathan



**the New Mexican  
Credit all around for full-day kindergarten**



## Think New Mexico's Board of Directors

**Edward Archuleta** is the Director of the Santa Fe office of 1000 Friends of New Mexico, a not-for-profit organization that advocates responsible land-use planning, growth management and sustainable development. Edward previously served as the top assistant to former New Mexico Secretary of State Stephanie Gonzales.



**Paul Bardacke** served as Attorney General of New Mexico from 1983-1986. Paul is a member of the American College of Trial Lawyers. He currently handles complex commercial litigation with the firm of Eaves, Bardacke, Baugh, Kierst & Kiernan.



**David Buchholtz** has served on a long list of New Mexico boards and commissions and has advised several New Mexico governors on fiscal matters. David recently served as Chairman of the Association of Commerce and Industry. He is a senior shareholder and former President of Sutin, Thayer & Browne.



**Garrey Carruthers** served as Governor of New Mexico from 1987-1990. Currently, Garrey is President and CEO of Cimarron Health Plan. He is a member of the Board of Directors of the U.S. Chamber of Commerce, Association of Commerce and Industry, the National Center for Public Policy and Higher Education and the New Mexico Foundation for Educational Excellence.



**Elizabeth Gutierrez** is an organizational development consultant who is pursuing a doctoral degree in public policy. Liz was a marketing executive with IBM for nearly two decades. She has also served as Director of Administrative Services Department for the city of Santa Fe.



**LaDonna Harris** is an enrolled member of the Comanche Nation. LaDonna is President and Founder of Americans for Indian Opportunity, a national not-for-profit organization that serves as a catalyst for new concepts and opportunities for Native peoples. She was a leader in the effort to return the Taos Blue Lake to Taos Pueblo.





**Rebecca Koch** is the owner of Rebecca Koch & Associates which provides management consulting services in the areas of development and strategic planning to local and national not-for-profits. Rebecca was the organizational development consultant for the Santa Fe Business Incubator, Inc. She is a former President of the Board of New Mexico Literary Arts.



**Fred Nathan** founded Think New Mexico and is its Executive Director. Fred served as Special Counsel to New Mexico Attorney General Tom Udall from 1991 to 1998. In that capacity, he was the architect of several successful legislative initiatives and was in charge of New Mexico's successful 1.25 billion dollar lawsuit against the tobacco industry.



**Frank Ortiz**, a career Foreign Service Officer of the United States, has served as United States Ambassador to several countries, including Argentina, Guatemala and Peru. Frank serves on many other boards throughout New Mexico.



**Roberta Cooper Ramo** is the first woman elected President of the American Bar Association. Roberta is a former President of the Board of Regents of the University of New Mexico. She is a shareholder with the Modrall law firm and serves on many national boards.



**Stewart Udall** served as Secretary of the Interior under Presidents Kennedy and Johnson. Prior to that, Stewart served three terms in Congress. He is the author of *The Quiet Crisis* (1963) that tells the story of humankind's stewardship over the planet's resources, and *To the Inland Empire: Coronado and Our Spanish Legacy* (1987) which celebrates Hispanic contributions to our history.

*Think New Mexico's unique, solution-oriented approach to some of the unyielding problems that confront New Mexico is most welcome and needed. This organization has already accomplished wonders in its first year and I am confident that it will accomplish many more good things for New Mexico because of the caliber of the people involved.*

Owen Lopez, Executive Director  
McCune Charitable Foundation

**Foundation Partners  
with Think New Mexico:**  
(5/15/1999 — 5/15/2000)

The Azalea Foundation

The Cudd Foundation

The Frost Foundation

M. A. Healy Foundation

The Kids Fund

McCune Charitable  
Foundation

The Solis-Cohen  
Spigel Family Fund

New Mexico State  
Employees Charity Campaign

Thaw Charitable Trust

Edith M. Timken Family  
Foundation

**Individual Investors in  
Think New Mexico:**

(5/15/1999 — 5/15/2000)

Rick and Kathy Abeles	Karen Heldmeyer	Janet Rodney
Abigail Adler and Paul Abrams	Jeri and Philip Hertzman	Charlotte Roybal
Jarratt Applewhite	E. Franklin Hirsch	St. Vincent Hospital
Steve Babb	Samuel Hitt	Westy Saltonstall
Laurie and Tom Barrow	Jacqueline Hoefer	Gloria Sawtell
Lisa and Gregg Bemis Jr.	Denise and Bill Johnson	Ann Sawyer
Frederick Berry	Dr. Norty Kalishman	Karyn and Paul Schmitt
Kay and Andrews D. Black	David Kaufman	Carol Gish Schrader
Stuart Bluestone	and Liz Jacobson	Frankie and Dr. John Schulman
Alpha Lee Brammer	Janet and Donald Kaye	Chuck Scott Jr.
Eleanor Brenner	William E. Keller	Richard and Susan Seligman
Kate and Peter Brill	Rich Klein	Libby and George Stone
Georgia and Chris Brown	Rebecca Koch	Suzi Stone
Thomas Burrage	Ruth and Dr. Paul Kovnat	Charles W. Sullivan
Andrea Buzzard	Bob Langsenkamp	Corliss Thalley
David Campbell	James and Mary Lipscomb	Gay and Andrew Ungerleider
John Clubbe	Sue and Dr. Beryl Lovitz	Jeanne Ungerleider
Joan Z. Cohen	Jerry Marshak	Steven Ungerleider
Bennett and Barbara Cohn	Harriet and Douglas Meiklejohn	Sarah Sallie Wagner
Dr. George Cowan	Lara and Ben Morrow	Charles M.
Betty Lee Craig	Suzanne Roy Morrow	and Shirley F. Weiss
Karen Farrell	Arlyn and Fred Nathan	Westinghouse Electric Co.
Peggy and David Feldt	Maryanne and William Nordyke	Jane Wishner
Geoffrey Fettus	Wally Oleson and Gayle Bishop	Rebecca and Peter Wurzburger
Kristen and Steve Flance	Public Service Company	Jane and Dan Yohalem
Susan Fleischmann	of New Mexico	Claire Zoeller
Betsy Glenn	Melanie and Ed Ranney	
John H. Hart	Betsy and Dr. Steven Robeson	

*In our grant making, we search for groups that bring an extraordinary level of passion to what they do. This is one of the many important qualities that distinguishes the work of Think New Mexico and it shows in the results that they have been able to achieve against remarkably steep odds.*

**Jeanne and Jim Manning, The Azalea Foundation**



**Selected Financial Data  
for the Year Ended December 31, 1999**

*Betts, Bishop & Loggains has been hired to perform an audit for 1999. Below we re-print our Statement of Income and Expenditures and our Balance Sheet for 1999 as prepared by Susan R. Fleischmann, CPA, and Think New Mexico's Chief Financial Officer.*

David Buchholtz, Treasurer and Member of the Board

**Statement of Income  
and Expenditures**

<b>INCOME</b>	
Grants	\$101,500.00
Contributions	7,640.00
Interest Income	359.44
<b>Total Income</b>	<b>\$109,499.44</b>

<b>EXPENDITURES</b>	
Salaries	\$44,543.09
Payroll Taxes	4,072.30
Printing	16,366.58
Photocopy Expense	953.23
Rent / Utilities	3,804.88
Capital Expenditures	2,882.96
Office Supplies	2,461.30
Telephone / Fax	1,886.36
Postage	2,156.57
Audit/Accounting	500.00
Subscriptions	149.00
Board Expenses	199.16
Travel	0
<b>Total Expenses</b>	<b>\$80,227.97</b>

Net Income in	
Excess of Expenditures	\$29,271.47

**Balance Sheet**

<b>ASSETS</b>	
Cash in Bank	\$33,093.58
Cash in CD	3,000.00
Pre - Paid rent	465.00
Computer Equipment	2,882.96
<b>Total Assets</b>	<b>\$39,441.54</b>

<b>LIABILITIES</b>	
Payroll Taxes Payable	\$6,822.11

<b>FUND BALANCE</b>	
Restricted – Salaries	\$18,770.03
Restricted Rent & Utilities	1,718.79
Unrestricted/Undesignated	12,130.61
<b>Total Fund Balance</b>	<b>\$32,619.43</b>

Total Liabilities	
and Fund Balance	\$39,441.54

*These financial statements do not include in-kind contributions from 1999, which amount to \$15,570.66*

## **Think Twice**

### **Before You Write a Check to Think New Mexico!**

Don't get us wrong. Your contribution to Think New Mexico will make a critical difference in our efforts to develop comprehensive, long-term solutions, like full-day kindergarten, to some of the most unyielding problems facing New Mexico. And if you send us a check you will, of course, receive a tax deduction for the full amount.

But if, instead, you donate long-term appreciated (increased in value) stock to Think New Mexico, you receive a deduction for the current fair market value of the stock and you avoid long-term capital gains tax. . . which means that you may be able to make a larger gift to Think New Mexico than you might have thought you could.

Here's the math. If you write a \$1,000 check to Think New Mexico, you receive a charitable tax deduction worth \$1,000 – pure and simple.

If, instead, you give Think New Mexico \$1,200 of long-term appreciated securities, you receive a \$1,200 tax deduction, plus an additional capital gains tax savings of up to \$240.

In this example, by giving appreciated securities you are giving \$200 more to Think New Mexico, but you are saving \$240 of capital gains for a net savings to you of \$40.

GIFT	CHECK	SECURITIES*
Value to Think New Mexico	\$1,000	\$1,200
Charitable Tax Deduction	\$1,000	\$1,200
Capital Gains Tax Avoided	\$0	\$240 (20%)

\* This example assumes a zero cost basis. The savings will be even greater if you live in a state like New Mexico that taxes capital gains.

For more information, consult a tax advisor. You may be surprised at how inexpensive – and how valuable – your contribution to Think New Mexico can be.

