The Walton Family Foundation

Annual Report

2009
When Sam and Helen Walton launched their modest retail business in 1962, one of their goals was to increase opportunity and improve the lives of others along the way. This guiding principle has played a major role in the phenomenal growth of their small enterprise into a global retail leader. This principle - to the benefit of deserving people and inspiring projects around the world - also drives the philanthropic mission of the Walton Family Foundation.

Today the Foundation is more focused than ever on sustaining the Waltons’ timeless small-town values and their deep commitment to making life better for individuals and communities alike. By working with grantees and collaborating with other philanthropic organizations, the Foundation is dedicated to making a positive difference in three focus areas:

> **Systemic K-12 education reform**
> **Freshwater and marine conservation**
> **Quality of life initiatives in our home region***

During 2009, the Foundation invested more than $378 million in a wide variety of domestic and international projects that addressed significant social and environmental issues, and sought to create exciting new opportunities. The following pages serve as an annual progress report on how Foundation funding is making a positive difference in many diverse communities – and in the lives of the people who call them home.

*The Foundation created the Home Region focus area at the end of 2009 by combining our ongoing work in the Delta region of Arkansas and Mississippi, in Northwest Arkansas, and in Arkansas education reform.
PHILANTHROPIC FOCUS

The Foundation seeks to make a positive difference in three focus areas.

1. Systemic K-12 education reform
2. Freshwater and marine conservation
3. Quality of life initiatives in our home region
Contents

1 – 5   Systemic K-12 education reform

6 – 14   Freshwater and marine conservation

15 – 19   Quality of life initiatives in our home region
Systemic K-12 Education Reform
America needs a vibrant, healthy, and fair system of education if its students are to reach their full potential and lead the nation to thrive in a global economy.

The Foundation is committed to improving K-12 student achievement in the United States at every level – in traditional public schools, charter public schools, and private schools. The Foundation’s core strategy is to infuse competitive pressure into America’s K-12 education system by increasing the quantity and quality of school choices available to parents, especially in low-income communities. When all families are empowered to choose from among several quality school options, all schools will be fully motivated to provide the best possible education. Better school performance leads, in turn, to higher student achievement, lower dropout rates and greater numbers of students entering and completing college.

According to the National Center for Education Statistics, the number of children attending their designated public school measurably declined between 1993 and 2007 – from 80 percent of the student population to 73 percent. As more and more families exercise the freedom to choose where their kids attend school, particularly in low-income communities, education reformers are finding support for a wide range of efforts, such as implementing higher academic standards, implementing more rigorous curricula, transitioning ineffective teachers out of the classroom and rewarding highly effective teachers with better pay.

Through three distinct initiatives, the Foundation invests its efforts to shift decision-making power over where a child attends school to his or her family by:

> Shaping public policy
> Creating quality schools
> Improving existing schools
Key initiatives

> **Shaping Public Policy** – The Foundation seeks to build the capacity of organizations to help enact, strengthen and protect programs that empower parents to choose high-performing schools. The strategy consists of investing in groups that are focused on:

> - Public charter school choice
> - Private school choice
> - District reforms, particularly open enrollment and district school choice
> - Empowering parents to choose across school sectors

> **Creating New, Quality Schools** – To facilitate the establishment and expansion of new, high-quality schools of choice, the Foundation invests in:

> - Promising groups starting or expanding schools of choice
> - The replication capacity of proven charter management organizations
> - Groups that train people to open and lead quality schools of choice
> - Groups that assist schools of choice with finding and financing facilities

> **Improving Existing Schools** – Many schools – whether district, public charter or private – respond constructively to the evolution of increasingly competitive markets. To help them enhance student performance, Foundation strategies include:

> - Improving the way teachers are selected, trained and compensated
> - Helping traditional districts close and replace low-performing schools
> - Addressing weaknesses in the governance, management, and instructional performance of public charter and private schools

In 2009, the Foundation increased its focus on a select number of “Market-Share Demonstration Sites,” where the Foundation hopes to demonstrate that parental choice can inspire meaningful improvements in the education system and higher academic achievement for all students. So far, the Foundation has selected seven of these demonstration sites: Albany, Denver, East and South Los Angeles, Milwaukee, New Orleans, Newark and Washington, D.C.

The Foundation is committed to improving K-12 student achievement in all schools, including traditional public schools, public charter schools and private schools.

Photos courtesy: Alliance for School Choice

Better school performance leads, in turn, to higher student achievement, lower numbers of high school dropouts, and higher numbers of students entering and completing college.
Key accomplishments

> The Foundation funds such groups as the Knowledge is Power Program (KIPP) and Building Excellent Schools to train people to open new, high-quality public charter schools. During 2009, Foundation support helped 33 new leaders open public charter schools, representing 13,600 new school seats.

> In 2009, the Foundation funded 148 startup grants for public charter schools, bringing the total number of such grants awarded since 1998 to 822. During this 10-year period, the Foundation provided funds to 21 percent of the new public charter schools opened in 31 states.

> GreatSchools, a major Foundation grantee, served more than 25 million parents searching for information about the relative quality of various schools available to them at www.greatschools.org.

> Each year, the Foundation supports Teach For America, an organization that places elite college graduates in schools in the country’s most disadvantaged communities. These include the Mississippi Delta and central cities from Los Angeles to New Orleans to Washington, D.C. Teach For America placed 7,300 first- and second-year teachers in 35 locations in 2009.

Success story: New Orleans Charter Science and Math Academy

In the fall of 2008, the New Orleans Charter Science and Math Academy opened its doors, determined to make a difference. The school is founded on the belief that all young people can develop the skills, motivation and perseverance needed to complete college and pursue the careers and lives of their choosing. Known as “Sci Academy,” this school of excellence has benefited from the Foundation’s public charter school startup grant program.

In Sci Academy’s inaugural year, 9th graders had the highest proportion of students scoring proficient* in the Recovery School District high schools and the highest proficiency of all non-selective high schools in the city of New Orleans. During the 2009-10 school year, Sci Academy built on this success. Not only did the new 9th grade class have the second highest performance in the Recovery School District, but Sci Academy’s 10th grade also had the highest proportion of students scoring proficient in the Recovery School District.

These results are extraordinary and due to the talented leadership of school founder Benjamin Marcovitz along with his highly committed teaching staff. Sci Academy is an open-enrollment school that has 15 percent special education students, 92 percent low-income students and 97 percent minority students. These

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*For Graduation Exit Examination (GEE) mathematics and reading scores, 88% and 80% of Sci Academy students scored proficient, respectively, in 2010 State Exam compared to 39% and 34%, respectively, for the New Orleans Recovery School District (Average) and New Orleans Charter Science and Math Academy.
kids often come to Sci Academy two or three grade levels behind and get on track to graduate in four years with the realistic opportunity to attend four-year colleges and universities.

*Proficient is defined as the percent scoring basic or better.

**Success story: Don Fisher’s Enduring Legacy (1928 -2009)**

The American education reform movement enjoyed a true champion in the late Don Fisher, founder of Gap Inc., one of the world’s largest apparel retailers. Don was an uncommon individual whose passion for business was matched only by his passion for philanthropy, particularly in support of education reform. His commitment to improve educational opportunities for the nation’s youth led to many collaborations between the Doris and Donald Fisher Fund and the Walton Family Foundation.

> The partnership between the two foundations began with the Knowledge Is Power Program (KIPP). Don Fisher took a chance on KIPP’s unique approach to K-12 education and invited the Walton Family Foundation to join in this work. Today there are nearly 100 KIPP schools nationwide, including in the Delta region of Mississippi and Arkansas.

> Don and the late John Walton worked together to launch the California Charter School Association, which provides a voice for the state’s charter school operators. Don insisted that to qualify for membership, charter schools must meet strict quality requirements so the organization could help set the standard for quality across the board.

> Their work expanded to include creating the Charter School Growth Fund. CSGF has built a portfolio of organizations that collectively are creating 100,000 seats in high-performing charter schools.

> Although the Walton Family Foundation had been funding Teach for America (TFA) in the Delta since 1993, collaboration with the Doris and Donald Fisher Fund expanded support to the organization. Today, there are more than 20,000 TFA alumni and more than 8,000 active corps members serving in the country’s neediest communities.

Thanks to his vision, Don’s enduring legacy inspires the ongoing work of the Walton Family Foundation and will continue to support education reform advancements nationwide for years to come.
Freshwater and marine conservation
The Foundation’s environmental giving focuses on achieving lasting conservation in some of the world’s most important ocean and river systems. Desired outcomes are intended to benefit both people and wildlife by aligning economic and conservation interests. Accordingly, the Foundation invests in projects that create new economic incentives for sustainability and biodiversity protection, and in projects utilizing other conservation tools where needed.

**Key initiatives**

> **Marine conservation:** The Foundation and its grantees seek to create networks of effectively managed protected areas. The purpose is to conserve key biological features and ensure sustainable use of marine resources, especially fisheries. The Foundation focuses on four geographic regions:

> > Bird’s Head Seascape (Indonesia)
> > Eastern Tropical Pacific Seascape (ETPS) (Costa Rica, Panama, Colombia and Ecuador)
> > Gulf of California (Mexico)
> > Gulf of Mexico (United States)

Through a mix of protection and management strategies, the Foundation seeks to promote both conservation and sustainable management of marine resources and critical habitats. Initiatives include:

- **Marine conservation areas**
  - $36,192,593

- **Freshwater conservation**
  - $7,951,673

- **Other environmental related grants**
  - $11,454,512
> Encouraging positive social, political and economic environments for conservation of natural resources

> Establishing no-take zones (NTZ) to protect critical habitats and replenish fisheries

> Implementing sustainable fisheries management strategies, including catch shares, which allocate a share of fish each season to individual fishermen, communities or fishery associations; and employing more selective fishing gears that reduce the catch of non-target species (bycatch)

> Ensuring that laws safeguarding marine protected areas (MPAs) and fisheries are enforced effectively

> Helping coastal communities strike a balance between resource use and conservation to ensure long-term financial stability

In addition, the Foundation supports economic incentives for ocean conservation including:

> Catch share programs
> Projects that harness the power of major seafood buyers to improve the sustainability of economically and ecologically important fisheries

> **Freshwater conservation:** The Foundation’s goal is to ensure healthy and resilient communities of both wildlife and humans in targeted river systems. The initiative focuses on the Mississippi and Colorado River basins and accomplishes its work through economic incentives and other conservation tools.

The Foundation’s strategies in the Colorado and Mississippi River basins are organized around four core components, which are tenets of a healthy river system:

> River flows that are appropriate in both quantity and timing for wildlife, while providing sufficient water for sustainable human uses
> Water quality that is healthy enough for both human and wildlife uses
> Riverside habitat that enables resilient wildlife communities and recreational access for people
> Built infrastructure (such as dams, levees, riverside buildings, etc.) designed to utilize the river in a manner that minimizes impact on rivers and wildlife
In the Colorado River Basin, the Foundation works to address river flows and riverside habitat objectives, with supporting efforts related to infrastructure improvements. In the Mississippi River Basin, the Foundation seeks to address water quality, riverside habitat and built infrastructure objectives.

**Marine Conservation**

**Key accomplishments**

> Foundation funding has created new marine protected areas covering 22,000 hectares in Panama’s Gulf of Chiriqui and 16,000 hectares in Costa Rica’s Camaronal National Wildlife Refuge.

> Two management plans were completed by grantees during 2009 for additional marine protected areas in Ecuador’s El Morro Wildlife Reserve and Pacoche Wildlife Reserve.

> Collection and analysis of baseline data has showed increased fisheries density and biodiversity in the marine protected areas of the ETPS since the creation of the Foundation-funded project. Specifically, the measured biomass of large carnivorous fishes such as carangid jacks, sharks and groupers in well-guarded marine protected areas was approximately five times greater than in poorly enforced marine protected areas.

> The Ecuadorian government has eliminated industrial shrimp trawling fleets in its coastal waters in order to help restore marine resources and habitats.

> The new Costa Rican President, Laura Chinchilla, agreed to expand Cocos National Park, in part due to the lobbying of several groups, including Conservation International, The Nature Conservancy and National Geographic.

> Conservation International raised nearly $725,000 of both public and private funds to match Foundation funding for the Bird’s Head Seascape.

> In the Gulf of California, Communidad y Biodiversidad successfully negotiated an increase in the fully protected areas of Loreto Bay National Park to 10 percent of the park’s waters, protecting habitat for a variety of fishes, sharks, turtles and cetaceans.

> In the Gulf of Mexico Red Snapper Fishery, the population of fish has already begun to show demonstrable signs of recovery just two years after local leaders adopted a catch share program. Commercial snapper fishermen have stayed below their allowable catch limits during each of the past two years and cut their ratio of bycatch to fish landed by almost 70 percent. As a result, catch limits were raised for 2009, and fishermen are catching more fish.
> Foundation funding helped establish the Sustainable Fisheries Partnership (SFP) in 2007 to convene stakeholders of fishery supply chains and improve the legality of product moving through that supply chain. One primary method has been to publish broad and deep fishery ratings and outcomes on its website, FishSource, to improve transparency of information available to all buyers and distributors. During 2009, the SFP made information available on 140 fisheries using a new metrics system to help retailers increase their percentage of purchases from effective fisheries. Walmart was the first retailer to start using the system. The tool is open-source and available at no charge.

> During 2009, the Foundation provided $1 million to the National Fish and Wildlife Foundation to help establish the National Fisheries Innovation Fund. Matching dollars came from the National Oceanographic and Atmospheric Administration. The fund supports the design and implementation of new catch share programs in U.S. fisheries.

**Success story: Bird’s Head Seascape**

In the heart of the Coral Triangle in northwest Papua, Indonesia, lies one of the world’s greatest ocean treasures: the Bird’s Head Seascape. This haven for marine biodiversity has recorded 1,511 species of coral reef fishes and more than 600 corals, ranking it as the highest region of coral biodiversity in the world. The Seascape’s rich coastal and marine resources also make it a target for economic development.

The Foundation’s Bird’s Head Seascape initiative aims to protect biodiversity in a manner that also sustains fisheries and maintains tourism potential, benefitting local communities and the entire Seascape.


In the first phase of the project, the partners collected important scientific information on critical marine habitats to aid in marine protected area design. Each also worked successfully to create the political, social and ecological conditions to promote program success. The first phase led to the formal creation of a large, new marine protected area in Kaimana and to the expansion of marine protected areas in Teluk Mayalibit and Dampier Strait.

Today, the Bird’s Head Seascape marine protected area network includes 10 sites covering more than 3.4 million hectares of ocean. The Foundation’s partners are working to establish fisheries “no-take zones” and marine protected area management plans.
by providing training, capacity building, resources and political
support for these areas.

**Freshwater Conservation**

During 2009, the Foundation set its strategy for freshwater
conservation. The goal of the freshwater initiative is to ensure
healthy and resilient communities of both wildlife and humans in
targeted river systems. The initiative seeks to accomplish its goals
through economic incentives and other conservation tools. The
Foundation began grant-making to organizations working in one
of two areas:

> The Mississippi River Basin
> The Colorado River Basin

**The Mississippi River Basin**

In the Mississippi River Basin, the Foundation works to address
water quality, riverside habitat and built infrastructure objectives.

> **Water quality** – The Foundation seeks to achieve long-term
reductions in nutrient runoff from agricultural lands in key
watersheds that contribute the most to the dead zone – an
oxygen-deprived area that cannot support aquatic life in the
Gulf of Mexico. The Foundation works to improve targeting
and implementation of agricultural conservation programs
in the existing Farm Bill, as well as to ensure that successful
new runoff-reducing technologies and practices are eligible for
federal Farm Bill funding.

In the most environmentally sensitive areas, the Foundation
strives to develop markets for crops and to support practices
that improve water quality while keeping the land in
agricultural production and reducing farmers’ reliance on
traditional farm subsidies. This effort is centered on key
small agricultural watersheds in Iowa, Wisconsin, Indiana,
Minnesota and Illinois.

> **Riverside habitat strategy** – The Foundation allocates funds
to help increase healthy bottomland hardwood forests in the
Mississippi Alluvial Valley and to support the development of
ecologically compatible income sources for landowners and
communities based on that habitat.

The Foundation encourages reforestation of frequently flooded
croplands by funding efforts to leverage current Farm Bill
programs and emerging carbon markets. In addition, the
Foundation focuses on developing opportunities for nature
tourism, because it has the potential to provide economic
development benefits not only to landowners but also to
neighboring communities.
Reforestation work is concentrated in Arkansas, Mississippi and Louisiana where sizable expanses of frequently flooded agricultural lands lie near existing forested tracks.

> **Greening built infrastructure** – The Foundation supports the use of natural systems, such as restored wetlands and active floodplains, to provide needed infrastructure for urban and rural communities.

Foundation funding promotes the adoption of natural-systems approaches for infrastructure projects at federal and state levels. The strategy encourages the development of ecological management tools, engagement with key agencies that can employ these approaches, and outreach and education to build broad-based support of natural system methods.

The Foundation’s work on green infrastructure is currently focused on wetlands restoration for flood control and storm surge protection in Coastal Louisiana.

**The Colorado River Basin**

> The Foundation’s work in the Colorado River Basin is focused on improving the volume and timing of river flows and on improving the quality of riverside habitat. The Foundation also seeks to improve dam operations and increase water efficiency to accomplish its core flow and habitat objectives.

> **River flow strategy** – The Foundation addresses river flow issues at two scales.

> First, it funds works at the tributary scale to create replicable models that can be applied in other basin tributaries, and to build public and political momentum toward broader scale solutions. The Foundation has initiated its tributary work in the following river basins:

> The Gunnison River (Colorado)
> The Dolores River (Colorado, Utah)
> The Escalante River (Utah)
> The Verde River (Arizona)
> The San Pedro River (Arizona)
> The mainstem Colorado Delta region (Arizona, California, Mexico)

> Second, it works at the basin-wide scale to ensure that in-stream flow needs are a component of large inter-basin water transfer and regional water policy decisions. The Foundation collaborates with other foundations, conservation groups and government officials to ensure that those individuals and groups favoring improved in-
stream flows are aligned and have a strong voice in basin-wide water discussions.

> **Riverside habitat strategy** – Removing invasive plants, particularly tamarisk trees, and encouraging the return of native vegetation is the primary focus of the Foundation’s riverside habitat funding. Work has begun in the following Colorado River tributaries:

> The Dolores River (Colorado, Utah)
> The Escalante River (Utah)
> The Verde River (Arizona)
> The San Pedro River (Arizona)
> The mainstem Colorado Delta region (Arizona, California, Mexico)

> **Built infrastructure strategy** – The Foundation seeks to improve the operation of dams in its priority tributaries and to increase the efficiency of water use. Where appropriate, the Foundation:

> Identifies and promotes water-efficient practices, technologies and policies. The goal is to stretch water resources to accommodate human needs while ensuring sufficient in-stream flow for fish, wildlife and recreation.

> Promotes the timely review of dam operations to ensure they not only meet water users’ needs, but also satisfy the in-stream flow requirements of fish, wildlife and recreation activities.

**Key accomplishments**

The Foundation adopted a new freshwater strategy in July 2009. Prior to this time, the only active freshwater grants were focused on the Colorado Delta region. Key 2009 accomplishments are summarized below.

> With Foundation funding, Pronatura Noroeste (PNN) acquired rights to more than 3,450 acre feet of water in the Mexicali Valley through the Delta Water Trust. This water will be dedicated to improved Colorado River flows and the restoration of native riverside habitat in the Delta region.

> PNN utilized Foundation funding during 2009 to develop a restoration farm at the Colonia Miguel Aleman site, located on the stretch of Colorado River that forms the border between the U.S. and Mexico. The farm produces a variety of trees such as mesquite, cottonwoods and willows for riparian restoration projects. PNN hired local residents during the project, providing jobs to the community. The organization had contracts for the year’s entire production of 10,000 trees. The Foundation’s work in the Colorado River Basin is focused on improving river flows and the quality of riverside habitat.
outlook is bright, as the regional demand is estimated to be as high as 80,000 trees per year.

> The Yuma Crossing National Heritage Area completed design and permitting of a restoration project at the Hunters Hole site, on the U.S. side of the stretch of Colorado River that forms the border between the U.S. and Mexico. Yuma has secured a grant from the Arizona Water Protection Fund to construct the project. It has been redesigned due to border patrol issues and water availability challenges, but federal funding for ongoing maintenance of the project is currently under discussion. If these funds can be secured, the project will proceed.

> Grantees Pronatura Noroeste and Environmental Defense Fund (EDF) have been key players in high-level bi-national negotiations between the U.S. and Mexico regarding future water availability for environmental and human needs in the Delta region. In 2009, an innovative agreement was reached for committing the governments of the U.S. and Mexico and the Delta Water Trust (managed by PNN) to each acquire one-third of the water needed to protect the Cienega de Santa Clara wetlands during a one-year test run of a desalination plant near the border. One-third of the water currently flowing to the wetlands will be diverted to the plant during the test period.
Quality of life initiatives in our home region
Quality of life initiatives in our home region

During 2009, the Foundation provided funding to assess current regional needs by conducting one-on-one interviews with community leaders throughout Northwest Arkansas. The findings from this study helped the Foundation evaluate its funding and continue to align investments with the needs of the region.

The Foundation also created the Home Region focus during 2009, combining the separate focus areas of Northwest Arkansas, Arkansas education reform and the Delta region of Arkansas and Mississippi.

Arkansas Education Reform

The Foundation is helping traditional public school districts and public charter schools in the state to achieve greater accountability, transparency, and to offer more incentives. Additionally, the Foundation has placed a special focus on increasing student participation and achievement on advanced placement (AP) exams.
Key accomplishments

> The Foundation provided a matching grant of nearly $3 million over five years to augment a national Exxon-Mobil grant aimed at increasing AP achievement particularly in math, science and English. The 2008-09 school year was the first full year for Foundation funding.

> Nationally, Arkansas has posted some of the most significant gains in AP achievement. According to the College Board, from 2004 to 2009 the percentage of high school students statewide taking an AP exam increased from 13 percent to 34 percent. The national average in 2009 was 26.5 percent. In the same time frame, the percentage of students who scored 3 or better (3 is considered passing; 5 is a perfect score) rose from 6.1 percent to 11 percent.

> Arkansas’ AP participation rate has grown by 21.1 percentage points from just 12.9 percent of high school graduates in 2004. That’s the largest five-year increase in the nation this year, according to the College Board. In addition, Arkansas has narrowed the National Assessment of Educational Progress (NAEP) gap from a nine-point deficit in 1992 for fourth grade math to a one-point deficit in 2009. (Source: Arkansas Department of Education, School Performance Report)

> Participation by minority and low-income students is on the rise. In 10 high schools throughout the state that have a high percentage of African-American and Hispanic students, the number who passed AP exams has increased by 81 percent, a dramatic improvement compared to the national average increase of only 13 percent.

> The Foundation has invested $4.5 million over four years to establish the Arkansas Public School Resource Center, which provides much-needed resources and advocacy for open enrollment public charter schools and rural schools throughout the state. In its first year, 15 of the state’s 18 open enrollment public charter schools became members, as did 59 rural school districts and 12 educational co-ops.
Northwest Arkansas

Key accomplishments

> JBU/Siloam Springs Trail – The Foundation funded completion of a 1.74 mile addition to the Siloam Springs’ Dogwood Springs master trail plan. The expansion links the John Brown University (JBU) campus to an existing city trail system and provides residents a better opportunity to enjoy Sager Creek, previously inaccessible to the public. To date, approximately six miles of the projected 10 miles in the master trail plan have been constructed.

> Beaver Lake Watershed Strategy – During 2009, the Northwest Arkansas Council created a Foundation-funded watershed plan for the Beaver Lake watershed. The lake is one of the finest and earliest examples of regional cooperation in Northwest Arkansas. It is a source of drinking water for more than 300,000 Arkansans, a recreational destination for tens of thousands each year, and a “neighborhood lake” for thousands of property owners in Northwest Arkansas. The Council facilitated a scientifically-informed, consensus-driven process involving key stakeholders throughout the region. These included local residents, environmental groups, local businesses, property owners, recreational users of the lake, and water providers, as well as related state and federal agencies. The best thinking, advice and guidance came together to help create a Beaver Lake Watershed Strategy that includes the following areas of interest:

  > Managing runoff from new development
  > Managing construction site runoff
  > Enhancing pasture best management practices
  > Improving unpaved roads

> Center for Non-Profits – The Foundation funded a downtown re-development project in Rogers. The Center for Non-Profits has restored and reused a former hospital campus to create first-class communal space at below-market rents for a variety of social service and educational organizations. The effort has decreased the need for numerous individual capital campaigns to create this space on their own. The Foundation’s funding was earmarked for sustainability measures that included the installation of highly efficient HVAC and lighting systems and the recycling of virtually all materials involved in remodeling.

Delta Region

Key accomplishments

> During 2009, Southern Bancorp Capital Partners established a $3 million Downtown Revolving Loan Fund with the help of a $2 million investment by the Foundation and additional
funding from USDA Rural Development. The fund offers financing for projects that will revitalize Helena’s central business and historic housing district by offering below-market rates that spur economic development. An excellent example of the fund’s impact is The Edwardian Inn, a historical Victorian home that was converted into a bed and breakfast by a retired couple. The “new” Edwardian Inn opened in the fall of 2009 and now serves as a catalyst for comprehensive revitalization of downtown Helena and sustainable economic impact. Learn more at www.edwardianinn.com.

> During 2009, Southern Bancorp facilitated a second-generation strategic planning process, expanding constituent involvement to include more than 600 people from across a variety of sectors and economic backgrounds throughout the region. The plan will guide the region’s continuing efforts for the next five years.

> During the 2008-09 school year, all seven schools in Leflore County School District participated in LEAD (Learning, Excelling, Achieving in the Delta). The Foundation for the MidSouth implemented the program, which helps students improve their achievement in both math and language arts. Promising results were seen in both areas.

> Mathematics: 22 classes in grades 3-8 were tested; 14 classes demonstrated increases in proficiency, and 12 of the 14 gained four or higher percentage point increases.
> Language Arts: 22 classes in grades 3-8 were tested; 12 classes demonstrated increases in proficiency, and nine of the 12 gained four or more percentage point increases.

Success story: Critical Impact Award

The Council on Foundations named the Walton Family Foundation a recipient of the 2009 Critical Impact Award for Family Foundations for its work to achieve measurable improvements in the quality of life for residents of the Delta Region of Arkansas and Mississippi. The award goes to projects that demonstrate impact on the common good, innovative leadership, and serve as models for others in philanthropy.

The Foundation’s geographic approach and partnership with regional organizations like Southern Bancorp to implement community-based economic development and education strategies were recognized in the award. Both the Foundation and Southern Bancorp received the honor as grantor and grantee. Southern has partnered with the Foundation in Phillips and St. Francis counties in Arkansas.
For more information, go to:

www.waltonfamilyfoundation.org
2009 Grants and Program-Related Investments Summary

Total 2009 Grants and Program-Related Investments Summary: $378,433,411

- **Systemic K-12 education reform**
  - Shaping public policy: $42,331,966
  - Creating quality schools: $67,646,143
  - Improving existing schools: $21,582,870
  - Research and evaluation: $2,558,375
  - **Systemic K-12 education reform Total: $134,119,354**

- **Freshwater and marine conservation**
  - Marine conservation areas: $36,192,593
  - Freshwater conservation: $7,951,673
  - Other environment related grants: $11,454,512
  - **Freshwater and marine conservation Total: $55,598,778**

- **Quality of life initiatives in our home region**
  - Arkansas education reform: $9,237,553
  - Northwest Arkansas: $11,986,443
  - Delta Region of Arkansas and Mississippi: $6,165,316
  - **Quality of life initiatives in our home region Total: $27,389,312**

- **Special Initiatives**
  - Walton Family Charitable Support Foundation: $100,848,750
  - Crystal Bridges Museum of American Art, Inc.: $50,000,000
  - Other special initiatives: $9,051,704
  - **Special Initiatives Total: $159,900,454**

- **Grants of Less Than $10,000**
  - Grants Less Than $10,000: $1,425,513

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