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
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
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:  

- 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:

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

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### Statement of Income and Expenditures

<table>
<thead>
<tr>
<th></th>
<th>INCOME</th>
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<tbody>
<tr>
<td>Grants</td>
<td>$101,500.00</td>
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<tr>
<td>Contributions</td>
<td>7,640.00</td>
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<tr>
<td>Interest Income</td>
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<td><strong>Total Income</strong></td>
<td><strong>$109,499.44</strong></td>
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<table>
<thead>
<tr>
<th></th>
<th>EXPENDITURES</th>
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<tbody>
<tr>
<td>Salaries</td>
<td>$44,543.09</td>
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<tr>
<td>Payroll Taxes</td>
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<td>Printing</td>
<td>16,366.58</td>
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<tr>
<td>Photocopy Expense</td>
<td>953.23</td>
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<tr>
<td>Rent / Utilities</td>
<td>3,804.88</td>
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<tr>
<td>Capital Expenditures</td>
<td>2,882.96</td>
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<tr>
<td>Office Supplies</td>
<td>2,461.30</td>
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<tr>
<td>Telephone / Fax</td>
<td>1,886.36</td>
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<tr>
<td>Postage</td>
<td>2,156.57</td>
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<tr>
<td>Audit/Accounting</td>
<td>500.00</td>
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<td>Subscriptions</td>
<td>149.00</td>
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<td>Board Expenses</td>
<td>199.16</td>
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<tr>
<td>Travel</td>
<td>0</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$80,227.97</strong></td>
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</table>

**Net Income in Excess of Expenditures $29,271.47**

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### Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>ASSETS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in Bank</td>
<td>$33,093.58</td>
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<tr>
<td>Cash in CD</td>
<td>3,000.00</td>
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<tr>
<td>Pre-Paid rent</td>
<td>465.00</td>
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<tr>
<td>Computer Equipment</td>
<td>2,882.96</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$39,441.54</strong></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>LIABILITIES</th>
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</thead>
<tbody>
<tr>
<td>Payroll Taxes Payable</td>
<td>6,822.11</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>FUND BALANCE</th>
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</thead>
<tbody>
<tr>
<td>Restricted - Salaries</td>
<td>18,770.03</td>
</tr>
<tr>
<td>Restricted Rent &amp; Utilities</td>
<td>1,718.79</td>
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<tr>
<td>Unrestricted / Undesignated</td>
<td>12,130.61</td>
</tr>
<tr>
<td><strong>Total Fund Balance</strong></td>
<td><strong>$32,619.43</strong></td>
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</tbody>
</table>

**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.

<table>
<thead>
<tr>
<th>GIFT</th>
<th>CHECK</th>
<th>SECURITIES*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value to Think New Mexico</td>
<td>$1,000</td>
<td>$1,200</td>
</tr>
<tr>
<td>Charitable Tax Deduction</td>
<td>$1,000</td>
<td>$1,200</td>
</tr>
<tr>
<td>Capital Gains Tax Avoided</td>
<td>$0</td>
<td>$240 (20%)</td>
</tr>
</tbody>
</table>

* 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.